

**EXAMINING THE EFFECT OF TALENT MANAGEMENT ON
ORGANIZATIONAL PERFORMANCE: A CASE OF COMPLY LIMITED,
NAKURU**

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DECLARATION

This research project is my own original work it has not been submitted to any other institution of learning for any certificate, diploma or degree.

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ABSTRACT

Talent management practice within an organization is a human Resources strategy that seeks to identify, develop, deploy and retain talented and high potential employees. Therefore the top management should realize the importance of talent management for the sake of organizations performance. This study was set to examine the effect of talent management on organization performance using comply industries Nakuru as case. Those included in the study were Managers/Heads of departments, General staff (finance, accounting, and marketing) and lower staff (firm workers and grounds men) of comply Ltd that was randomly selected. The objective of the study was to investigate whether organizations performance at Comply industries Ltd is influenced by targeted talent management. The target population was 419 comprising of 44 Managers/Heads of departments, 165 General (finance, accounting, marketing) and 210 lower staff (firm workers and grounds men) of comply industries Ltd. To ensure all categories of employee were represented in the sampling process stratified random sampling technique was used to sample the survey respondents from the target population. The employees were categorised into three strata of top level management, General level employees and the lower level employees. This study adopted a descriptive research design. The study collected qualitative data using questionnaires and qualitative data using interview guide. The quantitative data was analyzed using descriptive statistics generated from Statistical Software for Social Sciences (SPSS) and the qualitative data was analyzed using content analysis.

The study found out that the respondents opinion on talent management is that within an organization it is an international human resources strategy that seeks to identify, develop, deploy and retain talented and high potential employees. The reasons for employing talent management at Comply Ltd is because the organization leaders understand that having the right people in the right place at the right time to maximize business opportunities has become the most important factor in ensuring ongoing organizational success. The study findings went on to reveal that talent management improved employee attitude and behavior towards work. The study further revealed that the organization makes executives the primary talent managers. The study revealed that career development is a better predictor of Comply Ltd's performance, followed by targeted talent management, make executives the primary talent managers and Building a sustainable employer brand. The study recommends development of a talent culture so that talent conversations become acceptable throughout the organization and individuals are encouraged to expand their networks. The study also recommend that Comply Ltd offers differentiated and tailored development routes that can meet individual needs and strengths to help improve the engagement of those identified as talent and avoid perceptions of under-utilisation. To develop rewards and compensation structures which will be geared towards incentivizing line managers to spot and develop talented employees. The study further recommends accounting measures be appropriate, measurable and economical. These measures are best considered when the system is being designed, so that the evaluation process is designed into the system itself. Finally, the study recommends that the talent management system is integrated across all aspects of human resource management. There are clear inter-dependencies between talent management and recruitment, development, diversity, retention and succession planning practices.

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DEFINITION OF OPERATIONAL TERMS

Talent	- The skill that someone has quite naturally to do a task well. This skill is difficult to imitate.
Talent management	- The anticipation of required human capital for an organization and the planning to meet the human capital needs
Competitive Advantage	-is the superiority gained by an organization over competitors by offering customers great value of service.
Performance	-The accomplishment of a given task measured against preset known standards of accuracy, completeness, cost, and speed.
Organization	- A social unit of people that is structured and managed to meet a need or to pursue collective goals.
Productivity	- A measure of the efficiency of a person, machine, factory, system, etc., in converting inputs into useful outputs
Policy	- A plan or course of action, as of a government, political party, or business, intended to influence and determine decisions, actions, and other matters
Management	-They are people who control a business or organization they are in charge of making decisions on the day to day running of the business.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Since a group of McKinsey consultants coined the phrase the War for Talent in 1997 (Axelrod, B., Handfield-Jones, H., & Michaels, E .2002), the topic of talent management has received a remarkable degree of practitioner and academic interest. This relatively recent emphasis on talent management represents a paradigm shift from more traditional human resource related sources of competitive advantage literature such as those that focus on organizational elites, including upper echelon literature (Miller, Burke and Glick, 1998), and strategic human resource management (SHRM) (Huselid, 1995; Wright, Gardner, and Moynihan, 2003) towards the management of talent specifically suited to today's dynamic competitive environment. While the context may have shifted significantly since the latter part of the last century, the notion of talent management remains important. Arguably the challenge of maximizing the competitive advantage of an organization's human capital is even more significant in the recessionary climate of the latter part of the opening decade of the twenty first century.

Collings and Mellahi (2009) define strategic talent management as activities and processes that involve the systematic identification of key positions which differentially contribute to the organization's sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization. Key positions are not necessarily restricted to the top management team (TMT) but also include key positions at levels lower than the TMT and may vary between operating units and indeed over time (Collings and Mellahi, 2009).

Despite the growing popularity of talent management and over a decade of debate and hype, the concept of talent management remains unclear. Lewis, Heckman and Tuzinski, (2004) argue that there is a disturbing lack of clarity regarding the definition, scope and

overall goals of talent management, a view which also prevails in the practitioner literature. In this regard, a UK survey by CIPD (2006) found that 51 per cent of HR professionals undertook talent management activities, however only 20 per cent of them operated with a formal definition of talent management. The current state of talent management literature is exacerbated by the fact that, in addition to ambiguities around the definition of the concept, there has also been an alarming lack of theoretical development in the area (Lewis and Heckman, 2006; Boudreau and Ramstad 2007; Cappelli, 2008).

The above highlighted shortcomings in the literature on talent management have limited both scholarly work on the topic and its practical usefulness. This weakness is significant for a number of reasons. Most notably, a significant body of strategic HRM literature has pointed to the potential of human resources as a source of sustainable competitive advantage (Becker and Huselid, 2006; Schuler and Jackson, 1987), and argued that the resources and capabilities that underpin firms' competitive advantage are directly tied to the capabilities of talented individuals who make up the firm's human capital pool (Cheese, Thomas and Craig, 2008; Wright, McMahan, and McWilliams, 1994). Further, a recent study of 40 global companies found that virtually all of them identified a lack of a sufficient talent pipeline to fill strategic positions within the organization, which considerably constrained their ability to grow their business (Ready and Conger, 2007). Finally, talent management activities occupy a significant amount of organizational resources. Indeed, a recent study found that Chief Executive Officers (CEOs) are increasingly involved in the talent management process, with the majority of those surveyed spending over 20 per cent of their time on talent issues, while some spent up to 50 per cent of their time on talent issues (Economist Intelligence Unit, 2006).

The issue of talent management is thus of interest to a wide range of stakeholders beyond human resource (HR) academics and professionals. Indeed, the Economist Intelligence Unit (2006) found that most CEOs explicitly argued that talent management was too important to be left to HR alone, while a Boston Consulting Group (2007) report identified talent management as one of five critical challenges for HR in the European context. The BCG findings were based not only on those capabilities that executives expect to be most important in managing human capital, but tellingly are also those they perceive their organizations to be weakest at. Thus, the area is likely to be relevant,

interalia for scholars and practitioners in the fields of strategic management, human resources and organizational behavior.

1.1.1 Talent Management and Business Performance

Talent management refers to the anticipation of required human capital for an organization and the planning to meet those needs. Human capital is such a resource and especially the resource and knowledge based views recognizes the firm's knowledge resources as its tool for achieving a sustainable competitive advantage (Odonez de Pablos, 2004). Heinen and O'Neill (2004) argue that Talent Management can be the best way to create a long-term competitive advantage. A sustainable competitive advantage stems from the valuable, company-specific resources that cannot be imitated or substituted by competitors. Odonez de Pablos (2004) further argues that human capital, relational capital and structural capital can all be sources of long term competitive advantage but the most significant evidence favours human capital.

A recent international study (Wyatt, 2003) found that the more robust a company approach to building internal leadership capacity, the greater the financial returns in critical financial measures such as shareholder returns, growth in net income, growth in market share and return in sales. There is also abundant evidence (Carretta, 1992; Gutteridge et al., 1993; Pattan, 1986; Sahl, 1992; Walker, 1998; Wallum, 1993) that companies with a formal succession plan for their top managerial posts enjoy a higher return on investment (ROI) than those that do not have one. Carretta (1992) finds that the advantage is even greater for firms that adopt plans covering the managers' two tiers below the top.

According to Pattan (1986), strategic management succession plans enable firms to specify managerial functions and performance standards, ensure continuity in management practices, identify outstanding candidates for senior management posts, and satisfy the aspirations of employees for career advancement. Through the planning process, succession plans guide actions to enhance the quality of the leadership talent pool relative to business requirements. It is believed that succession planning can build a competitive advantage through the superior development of their leadership talent

(Walker, 1998). The interests in quantifying the impact of HR practices on financial performance have led to a number of studies which linked the impact of HR practices to specific firm outcomes. Investment in various HR practices have been linked to firm financial performance such as: training (Russell, Terborg, & Powers, 1985), selection and staffing (Terpstra & Rozell, 1993), appraisal (Borman, 1991), and compensation (Gerhart & Milkovich, 1992).

The companies doing the best job of managing their talent deliver better results for shareholders. According to Huselid (1995) study the results shows that a standard deviation increase in high performance talent management practices is associated with enormous economic returns. Huselid (1995) study further states that the top 15 percent companies that were selected in the study in terms of their use of high-performance talent management practice were associated with the following financial advantages: decrease in turnover, increase in profits per employee, increase in sales per employee and an increase in market value per employee. The imperative to effectively manage talent is more urgent than ever is it has the potential to deliver greater shareholder value and sustained competitive advantage through proper implementation of talent management practices within organizations. This study resulted in findings about the relationship between talent management and financial performance.

Timber industry

The timber industry in Kenya is well developed having two major players. It has experienced strong growth since the year 2012 due to talent training programs and the same is likely to continue over till 2017. Timber industry has emerged as a steadily growing contributor to the Kenyan economy. This has been largely due to the major advancements in infrastructure, favorable government policy, as well as an active and innovative private sector. Timber industry represents a growth process through talent training which encompasses all aspects of the organization's and employee performance, Research and Markets: Comply Ltd in Kenya (2013).

A good talent management system ensure employees in every organization understand what business the company is in, what condition the company is undergoing and keeps updated on the skills they need to posses to perform their day to day job so as to bring in

confidence and to improve performance. The talent management of employees contributes directly to the development of human resources within the organization. Talent Training programs are directed towards maintaining and improving current job performance, while development program seek to develop skills for future jobs (Stoner & Freeman, 1992).

Comply Ltd

Comply Ltd employs a number of methods in meeting the talent management objectives of the organization. Such methods include making executives the primary Talent managers this means that they are in charge of management programs and sessions can take place in a normal working situation, using the actual tools, equipments, documents or materials that trainees will use when fully trained. The industry also employs internship method, where programmers are jointly sponsored by colleges, universities that offer students the opportunity to gain life experiences, while allowing them to find out how they will perform in this company (Talent Policy document for Comply Ltd).

Talent management sessions are essential for employees to understand and aid in carrying out the goals of the organization. Organizations must employ skilled workers who are both proactive and reactive to a changing environment. They must identify the knowledge, skills, and abilities needed to obtain their goals and instill them into their employees (Hoton, 2002). In doing so, Comply industries ensure that the competencies identified for individual employees match the goals and objectives of the organization. Investment in continuous talent training and development of competencies in their employees will helps them to better meet their goals and objectives. Comply employs training programs to focus on managing change within the work environment and to improve employee performance. It also develops new performance management system that better communicates the overall objectives of the organization. Employees are trained to efficiently use the new performance management system, and therefore aid in the overall objectives of their organization. Essentially, implementation of talent training assists the management in general management of the employees.

1.2 Statement of the problem

Talent management processes change over time in response to the impact of both internal and external factors on the workplace (Frank & Taylor, 2004). For instance, globalization, workplace reform and changes in the demographic composition of the workforce have affected how talent needs to be managed (Nankervis, Compton & Baird, 2005). Globalization has led to increased competition and pressure on organizations to use human capital as effectively and productively as possible (Hiles & Bunnell, 2006).

The growth potential of organizations worldwide depends on the ability of companies to have the right people, in the right place at the right time. Employers are forced to compete to attract and retain an increasing pool of talented individuals in order to achieve their objectives (Hiles & Bunnell, 2006). Companies with effective talent management practices deliver better results for shareholders (Huselid, 1995). Effective talent management practices can create enduring competitive advantage and enhance organizational performance.

