

REVIEW ARTICLE

## Talent Management and its Importance for Today's Organizations in Kenya Perspective; a Critical Review

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### Abstract

Today, in the current global world, competition and, innovation as well as creativity, are the elements which define and corporate strategies to excel and stand tall in knowledge economy. During this 21<sup>st</sup> Century, effectiveness, efficiency and total quality is what organizations strive for and can only be achieved by successfully managing and retaining and utilizing the best talents available in the labour market. Talent management is about human resource planning function where an organisation has to critically undertake a survey of the labour market, and try and identify and get the right people, who possess the right qualification for the right jobs for its present and future human resources, these has posed a great challenge for many organizations in Kenya, because despite of people possessing the right talents there has been great mismatch between the required talents the available talents and the job market. And has in many instances led to employee's frustration and dissatisfaction making many organizations not realise their goals and objectives. Human Resource Management department has to play a role for supply of the human being who poses the required talents for the organization. This research will inform the management of talents, scope and affecting factors on talent management; talent management practices and relationship between organizational competitiveness, effectiveness and talent management.

**Keywords:** *Talent management, Management, Management practices, Organizational effectiveness, Competitive advantage, Employee performance.*

### Introduction

In the present world, globalization and competitive advantage is what defines organizational strategies as a result of technological innovations which has been experienced to progress through knowledge, economy and talent innovation. As competition progresses day by day organizations are striving to enhance sustainable growth which has in the long run brought a lot of challenges.

Talent management refers to the process that facilitates the "identification, development and engagement, deployment of those individuals who are of particular value to an organization,[1] ,likewise talent management is the implementation of integrated strategies or systems designed to increase workforce productivity by developing improved processes for attracting, developing, retaining and utilization of

people with required skills and aptitudes to meet current and future organizational prospective. The function of talent is to prepare an organization for future skill shortage they will be faced with.

With the current competitive work environment talent management is a drive for organizational success, management of talents enables business to meet business talent demands which are vital for the global market environment and business strategies, talent management focuses on business prospects and aims to bring out the potentiality of each individual employee and recognizes the importance of maintaining individuals with requisite talents in a competitive labour market

All practitioners, researchers are aware of the difficulties facing organizations in an endeavour to remain competitively viable in

the world economy markets. These efforts have mainly shifted focus on talent management practices in the last decade especially with the emergence of strategic talent management approach.

There is a considerable difference between the prospects or prescription in favour of the “investment in human factor and the practices of companies.”

Talent management is well developed and completely recognized and its role is increasing. The possibility of recruiting a well-educated labourer with the capabilities and skills will be advantageous conditions: many factors consider the idea of strategy of talent management. The connection between the sufficiency of talents, management practices, person and organization fit, and person and the task/job fit has been examined before. It has been hypothesized that there is a strong positive relationship and actually talent management practices contribute actual and perceived person-organization fit and perceived person-job fit.

Talent management practices are perceived as sufficient. The employees will have a better sense of fit with the organization and the job. The other hypothesis asserts that anxiety will influence positive relationship between perceived sufficiency of talent management practices and person-organization fit and person-job fit. Although talent management is perceived as sufficient, persons with high anxiety may not have a better sense of fit with the organization and with the task.

In modern organization, it is necessary that strategic Talent management issues be addressed due to the emerging problems emerging from changing internal and external environment which has also made it complex to understand talent management by organization as the most source of competitive advantage.

Most organizations as a result of globalization changes such as mergers, downsizing, growth and restricting have introduced concepts to try new techniques in management of talents, as talent management has been considered to play a major role in addressing issues related to the

changing internal and external environments of organizations.

Talent management issues have to be addressed at the highest level of the organization and management of strategic decisions and practices need to focus on the results, which should reflect the thoughts and actions.

As innovation and creativity present new solutions to workforce and organizations, Human Resource Managers need to start using cutting-edge innovation solutions in the market, sourcing for the best-of-breed tool in the market as the best solution.

Talent management literature has generally focused on constructs of loyalty, job, fulfilment and organizational productivity. The fit between person and organizations, person-job, persons-talent-organization has been a neglected area.

Previous studies indicate that person-talent-organization fit has significant effects on organizational commitment, performance, positive work, attitude, employee turnover.

Among a few studies undertaken, talent management has been mentioned as a process that begins through organization and socialization.

This study aims to make contribution to literature by examining the perceived sufficiency of talent management practice as an antecedent of person-organization fit.

