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EMPIRICAL STUDY ON THE EMPLOYEE PERCEPTION OF TALENT MANAGEMENT PROCESSES IN INDIAN TELECOM SECTOR

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Abstract

Human capital is considered the main factor in measuring the success of any organization. Human talent, the combined capability, determination and willpower of people, to attain goals of an organization, is the only sustainable competitive advantage an organization can create. An organization remains aggressive and economic only if it obtains, improves and utilizes knowledge faster than its competition (Morton, 2004). Hence the study focuses on exploring the processes and practices of Talent Management (TM) in the Indian Telecom Industry. The findings reveal the prevalence of TM in telecom industry in India and bring forth the challenges faced, throw light upon practices and highlight the future.

Keywords: Telecom, Talent management, Talent, Human resource, India

JEL Code: M12

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1. Introduction

It is fundamentally essential, for all organizations, to retain its employees as they provide a competitive edge, to the existing organizations, in the markets. Effective Talent Management (TM) is a Human Resource (HR) practice, that is a requisite to boost the rank of an organization. The ability to retain the best employees is a challenge every organization faces. As surveyed by Forbes, nearly 85% of

organizations, regarded money to be top criteria for the resignation of an employee while an exit analysis revealed that 80% of employees exited because of inadequate management of operations (Maya and Thamilselvan, 2012).

However, the necessities of the organization and its employees differ from other organizations, at various levels. Role, span of work, remuneration, prospects of growth are the few aspects, seen as areas of concern, from an

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employee perspective. Employees are satisfied if all these factors are taken into consideration by the organization. Therefore, employee retention should be perceived as an inbuilt organizational venture. This can be accomplished by integrating various approaches of talent management in the organization. The Telecom Industry is a fast growing sector in India. Hence, the Telecom Industry must put in increasing efforts into the domain of talent management, to attain its competitive edge.

2. Review of Literature

Employee attributes, employee behaviour, business results, work environment, business environment and the talent management program are some of the components, which are closely associated with the role of employee behaviour, in talent management. **Karien (2011)** has presented substantial research that examines progression management in the framework of TM, with particular indication to the function of talent evaluations, in the recognition, enlargement and retaining latent beneficiaries, for description of job, at various levels in an organization. Talent management system operates under three main areas such as talent recruitment, talent maintenance and the talent development (**Beheshtifar et al., 2012**). **Kehinde (2011)** reported that talent management is a new concept but it is a difficult process to measure. Attracting, selecting, engaging, developing and retaining the employees are the five primary areas, which are covered by the strategies of talent management. **Roman (2011)** expressed that these days, it is strongly believed that talent management has a positive effect on a business's success. The methodical presentation of TM actions, particularly in times of disaster, raises the probability of enduring success. Corporations, that guaranteed top endowments and have good leadership, can enduringly gain reasonable benefit and thus be economically stable. **Ahmad (2014)** examines

the impact of talent management process, on refining the status of association through investigating the link between elements of talent management and status variables, which include self-improvement, self-confirmation, and occurrence. This also presents an examination of the prominence of talent management process and its functions in the global market.

3. Statement of the Problem

The current economic status, demographic and technological changes, create certain pressure on organizations and hence to function in an effective manner, they consider Talent Management as a priority. It is suggested that administrators and managers invest more time, in forming strategies, to attract, encourage and retain talent. Companies struggle to hire proficient employees, supervisors and managers, for various departments of the company. It is estimated that in the coming years, the demand for education, in the working life, would raise significantly (**NeuMann, 2011**). Targeting few aspects may not be adequate to ensure a well-equipped Talent Management scheme for a company. Talent Management, as an essential part of the company's business strategy, can become an essential differentiator, spiralling consistent growth.

4. Need for the Study

It is of high importance for companies, to build an effective and robust talent management process, to foster employee satisfaction. This study will benefit various organizations of the Telecom Sector, in catering to the needs of their employees. There are limited number of studies, that highlight employees' perceptions of talent management practices, in the Indian Telecom Sector and this study will be of tremendous benefit.

