FACTORS AFFECTING TALENT MANAGEMENT IN PARASTATALS IN KENYA

BY

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DECLARATION

I, the undersigned, declare that this project is my original work and that it has not been presented in any other university or institution for award of a degree or academic credit. All references from various sources have been acknowledged as required.

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This project has been submitted for examination with our approval as the University supervisors.

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DEDICATION

I dedicate this work to my Wife Caroline and our children Jane, Grace and Maxwell as a commitment to Public service for public good. Thanks for your support while I was pursuing the studies.
ACKNOWLEDGEMENTS

I am grateful to the Government of Kenya and in particular the Permanent Secretary Ministry of Gender, Children and Social development (MGC&SD) for financing my studies and giving me opportunity to serve and practice as HRM practitioner at the Ministry. Also grateful to staff and Management of Kenya Forest Service (KFS) for their support. I'm indebted to and my supervisor Mr. Julius Murungi and colleague Caroline Gateru for their guidance and support in this Project. My great regard to respondent in state Parastatals who provided the information/ data. I will remain grateful to all and I say, Thank you.
ABSTRACT.

The greatest asset for any Country in general and Organization in particular is it’s human capital. In the recent past the ability to retain talented employees is becoming a challenge in public service resulting to loss of employees to other organizations including brain drain to other countries. This is great loss in terms of skills, talents, resources and erosion of Institutional memory. Talent management is therefore crucial and indispensable for any organization’s management practice. The study was to investigate factors affecting talent Management in State Parastatals in Kenya. More specifically the study sought to evaluate the influence of recruitment strategies, talent development, talent retention and performance management on talent management. The study will concentrate on the factors: recruitment strategies, talent development, talent retention and performance management. Descriptive research was used in the research. The target population was 147 State Parastatals in Kenya, while the study population was a Human Resource Practitioner of a state Parastatal. 30% of Kenyan State Parastatals was studied, the Parastatal was randomly picked. The sample size was 44 Human Resource practitioners. Primary data was collected using a questionnaire. A pilot test was conducted to establish the validity and reliability of the questionnaire. Regression analysis was used to establish to what extent each variable affects the dependant variable.
ABBREVIATIONS.

TM ..........Talent Management

SPSS..........Statistical Package of Social Science

MGC&SD..... Ministry of Gender, Children and Social Development

KFS..........Kenya Forest Service

EVP..........Employee Value Proposition
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CHAPTER ONE
INTRODUCTION

1.0 Background of the study

Over the last decade talent management has grown in popularity in organizations and despite the recession, strategies for identifying and developing talented employees remain firmly on the agenda for most organizations (Yapp, 2008). The crusade for talent has proven to be highly resilient to the current economic downturn. The recession may be persistent, but the scarcity of talented employees and managers remains. The demand for talented young recruits in the worldwide labour markets still outstrips what the university outflow is able to supply (Evert 2011).

McKinsey research reveals that 75 percent of corporate officers were concerned about talent shortages and Deloitte reports that retaining the best talent is a top priority for 87 percent of surveyed HR directors. This need for talent – and, therefore, its expert management – is also driven by macro trends including: New cycles of business growth, often requiring different kinds of talent. Changing workforce demographics with reducing labor pools and, therefore, a talent squeeze. More complex economic conditions which require segregated talent and TM. The emergence of new enterprises which suck talent from larger organizations. A global focus on leadership which is now permeating many levels of organizations (Chris & Lynne 2005).
Organizational leaders recognize that many aspects of market competitiveness can be easily replicated. Innovation and the launch of new products and services can soon be copied or substituted. Equally, pricing models and decisions to enter new markets are soon followed by others who are expecting to gain a share of the business opportunity. To replicate the skills and talent of the organization’s leadership team and workforce is almost impossible. Therefore the ability of the company to select, engage, retain and deploy talent at all levels is perhaps one of the few competitive advantages a company possesses (Procse 2010).

For public sector organizations, talent management is the answer to finding qualified talent, retaining satisfied employees, enhancing communication and transparency, lowering operational costs, and achieving the organization’s objectives. Talent management is a collection of HR processes that can transform how public sector organizations attract, hire, develop, measure, and retain their most important asset—top talent. No matter what a public sector organization’s main mission may be in the current economy, the recurring theme seems to be “do more with less.” That philosophy even extends to people—whether training employees or recruiting and hiring candidates. In order to do more with less, employees within the public sector often have to take on more duties to fill staffing gaps which means they need to broaden their skills. This kind of HR environment creates challenges and risks when there are no formal talent management processes that connect recruiting, performance, development, and compensation. (Taleo 2010)
1.1 Parastatals in Kenya

Parastatals are businesses that are owned and managed by the government. Section 2 of the State Corporations Act, defines a state corporation as a body that is defined that way by statute, a body corporate established by an Act of Parliament, a bank or other financial institution or other company whose shares or a majority of whose shares are owned by government or by another State Corporation, and a subsidiary of a state corporation.

Under Section 3 of the Act, the President may establish a state corporation to perform the functions that are specified in the order. Section 4 allows the President to assign responsibility for any state corporation to a cabinet minister. Subject to this Act, Section 5(1), every state corporation shall have all the powers necessary or expedient for the performance of its functions. After the commencement of this Act and notwithstanding subsection (1), the power of a state corporation to borrow money in Kenya or elsewhere shall be exercised only with the consent of the Minister and subject to such limitations and conditions as may be imposed by the Treasury with respect to state corporations generally or specifically with respect to a particular state corporation. A state corporation may engage and employ such number of staff, including the chief executive, on such terms and conditions of service as the Minister may, in consultation with the Committee, approve. A state corporation may, with the approval of the Minister in consultation with the Treasury and the Committee, establish pension, gratuity, superannuation, provident or other funds for the state corporation’s employees and their dependants. (GOK, 2009)
1.2 Statement of the Problem

In today’s competitive knowledge-based world, the caliber of a company’s talent increasingly determines success in the marketplace. At the same time, attracting and retaining great talent is becoming more difficult, as demand for highly skilled people outstrips supply (McKinsey & Company 2001). Proecse (2010) Talent management strategies will need to be aligned to the introduction of new business models and strategies. The introduction of new talent in the science and technology disciplines is not keeping up with the ‘baby boomer’ retirement. In emerging markets, accelerated growth is visible in industry sectors and locations where organizations have little knowledge and experience to guide their talent management resource. It is also noted that “The loss of high performers cost more than money. It tends to impair the organization’s memory, dilutes the ability to perform, and compromises the will to win” (Stone, 2002).

U.S. employers are not alone in experiencing talent shortages. Similar trends exist in Europe, Asia, and other parts of the world. In Europe, birth rates are effectively zero, and some industries are experiencing severe labor shortages. The projection for Japan is equally dire because of the expected 15% drop in the working-age population by 2025 (Malthus, 2009). Acquiring skilled talent is becoming a major challenge in many public and private organizations (Harvey 2009).

The 2007 Manpower Inc. Annual Survey of nearly 37,000 employers in 27 countries reveals that 41% of companies worldwide have problems filling skilled positions. Forty-one percent of U.S. employers also report talent voids. Manpower’s 2009 survey
indicates a continuation of these talent shortages. Even in the current recession, 30% of employers worldwide report problems finding qualified candidates for skilled positions.

Over 80% of public sector organisations indicated they had no real plans for talent management retention, even though they reported significant problems in retaining specialist workers (SOCPO 2005).

Studies done on talent management have focused on the effect of talent management on performance Eddie (2007) . Others have examined how talent management definitions affect talent management practices Carole (2011). However, no empirical study has been conducted to determine the factors affecting talent management in parastatals in Kenya. Therefore this study is set to determine these factors in State Parastatals.

1.3 General Objective
The General Objective of this study was to investigate factors affecting talent management in State Parastatals.

1.3.1 Specific Objectives
The specific objectives which guided the study were:-

1. To find out whether the resourcing strategy influences talent management in the Organizations.

2. To find out whether talent retention influences talent management in the Organizations.
3. To find out whether talent development management influences talent management in the Organizations.
4. To find out whether performance management influences talent management in the Organizations

1.4 Research questions

The Research questions which guided the study were:
1. Does the resourcing strategy influence talent management in state parastatals?
2. Does talent retention influence talent management in state parastatals?
3. Does talent development influence talent management in state parastatals?
4. Does performance management influence talent management in state parastatals?

