Talent Management: An Empirical Analysis of Recruiting, Managing and Retaining Top Talent in Indian Academic Institutions

Dr. C. S. Yadav
Professor,
School of Management,
Graphic Era Hill University

Shivani Monga
Assistant Professor,
Personality Development Programme,
Graphic Era Hill University

Abstract

Human resources are the most invaluable asset of a country to improve its economy and social development and it all depends on the employability of potential skilled manpower. Be it any sector, shaping tomorrow's professionals has to take place on strong substrata of education. Without a proper education or degree, one may not land a job after an academic career of two decades. There should not be a short supply of educated manpower in India. Literacy rate has to be pushed beyond 80%. For this, emphasis is laid on higher education institutes; and generation of human resources has to be structured and streamlined.

This present paper is an attempt to understand and suggest possible ways to understand the prevalent talent management systems. The paper aims at suggesting decisive factors for creation of talent pool, which involves talent recruitment, management and retention. The study would aim at identifying whether the management focuses on various factors for talent retention in educational institutions and have conducive working environment for faculty attraction and retention. Does management cater to faculty need for learning and growth.

Key Words: Talent pool, Attrition, Retention, Perception

Introduction

The education sector consists of administration, finance, quality but predominantly teaching. For our population, we need to double the number of universities and other institutions of higher learning apart from schools with equal participation of public and private sectors. We need to analyze what is the importance of talent management in education sector.

The core component mainly poised to attract, develop and retain quality teachers through effective human resources management. The human capital thus mobilized has to be distributed on levels of 'teacher demand and supply' in rural, urban and metro areas. The channeling parameters are: employment requirement, grade separation, domain expertise, training level, working conditions, individual career options, performance monitoring system and continuous knowledge update for development. It is the management's responsibility that the manpower recruited is utilized fully to the optimum level. Never should skilled staff be underutilized or ignored for want of basic

infrastructure, non-availability of students, inadequate compensation and poor working conditions.

A flexible lucrative system will definitely facilitate a continuous inflow of high quality personnel who will join the workforce, year after year. The sixth Pay Review Commission recommended fixing the age of superannuation of all college and university teachers throughout India at 65 years and selective reemployment on contract basis up to the age of 70. This will ensure optimum utilization of resources for the rest of the years. This concept applies to high school, secondary level and university faculty members also. At any point of time, more number of seniors will be available in buffer.

The last decade has seen a proliferation of business schools in India. This rapid growth has posed some serious challenges for attracting and retaining the quality faculty in the business schools. There is a scarcity of good faculty in the country to cater to the needs of more than 900 business schools in India. It is therefore, imperative that faculty members in these business schools should be provided a right environment to enable their retention and long-term growth in the organization. However, the incidences of high faculty turnover in most business schools raise various issues relating to faculty.

The concept of talent management is firmly embedded within enterprise from small business to global organizations and its existence, definition and growth have been charted through reports, analysis and commentary. Existing research has, however, predominantly focused on the employer's perspective, those responsible for talent strategy and investment in talent management interventions.

Opportunities to understand the employee view are often limited to internal feedback forms and employee engagement surveys. As a result, we do not really understand the employee perspective on what it feels like to be part of the talent management process. This gap in our knowledge may be significant. Those who are being actively talent-managed through talent programmes or talent pools are often an organisation's most valued employees and by not understanding their needs we could be misdirecting talent management efforts to the detriment of both the employee and the organization.

If organization is looking for creating a vivacious talent pool, then it has to look the talent pool from different direction. The three vital aspects for talent pool for any higher education institution are: quality of faculty, infrastructure facilities and learning environment. With the increasing demand-supply gap, organizations are facing gigantic war for talent. Like business and industry, education field too is discovering the need for talent so as to meet the new quality standards demanded by the society and is also facing leadership crisis. While most higher education institutions, are able to develop the needed skills in students for success in the working world, experience shows that the management of upcoming technical and management institutions has failed to be just and fair in the treatment of their faculties.

