Analysis of the Factors of Schematic Talent and its affect on organizational performance

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ABSTRACT
Talented workforce in the era of competitiveness has attained great attention of the executives: consequently, business entities are in pursuit to engage knowledgeable employees, develop them in accordance with their strategic goal and strengthen their edge in the business. This paper is in attempt to analyze the scheming talents with its component of business Process Engineering and its relations with organizational performance. Methodology adopted in this paper is based on the research work conducted by the different scholar and results are proved accordingly. Results in this paper prove the relationship between talent schematic and organizational performance. It is recommended that organizations to conduct Business process Reengineering in their respective organization, engage talent pool and mange them in a befitting manner for enhancement of the organizational performance.

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Introduction
There is a dynamic change in the management practices of today’s business environment which has resulted in a mega shift in HRM plays. The administrative support has been replaced traditionally and now includes HR practices. As human capital is the greatest asset of organizations, hence HR now drives them strategically. Industry is searching for the best to reach the heights of excellence and can be possible only by managing the talent of the organization by succession planning. Human capital can be managed strategically by talent management for increasing performance of the organization.

Talent Management in a global organization is more complex and demanding than it is in a national organization and only few of the major worldwide organization are able to meet the challenge. Organizations need the best talent to become successful in the hyper-competitive and more complex global economy. Organizations, in addition to awareness about the need to hiring, development and retaining talented people, know the need to manage talent as means to achieve the best possible results. Only few organizations now enjoy the adequate supply of talent. During the current economic recession a short ceasefire in the talent war may be observed. But we see new pressure on the talent present in the organization. Talent is a resource which is rarely found; hence its management should be done to maximum effect.

Talent Management only anticipates the necessity for having human capital and then prepares a plan to meet it (Petter Cappelli, 2008). Managers know the importance of the talented people and spend sufficient time to identify and recruit individuals of high caliber wherever found (Lowell L. Bryan, 2009).

Talent Management assists the organization and its executives to plan goals, develop strategies to appraise critical performance including succession and talent gaps, average previous experience and skill, average tenure of the job, retirements and turnovers. Talent Management is known to be a key driver of performance of the organization. Talent gaps in business organizations result in a need to recruit to attract future employees. Presence of talent in an organization means ready availability of right skills for achieving short term and long term goals of the organization. Talent Management must match business strategy to support growth. Talent Management practices should be measured for ensuring success and progress of the business. This will help to assess current talent management practices against future needs.

Talent Management is defined by CIPD as to systematically attract, identify, develop, engage/retain and deploy those individuals who have high potential and particular value for the organization (Chartered Institute of Personnel and Development, 2006). It is the main strategy that solves many problems faced by the organization such as aging workforce, increased turnover, enhanced rates of the retiring people, limited competitiveness, tight labor market and quick changes in working styles and practices. Every modern organization is highly concerned with selection and retention of talent which includes competent and committed people.

Literature Review
By the mid-1990s, almost every major corporation incorporate the aim of improving at recruiting talent away from competitors while also improving at maintaining its own talent at a certain standard of excellence. In addition, companies found that they were building expertise and losing expertise to other competitors simultaneously. Outside searches became increasingly expensive, specifically when they involved
determined individuals, and the new individuals were not a priority for internal promotions, which further instigated the retention problems. The task of building and maintain the right expertise became the priority of executives’ business concerns, and that is where it remains today.

Some of the most creative methods to managing talent use four specific guidelines derived from operations and supply chain management. Two of them are regarding the uncertainty on the demand side: how to balance make-versus-buy decisions and how to decrease the risks in predicting the demand for talent. The other two methods reflect the uncertainty on the supply side: how to improve the return on investment and how to protect that investment by creating internal chanced that motivate recently trained managers to be loyal to the firm (Lowell L. Bryan, 2009).

Talent management deals with sustainability of organizational portfolio and its expansion for meeting current and future business requirements by developing strategies to ensure quality and quantity of human resource to meet current and future priorities of the organizations. Managers adopt human resource management practices which are more flexible and responsive (Lawler and Atmiyanandana, 2003) and take on more strategic role to make new organizational system in their organizations (Akaraborworn and McLean, 2001).

