

Strategic talent development interventions: an analysis

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Abstract

Purpose – *The purpose of this paper is to attempt to test a model of talent development interventions and find out the various factors which actually impact the process in a manufacturing concern.*

Design/methodology/approach – *Multiple regression analysis is used to analyse the data and find the extent to which the variables considered are significant predictors of talent development. Primary data are collected from the respondents (executives) of two manufacturing units with the help of a structured questionnaire. A sample size of 200 is considered for extraction of data for the study.*

Findings – *The results of the study highlight that six of the independent variables significantly predict the dependent variable. This paper identifies the most important factors which are found to be pivotal for the development of talent in the organizations considered for the study.*

Practical implications – *Managing talent in the present competitive business scenario is one of the most vital issues in which HR professionals/practitioners are involved. It becomes imperative for top management to know about the various ways which can aid in proper development of talent. This paper empirically identifies the various strategic interventions which aid in the proper development of talent in manufacturing sector.*

Originality/value – *While there are many papers tracing the talent development process and the various strategic interventions, there is a dearth of empirical research being done in this field in the manufacturing sector. This paper attempts to explore the developmental interventions in the manufacturing sector and adds new insights on an empirical basis.*

Keywords *Talent development, Executives, Interventions, Organizational success*

Paper type *Research paper*

Introduction

Talent seeking organizations recruit potential talent for their survival in this rapidly changing and competitive environment. The typical process is to attract the talent through a variety of recruitment methods and select the best for the organization. Nonetheless, talent, if not guided and nurtured well, may not be able to grow and reach its fullest potential. While companies can recruit potential talent with much difficulty, developing their skills and getting the best out of them is an arduous task. Talent development plays a very important role in making the foundation of the company even stronger by not only developing the employees, but also helping them in achieving their career goal. Normally, it is believed, that training and development – both classroom and outbound coupled with on-the-job training, mentoring and coaching could help develop talent. A workforce development plan based on the organizational needs will aid in fulfilling the requirements of the organization. This will not only help in retaining the employees, but will also avoid unnecessary external recruitments. The skills inventory can serve the purpose for the same. Focusing on a strategy which can recruit personnel from an external facet is not enough. In order to be successful in the long-term organizations should not only focus on acquiring talent from an external market, but should also concentrate on the internal development of the talent (Garavan *et al.*, 2012). The talent acquired must be developed in line with the organizational and specific knowledge and skill requirement (Lepak and Snell, 1999). Evidence suggests that in order to be competitive

organizations design their unique talent development processes which varies from one organization to another (Garavan *et al.*, 2012).

