THE ROLE OF TALENT MANAGEMENT STRATEGIES ON ORGANIZATIONAL PERFORMANCE: A CASE OF TELECOMMUNICATION FIRMS IN KENYA

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ABSTRACT

In the Telecommunication industry, mobile Telecommunication firms have been forced to device ways to cope with competition. Competition is more dependent on proper utilization of human capital rather than on physical capital. There has been a loss of talent as the players are competing for the few existing talents. The purpose of the study was to determine the role of talent management strategies on the organizational performance in the telecommunication firms in Kenya. The study was guided by the following objectives; to determine the role of talent attraction strategy, talent retention strategy, learning and development and career management strategy on the performance of telecommunication firms in Kenya. The study was anchored on four theories namely: human capital theory, vrooms expectancy theory, resource based theory and talent-based theory. The study was a survey research employing descriptive and analytical techniques. The target population for this study comprised of 279 management staff working in the telecommunication firms in Kenya. The study used a sample of 162 respondents from the telecommunication firms in Kenya. The researcher used questionnaires to collect data. The collected data was coded, edited and prepared ready for analysis. The study adopted both qualitative and quantitative data analysis techniques which are ideal to analyze respectively and open ended and closed questions. Quantitative data was analyzed using descriptive statistics such as frequencies, percentages, mean and standard deviation. On the other hand, qualitative data was analyzed using content analysis. A multiple regression model was used to ascertain the influence that independent variables have on the dependent variable. The findings were presented in figures, charts and tables. The study found that talent attraction strategy influence performance in their organization greatly and that talent retention strategy influence performance moderately. It was clear that organizational motivation, sustaining employees in the organization, reducing the turnover of the employee and staff commitment greatly influences performance of the organization. The study also found that that learning and development strategy greatly influence performance influence performance and that career management strategy greatly influences performance in a great extent. Some of the career management strategy associated with this great influence on organisational performance was career counseling and identifying career goals. The study concluded that career management strategy had the greatest effect on the performance of telecommunication firms in Kenya, followed by talent attraction strategy, then talent retention strategy while learning and development strategy had the least effect to the performance of telecommunication firms in Kenya. The study recommends that there is a need to have organizations understands the concept of talent management to appropriately harness and leverage on intangible assets in the firm to attain competitive advantage, that employees should be appreciated for better performance. Firms should also offer satisfactory and sufficient non-financial benefits such as reward, recognition, study
leave offered to their employees and that the policy makers should set policies that promote and support firms to adopt and implement strategic talent management in order to explore their employees’ full potential and effective utilize it towards improving performance. The study also recommends that firms should maintain and uphold strategic talent management best practices in order to maximize on the use of their talents and skills and conduct regular audits to ensure that strategic talent management programs are fully implemented.

Key Words: talent management strategies, organizational performance, telecommunication firms, Kenya

INTRODUCTION

Globally, talent management program is one of human resource development measures that successful organizations take which involves helping the organization to recruit and retain competent talented employees to boost performance. In Poland, talent management is viewed as a three-dimensional construct (dimensions are: strategic, structural and ideological) while climate for creativity and organizational performance are both un-dimensional constructs. Results indicate that climate for creativity mediates the relationships between the dimensions of talent management and organizational performance. In order to enable organizations, achieve high performance through talent management it should focus on creating an appropriate climate supporting individual creativity of its employees (Ingram, 2016).

A country like Iran, talent management, organizational development and job motivation of employees have been observed to have a positive and significant relationship. Unfortunately, most organizations do not effectively develop, reward and maintain the unique talents of their workforce (Rastgoo, 2016). As a result, employees hop from one organization to the other trying to find a place to belong. These organizations tend to search for human resources with high level of expertise and skills only to lose them in the end due to lack of effective talent management system in place (Christonel, 2012). Contemporary HRM is seeing the need for talent management.

This is because when employees’ talents are recognized and developed it does not only increase their productivity but also increases their job satisfaction, motivation and there is a high staff retention rate. The functions of HRM such as recruitment and selection, training and development, performance appraisal and succession planning seek to compliment the role of talent management if not pioneering it. Talent management process therefore involves every practice of HRM which enables employees to be more effective, efficient and motivated to stay on the job (Collings & Scullion, 2011).
Talent management strategy involves positioning the right people in the right jobs. In Bangladesh, the components of talent management such as employee attraction, selection, engagement and retention have positive relationship with the performance of retail sectors in Sylhet city, Bangladesh. This ensures that the employees maximize their talent for the success of the organization. As talent management is a relatively new area for both public and private sector organizations, most organizations have prioritized it to ensure they acquire the right staff. This is because talent management has been linked to successful attraction, retention and development of employees (Baheshtiffar, 2011).

In Africa the influence of talent management strategies has not yet been well experienced. In Nigeria, talent management is a new concept but difficult phenomenon to measure. The impact of talent management on organizational performance is a problem especially where only strategic employees are treated as talents of the firm. Talent management is pivotal to the survivor of the profit organization in the modern global and highly competitive business environment today. It is of value that firms should train and retrain their work force to develop needed talent in the staff. It also revealed that talent management has impact on the performance of the multinational and the national firm but the small and medium scale firms have not been gaining from this new technique within the Nigerian business environment (Kehinde, 2012).

