

Exploring the Relationship between Talent Management and Employee Performance

* Tauqeer Hussain Hakro, Lecturer (Corresponding Author)

** Mehtab Begum Siddiqui, Assistant Professor

*** Abdul Qadir Patoli, Assistant Professor

Abstract



This study explored the relationship between Talent Management (TM) and Employee Performance (EP) in the organizational context of NGOs sector of Sindh, Pakistan. This study was purely quantitative, explanatory and cross-sectional. Deductive approach was used to develop hypotheses and test the relationship between variables. An instrument used for obtaining primary data through close-ended questions by listing the response on 7-point Likert scale indicating level of agreement and disagreement. Data acquired by convenience sampling. Three major NGOs were targeted for data acquisition, which included PPHI, SRSO and SEF. All workforce targeted for data acquisition. Subsequently, it was bifurcated into two groups (Officers and Employees). A total of 112 instruments distributed between both groups and 100 instruments considered fit and appropriate for making data analysis and interpretation through SPSS and PLS-SEM. TM identified through four dimensions, Talent Attraction (TA), Talent Development (TD), Career Management (CM) and Talent Retention (TR). Study approved all relationships and hence considered that TM is the major predictor to improve employee performance in the organizational context of NGOs sector of Sindh, Pakistan.

Keywords: Talent Management, Talent Attraction, Talent Development, Career Management, Talent Retention & Employee Performance.

Introduction

Organizations are fighting for survival and sustainability in today's time (Irtaimah, Al-Mannai & Hakro, 2023). It seems impossible without exploring the best practices of Talent Management (TM), managers can assist organization to sustain and survive for long years (Burkus & Osula, 2011). Talent makes the organization distinct in the related industry (Mahesar, 2015). Organization improves productivity and profitability at each interval due to talented workforce (Kehinde, 2012). Keeping talented workforce satisfied and committed at work remains a challenge for managers (Mangi, Jhatial & Shah, 2012). Talented workforce keep continuously changing jobs from one organization to another by registering turnover (Hakro, Jhatial & Chandio, 2022). Continuous training, compensation, appreciation and recognition can compel workforce to make stay decisions (Mangi, Jhatial & Shah, 2012). TM is a broad term which has been shortened into four dimensions in the current study, these together form TM as a whole (Silzer & Dowell, 2010). **Talent Attraction (TA)** begins with searching qualified workforce for the various jobs which need to be filled through competitive process (Kehinde, 2012). TA covers the aspects of recruitment and selection (Agote, Aramburu & Lines, 2015). **Talent Development (TD)** continues to improve skills and abilities by providing variety of training opportunities to new and existing workforce on certain intervals (Frank, Finnegan & Taylor, 2004). Talented workforce significantly contribute well while doing jobs for the organization (Tunio, Mahesar & Hakro, 2021). **Career Management (CM)** begins with making plans to progress in career particularly in accomplishing desired goals through career progression (Agote, Aramburu & Lines, 2015). **Talent Retention (TR)** keeps strong bond between workforce and workplace for long years (Cappelli, 2008). Workforce stay committed and motivated at work without looking for alternate jobs (Hakro, Hakro & Solangi, 2023). Eventually, management tries its level best to improve the bond between workforce and workplace (Agote, Aramburu & Lines, 2015).

a. Significance

This study kept high significance specifically in the context of NGOs sector of Sindh province. There are a few studies available that can witness the empirical findings on TM and EP

* University of Sindh, Mirpurkhas Campus. Email: tauqeer.hakro@usindh.edu.pk

** Institute of Commerce & Management, University of Sindh, Jamshoro.

***Commerce, University of Sindh, Laar Campus Badin.

(Hakro, Siddiqui & Banbhan, 2022). Despite, this study assessed TM dimensionally and the relationship of each dimension tested with EP. Three main NGOs were selected for taking response which have operation in all districts of Sindh province.

b. Research gap

There is limited amount of literature available on exploring the relationship between TM and EP (Hakro, Siddiqui & Banbhan, 2022). However, this study intended to test the direct relationship between the dimensions of TM and EP which is undiscovered phenomenon in the organizational context of NGOs sector of Sindh, Pakistan.

c. Aim & Objectives

The single broad aim of the study was to explore the relationship between TM and EP. However, the single broad aim of the study was further broken down into four objectives which are given below.