1.5 Significance of the Study

Talent shortages, skill deficiencies and the work orientation new employees bring with them make talent management an imperative for organizations in all sectors. Recruiting, developing and retaining high performing talent constitute major challenges and are recognized priorities. Nowhere, however, is talent management more of an imperative than in the public sector, which will lose nearly 50% of its workforce over the next five years (Harvey 2009).

The study will aim to benefit the following groups of people:

Human Resource Experts in Parastatals have a significant role to play in talent Management in the Parastatals and so the study will enable them to be equipped with the knowledge they need to manage talent in the parastatal.
Academicians can use this work for their literature review and as they develop conceptual frameworks for their studies.

1.6 Scope of the study
The Scope of the study was 44 randomly picked state Parastatals (from the attached list) and the findings was generalized to other State Parastatals.

1.7 Limitations of the study
Delimitation of a study are those characteristics of the study that limit its scope. Among these are the choice of objectives and questions, variables of interest, alternative theoretical perspectives that could have been adopted etc. The delimitation of a study is very much a function of the factors that the researcher has chosen to control or include in the study, given that there are very many extraneous factors that would intrude into any research process. (Mugenda 2008) The variables of interest in this study included, recruitment strategies, talent development, talent retention and performance management.
1.8 Definition of terms

Talent - it consists of those individuals who can make a positive impact on organisational performance either through their immediate contribution or in the longer term by demonstrating the highest levels of potential’ [CIPD, 2007].

Talent management (defined by the CIPD (2009), as “the systematic attraction, identification, development, engagement/retention and deployment of those individuals who are of particular value to an organization, either in view of their ‘high potential’ for the future or because they are fulfilling business/operation-critical roles”)
CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction
This chapter presents relevant literature related to the study and compares the views of different authors on the same. Theoretical and empirical literature has been used to develop this chapter. A conceptual framework was also been developed to guide the study.

2.1 Theoretical Review

2.1.1 Bersin and Associates Talent Management Framework (for Public and Private Organizations).

Bersin (2010) and his colleagues have developed a ‘high impact talent management model’ which seeks to develop integrated organisational processes aimed at attracting, managing, developing, motivating and retaining key people in the organisations. The model is elaborate and includes all the main HR activities and functions, linked with learning and development and compensation processes. It provides a useful framework in terms of talent management activities specifically, based on four core functions: Talent acquisition, Performance management, Succession planning and management and Leadership development. (Ford, J, Harding, N & Stoyanova D 2010)

Talent acquisition includes Sourcing, recruiting and staffing Assessment Employer brand Recruitment Selection. Under Performance management, Goal setting Goal
alignment Coaching, Manager evaluation, 360 degree assessment, Competency assessment, Self-evaluation and Development planning should be included.

Succession planning and management involve Calibration meetings, Talent reviews Career planning and Talent mitigation plan. Leadership development will involve Format programmes, Stretch assignments, Executive education, Coaching, Mentoring Job rotation and Assessment Evaluation.

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Bersin and Associates. Talent Management Framework (SOURCE Bersin and Associate 2010)
All of the above are integrated with the business strategy, critical talent strategy, target metrics and measurement, process governance and systems strategy. They are underpinned by competency management including job profiles, corporate values, leadership competencies and functional competencies. The underlying understanding of the model is that “talent management is not squashing together of HR roles but something quite different: applying strategic HR disciplines to your company’s business needs.” (Bersin 2010). This requires that the HR function is redesigned. However, Bersin warns against undermining talent management by promoting it purely as an HR initiative. Rather, a systemwide approach should be adopted and organisational leaders should be actively involved. (Ford J, Harding, N & Stoyanova, D. 2010)

The talent management strategy, Bersin argues, has four key elements: performance management, competency management, leadership development and learning and development. They should all fit together in an integrated talent management approach and fit increasingly as the process evolves. Below are a few relevant remarks on each of them (following Bersin 2010). (Ford J, Harding, N & Stoyanova D 2010)

Performance management, the core of talent management: set the rules for discussion and evaluation. Should be built around the organisational culture (hence can be competitive or highly collaborative) Involves processes such as goal setting, goal alignment, self-assessment, management assessment, 360 or peer assessment, competency analysis or discussions and development planning.

Under Competency management one should understand the organisation’s core competencies, leadership competencies and role competencies. Learning and
development is the key to talent management in its function to provide deep levels of skills development across the organisation. Career development. Leadership development involves understanding that organisations can be at different stages of maturity, but building strong leadership development is vital. (Ford, J, Harding, N & Stoyanova D 2010).

2.1.2 Five Elements of a Talent Formula

McKinsey & Company April 2001 on the War for Talent identified five elements to a successful talent management, they include:

1. Differentiate and affirm
2. Grow great leaders
3. Recruit talent continuously
4. Create a winning "EVP" and
5. Instil a talent mindset.

Organization and Leadership Practice should instill a talent mindset at all levels of the organization beginning with senior management – A talent mindset is the deeply held belief that building a strong management talent pool is critical to achieving the aspirations of the company. Leaders with a talent mindset roll up their sleeves and make talent their job; they continuously create, champion, and drive new ways to bolster talent. They ensure that the link between business strategy and talent requirements is forged. They hold themselves and leaders at all levels of the organization accountable for the strength of the talent pool (McKinsey & Company 2001).
Create a winning Employee Value Proposition (EVP) that brings scarce talent through the doors, and keeps them there – Just as a company carefully shapes its value proposition to customers, it should also deliberately craft the value proposition to its people. The EVP answers the question, “Why would a talented person want to work here?” Although winning EVPs are designed to appeal to the needs of specific talent segments, they share the following elements:

Exciting work – quite simply, people want interesting, challenging jobs and they want to feel passionate about their work. A great job is demanding and stretching and full of requirements that the individual finds interesting and worthwhile.

Great company – managers want to work for companies that are well managed, that have admirable corporate cultures and values, and great leaders. Two aspects of culture are critical: a strong emphasis on performance and an environment that is open and trusting.

Wealth and reward – people want to make money that is commensurate with the value they create and with their other options. This is about more than the tangible value of the money; people want to feel recognized and valued for their individual contributions.

Growth and development – managers want the company to help them develop their skills. This is particularly important today, when people realize that their only real security in the job market is the collection of skills they possess. (McKinsey & Company 2001).

Recruit great talent continuously – Companies must always be on the prowl for top talent. They need to have a keen sense of who they are looking for, and do their looking
in new ways and in new places. They must bring in talent at all levels of the organization, even at senior levels. Successful companies understand that in today’s economy, recruiting must be approached more like marketing and sales than purchasing; the recruit is the customer and the company must sell its jobs in an increasingly competitive marketplace. And these companies measure their recruiting success with the same vigour that they apply to growth targets or market share (McKinsey & Company 2001).

Grow great leaders – Most companies leave a tremendous amount of human potential unrealized because their people are inadequately developed. Talented people crave the opportunity to grow, and without it they’ll leave. Growing great leaders means deliberately giving them job challenges that push the bounds of what they thought themselves capable of. At the same time, it means providing the life preservers for succeeding at “stretch” opportunities. It means giving people the candid feedback they need to grow, without the sweaty palms that often characterize these infrequent exchanges. It means weaving mentoring into the fabric of the organization – so that it is in the institution, not an appendage.

Differentiate and affirm – Companies too often give in to the temptation to treat all their people the same. The leading companies conduct clear-eyed assessments of their talent; they differentiate in how they invest in their top performers and low performers. They shower top performers with job opportunities that excite and challenge them, and pay them for the value they create. Furthermore, they recognize that poor performers are not only failing in their own jobs, but are also bringing down everyone around them.
These companies realize that moving on under-performers, whether to a different position or out of the company, is both a difficult task and an obligation of leaders. At the same time, they do not overlook the development of the large number of solid performers throughout the organization who are neither superstars nor blockers. They raise the performance and job satisfaction of these people to a higher level through development and affirmation, improving the odds that these workers feel vital to the future of the business (McKinsey & Company 2001).