In South Africa, talent management as an integrated system of recruitment, development and retention of the required human capital at all organizational levels, is at the forefront of business agendas. Given the skills shortage in South Africa, talent management is expected to remain a business imperative especially in the science, engineering/technology arena. The importance of talent management stems from its role in achieving competitive advantage in order to realize the strategy of the organization.

In Kenya, talent is a fluid mix of framed experience, values, contextual information, and expert insight that is created by social interactions among individuals and organizations depending on a particular time and location (Wandia, 2013). It is further accepted that talent comes from the meaningfully organized accumulation of information (messages) through experience, communication, or inference. It is further accepted that talent comes from the meaningfully organized accumulation of information (messages) through experience, communication, or inference. This means therefore that in order to facilitate the accumulation process, enterprises should reform their culture and reward systems so that employees are encouraged and willing to share their experience and knowledge with others as they meanwhile accumulate their knowledge as an organizational asset. In addition, while talent assets are grounded in the experience and expertise of individuals, firms provide the physical, social, and resource allocation structure so that knowledge can be shaped into organizational competencies (Wandia, 2013).
Organizations are keen in maintaining their leadership in customer service, product differentiations and profits. In this regard, they have entrenched talent management as part of their strategy for growth. Talent management is critical as well as succession planning as this ensures continuity of the business in the long term (Chepkwony, 2016). Talent management strategies are important and essential in organizations that are seeking to develop and enhance employees’ performance. Succession planning, career development and employee motivation are some of the talent retention strategies that when used by organizations, they do enhance employee performance. Talent mechanisms put in place by organizations do not only enhance employees’ current performance but guarantees employees future performance. This study further concludes that the relationship between talent retention strategies and employee performance is statistically significant (Ng’ethe, Namusonge & Iravo, 2012).

Organizational Performance

Organizational performance is one of the most important variables in management research and undoubtedly the most important indicator of organizational success. Telecommunications are one of the most important and most competitive industrial sectors of the future. The era of industrialization and information age has made the telecommunication industry expand into diversified functions to support the growth of technological advancement for better services demanded by any nation (Price, 2009). However, in this new millennium, this industry has been faced with the increasing level of unpredictability of business environment and competitiveness of market due to the globalization of business, the shift from production to knowledge-based economy and the growth of information communications technology (Cantwell, Dunning & Lundan, 2010).

Organizational performance is the analysis of a company’s performance as compared to goals and objectives. Performance is the outcome of all of the organizations operations and strategies. Organizational performance is an indicator which measures how well an enterprise achieves their objectives. Organizational performance can be assessed by an organizations efficiency and effectiveness of goal achievement. Within corporate organizations there are three primary outcomes analyzed, financial performance, market performance and shareholders value performance (Adler, 2015). The concept of organizational performance is based upon the idea that an organization is the voluntary association of productive assets including human, physical and capital resources for the purpose of achieving a shared purpose. Organizational performance comprises the actual output or results of an organization as measured against its intended output. Organization Performance can be classified into financial performance and non-financial performance (Mahoney & Roberts, 2009).

Organizational performance encompasses three specific areas of firm outcomes, financial performance such as profits, return on assets, return on investments, profit rate, return on equity and earnings per share, product market performance such as sales, market share, new product
introduction, product quality, marketing effectiveness and shareholders return measure through total shareholder return and economic value added (Peloza, 2009). Company’s performance is evaluated in three dimensions (Richard, Divinney, Yip & Johnson, 2009). First is company’s productivity or processing inputs into outputs efficiently. The second is Profitability dimension or level of which company’s earnings are bigger than its costs. The third dimension is market premium or level by which company’s market value is exceeding its book value (Walker, 2011).

Telecommunication Firms in Kenya

Kenya’s telecommunications market has undergone considerable changes since the landing of four fiber-optic international submarine cables in recent years. The dramatic increase in international bandwidth not only ended the country’s dependence on limited and expensive satellite bandwidth, but the 90% fall in the cost of broadband access ensured that services have been made affordable for a large section of the population (CCK, 2015). The providers in the cellular services include: Safaricom, Airtel as well as Telkom Kenya. As highlighted by Waburi (2009), the growth in mobile telecommunication industry has had a very positive impact on our economy and has substantially benefited people more than any other industry before. This study found that telecommunication firms in Kenya have adopted three major strategies, namely: giving customers more value, being low cost producers, and selling differentiated products. There is a continuous launch of various offers inclusive of modems in order to tap into data revenue. Mobile payments revolution was birthed in 2007 by Kencell in order to use it as a micro lending 7 program however it wasn’t popular until Safaricom launched it and piloted it in Kenya. Nearly 70% of the adults in the county transfer money to each other via their mobile phones (Kirigia, 2013).

The telecommunication sector in Kenya is well developed and the two major players are Safaricom, the clear market leader in the mobile services segment and Telkom Kenya, the country’s incumbent fixed-line provider and the major player in the fixed line telecommunication segment. Telkom Kenya is revamping its infrastructure and services under its new majority shareholder, Helios Investments and has also re-entered the mobile market (CCK, 2015).