In the past few years it has been reported that there has been severe failure of organizations in Kenya and particularly on organizational performance, Kenya Bureau National Statistics (2012). Therefore a reference base is needed so that organizations may have policies on how to manage talent so that it can retain talented employees for better performance. Comply Ltd is one of the organizations in Kenya that practice talent management. It is necessary for an organization to evaluate the effectiveness of talent management in ensuring that organizations such as Comply industries achieve their objectives and improve performance. However, no previous studies have been carried out in Kenya to determine the correlation between talent management and organizational performance. Therefore, this study sought to bridge the knowledge gap by investigating the effect of talent management on organizations performance at Comply Ltd, Nakuru, Kenya.

1.3 Objectives of the Study

1.3.1 Main Objective

The main objective was to examine the effect of talent management on organizations performance at Comply Ltd, Nakuru.

1.3.2 Specific Objectives

1. To assess the effect of targeted talent management on organizations performance at Comply Ltd.
2. To examine how career development influence organizations performance at Comply Ltd.
3. To investigate how building a Sustainable Employer Brand influence organizations performance at Comply Ltd.
4. To determine the effect of making executives the primary talent managers on organizations performance at Comply Ltd.

1.4 Research Questions

1. What are the effects of targeted talent management on organizations performance at Comply Ltd?
2. How does career development influence organizations performance at Comply Ltd?
3. How does building a Sustainable Employer Brand influence organizations performance at Comply Ltd?
4. What are the effects of making executives the primary talent managers on organizations performance at Comply Ltd?

1.5 Scope of Study

The scope of the study included 44 heads of departments, 165 general staff and 210 lower staff of Comply Ltd. The study was carried out at Comply Ltd which has plant firm, factory and a store house.

1.6 Significance of the Study

The study would benefit the management of Comply Ltd Nakuru by helping them formulate their policy in order to develop programs that will positively affect employee performance. The management would also be able to plan and design how to employ well talented employees to be able to achieve their goals and meet their objectives. The knowledge acquired in the study could also be utilized in organizations on how to manage and exploit the talents of its employees as a way that will enable the organization to reach financial and organizational success.

The study would also assist the Government in training policy formulation for Parastatals and institutions that will enable organizations to take their employees for talent management sessions or invite the trainers to train employees in their organizations.

The study would add to the body of knowledge on talent thus serves as a reference for researchers and academicians, private and public organizations interested in the dynamics of organizations performance.

1.7 Limitations of the Study

The study findings might not be generalizable to all service and manufacturing industries because of dynamics in micro and macroeconomic variables among industries, the differences in regulatory framework in different countries or regions and difference in managerial and leadership styles adopted by firms.

Another limitation was that respondents were not willing to give all the relevant information due to the fact that some may be too personal. To counter this limitation an introductory letter was sent before hand and follow up study was made. The researcher emphasized that the information obtained from the questionnaire would be treated with strict confidentiality for its sole purpose was academic.

1.8 Assumptions of the Study

The study assumed that the respondents would cooperate and provide honest and sincere view during the data collection period. The study also assumed that the company's management would cooperate and give the required information and data.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents the review of literature. The chapter entails review of both theoretical and empirical literature. The chapter is structured in to the concept of talent management, theoretical framework for talent management, strategic talent management system and talent management and organizational performance.

2.2 The Concept of Talent Management

A review of the talent management literature reveals a degree of debate as to the conceptual boundaries of the topic. Indeed, Aston and Morton (2005) noted that there is not a single consistent or concise definition of talent management. Notwithstanding this criticism, Lewis and Heckman (2006) identified three key streams of thought around the concept of talent management. First, those who merely substitute the label talent management for human resource management. Studies in this tradition often limit their focus to particular HR practices such as recruitment, leadership development, succession planning and the like. The contribution of this literature is relatively limited beyond the strategic HR literature, as it largely amounts to a rebranding of HRM.

A second strand of literature emphasizes the development of talent pools focusing on projecting employees/staffing needs and managing the progression of employees through positions (Lewis and Heckman, 2006). Studies in this tradition typically build on earlier research in the manpower planning or succession planning literatures. While adopting a relatively narrow focus, studies in this tradition at least provide a degree of differentiation as to what talent management is vis - à- vis HRM. The third stream focuses on the management of talented people. This literature argues that all roles within the organization should be filled with “A performers”, referred to as “top grading” (Smart, 1999) and emphasizes the management of “C players”, or consistently poor performers, out of the organization (Michaels, Hadfield -Jones and Axelrod, 2001). While the third approach is highly influential, Collings and Mellahi (2009) argue it is neither desirable nor appropriate to fill all positions within the organization with top

performers. Equally, if the talent management system is applied to all of an organization's employees (i.e. including poor performers as well as top performing employees), it is difficult to differentiate talent management from conventional human resource management (Collings and Mellahi, 2009).

In addition to the above three streams of thought about talent management, the study recognize and add an emerging fourth stream which emphasizes the identification of key positions which have the potential to differentially impact the competitive advantage of the firm (Boudreau and Ramstad, 2005; Hulesid et al., 2005). The starting point here is identification of key positions rather than talented individuals. Boudreau and Ramstad's (2007) view an organizational talent management strategy as activities and processes that involve the systematic identification of key positions which differentially contribute to the organization's sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization.

The starting point for any talent management system should be the systematic identification of the key positions which differentially contribute to an organization's sustainable competitive advantage (Collings and Mellahi, 2009). This is consistent with an increasing recognition that there should be a greater degree of differentiation of roles within organizations, with a greater focus on strategic over non-strategic jobs (Becker and Huselid, 2006), or between those organizational roles which promise only marginal impact vis-à-vis those which can provide above-average impact (Boudreau and Ramstad 2007). This is in contrast to the extant situation in many organizations where over-investment in non-strategic roles is common (Boudreau and Ramstad, 2008; Huselid, Beatty and Becker, 2005).

According to Collings and Mellahi (2009), the development of a talent pool of high potential and high performing incumbents fills the roles that differentially contribute to an organization's sustainable competitive advantage. Organizations should differentiate between employees who are strategic performers and those who are not. In order for strategic or pivotal jobs to have a differential impact on organizational performance, it is

important that such jobs are filled with high performing or high potential employees. This view stands in contrast to some of the earlier contributions which argued that all roles within the organization should be filled with “A performers”, referred to as “top grading” (Smart, 1999). It also differs with the approach advocated by the McKinsey consultants behind the war for talent approach who advocate managing “C players”, or consistently poor performers, out of the organization (Michaels, Hadfield-Jones and Axelrod, 2001). The study posit that the focus of talent management systems should be on high -potential and high-performing employees operating in key roles and not all employees in the organization. Such an approach will facilitate a more deliberate utilization of organization resources.

The final element of talent management recognizes the importance of differentiated human resource architecture to facilitate the filling of key positions within the organization with competent incumbents and ensuring their continued commitment to the organization. The study draws insights from the strategic human resources literature in this regard (Becker and Huselid, 2006; Huselid et al, 2005; Lepak and Snell 2002). This element facilitates the identification of high potential and high performing employees, and the helping in the development of the organization’s talent pool (Lepak and Snell 2002). Once identified, the challenge for the organization is to deploy appropriate human resource policies to ensure these individuals are strategically deployed and supported with appropriate HR policies.

Clarifying the conceptual boundaries of talent management represents an important task in the development of the topic. It provides a frame of reference for academics and practitioners in developing research in the field. It is also important in helping to differentiate strategic talent management from strategic human resource management. In this regard the argue that in contrast to strategic human resource management, which while recently recognizing the differing contribution of different groups of employees within the firm, generally focuses on all employees within an organization; talent management focuses on those incumbents who are included in the organization’s pivotal talent pool and who occupy, or are being developed to occupy, pivotal talent positions.

2.3 Theoretical Framework for Talent Management

2.3.1 Taylor's theory of scientific management

Taylor studied management subject as a scientific research in what is described in literature as the Theory of Scientific Management (Taylor, 1911). Taylor (1911), in his studies, found out that enterprisers cannot satisfactorily benefit from workers and believed that forming and programming of doing works should be re-regulated by a scientific analysis and more output would be gained if they were standardized. According to Taylor's Scientific Management Approach the following human factor characterize workers: workers are lazy and have an inclination of less work, they are unproductive, workers do not struggle for the progression of enterprise, workers are demotivated, and they do not have a defined mission and vision.

Taylor (1911) observed that work order and environment existing in enterprises may give big damages at a degree that can reach to losses at an extent effecting national economy. He has also observed that some radical decisions must be taken in order to turn these factors causing inefficiency and effecting production negatively into neutral or to minimize them and he formed The Principles of Scientific Management accordingly. Şimşek (2009) summarized Taylor's principles of scientific management as follow: (i) Workers and managers must work according to scientific principles rather than working haphazardly when carrying out organizational activities; (ii) Organizational activities must be performed in a coordinated and consistent way, not in an inconsistent and incoherent way; (iii) Organizations and their methods, rather than submitting low unproductiveness, must reject this and must try to provide the highest productivity; (iv) Each labor must be parted to sub-factors forming it. When defining activities which workers must carry out, not only intuition and experience, but also scientific methods must be used as well; (v) People whose mental and physical skills are sufficient for works being standardized must be chosen, that is to say, the most suitable staff member must be chosen; (vi) Specialization in every part of a defined labor must be provided.

The study builds the proposition by Taylor (1911) that people whose mental and physical skills are sufficient for works being standardized must be chosen, that is to say, the most suitable staff member must be chosen. Similarly, talent management in an organization ensures that talents are developed and the most skilled employees are retained in the organization. Taylor (1911) further argue that organizations and their methods, rather than submitting low unproductiveness, must reject this and must try to provide the highest productivity. Talent management provides an avenue through which highest productivity can be achieved by ensuring that an organization develops and retains skilled human capital.

2.3.2 Henry Fayol- Management Process Approach

Henry Fayol, a French industrialist, developed the theory of management. According to him, managerial excellence is a technical ability and can be acquired. He developed theories and principles of management which are universally accepted and make him universalistic. Henry Fayol (1916) offered fourteen principles of management which included: division of Work, Authority and Responsibility, Discipline, Unity of Command, Unity of direction, Subordination of individual interests to general interests, Fair Remuneration to employees, Centralization and Decentralization, Scalar chain, order, equity, Stability of use of personnel, Initiative, Spirit of Co-operation.

Fayol (1916) based his study of management on Taylor's teachings. Fayol tried to make easy the labors of big enterprises by earning Taylor's values such as labor defining, standards and specialization of workers, functions such as organization, planning, controlling and coordination in management. On the contrary to the representatives of scientific management's aiming to increase productivity by dealing with the form of works being done and work design more at factory level, Fayol tries to develop a good organization design and its management principles by analyzing the whole organization. Management Process Approach, like Scientific Management, takes productivity, economical efficiency and rationalism as basis (Şimsek, 2009). Fayol (1916) claim that workers, instead of the ability to manage, have the desire to be managed and generally avoid taking responsibility hence the necessity of carrying out penal sanctions.

Fayol (1916) has established bases of a management concept organizationally by earning management agent new and holistic terms and earned principles like division of labor and specialization, authority and responsibility, discipline, organizational benefits which are indispensable principles in every step of scientific management coming up to today and the principle that organizational benefits are above individual benefits which make up the base of Quality Management.

This study builds on Fayol's twelfth principle of stability of use of personnel. Principle of stability is linked with long tenure of personnel in the organization (Fayol, 1916). This means production being teamwork, an efficient management always builds a team of good workers. If the members of the team go on changing the entire process of production is disturbed. It is always in the interest of the enterprise that its trusted, experienced and trained employees do not leave the organization. Stability of job creates a sense of belongingness among workers who with this feeling are encouraged to improve the quality and quantity of work. Therefore, an organization should adopt an efficient talent management system which ensures that that skilled human capital is maintained in the organization.

