

FACTORS AFFECTING IMPLEMENTATION OF TALENT MANAGEMENT IN STATE CORPORATIONS: A CASE STUDY OF KENYA BROADCASTING CORPORATION

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ABSTRACT

Talent management is gaining popularity as a significant predictor of employee and business performance. It enhances integration of new workers, developing and retaining existing workers as well as attracting experienced and qualified persons to work for organization. The study adopted descriptive design. The study targeted a population of 159 management employees working at Kenya broadcasting corporation, in Nairobi broadcasting House. Regression models were used to examine how reward system, organization culture, career development and work place environment affected implementation of talent management in the state corporations. Questionnaires were used as the main data collection. Descriptive statistics and inferential data analysis method was to analyze the gathered data.

The findings indicated that reward system, organization culture, career development and work place environment affected implementation of talent management in the state corporations .

INTRODUCTION

In today's rapidly moving, dynamic, uncertain and highly competitive global markets, firms worldwide are facing major decisions and challenges in global talent management (Schuler, Jackson & Tarique, 2011; Scullion et al., 2010; Tarique & Schuler, 2010). For organizations across the globe, talent management of knowledge workers and high potentials is of increasing strategic importance (Tymon et al., 2010; Vaiman, 2010).

Indeed, there has been growing interest in talent management among senior managers and academics alike since the late 1990s when McKinsey consultants coined the phrase "the war for talent" to underscore the key role of leaders and high potentials played in the success of leading companies (Boudreau and Ramstad, 2007; PricewaterhouseCoopers, 2008a; Scullion et al., 2010; McDonnell, 2011). A recent report by the Boston Consulting Group highlighted talent management as one of five key challenges facing the HR profession in the European context and, interestingly, that it was also one of the areas which the function was least competent in (Boston Consulting Group, 2007). Talent management is likely to be a challenge for organizations in all the major economies right across the world, with recent research suggesting that talent management challenges may even be more acute in the emerging markets (Yeung et al., 2008; Tymon et al., 2010; Vaiman and Holden, 2011).

Gupta (2006) indicate that in the era, where global business is talk of town, every employer has to be ready for meeting the future business demands, which can be efficiently handled through talent management. Talent management is gaining popularity as a significant predictor of employee and business performance. It refers to integration of new workers, developing and retaining existing workers as well as attracting experienced and qualified persons to work for organization.

Neglect of talent management is suicidal for the organisation particularly in the current business scenario of high competition. Opportunities to qualified and talented employees are abundant due to expansion of higher education and coming up of a large number of institutes promoting professional courses in various streams (Joerres & Turcq, 2007).Sears (2003) suggests that among the innovations that have swept through the world of management during the past two decades, talent management and knowledge management have probably aroused the greatest interest and made the biggest impact. The concept of talent management as a process of ensuring that the organization has the talented people it requires only emerged in the late 1990s.it has now been recognized as a major resourcing activity (Armstrong 2009).The development and implementation of a talent management strategy requires high quality management and leadership from the top and from senior managers and the HR function as suggested by Younger et al (2007).

The approaches required involve emphasizing growth from within, regarding talent, development as a key element of the business strategy, being clear about the competences and qualities that matter, maintaining well defined career paths, taking management development, coaching and mentoring very seriously and demanding high performance. According to Pfeffer (2001), fighting the war of talent itself can cause problems. Companies that adopt a talent war mindset often wind up venerating outsiders and downplaying the talent already in the company. According to Armstrong (2009) attraction and retention policies are important elements of talent management.

These policies and programmes describe the approach to ensuring that the organization both gets and keeps the talent it needs. Attraction policies leads to programmes for external resourcing .retention policies are designed to ensure that people remain as committed members of the organization. The outcome of these policies is a talent flow that creates and maintains the talent pool.

STATEMENT OF THE PROBLEM

Collings,(2011) states that talent management is aimed at improving the caliber, availability and flexible utilization of exceptionally capable employees who can have a disproportionate impact on business performance. Sears (2003) indicates that failure to perform proper talent management increases the cost of the organization due to unnecessary training and repeated deployment which could be avoided if proper talent management was put in place. According to Hertz et al (2006) various researches confirm that the total cost for replacing an employee is estimated to be 50% to 150% of annual salary of the position, with higher percentage for managerial staff.