Safaricom was Kenya’s first GSM operator and began offering services in 1997. Kencell, the predecessor of Celtel, was the first licensed mobile operator and became the second GSM operator in January 2000. The Communication sub-sector has remained vibrant buoyed by considerable growth in mobile telephony. Mobile telephony continued to grow albeit marginally with subscriber base expanding slightly from 29.7 million in June 2012 to 30.5 million in June 2014. This growth was attributed to the increased mobile cellular telephony penetration, increased mobile money transfer agents and increased value added services such as m-banking, m-insurance among others. The Internet sub-segment continued to grow with 12.43 million internet subscriptions recorded and 19.65 million estimated internet users, representing Internet
penetration of 48.3 per cent compared to 35.5 per cent in the previous year. The increase was mainly driven by growth in mobile data/internet subscriptions (CAK Annual Report, 2013).

Omae, Ndungu and Kibet (2013) postulate that there are several challenges facing the telecommunication sector in the world all over. These challenges range from environmental issues, competitive issues, security to regulatory challenges. Environmental challenges are issues facing the business organization from within and without that threaten the ability of the organization to compete successfully in the market. Therefore, in today’s highly turbulent business environment, it is important for the organization to engage in continuous scanning of environment in order to promptly identify the issues facing the organization and undertake timely responses.

**STATEMENT OF THE PROBLEM**

There have been a number of significant developments in the activities encompassed within the talent management umbrella, for instance the growing interest in employer branding, employee engagement and the benefits of being an employer of choice, in many cases talent management activities lack the integration (strategy) necessary to secure the flow of talent that organizations will require in the future. Talent management has emerged as an area of interest and focus for many human resource practitioners in the recent years. However, organizations and practitioners should not jump on the talent management bandwagon because talent management is fashionable, but instead they should ask what issues, be it branding, attraction, retention, leadership development, succession planning, that talent management is designed to solve. Managing talent is a challenge to all organizations as they compete for the same pool of talents (Beardwell & Claydon, 2010). In the telecommunication industry, there has been a loss of talents as the players are competing for the few existing talents. Telecommunication firms Kenya have been forced to devise ways to cope with competition. Managing customer relationships is one of the ways which is considered competitive by Telecommunications firms through use of available communication channels such as the use of email, website and text messages to share important information with the customers. Talent management has received growing attention among Telecommunications firms in Kenya. This has been attributed by scarcity of talented employees due to immense competition by organizations for the same pool of talents. To accommodate the changing needs of its customers, organizations should recruit and hire competent staff that is qualified and professional to achieve improved efficiency and costs reduction. The competition in the telecommunication sector has continued to intensify leading to some like Yu mobile (Essar Telecommunication) winding up their operations in Kenya with others like Airtel and Orange changing ownership after persistence in poor performance. The literature review done on this topic in Kenya has addressed a firm-specific problem rather than an industry problem for example Moturi (2013) looked at talent management by Kenya Data Networks Ltd and found out that talent management practices influence their competitiveness in the industry. In the same way Mutunga (2009) looked at employee engagement by Zain Kenya and established that positive
employee engagement is as a result of effective talent management practices and this has a positive influence of competitive advantage. Wafula (2010) researched on the effectiveness of strategic talent management practices in professional service firms in Kenya and found out that local professional service bodies lacked an effective talent management structures and most of their strategies are contained in the contracts with the employees whereby they discourage them from leaving the organization before a stipulated time period especially if the organization has trained the employees. Wangari (2009) studied the linkage of critical success factors and talent management systems at Olivado Kenya (EPZ) Ltd and found out that once the role between strategy and talent is defined, then other aspects of strategic management such as resources allocation, organization design, product development and market segmentation can be configured to bolster talent strengths and reduce talent weaknesses. In addition, Asava (2009) carried out a research on Talent Management for competitive advantage within commercial banks in Kenya and found out that learning opportunities for an organization that already has a talent advantage may be more valuable than for a competitor having similar learning opportunities. None of the literature reviewed focused on role of talent management strategy on organizational performance in the telecommunication industry in Kenya, hence a knowledge gap. It is therefore this gap that the researcher sought to fill.

**GENERAL OBJECTIVE**

The general objective of the study was to determine the role of talent management strategies on the organizational performance in the telecommunication firms in Kenya.

**SPECIFIC OBJECTIVES**

1. To establish the role of talent attraction strategy on performance of telecommunication firms in Kenya.
2. To determine the role of talent retention strategy on the performance of telecommunication firms in Kenya.
3. To assess the role of learning and development strategy on the performance of telecommunication firms in Kenya.
4. To examine the role of career management strategy on the performance of telecommunication firms in Kenya.

**THEORETICAL REVIEW**

A theory is a set of assumptions, propositions, or accepted facts that attempts to provide a plausible or rational explanation of cause-and-effect (causal) relationships among a group of observed phenomenon. A theoretical framework on the other hand is a group of related ideas that provides guidance to a research project or business endeavor (Zima, 2009). The study was anchored on four theories namely: human capital theory, vrooms expectancy theory, resource-based theory and talent-based theory.
Human Capital Theory

The theory of human capital was developed by several researchers, of which Becker (1964) and Mincer (1974) were the most prominent. Several earlier economists regarded individuals and their skills as a component of capital and estimated their value through cost-of-production and/or capitalized-earnings procedures. The foundation of the human capital theory lies in the fact that individuals and firms invest in human capital based not on present gains but on future pecuniary and non-pecuniary returns. Investments include various aspects such as schooling, training, acquiring information, secondment, and activities that improve an individual’s health. Disregarding the type of investment, human capital investment can be thought of as any other investment decision based on a comparison between the rates of return that equates the present values of earnings after the investment, with rates that could be obtained elsewhere (Andersson & Aggerholm, 2011). The current research draws on human capital theory because it can be linked to the factors that have led to the adoption of employees’ attraction with expected returns of high productivity and profits for the organization.

