Evaluation of Talent Management on Employees Performance in Beverage Industry: A Case of Delmonte Kenya Limited

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Abstract
Talent management practice within organization is an international human resource strategy that seeks to identify, develop, deploy and retain talented and high potential employees. The objectives of the study were to determine the effect of talent retention on employees performance, assess how talent attraction impacts, effect of learning and development on employees performance in beverage industry in Kenya. The study adopted a descriptive research design in which the target population of 2,500 employees of Del Monte Kenya. The study used stratified sampling method to select 83 employees according to their job cadres. Descriptive statistics such as the standard deviation, percentages and frequency distribution were used. The study established that the job retention motivated the employees of Del Monte leading to ultimate performance.  The study recommended that the management should ensure the work environment was attractive to the employees so as to motivate, thus leading to better performance.

Keywords: Talent, Management, Performance

1.0 Background
In today’s challenging business environment of going global and competition becoming intense, organizations have mounting pressure to perform better than before. Over the years, creation and preservation of knowledge has become a key tool in accelerating competitiveness and enhancing organizational capabilities to respond to market changes (Bryan, 2004), wherein employees’ skills and personalities are appropriately deployed to optimize performance, is a critical and difficult task. Furthermore, identifying and developing executives who have leadership potential, like every other vital strategic function, is a demanding process that is equal parts of Arts and Science (Klein and Miles, 2003).

Talent management refers to the anticipation of required human capital the organization needs at the time then setting a plan to meet those needs (Vance, 2006). Talent management in this context does not refer to the management of entertainers. Talent management is the science of using strategic HR to improve business value and make it possible for companies and organizations to reach their goals. Everything that is done to recruit, retain, develop, reward and make people perform is part of Talent Management as well as strategic workforce planning (Cascio, 2006). A talent management strategy needs to be linked to the business strategy to make sense. Talent consists of those individuals who can make a difference to organizational performance either through their immediate contribution or, in the longer-term, by demonstrating the highest levels of potential (Zikmund, 2000). Talent management is therefore the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organization, either in view of their ‘high potential’ for the future or because they are fulfilling business/operation-critical roles.
These interpretations underline the importance of recognizing that it is not sufficient simply to attract individuals with high potential. Developing, managing and retaining those individuals as part of a planned strategy for talent is equally important, as well as adopting systems to measure the return on this investment (Gardner, 2002). Despite the importance of talent management in organizations, managing talent is a challenge to all organizations in the context of globalization irrespective of the country (Gardner, 2002). Moreover, the concern about the scarcity of talent is almost universal. Organizations around the world are competing for the same pool of talents. This has resulted to some unethical practices such as poaching of talents. Organizations have lost some of their best talents to their competitors and have been left to either train or attract others (Brewster et al., 2007). Trend of global integration shows organizations’ standardizations in talent recruitment, development and management, to ensure their competitive position and consistency. Therefore organizations have to adapt global best practices of Talent management and at the same time adapt the local requirements and local labor market (Stahl et al., 2007). The organizations that are very successful worldwide tend to maintain local recruitment strategies, but they combine this local strategy with a more global transfer of information and best practices (Brewster et al., 2007). Talent management has been found to influence the performance of employees in an organization. When an organization gets to know who its high potential is, it becomes easier to invest in their professional development. Since development calls for investment decisions towards learning, training and development of the individual either for growth, succession planning, performance management etc, an organization remains bothered where to make this investment and talent management just make this easier for them (Phillips, 2001). Apart from this having a strong talent management culture also determines how employees rate their organizations as work places. In addition if employees are positive about the talent management practices of the organization, they are more likely to have confidence in the future of their organization. The resultant is a workforce that is more committed and engaged determined to outperform their competitors and ensure a leadership position in the market for their organization (Boekaerts, 2007).

1.2 Statement of the Problem
Today’s labour market is characterized by the increase in labour mobility, shifting demographics, globalization, an aging workforce, a reduced product lifecycle and technological advancements. The significance of talent management in organizational operations cannot be over-emphasized. Under the imperatives of globalization, internationally operating firms such as Del Monte are finding it increasingly important to identify, source and utilize talented employees from a multiplicity of business cultures. As noted by McDonnell et al. (2010) talent management is arguably of greater significance among multinational enterprises. Therefore, talent management presents a means of developing and engaging talented employees (Scullion and Collings, 2006) who are capable of making a considerable difference within organizations, both domestically and internationally. In the recent times, Del Monte has been losing some of its employees to other organizations. This is despite the organization’s effort to make the work environment conducive through proper governance structures, leadership and management. The organization has put in place better employee reward systems and other human resource management practices. The employees have continued to leave despite the Human Resource Department having employed best strategies in talent management, thereby raising the question as to whether the strategies adopted achieve the best results in retaining the staff. There is therefore need to investigate the extent to which the talent management has enhanced employee performance.