2.3.3 Chris Argyris theory, about Personality and Organization

Chris Argyris theory claims that corporate jobs had become stultifying. Normal human development implied increasing autonomy, responsibility and time horizons, but jobs limited responsibility, were overly specialized and reduced time horizons. Controlling or manipulative managements made employees indifferent to their jobs. The average employee disengaged from the jobs of those days. The talented employee would find greener pastures in self-employment, career change into an alternative profession or moving up through the hierarchy. Since only a small fraction of employees could move up the ladder, Argyris' seminal argument implied that talented employees did not typically have a future in most organizations. In fact, it was unlikely that management would identify talented employees or that talented employees would aim to stay. Therefore it's very essential for organizations to create a pool of talented individuals so that they would fill the managerial positions for smooth succession. Employee to be given the autonomy in relation to his job and all the responsibility that pertains to that job. The system in which they move up in the ladder should be clear.

2.4 Strategic Talent Management System

2.4.1 Identifying pivotal talent positions

The identification of pivotal talent positions is the first stage in any strategic talent management system. As noted in subsection 2.1 (The Concept of Talent Management) above, while an influential stream of talent management literature emphasizes the identification of ‘A performers’ and focuses on their retention and development (Axelrod et al., 2002; Frank et al., 2004; Michaels et al., 2001) an emerging literature base advocates a focus on the identification of key positions (Boudreau and Ramstad, 2005; 2007) or “A positions” (Huselid et al., 2005) which have the potential to differentially impact on sustainable competitive advantage.

Some Strategic Human Resource Management (SHRM) scholars (Lepak and Snell, 1999) adopt a bottom up focus which emphasis the idea that employees can contribute to the firm’s strategic objective simply because of their value and uniqueness. In contrast, Becker and Huselid (2006) advocate a top-down focus arguing that when employees are able to contribute to a firm’s strategic objectives, they have (strategic) value and that not all strategic processes will be highly dependent on human capital. Thus, the locus of differentiation, in terms of fit, should be the job not the individual employee. Huselid et al. (2005) define these “A positions” by their disproportionate importance to a company’s ability to execute some parts of its strategy and second, the wide variability in the quality of the work displayed among the employees in these positions.

While the organization’s strategic human capital is encompassed in the employees of the organization, to whom we return below, it is the organizational systems and processes which create and manage this strategic human capital and ensure that its contribution is maximized. Human capital is of little economic value unless it is deployed in the implementation of the organization’s strategic intent (Becker and Huselid, 2006; Boxall and Purcell, 2008). Ultimately, the key is a differentiated focus on strategic rather than non- strategic positions. However, Becker and Huselid (2006) recognize their failure to adequately quantify why certain jobs are strategically important and what determines the

difference in value between jobs. Engaging with such questions requires a fairly fundamental change in how organizations think about role and job evaluation.

Traditionally, jobs were differentiated in terms of inputs, such as skills, efforts and abilities and working conditions (Huselid et al, 2005). Job evaluation is done in terms of potential outputs or the potential for roles to contribute to the organizational strategic intent. However, the extent to which a variation in performance between employees in strategic roles is also a significant consideration (Huselid et al, 2005).

While some roles are strategically important, regulation and standardized training or professional qualification, mean that performance in the role may be relatively standardized and the potential for differentiation is limited. Thus strategically important roles which allow for potential differentiation between performances in the role should be particularly central in organization's strategic talent management systems. In a similar vein, Boudreau and Ramstad (2005) differentiate between average and marginal impact and argue that although something can be highly valuable, increasing or decreasing the volume of it may have a limited impact. Thus, the term pivotal is used to describe the marginal impact of resources, activities and decisions on value to the organization. Boudreau and Ramstad (2007) call for talent segmentation and a focus on the pivotal talent pools where a 20 per cent in quality or availability would have the greatest impact on organizational success. They argue that a lack a decision science to inform talent segmentation in most organizations means that organizations typically invest too much in talent pools which are important but not pivotal, while failing to invest sufficiently in pivotal talent pools.

2.4.2 Developing a talent pool

The term talent pool to refer to the pool of high potential and high performing incumbents that the organization can draw upon to fill pivotal talent positions (Smilansky, 2006; Sparrow, 2007 and Stahl et al., 2007). Having identified the pivotal talent positions within an organization, the key for strategic talent management system is the development of a talent pool to fill these pivotal positions. This entails a shift from vacancy led recruitment toward 'recruiting ahead of the curve' (Sparrow, 2007). It involves the proactive identification of incumbents with the potential to fill key positions

which may become available. Smilansky (2006) argue that organizations systematically identify future business needs in terms of knowledge, skills and capabilities that will be required in the future but are not currently available in house and recruit on this basis. Indeed, Stahl et al's (2007) study of global talent management confirmed that the high performing organizations they studied followed a talent pool strategy in recruiting the best people and then finding positions for them.

Cappelli (2008) draws insights from the supply chain management and argues that how employees advance through development jobs and experiences are remarkably similar to how products move through a supply chain. A key failure of many traditional talent management systems is a mismatch between supply and demand. This result in an over-supply of management talent resulting in employee turnover, or layoffs and restructuring, or an under-supply where key positions cannot be filled (Cappelli, 2008). This issue is exasperated by the emergence of boundary less careers. The antecedents of the emergence of the boundary less career lie to a significant degree in decreasing ability of large organizations to provide internal careers (Cappelli, 1999), owing to flattening organizational hierarchies (Cappelli, 1999), the emergence of new organizational forms such as network organizations (Powell, 1990) and the emergence of a 'new deal' where individuals are more concerned with independent rather than organizational goals (Arthur et al., 2005).

Solely relying on the internal development and sourcing, with a general disregard for the external sourcing of talent, is at odds with an increasing realization that careers are more regularly characterized by inter-firm mobility in the current environment (DeFillippi and Arthur, 1994) and reduced identity with jobs and work settings (Weick and Berlinger, 1989). Owing to the increasing career mobility evident in the current labor market it may be possible to recruit high performing candidates from the external labor market. As Arthur (1994: 295) argues, organizational effectiveness can be enhanced by career movements across organizational boundaries. Pfeffer and Leblebici (1973) argued that organizations facing the greatest threat from external sources aggressively recruited executives with experience from the external labor market. Similarly, Roa and Drazin (2002) argue that the recruitment of managers from the external labor market is an

important means through which newly established and poorly connected firms can reduce the constraints on product innovation.

Organizations should combine internal development and external recruitment in filling talent pools (Cappelli, 2008). This facilitates the management of quantitative risks associated with ensuring there is sufficient talent to meet organizational needs and not an oversupply-which represents a waste in resources. It also facilitates the management of qualitative risks associated with ensuring that the organization has the requisite skill set required at a point in time. Secondly, it is clear that for organizations, it is more effective to develop talent within the broader context of the organization, rather than with a particular succession role in mind. This prevents developing employees to fit narrow, specialized roles but rather, once developed employees can be developed with broader competencies which would fit a range of roles (Cappelli, 2008).

2.4.3 Creating a Differentiated human resource Architecture

Tracing a link between HRM practice and organizational performance has been an important theme in the literature on strategic HRM. This research stream reflects a transition from an early micro focus on individual HRM practices to a consideration of the extent to which HRM, as a congruent management approach, may impact on the competitive advantage of the organization (Fey, Bjorkman and Pavlovskaya, 2000; Lengnick -Hall et al, 2009). It suggests a strategic orientation- reflecting carefully designed and congruent human resource practices focused on improving organizational effectiveness and performance (Boselie et al., 2005; Boxall and Purcell, 2008). The study identifies two key streams of work within the strategic HRM literature. The first, best practice approach, assumes there is a universal configuration of HR practices can improve company profitability and is particularly associated with Pfeffer's (1998) influential contribution. This set of practices is applicable regardless of the organizational context. Second, authors in the 'best fit' tradition, recognize the impact of the particular internal and external context in which the organization operates on HR practices (Wood, 1999). Also termed the contingent school, this approach suggests that organizations should align their HR strategies with the firm's strategy and wider environment (Boxall and Purcell, 2008).

Lepak and Snell (2002) recognize the importance of a differentiated HR architecture that acknowledges the differential contributions that specific worker groups can make to organizational performance. Indeed, organizations have long since employed multiple HR systems together (Lepak and Shaw, 2008) and this has been reflected in distinctions in some academic studies between exempt and non-exempt workers (Huselid, 1995) or managerial versus non-managerial employees (Jackson et al., 1989). Tsui et al (1997) distinguish between multiple HR systems within organizations and the potential for these HR systems to yield different outcomes (Legnick -Hall et al, 2009). Lepak and Snell (1999) developed the contingent configurational view in the context of SHRM and demonstrated that specific HR systems are unlikely to be appropriate in all situations but rather depend on the uniqueness of the human capital.

Lepak and Snell (2002) differentiate between four differentiators. First, knowledge based employment, when workers are both valuable and unique and thus have the potential to contribute to the firm's strategic objectives. Such firms are likely to rely on a knowledge based employment mode which emphasizes internal development and long -term employee commitment for this core group of workers (Lepak and Snell, 1999). Second, job-based employment, when workers have strategic value but limited uniqueness. These workers are also often employed internally. Although recognizing that these employees can contribute to the success of the firm their skills are widely transferable. Thus these workers are hired to perform pre -determined tasks. Third, contract work - these workers are neither strategically important nor unique. Hence jobs in this bracket are often targets for outsourcing. Fourth, alliances/partnership- these workers are relatively unique but are of insufficient strategic value to employ internally. Lepak and Snell (2002) advocate a contingency approach and argue that the key is to deploy HR practices that are appropriate to the context of the organization. The emphasis for HR practices should be on building the motivation, commitment and development of those in the talent pool, and a shift from a short -term 'transactional' psychological contract towards a more long-term 'relational' psychological contract (Boxall and Purcell, 2008).

2.5 Talent management and organizational performance

The objective of investing in a strategic talent management system is a positive impact on critical individual or organizational level outcomes. Collings and Mellahi (2009) contend that it is through motivation, organizational commitment and extra-role behavior that the effects of talent management on overall organizational performance can be more fully understood and predicted. Effective talent management have an indirect positive relationship with organizational performance, mediated by work motivation, organizational commitment, extra role behavior acting separately or in combination with one another (Collings and Mellahi, 2009). Literature review examine the key role of employees level outcomes in the strategic talent management system and the importance of ensuring their commitment and motivation to the organization, as mediating variables between the strategic talent management system and organizational outcomes.

Drawing on insights from the behavioural perspective, Lepak and Shaw (2008) argue that strategic talent management systems are deployed to elicit desired role behaviors among the organization's talent pool and assist in realizing the organizations' strategic objectives. Thus employee behaviors mediate the strategic talent management system and organizational and financial performance linkage. In building organizational performance, organizations first have to focus on individual performance. Campbell et al (1993) view performance as a set of behaviors that are relevant to the goals of the organization. There is a well-established stream of literature in the HR tradition which looks at the antecedents of individual performance in organizations (Blumberg and Pringle, 1982; Campbell et al., 1993; Murphy, 1996; Neal and Griffin, 1999; Vroom, 1964).

Over the years research recognized the significant of context of performance. For example Blumberg and Pringle (1982) posited that performance is a function of capacity (ability, health, intelligence, education), willingness (motivation, job satisfaction, status) and opportunity to perform (tools, equipment, working conditions, co -worker and leader behavior.). Similarly, Campbell et al (1993) and Neal and Griffin (1999) distinguish between the components (actual behaviors that constitute performance, determinants) human and technological capabilities required for individuals to achieve the behaviors

and antecedents (factors which influence differences in each of the required capabilities of performance). Batt (2002), writing in the context of high performance work systems (HPWS) in the services industry, identifies both a direct role of HPWS in individual performance through enhancing employee skill levels and firm specific knowledge and an indirect role via lower quit rates and improved motivation.

According to Boxall and Purcell (2008), the employee's ability, motivation and opportunity to perform impact on the employee's performance. With regard to strategic talent management, Collings and Mellahi (2009) argue that if an individual was selected as a high potential or high performing employee, they are likely to have a relatively high level of ability. Similarly, the fact that pivotal talent positions have been predetermined means that the incumbents should have the opportunity to contribute to organizational performance through their deployment in pivotal talent roles (Collings and Mellahi, 2009).