This paper has used the survey method based on which faculty members of the various management and technical schools were being interviewed. The objective of the paper is to investigate the issues and factors related to recruitment, talent management and talent retention in business and technical schools, which can contribute to the growth and development of these institutions. For the study faculty are being considered as talent. The finding of this study may be helpful for the management of these institutions and the policy makers for developing a more effective and better education system. Talent management is a process that emerged in the 1990s and continues to be adopted as more companies come to realize that their employees' talents and skills drive their business success.

Talent Management (TM) is an integrated process, activities and tools in the areas of recruitment, compensation, performance management, succession planning, career planning and learning in order to identify, promote, and retain talents and to increase their performance contribution." The future success of the company is based on having the right talent, so managing and nurturing talent is part of everyday process of organizational life. Talent is needed for success and talent management is the process, which can retain talent. Typical in an organizations talent is judged from the assignments being allocated according to how well they performed on their last assignment. Or we can say organization is a place where the development of every individual's talent is paramount and appreciated, and it also allows people to explore and develop their talent and make it a part of the work routine.

There is the competitive perspective underpinned by the belief that talent management is about identifying talented people, finding out what they want, and giving it to them. This tends to be the default perspective if no other perspective is taken, if only as a retention strategy. It is also seen in the professional services firms where they generally adopt the competitive approach because their business proposition is based on the talents of their people. There is the developmental perspective that proposes talent management as about accelerated development paths for the highest potential employees, applying the same personal development process to everyone in the

organization, but accelerating the process for high potentials. Hence the focus is on developing high potentials or talents more quickly than others.

Effective Talent Management helps increase organizational efficiency and effectiveness and has a proven strong link to financial returns: eg. in a study of high-performing companies across industries and geographies, those organizations with the top financial results were five times more likely to run mature career development processes than the bottom performers.

Talent Management is about:

- Filling positions with the right (knowledgeable and productive) candidates
- Promoting high potentials in order to increase their organizational impact on productivity
- Developing staff to increase their efficiency in their current role
- Increasing performance and consistently retaining the best employees

These inbuilt factors become more relevant in light of the well known demographic factors such as aging, globalization of the workforce and generation x syndrome. Knowledge, experience, competencies and skills are the ingredients of human capital that need to be sustained and increased, not only in service organizations but in all industries that includes education sector also previous research into the subject reveals that the business school labour market is largely a seller's market demand for suitably qualified and skilled people outstrips supply. There is a serious projected shortfall in staff numbers.

An institution with talented faculties can develop a reputation for being great place to work, with great learning environment where quality in education is expected. An institution in higher education therefore needs to be able to develop and deploy faculty who can articulate the passion and vision of institution and satisfaction of students. Faculty members as internal customers satisfy the working environment of universities. This implies that in order to enhance faculty performance certain aspects and functions of their job have to be prioritized.

The issues related to faculty are sufficiently significant for an analysis to be appropriate, to understand the 'whole picture' and suggest possibilities to sustain quality and leadership in institution of higher education. The first important aspect to consider in structured talent management process for institutions is to align the complete process with the institutes' vision, mission, and strategy as this will define the talent of faculties for that institution, it may vary from research focused or teachings focused institutions. With the idea of competencies required for faculties to define them as talent, institutions can draw the talent management initiatives and model for that institution. This will enable knowledge creation and tapping the full potential of talent available, ultimately results in effective learning. The objective was to understand the factors important for faculty and their satisfaction so as to suggest factors to be considered in designing talent management process and in attracting, developing and retaining star faculties.

Talent Attraction

How can institutions attract talent they need? The first step is determining what talent is needed and then being smart about where and how to find it. Many organizations deploy traditional recruitment tactics such as on-campus recruiting at higher education institutions, where they offer attractive financial incentives and multifaceted compensation packages that address salary, bonus, cost of living, research funding, paid leaves and more. One of the biggest attracters of talent into an organization (or sector) is the prevalence of talent already there. Talent attracts talent, and so it is with mediocrity. In any organization, there are "A player" (exceptional performers who inspire others), "B players" (solid performers who show potential), and "C players" (who under-perform and undermine teamwork) "A player" should be promoted, "B players" should be developed, and "C players" should be shown the door. Once an organization earns a reputation as one that rewards excellence and shuns mediocrity, it will become a magnet for talent.