Theoretical background

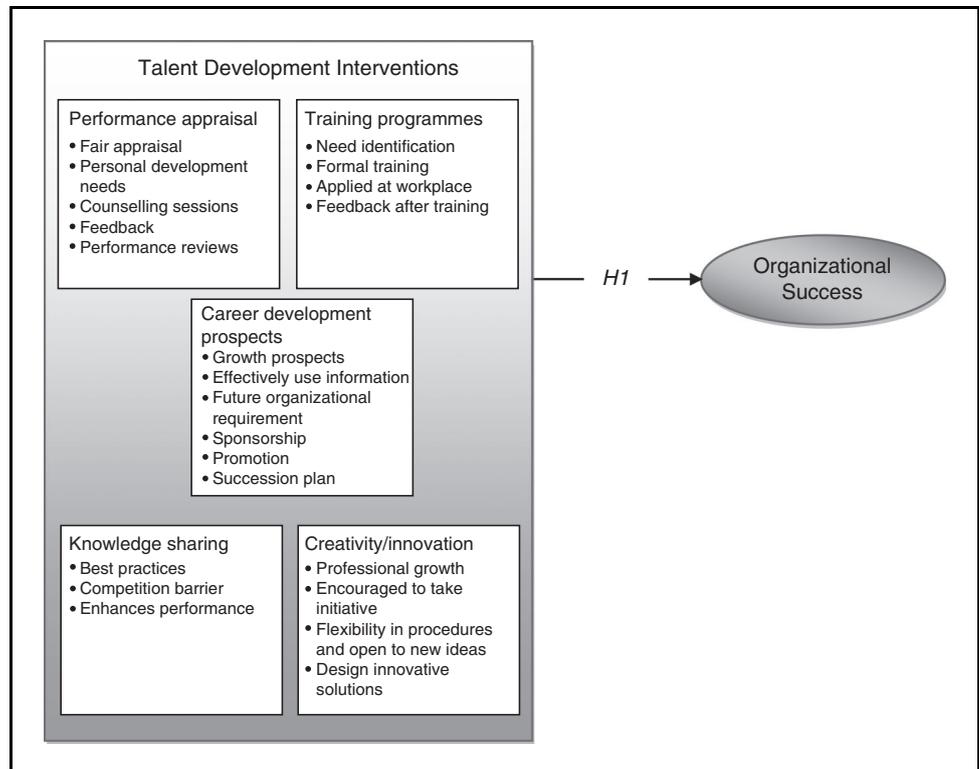
The planned acquisition, development, retention, engagement and deployment of talent in an organization could be considered as the development of talent (Dijk, 2008; Garrow and Hirsh, 2008; Lawler, 2008). Proper development initiatives lead to better employee development in an organization. Therefore the organizations undertake various human resource development interventions for qualitative and accelerated development of individuals. In order to update employee's knowledge, skills and abilities and prepare the workforce for future challenges organizations initiate development interventions such as behavioural modification, technical training and coaching (Birdi, 2005; Brooks and Nafukho, 2006). In addition to this, the research also reveals that employees are themselves responsible for their own development (Garavan *et al.*, 2012). This results in a variety of outcomes related to performance, rewards and careers (Benson, 2006; McCauley and Hezlett, 2001; Kang *et al.*, 2007). In a strategic context, talent management helps in meeting the anticipated talent required by the organization when needed (Erasmus *et al.*, 2012; Lawler, 2008). Talent development is an investment for the fulfilment of organizational needs and not an amateur investment on the part of the organization (Pruis, 2011).

Performance appraised on a regular basis could play a very important role in the development of talent in an organization. This could help in making corrections and project future trends and their implications (Adhikari, 2009). It has been suggested through various researches, that training leads to the development of a lot of positive work-related attitude within the employee. It is seen that the training imparted in the line of team building enhances employees' job satisfaction. Training programmes with emphasis on communication of the vision as part of charismatic leadership also increases a leader's charismatic leadership abilities (Frese *et al.*, 2003). Individual career development can also play an important role in the strategic development of talent. Employees join organization not only for meeting organizational goal, but most importantly for fulfilling their own ambitions. So this aspect could play an important link between business plans, HR plans and development interventions. According to this study, individual career development should be considered in order to keep employees dedicated towards their work. Hence, the developmental interventions should be aimed at alleviating the prospects of career development so that individuals can achieve their career goals and at the same time organizational goals can also be met (Garavan, 1997).

It will be difficult for organizations to retain employees if there are no prospects for growth. Career development prospects will not only provide an opportunity to employees for growth, but will also inspire them to perform better. An atmosphere for growth will motivate the employees to make the most of their skills and capabilities. For survival of the organization knowledge sharing is considered as a constructive force. However, it becomes the prime responsibility of the organization to discover those factors which influence individuals to share knowledge for the advantage of other individuals in the organization (Hall, 2001; Smith and Farquhar, 2000; Prusak, 1999; Boisot and Griffiths, 1999). Workplace creativity is also influenced by leadership and subordinate behaviours. It has been found that transformational leadership, supervisor monitoring, meticulous and supportive leader behaviours have a positive impact on creativity of employees (Egan, 2005; George and Zhou, 2001; Redmond *et al.*, 1993). Also, through the career development process the low and high performers in an organization can be identified which will aid in retaining the best performers. The hypothesized model (Figure 1) shown below based on the previous studies conducted by eminent scholars gives an outline of the overall process of talent development.