The organizational interests are best served by an HR system that attends to employees' interests, namely their skill requirements, motivations and the quality of their job (Boselie et al, 2005). Given that the strategic talent management system is premised on identifying high potential and high performing employees, deploying them in pivotal positions and supporting them with a differentiated HR architecture, Boselie et al, (2005) suggest that higher levels of individual performance should be evident. In this regard, employee motivation will mediate the relationship between HRM practices and firm performance (MacDuffie, 1995).

According to Somaya and Williamson (2008), it is in the organization's best interest to retain members of the talent pool as opposed to losing them due to turnover. The relative strength of an individual's identification with and involvement in an organization has historically focused to a far greater degree on employee retention and turnover (Meyer et al, 2004). Organizational commitment is a powerful bridge between talent management and organizational performance. Organizational commitment strengthens the positive association between effective talent management and organizational performance. As Mowday, Porter and Steers (1982) committed employees are willing to give something of themselves in order to contribute to the organization's wellbeing. Vilela et al (2008) argued that individuals, who recognize a strong link between their personal values and

those of the organization, have a higher level of organizational commitment. The more an individual fits into an organization the greater the organizational commitment (Kristof- Brown et al., 2005) and the more positive the performance.

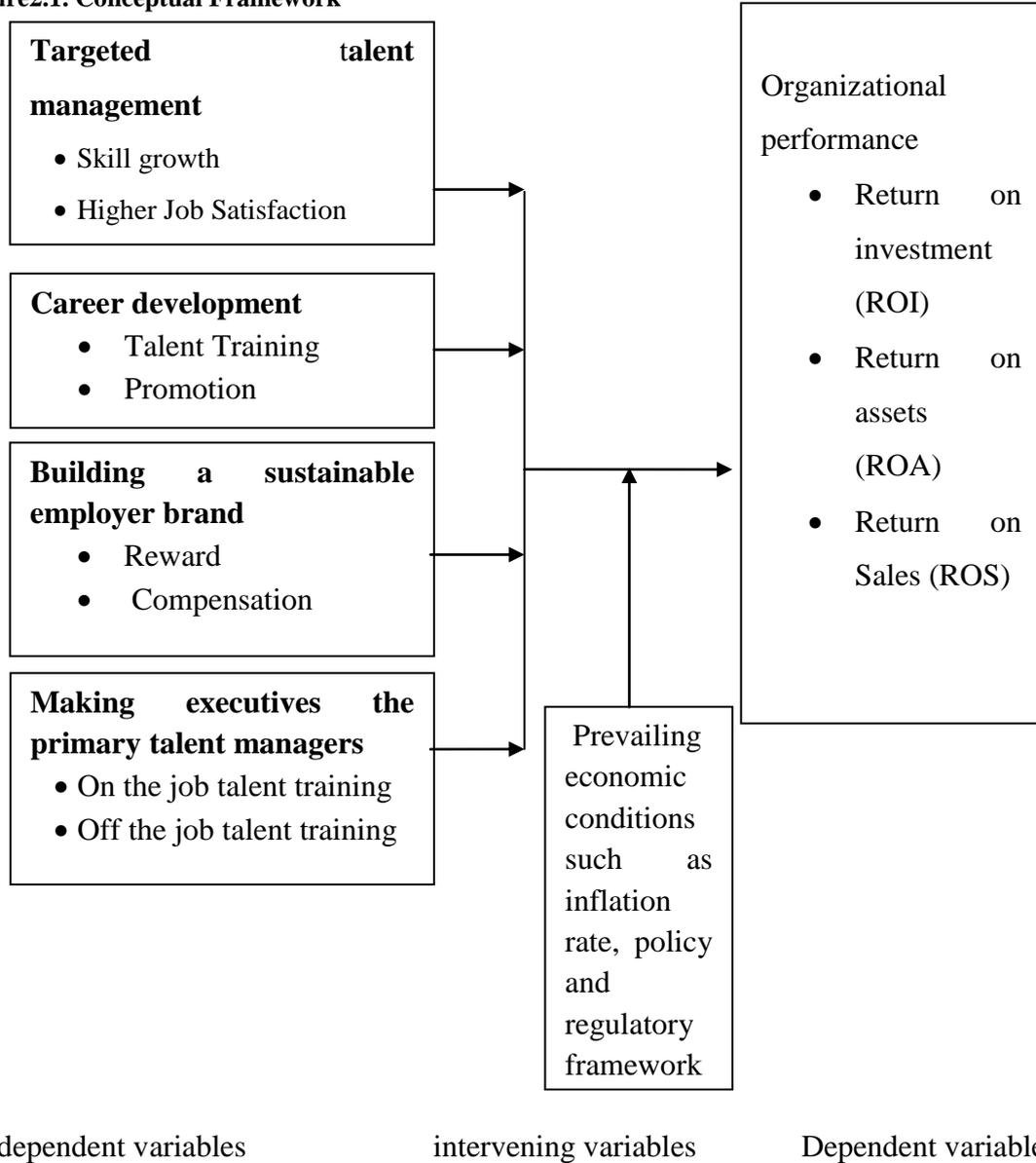
Extra-role performance is defined as positive behavior that plays reinforcing effects on the association between talent management and organizational performance (Mackenzie, Podsakoff and Ahearne, 1998). While in role performance is an antecedent of organizational commitment, extra -role performance functions as a consequence of it (Mackenzie, Podsakoff and Ahearne, 1998). Therefore, matching pivotal position with a pivotal talent would lead to high organizational commitment (Kristof, 1996) which subsequently leads to extra-role performance.

According to Organ (1988) discretionary behavior, has a direct positive effect on the functioning of the organization and as a result it strengthen the ties between effective talent management and organizational performance. Extra-role behavior has a direct positive effect on organizational effectiveness, work group cohesiveness and a negative relationship with turnover and propensity to leave the organization (George and Bettenhausen, 1990). Extra-role behavior refers to the “efforts voluntarily exerted beyond the call of duty in order to execute allocation decisions to the best of one’s abilities” Kim and Mauborgne (1996). Extra-role behavior tends to lead to tolerance of less than ideal working conditions, participation in organizational decision making, increase concern for the success and wellbeing of the organization, and assistance and mentoring of colleagues/co- workers (Organ, 1988).

2.6 Conceptual Framework

The conceptual framework shown in figure 2.1 shows the dependent and independent variables for the study. The independent variables are talent management practices which include: targeted talent management, career development, building a sustainable management employer brand and making executives the primary talent managers. The dependent variable is organizational performance. The intervening variable is prevailing economic conditions.

Figure2.1. Conceptual Framework



Source: Author 2014

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This Chapter presents the design, target population, Sampling and sample procedure, sample frame, location, research instruments, Validity and reliability, data collection procedure. Ethical consideration, data analysis and presentation and expected outcome.

3.2 Research Design

This chapter describes the methods and procedures which were used to collect data on the effect of Talent management on organizations Performance and Development in Comply Ltd Nakuru, Kenya. The research study was a descriptive survey type involving informed and desirable persons. The method chosen helped identify salient characteristics and unique features of target population to very accepted degree. They were questioned using a set of standard questions questionnaires and semi-structured interview guide/schedule. Mugenda and Mugenda (1999) describe a survey design as an attempt to collect data from members of a population to determine the current status of that population with respect to one or more variables.

3.3 Target Population

The target population was 419 comprising of 44 top management heads of departments, 165 general level employees and 210 lower employees from all the entire department of Human resource, Finance and Customer care, marketing, sales, grounds men and storekeepers at Comply Ltd Nakuru, Kenya.

3.4 Sampling and Sample Procedure

To ensure all categories of employees were represented in the sampling process, stratified random sampling technique was used to sample the survey respondents from the target population. The employees were categorised into three strata of top level

management, General level employees and the lower employees. Since the target population, N , is known, the study adopted the formula of Israel (1992) as shown in equation 1 below, to determine the sample size, n , of survey respondents:

(Equation 1)

$$n = \frac{N}{1 + N(e)^2}$$

where n is the optimum sample size, N the number of target population of employees at Comply industries, e the probability of error (i.e., the desired precision, e.g., 0.05 for 95% confidence level). For example, Target population of 419 employees, implying n will be approximately 205 as derived in equation 2 below:

(Equation 2)

$$n = \frac{419}{1 + 419(0.05)^2} = 205$$

Using proportionate sampling, the sample size consequently comprised 22 top level managers, 81 general level managers and 102 lower to make a total of 205 employees as shown in Table 3.1.

Table 3.1. Sampling frame

Population category	comply staff	Sample size	percentage
Managers & Heads of departments	44	22	10.7
General staff (finance, accounting, marketing)	165	81	49.8
Lower staff (grounds men, firm workers)	210	102	39.5
Total	419	205	100%

Source: Author 2014

3.5 Research Instruments

Structured questionnaires were used to ensure that all respondents (general and lower employees) reply to the same set of questions. Questionnaires were preferred because of the simplicity in administration, scoring of items and analysis (Ary, 1979). In addition, interview guides were used to interview the company managers to supplement findings from the questionnaires. The choice of interview guide for the collection of data was justified by the fact that an interview is the single best tool to be used for its flexibility and ability to probe and obtain opinions from respondents (Gay, 1996). They were considered necessary as they would help in securing clear and detailed information that can easily be left out in the questionnaires.

3.5.1 Validity and reliability

Validity

Kothari (2004) defines validity, as the degree to which an instrument measures what it is supposed to measure. The validity of the questionnaire was determined by ensuring that questions or items in it conform to the study's Conceptual Framework (Fig 2.1). Validity was undertaken to determine whether the content of the questionnaire or interview guide is apt and relevant to the study purpose. The researcher also used expert judgment which was done by contacting managers and General employees to ensure the relevance, wording and clarity of the questions or items in the instrument. This was done in consultation with the supervisors to help improve the quality of the questionnaire.

Reliability

Gay (1996) defined reliability as the degree of consistency that the instrument demonstrates. The researcher used pilot testing method because it was expected that some items or questions would have several possible answers. The researcher established the reliability of the questionnaires by computing the alpha coefficient of the items (questions) in the questionnaire. Cronbach's alpha of 0.7 and above indicates a high level of internal consistency in the questionnaire.

3.6 Data Collection Procedure

Data was collected from junior and general employees using self-administered questionnaires on drop and pick from the sampled respondents in the organization. Interviews were also conducted on managers from whom the researcher gathered more perspectives on the effect of talent management on organizational performance. Transmittal letter was issued from the department to enable the researcher proceed to the field.

3.6.1 Ethical Considerations

Transmittal letter from relevant authorities was issued to the management of Comply industries stating who the researcher is and what type of research study the researcher would undertake. The researcher also indicated that the data collected would only be used for research purposes alone so as to maintain confidentiality. The study did not involve plagiarism materials because this can lead to a serious and punishable offense.

3.7 Data Analysis and Presentation

The data collected was analyzed quantitatively using descriptive statistics like frequency counts provided by SPSS. Data was processed by editing, coding, entering and then presenting in comprehensive tables which showed the responses of each category of variables. Talent management was correlated with organizational performance using Pearson's Linear Correlation Coefficient. Pearson's was selected because the study entailed determining correlations or describing the association between two or more variables (Oso & Onen 2008). The data that was recorded from the interviews with the management staff was qualitatively analyzed. All the responses were recorded and incorporated in Chapter four and five. Data was presented qualitatively and quantitatively using statistics like tables, frequencies, percentages, pie chart, graphs and measures of central tendency (mean medium and mode), which were used to determine the proportion of respondents choosing the various responses.

The study performed a regression analysis to establish the association between the independent variables and the dependent variable. The following regression model was adopted for the study:

$$y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where:

y = performance (Return on investment (ROI), Return on assets (ROA) and Return on Sales (ROS))

β_0 = Constant Term

β_1 = Beta coefficients

X_1 = Targeted talent management

X_2 = Career development

X_3 = Building a sustainable employer brand

X_4 = Making executives the primary talent managers

e = the standard error

The study analyzed whether Comply Ltd practices targeted talent management, Career development, building a sustainable employer brand and make executives the primary talent managers.