Expectancy Theory

Vroom’s Expectancy Theory is based on the belief that employees’ effort will lead to performance and performance will lead to rewards (Vroom, 1964). Rewards may be either positive or negative. The more positive the reward the more likely the employee will be highly motivated. To the contrary, the more negative the reward, the less likeliness the employee will be motivated. Expectancy theory is also considered a highly rational theory of work motivation (Robinson & Morrison, 2010). According to Robinson and Morrison (2010), Expectancy theory argues that employees will be motivated to exert a high level of effort when they believe it will lead to a good performance appraisal; that a good appraisal will lead to organizational rewards such as bonuses, salary increases, or promotions; and that the rewards will satisfy the employees personal goals. Vroom’s (1964) theory of job satisfaction argues that the strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. The principle of this theory is that if employees put more effort into their jobs and perform better at work, then they will be compensated consequently. Therefore, this theory is relevant in addressing talent retention such that an employee would choose to do or not do job tasks based on their perceived ability to carry out the task and earn a fair-minded reward.

Resource Based Theory

Resource Based Theory also called Resource Based View (RBV) of the firm is concerned with the relationships between internal resources (of which human resources are one), strategy and firm performance. It focuses on the promotion of sustained competitive advantage through the development of human capital rather than merely aligning human resources to current strategic
goals. Beger (2010) argues that a firm will have a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by any competitor. On the other hand, a firm will have sustained competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by competitors and when the competitors are unable to duplicate the benefits of this strategy. Barney (1991) studied four empirical indicators: values, rareness, imitability and substitutability in order to assess the relationship between firm resources and sustained competitive advantages. In his research, he clarified the main relevant concepts, which are, firm resources, competitive advantage and sustained competitive advantage. Firm resources can be classified into three resource categories: physical (Williamson, 1975), organizational (Tomer, 1987), and the last resource is human capital (Beger, 2010) which is the main interest of this present study.

Barney (1991) argues that to understand the source of competitive advantage, it is assumed that a firm’s resource may be heterogeneous and immobile with four potential attributes. The first characteristic is that the resource must be valuable in terms of executing the organizational strategy efficiently and effectively. The second attribute is the resource should be rare and not possessed by current and future competitors. Imitability is the third resource attribute which means that not only do competitors lack them but also cannot obtain them. The last characteristic is substitutability which means that the resource cannot be copied and there are no possible alternative options with other firms (Barney, 1991). To illustrate this relationship between firm resources and sustainable competitive advantage, Barney (1991) developed a resource-based model which is the interaction between the firm’s immobile resources which are rare and the sustainability of the firm’s competitive advantage which can be used by organizations to analyze its resources with the potential of generating a sustainable competitive advantage. This theory, is important, to effectively execute the career management as human factor is essential because only individuals with appropriate competencies can understand, describe and analyze all types of resources and their applicability to the evaluation criteria.

**Talent-Based Theory**

Talent-based theory of the firm postulates that talent is the only resource that provides sustainable competitive advantage, and therefore, the firms attention and decision making should focus primarily on talent and the competitive capabilities derived from it (Roberts, 2008). The firm is considered being a talent integrating institution. Its role is neither the acquisition nor the creation of organizational talent; this is the role and prerequisite of the individual. Talent resides in and with individual persons; the firm merely integrates the individually owned talent by providing structural arrangements of co-ordination and co-operation of specialized talent workers. That is, the firm focuses on the organizational processes flowing through these structural arrangements, through which individuals engage in talent creation, storage, and deployment (Roberts, 2008).
The concept of talent in regard to talent-based theory is extremely impoverished in many enterprises. Various types of projects created and implemented in diverse organizations programs raise objections. They indicate the risk of inconstancy in talent management. Hence, the suggestion that the term talent management should be replaced with talent development, which means to create appropriate environment for talent identification, development, and exploitation. An organization that develops talents is the one that cares for the development of organizational culture and simultaneously has results of it, as probably the talented employees have opportunities there for self-realization. The processes are the success factors that should arise so that the people indeed want to give everything of themselves of what is possible to give, and even more (Lepak & Snell, 2012). Therefore, this theory is relevant to the study as it helps in understanding learning and development. It also constitutes the management style which rejects the haphazardness and replaces it with a constant improvement of working conditions and management.

**EMPIRICAL REVIEW**

Several studies have been done on talent management such as; Auranzeb and Bhutto (2016) studied the influence of talent management in enhancing organization performance (evidence from service sector companies in Pakistan). The study used survey method to collect the data from the organization. Descriptive and inferential tests are performed. The results revealed the significant effect of talent management on organizational overall performance. The findings recommend the HR directors to design TM scheme for all levels of employees within organization. The results are useful for preparing strategies for employee attraction, retention, learning & development and career development.