“Employees join organization not only for meeting organizational goal, but most importantly for fulfilling their own ambitions.”

Figure 1 Hypothesized model of talent development



Statement of research objective

This model has been inferred on the basis of the literature review done. Talent development as a process comes out of HR strategy which helps an organization to produce committed professionals. It is only through proper coordination and efforts of the organization that it gets a pool of committed and developable professionals who not only increase business performance, but are also loyal towards the organization. Talent development interventions play an important role in manufacturing organizations. Therefore, the main purpose of this paper is as follows:

- to be in the forefront and to create an image of having the honour to have a pool of most talented employees, employers invest more in development of employees; and
- to identify the most important elements of talent development interventions, which impact the development of executives in manufacturing units to achieve organizational success.

However, in this study the focus is mainly on the manufacturing sector. Managing talent has been a challenge for the manufacturing industry. The following hypotheses have been derived for the study on the basis of existing review of literature available as follows:

H0. Emphasis on talent development has no significant relationship with organizational success.

H1. Emphasis on talent development has a significant relationship with organizational success.

Methodology

A descriptive research design was used in this study. Primary data for the study was collected from two major manufacturing units, i.e., Rourkela Steel Plant (RSP), Rourkela and Larsen and Toubro Ltd (L&T), Kansbahal. A self-designed questionnaire having 24 items with five-point Likert scale was used as a research instrument for collection of primary data. Samples were selected through stratified and random sampling methods. A genuine attempt is made towards

reciprocal representation of respondents (i.e. executives). In order to minimize personal bias usually related to open ended questions, all the questions designed were closed ended. Data collected are analysed by different statistical tools like descriptive statistics, reliability, and multiple regression using statistical package (SPSS 20) to set the cause and effect relationship in order to draw the conclusion. In order to minimize the chances of getting wrong answers during the process of data analysis, attention is paid to both reliability and validity. Reliability shows how consistent the findings are while validity is concerned with whether the findings are really about what they appear to be.

Results and discussions

In RSP and L&T together, there are around 2,500 numbers of executives working presently. In all, 200 questionnaires were distributed out of which only 160 valid responses were received through opinion survey. The response rate was 80 per cent. From the analysis done it has been found that the organizations taken under consideration conform to all the factors studied. The hypotheses have been tested by using statistical techniques of multiple regression analysis.

Table I depicts about descriptive statistics and reliability of data collected through survey method. Mean gives the average of responses while the standard deviation is a measure of the way in which the mean represents the data. Hence, from Table I it can be seen that most of the responses cluster close to the mean. The highest mean value for TDI18 is (mean = 3.84) while the lowest mean value for TDI13 is (mean = 2.93). The standard deviation value for TDI11, TDI13, TDI16-TDI18, TDI21 and TDI23 are less than 1 while it is more than 1, for the rest of the variables. The fourth column shows the reliability of all the variables considered for the study, taken together. The result shows that the α value is 0.944 which suggests the reliability of the instrument used for data collection.

Table II depicts the goodness of fit of the model. It is evident from the table that only these six independent variables influence the dependent variable to a greater extent. From the R^2 value we can infer that 72 per cent of the variance in the dependent variable is explained by the independent variables. These are those variables which are directly correlated with the dependent variable. It can be seen that only a small margin of error ($e = 0.58$) is involved in the regression line. It can be seen that this model fits best as all the p values are <0.05 and