3.8 Expected outcome

The study established that talent management influence organizations performance at Comply Ltd, Nakuru. The performance is affected by targeted talent management, career development, building of a sustainable employer brand and the practice of making executives the primary talent managers. The research was also a useful tool for career management of the staff within the department and it ensured all employees become productive and well developed at work.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presents the data that was found on the effect of Talent management on organizations Performance at Comply Ltd Nakuru, Kenya. The research was conducted on sample size of 205 respondents from top level management, General level employees and the lower employees at Comply Ltd Nakuru, Kenya out of which 164 respondents completed and returned the questionnaires duly filled in making a response rate of 80%. The study made use of frequencies (absolute and relative) on single response questions. On multiple response questions, the study used Likert scale in collecting and analyzing the data whereby a scale of 5 points were used in computing the means and standard deviations. These were then presented in tables, graphs and charts as appropriate with explanations being given in prose.

Table 4.2: Responds rate of response

Population category	Target	Received Frequency
Managers & Heads of departments	22	17
General staff (finance, accounting, marketing)	81	65
Lower staff(grounds men, firm workers)	102	82
Total	205	164

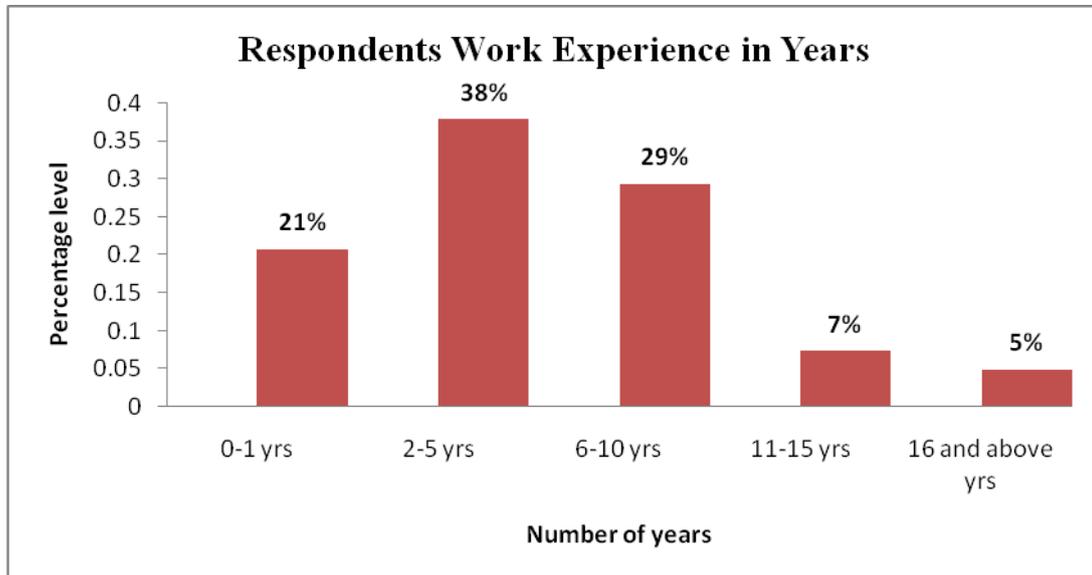
4.2 General Information

The study initially sought to inquire information on various aspects of respondents' background that is the respondent's years of experience in the company and their age. This information aimed at testing the appropriateness of the respondent in answering the questions regarding the effect of Talent management on organizations Performance and Development in Comply Ltd Nakuru, Kenya.

4.2.1 Respondents Work Experience in Years

The study sought to establish the number of years the respondents had been working for Comply Ltd. The findings are as illustrated in figure 4.2 below.

Figure 4.2: Respondents Work Experience in Years



As per the findings, 38% of the respondents stated that they had worked at Comply Ltd for 2-5 yrs, 29% stated that they had worked there for 6-10 yrs, 21% had worked for 0-1 yrs, 7% had worked for 11-15 yrs and 5% had worked for 16 and above years. This implies that most of the respondents had many years of working experience at the organization and were thus familiar with the issue under investigation.

4.2.2 Age of Respondents

The study also asked the respondents to state their ages and the findings are tabulated below.

Table 4.3: age of Respondents

Age	Frequency level	Percentage (%)
18-25 yrs	38	23%
26-30 yrs	45	27%
31-40 yrs	54	33%
41-50 yrs	18	11%
50 and above yrs	9	5%
Total	164	100%

From the findings tabulated in table 4.3 above, most (54) of the respondents said they were between 31-40 yrs, 45 were between 26-30 years, 38 were between 18-25 years, 18 were between 41-50 years and 9 were 50 & above years.

4.3 Targeted Talent Management

The study sought to establish the extent to which the organization applies the following Targeted Talent Management practices. The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements, where: 1- strongly disagree, 2- disagree, 3- neutral, 4- agree and 5- strongly agree. The mean and standard deviations were generated from SPSS and are as illustrated in the table below.

Table 4.4: Targeted Talent Management

Targeted Talent Management Statements	Mean	Std Dev.
If significant variance in the performance of individuals exists, special attention is paid to these individuals and their jobs	4.32	0.52
The company determines whether variation in individuals' ability to perform a task makes a difference in the performance of the organization	4.27	0.19
Individuals are treated differently on the basis of whether their work is pivotal to the organization's success	3.99	0.68
The organization singles out the critical contributors to its performance	3.98	0.31
The company identifies the skills acquired from talent training then matches it with organizational objectives.	3.86	.043

From the study findings in Table 4.4 above, majority of the of the respondents agreed to a great extent that if significant variance in the performance of individuals exists, special attention is paid to these individuals and their jobs (Mean=4.32), The company determines whether variation in individuals' ability to perform a task makes a difference in the performance of the organization (Mean=4.27) Individuals are treated differently on the basis of whether their work is pivotal to the organization's success (Mean=3.99), The organization singles out the critical contributors to its performance (Mean=3.98) and The company identifies the skills acquired from talent training then matches it with organizational objectives (Mean=3.86). This implies that the organization ensures that the competencies identified for individual employees match the goals and objectives of the organization.

According to the top management respondents talent management improved employee attitude and behavior towards work. The managers give to the employees the freedom to do the task in the way that the employee chooses. The performance is measured by the result, not by the process. An employee, who is in charge of programming tasks and who develops the software to operate the business on the Internet, said to us that he feels free to realize the work in his way, improving it as much as he wants and introducing his ideas in the task. That kind of flexibility leads to a higher performance of the employee and a higher quality of the task. This flexibility is not total, for example, they have a work schedule that they have to fulfill in the office. Nevertheless, employees see that schedule as a good point to separate their work life and their personal life, an employee who is in charge of the logistic, order management and customer services said to us that he would not like to work at home because he prefers having that time to spend with his family or his friends and to relax.

The respondents added that the criteria used to evaluate talent management at Comply Ltd is that each year the organization reviews its long-term strategy and annual goals to identify the talent issues that must be addressed for success and to determine the specific category of talent or the competencies required for success. Once the talent needs are identified attention is given to analyzing whether the current talent practices are appropriate to support the business strategy. This leads to an overall identification of issues and gaps, the specific talent issues are then prioritized for attention in relation to their impact on business.

4.4 Career Development

The study sought to establish the extent to which the organization applies the following Career development practices at Comply limited. The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements, where: 1- strongly disagree, 2- disagree, 3- neutral, 4- agree and 5- strongly agree. The mean and standard deviations were generated from SPSS and are as illustrated in the table below.

Table 4.5: Career development Statements

Career development Statements	Mean	Std Dev
Career track that is focused on the purpose of the organization exists at Comply Limited.	4.41	0.25
Career management that allows all employees to have equal opportunity for talent training exists at Comply Limited	4.36	0.48
Comply Limited provide business transparency and job trend information to its employees so they can make career decisions based on valid and pertinent data.	4.19	0.29
Diversity in careers and work arrangements is standard at Comply Limited.	4.01	0.18
Career track for upwardly mobile executives through promotions exists at Comply Limited.	3.91	0.46
Career diversity at Comply Limited caters for individual differences in respect to career preferences.	3.79	0.08
Career diversity at Comply Limited caters for individual differences in respect to work-life balance preferences	3.75	0.47
Comply Limited is to let individuals make internal moves and workload changes in order for individuals to reasonably self-manage their careers	3.75	0.15
Career track that has a balanced career-family orientation exists at Comply Limited.	3.69	0.58
Career diversity at Comply Limited caters for individual differences in respect to career objectives,	3.54	0.34

According to the study findings in Table 4.5 above, most of the respondents agreed to a great extent that career track that is focused on the purpose of the organization exists at Comply Limited. (Mean=4.41), Career management that allows all employees to have equal opportunity for talent training exists at Comply Limited (Mean=4.36), Comply Limited provides business transparency and job trend information to its employees so they can make career decisions based on valid and pertinent data (Mean=4.19), Diversity in careers and work arrangements is standard at Comply Limited (Mean=4.01), Career track for upwardly mobile executives through promotions exists at Comply Limited (Mean= 3.91), Career diversity at Comply Limited caters for individual differences in respect to career preferences (Mean=3.79), Career diversity at Comply Limited caters for individual differences in respect to work-life balance preferences and Comply Limited is to let individuals make internal moves and workload changes in order for individuals to reasonably self-manage their careers (Mean=3.75 each), Career track that has a balanced career-family orientation exists at Comply Limited (Mean=3.69) and Career diversity at Comply Limited caters for individual differences in respect to career objectives

(Mean=3.54). This depicts that the organization is focused on developing its employee's careers in line with its goals.

The respondents elaborated that the methods of talent management training employed focus on On-the-Job Learning since job assignments and experiences are the best development opportunities. Most development occurs on the job, and the organizations found that there are key positions that offer rich learning opportunities for high potential employees. Furthermore, the organization has found it helpful to identify specific positions that allow critical learning with minimal risk. Another one is a formal training that employees have when they start to work in the organization. This training is to learn how the company works. According to the respondents employees can foster their skills or knowledge doing development courses; it means formal development, such as language courses, program courses and also courses to recycle the knowledge. The company put the money and the time for those courses because they know that their workforce is the most important sustainable competitive advantage that is why they have to develop their talents to avoid that employees become obsolete.

The third kind of the development of the talent pool is an informal training which is developed during all the time that they are working in the organization. This informal training helps the employee to develop new skills and it is developed through two ways. Firstly, the fact that the workers have the freedom to do the tasks provides a kind of auto development because they do not have a close task; they have a task that needs to think and to discover a new ways to develop it. The second way is a kind of mentoring, but the mentor is not an experienced manager who teaches the new employee. In this case, mentors are all employees, because they exchange knowledge between them all the time and thus they develop new skills and talents. The diversity of the workforce provides them of a lot of different abilities which are shared by the team work and the communication system that they have in the company. This kind of informal training becomes the company in a learning organization where the knowledge flows and is exchanged through all the company.

The respondents also indicated that the organization has standard career growth in terms of promotions for all employees who have undergone talent training by merging its

workforce planning, career planning and development processes through the integrated talent management practices. The standard career growth; receives visible support from the top management; is owned by line management and supported by staff; is simple and tailored to unique organizational needs; is flexible and linked with strategic business plan; evolves from a thorough human resources review process; is based upon well-developed competencies and objectives of candidates; incorporates employee input; is part of a broader management development effort; includes plans for development job assignments; is integrated with other human resources systems; and emphasizes accountability and follow-up.

4.5 Building Sustainable Management Employer Brand

The study sought to establish the extent to which the organization builds a Sustainable Management Employer Brand at Comply limited. The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements, where: 1- strongly disagree, 2- disagree, 3- neutral, 4- agree and 5- strongly agree. The mean and standard deviations were generated from SPSS and are tabulated below.