1.2 Objectives of the Study
1.3 The Study Did Seek to Address the Following Objectives
   i. To determine the effect of talent retention on employees performance.
   ii. To assess how talent attraction impacts on employees performance.
   iii. To determine the extent to which learning and development affects employees’ commitment to the organization and performance.
   iv. To determine the effect of career management on employees competence.
2.0 Literature Review

2.1 The Concept of Talent Management
The concept of talent management originated during World War II (Cappelli, 2008). In the current century it is becoming a fast growing strategy which is implemented in almost all organizations throughout the world (Bhatnagar, 2007). Talent management is an important component of corporate strategies in most of the organizations (Bano, Khan, Rehman, & Humayoun, 2010). The basic purpose behind talent management development is to improve the process of recruitment, selection, retention, and employee development in order to meet current challenges faced by organization and improve organizational performance by fulfilling organizational needs (Bhatnagar, 2007). Aston and Morton (2005) noted that there isn't a single consistent or concise definition of talent management. Since the arrival of the current era of talent is widely acknowledged, it is not surprising that renewed significance is being placed on the management of that talent. According to Ingham (2006), in order to develop strategic capability, potential employers of choice need to ensure they clarify the requirements for their talent management program including the success criteria to be used to measure their program’s contribution.

According to Lewis and Heckman (2006), there are key streams of thought around the concept of talent management. For the first key streams, they explained that those who merely substitute the label talent management for human resource management. Studies in this tradition often limit their focus to particular human resource practices such as recruitment, leadership development, succession planning and the like. A second strand of literature emphasizes the development of talent pools focusing on projecting employee or staffing needs and managing the progression of employees through positions. These approaches are often quite close to what is typically known as succession planning or human resource planning (Jackson and Schuler, 2000). While, the third stream focuses on the management of talented people. This literature argues that all roles within the organization should be filled with A performers, referred to as top grading and emphasizes the management of C players, or consistently poor performers, out of the organization. That is, highly competent performers are to be sought, hired, and differentially rewarded regardless of their specific role or, in some cases, the organization's specific needs (Lewis and Heckman, 2006).

2.2 Talent Attraction
The components of talent attraction are recruitment and selection, employer branding, employee value proposition and employer of choice (Armstrong, 2006). Recruitment and selection requires that organizations use various methods or techniques of selecting the right talent that reflects the culture and value of that particular organization (Armstrong, 2006). The recruitment of members of talent pool is the first task of talent management strategy. The talent pool is a group of employees with special traits and are source of future senior executives (Ballesteros et al.,2010).The sources of talented employees can be internal or external .The best way to create a talent pool is the internal sources since the employees have already the knowledge of how business processes work and can be incorporated directly into the new position and the morale of workforce uplifted (David et al 2007).However, if the organization want to introduce radical changes or to renew the culture ,external sources are the best (Ballesteros et al.,2010). Employer branding includes development of an organization’s image, good enough to attract employees. In order to attract the best, organizational branding is a useful strategy, the organizations that manages its corporate brands effectively, gains advantage in the highly competitive global market place .Without the good brand image, it is difficult to attract the right talents (Ana, 2009).Top rated companies have one characteristic in common, that is they give clear and consistent messages about themselves and that translates into a strong pull on talents (Tanuja, 2007). Employee value proposition is characterized by the potential employee’s perception of the value of an organization seeking to recruit him. The employee measure value proposition based on the challenge the job posses, work environment, training opportunities, flexibility and reputation of the organization (Oehley, 2007).

