

## Effectiveness of talent management to improving organisational performance in government owned bank

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### ARTICLE INFO

### ABSTRACT

#### Article history:

Received 2 February 2017

Received in revised form 16 March 2017

Accepted 19 March 2017

Available online 3 May 2017

This research was carried out using method of questionnaire among officer in Malaysian Government own Bank. Talent management is the main purpose of the study to examine the effect on organizational performance. Talent management is considered as the strategy of organization performance and involves activities such as attracting, retention, development, motivation and succession planning. All the activity needed in order for success and improve performance. To ensure organizational succeed in highly competitive market, the organization must have the right employees at the right job. It is additional benefits for an organization and for employees to identify and develop by talent management strategy and give the impact to organizational performance.

#### Keywords:

Talent, Management, Organizational Performance

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## 1. Introduction

To attract, develop, motivate, retain talented and potential employees by succession planning that is call it Talent Management Strategy. Now, to find and retain the talent it becomes difficult and one of the key issues to the organization and that ability to attract, keep talent will provide a source of competitive advantage [1]. One of business leader's most critical challenges and no wonder so many surveys show that issues [2, 3]. Talents of the firm is a mainly a problem, where is only the talents staff treated as a talent to been impact on organizational performance [4]. Most important to identifying and filtering the own staff that have a capability and potential in action role. To fulfil that need for talented people the analysing and planning is need through talent management [5].

Some successful company, talent management is the primary driver and it's become increasingly evident to organization. While others firm believe all their staff is talent of the firm and

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today more values to bring the idea of talent management. Attracting and retaining talent has become the key factor for decision makers in today's economic environment [6]. Therefore, this study, to measure if talent management can be the effect on the organization performance. The identification and development of talent has been championed as being critical to organizational success [7-9] and is recognized as one of the major challenges of the organization [10]. According to [11], only 6% of organizations have systems in their place. Lewis and Heckman [12] argue the definitions of talent management for organization such as recruitment, leadership, succession planning and as a general classification of employees into different talent pools and focus on talented employees. According Michaels, Handfield-Jones, and Axelrod, [13] talent management is a "focus on talented employee" and should be filled with 'A' performers, and known as 'top-grading' and 'C' players and poor performers out of the organization. Emphasis the progression of employees through positions is needs and managing the progress properly [12]. Some authors contend that although this stream of thought builds on earlier research in succession planning, it provides a differentiation between talent management and HRM [14]. To move people into new positions, succession planning is important function to identify the right candidate for the position and there is must continuous function [15]. For the key position in 3-5 years out requirements and also be aligned with the business plan, it is more commonly applied across the organization. Talent management must be focuses on internal talent pools rather than external start from an attraction, retention, development, motivation and succession planning [16].

## 2. Literature Review

Talent management is the place to access business strategy and to ensures that skills fit placed at the right people with the right job include complete set of process for recognize people for successful that an organization used it [17]. Talent management is the methodical to view of their high potential as an attraction, development, retention, motivation and succession planning that staff have a value to an organization for business and operation critical roles [5,18]. CIPD [11] researchers found to be quite common the combination of two strategies of short- term and longer term. To meet the immediate business at all levels the first step must have short-term planning as a attracting and retaining individuals or a potential talent. The second step or strategy for longer-term must focus to more senior roles and the most potential talent [19].

The related literature focus about talent attraction, retaining and development to focus on issues [5, 12, 16, 20]. To fulfilling business and operation critical roles talent management is the systematic to attraction, identification, retention and deployment of those individuals who are value to organization [5, 18]. Talent management have an integration of management process and opportunities for staff in the organization [21-23]. It has been developed to ensure that managers attract, retain, and engage talented organization and staff [24].

To meet current and future business with the required skills and aptitude, talent management needs to implement of integrated strategies by developing improved process for utilizing people for attracting, retaining, developing, motivation and succession planning for the organization. In the organization performance and looks similar to workforce planning talent management can be a planning tool [25]. "An organization is only as strong as its top talent" this point of with that argues [26]. Although this approach has attracted global attention in practice [7], its applicability should be questioned to fill all position with top performers is neither desirable nor appropriate.

The proposed a definition from [20] which the importance of key positions that have a big impact on the performance of organizations [16, 27]. The priority is first to identify the key positions following which talented employees can be developed to fill them, to improve succession planning

process for future roles that is one of the reason [28] and other reasons include focusing training and development resources more clearly on existing gaps and reducing turnover and retention of top talent [29]. To motivate employees and enhance their commitment with the organization, special attention should be given to the transparency of procedures [30]. Organizations should define a strategy which defines the organizational values and also link performance with the rewards and time. Staff turnover a significant concern at many national and multinational corporations and organization in many parts of the world [31].

## *2.1 Talent Management of Dimension*

Attracting, retaining, developing, motivation and succession planning are dimension for talent management. Talent management dimension the demand for human capital drives to gain competitive advantage. An organizations are able to successfully attract and maintain talent because talent management is essence of that. Many an organization in the world is competing for the talented people. To ensure their competitive position and consistency organizations standardizations in talent management must use the role in talent attraction, development, motivation, talent retention and the role of succession planning. Global labor market for talents that is seen.

### *2.1.1 Talent management and organizational performance*

Organizational performance was dependent on the variable to measure. Some of method for measure on that can be into two categories that are financial performance and organizational performance. To measure for financial performance look at the overall profitability like a profit improvement, cash flow, sale and share growth and return on investment. Productivity like as employee satisfaction, employee growth to measure for organizational performance.