According to a report by Kenya ICT action network, 2010, Kenya Broadcasting Corporation lost 410 highly skilled and talented employees to the local and international competitors between the year 2005 and 2008.This was attributed to mainly low salaries among other reasons. According to <http://www.businesstoday.co.ke/news/2012/02/29,KBC> suffered a major blow when Royal media services poached the entire staff of NOSIN FM, a Maasai radio station on February 2012. This was a major blow for KBC as NOSIM is the biggest revenue earner for the state-broadcaster, raking in an average of Sh20 million.

According to a report by ROK (2010) on strategic planning and economic survey, the public sectors was experiencing difficulties in recruitment and retaining employees particularly where they compete with private firms for skilled and talented workers. A survey by Boston Consulting Group (2007) in UK indicated that 87% of all authorities encountered difficulties in recruiting people with professional skills. Specifically, 72% of councils reported skills gap. OECD Survey (2007) on migration and the brain drain reported that only 20% of authorities had no any form of talent management in UK.

Vaiman & Holder (2011) in their research on talent management in the public sector noted that although there was no doubt that talent management plays a greater role within public services, there was however little research and few guidelines on how government in practice can implement effective talent management.

This has therefore created a wide knowledge gap on talent management implementation and hence created a need to conduct a study on factors affecting implementation of talent management in the state corporations in Kenya. This research therefore sought to explore the factors affecting the implementation of talent management in the state corporations.

RESEARCH OBJECTIVES

General Objective

The main objective of the study was to explore the factors affecting talent management in the public sector with specific reference to Kenya broadcasting corporation.

LITERATURE REVIEW

Theory X

In this theory management assumes employees are inherently lazy and will avoid work if they can. Because of this, workers need to be closely supervised and comprehensive systems of control put in place. A hierarchical structure is needed, with narrow span of control at each level, for effective management. According to this theory employees will show little ambition without an enticing incentive program and will avoid responsibility whenever they can.

The managers influenced by Theory X believe that everything must end in blaming someone. They think most employees are only out for themselves and their sole interest in the job is to earn money. They tend to blame employees in most situations, without questioning the systems, policy, or lack of training which could be the real cause of failures.

Managers that subscribe to Theory X tend to take a rather pessimistic view of their employees. A Theory X manager believes that it is the manager's job to structure the work and energize the employee. The result of this line of thought is that Theory X managers naturally adopt a more authoritarian style based on the threat of punishment. Critics believe that a Theory X manager could be an impediment to employee morale & productivity.

Theory Y

Management influenced by this theory assumes that employees are ambitious, self-motivated, and anxious to accept greater responsibility and exercise self-control, self-direction, autonomy and empowerment. Management believes that employees enjoy their work. They also believe that, given a chance, employees have the desire to be creative at their work place and become forward looking. There is a chance for greater productivity by giving employees the freedom to perform to the best of their abilities, without being bogged down by rules.

A Theory Y manager believes that, given the right conditions, most people will want to do well at work and that there is a pool of unused creativity in the workforce. They believe that the satisfaction of doing a good job is a strong motivation in itself. A Theory Y manager will try to remove the barriers that prevent workers from fully actualizing themselves. Many people interpret Theory Y as a positive set of assumptions about workers. A close reading of *The Human Side of Enterprise* reveals that McGregor simply argues for managers to be open to a more positive view of workers and the possibilities that create enthusiasm.

Theories X and Y seem to represent unrealistic extremes. Most employees (including managers) fall somewhere in between these poles. Recent studies have questioned the rigidity of the model, yet McGregor's X-Y Theories remain guiding principles to the management to evolve processes which help in organizational development. A mix of practices which ensure a healthy blend of systems and the freedom to perform at the work place is likely to motivate the employees more. This mix of practices calls for induction of technology into HR. How we can practice Talent Management in all types of organizations will indicate how well we have understood & deployed these theories X and Y in our real time environment.

EMPIRICAL REVIEW

A research carried out by Alicja Miś (2007) to diagnose the status of the talent management practice in Polish companies, received replies from 36 companies, including predominantly private firms (29), 14 of them had a share of foreign capital. 7 of the firms surveyed are small, employing up to 50 people; 10 are medium-sized companies employing from 50-250 people and 19 are larger companies with a number of employees of over 250. The result of the research indicated that, in over 50% of the companies diagnosed, problems of talent and talent management are included in the companies strategy.