Table 4.6: Sustainable Management Employer Brand Statement

Sustainable Management Employer Brand Statement	Mean	Std Dev
1. Comply Limited attract the right individuals through an employer brand that fits their purpose, identity and strategic intent	4.51	0.21
2. Comply Limited has well stated compensation scheme in place.	4.46	0.67
3. The employer brand at Comply Limited help potential employees make a good decision about whether there's a fit between them and the organization.	4.36	0.18
4. Well-stated deals aid in the recruitment process by reinforcing an organization's objectives.	4.21	0.41
5. Comply Limited has fine-tuned its employment deal to fit the type of rewards it can offer	4.09	0.47

As per the study findings in Table 4.6 above, majority of the of the respondents agreed to a great extent that Comply Limited attract the right individuals through an employer brand that fits their purpose, identity and strategic intent (Mean=4.51), Comply Limited has well stated compensation scheme in place (Mean=4.46), The employer brand at Comply Limited help potential employees make a good decision about whether there's a

fit between them and the organization (Mean=4.36), Well-stated deals aid in the recruitment process by reinforcing an organization’s objectives (Mean=4.21) and Comply Limited has fine-tuned its employment deal to fit the type of rewards it can offer (Mean=4.09). This portrays that the organization has been successful in building a sustainable management employer brand.

The respondents noted that building a sustainable management employer brand helps the organization to achieve its desired goals as employees are motivated through many actions such as the familiar workspace, the opportunity to grow with the company, the security and the recognition of their work. Nevertheless, in Comply Ltd, an important part of the workforce is people who are doing internships. That people do not have any economical reward. That is why; the money is not the main motivational factor for them, there are other factors as the experience provided, the skills acquired and the opportunity to do the work that they like. Another factor of the motivation, as employees said to us, is the security; it means the economic security that is provided by having a job, overall in the current downturn.

4.6 Making Executives the Primary Talent Managers

The study sought to establish the extent to which the organization makes executives the primary talent managers at Comply limited. The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements, where: 1- strongly disagree, 2- disagree, 3- neutral, 4- agree and 5- strongly agree. The mean and standard deviations were generated from SPSS and are as illustrated in table 4.7 below.

Table 4.7: Making Executives the Primary Talent Managers Statement

Making Executives the Primary Talent Managers Statement	Mean	Std Dev
The top executives at Comply limited take primary responsibility for the talent management sessions	4.68	0.11
Senior executives at Comply limited see that talent management sessions take place under normal working conditions.	4.66	0.10
Senior managers at Comply limited have good knowledge of human capital	4.53	0.32
Senior executives at Comply limited are actively involved in succession planning and work assignment decisions.	4.35	0.18
Senior executives at Comply limited contribute to the design and operation of the talent management systems in the organization.	4.29	0.26

Talent decisions at Comply limited are taken at both the strategy level and the tactical level	4.02	0.09
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From the study findings in the table above, majority of the of the respondents agreed to a great extent that The top executives at Comply limited take primary responsibility for the talent management sessions (Mean=4.68), Senior executives at Comply limited see that talent management sessions take place under normal working conditions (M=4.66) Senior managers at Comply limited have good knowledge of human capital (Mean=4.53), Senior executives at Comply limited are actively involved in succession planning and work assignment decisions (M=4.35), Senior executives at Comply limited contribute to the design and operation of the talent management systems in the organization (Mean=4.29) and Talent decisions at Comply limited are taken at both the strategy level and the tactical level (Mean=4.02). Nevertheless the respondents pointed out that they do not have a formal structure for the development activities of talent management; that employees do those courses when they need it. This implies that the organization makes executives the primary Talent managers.

The respondents pointed out that the organizations talent management plan is applied to management and leadership positions at all levels throughout the organization. They explained that the organization’s talent development involves planned activities that concentrate on developing skills and abilities for future business needs as well as development of skills for current job performance. This talent development plan has its foundation on a strong and rigorous assessment of candidates’ competencies. This includes assessing current performance; it also includes assessing the capabilities the person will need in future leadership roles and also creating developmental plans to help the individual to achieve those capabilities.

The respondents cited that emphasis on this aspect of talent management factor is on leveraging technology use by HR to automate talent management processes. They do so by the documentation of action plans on preparing the workforce to execute the business strategy effectively. This action plan consists of a mix of projects for acquiring, cultivating, developing, rewarding and organizing talent. It also includes initiatives needed to deliver value proposition to employees. The action plan is then put into place and is largely focused on designing and implementing the projects outlined in the action

plan, finally the performance outcomes are monitored as the talent strategy is implemented. The respondents unanimously agreed that the organization offers management career and leadership development programs within the company.

4.7 Organizational Performance

The study sought to establish the performance of Comply Limited in respect to the ROI, ROA and ROS, Accounting Measures in the last five years). The findings are as tabulated below.

Table 4.8: Organizational Performance

	2009	2010	2011	2012	2013
Return on investment (ROI)	4%	6%	9%	10.5%	12%
Return on assets (ROA)	6%	8.5%	9%	11%	14%
Return on Sales (ROS)	7%	9%	11%	13%	15%

As per the findings in table 4.8 above, the accounting measures have been increasing since 2009; (ROI, 4%, ROA, 6%, ROS, 9%); 2010 (ROI, 6%, ROA, 8.5%, ROS, 9%) ; 2011 (ROI, 9%, ROA, 9%, ROS, 11%); 2012 (ROI, 10.5%, ROA, 11%, ROS, 13%) and 2013 (ROI, 12%, ROA, 14%, ROS, 15%) indicating that the organization performance has improved to a great extent since 2009.

4.7.1 Influence of Talent Management on Financial Performance

The study sought to establish the extent to which they would attribute the financial performance at Comply limited to talent management in the last five years (2009-2013). The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements, where: 1- No extent at all, 2- Little extent, 3- Moderate extent, 4- Great extent and 5- Very great extent. The mean and standard deviations were generated from SPSS and are as illustrated table 4.8 below.

Table 4.9: Influence of Talent Management on Financial Performance

Year	Mean	Std Dev
2013	4.33	0.01
2012	4.02	0.14
2011	3.99	0.21
2010	3.86	0.36
2009	3.67	0.49

According to the study findings in the table above, majority of the respondents attributed the financial performance at Comply limited to talent management to a great extent in 2013 (Mean=4.33), 2012 (Mean=4.02), 2011 (Mean=3.99), 2010 (Mean=3.86), however 2009 was moderately agreed to (Mean=3.67). This depicts that financial performance in the organization has been improving over the five years.

To quote one senior manager's response: "Why else will we be spending so much money and time on talent training within the organization. The benefits are obvious and they are there for everyone to see". This concluded the answer to the research question in that top managers do perceive that there is an effect of talent training on organizational productivity.

4.7.2 Relationship Between the Four Variables and Comply Ltd Performance.

The study further sought to assess the joint relationship between the variables and Comply Ltd performance. The results are as displayed in the tables 4.10 and 4.11 below. Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (performance of Comply Ltd) that is explained by all the independent variables (Talent management practices).

Table 4.10: Model Summary for regression analysis between the Four Variables and Comply Ltd Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.863	.745	.599	.36030

From the table above, the R-square .745 indicating that the four explanatory variables account for 74.5% of the variability in Comply Ltd performance. This represents a fairly good fit which depict a high significant influence of targeted talent management, Career development, building a sustainable employer brand and make executives the primary talent managers on Comply Ltd Performance.

Table 4.11: Coefficient Estimates for Regression Analysis between the Four Variables and Comply Ltd Performance

Model	<u>Unstandardized Coefficients</u>		<u>Standardized Coefficients</u>		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	-2.597	2.122			-1.224	.261
Targeted talent management	.583	.235	.524		2.478	.042
Career Development	.816	.325	.540		2.511	.040
Building a sustainable employer brand	.315	.281	.239		1.119	.300
Make executives the primary talent managers	.409	.277	.325		1.477	.183

Based on regression coefficients results the regression equation can be written as follows;

$$Y = -2.597 + .583 X_1 + .816 X_2 - .315 X_3 + .409 X_4$$

Regression analysis reveals the extent to which targeted talent management, Career development, building a sustainable employer brand and make executives the primary talent managers predict Comply Ltd Performance. In addition, career development is a better predictor of Comply Ltd performance (beta = 0.816) followed by Targeted talent management (beta = 0.583), Make executives the primary talent managers (beta = .409) and Building a sustainable employer brand (beta = .315). The above results suggest that if Comply Ltd is to achieve desired organization performance, it needs to put more

emphasis on career development, Targeted talent management, Make executives the primary talent managers and Building a sustainable employer brand. The findings also shows that only career development and targeted talent management were found to be statistically significant ($p < .05$). Making executives the primary talent managers and Building a sustainable employer brand did not have a statistically significant relationship with Comply Ltd Performance.

The financial manager explained that the current focus in so far as Comply Ltd is concerned is on implementing the Talent Management Practices throughout the organization at all levels. Other responses from top managers mentioned the fact that Talent Management Practices initiative is getting support and traction from senior managers throughout the organization and it's a highly visible initiative supported by company executives. That on its own indicate that there is a benefit that the organization will receive through better management of talent through training. He went on to state that the next phase of this initiative will focus on developing matrixes that will seek to establish the impact of talent management to the company performance. In conclusion Comply Limited does not have measures in place to measure the impact of talent training on organizational productivity. There is however a perceived view that the Talent Management Practices initiative does have an impact on business performance.

4.8 Discussion

The study found out that the respondents opinion on talent management is that within an organization it is an international human resources strategy that seeks to identify, develop, deploy and retain talented and high potential employees. In addition, these are programs strive to develop and retain high potential employees, and thus provide organizations with managerial talent source and competitive human resource advantage which will impact organization performance. As well Laff (2006) states that talent Management is about attracting, identifying, recruiting, developing, motivating, promoting and retaining people that have a strong potential to succeed within an organization.

On the reasons for employing talent management at Comply Ltd, the study established that the organization leaders understand that having the right people in the right place at

the right time to maximize business opportunities has become the most important factor in ensuring ongoing organizational success. From the organization's point of view, those individuals deemed to be exceptional can benefit by being provided with tools, and processes to learn, grow, and remain engaged with their current employers and they also get a chance to be proactive in shaping their careers with the organization. These findings concur with Heinen and O'Neill (2004) who argue that Talent Management can be the best way to create a long-term competitive advantage.

Other reasons were, due to the organization being aware of the necessity of talented people to develop its operational activities, and also its values its employees and motivate them to achieve their maximum potential development, and that is the essence of the Talent Management. This need for talent is also driven by macro trends including: New cycles of business growth, often requiring different kinds of talent, Changing workforce demographics with reducing labour pools and therefore a talent squeeze, More complex economic conditions which require segregated talent and talent management, The emergence of many small and medium- sized companies that are increasingly targeting the same people sought by large companies, by offering opportunities for impact and wealth that few large companies can match, Job mobility is increasing, as a result top performers change employers more than twice in their full careers, A global focus on leadership which is now permeating many levels of organizations and the need to increase retention of internal talent.

Pfeffer (1994), emphasizes that, as a result of these macro trends workplaces everywhere are facing an increasingly complex and ever-changing landscape in their efforts to acquire, retain, motivate and develop the talent needed to keep organizations operating efficiently and competitively so as to create long-term organizational success.

4.8.1 Targeted Talent Management

In relation to the targeted talent management, the study found out that the most significant practices employed were; if significant variance in the performance of individuals exists, special attention is paid to these individuals and their jobs, The company determines whether variation in individuals' ability to perform a task makes a difference in the performance of the organization, Individuals are treated differently on

the basis of whether their work is pivotal to the organization's success, The organization singles out the critical contributors to its performance and The company identifies the skills acquired from talent training then matches it with organizational objectives. Similarly, Huang (2001) affirms that many organizations have started to internally target and develop talented staff using criteria that are linked to future organizational needs and role capabilities (Huang, 2001).

The study findings went on to reveal that talent management improved employee attitude and behavior towards work. The managers give to the employees the freedom to do the task in the way that the employee chooses. The performance is measured by the result, not by the process. Researchers (Lawler, 2005; Farley, 2005; Rose & Kumar, 2006; Ordonez de Pablos, 2004) point out that by capitalizing on human resources and integrating it into the strategy of the business, suggested by talent management theories, a source of competitive advantage can be provided at the same time as, and by, making employees happy.

An employee, who is in charge of programming tasks and who develops the software to operate the business on the Internet, said that he feels free to realize the work in his way, improving it as much as he wants and introducing his ideas in the task. That kind of flexibility leads to a higher performance of the employee and a higher quality of the task. This flexibility is not total, for example, they have a work schedule that they have to fulfill in the office. Nevertheless, employees see that schedule as a good point to separate their work life and their personal life, an employee who is in charge of the logistic, order management and customer services said to us that he would not like to work at home because he prefers having that time to spend with his family or his friends and to relax.