Managers knew about the transformation of management focus towards sustainability in knowledge-based economies and intangible capital management by changing trends. It is the progress towards a society in which less tangible factors such as social and human capital and organizational behavior are known to be more and more important to the pace and success of the economy (Nonaka, Toyama, and Konno, 2000). The most strategic source of competitive advantage in the knowledge-based society is human capital (Bartlett and Goshal, 2002) and He argued that firm leaders were very much concerned about availability and skills of knowledge workers. A majority of the theorists claim that knowledge workers are highly educated and qualified people who work with information and apply it to their intellect in the right situations in order to create solutions to problems, as well as establish new branches of knowledge (Davenport, Thoman, and Cantrell 2002). Skilled workers have talent that can be utilized to bring the needed expertise and ideas to corporations, and their talent can create a learning atmosphere and allow others to conduct the new processes to prepare for a brighter change (Lawler, 2008).

Talent management is a lifestyle that requires individuals to view things that are based on long-term commitment. A talent management system must be implemented into the business as a daily process asset throughout the company as a whole. It cannot be left alone to the human resource department to attract employees, but rather must be dispersed to all levels of the organization. Although it is true aggressive recruitment of valuable employees still occurs, and the maintenance of high performers within a firm remains highly critical (Smith, 2009).

Talent Management Pool

Talent covers individuals who either possess or are needed to fill critical positions and have leadership potential. Talent management represents a more focused and specific approach to managing people in technical roles in the organization. Furthermore, talent management is the typical process of attracting and engaging essential employees and not only building, but also maintaining potential organizational leaders (Bruke, Ruwayne Kock and Mark, Winter 2008).

New Recruitment

When new individuals first enter an organization or start a project, or develop into a new role, a steep learning curve often becomes visible in front of them. Recruiting expert, Paul Siker, paints a clear picture in his book based on proactive recruiting. This picture depicts the direct relationship between employee satisfactions as it relates to employee recruitment and development. As employees excel within their firms, employee satisfaction increases. It is essential for an organization to value its excelling employees and ensure that they remain motivated. This will not only increase employee satisfaction, but it will also allow employees to reflect upon their success and increase their learning potential. If companies do not apply this strategy, employee retention is at risk and employees may begin to look for “the next best thing.” It is evident that an organization must be aware of their employees’ position on the development curve so that they can continue to provide new growth opportunities as they value their employees (Siker, Paul., 2007).

Business Process Reengineering

Business processes are composed of interdependent activities that transform specific inputs into customer-based outputs that work across various departments (Schutta, 2006; Hammer and Champy, 1993; McCormack and Johnson, 2001; Sethi and King, 2003; Field, 2007). This study emphasizes on orientation parameter of business processes

Business Process Orientation

The business procedure of orientation uses a lens to perform activities within the firm instead of focusing on functional hierarchies, structures, and divisions (McCormack and Rauseo, 2005; McCormack, 1999, 2001a; McCormack and Johnson, 2001; Davenport, 1993; Nenadal, 2008). Orientation focuses on delivering value to customers by categorizing and accelerating work patterns (Schutta, 2006; McCormack and Johnson, 2001; Davenport, 1993). Coordination within various departments and technology play essential roles in implementing the orientation procedure in an organization (McCormack and Johnson, 2001). These aspects aid in improving both efficiency and effectiveness by decreasing the cost of doing business and improving customer satisfaction (Schutta, 2006; Garvin, 1995). Orientation is composed of five concepts: the process view, process structures, process jobs, process management and measurement systems, and process terminologies in the activities’ performance in a firm (Davenport, 1993a; McCormack, 1999; Tenner and Detoro, 2000; Skrinjar et al., 2008). Process structures are the fundamental elements, boundaries, and activities of the business procedure (Davenport, 1993a; McCormack and Rauseo, 2005; McCormack and Johnson, 2001). Process jobs are organizational jobs that are assigned in terms of the process owners and their responsibility towards the job. (Skrinjar et al., 2008; McCormack; 1999; McCormack; 2001b; Davenport, 1993a; McCormack and Johnson, 2001). Process values and beliefs reflect an orientation-based culture that centralizes customer orientation, teamwork, empowerment, cross-functional coordination, and continuous improvement (Schutta, 2006; McCormack and Johnson, 2001). Process management and measurement systems depict the different methods of measuring the efficiency in work performance and rewards for its improvement (McCormack, 1999; McCormack; 2001b; Davenport, 1993a; McCormack and Johnson, 2001; Skrinjar et al., 2008).
Talent Scheming
A human capital technique is vital to support an organization's strategic goals. Talent-oriented organizations that invest in building various capabilities and invest in the management of talent are able to produce extraordinary results as they exceed their potential (engineering & technology, 2008).