## **Main Review**

### **The Key Role of Talent Management in Today's Vibrant Organizations**

Talent management has been considered as one area which has contributed to enhanced productivity and profitability, the goal of talent management is to improve productivity and employee performance which enables the organization to get the right people, to do the right jobs and occupy the right positions which enable organizations to succeed and avoid job mismatch. Talent management also enables organization to achieve its goals and satisfy the customers by provision of quality products and services by qualified personnel.

Talent management aligns employee aptitudes and behaviour with the company needs.

### **Employee Behaviour**

The employee behaviour is greatly determined by talent management practices and employees attributes (knowledge, beliefs, skills, capabilities and abilities) talents can shape employees personality abilities and values, the talent management programs encourage the hiring of employees and creation of work environment which is characterised by increased employee involvement and commitment to drive to business success.

### **Evaluate Potentialities and Experiences**

The role of human resource practices such as manpower planning is to predict the kind of talents to be possessed by employees in future by assessing the currently available talent possessed by the present **employees** in the organization, this can be done through performance measurement to assess the possible knowledge gaps so as to predict the talents required by the organization in future and for possible staffing

### **Contribution of Talent Management to Employee Career Growth**

**Most** professional employees follow their own career growth patterns these begins with career exploration that begins when people are in their early twenties these stage involves moving through some series of career stages to find the best suited available job in the market, given the specific talents and personal interests.

In the next phase of career advancement employees put more attention into developing specialised skills which require greater responsibilities, at the age of 30 to 40 years employees begin to have personal commitments than that related to the job and the organizational interests employees begin leveraging their accumulated knowledge and experiences. At the last stage of their careers employees are reluctant and are no longer interested in their jobs and engage in other life pursuit although they cannot also easily accept to retire.

## **The Human Resource Practitioner Role in Creating Talent Management Organization**

**The role of** human resource practitioner has changed drastically, leaders of today's changing environment are crucial because with the effects of globalisation employees are becoming more knowledgeable. And more professional. However leaders still have a crucial role to play;

### **Leaders must Create Supporting Talent Management Culture**

Leaders must reinforce and allow talent management to be fully integrated in the core values, the norms, and beliefs of the employees, they should focus on teamwork and single out employees, who are team oriented, talent management should be seen as an organizational objective and should be encouraged at all levels of the organization these will enhance performance and give employees the opportunity to grow in their careers within the organization.

The line managers should have a special role in talent management as it is important to have a high consistency of human resource in regard to talent management throughout the organization. Managers are important in identifying the different groups of people who possess various types of talents; because they are in direct contacts with the workforce on a daily basis and they can with consultation with top management of the organization identify the pipeline which are crucial for the future, managers can largely support the implementation and realization of talent management.

### **Respect Employees**

The easiest way to ensure employees by managers and leaders is to engage in discussions with employees to give opinions on how they feel about their jobs, the challenges they are facing and always give feedback on their progress so that they can work together with the managers towards achievement of organizational goal.

### **Clarify Goals Expectations and Targets**

The managers should, through open communication clearly clarify the goals the

employees are expected to achieve in their tasks and responsibilities this is one of the ways managers can maximise productivity the employees should be told exactly that is needed to be done.

### **Develop an Integrated Proactive Talent Management Strategy**

Managers should view employee as “employees of choice” status is an outcome of an coherent culture, and managers endeavour to create a sustainable advantage and change in employee behaviour through respect, objective orientation, awareness and dialogue. This presents a roadmap to creating fully talented productive employees and establishes a foundation of effective talent management.

### **Increase Awareness**

Learning from experience may not occur unless employees understand how their behaviour may be affecting their performance. This requires managers to provide performance feedback that increases employee’s awareness on what they need to change and why it’s important. Provision of performance feedback is one of the most critical and one of the most challenging areas in talent management.

### **Talent Management and Sustained Competitive Advantage**

Talent management and the interest it has gained in the recent past has made some organizations performance improve and has led to successes that have made organizations viable in the competitive business environment, and has led to increase in companies enhanced profits and employees job satisfaction. Talent management has enabled employees to cope with technological revolution pressures as well as globalization, when managers are open to employees about their career aspirations, the managers likewise will be in a position to predict on talents required to meet demands of changing environment and advice the top management accordingly, the talents possessed by employees in organization should be rare talents that have distinctive characteristics with those possessed by employees of a competitor organization.