2.2.1 Resourcing Strategy

Competition for scarce talent was leading to an increasing acknowledgement that there needed to be a move away from a heavy reliance on external recruitment in the public sector to a focus on identifying individuals internally with the potential to provide future organisational leadership. A shift in approach that is potentially at odds with well established recruitment and selection practices in the public sector which reflect a design principle of providing greater equality by making employment opportunities available to the widest possible range of applicants, externally and internally (Newell, 2005; Harris, 2000).

Any organisation can employ various techniques to ensure that it selects the right candidates to match the culture and values of this organisation (Oehley, 2007). According to Armstrong (2006) an organisation must identify what sort of people it needs in terms of qualifications and experience in order to ensure a cultural fit. It should be an employer of choice, this is "a place where people prefer to work". Factors that contribute to being an employer of choice are: interesting and rewarding
work, opportunities for learning, development and career progression, reasonable degree of security, enhanced employability, better facilities, employment conditions that satisfy work-life balance needs as well as competitive pay and benefits (Armstrong, 2006).

Taleo Research (2009) encourages the public sector to build talent pools, this reduces dependence on external resume databases by keeping your own database of quality candidates. Then manage candidate relationships so you can tap into this valuable resource when there is a job opening. They also encourage use of social networks to share urgent job openings with millions of potentially qualified candidates. Online pre-screening questions can quickly eliminate unqualified candidates based on candidate answers. After this initial pre-screening, invite the top candidates to supply additional information that can help further separate the best candidates from the good ones.

Talent attraction is considered as one of the elements of talent management and includes systems that are implemented by organisations to ensure that they attract and recruit talented employees of a high quality (Oehley, 2007). The most important characteristics of those that are already thriving should be identified so that others like them can be recruited (Armstrong, 2006). Employer branding entails a marketing strategy of an organisation to attract talented employees and is influenced by its reputation as a good employer, a great place to work and the way people are treated (Armstrong, 2006).
2.2.2 Talent Development

Talent development includes career management, performance management, succession planning as well as training and development processes within the organization (Armstrong, 2006, Blass & April, 2008). The CIPD 2005 recruitment, retention and turnover survey found that managerial and professional vacancies are often difficult to fill externally, so it can make sense to look for internal candidates who have demonstrated potential to grow.

The CIPD 2005 learning and development survey reports that 94% of respondents agreed that well-designed talent management development activities can have a positive impact on an organisation’s bottom line and that ‘developing high-potential individuals (67%) and growing future senior managers (62%) are the two main objectives for talent management activities’.

According to Armstrong (2006) the ultimate aim of organisations is to develop and maintain a talent pool consisting of a skilled, engaged and committed workforce. The CIPD learning and development survey identified that in-house development programmes, coaching and succession planning are the most common activities for talent management, while the practices rated as the most effective are in-house development programmes, internal secondments and coaching. the implicit suggestion with talent management that organisations should look inside the organisation before looking outside (make, rather than buy), cipd 2006

This part of talent management plays a significant role in the retention of talented employees eventually and is highly rated by talented employees (Oehley, 2007).
Armstrong (2006) concurs with this view and suggests that learning and development programmes are essential components in the process of developing talent. Talented individuals are allowed to develop in their current positions and can proceed to new positions through training and development (Armstrong, 2006).

Manon Ruijters (2006), a Dutch professor on learning and development, has found through her research that talents, especially future leaders, have two preferred modes of learning, of which observing role models is one (the other, unsurprisingly, is learning by discovering, by doing). Through observation talents learn what works best and how to build their own best practices.

2.2.3 Talent retention

Retention is another area where consistent processes can help the HR function to identify clusters of key talent, set retention benchmarks, apply retention strategies, and then evaluate and refine approaches over time. For example, clear and broadly implemented processes can help companies to: determine the characteristics that best define the most critical performers, then proactively manage their development, compensation and engagement over time; identify the early warning signs of employee defection, in time to act, evaluate the degree to which various combinations of incentives influence behaviour and retention, and establish an optimal budget for rewards; and establish a formal learning and development plan for all employees and track progress by individuals or groups of “like” employees (Lars Mørch2007).

As an element of talent management, talent retention implies that the organization intends to retain its most talented employees or those employees that will likely leave.
Organizations are not always successful at retaining talented workers but can use tried and tested strategies to retain their best employees (Armstrong, 2006). Success in attracting and retaining the ‘noughties’ generations will come from innovative development and reward packages that are tailored to the general trends in attitudes and values. One clear aspect of this is the need for more personal and individualized packages (CIPD 2006).

Organization need to think through how they can retain talent within organization (Cartwright, 2003). One of the best ways to retain key individuals is to make sure that they are fully engaged in the work they are doing and know that the contributions resulting from that engagement are recognized and appreciated (Bechet, 2008).

Employee engagement has been associated with a number of important organizational outcomes, many of which are directly related to talent management such as ease of recruitment, retention, and employee turnover. For example, Towers Perrin (2003) found that 66 percent of highly engaged employees plan to stay with their current employers, compared to only 12 percent of disengaged employees. Blass and April (2008) view the objective of talent management is to get talented individuals to stay with the organisation and be developed for critical roles in the future.

2.2.4 Performance Management

Many companies ask where to begin when redeveloping talent management. Hands down, the answer is performance management. There is an obvious connection between getting day-to-day performance right and driving better company results — critically
Organisations that apply talent management practices demonstrate significantly higher financial performance compared to their industry’s peers, for example regarding sales revenue and productivity (Axelrod, Handfield-Jones, & Welsh, 2001; et al).

Performance management also helps clarify an employee’s role, while focusing employee development on competencies that determine the organization’s success. When companies get performance management right, it can provide the foundation for other talent management processes. For example, if employees align their goals with business goals, they will make better day-to-day decisions, which have an immediate impact on business performance. In addition, the data gathered during the performance management process can inform other processes. For example, performance over time becomes a deciding factor in succession planning. Experiences that stimulate success can be fed back into the recruiting processes (Horsfield, D. Isabel, O. & Reidy, B. (2010).

Companies with established talent management capabilities achieve improved quality, speed and skills (Gandossy & Kao, 2004; Tansley et al., 2007) and higher innovative ability (Kontoghiorghes & Frangou, 2009).

If a company can measure performance, it can look at the characteristics of its high performers and make data-driven decisions about future hires. Data about productivity and revenue achievement also drive back into workforce planning (Horsfield, D. Isabel, O. & Reidy, B. (2010). Lewis & Heckman (2006) identified three key streams of analysing the effectiveness of talent management practices. A first stream refers to an analytical technique to tie talent management to financial performance, a second stream
emphasises the process of analysing and optimising the talent management system, the third stream appear to see analytics as a set of metrics and measures for use by different users. Oehley (2007) suggests that “performance management be used to identify employees with high potential, formulate personal development plans and connect ratings with the succession planning system”. Armstrong (2006) agrees with this view that performance management provides a means to identify talent and potential in organisations and utilising it optimally. 2.2.5 Conceptual Framework

The conceptual framework is the schematic diagram which shows the variables included in the study (Urco 2009). The study will adopt a conceptual framework (Figure 2.1) that has the following independent variables resourcing strategy, talent retention, talent development and performance management. Talent Management is the dependant Variable.
2.3 Empirical Review

In the Thai public sector, Government agencies also face difficulty in terms of talent retention. Brain-drain problem is one of the crucial issues in a bureaucratic system. Kriengsak Chareonwongsak (2008), A Brain Drain situation is happening in Thailand as well, where a proportion of top people are turning to work in the private sector where they can earn much more than they can in state departments.

In the West Australian mining industry, the resource sector of the economy in 2009 had been hit hard with plunging commodity prices and falling demand and most HR challenges identified in earlier years as being relevant during boom years became even more critical. The key HR challenges facing the West Australian mining industry for the next few years are considered to be: replacing retirees; the retention of key talent; growing the talent pool training and development; and keeping staff motivated. Dwyer, J and Dickie, C (2011)

2.4 Research Gaps

Assessment and Talent management survey (2010) conducted by Richard A. MacKinnon CPsychol found out that Performance management, development, identification of high potential employees, team development and succession planning, all areas capable of improvement in talent management.