Talent Development

Once talented people are on board, they must be trained and developed. Faculties are increasingly realizing that training and faculty development programs must go beyond being an afterthought and become an integral part of an institute's competitiveness initiatives. While few organizations have these kinds of training resources, forward-looking organizations are placing similar emphasis on faculty development, knowledge-sharing, cross-functional development, resource availability for research, creativity, and network creation. These talent-minded organizations have learned that talent development requires talent empowerment. The larger point here is that talent development cannot remain merely a function of an active human resources department or the domain of a single executive charged with overseeing this process. For talent to thrive, talent development must be an explicit priority across the board, and the organizational culture, structures, systems, and investments must be aligned with faculty

growth plans.

Talent Retention

Proactive organizations are recognizing the importance not only of getting talent in the

door but also of keeping it through effective retention efforts. Not only does retention help build and sustain an organization's culture and enhance its chances for long-term success, it yields significant savings in time and money. "Employee retention is of utmost importance. With entry of each employee, a unique set of skills is brought. Where talent is already rare and people with requisite skills and experience are difficult to find, retention becomes a critical component of organization building." Where monetary compensation -- salary, perks, paid holidays, incentives – are a given, it is the intangible benefits like career roadmap and bonding of the employee with the organization which determines whether one will seek out greener pastures., The pull is on the side of the people today, with more opportunities and avenues, organizations are increasingly at the mercy of employees making a choice. Recruiting is expensive, and without active focus on retention, the model becomes unsustainable.

Organizations that think that "cash" is the name of the game cannot be more wrong on the front. Yes, it is the most perceptible aspect of the employment deal, but of course not the complete deal itself. The best bet to retain employees is to provide them the vehicle of opportunity to grow in their career. Retention efforts must be part of an organization's strategic business initiatives and must be carefully aligned with who, what, where, when and how for an organization. That means that there must be complete clarity on who needs to be retained, why they need to be retained, where their skills and expertise is to be used and when they need to be ready to share those skills and that expertise

Methodological Framework

The present study is exploratory in nature. The findings of this study are based on a survey conducted with majority of the responses from Delhi-NCR. The objective was:

·To study the factors required for creating talent pool of any organization.

·To study the attribute based perceptual map of employees towards talent recruitment, talent management and talent retention.

Understand the factors important for faculty and their satisfaction so as to suggest factors to be considered in designing talent management process and in attracting, developing and retaining star faculties. A structured questionnaire was used in the survey. Faculties and directors of management institutions were asked to fill the responses. The questionnaire contained about the expectations of faculties and their satisfaction with the actual. Various parameters were used in the questionnaire to analyze the expectations of faculties at different business schools.

Data Collection

A questionnaire was developed to gather information from the faculty members of management & technical institutions, keeping in view the nature of their work as mentioned in their websites. Faculties have been asked to rate fifteen variables in a 5-point scale on their importance level. Questionnaires were distributed to 200 faculty members of the business institutes. 150 completed questionnaires were received who satisfy conditions of Experience and publications. The questionnaire was analyzed with the help of SPSS 16 version to perform factor analysis and discriminant analysis.

Analysis:

Factor Analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.773
Bartlett's Test of Sphericity	Approx. Chi-Square	212.414
	Df	105
	Sig.	.000

Kaiser- mayer-olkin: A measure of whether our distribution of values is adequate for conducting factor analysis. In this case it is .773 is meritorious.