Building Capacity
The instant concern; however, relates to discovering talented people and building their capability accordingly to the organizational needs. Many companies send their most reliable executives to business schools and recruit them from universities as well. The latest trend for a company is to set up their own corporate universities to offer tailor-made academic rather than academic training. For instance, British Telecom University in the States emphasizes on retraining in order to meet changing demands placed on employees as technology is rapidly being replaced and redefined. In addition, other examples of corporate universities owned and controlled by a single company include Motorola in USA, Barclays in the UK, Shell University of Europe, AVAYA, a leading Nielsen university, the learning arm of Nielsen Media Research and Unipart University, and the Automotive Components parts company, which involves suppliers and customers in its courses. Investment in training and development of values is definitely ineffective unless it is consistently measured at regular intervals and a substantial improvement is shown. At the Royal Bank of Scotland (RBS), significant growth has been seen since the late 1990s resulting in 135,000 employees and 35 million customers in 30 countries today! The role of its human resources function had to be converted from transactional administration into a business centralized on value-driver business partner. “We had to introduce a human capital strategy to help our businesses to make more informed business decisions,” says Greig Atiken, head of human capital strategy (engineering & technology, 2008).

Organizational Performance
Organizational performance addresses the degree to which organizational objectives are met (Lin et al., 2008). This paper discusses organizational performance with the use of various parameters such as employee performance and value addition. Organizational performance can be improved by specifying the organizational processes and culture to serve customers (Matin et al., 2009). Herciu and Ogrea (2008), Singh et al. (2008) and Lopez et al. (2005) depict competitiveness as a comparison between a firm's performance and standard performance, particularly standard performance in the industry, in terms of quality, flexibility, delivery, innovation, cost and learning.

Employee Performance
Employee performance is important for the success of any business. The literal component identifies factors such as job security, workload, absenteeism, retention, and on-and-off-the-job training that directly affects and influence employee performance (Dibben and James, 2007; Dyer and Reeves, 1994). Employee turnover, satisfaction, commitment, esprit de corps and citizenship are some of the many elements of employee performance (dyer and Reeves, 1994; Jaorski and Kohli, 1993; Tesluk, 1999; Dyer and Reeves, 1994; Baptise, 2008). This study utilizes commitment and esprit de corps as factors of employee performance. Commitment addresses to tedegree to which organizational objectives are achieved (Lancaster and Vender, 2004; Jaworski and Kohli, 1993). Furthermore, employee attachment and loyalty are other factors of employee commitment (Meyer and Allen, 1991; Ogba, 2008). Esprit de corps relates to teamwork and unity within an organization (Jaworski and Kohli, 1993; Al-Rawi, 2008). It shows the value of employee attachment in order to attain common objectives (Robins and DeCenzo, 2001). Lastly, effective organizational leadership and behaviour create pride, commitment, and dedication in employees, which are essential components of esprit de corps (Al-Rawi, 2008; Ogba, 2008; Robins and DeCenzo, 2001; Houlsdworth and Machin, 2008).

Theoretical Framework

Independent variables are
Talent management pool comprises of new recruitment in the organization Business process reengineering comprises of business process orientation

Dependent Variable is
Organizational performance comprises of employee performance

Hypothesis Formulation
H1: Talent management pool has significant impact on organizational performance
H2: Business process reengineering has significant impact on organizational performance
H3: Talent management scheme has significant impact on organizational performance

Discussion
In a competitive marketplace, talent management is a primary driver for organizational success. Effective talent management provides one of the most critical points of strategic leverage today. Talent management is the implementation of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs (SHRM, HR Glossary). A recent study shows that 85% of HR executives state that the “single greatest challenge in workforce management is creating or maintaining their companies' ability to compete for talent” (Human Capital Institute, 2005).

Proposition 1: Talent management pool has significant impact on organizational performance Relationship of Talent management Pool with organizational performance

In the war for talent, organizational success depends on effective recruitment and retention. To accomplish this goal, HR can provide value by focusing on five key areas: ensuring organizational stability, emphasizing employer brand and reputation, developing integrated talent strategies, supporting multilevel accountability, getting involved in talent management initiatives and offering opportunities for career and personal development (Dell, D., & Hickey, J., 2002).
Human resource managers or practitioners need to engage with the dynamic interaction of the different elements outlined above. Organizations often have to recruit senior people from outside. But there have been many notable failures in this strategy, especially where the incoming person does not adjust to a culture that they have not grown up in. Acquiring talent rather than growing it can seem an easy quick-fix to problems of filling senior leadership gaps (Ian Cunningham, 2007).