Table I Descriptive statistics and reliability

<i>Independent/dependent variable</i>	<i>Mean</i>	<i>SD</i>	<i>Cronbach's α</i>
OS	3.23	1.067	0.944
TDI1	3.59	1.219	
TDI2	3.50	1.302	
TDI3	3.05	1.190	
TDI4	2.93	1.178	
TDI5	3.28	1.387	
TDI6	3.49	1.158	
TDI7	3.61	1.175	
TDI8	3.73	1.043	
TDI9	3.35	1.032	
TDI10	3.49	1.043	
TDI11	3.33	0.925	
TDI13	2.93	0.952	
TDI14	3.08	1.123	
TDI15	3.36	1.245	
TDI16	3.30	0.906	
TDI17	3.18	0.978	
TDI18	3.84	0.961	
TDI19	3.50	1.114	
TDI20	3.30	1.095	
TDI21	3.54	0.980	
TDI23	3.78	0.763	

Table II Model fit

Influencing variables	R	R ²	Adjusted R ²	SE of the estimate
(Constant) TDI23, TDI3, TDI7, TDI22, TDI20, TDI5	0.851	0.725	0.702	0.582

therefore the null hypothesis is rejected. This supports our hypothesis which says that emphasis on talent development has a significant relationship with organizational success (Table III).

From the ANOVA table, we can see that the *F* value (115.474) is significant at 5 per cent confidence level ($p = 0.05$). Hence it can be concluded that the six factors, i.e., innovative design solutions to work-related problems, proper counselling sessions are conducted after appraisals, formal training for building management and leadership skills, issues related to professional growth are given more importance, flexibility in procedures and open to new ideas and performance reviews evaluates competencies and abilities significantly influence the dependent variable.

Table IV, the table of coefficients shows the *B* value for each individual independent variable at 5 per cent confidence level ($p < 0.05$) which implies that the independent variables are significantly influencing the dependent variables. Also from the table, we can infer that there is no multi-collinearity problem in the study as the VIF range of all the variables in this model in between 1 and 5.

The variables with positive *B* value are positively influencing the dependent variable. All the variables except one are positive. This implies that proper counselling sessions after appraisals, performance reviews, evaluates competencies and abilities, issues related to professional growth are given more importance, flexibility in procedures and open to new ideas, designing of innovative solutions to work related problems, are the variables which have significant influence towards organizational success. However, one of the factors is negatively influencing the dependent variable which means that formal training for building management and leadership skills is not essential for organizational success. Hence, from this we can formulate the regression model as follows:

$$\text{Organization success} = 0.733 + 0.669(\text{TDI3}) + 0.365(\text{TDI5}) - 0.670(\text{TDI7}) \\ + 0.404(\text{TDI20}) + 0.458(\text{TDI22}) + 0.393(\text{TDI23})$$

The model (Figure 2) shown has been derived on the basis of the analysis done.

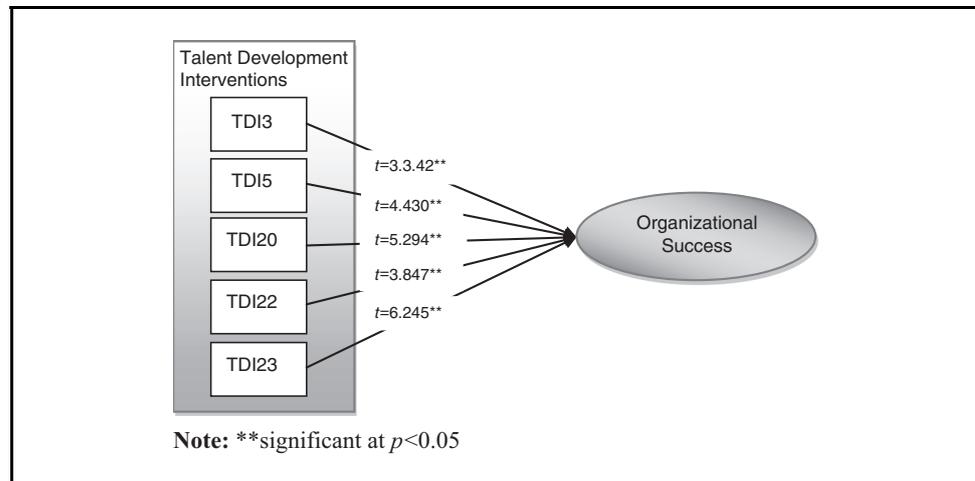
Table III ANOVA

	Sum of Squares	df	Mean square	F	Sig.
Regression	73.387	2	35.693	115.474	0.000
Residual	23.801	77	0.309		
Total	95.187	79			