Sunday (2012) established talent management effect on organizational performance. The questionnaire was used as the survey method of collecting primary data for the study. Correlation coefficient, t- student distribution and the descriptive analyses were the methods used to analyze the data gathered. The analyses revealed that talent management has positive impact on the organizational overall performance. It also revealed that talent management scheme has impact on the performance of the multinational and the national firm but the small and medium scale firms have not been gaining from this new technique within the Nigerian business environment. The study therefore recommends that talent management scheme should be used for all categories of staff within the firm that have special talent and that firms should separate between their talent management scheme and the total human recourses management style of the firm.

Wandia (2013) examined talent management as a source of competitive advantage: a case study of Symphony (k) ltd. The study sought to establish the role of talent management as a source of competitive advantage at Symphony (K) Ltd. A case study research design was adopted whereby the researcher interviewed seven senior managers at Symphony who were involved in the strategic process of managing organizational talent.
The data was collected through the use of the interview guide that was prepared to guide the researcher and content analysis was used to analyze the data. From the results it appears that the choice of talent management strategy massively affects organisational performance. The findings of the study were that effective talent management affects the financial performance of a firm and this was reflected through increased sales revenue over the years since adoption of the strategy, productivity and increased market share.

Chepkwony (2016) focused on the link between talent management practices, succession planning and corporate strategy among commercial banks in Kenya. The Talent Management practices have been examined through data collection among banks operating in Kenya. Qualitative and quantitative techniques were used for data analysis. The results of the research revealed a significant relationship between Talent management practices, succession planning and overall organization strategy. The implications of research findings for researchers and practitioners are discussed and the suggestions have also been provided.

Gathiga (2014) looked at the extent to which effective talent management impacts organizational competitiveness a case of an agribusiness organization hereafter referred to as Company X. The research design was descriptive in nature focusing on an international agribusiness company hereafter referred to as Company X. Stratified sampling technique was used to select the sample in which thirty (30) respondents from a population of eighty-five (85) staff working at the Kenya Office were chosen. The staff included both Management and non-management categorized into three levels; managers, middle level and juniors. Information was collected using a questionnaire developed by the researcher and administered through the drop-and-pick method. Data was analyzed using SPSS and results presented in tables and bar graphs. The study had the following major findings: first on selection and recruitment, the study revealed that most of the employees felt that, the manner in which it was done was free and fair and that they were given an opportunity to apply for vacancies when they felt vacant. However, although majority of them reported that promotions to supervisory positions were fair and also results oriented, a small number did not totally agree. Majority of the employees agreed that their jobs were secure based on performance.

Knott (2016) determined the effect of talent management practices on employee performance among real estate companies in Kenya: a case of Suraya Property Group Limited. The study adopted a descriptive survey research design. The population of the study was 95 employees of Suraya Property Group Limited. This study adopted a stratified sampling technique to select a sample size of 76 respondents. A structured closed ended questionnaire was used to collect primary data. Data was analysed both for descriptive statistics (frequencies and percentages) and inferential statistics (correlation analysis). Data was presented using tables and figures. The findings on the extent to which training and development affects employee performance revealed a statistically significant relationship between training and development of employees and employee performance.
Kimathi (2015) examined strategic talent management and performance of imperial bank limited in Kenya. The study targeted five departmental heads in Imperial Bank. Data was collected using an interview guide and data analysis was done using content analysis. The study successfully managed to interview all the interviewees who were: human resource department, marketing department, operations department, the finance department and Information Technology department. The chapter consists of data analysis, results and discussion from the data that was collected using interview guides. The study concludes that the most common strategic talent management practices used by Imperial Bank were as follows: performance-based reward system in terms of annual bonuses and salary increments, performance-based promotions, training programs and ensuring performance is measured based on well communicated specific, measurable, accurate, realistic and time bound targets and objectives. The findings further revealed that regular training programs were held both internally and externally.

Njoroge (2012) conducted a study on talent management practices in commercial state corporations in Kenya. Descriptive survey was used in the study. The study population focused on all the 31 (thirty-one) commercial state corporations as listed in the State Corporations Advisory Committee SCAC guidelines (appendix II). Primary data was used in the study. A structured questionnaire was used to collect the data. Data collected was analyzed using descriptive statistics.

Percentages and frequencies were used to analyze questions on the profiles of the respondents and the Companies. Mean scores and standard deviations were be used to analyze data to determine the talent management practices embraced by these organizations. From the research findings, most of the Commercial state corporations did not have clear talent strategy and there is lack of well formalized and communicated talent strategy that would act as a guide towards achieving competitive results. The talent strategy practices in these organizations seem to be unclear. Workforce planning and talent acquisition policies and practices can be seen to be embraced but only to a moderate extent. However, the retention policies as a talent management practice in most of the organizations seem to be unclear and hence not embraced much.