Ashridge, Marion Devine and Marcus Powell (2008) Talent Management in the Public Sector, noted that it would be better to link talent management processes with career
planning and succession planning – an area much under-developed in public sector organisations.

In a survey conducted by Harris and Foster 2007 the findings from the study suggested that what is needed in today’s environment is a new flexible and fluid paradigm for developing talent (Boudreau and Ramstad, 2005) which can be adapted to accommodate the rapidly changing external and internal circumstances that face organisations in the 21st century. This presents a particular challenge for the public sector’s recruitment and selection practices, traditional hierarchical concepts of a career and approaches to career management and succession planning.

The research reveals a growing recognition of the value of using both formal and informal methods to meet the development needs of individuals accompanied by a far greater interest in developing a supportive organisational learning culture, for example through coaching and mentoring, rather than relying on than the formal training and educational programmes long favoured by the public sector.

Competition for talented individuals with the leadership skills needed to move the organisations forward is bringing into question the public sector’s traditional strategies for attracting candidates, recruitment, employee development, career management as well as equality and diversity management.

2.5 Summary

In summary, from the proposed theories, it can be noted that factors like recruitment, retention, employee development and career management influence talent management.
CHAPTER THREE
RESEARCH METHODOLOGY

3.0 Introduction
Research methodology is defined by Leedy & Ormrod (2001) as the general approach the researcher takes in carrying out the research project. In this chapter, the study addressed who, what, where and how the research was to be conducted. This chapter explains the research design, target population, sample size, sampling procedure, data collection tools and their administration and procedure for data collection analysis procedure.

3.1 Research Design
According to Mugenda and Mugenda (1999) a research design is the conceptual structure within which research is conducted. Descriptive research was used to investigate the factors affecting the talent management in state Parastatals. According to Mugenda and Mugenda (2003) descriptive research determines and reports the way things are. Descriptive research is restricted to fact finding and may result in the formulation of important principles of knowledge and solutions to significant problems. It is more than collection of data and it involves measure, classification, analysis and interpretation.(Kothari, 2008).

3.2 The Target Population
According to Mugenda and Mugenda (1999) population means all elements in a research area of interest. It is the group of individuals or objects from which samples are taken for measurement.
Target Population is the totality of cases that conform to some designated specifications, which could be people, events, or things of interest to the researcher (Sekaran 2000). For this study the target population will be 147 State Parastatals. The study population will be 30% of the attached list of Parastatals. A Human Resource practitioner was randomly picked from the attached list of Parastatals and filled the questionnaire. The sample size was 44 Human Resource practitioners. The results was generalized to other State Parastatals. This is because all public sector organizations now follow a focal point of service provision in responding to citizen needs and providing integrated and comprehensive service delivery (Fowler & Pryke 2003).

3.3 Sampling Strategy
For the purposes of this research the sample was Human Resource practitioners in each Parastatal randomly sampled. This was because Human Resource managers are considered very important in Talent management and according to Julia H. & Evelina R.(2008) HRM and plays an essential role in developing, launching, facilitating and tracking talent management efforts and systems, in an organizational commitment to talent management.

3.4 Data collection, Tools and Instruments
This sets out how data for the study was to be collected and analyzed. To achieve the research objectives, both primary and secondary data was used to answer the research questions.
Primary data was collected through a questionnaire; Questionnaires are easy to analyze, Walonick, (2010). The questionnaire contained closed and open-ended question items. Questions were constructed using a likert scale. A Likert Scale allows a participant to provide feedback that is slightly more expansive than a simple close-ended question, but that is much easier to quantify than a completely open-ended response, Parnaby (2006). While Secondary data was obtained through document review. These documents are organizations records like pamphlets and published Talent Management and quarterly magazines.

3.4.1 Reliability of Instruments

The pilot done discarded all unnecessary, difficult or ambiguous questions and established that replies can be interpreted in terms of the information that is required.

The pilot test involved three (3) HR managers in state Parastatals. The questionnaire was further refined based on the data received. The data from the pilot test was analyzed using Cronbach's alpha. Cronbach's alpha determines the internal consistency or average correlation of items in a survey instrument to gauge its reliability. (Cronbach, 1951).

The smaller the variability (or stronger the correlation), the greater the internal consistency reliability of this survey instrument. Alpha coefficient ranges in value from 0 to 1 and may be used to describe the reliability of factors extracted from dichotomous (that is, questions with two possible answers) and/or multi-point formatted questionnaires or scales (i.e., rating scale: 1 = poor, 5 = excellent). The higher the score,
the more reliable the generated scale is. Nunnaly (1978) has indicated 0.7 to be an acceptable reliability coefficient but lower thresholds are sometimes used in the literature. Mugenda and Mugenda (2003) recommend for a 0.7 and above threshold. A reliable instrument will have consistent results if repeated overtime or if used by two different investigators. Internal consistency of reliability refers to the extent to which all parts of the measurement technique are measuring the same concept.

### 3.4.2 Validity of instrument

The process of developing and validating an instrument is in a large part focused on reducing error in the measuring process (Kimberlin and Winterstein 2008). Validity of a questionnaire refers to the extent to which it measures what it claims to measure (Mugenda & Mugenda, 2003). The content validity of the instrument will be determined.

The researcher discussed the items in the instruments with a HR manager and lecturers. Advice given by these people helped the researcher to determine the validity of the research instrument, the suggestions was used in makings necessary changes. The piloted questionnaire was scrutinized to identify items that seemed unclear or ambiguous. Such items will be reviewed and reworded, thereby improving the face validity of the instrument. Kothari(2004) notes that validity is the extent to which a measuring instrument provides adequate coverage of the topic under study.

### 3.5 Data Analysis and Presentation

Data was analyzed through qualitative and quantitative approaches so as to gather as much information as possible regarding talent Management. Leedy and Ormrod (2001)
suggest that qualitative research is used “to construct a rich and meaningful picture of a complex, multifaceted situation”. Data will analyzed using statistical methods and results interpreted to give meaning to the study. Statistical Package for Social Sciences (SPSS), which will be used to assist in data analysis.

Quantitative approaches of data analysis involved presenting data in form of tabulations, percentages, bar graphs and Pie graphs methods.

Qualitative methods involved drawing meanings from the quantitative data. While the quantitative method provides an objective measure of reality, the qualitative method allows the researcher to explore and better understand the complexity of a phenomenon, Williams (2007).

Primary data gleaned from the research survey was analyzed using descriptive and inferential statistics (Cooper & Schindler, 2006). Descriptive research, this analysis gives a meaning to data through frequency distribution, mean. Inferential statistics allow one to draw conclusions about the unknown parameters of a population based on statistics which describe a sample from that population.
CHAPTER FOUR
DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents analysis and findings of the study as set out in the research methodology. The study findings are presented on to assess factors affecting talent management in state Parastatals. The data was gathered exclusively from the questionnaire as the research instrument. The questionnaire was designed in line with the objectives of the study.

4.1.1 Scale Reliability Results

Each item had an overall alpha above 0.7. Mugenda and Mugenda (2003) recommend for a 0.7 and above threshold. This value indicates strong internal consistency of the instrument.

Figure 4.1: Age of the respondent

![Age Distribution Chart]

The study sought to find out the age of the respondents. From the findings, 25% of the respondents were between 46-50 years, 22.5% were between 36-40 years, 20% were between 41-45 years, 10% were between 31-35 years, 10% were above 50 years, 7.5%
were between 26-30 years while only 5% were less than 25 years. The study shows that most respondents were aged between 36-50 years.

4.2 Demographic Information

Figure 4.2: Gender of the respondent

The study sought to find out the Gender of the respondents. From the findings, 55% of the respondents were male while 45% were female. This shows that men were in more senior positions than women.

Figure 4.3: Highest Education qualification

The study sought to find out the Highest Education qualification reached by the respondents. From the findings, 52.5% of the respondents had master’s degree, 27.5%
had a first degree, and 12.5% had a doctor of philosophy while only 7.5% were diploma holders. The researcher concludes that at least three quarter of the respondents had reached their second degree and above.