5. Objective of the Study

The main objective of the study is to identify factors, affecting talent management and to

explore various talent management processes, in practice, in the Indian Telecom Industry.

6. Hypotheses

The following hypotheses were tested in the study.

NH-1: Talent management processes do not assist in supporting business continuity with specific reference to telecom sector.

NH-2: Talent management processes do not assist in aligning work of employee with organizational goals with specific reference to telecom sector.

NH-3: Talent management processes do not assist in increasing employee productivity with specific reference to telecom sector.

NH-4: Talent management processes do not assist in supporting effective workforce planning with specific reference to telecom sector.

NH-5: Talent management processes do not assist in competitive remuneration with specific reference to telecom sector.

7. Research Methodology

7.1 Sample Selection

Simple random sampling was employed, for this particular study. The sampling unit for study, consisted of four largest Telecom Companies in India. These companies were chosen on the basis of market share and employee strength (names have been concealed owing to request by companies). The study employed 300 respondents for the quantitative study and the qualitative study comprised of 50 respondents. The target sample respondents, for the study, were people who worked in various sections of HR department, Talent Management Team, Training and Development department and strategic HR unit.

7.2 Sources of Data

The primary data, for the study, were collected, in the form of focus group discussions,

carried out with employees of the HR department. Surveys were also carried out with Talent Management Department and corporate contacts.

7.3 Period of the Study

The period of study was from September 2016 to January 2017.

7.4 Tools Used

Correlation is a bi-variate examination that measures the qualities of relationship between two variables. It changes between +1 and -1. As the correlation coefficient esteem goes towards 0, the relationship between the two variables will be weaker. Karl Pearson Correlation test was used to evaluate the results of the study. Simple percentage investigation was additionally utilized as a part of the study. It is represented by,

Percentage = $\frac{\text{No. of responses}}{\text{Total number of responses}} \times 100$

Chi-square test was also used for this study. Chi-square is a factual test usually used to contrast verified data and data would be obtained, as indicated by a particular theory. It is denoted as:

$$\chi^2 = \sum \frac{(\text{observed frequency} - \text{expected frequency})^2}{\text{expected frequency}}$$

Qualitative data were evaluated by using the text analysis.

8. Analysis of Data

To test the hypothesis, Pearson correlation test was applied, by using SPSS. Its corresponding p-value was $0.000 < 0.05$ (**Tables-1 to Tables-5**). For the first hypothesis (**NH-1**), correlation coefficient between talent management and supporting business community was 0.869. Since the value of p was less than 0.05, it was concluded that there was significant correlation between talent management and supporting

business community. Hence **NH-1** is rejected. For the second null hypothesis, correlation coefficient between talent management and work of employees, with organizational goals, was 0.746. Since the p-value was less than 0.05, **NH-2** is rejected. The correlation coefficient between talent management and increasing employee productivity, was 0.799 and its corresponding p value was $0.000 < 0.05$. Since the p-value was less than 0.05, **NH-3** is rejected.

For the fourth null hypothesis, the Pearson correlation coefficient, between talent management and support to effective workforce planning, was 0.797 and its p-value was $0.000 < 0.05$. Since the p-value was less than 0.05, **NH-4** is rejected. Correlation coefficient, between talent management and competitive remuneration, was 0.852 and its corresponding p-value was $0.000 < 0.05$. Since the p-value was less than 0.05, it was concluded that there was a significant correlation between the talent management and competitive remuneration. Hence reject the null hypothesis (**NH-5**).

9. Findings of the Study

The study incorporated a mixed research approach, with 300 respondents and 50 respondents, for quantitative and qualitative study respectively. Several talent management schemes such as high-potential, in-house development schemes, coaching, mentoring, cross-functional project assignments, assessment centres, internal or external secondments, job rotation and shadowing were reported by the respondents. Majority of respondents were satisfied, with these approaches, undertaken by their organizations. From the data, displayed in **Table-6 to Table-19**, it is inferred that about 62.8% of respondents were of the view that talent management is needed for an organization.