2.3 Talent Retention
In the organization, high employee turnover can have a direct impact on your bottom line. Not only does it cost your organization in terms of recruitment, on-boarding and training, it impacts your ability to provide consistent, high-quality service to your clientele (Zikmund, 2000). Talent management programs offer the organization a proven and practical way to significantly improve employee satisfaction and retention in order to reduce turnover and its associated costs.
Furthermore, happier, more productive employees deliver high levels of customer service and help to deliver strong overall business results. There are several talent management best practices that have been shown to significantly improve employee satisfaction and retention. By correctly identifying upfront, the knowledge, skills, experience and attitudes that lead to success in a position, you can more effectively recruit and hire suitable candidates for open positions. Turnover can be reduced by ensuring that prospective employees’ attitudes and values align with those of the position and organization on the whole (Vance, 2006). Using core and job specific competencies as qualifiers in the recruiting/hiring process, and assessing a candidate’s past demonstration of these can be an effective way to identify and hire the right people, right from the start. A comprehensive onboarding process that takes care of more than just the hiring paperwork is critical to ensuring the success of new employees and has been shown to reduce short-term turnover. A good program includes training on the tasks and tools important to the role, but also covers the corporate culture and values, information on talent management programs, networking opportunities, initial goal setting, and interim reviews. Setting parameters upfront helps employees better prepare for their new roles and help them become more productive from the on-set. When you retain talented employees using such practices, you do not need to continuously train and orient new hires, or take the risk that new hires will be unable to meet job requirements. Lower rates of employee turnover have a direct effect on hiring, and help in fewer drops in productivity (Tonidandel, et al, 2007). It is important to establish clear performance expectations for all employees, right from the start. An up-to-date job description is one of the best ways to communicate a new employee’s job responsibilities, scope of decision-making and breadth of authority. Job descriptions that capture your culture and organizational values can help you attract and retain the kind of employees you want. Plus, job descriptions help to reinforce your culture to ensure you always have the right people on your team (Vance, 2006).

Every employee should be assigned individual goals that are directly linked to higher level organizational goals. Often, organizations fail to set goals that connect to the organization’s overall goals, or do not set goals at all. Employees who lack clear direction are not able to easily connect with the work they do with the organization’s success. Linking employee goals to overall corporate goals helps to set expectations for performance and gives employees an all-important context for their work. Linking their individual goals to corporate goals helps employees understand how their day-to-day work contributes to the organization’s success. This helps employees to understand their value to the organization, keeping them engaged and motivated, which in turn impacts employee engagement and retention (Trevor, et al, 2003). Everyone needs to know what they are doing well, and how they can improve. Giving employees, regular, ongoing feedback on their performance is the best way to acknowledge and encourage solid or stellar performance. It also helps identify and address performance shortfalls before they become serious issues that can contribute to high turnover rates. Feedback should be accompanied by coaching, and if needed, development plans to support employee performance. This helps to establish a stronger working relationship between the employee and their manager or supervisor, and can boost loyalty and retention (Shaw, et al, 2005). By investing in employee growth on an ongoing basis, employees are more connected with the organization as they see the potential for long-term growth and understand the organization is invested in their ongoing success (Ramsay, 2006).

2.4 Learning and Development

According to the CIPD (2006) learning and development survey, the two main objectives of talent management are: developing high potential individuals and growing future senior managers. The CIPD (2006) survey also reveals that 94% of respondents reported that well-designed talent development activities can have a positive impact on an organization’s bottom line. However, Byham et al. (2002) contend that if an organization does not have a well-defined profile of what it wants from its future senior leaders, it can neither develop people for future management positions nor accurately assess the readiness of high-potential individuals for leadership roles. In a similar vein, Byham et al. (2002) recommend that an organization must carefully and accurately define the characteristics of the leaders who will carry it into the future. CIPD (2010) study on learning and talent development results indicated that in-house development programmes at 56% and coaching by line managers at 51% ranked among the top effective learning and development practices. E-learning was also identified as key in learning and development. Moreover, the study found that senior managers and the human resource department were tasked with ensuring that courses were delivered and overall planning of the learning process carried out effectively. This study was carried out through a survey of various organizations. Kermally (2004) argues that spending money and coming up with various initiatives to develop talent will not by themselves produce results.
In this context, Kermally further recommends that a talent development strategy must be aligned with the business strategy. Cappelli (2008) draws insights from the supply chain management and argues: “how employees advance through development jobs and experiences- are remarkably similar to how products move through a supply chain”. A key failure of many traditional talent management systems is a mismatch between supply and demand. This result in an over-supply of management talent resulting in employee turnover, or layoffs and restructuring, or an under-supply where key positions cannot be filled (Cappelli, 2008).