More than 25% of respondents pointed out that the issue of talent is addressed and resolved on ad-hoc basis. In 15% investigated organizations no talent action was taken. In few companies a perception of only some elements of talent management as components of the company's strategy can be observed; others were subject to ad-hoc action. 25% of the companies are in the process of developing talent management strategy. 30% investigated

companies were planning to develop mentioned strategy in the near future and 22% of the companies participating in the study were not planning to develop talent management strategy.

Research on talent management in a changing business environment based on interviews with 540 managers carried out by Kniveton (2004) indicated that younger managers were more oriented towards their own skills and what they could contribute, whereas older managers were more inclined to be aware of the limitations of their role in the organization. It was stressed that this difference needed to be taken account by those involved in career planning within organization.

CRITICAL REVIEW

Armstrong (2009) indicates that money in itself may in itself have no intrinsic meaning, but it acquires significant motivating power because it comes to symbolize so many intangible goals. A research carried out by Alicja Miś (2007) to diagnose the status of the talent management practice in Polish companies, received replies from 36 companies, indicated that, In over 50% of the companies diagnosed, problems of talent and talent management are included in the company's strategy.

More than 25% of respondents pointed out that the issue of talent is addressed and resolved on ad-hoc basis. In 15% investigated organizations no talent action was taken. In few companies a perception of only some elements of talent management as components of the company's strategy can be observed; others were subject to ad-hoc action. 25% of the companies are in the process of developing talent management strategy. 30% investigated companies were planning to develop mentioned strategy in the near future and 22% of the companies participating in the study were not planning to develop talent management strategy. This study does not indicate the factors hindering the implementation of talent management in the organizations.

RESEARCH GAPS

Baruch & Periperl (2006) in their research on talent management in the public sector noted that although there was no doubt that talent management plays a greater role within public services, there was however little research and few guidelines on how government in practice can implement effective talent management. A research carried out by Alicja Miś (2007) to diagnose the status of the talent management practice in Polish companies indicated that 22% of the companies participating in the study were not planning to develop talent management strategy. There is limited academic research on implementation of talent management in organizations. This study therefore was aiming at investigating the factors affecting the implementation of talent management in the state corporation.

METHODOLOGY

The study adopted a descriptive research design. Descriptive research takes accuracy as a consideration which minimizes bias and maximizes reliability of the evidence collected, (Kothari, 2004). The study population constituted 159 management employees working at Kenya broadcasting corporation, in Nairobi broadcasting House. The study targets this area because of the rural and urban influences. A proportionate sample size of approximate 61 respondents which is 38% of the population was selected using a stratified random sampling technique. The primary research data was collected from the employees using a questionnaire. A pilot study was undertaken on five employees to test the reliability and validity of the questionnaire. Data analysis was done with the help of software programme SPSS version 21 which is the most current version in the market and microsoft excel to generate quantitative reports.

RESULTS AND FINDINGS

Organizational Culture

The study found out that, the respondents agreed that the organization culture was employee growth oriented, the respondents agreed that the organization culture was relevant towards enhancing talent management and that the organization culture had impacted positively to their talent, finally, the respondents disagreed that organization culture promoted employees talents.

These findings relate with the literature review where Eldvidge & Crommbie(1996) state that at its deepest level, organizational culture consists of core values and beliefs that are embedded tacit preferences about what the organization should strive to attain and how it should do it.

Employee Reward System

The study further found out that the respondents agreed that they received other allowances and benefits alongside their salary, the respondents strongly disagreed that their package was enough to facilitate their talent development, the respondents strongly disagreed that they were satisfied with the allowances and benefits offered to them, finally, the respondents strongly disagreed that they were satisfied with the pay package offered to them.

These findings relate with the literature review where Katzell (1984) stated that compensation satisfaction depends on the difference between perceived pay and the amount of pay a person feels he/she should be receiving. Compensation is important but the perception of an individual about pay is more important.

Carrier Development

Moreover, the study concludes that the respondents agreed that their organization conducted activities that enhanced employees career development, the respondents agreed that they had experienced carrier development since they joined the organization, finally, the respondents agreed that their organization was committed towards promoting employees career development and that career development was rewarded in the organization. These findings are in line with the literature review where according to Collings (2011) career development is defined as an ongoing process by which individuals' progress through a series of stages each of which is characterized by a relatively unique set of issues themes the factors and tasks.