The test of sphericity measures the multivariate normality of our set of distribution. It also tests whether the correlation matrix is an identity matrix. A significant value < .05 indicates that these data do NOT produce an identity matrix and are thus approximately multivariate normal and acceptable for factor analysis

Component Matrix

	Component					
	1	2	3	4	5	6
Work ethics	-.751	.058	.166	.063	.096	.015
Attitude	.674	-.313	-.031	-.064	-.013	-.016
Problem solving	.637	.038	-.139	.046	.001	-.035
Social	.531	.268	.249	.313	-.296	-.118
Self confidence	.126	.501	.347	-.302	-.037	.001
Motivation	.104	-.485	-.113	.298	.427	.245
Adaptability	.351	.190	.582	-.087	.145	-.175
Regulation	.087	-.306	.565	-.202	.225	.473
Criticism	.075	.481	-.517	.271	-.097	.267
Empathy	.085	.270	.323	.596	.005	.049
Pressure	-.190	.128	.120	.490	.297	.144
Awareness	-.337	-.204	.058	-.084	-.590	.064
Communication	-.352	-.126	.344	.245	-.425	.156
Time management	-.383	.361	.008	-.122	.418	-.382
Team player	.052	.500	-.097	-.310	.037	.668

Rotated Component Matrix[a]

	Component					
	1	2	3	4	5	6
Work ethics	-.756	-.040	.042	.149	.096	-.043
Attitude	.693	-.089	.171	-.107	-.120	-.123
Problem solving	.611	.038	-.078	-.214	.040	.044
Time management	-.550	.235	-.163	-.458	-.007	-.136
Social	.518	.365	-.121	.104	.428	-.067
Motivation	.115	-.653	.292	-.199	.153	-.051
Self confidence	-.013	.647	.121	-.095	.029	.194
Adaptability	.190	.517	.353	-.202	.223	-.197
Regulation	.025	-.014	.847	.070	.031	.103
Awareness	-.146	.012	-.059	.670	-.204	-.054
Communication	-.221	.010	.110	.632	.238	-.079
Empathy	.039	.104	-.016	.053	.726	-.015
Pressure	-.252	-.191	.044	-.120	.544	.057
Team player	-.031	.201	.124	-.066	-.063	.861
Criticism	.093	-.097	-.527	-.067	.211	.560

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 8 iterations.

The output of factor analysis is obtained by requesting principal component analysis and specifying the rotation. There are two stages in factor analysis. Stage one being the factor extraction process, wherein the objective is to identify how many factors are to be extracted from the data. There is a rule of thumb based on the computation of an eigen value, to determine how many factors to be extracted. The higher the eigen value of a factor, the higher is the amount of variance explained by the factor.

Looking at the rotated component matrix we see that variable Positive attitude and problem solving have loadings of .693 & .611 on factor 1.this suggests that factor 1 is a combination of these two variable. Therefore, this factor can be interpreted as Analytical Skills. Now for factor 2 we see that variable adaptability and self-confidence have loadings of .517 & .647 on factor 2. this suggests that factor 2 is a combination of these two variables. Therefore, this factor can be interpreted as Leadership skills. Now for factor 3 we see that variable regulation have loadings of .847 on factor 3. Since factor 3 is a single variable so we can leave this factor.

Now for factor 4 consists of variable Cultural awareness and Communication and have loadings of .670 & .632 on factor 4 this suggests that factor 4 is a combination of these two variables. Therefore, this factor can be interpreted as Interpersonal Skills.

And for factor 5 & 6 we see that variable empathy, pressure and social skills together loads up for factor 5 called Coping Skills and variable team player and criticism votes up for factor 6 called up as Group Interacting Skills

Discriminant analysis:

Tests of Equality of Group Means

	Wilks' Lambda	F	df1	df2	Sig.
Salary	.723	27.960	2	146	.000
Learning	.974	1.959	2	146	.145
Growth	.985	1.139	2	146	.323
Performance	.994	.418	2	146	.659
Recognition	.822	15.847	2	146	.000
Work life balance	.669	36.100	2	146	.000
Job satisfaction	.841	13.847	2	146	.000
Excellence	.904	7.742	2	146	.001
Paid leaves	.942	4.491	2	146	.013
Respect	.995	.360	2	146	.698
Teaching load	.938	4.850	2	146	.009
Role clarity	.769	21.884	2	146	.000
Study & research	.887	9.326	2	146	.000
Attrition rate	.751	24.218	2	146	.000
Support	.907	7.519	2	146	.001

Here the value of Wilks'Lambda indicates group differences. A low value of degree of significance also indicates higher group differences. However in this case, the values of wilks lambda are for salary, role clarity and attrition rate. But looking at the last column, all attributes except learning, growth, performance and respect seem to be significantly between the brands.

Eigenvalues

Function	Eigenvalue	% of Variance	Cumulative %	Canonical Correlation
1	4.656[a]	77.5	77.5	.907
2	1.350[a]	22.5	100.0	.758

a. First 2 canonical discriminant functions were used in the analysis.

The Eigen value is the ratio of the between-group sum of squares to the within-groups sum of squares. The largest Eigen value corresponds to the Eigen vector in the direction of the maximum spread of the groups mean. The second largest Eigen value corresponds to the Eigen vector in the direction that has the next largest spread, and so on. The percentage of variance column allows you to evaluate which canonical variable accounts for most of the spread. Here, the first Eigen value is able to explain 77% of the variance.

Wilks' Lambda

Test of Function(s)	Wilks' Lambda	Chi-square	Df	Sig.
1 through 2	.075	359.601	30	.000
2	.426	118.753	14	.000

This table is used to identify the function, which is significant in explaining the differences among the groups. Wilks Lambda is the proportion of the total variance in the discriminant scores not explained by differences among the groups. wilks lambda ranges between 0 and 1. Value close to 0 indicates the group means are different. Value close to1 indicate that the group means are not different. Here since both the wilks lambda values are close to zero they are able to explain the differences in the groups. Thus both the functions are significant.

Standardized Canonical Discriminant Function Coefficients

	Function	
	1	2
Salary	.751	.205
Learning	2.191	.962
Growth	.952	.969
Performance	1.921	.995
Recognition	-.889	1.054
Work life balance	.076	.748
Job satisfaction	.240	.034
Excellence	2.536	-.479
Paid leaves	.901	.713
Respect	.957	.137
Teaching load	.701	1.179
Role clarity	1.931	.354
Study & research	1.046	.055
Attrition rate	1.222	1.137
Support	.555	.641

When variables are measured in different units, the magnitude of an unstandardised coefficient provides little indication of the relative contribution of the variable to the overall discriminant function. Standardizing the coefficient allows one to examine the relative standing of the measurements. The higher value of the coefficients allows one to examine the relative standing of the measurements. The higher value of the coefficients for a particular attribute on a function indicates the higher loading of the same on that function.

Structure Matrix

	Function	
	1	2
Work life balance	-.309*	-.192
Study & research	.164*	-.040
Support	.145*	.061
Growth	.057*	-.022
Performance	.034*	.019
Respect	.032*	-.011
Job satisfaction	-.025	-.372*
Recognition	-.123	.330*
Role clarity	.194	.304*
Salary	-.241	-.288*
Attrition rate	.220	.281*
Excellence	.067	-.251*
Teaching load	.007	.221*
Paid leaves	-.084	-.146*
Learning	-.020	.136*

*. Largest absolute correlation between each variable and any discriminant function