Nyaga (2015) focused on factors perceived to influence talent management practices in the mobile phone sector in Kenya. This study adopted a descriptive cross-sectional survey research design. The target population for this study consisted of all known sector players duly registered by Communications Authority of Kenya. A census survey was carried out on all the 12 mobile sector companies in Kenya. Primary data from a questionnaire was exclusively be used in this research. The findings indicate that, the talent management practice adopted by the organization aligns the workforce so that employees understand how their goals connect to and support overall organizational goals and the organization actively engages the core components of talent management performance, compensation, and learning management; succession planning; and active collaboration with the social networking resources apply to their organization.
RESEARCH METHODOLOGY

Research Design

The study is a survey research employing descriptive and analytical techniques. It sought to describe and analyze the behavior and perceptions of respondents being studied. This descriptive research according to Kerlinger (1979) is a systematic empirical enquiry in which the researcher does not have direct control of the independent variables because their manifestations have already occurred. The variables in this study were talent management strategies (independent) and organizational performance (dependent).

Target Population

Target population is described as all the members of a real or hypothetical set of people, events or objects to which a researcher wishes to generate a research study (Borg & Gall, 1989). The target population for this study comprised of management staff from the three mobile telecommunication firms in Kenya. The population distribution was 279 employees.

Sampling Technique and Sample Frame

Sampling is a deliberate choice of a number of people who are to provide the data from which a study drew conclusions about some larger group whom these people represent (Zikmund, 2011). The sample size is a subset of the population that is taken to be a representative of the entire population (Onabanjo et al., 2010). A sampling frame is a list of population units/elements from which to select units/elements to be sampled (McDaniel & Gates, 2014). Denscombe (2016) emphasized that a good sampling size should be relevant – meaning that: it should contain things directly linked to the research topic; be complete by covering all relevant items; and be precise and up to date. Therefore, the sampling size was drawn from management staff working in telecommunication firms in Kenya. This research study used a stratified random sampling method to select and sample the respondents. Sampling ensures that inferences made from the sample data are not distorted by selection bias (Hildebrand, Ott & Gray, 2015). The heterogeneous group was represented by the population, homogenous groups were represented by the different management levels and a simple random sample was obtained from each group. Stratified random sampling enables populations to be segregated into several mutually exclusive strata. A stratified random sample facilitates different research and methodologies to be used in different strata, providing adequate data for analyzing the various subpopulations and hence increasing a sample’s statistical efficiency (Cooper & Schindler, 2006). According to Mugenda and Mugenda (2003), from normal distribution the population proportion can be estimated to be:

\[ n = \frac{Z^2PQ}{\alpha^2} \]
Where: Z is the Z – value = 1.96; P Population proportion 0.50; Q = 1-P; α = level of significance = 5%

\[ n = \frac{1.96^2 \times 0.5 \times 0.5}{0.5^2} \]
\[ n = 384 \]

Adjusted sample size

\[ n' = \frac{n}{1+ (n/N)} \]

\[ n.' = 384/ \left[ 1+ \left( \frac{384}{279} \right) \right] \]; Approx. = 162 respondents

**Data Collection Instruments**

The researcher used questionnaires to collect data. Closed ended questions was used in an effort to conserve time and money as well as to facilitate an easier analysis as they are in immediate usable form; while the open-ended questions were used as they encourage the respondent to give an in-depth and felt response without feeling held back in revealing of any information (Sproul, 2011). Questionnaire studies are generally inexpensive and they do not consume a lot of time in their administration. Closed Likert type questions, and open-ended questions were used as a data collecting tool.

**Data Collection Procedures**

Data collection is the process of collecting and measuring information on the variables of interest. In these study questionnaires which are the primary tools for collecting primary data was handed over/dropped to respondents for self-administering while others were administered on an interview based situation. This is especially in areas that need further clarification. A questionnaire consisted of a number of questions printed or typed in a definite order on a form or set of forms. Kothari (2004) furthers states that before using this method, it is always advisable to conduct pilot study (Pilot Survey) for testing the questionnaires.

**Data Processing and Analysis**

The collected data was coded edited and cleaned ready for analysis. The study adopted both qualitative and quantitative data analysis techniques which are ideal to analyze respectively open and closed ended questions. Data from the proposed research was coded, processed and analyzed using computer based statistical package for social sciences (SPSS) version 24 as the main tool for data analysis and presentation. Quantitative data was analysed using descriptive statistics such as frequencies, percentages, mean and standard deviation. Marshall and Rossman (2015) notes that the use of percentages is important for two reasons; first they simplify data by reducing all the numbers to range between 0 and 100. Second, they translate the data into
standard form with a base of 100 for relative comparisons. On the other hand, qualitative data was analysed using content analysis. The approach is to quantify and analyze the presence, meanings and relationships of specific words or meanings and concepts, then make inferences about the messages within the texts. The strength or relationship between variables was determined by regression analysis on the statistical model. A multiple regression model was used to ascertain the influence that independent variables have on the dependent variable. Performance of telecommunication firms in Kenya was regressed against four variables namely talent attraction strategy, talent retention strategy, learning and development and career management strategy. The following multiple regression model was applied:

\[ Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + \varepsilon \]

Where: \( Y \) = Performance Telecommunication Firms in Kenya; \( b_0 \) = Constant term; \( b_1, b_2, b_3 \) and \( b_4 \) = coefficient of \( x_i \), for \( i = 1, 2, 3, 4 \); \( X_1 \) = Talent Attraction Strategy; \( X_2 \) = Talent Retention Strategy; \( X_3 \) = Learning and Development Strategy; \( X_4 \) = Career Management Strategy; \( \varepsilon \) = error term

A regression analysis was carried out by use of Statistical Package for Social Science (SPSS) version 24.0 to establish the relationship between the independent and dependent variables. Correlation analysis was used to establish the relationship between individual independent variables with the dependent variable while multiple regression analysis was carried out to establish the relationship between the dependent variable and all the independent variables. For example as relates to this research a relationship was established between the dependent variable which is the outcome (performance of telecommunication firms in Kenya) with the independent variables i.e. the instruments available to achieve the outcomes (talent attraction, talent retention, learning and development and career management). The regression analysis was carried out in order to ascertain if the independent variables have a significant relationship with a dependent variable and indicate the relative strength of different independent variables effects on the a dependent variable.