Work place environment

Finally, the study found out that the respondents strongly agreed that there had been improvement in the work place environment since they joined the organization, the respondents agreed that the organization management was committed towards improving the work place environment, the respondents agreed that the organization workplace promoted their talent, finally, the respondents strongly disagreed the work place environment had not changed at all since they joined the organization.

This is in line with Collings (2011), where he argues that working environment in the organization may affect performance positively or negatively. It is important for an organization to make the working environment rewarding, enjoyable and healthy to enable employees make a positive impact to the organizational performance.

Regression Analysis

Model

Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (Implementation of talent management) that is explained by all the 4 independent variables (organization culture, employees reward system, career development and work place environment).

The four independent variables that were studied, explain 87.8% of variance in Implementation of talent management as represented by the R^2 . This therefore means that other factors not studied in this research contribute 12.2% of variance in the dependent variable. Therefore, further research should be conducted to investigate the factors affecting implementation of talent management instate corporations.

	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.836 ^a	.878	.676	.434

ANOVA^a

The F critical at 5% level of significance was 5.44. Since F calculated is greater than the F critical (value = 14.0), this shows that the overall model was significant. The significance is less than 0.05, thus indicating that the predictor

variables (organization culture, employees reward system, career development and work place environment). Explain the variation in the dependent variable which is implementation of talent management. Subsequently, we reject the hypothesis that all the population values for the regression coefficients are 0. Conversely, if the significance value of F was larger than 0.05 then the independent variables would not explain the variation in the dependent variable.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regress	40.238	6	.167	14.0	.001 ^a
	Residual	10.345	50	.110		
	Total	50.583	56			

a. Predictors: (Constant), organization culture, employees reward system, career development and work place environment.

b. Dependent Variable: Implementation of talent management

Multiple Regression Analysis

Where Y is the dependent variable (Implementation of talent management), X₁ is organization culture variable, X₂ is employees reward system variable, X₃ is career development and X₄ the work place environment variable.

According to the equation, taking all factors (organization culture, employees reward system, career development and work place environment) constant at zero, Implementation of talent management will be 2.721. The data findings also show that a unit increase in organization culture variable will lead to a 2.453 increase in implementation of talent management; a unit increase in employees reward system will lead to a 0.233 increase in implementation of talent management; a unit increase in career development will lead to a 0.254 increase in implementation of talent management; and a unit increase in work place environment variable will lead to a 1.967 in implementation of talent management. This means that the most significant factor is organization culture followed by work place environment.

At 5% level of significance and 95% level of confidence, the t-statistic for organization culture is 0.567 which indicates that the variable had a 0.001 level of significance; the t-statistic for employees reward system is 0.256 which indicates that the variable had a 0.003 level of significance, the t-statistic for career development is 0.199 which indicates that the variable had a 0.002 level of significance while the t-statistic for work place environment is 0.198 which indicates that the variable had 0.004 level of significance implying that the most significant factor is organization culture followed by career development.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	2.721	.77		0.654	0.000
	organization culture	2.453	0.241	0.237	0.567	0.001
	employees reward system	0.233	0.296	0.534	0.256	0.003
	career development	0.254	0.437	0.356	0.199	0.002
	Work place environment	1.967	0.656	0.323	0.198	0.004

CONCLUSIONS

The study concludes that :the organization culture was employee growth oriented ,that the organization culture was relevant towards enhancing talent management and that the organization culture had impacted positively to their talent, the respondents received other allowances and benefits alongside their salary and that their package wasn't enough to facilitate their talent development and that the respondent's organization conducted activities that enhanced employees career development and that they had experienced carrier development since they joined the organization. Finally, the study concludes that there had been improvement in the work place

environment since they joined the organization and that the organization management was committed towards improving the work place environment.

RECOMMENDATIONS

The study recommends that: organizations should: focus on the employee work environment since it promotes advantages to the institution by motivating the workforce which will in turn improve the service standards of the firm, organizations should invest in training and development of staff as this will lead to achieving staff productivity and an increased understanding of the new technologies incorporated into the processes and practices will lead to the realization of the institutions goals and objectives, invest in a strong strategic reward management team so as to ensure that the staff is rewarded in accordance with their value to the institution by giving them monetary incentives which are needed to encourage and improve staff competencies.

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