Talents also must be unique to an organization such that the creative ideas cannot be copied by other people in other organizations.

### **Talent Management (TM)**

The idea of managing talent is not a new phenomenon. Some decades ago, it was viewed purely as the responsibility of personnel department. At the present, organizational talent management is an organizational function that is taken more seriously and with caution. The concept emerged in 1990s and is now recognized as a major resourcing activity in many organizations. In the Conference Board 2007, the Chief Executive Officers (CEO) challenged a study, CEOs’ ranking of importance of “finding qualified managerial talent” increased by 10 percentage points or more compared to the same research conducted just a year earlier. Research conducted in 2008 by Development Dimensions International (DDI) and Economic Intelligence Unit (EIU) found 55% of executive level respondents said the firm’s performance was likely or very likely to suffer in the near future due to insufficient leadership talents.

The emphasis on talent management is inevitable given that, on average, companies now spend over one third of their revenues on employee wages and benefits. Human Resource and other practices like recruitment, selection, and man power planning and compensation can easily be replicated. But replicating a high quality, a highly engaged workforce is almost impossible. The ability to effectively hire, retain, deploy and engage talents at all levels of organization is a really true competitive advantage an organization possesses. In fact, all other resources except altitude of work can be duplicated, but one that stands out is talent with the night work.

Talent management is used in global context which contains:

- A mission critical process that ensures an organization has the quantity and quality of people in place to meet their current business priorities.

- Seamlessly integrated efforts to attract, develop and retain the best people with exceptional talents.
- Efforts designed to integrate all components of an organization's human resource system to attract, select, develop, appraise, reward and retain the best people.
- Each organization should be able to come up with specific definitions of talent management that meets organizational unique needs.

### **Diverse Views on Talent Management**

Key areas in talent management which include:

- Creation of an employee value proposition that makes the company attractive.
- Moving beyond recruiting hype or names to building a long term recruiting strategy.
- Utilizing job experience, watching and mentoring culture potentiality in managers.
- Strengthening talent pool by heavily investing in "A" players, developing |B| players and acting decisively on "C" players.
- A deep conviction shared by company leaders that competitive advantage comes from better talent at all levels.

The main of talent management is to use talented in the organization effectively and salutary to the organization's benefits as much as closing talent gaps and integrate the available talents within the organization and strategic and business plans.

In the current business market organizations continue their existence for different goals as per organization type and aims. The organizations can be classified as public and private entities. The aim of private organizations is to maximize profits while public organizations are established to fulfil the public needs. The overall aim however of organizations is to give quality service. The factor to be considered here is all these organizations need a common ground. The common ground is talent management. No matter how strong the organizations are financially, the probability of success will be low if talent management is not considered as an overall activity. Low effectiveness of

talent management means that organization slogs on reaching the targets set for the future growth and productivity of organization.

The various opinions and views of employees about how organizations invest in enhancing knowledge, capabilities and skills, is another important issue to be considered because the performance of the employees depend on the satisfaction they get from the tasks performed. When organizations take the lead in identification of talent of potential employees, plan for learning and development activities, and eventually provide positive feedback and recognition as well as a reward system will lead to increased motivation, which makes employees willing to utilize their talents for more productive and successful performance of tasks.

The aims of talent management vary with the definitions, as per various researchers. For example, according to CIPD [1] 'Talents consists of those individuals who can make a difference to organizational performance, either through their immediate contribution or in longer term by demonstrating their highest level of potential.' talent management is a process of identifying, recruiting, retaining and deploying those talented people.

However identified imperatives that companies need to act n if they are to win the war of managerial talent.

- Create a winning employee value proposition that will make the company uniquely attractive to talent.
- Move beyond recruiting hope to build long term recruiting strategy.

### **Recent Surveys Undertaken on Talent Management in Kenyan Organizations.**

#### ***Talent Management Trends (Telecoms Kenya-2014)***

under a survey which was carried out in telecom Kenya 80% of the respondents, indicated that talent management was given high priority due to change in organizational structure due to technological advancements. Use of extranet intranet and wireless gadgets. Some 70% of the

respondents stated that search for talents with the requisite competences is a priority in these organizations due to the impacts of competition from other telecommunications companies, namely: Safaricom Kenya, Airtel Kenya and Post Office Kenya, 67% of the respondents indicated that the Kenyan market is evolving and companies have begun to put greater emphasis on talent acquisition and retention. Only 50% of the employees in telecom Kenya have scorecards in place which measure their competences and performance. Another 50% seem to belong to the analogy group and do not have an idea on how the company measures employee performance in terms of company profitability and employee as well as customer satisfaction.