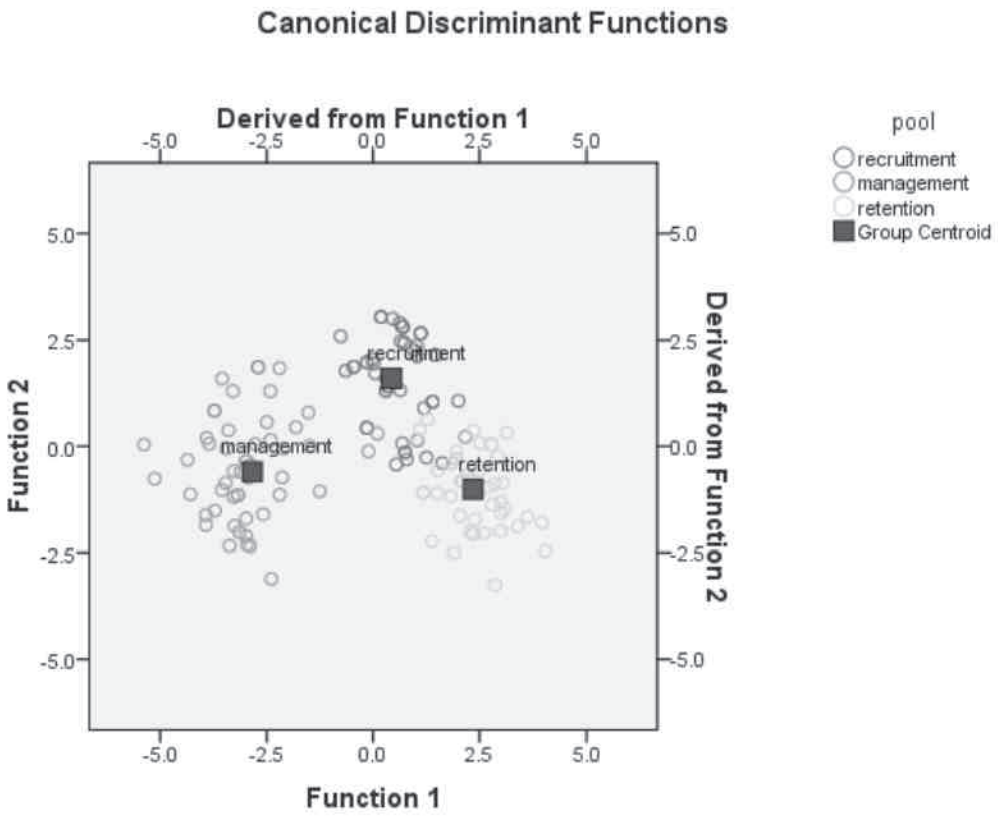
The structure matrix contains within group correlations of each predictor variables with the canonical function. For each variable, an asterisk marks its largest absolute correlation with one of the canonical functions.

Functions at Group Centroids

	Function	
Pool	1	2
Recruitment	.433	1.601
Management	-2.838	-.604
Retention	2.349	-1.010

Unstandardized canonical discriminant functions evaluated at group means

This table displays the canonical variable means by groups. Within-groups means are computed for each canonical variable.



As seen from the graph talent recruitment, talent management and talent retention have their unique positions on the map. In addition, on the same map, we have now plotted values of the attributes on the same two dimensions. As we can see, dimension 1 seems to be combination of Learning, performance, role clarity, study & research, job satisfaction, respect, growth and Attrition rate. This is also evident from the standardized discriminant coefficients for these factors.

Dimension 2 seems to comprise mainly excellence, teaching load and recognition, the vector (arrow) that is closest to the vertical axis. This is also evident from standardized discriminant coefficient of this variable.

Talent pool and their association with attributes/ dimensions:

Talent recruitment seems to be stronger on dimension1 (a combination of Learning, performance, role clarity, study & research, job satisfaction, respect, growth and Attrition rate) and Talent Retention on dimension 2(excellence, teaching load and recognition). However Talent Management seems to score low on both the dimensions compared to its compitetiors.

Limitations & Directions:

While generalizing the finding of the study for different academic institutions, caution should be made, considering sample size and area of study and that study was conducted in private business schools with similar vision and purpose. Since the study focused only on faculty as talent, other contributors in educational institutions also need to be identified. Future research is needed in establishing a model, which can guide academicians and bureaucrats in understanding and establishing effective learning and research environment.