**RESEARCH RESULTS**

It was clear that talent attraction strategy influence performance in their organization greatly. The performance of the organization was further revealed to be greatly influenced recruitment and compensation plan, employer branding while health benefits, pre-employment and total reward strategy were found to moderately influence performance of the organization.

The study found that talent retention strategy influence performance moderately. It was clear that organizational motivation, sustaining employees in the organization, reducing the turnover of the employee and staff commitment greatly influences performance of the organization. Further organizational meeting individual needs and staff engagement were revealed to moderately influence performance of the organization.
The study revealed that learning and development strategy greatly influence performance. Further organizational performance was indicated to be greatly influenced mentorship and coaching, job rotation experiences, scholarships and monitoring staff training programs. Little influence on performance of the organization was caused by stretch assignments.

Finally, it was found that career management strategy greatly influence performance in a great extent. Some of the career management strategy associated with this great influence on organizational performance was career counseling and identifying career goals, developing skills and strengths. However, identifying weaknesses to achieve career goals was found to moderately influence performance.

PEARSON PRODUCT-MOMENT CORRELATION ANALYSIS

A correlation is a number between -1 and +1 that measures the degree of association between two variables. A positive value for the correlation implies a positive association while a negative value for the correlation implies a negative or inverse association. The Correlation coefficients are presented in Table 1.

<table>
<thead>
<tr>
<th>Table 1: Correlation Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
</tr>
<tr>
<td>Performance</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>Talent Attraction Strategy</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>Talent Retention Strategy</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>Learning and Development Strategy</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>Career Management Strategy</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
</tbody>
</table>

The analysis of correlation results between the talent attraction strategy and performance telecommunication firms in Kenya show a positive coefficient 0.818, with p-value of 0.020. It indicates that the result is significant at α =5% and that if the talent attraction strategy increases it will have a positive influence on the performance telecommunication firms in Kenya. The correlation results between talent retention strategy and performance of telecommunication firms in Kenya also indicates the same type of result where the correlation coefficient is 0.774 and a p-value of 0.027 which significant at α = 5%. The results also show that there is a positive
association between learning and development strategy and performance of telecommunication firms in Kenya where the correlation coefficient is 0.618, with a p-value of 0.005. Further, the result shows that there is a positive association between career management strategy and performance of telecommunication firms in Kenya where the correlation coefficient is 0.918, with a p-value of 0.017. Nevertheless, the positive relationship indicates that when the practice of the afore-mentioned factors is in place, the levels of performance of telecommunication firms in Kenya increase. This is in line with Beger (2010) who argues that a firm will have a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by any competitor.

**REGRESSION ANALYSIS**

The study used a regression model to test the hypothesis between talent attraction strategy, talent retention strategy, learning and development strategy and career management strategy and performance of telecommunication firms in Kenya.

**Table 2: Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.827</td>
<td>0.684</td>
<td>0.673</td>
<td>2.239</td>
</tr>
</tbody>
</table>

The outcome of table 2 found that R-Square value (coefficient of determination) is 0.673, which indicates that the independent variables (talent attraction strategy, talent retention strategy, learning and development strategy and career management strategy) explain 67.3% of the variation in the dependent variable (performance of telecommunication firms in Kenya). This concurs with Vroom (1964) who argues that employee’s effort will lead to performance and performance will lead to rewards.

**Table 3: Analysis of Variance**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1268.88</td>
<td>4</td>
<td>317.220</td>
<td>61.677</td>
<td>0.000</td>
</tr>
<tr>
<td>Residual</td>
<td>586.33</td>
<td>114</td>
<td>5.143</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1855.21</td>
<td>118</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The ANOVA results are shown in Table 3 which found that the model had predictive value and thus it was significant. This was because its p-value was less than 5%, p=.000 and F calculated (61.677) was significantly larger than the critical F value (2.4472). These findings are in agreement with Bhatnagar (2008) who noted that a variety of organizational career management practices are employee workshops, job rotation, job enrichment and career progression ladder.