### **Talent Management Survey Kerio Valley Development Authority Kenya (2011)**

According to the study, 50% of the employees indicated that the organization had talent management strategies in place, 60% strongly agreed that the organization is keen in retaining the available talents as available in the organization. About 40% of the employees reported that their departments had talent management systems in place. 76% of human resource practitioners reported that talent management was a priority in their departments, only 20% of the employees indicated that their organization adequately prepared the lower cadre employees to step up to senior positions, although the retention and motivation of employees becomes a problem in such organizations, less than 50% of the employees did indicate that their organization did not have a formal budget specifically set for training and recruitment for competitive talents from the labour market,

### **Aims of Talent Management**

- Clarify and communicate reasons why talent programmes are needed in organizations based on the business needs.
- Specify the measurable results desired from talent management.
- Help employees reach optimal performance and use fully their capacity and potential.

- To convince employees to use their capabilities and efforts in reaching organizational goals.
- To offer a working environment stimulating hidden creativity and energy.
- To create work conditions that stimulate innovation, teamwork and total quality concept
- Encourage flexibility for achieving learning in organization.
- Establish methods of holding people accountable to meet measurable talent management objectives, so as to prepare people for promotion to higher levels of responsibility.
- To prepare individuals for future challenges along continuum of technical expertise to dual career ladder.
- Identify, capture and pass on institutional wisdom and memory, and pinpoint key social relationships and mentoring future successors to have access to important people in future through succession planning.

### **Contributing Factors of Talent Management**

Traditionally human resource practices centred on control and delegating employees towards realization of organizational goals

The talent management strategy recognizes the worth of knowledge and capabilities in realization of corporate objectives. It takes a supportive and developmental strategy to achieve results through the efforts of talented pool of employees/talents when opportunities for growth and enhancement of skills are available. Employees will be stimulated to give their best, leading to greater job satisfaction and organizational effectiveness. Human resource practitioners' role has since changed from control and direction of employees to developing and maintaining a pool of talented people. Managers are expected to move towards clarifying goals and paths and creating supportive and growth oriented environment where people are willing to take up assigned roles willingly and enthusiastically.

The effective use of talented employees is the most critical factor in successful accomplishment of corporate goals. To be

effective, talent management practitioners should be in a position to understand the needs, aspirations and concerns of employees, and evolve a corporate culture and take lead in acquisition, motivation and development of pool of talented employees and introduce programmes that reflect and support the core values of the organization and its employees.

The constant environmental changes have impacted more on talent management than ever given the changing trends in the size of workforce, which has increased challenges in Human Resource practitioners, in form of additional demands for better pay benefits and working conditions from various sections of workforce.

Globalization has also impacted on composition of workforce with greater percentage in minority representations, demands for equal work equal pay which has put an end to gender inequality and bias of certain occupations.

Another challenge is employee expectations. Employees need more involvement and participative management; given that they possess the requisite talents that an organization may not afford to lose.

## Conclusion

In the current competitive business environment in Kenya, business that were profitable and viable by possessing employees with the required talents are becoming outdated and organizations have shifted their attention to employees creative ideas and innovation, however many companies have failed to give talent management the attention it deserves, and it is only in the recent past that companies have integrated

talent management to its human resource practices and talent management, is silent and missing in many human resource departments. If human resource practitioners put more emphasis on organizations management of talents and reinforce processes and programs as well as strategies on talent management, then organizations may post improved productivity and profitability. As organizations pursue excellent and quality performance in the competitive environment, talent management has gained a strategic approach of attracting retaining and developing employees in readiness of occupying managerial positions and promotion from within the organization when the vacancies are available. Organizations must focus on aligning talent management with human resource practices, corporate strategy and objectives and goals of the organization. To meet organizational demands for the right talents, organizations need to carry out a survey of the talents available in the labour market in order to ensure that it gets the right people at the right time and in the right places in the organization, and pay more attention to talent management process and offer what all valuable talents that the organization want and expect from the employees [2-17].

The future of organizations in Kenya depends on how organizations as a whole, and the human resource practitioners anticipate to tackle the changes caused by technological advancement and globalization, which has contributed to the shortage of requisite talents. Talent management should be considered just as other business changes, which brings new innovation and creativity.

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