2.5 Career Management
There are several elements of career management including career development and planning which focuses on planning of employee growth and progression; career pathing which involves creating established career paths and families of jobs within a given area allowing employees have a vision of progression as well as goals and expectations; employee development consisting of programs and initiatives; learning and development initiatives; management coaching; competitive reward systems; career centre's; succession planning; performance management/feedback; and cross-functional development programs (Allen, 2005). Career management consists of both formal and informal activities including employee workshops, job rotation, job enrichment and career progression ladders, for example organizationally planned programs or developmental stage theories. Organizations may also contribute to career identity by providing abundant opportunities for self-development, opportunities for advancement and mentors (Dargham, 2013). Sturges et al., (2002) observed that organizational career management enhances employee commitment and hence organization performance. Career management help can be seen as one form of perceived organizational support.

Sturges et al., (2002) observed that organizational career management enhances employee commitment and hence organization performance. Career management help can be seen as one form of perceived organizational support. Perceived organizational support has been positively related to job performance and negatively linked to withdrawal behaviors such as absenteeism and turnover (Rhoades et al., 2002). Van Dam (2004) found that people who experience more organizational support have a higher employability orientation. Kraimer et al. (2003) studied the relationship between organizational career management and perceived career support. Organizational career management practices includes: performance appraisal as a basis of career planning, assessment centres, career counseling by the human resource department, formal mentoring, career workshops, retirement preparation programmes, succession planning, formal education as a part of career development and lateral moves to create cross functional experience (Agarwala, 2007).

2.5 Conceptual Framework

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Figure 1: Conceptual Framework
3.0 Tools and Methodology

The research design which was used comprised of both qualitative and quantitative. The design consisted of questionnaires and interview guides as instruments for collecting data. The study was carried out in Del Monte Kenya with a target population of 2500 employees the researcher used stratified random sampling technique to select the 83 respondents. The sample size was determined using the Krecie and Morgan table of 1970 cited by Kasomo (2007). According to Krejcie and Morgan, a population of 2500 at 0.1 degree of freedom should have a sample size of 83 respondents. From each stratum, 3% respondents were drawn and used to gather the required information. Data was collected using structured questionnaires. Both descriptive and inferential statistics were used to analyze the data. Descriptive statistics consisted of computation of sums, means, standard deviations, frequencies and percentages were used.

4.0 The Findings

The results revealed that 26% of the respondents agreed that the scope of the job they did was very interesting and captivating. The results showed that 25% of the respondents strongly agreed that the scope of the job they did was very interesting and captivating. The study established that according to 36% of the respondents, job schedule did not provide flexibility for engagement in career progression. The study established that most of the respondents (49%, mean score 3.41) agreed that the salary package was adequate for their level. The results showed that most of the respondents (51%) agreed that their salary and other variable payments compare well with the rest of the market. The findings revealed that most respondents agreed that the remuneration package was attractive. On the contribution of remuneration to their retention, most respondents agreed that remuneration package contributed greatly to their retention in the organization (mean score 3.16). The study findings show that 51% of the respondents agreed to the statement that the rewards the organization gave motivated the employees for better performance. On promotion, respondents agreed that organization based promotion on ones performance (mean score 3.52). The findings showed that majority of the respondents agreed that there were incentives for good performance in the organization (71%, mean score 3.62). The study findings revealed that nearly all the respondents (80%, mean score 4.03) indicated that the organization granted them annual leave. The findings mean that the organization gave its employees timeout to refresh.

The study established that 65.2% of the respondents agreed that indeed there were on-the-job training or coaching opportunities in the organization. The results revealed that 53.6% of the respondents agreed that indeed the organization practiced job rotation. The findings also revealed that 43.5% agreed that cross training was provided in the organization. The study established that most respondents (47.8%) agreed that the organization facilitated. The findings revealed that 44.9% agreed that in the organization there existed exposure to managerial responsibilities. Half of the respondents agreed that the organization had well developed staff development plan for its employees. The findings show that 56.5% of the respondents agreed that indeed that organization trained them on their area of job. As to whether the organization organized leadership trainings to its valuable staff, most respondents (60.9%) agreed that indeed the organization organized leadership trainings for its valuable staff. The study established that 55.1% of the respondents agreed that the organization identified future business needs in form of knowledge, skills and capabilities and recruited staff on this basis.

5.0 Conclusion

From the findings of the study it can be concluded that the job retention such as competitive salary packages and rewards motivated the employees of Del Monte. The study further established that attraction through attractive packages motivated the employees of Del Monte. The study established that through career management practices such as job rotation, the organization was able to enhanced employee competence hence achieve high employee performance. The study also established that through a clear plan for the career growth and progression the organization was able to develop its talent which directly influenced employee performance.
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