**Proposition 2: Business process reengineering has significant impact on organizational performance Relationship of Business process reengineering with organizational performance**

The literature indicates the positive impact of business process orientation on organizational performance (Fitzgerald and Murphy, 1996; Kaplan and Norton, 1996; Mackay et al., 2008; McCormack and Johnson, 2001; Skrinjar et al., 2008). Business process orientation helps to improve both the financial and the non-financial performance of an organization (Skrinjar et al., 2008). Investment in business processes creates competitive advantage for the organization and brings about significant improvements to the system (Kaplan and Norton, 1996; McCormack and Johnson, 2001). Business process orientation focuses on the efficient transformation of input into output to meet customer requirements. In this way, it helps to achieve overall organizational goals by attaining efficiency as well as efficacy (Fitzgerald and Murphy, 1996; Mackay et al., 2008).

**Proposition 3: Talent management scheme has significant impact on organizational performance Relationship of Talent management scheme with organizational performance**

Effective talent management policies and practices that demonstrate commitment to human capital result in more engaged employees and lower turnover. Consequently, employee engagement has a substantial impact on employee productivity and talent retention. Employee engagement, in fact, can make or break the bottom line. Employees who are most committed perform 20% better and are 87% less likely to resign. In addition, the foundation for an engaged workforce is established by the quality, depth and authenticity of communication by HR and senior management to employees, as well as the quality of supervision. The role of the manager as the most important enabler of employee commitment to the job, organization and teams cannot be overemphasized. Furthermore, when done well, practices that support talent management also support employee engagement and talent retention (e.g., work-life balance programs—flex time, telecommuting, compressed workweeks, reward programs, performance management systems) (Corporate Leadership Council, 2004).

**Research Methodology**

**Sample & Respondents:** Data was unruffled from the 205 respondents from senior position workers belongs to the corporate sector of Islamabad, Pakistan. This sample was chosen by considering their personal distinctiveness as age ranges from (30-50), qualification (degree level), work experience with the organization (minimum 3), and number of performance assessments in the organization (minimum 3).

**Instrument & Measure:** A structured questionnaire was used to collect data. Questionnaire was revised by considering study requirements, and eighteen more items were added for identifying effects of organizational performance. The respondents were asked to articulate their judgments using a five point Likert scale ranging from strongly disagreed (1) to strongly agreed (5).

**Procedure and Analysis:** The questionnaire for survey was self-governed and in person disseminated by the researcher among the respondents for the study. One questionnaire was given to each of the respondents according to the extent and nature of data information required for this study. Researchers endowed with indispensable support to respondents in making technicalities understandable in answering the queries. For analysis of data quantitative tools and techniques Statistical Package for Social Sciences (SPSS) was utilized for the data analysis. Descriptive frequencies, percentage and correlation were drawn using SPSS.

**Findings**

**Table 1**

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Label</th>
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<tr>
<td>TMS&lt;---TP</td>
<td>.0789</td>
<td>.0531</td>
<td>4.4864</td>
<td>.021</td>
<td>Supported</td>
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<tr>
<td>TMS&lt;---BPR</td>
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<td>.0474</td>
<td>10.0466</td>
<td>.000</td>
<td>Supported</td>
</tr>
<tr>
<td>OP &lt;---TMS</td>
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<td>.0456</td>
<td>8.9967</td>
<td>.001</td>
<td>Supported</td>
</tr>
<tr>
<td>OP &lt;---TP</td>
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<td>.0822</td>
<td>2.9411</td>
<td>.004</td>
<td>Supported</td>
</tr>
<tr>
<td>OP &lt;---BPR</td>
<td>.0747</td>
<td>.0731</td>
<td>11.0218</td>
<td>.000</td>
<td>Supported</td>
</tr>
</tbody>
</table>

The results of the above table demonstrate the relationships among the variables including Talent Pool, Business Process Reengineering, Talent management Scheme, and Organizational Performance are depict in the table 1. The above table 1 divulges that the Beta result is .0789 between TMS and TP and the association is apparent from the investigation that if there is one degree change in TMS there would be 7.8% change in TP. The relationship between TMS and BPR shows the beta estimates of .0496 and the beta estimates of OP and TMS, and OP and TP are .1451 and .2417 respectively. The table further depicts the beta results of OP and BPR are .0747 indicate association between the two variables. The analysis highlights the relationships between the variable are statistically significant (P<.05). However the relationship between OP and TP is slightly high as compared to other variable with β=0.2417 variable is statistically significant (P<.05).