**Figure 4.4: Respondents department**

![Bar chart showing the distribution of respondents by department.](chart)

The study sought to find out the respondents department. From the findings, 85% of the respondents were in the human resource and administration department, 7.5% were in the planning and evaluation department, 5% were in the information management while only 2.5% were in the public relations department. The study concludes that most of the respondents were stationed in the human resource department.

**Figure 4.5: Years of work experience**

![Bar chart showing the distribution of respondents by years of work experience.](chart)
The study sought to find out the working experience of the respondents. From the findings, 42.5% of the respondents had worked in the organization for between 11-15 years, 25% of the respondents had worked in the organization for 6-10 years, 22.5% of the respondents had worked in the organization for between 16-20 years while only 10% of the respondents had worked in the organization for more than 20 years. This concludes that most employees do not stay longer in the same organization for than 20 years.

Figure 4.6: Working position of the respondents

The study sought to find out the working position of the respondents in the organization. From the findings, 80% of the respondents were human resource officers, 10% of the respondents were economists, 5% of the respondents were principal information officers, 2.5% were directors and relations officers respectively. Most of the respondents were in the human capital development departments.
The study sought to find out whether there were talent management strategies in the organization. From the findings, 82.5% of the respondents indicated that there were talent management strategies in the organization while only 18% of the respondents indicated that there were no talent management strategies in the organization. The study shows that most organizations use talent management strategies.

The study sought to find out how talent management practices were carried out in the organization. From the findings, 65% of the respondents said that the talent
management practices were formal while 35% of the respondents said they were implicit. Generally most organizations use formal talents management practices to avoid malpractices among different employees like bribery.

4.3 Resourcing Strategy

Figure 4.9: Whether the organization focuses on growth potential of individuals

The study sought to find out whether the organization focused on growth potential of individuals. From the findings, 92% of the respondents said they focused on individual’s potential for growth while only 8% of the respondents indicated they do not focus on individual’s growth potential. This may be because identifying persons with potential for growth internally is better since the individual knows the organization culture and are thus able to use their talents more easily than an external recruit. According to (Newell, 2005; Harris, 2000) there is a focus on identifying individuals internally with the potential to provide future organisational leadership.
The study sought to find out whether the Parastatals uses various techniques to ensure that it selects the right candidates to match the culture and the values of the organization. From the findings, 87% of the respondents indicated that they used various techniques to ensure that the Parastatal selects the right candidates to match the culture and the values of the organization. While 13% of the respondents indicated they did not use various techniques to ensure that the Parastatal selects the right candidates to match the culture and the values of the organization. This could perhaps be explained by the fact that a combination of various resourcing strategies could most probably yield the best ideal candidate for the Parastatal. According to (Oehley, 2007) any organisation can employ various techniques to ensure that it selects the right candidates to match the culture and values of this organisation.
Table 4.1: Extent that respondents agreed with various statements about resourcing strategy

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Somehow agree</th>
<th>Agree</th>
<th>Somehow disagree</th>
<th>Strongly disagree</th>
<th>Mean</th>
<th>Std.dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>I find my work in the parastatal interesting and rewarding</td>
<td>57.5</td>
<td>27.5</td>
<td>15.0</td>
<td>0</td>
<td>0</td>
<td>4.4</td>
<td>0.1</td>
</tr>
<tr>
<td>employment conditions satisfy work life balanced</td>
<td>15.0</td>
<td>42.5</td>
<td>25.0</td>
<td>17.5</td>
<td>0</td>
<td>3.6</td>
<td>0.2</td>
</tr>
<tr>
<td>employee recruited internally are great performers compared with externally recruits</td>
<td>12.5</td>
<td>17.5</td>
<td>15.0</td>
<td>32.5</td>
<td>22.5</td>
<td>2.7</td>
<td>0.3</td>
</tr>
</tbody>
</table>

The study sought to find out the extent that respondents agreed with various statements about resourcing strategy. From the findings, respondents somehow agreed that they found work in the Parastatal interesting and rewarding as indicated by a mean of 4.4 and that employment conditions satisfy work life balanced as indicated by a mean of 3.6. Further respondents fairly agreed that employee recruited internally were great performers compared with externally recruits as indicated by a mean of 2.7. This could be because for talent to flourish the above factors have to be considered. According to Armstrong (2006) an organisation must identify what sort of people it needs in terms of qualifications and experience in order to ensure a cultural fit. It should be an employer of choice, this is "a place where people prefer to work". Factors that contribute to being an employer of choice are: interesting and rewarding work, opportunities for learning, employment conditions that satisfy work-life balance needs.
The study sought to find out whether recruitment strategy can influence talent management in the parastatal. From the findings, 90% of the respondents indicated recruitment strategy can influence talent management while 10% of the respondents indicated recruitment strategy cannot influence talent management in the Parastatals. This may be because the strategy used or a combination of the recruitment strategies used determines the quality of talent brought in the organization. According to Oehley, (2007) Talent attraction is considered as one of the elements of talent management and includes systems that are implemented by Organization to ensure that they attract and recruit talented employees of a high quality.

4.4 Talent Development

Figure 4. 12: Whether parastatals look to develop internal candidates who have demonstrated potential to grow.
The study sought to find out whether parastatals look to develop internal candidates who have demonstrated potential to grow. From the findings, 92% of the respondents indicated that they look to develop internal candidates while 8% indicated unwillingness to develop internal candidates. This may be because internal candidates are easier to train and develop than external recruits because they understand the organization better. The CIPD 2005 recruitment, retention and turnover survey found that managerial and professional vacancies are often difficult to fill externally, so it can make sense to look for internal candidates who have demonstrated potential to grow.
The study sought to find out the development strategies Parastatals. From the findings, 47.5% of the respondents preferred in-house development programmes, 20% of the respondents indicated they preferred coaching, 12.5% of the respondents indicated they preferred succession planning, 10% of the respondents preferred external development programmes and internal secondment. A majority preferred in-house development programmes, this may be because in-house training target all employees and thus all get a chance to be trained, the method is thus more effective. The CIPD learning and development survey (2006) rated as most effective in-house development programmes.
The study sought to find out whether learning and development programs are essential components in the process of developing talent. From the findings, 95% of the respondents indicated that learning and development programmes are essential components in the process of developing talent while 5% of the respondents indicated that learning and development programmes are not essential components in the process of developing talent. This may be because talent grows from learning and development. According to Armstrong, (2006), talented individuals are allowed to develop in their current positions and can proceed to new positions through training and development.

4.5 Talent Retention

Figure 4.15: Whether the organization intends to retain its most talented employees

The study sought to find out whether the organization intends to retain its most talented employees. From the findings, 87% of the respondents intend to retain the most talented employees while 13% of the respondents do not intend to retain the most talented employees. This may because retaining talented employees saves the organization recruitments and training cost. According to Cartwright, (2003), Organization need to think through how they can retain talent within organization.
4.2 To establish whether talented individuals are fully engaged in the work they are doing and know that the contributions resulting from that engagement are recognized and appreciated.

The study sought to find out whether talented individuals are fully engaged in the work they are doing and know that the contributions resulting from that engagement are recognized and appreciated. From the findings, 80% of the respondents indicated that talented individuals are fully engaged in the work they are doing and know that the contributions resulting from that engagement are recognized and appreciated while 20% of the respondents indicated that talented individuals are not fully engaged in the work they are doing and know that the contributions resulting from that engagement are recognized and appreciated. This may be because for talented individuals to be retained in the organization they have to feel that their talent is being used, they need to have challenging work that is appreciated. According to Bechet, (2008) one of the best ways to retain key individuals is to make sure that they are fully engaged in the work they are doing and know that the contributions resulting from that engagement are recognised and appreciated.
Table 4.2: Extent that respondents agreed with various statements about talented individuals

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Somehow agree</th>
<th>Fairly agree</th>
<th>Strongly disagree</th>
<th>Mean</th>
<th>Std Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>talented individuals who stay with the organization are usually developed for critical roles in the future</td>
<td>67.5</td>
<td>22.5</td>
<td>7.5</td>
<td>2.5</td>
<td>0</td>
<td>4.6</td>
</tr>
<tr>
<td>have you ever lost your employee to another Parastatal</td>
<td>50.0</td>
<td>20.0</td>
<td>15.0</td>
<td>10.0</td>
<td>5.0</td>
<td>4.0</td>
</tr>
</tbody>
</table>

The study sought to find out the extent that respondents agreed with various statements about talented individuals. From the findings, respondents strongly agree that talented individuals who stay with the organization are usually developed for critical roles in the future as indicated by a mean of 4.6. Further, respondents fairly agree that they have lost employee to another Parastatal as indicated by a mean of 4.0. This may be because developing talent for future critical roles is easier that externally getting the required talent. Blass and April (2008) view the objective of talent management is to get talented individuals to stay with the organisation and be developed for critical roles in the future.