Table IV Coefficients

Influencing variables	Unstandardized coefficients		Standardized coefficients		Sig.	Collinearity statistics	
	B	SE	β	t		Tolerance	VIF
(Constant)	0.733	0.450		4.405	0.000		
TDI23	0.669	0.107	0.478	6.245	0.000	0.644	1.554
TDI3	0.365	0.109	0.407	3.342	0.001	0.254	3.937
TDI7	-0.670	0.113	-0.737	-5.923	0.000	0.243	4.110
TDI22	0.404	0.105	-0.276	-3.847	0.000	0.733	1.364
TDI20	0.458	0.087	0.470	5.294	0.000	0.477	2.094
TDI5	0.393	0.089	0.510	4.430	0.000	0.284	3.520

Figure 2 Derived model of talent development



This study was aimed at finding out the extent to which emphasis on talent development has a significant relationship with organizational success. The initiatives taken by two organizations in the line of talent development interventions, decide the future growth and survival of an organization. As per the derived hypothesis, proper emphasis on talent development leads to organizational success. Hence, in order to develop talent to achieve organizational success in a manufacturing concern, employers need to work on these five aspects.

Implications of the study

This study provides a practical and rational view of talent development interventions in the organizations which will provide support to the practitioners in the following ways:

- it emphasizes on the importance of talent development for business success;
- this paper tries to clarify through empirical study the various factors which actually influence the development process in the manufacturing sector; and
- this study will aid in the strategic development of talent through identification of various talent development interventions which will lead towards organizational success.

Conclusion

Therefore, it is concluded that the results support the fact that proper emphasis on talent development has a significant relationship with organizational success which is also supported by the literature. However, managers are burdened up with more responsibilities as a result of this. They should focus on those factors which are influencing the development process and try to improve them in order to give an edge to the organization. It is well known that manufacturing organizations have a generally monotonous work environment along with a retiring workforce. Due to the dynamic nature of competition, organizations should accelerate their pace of talent development. It has become difficult for organizations to retain employees due to higher growth expectations. Thus, it becomes imperative to develop talent and provide them with lucrative career opportunities within the organization to achieve organizational success.

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Appendix

Table A1 Items used to measure the impact

<i>Dependent variable</i>	<i>Independent variables</i>
OS – organizational success	TDI1 – performance appraisal system is fair TDI2 – performance appraisal system helps in identifying personal development needs TDI3 – proper counselling sessions are conducted after appraisal TDI4 – receive regular feedback on performance TDI5 – performance reviews evaluate competencies and abilities TDI6 – training is imparted based on training need identification TDI7 – formal training for building management and leadership skills TDI8 – the knowledge and skills acquired from training can be applied at workplace TDI9 – established system of feedback to know the effectiveness of training imparted TDI10 – adequate prospects for career development TDI11 – able to effectively use information for career development TDI12 – career development plans are based on future organizational requirement TDI13 – sponsorship for career development TDI14 – greater opportunities for promotion TDI15 – promotion is based on seniority cum merit TDI16 – best practices in internal methods are shared throughout the organization TDI17 – competition creates a barrier for knowledge sharing TDI18 – collaborative knowledge sharing enhances performance TDI19 – organization has a succession plan for all management positions TDI20 – issues related to professional growth are given more priority TDI21 – encouraged to take initiative in job TDI22 – flexibility in procedures and open to new ideas TDI23 – design innovative solution for work related problems

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