- To explore the relationship between TA and EP.
- To explore the relationship between TD and EP.
- To explore the relationship between CM and EP.
- To explore the relationship between TR and EP.

Literature Review

Employee Performance (EP)

EP is measured through Performance Appraisal (PA) in most NGOs of Sindh, Pakistan. However, PA is a document containing three parts, which are filled by employee, immediate boss and Human Resource Department (Mangi, Jhatial & Shah, 2012). Human Resource Department declares financial bonuses on accomplishing significant performance during a given interval (Agote, Aramburu & Lines, 2015). However, it suggests further improvements on average or bad performance (Mahesar, 2015). EP thoroughly investigates duties and responsibilities which are assigned to workforce (Pruis, 2011). PA discloses strong areas and weak areas of performance, which helps workforce to keep in mind deficiencies (Burkus & Osula, 2011). So that, the chances of deficiencies can be minimized in future (Frank, Finnegan & Taylor, 2004). Workforce often feel good on receipt of awards and rewards based on good performance (Cappelli, 2008). However, they often feel worried on average or bad performance (Hakro, Lashari & Lal, 2023). Since, TM is viewed as the significant predictor to improve EP which is also evident from prior studies (Hakro, Siddiqui & Banbhan, 2022). TM contributes to increase EP in various organizational settings (Irtaimah et al., 2023). Workforce improve performance if PA is shared individually to every member of the organization (Cappelli, 2008). It is considered to be the best practice to share PA to every member of the organization so that the chances of errors can be mitigated and performance can be improved (Frank, Finnegan & Taylor, 2004). Prior literature also witnessed positive relationship between TM and EP (Hakro, Siddiqui & Banbhan, 2022).

Figure 1.1 Conceptual model

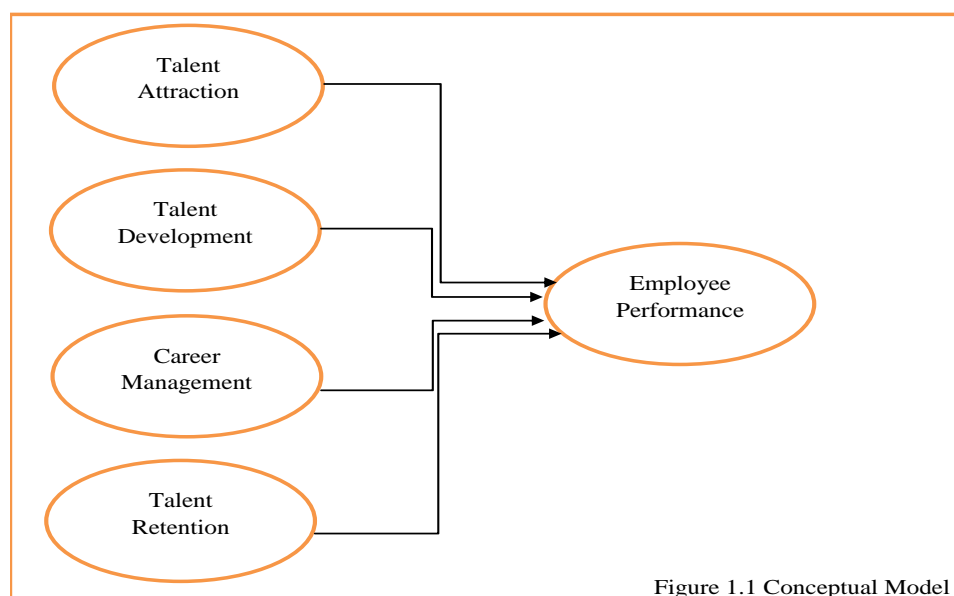


Figure 1.1 Conceptual Model

Hypotheses:

A clear strategy designed to develop hypotheses in alignment with aim and objectives of the study. Therefore, following four hypotheses developed to accomplish single broad aim & four objectives of the study.

H1. TA is positively related to EP.

H2. TD is positively related to EP.

H3. CM is positively related to EP.

H4. TR is positively related to EP.

I. Research Design

Research design is the systematic plan to carry out practical research (Zainuddin, 2012). It defines the nature, approach and philosophy of the study. It also defines data and collection procedure, population, sample and sampling technique applied in targeting the respondents. Finally, it defines data analysis tools and techniques used for drawing results.