4.6 Performance Management

Table 4.3: Extent that respondents agreed with various statements about performance
The study sought to find out the extent that respondents agreed with various statements about talented individuals. From the findings, respondents strongly agree that performance overtime becomes a deciding factor in succession planning as indicated by a mean of 4.5 and that they are satisfied with the performance of all staff as indicated by a mean of 3.1. This may be because to be considered for succession planning, one must have shown ability and merit as depicted by performance appraisal reports. According to Horsfield, D. Isabel, O. & Reidy, B. (2010) the data gathered during the performance management process can inform other processes. For example, performance over time becomes a deciding factor in succession planning.

**Figure 4.16: Whether the organization measures performance of its employees and looks at the characteristics of its high performers**

<table>
<thead>
<tr>
<th>performance overtime becomes a deciding factor in succession planning</th>
<th>strongly agree</th>
<th>somewhat agree</th>
<th>fairly agree</th>
<th>somewhat disagree</th>
<th>strongly disagree</th>
<th>Mean</th>
<th>Std. dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>I’m satisfied with the performance of all staff</td>
<td>65.0</td>
<td>27.5</td>
<td>2.5</td>
<td>5.0</td>
<td>.0</td>
<td>4.5</td>
<td>0.3</td>
</tr>
<tr>
<td>I’m satisfied with the performance of all staff</td>
<td>17.5</td>
<td>22.5</td>
<td>22.5</td>
<td>30.0</td>
<td>7.5</td>
<td>3.1</td>
<td></td>
</tr>
</tbody>
</table>

The study sought to find out whether the organization measures performance of its employees and looks at the characteristics of its high performers so that high performers are hired in the future. From the findings, 85%, of the respondents indicated that
parastatals measured performance of its employees and looked at the characteristics of its high performers while 15% of the respondents indicated that parastatals neither measured performance of its employees nor looked at the characteristics of its high performers. This is because when the organization has to recruit new employees they’ll need to search for characteristics depicted by the talented person who once held the role. According to Horsfield, D., Isabel, O. & Reidy, B. (2010) If a company can measure performance, it can look at the characteristics of its high performers and make data-driven decision about future hires.

Figure 4.17 Whether the organization uses performance management data to formulate personal development plans.

The study sought to find out whether the organization uses performance management data to formulate personal development plans. From the findings, 90% of the respondents indicated that the organization uses performance management data to formulate personal development plans while 10% indicated that they never used performance management data to formulate personal development plans. This shows that most respondents were involved in performance management and the results are used in bridging the gap between actual and expected performance as far as talent is concerned. Oehley (2007) suggests that performance management be used to identify employees with high potential & formulate personal development plans.
When asked the main obstacles/challenges to talent management in state Parastatals the respondents stated the following:-

1. The scarcity of resources especially funds to facilitate talent managements programmes and strategies. The allocation of funds can be radically adjusted based on prevailing economic performance and exogenous factor like war, draught resulting to austerity measures/ budget cut by the Government.

2. The Parastatals are classified in various categories based on their importance/economic contribution and each category has set limits of salary package set. This is the reason why the parastatals have varying renumeration packages for similar functions.

3. Interference of Management function by external forces e.g. political interference.

4. Sometimes favouritism prevent effective implementation of talent management programmes and in some instances achieve the reverse of it’s objective.

5. The generation Y employees have dynamic aspirations making talent management a challenge to retain their talents in an Organization for long period.

6. The changing management strategies like use of technology, outsourcing of processes affects talent management which is long time management practice.
CHAPTER FIVE: SUMMARY OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS.

5.1 Introduction

This chapter provides the summary of the findings from chapter four, and it also gives the conclusions and recommendations of the study based on the set out objectives. The objectives of this study were to assess factors affecting talent management in state Parastatals.

5.2 Summary of the findings

The research found out that the factors affected talent management in State Parastatals thus the general objective of the study was realized.

5.2.1 Resourcing Strategy

The study found out that the organizations focused on individual's potential for growth. Further, respondents indicated that they used various techniques to ensure that the Parastatal selects the right candidates to match the culture and the values of the organization. The study also found out that they found work in the Parastatal interesting and rewarding as indicated by a mean of 4.4 and that employment conditions satisfy work life balanced as indicated by a mean of 3.6. Further respondents fairly agreed that employee recruited internally were great performers compared with externally recruits as indicated by a mean of 2.7. The study further found out that recruitment strategy can influence talent management.

5.2.2 Talent Development

The study found out that respondent preferred to develop internal candidates as internal candidates were easier to train and develop than external recruits because they understood the organization better. Further it was observed that majority of the respondents preferred in-house development programmes as the best method of training.
recruits. The study further found out that learning and development programmes were essential components in the process of developing talent.

5.2.3 Talent Retention
The study found out that the respondents intended to retain the most talented employees and that talented individuals were fully engaged in the work they did and knew that their contributions resulting from that engagement were recognized and appreciated. Further, respondents strongly agreed that talented individuals who stay with the organization were usually developed for critical roles in the future as indicated by a mean of 4.6.

5.2.4 Performance Management
The study found out that, respondents strongly agreed that performance over time becomes a deciding factor in succession planning and that they are satisfied with the performance of all staff members. Further the study found out that organizations measured performance of its employees and looked at the characteristics of its high performers so that high performers were hired in the future. It was found the organization used performance management data to formulate personal development plans.

5.3 Conclusion
The study concludes that the organizations focused on individual's potential for growth. Further, respondents indicated that they used various techniques to ensure that the Parastatal selects the right candidates to match the culture and the values of the organization. The study also concludes that they found work in the Parastatal interesting and rewarding, and that employment conditions satisfy work life balance. Further respondents fairly agreed that employee recruited internally were great performers compared with externally recruits. The study further concludes that recruitment strategy can influence talent management.
The study found out that respondents preferred to develop internal candidates as internal candidates were easier to train and develop than external recruits because they understood the organization better. Further it was concluded that majority of the respondents preferred inhouse development programmes as the best method of training recruits. The study further concluded that learning and development programmes were essential components in the process of talent development.

The study concluded that most respondents intended to retain their most talented employees as they were fully engaged in the work they did and knew that their contributions resulting from that engagement were recognized and appreciated. Further, respondents strongly agreed that talented individuals who stay with the organization were usually developed for critical roles in the future and that the organizations lost employees to other Parastatals frequently.

The study concluded that performance over time became a deciding factor in succession planning as it was widely accepted by staff members. Finally, the study found out that organizations measured performance of its employees and looked at the characteristics of its high performers so that high performers were hired in the future and that they used performance management data to formulate personal development plans.

5.4 Recommendations

The study recommends that the organizations should use various techniques which focus on an individual’s potential for growth to ensure that the Parastatal selects the right candidates to match the culture and the values of the organization. This will help make the employees find work in the Parastatal interesting and rewarding, hence better productivity. Further the organization should recruit employees internally as internal recruits were great performers compared with externally recruits. Further, organizations should put in place proper recruitment strategies so as to develop the employee’s talent.

Since internal recruits understood the organization better the study recommends that organizations should adopt internal recruitment procedures and coach them. The study
further recommends organizations to operationalize learning and development programmes as they are essential components in the process of talent development.