4.8.2 Career Development

The study also found out that the existing career development practices at Comply Ltd were; career track that is focused on the purpose of the organization, Career management that allows all employees to have equal opportunity for talent training, providing business transparency and job trend information to its employees so they can make career decisions based on valid and pertinent data, standard diversity in careers and work arrangements, Career track for upwardly mobile executives through promotions, Career

diversity that caters for individual differences in respect to career preferences, Career diversity that caters for individual differences in respect to work-life balance preferences and freedom to individuals to make internal moves and workload changes in order for individuals to reasonably self-manage their careers. However career track that has a balanced career-family orientation and Career diversity that caters for individual differences in respect to career objectives were found to be not fully developed. In other words talent management approaches are being used to facilitate effective organizational positioning and development to ensure that within an organization the “right” leaders are available at the “right” time (Rothwell, 2001).

As per the respondents, the methods of talent management training employed focus on On-the-Job Learning since job assignments and experiences are the best development opportunities. This corresponds with Odonez de Pablos (2004) that human capital is such a resource and especially the resource and knowledge based views recognizes the firm’s knowledge resources as its tool for achieving a sustainable competitive advantage. Most development occurs on the job, and the organizations found that there are key positions that offer rich learning opportunities for high potential employees. Furthermore, the organization has found it helpful to identify specific positions that allow critical learning with minimal risk.

Another one is a formal training that employees have when they start to work in the organization. This training is to learn how the company works. According to the respondents employees can foster their skills or knowledge doing development courses; it means formal development, such as language courses, program courses and also courses to recycle the knowledge. The company put the money and the time for those courses because they know that their workforce is the most important sustainable competitive advantage that is why they have to develop their talents to avoid that employees become obsolete. Accordingly, Elliot (1998) observes that programs focus on developmental processes, thus creating a clear picture of existing human resources strengths, and relating these to anticipated needs and isolating areas requiring action.

The third kind of the development of the talent pool is more interesting for employees. It is an informal training which is developed during all the time that they are working in the organization. This informal training helps the employee to develop new skills and it is developed through two ways. Firstly, the fact that the workers have the freedom to do the tasks provides a kind of auto development because they do not have a close task; they have a task that needs to think and to discover a new ways to develop it. The second way is a kind of mentoring, but the mentor is not an experienced manager who teaches the new employee. In this case, mentors are all employees, because they exchange knowledge between them all the time and thus they develop new skills and talents. The diversity of the workforce provides them of a lot of different abilities which are shared by the team work and the communication system that they have in the company. This kind of informal training becomes the company in a learning organization where the knowledge flows and is exchanged through all the company.

The respondents also indicated that the organization has standard career growth in terms of promotions for all employees who have undergone talent training by merging its workforce planning, career planning and development processes through the integrated talent management practices. The standard career growth; receives visible support from the top management; is owned by line management and supported by staff; is simple and tailored to unique organizational needs; is flexible and linked with strategic business plan; evolves from a thorough human resources review process; is based upon well-developed competencies and objectives of candidates; incorporates employee input; is part of a broader management development effort; includes plans for development job assignments; is integrated with other human resources systems; and emphasizes accountability and follow-up. These items are supported by other studies that have found highly effective talent management systems are characterized by CEO involvement, support of senior management, line management identification of candidates, use of developmental assignments, and succession management processes linked to business strategies (Purcell, 1995; Rioux and Bernthal, 1999; Tyson, 1997).

The respondents agreed that training improves employee skills and productivity, that in today's ambiguous and uncertain world, emphasis is more on developing talent pools rather than specific individual in order to ensure there is an adequate supply of talent

from which to choose from when an opening occurs. Thus by creating a pool of people who are given development experiences to prepare them for future opportunities, the organization minimizes the risk of being unprepared to fill a key vacancy, yet provides opportunities for motivated high-potential talent. This is in conformity to Heinen and O'Neill (2004) who argues that Talent Management can be the best way to create a long-term competitive advantage. A sustainable competitive advantage stems from the valuable, company-specific resources that cannot be imitated or substituted by competitors.

4.8.3 Building Sustainable Management Employer Brand

In establishing whether the organization has built sustainable management employer brand, the study found out that the organization has been successful in building a sustainable management employer brand through.; Comply Limited attract the right individuals through an employer brand that fits their purpose, identity and strategic intent, Comply Limited has well stated compensation scheme in place, The employer brand at Comply Limited help potential employees make a good decision about whether there's a fit between them and the organization, Well-stated deals aid in the recruitment process by reinforcing an organization's objectives and Comply Limited has fine-tuned its employment deal to fit the type of rewards it can offer. This coincides with Davis et al. (2007) view that the characteristic of the organization, the real essence, the vision, the passion and the culture, which includes the values and the way of operating, impact on how employees feel that they are working for a great company, which does something, very interesting and innovative, and they want to be part of this. One relevant feature of this brand soul is that the company is an organization which is in a growth process, and workers can see how the firm becomes in an important enterprise from just an idea through their work.

The respondents added that the organization generally conducts regular talent reviews of all their key people so as to plan and coordinate development activities and monitor progress. These talent reviews are used to spotlight individual and organizational capability issues. Likewise, Leibman et al. (1996) called on executives to review their approach to talent management to assure that it remains a relevant means of regenerating corporate leadership. The respondents noted that building a sustainable management

employer brand helps the organization to achieve its desired goals as employees are motivated through many actions such as the familiar workspace, the opportunity to grow with the company, the security and the recognition of their work.

Nevertheless, in Comply Ltd, an important part of the workforce is people who are doing internships. That people do not have any economical reward. That is why; the money is not the main motivational factor for them, there are other factors as the experience provided, the skills acquired and the opportunity to do the work that they like. Another factor of the motivation, as employees said to us, is the security; it means the economic security that is provided by having a job, overall in the current downturn. Leibman et al. (1996) also pointed out that the most important goal of talent management planning must become the development of strong leadership teams.

4.8.4 Making Executives the Primary Talent Managers

The study further revealed that the organization makes executives the primary talent managers.; The top executives at Comply limited take primary responsibility for the talent management sessions, Senior executives at Comply limited see that talent management sessions take place under normal working conditions, Senior managers at Comply limited have good knowledge of human capital, Senior executives at Comply limited are actively involved in succession planning and work assignment decisions, Senior executives at Comply limited contribute to the design and operation of the talent management systems in the organization and Talent decisions at Comply limited are taken at both the strategy level and the tactical level. Nevertheless the respondents pointed out that they do not have a formal structure for the development activities of talent management; that employees do those courses when they need it. In concurrence to this, Tyson (1997) observes that, these items are supported by other studies that have found highly effective talent management systems are characterized by CEO involvement, support of senior management, line management identification of candidates, use of developmental assignments, and succession management processes linked to business strategies.

The respondents declared that the organizations talent management plan is applied to management and leadership positions at all levels throughout the organization. They explained that the organization's talent development involves planned activities that concentrate on developing skills and abilities for future business needs as well as development of skills for current job performance. This talent development plan has its foundation on a strong and rigorous assessment of candidates' competencies. This includes assessing current performance; it also includes assessing the capabilities the person will need in future leadership roles and also creating developmental plans to help the individual to achieve those capabilities. This is similar to Drucker (2005) who states that successful enterprises create the conditions to allow their employees to do their best work.

The respondents cited that emphasis on this aspect of talent management factor is on leveraging technology use by HR to automate talent management processes. They do so by the documentation of action plans on preparing the workforce to execute the business strategy effectively. This action plan consists of a mix of projects for acquiring, cultivating, developing, rewarding and organizing talent. It also includes initiatives needed to deliver value proposition to employees. The action plan is then put into place and is largely focused on designing and implementing the projects outlined in the action plan, finally the performance outcomes are monitored as the talent strategy is implemented. Today new Web-based software makes it easy for managers and employees to access online performance documents and gather comments and approvals for managing talent to maximize performance (Bergeron, 2004).

According to the respondents, the organization's executives are involved in the design and operation of talent management system. They are the ultimate owners of the talent management system and in so doing drive the planning and development of the organization talent, especially the top group of leaders. In addition to this, they create a shared set of leadership values around talent management and establish explicit guiding principles for acquiring, managing, developing and rewarding talent. Finally they communicate that managers are directly accountable for ensuring that they have the talent in their respective business units sufficient to: Run their own business areas, Fuel the growth of their business, and Contribute to the growth of the talent in the larger

organization. The respondents unanimously agreed that the organization offers management career and leadership development programs within the company.

4.8.5 Organizational Performance

With regard to organization performance, the study found out that the accounting measures have been on increasing since 2009, indicating that the organization performance has improved to a great extent since 2009. This coincides with a recent international study (Wyatt, 2003) found that the more robust a company approach to building internal leadership capacity, the greater the financial returns in critical financial measures such as shareholder returns, growth in net income, growth in market share and return in sales.

Moreover, majority of the respondents attributed the financial performance at Comply limited to talent management and financial performance in the organization has been improving over the five years. One senior manager's response was quoted as: "Why else will we be spending so much money and time on talent training within the organization. The benefits are obvious and they are there for everyone to see". Accordingly, Gerhart & Milkovich, (2007) state that investments in various HR practices have been linked to firm financial performance such as: training, selection and staffing, appraisal, and compensation.

Regression analysis revealed career development is a better predictor of Comply Ltd performance, followed by targeted talent management, making executives the primary talent managers and Building a sustainable employer brand. Therefore if Comply Ltd is to achieve desired organization performance, it needs to put more emphasis on these factors. Equally Huselid (1995) study results shows that a standard deviation increase in high performance talent management practices is associated with enormous economic returns. Career development and targeted talent management were found to have statistically significant relationship with organization performance; on the other hand, making executives the primary talent managers and building a sustainable employer brand did not have a statistically significant relationship with Comply Ltd Performance.

Finally, the study established that the current focus in so far as Comply Ltd is concerned is on implementing the Talent Management Practices throughout the organization at all levels. Other responses from top managers mentioned the fact that Talent Management Practices initiative is getting support and traction from senior managers throughout the organization and it's a highly visible initiative supported by company executives. That on its own indicate that there is a benefit that the organization will receive through better management of talent through training. Huselid (1995) study further states that the top 15 percent companies that were selected in the study in terms of their use of high-performance talent management practice were associated with the following financial advantages: A 7 percent increase in turnover, An increase of \$3,800 in profits per employee, \$27,000 in sales per employee, An increase of \$18,600 in market value per employee.

The next phase of this initiative will focus on developing matrixes that will seek to establish the impact of talent management to the company performance. In conclusion Comply Limited does not have measures in place to measure the impact of talent training on organizational productivity. There is however a perceived view that the Talent Management Practices initiative does have an impact on business performance.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary, conclusion and recommendations of the study in line with the purpose of the study aimed at examining the effect of Talent management on organizations Performance and Development in Comply Ltd Nakuru, Kenya.

5.1 Summary

The study found out that the respondents opinion on talent management is that within an organization it is an international human resources strategy that seeks to identify, develop, deploy and retain talented and high potential employees. The reasons for employing talent management at Comply Ltd is because the organization leaders understand that having the right people in the right place at the right time to maximize business opportunities has become the most important factor in ensuring ongoing organizational success. Individuals deemed to be exceptional can benefit by being provided with tools, and processes to learn, grow, and remain engaged with their current employers and they also get a chance to be proactive in shaping their careers with the organization.

The study findings went on to reveal that talent management improved employee attitude and behavior towards work. The managers give to the employees the freedom to do the task in the way that the employee chooses. The performance is measured by the result, not by the process. The study also found out that the methods of talent management training employed focus on On-the-Job Learning since job assignments and experiences are the best development opportunities. Another one is a formal training that employees have when they start to work in the organization to learn how the company works. Employees foster their skills or knowledge doing development courses; it means formal development, such as language courses, program courses and also courses to recycle the

knowledge. Included also was informal training which is developed during all the time that they are working in the organization.