Model coefficients provide unstandardized and standardized coefficients to explain the direction of the regression model and to establish the level of significance of the study variables. The results are captured in table 4.
Table 4: Regression Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.053</td>
<td>0.117</td>
<td>9.000</td>
<td>.000</td>
</tr>
<tr>
<td>Talent Attraction Strategy</td>
<td>0.782</td>
<td>0.249</td>
<td>0.759</td>
<td>3.141</td>
</tr>
<tr>
<td>Talent Retention Strategy</td>
<td>0.701</td>
<td>0.311</td>
<td>0.680</td>
<td>2.254</td>
</tr>
<tr>
<td>Learning and Development</td>
<td>0.599</td>
<td>0.206</td>
<td>0.581</td>
<td>2.908</td>
</tr>
<tr>
<td>Career Management Strategy</td>
<td>0.813</td>
<td>0.091</td>
<td>0.789</td>
<td>8.934</td>
</tr>
</tbody>
</table>

As per the SPSS generated table above, the equation (\( Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon \)) becomes:

\[
Y = 1.053 + 0.782X_1 + 0.701X_2 + 0.599X_3 + 0.813X_4
\]

The findings showed that if all factors (talent attraction strategy, talent retention strategy, learning and development strategy and career management strategy) were held constant at zero performance of telecommunication firms in Kenya will be 1.053.

The findings presented also show that taking all other independent variables at zero, a unit increase in the talent attraction strategy would lead to a 0.782 increase in the scores of performance of telecommunication firms in Kenya. This variable was significant since 0.003<0.05. This conforms to Backhaus and Tikoo, (2014) who argue that employer brand attracts the best possible workers.

The findings also show that a unit increase in the scores of talent retention strategy would lead to a 0.701 increase in the scores of performance of telecommunication firms in Kenya. This variable was significant since 0.030<0.05. This is similar to Berger (2009) who argues that adequate hygiene factors do not enhance motivation but can lead to dissatisfaction if they are considered inadequate, whereas, motivators can enhance motivation if the employee perceives these rewards as adequate.

Further, the findings shows that a unit increases in the scores of learning and development strategy would lead to a 0.599 increase in the scores of performance of telecommunication firms in Kenya. This variable was significant since 0.006<0.05. This conforms to Beardwell and Claydon (2010) who argue that it is management, which has become more important today due to the unstructured and unpredictable business environment that also has an impact on career development.

The study also found that a unit increase in the scores of resources would lead to a 0.813 increase in the score of performance of telecommunication firms in Kenya. This variable was significant since 0.000<0.05. This correlate with Rousseau (2011) who says that succession planning and management goes beyond simple replacement planning and it is proactive and attempts to ensure...
the continuity of leadership by cultivating talent from within the organization through planned development activities.

As per the findings, at 95% confidence level, all the variables were significant as the p-value was less than 0.05. The study infers that career management strategy had the greatest effect on the performance of telecommunication firms in Kenya, followed by talent attraction strategy, then talent retention strategy while learning and development strategy had the least effect to the performance of telecommunication firms in Kenya.

CONCLUSIONS

The study concluded that talent attraction strategy influence performance in their organization greatly and significantly. It was clear that great influence as a result of talent attraction strategy on performance was contributed by recruitment, compensation plan, and employer branding which were found to greatly influence performance of the organization.

The study further concluded that talent retention strategy plays a moderate and significant role on the performance of telecommunication firms in Kenya. This is because most of the organizations sustain employees in the organization which in turn greatly influences performance of the organization. It was also clear that organizational meeting individual needs have a moderate influence on performance of the organization.

The study also concluded that learning and development strategy has a positive and great role on the performance of telecommunication firms in Kenya. The study deduced that mentorship and coaching, job rotation experiences, scholarships and monitoring staff training programs have a great influence performance of the organization.

The study concluded that career management strategy plays a great, positive and significant role on the performance of telecommunication firms in Kenya. This is as a result of great influence on performance by career counseling, identification of career goals, development skills and strengths as well as identification of weaknesses to achieve career goals.

Finally the study concluded that career management strategy had the greatest effect on the performance of telecommunication firms in Kenya, followed by talent attraction strategy, then talent retention strategy while learning and development strategy had the least effect to the performance of telecommunication firms in Kenya.

RECOMMENDATIONS

The study recommends that there is a need to have organizations understands the concept of talent management to appropriately harness and leverage on intangible assets in the firm to attain competitive advantage.
The managers should therefore increase the percentage of employees dedicated to assessing and upgrading the organization's talent pool. At the same time, implementation of talent management in any organization should be backed by the support of the organizations top management. The organizations and staff level of awareness of talent management is critical to the success of the implementation of the same in an organization.

The study also recommends that employees should be appreciated for better performance. Firms should also offer satisfactory and sufficient non-financial benefits such as reward, recognition, study leave offered to their employees. Employees should also be given better retirement benefits to enhance job security. This will motivate the employees to work harder to achieve their targets.

The study also recommends that the firms should have training policies and career paths for all employees. The training provided should be relevant so as to motivate employees to work harder and thus enhancing their retention. Scholarships and sponsorships should also be made available to all employees.

The study therefore recommends that the policy makers should set policies that promote and support firms to adopt and implement strategic talent management in order to explore their employees’ full potential and effective utilize it towards improving performance. This will ensure that the banks have skilled and competent employees who can share in the same vision and thus work towards realizing similar goals and objectives.

The study also recommends that firms should conduct regular audits to ensure that strategic talent management programs are fully implemented. Positions should be allocated based on employees’ skills and abilities in order to tap and exploit their full potential. This will boost professionalism, creativity, innovation and the quality of input made by the employees.

Due to stiff competition in the telecommunication firms, the study recommends that firms should maintain and uphold strategic talent management best practices in order to maximize on the use of their talents and skills. This will enable them to tap the best talents locally and internationally as well as enhance performance.

REFERENCES