The study recommends that employees be fully engaged in the work they do and recognize their contributions resulting from that engagement so as to retain them since they will play very critical roles in the future and again it will avoid movement of employees from one organization to another.

The study recommends that performance over time should become a deciding factor in succession planning as it was widely accepted by staff members. Finally, the study recommends that organizations should use performance measurements of its employees and look at the characteristics of its high performers so that high performers are hired in the future. Use of performance management data will enable the management to formulate personal development plans effectively.

5.5 Recommendation for further studies.

This study has reviewed factors affecting talent management in state Parastatals. To this end therefore a further study should be carried out to establish the factors affecting talent management in private industrial sector.
REFERENCES


Cellular Phone Market of Malaysia. Unpublished doctoral dissertation, Southern Cross University, Malaysia.


The Weekly Column, (58).

Books: Auckland.


The Economist Intelligence (Unit 2007) *Building an integrated talent management strategy*

Economist Intelligence Unit, Technology and growth at mid-sized companies, a research study, retrieved from http://eiu.com/sponsor/oracle/mid-sized/.


Dear Respondent,

RE: REQUEST FOR RESEARCH DATA

I am a Masters student at Kenyatta University undertaking a research in Talent management in state Parastatals. Your organization has been selected to participate and I'm kindly requesting you to fill in this questionnaire as tool of data collection. The data is collected with an assurance that all information collected will be treated confidentially.

The information you give is intended for this study and will be collated with responses from other respondents without particular references to any single source, to satisfy the objective of this study. You have been chosen because you are better placed to tell us the Factors that are affecting talent management in your organization. This research is for academic purposes. However, as participant, you are free to request a soft copy which can be sent to you via email.

Thank you for your participation, time and efforts.

Yours faithfully

David Ichoho
APPENDIX II- QUESTIONNAIRE

This Questionnaire is for research purposes only. It aims to collect data to investigate factors affecting the Talent Management in State Parastatals. Your responses will be highly appreciated.

For the purposes of this research Talent management will be defined as: - the systematic attraction, identification, development, engagement/retention and deployment of those individuals who are of particular value to an organization, either in view of their 'high potential' for the future or because they are fulfilling business/operation-critical roles”)

Direction: Please tick (✓) your answer in the respective boxes.

A. GENERAL BACKGROUND

(i) What is your age?
- □ less than 25 years
- □ 26-30 years
- □ 31-35 years
- □ 36-40 years
- □ 41-45 years
- □ 46-50 years
- □ above 50 years

(ii) What is your Gender?
- □ Male
- □ Female

(iii) What is your highest qualification attained?
- □ Doctor of Philosophy
- □ Master’s degree
- □ First degree
- □ Diploma

(iv) What is your work division/Unit?
- □ Finance and Accounting Division
- □ Project and program development
- □ Information management
- □ Planning and evaluation
- □ Human resources and Administration
- □ Internal audit
- □ Public relations
- □ Legal
(v) How many years of work experience do you have?

☐ Less than 6 years
☐ 6-10 years
☐ 11-15 years
☐ 16-20 years
☐ More than 20 years

(vi) What is your official job title?

(vii) Are there talent management strategies in your organization?

☐ Yes    ☐ No

(viii) If Yes, how would you describe the talent management practices?

☐ Formal    ☐ Implicit

A. RESOURCING STRATEGY

1. a.) The organization focuses on identifying individuals internally with potential for growth?

☐ Yes    ☐ No

b.) If No, what in your opinion hinders this?

..........................................................................................................................................................
..........................................................................................................................................................
..........................................................................................................................................................
2. a.) The parastatal uses various techniques to ensure that it selects the right candidates
to match the culture and values of the organisation?

☑ Yes ☐ No

b.) If yes, please name the various ways it selects candidates.

3. To what extent do you agree with the following statements, use a scale of 1-5, where 1= Strongly agree 2= somehow agree, 3= Fairly agree, 4= somehow disagree, 5= strongly disagree.

<table>
<thead>
<tr>
<th>Resourcing Strategy</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I find my work in the parastatal interesting and rewarding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment conditions satisfy work-life balance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee recruited internally are great performers compared with externally recruits?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Do you think a recruitment strategy can influence talent management in the Parastatal?

☐ Yes ☐ No

B. TALENT DEVELOPMENT

5. 3a.) Does the parastatal look to develop internal candidates who have demonstrated
potential to grow (are talented)?
b.) If No, please explain

_________________________________________________________________________________________

_________________________________________________________________________________________

c.) If Yes which of the following development strategies would you say are usually used.

Tick as appropriate

a. In-house development programmes □

b. coaching □

c. succession planning □

d. External training programmes □

e. internal secondments □

6. Do you think that learning and development programmes are essential components in
the process of developing talent?

□ Yes □ No

b. If No, please explain

_________________________________________________________________________________________

_________________________________________________________________________________________

C. TALENT RETENTION

7. The organisation intends to retain its most talented employees

□ Yes □ No
b.) If Yes how is this achieved?

1. ........................................................................................................
2. ........................................................................................................
3. ........................................................................................................
4. ........................................................................................................

8. Do you think that talented individuals are fully engaged in the work they are doing and know that the contributions resulting from that engagement are recognized and appreciated?

☐ Yes  ☐ No

b. If No please explain

........................................................................................................

9. To what extent do you agree with the following statements, use a scale of 1-5, where 1= Strongly agree, 2= somehow agree, 3= Agree, 4= somehow disagree, 5= strongly disagree

<table>
<thead>
<tr>
<th>Talent Development</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talented individuals who stay with the organisation are usually developed for critical roles in the future</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have you ever lost your employee to another parastatal (s)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
D. PERFORMANCE MANAGEMENT

10. To what extent do you agree with the following statements, use a scale of 1-5, where 1 = Strongly agree, 2 = somehow agree, 3 = Agree, 4 = somehow disagree, 5 = strongly disagree

<table>
<thead>
<tr>
<th>Talent Development</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance over time becomes a deciding factor in succession planning?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I’m satisfied with the performance of all our staff?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11. The parastatal measures performance of its employees and looks at the characteristics of its high performers so that similar high-performers are hired in the future?

☐ Yes ☐ No

b.) if No please explain

.............................................................................................................................................
.............................................................................................................................................
.............................................................................................................................................

12. Does your organization use performance management data to formulate personal development plans?

☐ Yes ☐ No

b. If No, what can you say hinders this?

.............................................................................................................................................
.............................................................................................................................................
.............................................................................................................................................
13 what are the main obstacles to talent management in your organization?

i) ........................................................................................................................

ii) .........................................................................................................................

iii) ....................................................................................................................... 

iv) .........................................................................................................................
APPENDIX III

TIME PLAN

<table>
<thead>
<tr>
<th>NO</th>
<th>ACTIVITY</th>
<th>March 2012</th>
<th>April 2012</th>
<th>May 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Pilot Testing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Data collection and analysis</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Submission of the project</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Author, 2010

APPENDIX IV

BUDGET

<table>
<thead>
<tr>
<th>NO</th>
<th>ITEM</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>A) PROPOSAL BUDGET</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Stationery, typing and printing services, binding</td>
<td>5,000/=</td>
</tr>
<tr>
<td>2</td>
<td>Telephone and Internet Services</td>
<td>4,500/=</td>
</tr>
<tr>
<td>3</td>
<td>Miscellaneous</td>
<td>5,000/=</td>
</tr>
<tr>
<td></td>
<td><strong>Sub Total</strong></td>
<td><strong>14,500/=</strong></td>
</tr>
<tr>
<td></td>
<td><strong>B) PROJECT BUDGET</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Transport costs</td>
<td>6,500/=</td>
</tr>
<tr>
<td>2</td>
<td>Stationery, typing and printing services/ binding</td>
<td>8,000/=</td>
</tr>
<tr>
<td>3</td>
<td>Telephone and Internet Services</td>
<td>4,500/=</td>
</tr>
<tr>
<td>4</td>
<td>Miscellaneous</td>
<td>5,000/=</td>
</tr>
<tr>
<td></td>
<td><strong>Sub Total</strong></td>
<td><strong>24,000/=</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Grand Total</strong></td>
<td><strong>38,500/=</strong></td>
</tr>
</tbody>
</table>