Nature, approach and philosophy: This study was purely quantitative, explanatory and cross-sectional. Deductive approach used to develop hypotheses and test the relationship between variables. Deductive approach is also known as theory testing approach (Zainuddin, 2012). This approach adopted to test the relationship between the dimensions of TM and EP.

Data collection procedure: An instrument used for obtaining primary data through close-ended questions by listing the response on 7-point Likert scale indicating level of agreement and disagreement. Instrument contained covering letter and some sections for data acquisition. Section 'A' demographic profile of the respondents. Section 'B' items related to TA. Section 'C' items related to TD. Section 'D' items related to CM. Section 'E' items related to TR. Section 'F' items related to EP.

Population: Three major NGOs were targeted for data acquisition, which including PPHI, SRSO and SEF. All workforce targeted for data acquisition. Subsequently, it was bifurcated into two groups (Officers and Employees). These NGOs had operations in most parts of the Sindh province. Since, it was hard to access every NGO type of organization. Thus, researcher identified NGOs that can allow researcher to come and collect data for completing the study.

Sample: A total of 112 instruments distributed among both groups and 100 instruments received back and considered fine for data analysis and interpretation.

Sampling technique: Convenience sampling was used to obtain data from the target population. Despite the population was unknown, therefore researcher preferred to collect data through convenience sampling.

Analysis tools: SPSS and PLS-SEM were used for data analysis.

Table 1. Response rate

S.No.	Name	Questionnaires Distributed	Questionnaires Received Back	Response Rate in %
1.	PPHI	43	38	88.37
2.	SRSO	37	32	86.49
3.	SEF	32	30	93.75
	Total	112	100	89.29

Table 1. Displayed the response rate of the survey which is quite satisfactory. Instruments delivered to the staff of three NGOs which have operations in most parts of the Sindh province. 43 instruments delivered to the staff of PPHI, 37 instruments delivered to the staff of SRSO and 32 instruments delivered to the staff of SEF respectively. A total of 112 instruments delivered to the staff of three NGOs and in return, received 38 from PPHI, 32 from SRSO and 30 from SEF respectively. A cumulative of 89.29 percent response received through the survey. Since, 12 instruments discarded based on inappropriately filled.

Table 2. Cronbach's Alpha (CBA)

Variable(s)	CBA
TA	0.802
TD	0.841
CM	0.886
TR	0.834
EP	0.786

Table 2. Displayed the result of Cronbach's Alpha (CBA), which is the first test applied on the data to determine data were clean, reliable and free from errors. It indicated internal consistency of

items that measured a particular variable given in the conceptual model of the study (Zainuddin, 2012). CBA is considered good at the threshold of 0.70 (Hair et al., 2010). However, it is suggested by the literature review that if any variable is measured below than the threshold value, it should be eliminated from further analysis and interpretation (Hair et al., 2010). Since, all variables measured significant in terms of CBA threshold value. Thus, taken into consideration for further analysis.

Table 3. Demographic profile of the respondents

Characteristic	Category	Frequency	Cumulative %
Gender	Male	61	61
	Female	39	100
Marital Status	Married	72	72
	Single	28	100
Age Group	20-29	13	13
	30-39	48	61
	40-49	22	83
	50 and above	17	100
Education	Bachelor 14 years	23	23
	Bachelor 16 years	36	59
	Bachelor 17 years	15	74
	Master 16 years	18	92
	Master 18 years	08	100
Experience	Less than 01 year	19	19
	02-10 years	38	57
	11-20 years	18	75
	21-30 years	14	89
	31 and above years	11	100
Position/Rank	Officer	45	44
	Employee	55	100

Table 3. Displayed demographic profile of the respondents of survey. Many of respondents were male with percentage of 61 and remaining 39 percentage of the respondents were female. As much as 72 percentage of respondents were married and remaining 28 percentage of the respondents were single. Most of them were between the age group of (30-39) years and as many as 36 percentage of the respondents were holding Bachelor 16 years of education. However, majority of them were between the experiences of (02-10) year and most of them were employees. This is the descriptive measure of representative sample, where highest percentage is discussed before the lowest percentage.