Talent management have some strategies and mission to provide value added to organization in the areas of talent attracting, selecting, engaging, developing and retaining employees that deliver on the potential of superiority in organization performance [25]. To fully deliver on its role in talent management, organization's responsibility related to design development, attract (identify) the talented people and calculate the return to organization [25]. To identify the correct action in different performance segments or a decision model, human resource and local leadership have a relation.

### *2.1.2 Talent management process*

In talent management process to future company organization needed having the right talent and the right job at the right time and doing the right things [25]. How to get the suitable and how well they perform on their last assignments, it is dependent on their talent that is the nature of the market. The process to identify the talented people is focus on high potentials and talents more quickly than others. Talent management is a strategic to meet operational goals and objectives [1]. Development is the path of one the alternative for the higher potential employee and selective group of high potentials [27], for organizational.

### 2.1.3 Research method

This is a cross-sectional study involving the collection of data. The structure questionnaire to a sample of head of unite, head of branch, executive or above was distributed in government own bank in Penang. The questionnaire totally is one hundred and eight (108) copies were randomly to the officer, duly completed and returned. Talent management constructs measured by operational performance dimensions as an attraction, retention, development, motivation and succession planning. Performance is measured based on the organization's performance. Organizational performance is measured by the performance of product operation and performance of the human product. Operation refer to operations organization that includes quality of services, productivity of staff, cost of operations and customer satisfaction.

Correlation analysis was uses to determine the relationship between talent management and organizational performance. To data analysis the SPSS 24 or statistical package for social sciences was using. Likert scale were using for the questionnaire and the responses coded into numeric values. Performance measures using a 5-point Likert scale of "1 = strongly disagree", "2 = disagree", " 3 = neutral", " 4 = agree ", " 5 =strongly agree "adapted from previous studies [32, 33].

### 2.2 Hypotheses

- 1) Attraction of Talent to work organization will not enhance effective organization performance.
- 2) Ability of work organization to retain human talent will not improve organization performance.
- 3) Talent performance management will not enhance growth in overall organization performance.
- 4) Proactive Talent Development strategy will not lead to increase in organization performance.
- 5) Effective Talent Management succession planning will not enhance organization performance.

The hypotheses of description of statistics is shown in Table 1.

**Table 1**  
 Description of statistics (Dimension of Talent Management and Operation)

Dimension	Mean	Std. Deviation	N
Attraction	3.7006	0.48162	108
Retention	3.5539	0.38112	108
Motivation	3.9923	0.46357	108
Development	3.8358	0.49820	108
Succession Planning	3.7397	0.49704	108
Operation (Performance )	3.4735	0.55710	108

Table 1 shows the statistic output a diagram of the relationship structured for this study by spss24. To determine the mean scores and standard deviations descriptive analysis was carried out for the variables based on 108 valid case for five independent variables and dependent variable. Motivation and development mean was the highest which is 3. 99 and 3.83 as shown in table 1. It is understandable in the organization that require motivation to staff and development to staff very important maintain long term business in carrying out their task. Retention, attraction and

succession planning mean is found with lower mean which is 3.55, 3.73 and 3.70 and this show that not so lowest. Standard deviations for the five independent variables and dependent variable were in the ranges of 0.381 to 0.55. This shows the presence of significantly small variability within the data set. From the variables are not too much different in the survey questionnaire to the research and the variation indicate that the answer given by the respondents. In responses this indicates are small differences by indicates and the result are prepared for the next analysis.

### 3. Results and Discussion

Table 2 shows the results of the Pearson Correlation analysis. The five hypotheses was used to test analysis by the Pearson Correlation. The five independent variables were attraction, retention, development, motivation and succession planning, meanwhile the dependent variable was organizational performance. All the hypothesis are accepted and that result show. The five independent variable and the organizational performance are significant relationship. There are significant relationships between the five independent variables and the organizational performance.

**Table 2**  
 Correlation's (Talent Management and Profitability)

Dimension		Attraction	Retention	Motivation	Development	Succession Planning	Operation
Attraction	Pearson Correlation	1					Attraction
	Sig. (2-tailed)						
	N	108					
Retention	Pearson Correlation	.487**	1				Retention
	Sig. (2-tailed)	0.000					
	N	108	108				
Motivation	Pearson Correlation	.471**	.475**	1			Motivation
	Sig. (2-tailed)	0.000	0.000				
	N	108	108	108			
Development	Pearson Correlation	.611**	.434**	.621**	1		Development
	Sig. (2-tailed)	0.000	0.000	0.000			
	N	108	108	108	108		
Succession Planning	Pearson Correlation	.601**	.521**	.598**	.853**	1	Succession Planning
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		
	N	108	108	108	108	108	
Operation	Pearson Correlation	.480**	.359**	.368**	.666**	.749**	Operation
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	
	N	108	108	108	108	108	

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

#### 4. Conclusion

This paper presents an inclusive review on the application of Talent Management for organizational performance in Government own Bank in Penang. Overall, the results of SPSS not only reinforce the view of the existence of a positive relationship talent management constructs and organizational performance, but also provide additional information regarding the effect of the talent management constructs directly on the performance of the organization. However, the management of the organization should organization consistent aware that it is necessary to ensure the message conveyed to employees are clear, and can distribute instructions to employees about talent management wishing to be established by the organization, and finally help enhance organizational excellence and stable.

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