Source: Researcher (2011)
LIST OF STATE PARASTATALS

1. Agricultural Development Corporation
2. Agricultural Finance Corporation
3. Agro-chemical and Food Company
4. Athi Water Services Board
5. Bomas of Kenya
6. Bukura Agricultural Institute
7. Capital Markets Authority
8. Catering & Tourism Training Levy Trustee
9. Chemelil Sugar Company
10. Coast Development Authority
11. Coast Water Services Board
12. Coffee Board Kenya
13. Coffee Development Authority
14. Coffee Research Foundation
15. Commission for Higher Education
16. Communications Commission of Kenya
17. Consolidated Bank of Kenya
18. Cooperative College of Kenya
19. Cotton Development Authority
20. Council of Legal Education
21. Deposit Protection Fund Board
22. Development Bank of Kenya
23. East African Portland Cement Company
24. Egerton University
25. Energy Regulatory Commission
26. Ewaso Ng'iro North Dev. Authority
27. Ewaso Ng'iro South Dev. Authority
28. Export Processing Zones Authority
29. Higher Education Loans Board
30. Industrial and Commercial Development Corporation
31. Industrial Development Bank
32. Insurance Regulatory Authority
33. Investment Promotion Centre
34. Jomo Kenyatta University of Science and Technology
35. Jomo Kenyatta Foundation
36. Kenya Accountants and Secretaries National Examination Board (KASNEB)
37. Kenya Agricultural Research Institution (KARI)
38. Kenya Airports Authority
39. Kenya Broadcasting Corporation
40. Kenya Bureau of Standards
41. Kenya Civil Aviation Authority
42. Kenya Coconut Authority
43. Kenya Copyright Board
44. Kenya Dairy Board
45. Kenya Education Staff Institute
46. Kenya Electricity Generating Company
47. Kenya Ferry Services
48. Kenya Film Commission
49. Kenya Forest Services
50. Kenya Forestry Research Institute (KEFRI)
51. Kenya Industrial Estates
52. Kenya Industrial Property Institute
53. Kenya Industrial Research Institute (KIRDI)
54. Kenya ICT Board
55. Kenya Institute Administration
56. Kenya Institute for Special Education
57. Kenya Institute of Education
58. Kenya Investment Authority
59. Kenya Literature Bureau
60. Kenya Marine and Fisheries Research Institute (KMFRI)
61. Kenya Maritime Authority
62. Kenya Meat Commission
63. Kenya Medical Research Institute
64. Kenya Medical Supplies Agency
65. Kenya Medical Training College
67. Kenya National Examination Council
68. Kenya National Highway Authority
69. Kenya National Library Services
70. Kenya Ordinance Factories Corporation
71. Kenya Pipeline Company
72. Kenya Plant Health Inspectorate Services (KEPHI)
73. Kenya Polytechnic University College
74. Kenya Ports Authority
75. Kenya Post Office Savings Bank
76. Kenya Power & Lighting Company(KPLC)
77. Kenya Railways Corporation
78. Kenya Re-Insurance Corporation
79. Kenya Revenue Authority
80. Kenya Roads Board
81. Kenya Safari Lodge and Hotels
82. Kenya Seed Company
83. Kenya Sisal Board
84. Kenya Sugar Research Foundation (KESREF)
85. Kenya Tourism Board
86. Kenya Tourist Development Corporation
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>87.</td>
<td>Kenya Water Services</td>
</tr>
<tr>
<td>88.</td>
<td>Kenya Wildlife Services</td>
</tr>
<tr>
<td>89.</td>
<td>Kenya Wine Agencies Ltd</td>
</tr>
<tr>
<td>90.</td>
<td>Kenyatta International Conference Center (KICC)</td>
</tr>
<tr>
<td>91.</td>
<td>Kenyatta National Hospital</td>
</tr>
<tr>
<td>92.</td>
<td>Kenyatta University</td>
</tr>
<tr>
<td>93.</td>
<td>Kerio Valley Development Authority (KVDA)</td>
</tr>
<tr>
<td>94.</td>
<td>Kenya Institute for Public Policy Research and Analysis (KIPPRA)</td>
</tr>
<tr>
<td>95.</td>
<td>Lake Victoria North Water Services Board</td>
</tr>
<tr>
<td>96.</td>
<td>Lake Victoria South Water Services Board</td>
</tr>
<tr>
<td>97.</td>
<td>Lake Basin Development Authority (LBDA)</td>
</tr>
<tr>
<td>98.</td>
<td>Local Authorities Provident Fund</td>
</tr>
<tr>
<td>99.</td>
<td>Maseno University</td>
</tr>
<tr>
<td>100.</td>
<td>Masinde Muliro University of Scie. &amp; Tech.</td>
</tr>
<tr>
<td>101.</td>
<td>Moi Teaching &amp; Referral Hospital</td>
</tr>
<tr>
<td>102.</td>
<td>Moi University</td>
</tr>
<tr>
<td>103.</td>
<td>Multi-Media University (formerly KCCT)</td>
</tr>
<tr>
<td>104.</td>
<td>National Aids Control Council</td>
</tr>
<tr>
<td>105.</td>
<td>National Cereal and Produce Board</td>
</tr>
<tr>
<td>106.</td>
<td>National Commission on Gender &amp; Development.</td>
</tr>
<tr>
<td>107.</td>
<td>National Campaign Against Drug Abuse (NACADA)</td>
</tr>
<tr>
<td>108.</td>
<td>National Coordination Agency for Population and Development</td>
</tr>
<tr>
<td>109.</td>
<td>National Oil Company (NOC)</td>
</tr>
<tr>
<td>110.</td>
<td>National Council for Children Services</td>
</tr>
<tr>
<td>111.</td>
<td>National Council of Persons with Disabilities</td>
</tr>
<tr>
<td>112.</td>
<td>National Environment Management Authority (NEMA)</td>
</tr>
<tr>
<td>113.</td>
<td>National Hospital Insurance Fund (NHIF)</td>
</tr>
<tr>
<td>114.</td>
<td>National Housing Corporation (NHC)</td>
</tr>
<tr>
<td>115.</td>
<td>National Irrigation Board</td>
</tr>
<tr>
<td>117.</td>
<td>National Social Security Fund (NSSF)</td>
</tr>
<tr>
<td>118.</td>
<td>National Water Conservation and Pipeline Corporation</td>
</tr>
<tr>
<td>119.</td>
<td>NGO Coordination Bureau</td>
</tr>
<tr>
<td>120.</td>
<td>Northern Water Services Board</td>
</tr>
<tr>
<td>121.</td>
<td>Numerical Machining Complex</td>
</tr>
<tr>
<td>122.</td>
<td>Nyayo Tea Zones</td>
</tr>
<tr>
<td>123.</td>
<td>Nzoia Sugar Company</td>
</tr>
<tr>
<td>124.</td>
<td>Pest Control Board</td>
</tr>
<tr>
<td>125.</td>
<td>Postal Corporation of Kenya</td>
</tr>
<tr>
<td>126.</td>
<td>Privatization Commission of Kenya</td>
</tr>
<tr>
<td>127.</td>
<td>Public Procurement &amp; Oversight Authority</td>
</tr>
<tr>
<td>128.</td>
<td>Pyrethrum Board of Kenya</td>
</tr>
<tr>
<td>129.</td>
<td>Retired Benefits Authority</td>
</tr>
<tr>
<td>130.</td>
<td>Rift Valley Water Services Board</td>
</tr>
</tbody>
</table>
131. Rural Electrification Authority
132. School Equipment Production Unit
133. South Nyanza Sugar Company
134. Sports Stadia Management Board
135. Tana and Athi Rivers Dev. Authority
136. Tanathi Water Services Board
137. Tea Board of Kenya
138. Tea Research Foundation
139. Teachers Service Commission
140. Telkom Kenya Ltd
141. University of Nairobi
142. University of Nairobi Enterprise Services
143. Water Appeals Board
144. Water Resources Management Authority
145. Water Services Regulatory Board
146. Water Services Trust Fund
147. Youth Enterprise Development

SOURCE: www.ombudsman.go.ke