Further, about 63.4% of respondents recorded that they were aware of talent

management practices, followed by their organizations. Majority of respondents were of the view that talent management was a way of distinguishing talented employees and many were of the view that it led to improvement of the employees. Nearly 48.1% of respondents agreed that it builds and maintains positive relationships and 57.7% of respondents agreed that it provides meaningful and challenging work. In short, majority agreed that talent management was effective in the Telecom Sector.

10. Conclusion

Until now, talent management studies were very limited. This research aimed at studying talent management processes, in the Telecom Industry, with focus on Telecom Sector in India. In addition, this study discusses the factors affecting talent management practices and the challenges, specific to adopting talent management practices in India. This study will be helpful for the future researchers, to get a clear idea of talent management in the context of the Telecom Industry. Talent management is an essential part of the organization and the organization should stay committed to improving a superior labour force, committed to its operation and business policy. Organizations are investing on improving the processes and systems, associated with directing, managing and retaining employees. It is necessary for the organization to enquire why employees leave and what can be done to retain them (**Vaidyanathan, et al., 2012**).

11. Limitations of the Study

The major limitation of this research was that it was restricted to the Indian Telecom Industry alone. This research findings cannot be generalized and applied to other countries due to cultural disparities.

12. Scope for Further Study

Further in depth research, on talent management practices, can be extensively

carried out and these findings will be of tremendous benefit and interest to all other Indian Telecom companies, operating in India. The study of Multi National Corporations, operating in Telecom Sector in the country, can also be studied to ascertain their talent management processes. A comparative analysis of growth, achieved after adopting talent management, can also prove to be of immense value.

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Table-1: Talent Management Supports Business Continuity

		Benefits of adopting talent management in telecom sector	Supports business continuity
Benefits of adopting talent management in telecom sector	Pearson Correlation	1	0.869**
	Sig. (2-tailed)		0.000
	N	503	503
Supports business continuity	Pearson Correlation	0.869**	1
	Sig. (2-tailed)	0.000	
	N	503	503

Source: Primary Data

Table-2: Talent Management Aligns Work of Employee with Organizational Goals

		Benefits of adopting talent management in telecom sector	Aligns work of employee with organizational goals
Benefits of adopting talent management in telecom sector	Pearson Correlation	1	0.746**
	Sig. (2-tailed)		0.000
	N	503	503
Aligns work of employee with organizational goals	Pearson Correlation	0.746**	1
	Sig. (2-tailed)	0.000	
	N	503	503

Source: Primary Data**Table-3: Talent Management Increases Employee Productivity**

		Benefits of adopting talent management in telecom sector	Increases employee productivity
Benefits of adopting talent management in telecom sector	Pearson Correlation	1	0.799**
	Sig. (2-tailed)		0.000
	N	503	503
Increases employee productivity	Pearson Correlation	0.799**	1
	Sig. (2-tailed)	0.000	
	N	503	503

Source: Primary Data**Table-4: Talent Management Supports Effective Workforce Planning**

		Benefits of adopting talent management in telecom sector	Supports effective workforce planning
Benefits of adopting talent management in telecom sector	Pearson Correlation	1	0.797**
	Sig. (2-tailed)		0.000
	N	503	503
Supports effective workforce planning	Pearson Correlation	0.797**	1
	Sig. (2-tailed)	0.000	
	N	503	503

Source: Primary Data

Table-5: Talent Management for Competitive Remuneration

		Benefits of adopting talent management in telecom sector	Competitive remuneration
Benefits of adopting talent management in telecom sector	Pearson Correlation	1	0.852**
	Sig. (2-tailed)		0.000
	N	503	503
Competitive remuneration	Pearson Correlation	0.852**	1
	Sig. (2-tailed)	0.000	
	N	503	503