Table 4. Factor analysis

Variable(s)	TA	TD	CM	TR	EP
TA-2	0.725				
TA-3	0.729				
TA-4	0.812				
TA-6	0.708				
	TD-1	0.743			
	TD-2	0.754			
	TD-3	0.748			
	TD-4	0.829			
	TD-5	0.765			
	TD-6	0.821			
	TD-7	0.766			
CM-1			0.739		
CM-2			0.743		
CM-3			0.821		
CM-5			0.788		
CM-6			0.742		
CM-7			0.809		
CM-8			0.756		
CM-9			0.823		
	TR-3			0.719	
	TR-6			0.735	
	TR-7			0.705	
	TR-8			0.729	

	TR-9	0.734	
EP-1			0.756
EP-2			0.871
EP-3			0.776

Table 4. Displayed factor analysis, which indicated that items were loaded in its own family with requisite threshold value. Items considered fit at the threshold of 0.70 (Hair et al., 2010). However, items which could not attain the threshold value were eliminated and remaining items considered fit for further analysis and interpretation. There were a total of 42 items which measured two main variables TM and EP. However, 15 items eliminated because of lowering the threshold value. It is also described as item variable correlation.

Table 5. Construct reliability & validity with r square

Variable(s)	CBA	CR	AVE	R Square
TA	0.795	0.833	0.643	0.000
TD	0.890	0.918	0.572	0.000
CM	0.894	0.912	0.531	0.000
TR	0.850	0.889	0.666	0.000
EP	0.701	0.753	0.578	0.320

CR= Composite Reliability

AVE= Average Variance Extracted

Table 5. Displayed construct reliability & validity with r square. According to the literature review Cronbach's Alpha (CBA) and Composite Reliability (CR) deemed significant at the threshold value of 0.70 (Nunnally & Bernstein, 1994). However, Average Variance Extracted (AVE) considered significant at the threshold value of 0.50 (Fornell & Larcker, 1981). Thus, all variables measured significant in terms of CBA, CR and AVE. Hence, considered fit for further analysis and interpretation. However, R Square described change which is caused by independent variable in the dependent variable.

Table 6. Discriminant validity

Variable(s)	TA	TD	CM	TR	EP
TA	0.802				
TD	0.503	0.750			
CM	0.000	0.000	0.722		
TR	0.636	0.648	0.703	0.814	
EP	0.000	0.000	0.418	0.000	0.756

Table 6. Displayed discriminant validity, which indicated that all variables had highest correlational value on its own in comparison to other variables, which meant that variables were different from one another and were correctly operationalized (Fornell & Larcker, 1981).

Table 7. Path coefficient(s)

Path coefficient(s)	PV	SE	TS	Accepted/Rejected
TA=>EP	0.002	0.186	2.717	Accepted
TD=>EP	0.004	0.181	2.303	Accepted
CM=>EP	0.002	0.167	1.980	Accepted
TR=>EP	0.042	0.146	3.014	Accepted

Table 7. Displayed path coefficient(s) measured by Probability Value (PV), Standard Error (SE) and T-Statistics (TS). There were mainly four hypotheses which were tested through PV, SE and TS. TM was independent variable which was dimensionally broken down into four parts. Since, EP was the dependent variable. There was the threshold value of TS which is 1.96 (Nunnally & Bernstein, 1994). Hypotheses accepted based on approaching the threshold value of TS. However, rejected on account of lower the threshold value of TS. Hence, all hypotheses accepted because of approaching the significant threshold value of TS.

Conclusions

There were exclusively two variables, one aim, four objectives and four hypotheses developed to test the relationships between variables. TM was the independent variable, which was broken down into four dimensions (TA, TD, CM and TR). However, EP was the dependent variable. One aim and four objectives accomplished by developing and testing hypotheses. All hypotheses tested positive and significant. TA, TD, CM and TR are considered to be the major predictors to improve EP particularly in NGOs sector of Sindh, Pakistan, which may be generalized in other sectors of the country.

Limitations and future research directions

This study was limited in terms of time, sponsorship, organizational context and data. Data acquired through close-ended questionnaire, no sponsorship received, data presented only covering the organizational context of NGOs sector of Sindh, Pakistan. Since, the scope of current study can be enhanced by enveloping one or two novel variables in future studies such as; organizational commitment, job satisfaction and or motivation.

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