The study found out that the organization has standard career growth in terms of promotions for all employees who have undergone talent training by merging its workforce planning, career planning and development processes through the integrated talent management practices. In addition, the study established that the organization has been successful in building a sustainable management employer brand which impacts on how employees feel; that they are working for a great company, which do something, very interesting and innovative, and they want to be part of this. The organization generally conducts regular talent reviews of all their key people so as to plan and coordinate development activities and monitor progress.

The study further revealed that the organization makes executives the primary talent managers; this talent development plan has its foundation on a strong and rigorous assessment of candidates' competencies. This includes assessing current performance; assessing the capabilities the person will need in future leadership roles and also creating developmental plans to help the individual to achieve those capabilities. Moreover, the organization's executives are involved in the design and operation of talent management system. They are the ultimate owners of the talent management system and in so doing drive the planning and development of the organization talent, especially the top group of leaders. In addition to this, they create a shared set of leadership values around talent management and establish explicit guiding principles for acquiring, managing, developing and rewarding talent.

The study revealed that career development is a better predictor of Comply Ltd's performance, followed by targeted talent management, make executives the primary talent managers and Building a sustainable employer brand. Therefore if Comply Ltd is to achieve desired organization performance, it needs to put more emphasis on these factors. Also, the study found out that there is a positive relationship between business strategy and the talent management processes, because it promotes the organization performance. That is why even in a period of competitiveness, the company is investing in Talent Management, because that investment allows them to be the leaders market. For Comply Ltd, Talent Management is a source of sustainable competitive advantage,

where talented people are the key assets. It means that since the organization wants to be successful, it has invested in the talent management of its workers to obtain some conditions in the company such as good environment. Thus, these employees are going to have talents, thanks to the effort of the company and they will try to do their best work, because they will be motivated and engaged with the organization mission.

5.2 Conclusion

The study concluded that talent is a fluid mix of framed experience, values, contextual information, and expert insight that is created by social interactions among individuals and organizations depending on a particular time and location. It is further concluded that talent comes from the meaningfully organized accumulation of information (messages) through experience, communication, or inference. Comply Ltd can be concluded to have a culture and reward systems that employees are encouraged and willing to share their experience and knowledge with others as they meanwhile accumulate their knowledge as an organizational asset. In addition, the study also concludes that while talent assets are grounded in the experience and expertise of individuals, the firm provides the physical, social, and resource allocation structure so that knowledge can be shaped into organizational competencies.

The study went on to conclude that Comply Ltd realizes that if they can attract and hire top talent, they will have competitive advantage. Their abilities to acquire top employees will therefore be critical their “war- on- talent” and with the increasing competition for highly skilled talent, creating an open and for an organization to fully exploit the potential of their internal talent, they must first identify those positions within the organization which have the potential to differentially impact on performance. It is only then that the emphasis shifts to filling those positions.

This study further concludes that talent management has a strong association with productivity growth and financial performance. With increased competition for highly skilled talent, creating an open an innovative culture, aligned with what matters most with employees, will provide the organization with the necessary competitive edge to attract and retain talent necessary to achieve organizational goals. It is essential to get differentiated among other organizations in the industry. Towards this end, for

organizations to succeed in today's rapidly changing and increasingly competitive market place, intense focus must be applied to aligning human capital with corporate strategy and objectives.

The study concluded that the organization ensures that the competencies identified for individual employees match the goals and objectives of the organization and is focused on developing its employee's careers in line with its goals. The study also concluded that the organization has been successful in building a sustainable management employer brand and makes executives the primary Talent managers. Finally, the study concluded that career development and targeted talent management are the greatest enablers of organization performance; making executives the primary talent managers and building a sustainable employer brand are supportive to a moderate extent.

5.3 Recommendations

The study recommends development of a talent culture so that talent conversations become acceptable throughout the organization and individuals are encouraged to expand their networks.

The study also recommend that Comply Ltd offers differentiated and tailored development routes that can meet individual needs and strengths to help improve the engagement of those identified as talent and avoid perceptions of under-utilisation. To develop rewards and compensation structures which will be geared towards incentivizing line managers to spot and develop talented employees.

The study further recommends accounting measures be appropriate, measurable and economical. There is no point collecting costly data that is not feeding back in the right areas. Equally, failing to collect data leaves organizations with a blind spot and they will not be able to tell if their talent management system is meeting its strategic objectives or not. These measures are best considered when the system is being designed, so that the evaluation process is designed into the system itself.

Finally, the study recommends that the talent management system is integrated across all aspects of human resource management. There are clear inter-dependencies between talent management and recruitment, development, diversity, retention and succession planning practices.

5.4 Areas of further research

Since this study explored the effect of Talent management on organizations Performance at Comply Ltd Nakuru, Kenya, the study recommends that;

Similar study should be done in public organizations in Kenya for comparison purposes and to allow for generalization of findings on talent management and performance of organizations in Kenya.

The study suggested that further research should be conducted on Challenges of implementing Talent management in private institutions e.g. banks to find out the talent management practices and performance of banking industry.

The study also suggested that the response rate should be broadened to cover a larger population so as to have more inclusive findings to make better conclusions and recommendations from talent management and organization performance.

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LETTER OF INTRODUCTION

Keoye Kerubo Nancy
P.O. Box 1
NYANSIONGO
KENYA
Tel: 0720057105

11th March 2014

Dear Sir/Madam,

RE: SUPPORT ON RESEARCH PROJECT.

I am a postgraduate student at Kenyatta University. As part of the requirement for the award of the degree in MBA, I'm undertaking a research on Examining the Effect of Talent Management on organizational Performance. (A Case of Comply Ltd Nakuru, Kenya).

In this regard, I'm kindly requesting for your support in terms of time, and by responding to the attached questionnaire. Your accuracy and candid response will be critical in ensuring that the objective of the research is achieved. All information received will be treated with strict confidence. Thank you for your valuable time on this.

Yours faithfully,

Keoye Kerubo Nancy

APPENDICES

APPENDIX I: QUESTIONNAIRE

**TALENT MANAGEMENT PRACTICES SURVEY QUESTIONNAIRE @
COMLY LTD**

Please note that these questions are for the MBA research Proposal purposes only. No respondents will be identified using any of the responses below.

STRICTLY CONFIDENTIAL & ANONYMOUS

Please mark your response by typing a cross (X) in the appropriate box

Years of experience in Company	0 - 1 yrs	2-5yrs	6-10yrs	11-15yrs	16+yrs
Age	18 – 25	26 – 30	31 – 40	41 – 50	50+

Please indicate the extent to which you agree / disagree with the following statements by placing a cross (X) in the appropriate box.

1. To what extent do agree with the following statements regarding Targeted Talent Management at Comply limited

NO.	STATEMENT	STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
1.	Individuals are treated differently on the basis of whether their work is pivotal to the organization's success					
2.	If significant variance in the performance of individuals exists, special attention is paid to these individuals and their jobs					
3.	The company identifies the skills acquired from talent training then matches it with organizational objectives.					
4.	The company determines whether variation in individuals' ability to perform a task makes a difference in the performance of the organization					
5.	The organization singles out the critical contributors to its performance					

2. To what extent do agree with the following statements regarding Career development at Comply limited

NO.	STATEMENT	STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
1.	Diversity in careers and work arrangements is standard at Comply Limited.					
2.	Career track for upwardly mobile executives through promotions exists at Comply Limited.					
3.	Career track that has a balanced career-family orientation exists at Comply Limited.					
4.	Career track that is focused on the purpose of the organization exists at Comply Limited.					
5.	Career diversity at Comply Limited caters for individual differences in respect to career objectives,					
6.	Career diversity at Comply Limited caters for individual differences in					

respect to work-life balance preferences					
7. Career diversity at Comply Limited caters for individual differences in respect to career preferences.					
8. Career management that allows all employees to have equal opportunity for talent training exists at Comply Limited					
9. Comply Limited provide business transparency and job trend information to its employees so they can make career decisions based on valid and pertinent data.					
10. Comply Limited is to let individuals make internal moves and workload changes in order for individuals to reasonably self-manage their careers					

3. To what extent do agree with the following statements regarding Build a Sustainable Management Employer Brand at Comply limited

NO.	STATEMENT	STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
6.	Comply Limited attract the right individuals through an employer brand that fits their purpose, identity and strategic intent					
7.	The employer brand at Comply Limited help potential employees make a good decision about whether there's a fit between them and the organization.					
8.	Well-stated deals aid in the recruitment process by reinforcing an organization's objectives.					
9.	Comply Limited has fine-tuned its employment deal to fit the type of rewards it can offer					
10.	Comply Limited has well stated compensation scheme in place.					

4. To what extent do agree with the following statements regarding Making Executives the Primary Talent Managers at Comply limited

NO. STATEMENT	STONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
1. The top executives at Comply limited take primary responsibility for the talent management sessions					
2. Senior executives at Comply limited are actively involved in succession planning and work assignment decisions.					
3. Senior executives at Comply limited contribute to the design and operation of the talent management systems in the organization.					
4. Senior executives at Comply limited see that talent management sessions take place under normal working conditions.					
5. Senior managers at Comply limited have good knowledge of human capital					
6. Talent decisions at Comply limited are taken at both the strategy level and the tactical level					

5. To what extent would you attribute the financial performance at Comply limited to talent management in the last five years (2009-2013).

Year	No extent at all	Little extent	Moderate extent	Great extent	Very great extent
2009					
2010					
2011					
2012					
2013					

APPENDIX II: INTERVIEW SCHEDULE

RESPONDENT DEMOGRAPHIC DATA

Position: -----

Length of Service: -----

SECTION A: TALENT MANAGEMENT AT COMPLY LTD

1. What do you understand by talent management? And what are the reasons for employing Talent management at Comply ltd?

2. What methods of talent management training are employed?

3. Does Talent management improve employee attitude and behavior towards work?

4. Does your company have standard career growth in terms of promotions for all employees who have undergone talent training? -----

5. What criteria is used to evaluate talent management?

6. Does your organization have a compensation scheme in place? -----

7. Does your TM plan include only key positions within the company or is it applied to management and leadership positions at all levels throughout the organization?

8. Does training improve employee skills and productivity? -----

9. Do the senior executives ensure that talent training takes place in the normal working conditions? -----

10. Who is involved in the design and operation of talent management system in your organization?

11. Do you offer management career and leadership development programs within the company? If so, what type of courses? -----

12. Does your organization have a reward system in place? -----

13. Do you think building a sustainable management employer brand will help the organization to achieve its desired goals? -----

14. What is the effect of talent training on organizational productivity? -----

SECTION B: ORGANIZATIONAL PERFORMANCE (To be answered by financial manager)

14 Indicate the performance of Comply Limited in respect to the following Accounting Measures in the last five years

	2009	2010	2011	2012	2013
Return on investment (ROI)					
Return on assets (ROA)					
Return on Sales (ROS)					

15 To what extent would you attribute the financial performance at Comply Limited to talent management in the last five years (2009-2013).

Year	No extent at all	Little extent	Moderate extent	Great extent	Very great extent
2009					
2010					
2011					
2012					
2013					

APPENDIX III: BUDGET PRESENTATION

Expenditure item	Required	Amount	Total
Per diem while doing literature review in Nairobi Kenyatta university @ 2000 per day for 4 days		4,000	4,000
Proposal writing and printing, 50 pages, 3 copies @ 30 per page (50 X3 X30)		4,500	4,500
Acquisition of research permit		1,500	1,500
Photocopying 205 questionnaires with 5 pages @Kshs 3 per page (5X205X3)		3,075	3,075
Payment for 3 research assistants.		10,200	10,200
Data coding and analysis		15,000	15,000
Report writing about 80 pages (80X30)		2,400	2,400
Printing of 3 copies of drafts (3X80X20)		4,800	4,800
Printing and Submission of 6 spiral bound copies (80X6X30)		14,400	14,400
Total amount		63,875	63,875
Grand total			63,875

APPENDIX 1V WORKPLAN

DUTY MONTH	Jan 2014	Feb 2014	March 2014	April 2014	May 2014	June 2014
Topic selection						
Discussion						
Proposal Writing						
Presentation of proposal						
Seeking clearance						
Data collection						
Data Analysis						
Report writing						
Final report						
Graduation						