Source: Primary Data

Table-6: How Long you have been Working in your Organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1 year	90	17.9	17.9	17.9
	1-5 yrs	101	20.1	20.1	38.0
	5-10 yrs	99	19.7	19.7	57.7
	10-15 yrs	104	20.7	20.7	78.3
	Above 15 yrs	109	21.7	21.7	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-7: According to you, whether Talent Management is Needed for an Organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	316	62.8	62.8	62.8
	No	187	37.2	37.2	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-8: Are you Aware of Talent Management Practices followed in your Organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	319	63.4	63.4	63.4
	No	184	36.6	36.6	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-9: Displays a Talent Management Mindset

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	67	13.3	13.3	13.3
	Neither agree/ disagree	17	3.4	3.4	16.7
	Agree	242	48.1	48.1	64.8
	Strongly Agree	177	35.2	35.2	100.0
	Total	503	100.0	100.0	

Source: Primary Data**Table-10: Attracts and Recruits Talent**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	6	1.2	1.2	1.2
	Disagree	93	18.5	18.5	19.7
	Neither agree/ disagree	44	8.7	8.7	28.4
	Agree	237	47.1	47.1	75.5
	Strongly Agree	123	24.5	24.5	100.0
	Total	503	100.0	100.0	

Source: Primary Data**Table-11: Identifies and Differentiates Talented Employees**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	55	10.9	10.9	10.9
	Neither agree/ disagree	64	12.7	12.7	23.7
	Agree	240	47.7	47.7	71.4
	Strongly Agree	144	28.6	28.6	100.0
	Total	503	100.0	100.0	

Source: Primary Data**Table-12: Talent Management Develop Others**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	6	1.2	1.2	1.2
	Disagree	78	15.5	15.5	16.7
	Neither agree/ disagree	12	2.4	2.4	19.1
	Agree	257	51.1	51.1	70.2
	Strongly Agree	150	29.8	29.8	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-13: Talent Management Builds and Maintains Positive Relationships

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	60	11.9	11.9	11.9
	Neither agree/ disagree	67	13.3	13.3	25.2
	Agree	260	51.7	51.7	76.9
	Strongly Agree	116	23.1	23.1	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-14: Talent Management Provides Meaningful and Challenging Work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	64	12.7	12.7	12.7
	Neither agree/ disagree	18	3.6	3.6	16.3
	Agree	290	57.7	57.7	74.0
	Strongly Agree	131	26.0	26.0	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-15: Talent Management gives Inputs for Development

Valid	Strongly disagree	6	1.2	1.2	1.2
	Disagree	58	11.5	11.5	12.7
	Neither agree/ disagree	18	3.6	3.6	16.3
	Agree	269	53.5	53.5	69.8
	Strongly Agree	152	30.2	30.2	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-16: Which of the following Talent Management Practices are most used in your Telecom Industry?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High-potential in-house development schemes	64	12.7	12.7	12.7
	Coaching	71	14.1	14.1	26.8
	Mentoring and buddying schemes	69	13.7	13.7	40.6
	Cross-functional project assignments	64	12.7	12.7	53.3
	Assessment centres	72	14.3	14.3	67.6
	Internal or external secondments	78	15.5	15.5	83.1
	Job rotation and shadowing	85	16.9	16.9	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-17: Practices followed in Talent Management are Very Effective in Telecom Industry?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	305	60.6	60.6	60.6
	No	198	39.4	39.4	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-18: Which Represents the Main Goal of your Telecom Industry's Talent Management Practices?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Developing high-potential employees	78	15.5	15.5	15.5
	Growing future senior managers/leaders	91	18.1	18.1	33.6
	Retaining key employees	87	17.3	17.3	50.9
	Meeting the future skills requirements of the organization	84	16.7	16.7	67.6
	Enabling the achievement of the organization's strategic goals	78	15.5	15.5	83.1
	Attracting and recruiting key staff to the organization	85	16.9	16.9	100.0
	Total	503	100.0	100.0	

Source: Primary Data

Table-19: Are you Satisfied with the Practices of Talent Management in Telecom Sector?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unsatisfied	64	12.7	12.7	12.7
	Neutral	99	19.7	19.7	32.4
	Satisfied	249	49.5	49.5	81.9
	Very satisfied	91	18.1	18.1	100.0
	Total	503	100.0	100.0	

Source: Primary Data