**Table 2**

<table>
<thead>
<tr>
<th>ChiSqr</th>
<th>DF</th>
<th>Sig</th>
<th>Chi/DF</th>
<th>GFI</th>
<th>AGFI</th>
<th>CFI</th>
<th>NFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.0578</td>
<td>1</td>
<td>.000</td>
<td>18.0578</td>
<td>.951</td>
<td>.947</td>
<td>.909</td>
<td>.907</td>
<td>.0625</td>
</tr>
</tbody>
</table>

(GFI= Goodness of Fit Index, AGFI, Adjusted goodness of Fit Index, CFI= Comparative Fit Index, NFI, Norms Fit Index, RMSEA = Root mean Square of Approximation)

The results in the above table 2 explain model fitness index. The model chi-Square (Chi) and associated significant value indicates that this criteria does not fulfill the condition of model fitness as the significant value is less than level of significance (P<.05) representing inconsistency features in the model, whereas, the relative chi-Square value is also greater than 2 as suggested by (Tabachnick and Fidell, 2007) to as low as 2.0 (Wheaton et al, 1977) as high as 5.0. Chi- square lack of it might be one of the possible reasons indicated by (Bentler and Bonnet, 1980; Joreskog and Sorbom, 1993). Another fitness measure is goodness of Fit index (GFI), by convention the value of GFI equal to or greater .90 is acceptable (Schumacker and Lomax, 2004). AGFI is variant of goodness of fit which adjusted goodness of Fit index for degree of freedom. Further criteria contains CFI (Comparative Fit index) is revised form of NFI (Norm Fit Index). The recommended value for NFI and CFI is equal or greater .90 Hooper et al (2008). RMSEA (Root Mean Square error of approximation) tells about optimally chosen parameters would fit the population co-variance Matrix (Byrne,
Practical implication to human resource development

Anticipated workforce changes and cost-effective ways to access talent is the key to the next generation of talent management. Predictive workforce monitoring will lead to effective strategic talent decision-making. Factors such as flexible talent sourcing, customized and personalized rewards, distributed and influential leadership, and unified and compassionate workplace cultures will be important for successful talent management. Companies will increasingly utilize different types of employment relationships, and nonstandard employment models will continue to evolve. Free agency employment relationships—contracting for the best talent on an as-needed basis—will become more common. To benefit from the knowledge, skills and corporate memory of mature workers, phased retirement will become prevalent. Keeping workers engaged—particularly the next generations—may call for HR to redesign the workweek, benefits packages and reward programs. Scenario planning and talent-match databases will become essential planning tools.

Conclusion

Talent management is a key corporate issue in which organizations are investing heavily. Talented individuals have the luxury of picking and choosing employers and have become a force to be reckoned with. It is crucial that organizations develop a culture in which talented people can flourish and increase their market value. Managing talented people or talent pool management means finding new and alternative approaches to nurturing talent that are both desirable for the organization and give individuals enough stretch and development. Asridge’s research highlights five perspectives to managing talent process, cultural, competitive, and developmental and HR planning. These different perspectives are often present in the same organization, resulting in contradictions and dissatisfaction for talented individuals. Talent management processes, systems and core beliefs should be congruent with the aspirations of the organization. Managing talent means having the courage to give feedback, helping the cleverest people understand the impact they have on others, maximizing the flexibility of processes and systems in recognition of the existing tensions, developing the capacity to spot talent, and demonstrating a considered approach that acknowledges the inherent dilemmas in dealing with this diversity.

Recommendations

On the basis of results and subsequently its discussion, following recommendations are made:

a. Organizations to conduct Business Process Re-engineering of their respective organizations and ascertain the gaps
b. Engage talent pool and develop them according to the organizational goals
c. Manage the workforce in accordance with the competitive environment which would enhance organizational performance

Future Line Of Study

The research in the same topic can be expanded with relevancy of information technology in schematization of talent management and further training of employees and on job rotation can be studied under same topic with culture of organization.

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