Conclusion:

Faculties as talent for business schools require their competencies as per the vision and objectives of business schools. As evident in the conceptual framework, specific competencies required in faculties, which will decide attracting; selecting and developing strategies need to be according to the vision and objective of institution. This study shows that Analytical Skills, interpersonal; Skills, group interaction skills and leadership skills are important factors for creating talent pool. Therefore effective talent pooling should be made in line with the above mentioned skills of faculties with institution vision. A research focused institution will need different competencies in

faculties as compared to those in a teaching focused and student centered institute. Present study shows that faculties in business schools consider Learning, performance, role clarity, study & research, job satisfaction, respect and growth as important factors for recruiting talent in an institution. Considering faculty as talent and establishing effective talent management practices with focus on excellence, teaching load and recognition would reduce attrition. A facilitating working environment and support from administration may positively result in internal growth of faculties, which is also ranked an important factor by them. With effective practices of learning and growth opportunities, quality faculties can be built within the business schools which would help in building leadership position of the institution while also achieving internal career growth aligned with the vision and strategies of the institution.

References:

Abdul Rauof Quraishi, U. & Kalim R. (2007), "Development of a Faculty Satisfaction Model for Higher Education", CIE Conference, Alexandria, Egypt available at: http://www.cie37.net, retrieved on 14/6/ 2008.

Chen, S. H., Yang, C. C., Shiau, J.Y. & Wang H. H. (2006), "The Development of an Employee Satisfaction Model for Higher Education", The TQM Magazine, 18(5): 484-500.

Cornesky, R.(1991), Implementing Total Quality Management in Higher Education, Magnar Publications and Madison, WI.

Einstein, W. & Bacdayan P. (2001), "Developing Mission-Driven Faculty Performance Standards", Journal of the Academy of Business Education, 2.

Farley, C. (2005). "HR's Role in Talent Management and Driving Business Results", Employment Relations Today, 32(1): 55-61.

Jyotsnarani, K. (2007), "Attainment of Excellence through Higher Education" Orrisa Review, Feburary-March 2007.

Michaels, E., Handfield-Jones, H., & Axelrod, B. (2001), The War for Talent, Harvard Business School Press, Boston.

Shagbemi, T. (1997a), "Job Satisfaction Profiles of University Professors", Journal of Managerial Psychology, 12 (1): 27-39.

Rauof, A. (2004), "Quality in Higher Education", Pakistan Academy of Science (Proceedings), 42(2): 165-74.

Shagbemi, T. (1997b), "Job Satisfaction Profiles of University Professors", Journal of Managerial Psychology, 12 (1): 27-39.

Barbeito, C, & Bowman, J. (1998). Nonprofit compensation and benefits practices: John Wiley & Sons Inc.

Barney, J, & Wright, P. (1998). 'On becoming a strategic partner: The role of human resources inmgaining competitive advantage', Human Resource Management, 37: 1, 31-46.

Brown, W, Yoshioka, C, & Munoz, P. (2004). 'Organizational mission as a core dimension in

employee retention', Journal of Park and Recreation Administration, 22: 2, 27–42.

O'Reilly III, C, Chatman, J, & Caldwell, D. (1991). 'People and organizational culture: A profile comparison approach to assessing person-organization fit', Academy of management journal, 34: 3, 487-516.

Osborn-Jones, T. (2001). 'Managing talent Exploring the new psychological contract'. 29 | Page

Srivastava, P, & Bhatnagar, J. (2008). 'Talent acquisition due diligence leading to high employee engagement: case of Motorola India MDB', Industrial and Commercial Training, 40: 5, 253-260.

Vigoda, E, & Cohen, A. (2003). 'Work congruence and excellence in human resource management', Review of Public Personnel Administration, 23: 3, 192.

Watson, M, & Abzug, R. (2005). 'Finding the ones you want, keeping the ones you find: Recruitment and retention in nonprofit organizations', RH Associates, The Jossey-Bass Handbook of Nonprofit Leadership and Management, 623-659.