

Original Research Article  
**TALENT MANAGEMENT PRACTICES AND ITS IMPACT ON  
INTENTION TO STAY IN THE ORGANISATION**

**ABSTRACT**

*In today's dynamic business environment, the organisations are looking to add new and improved or innovative capabilities to their portfolio of business. In order to achieve these objectives organisations need to add a very vital component called human resource. Therefore, Talent management is the buzz word in IT sector to attract and retain the talented workforce. The aim of the current research paper is to explore the attitude of the employees towards the major factors that influence the talent management practices in Indian IT firms with an intention to stay in the organisation. To realise the stated objectives the researchers have collected the primary data from two hundred talented employees across the IT sector. In this context talented means one has consistently a top performer or received the best employee or star performer reward or recognition from the employer for at least two years in a specific domain. For this purpose the researchers have identified eight major factors such as quality of supervision, Compensation Management practices, job engagement, innovation practices, open climate, Career Development Path, organizational Environment and quality of working Environment. The multiple regression model results revealed that the independent variable Compensation management, Job engagement, Open climate, Organizational environment and quality of working environment were the major drivers of intention to stay in the current organisation. When we rank the determinants we found the most prominent determinant being Job Engagement followed by Quality of working environment, Open climate, Compensation management and Organizational environment. The current study results of this research make a number of significant contributions to both talent management theory and practices. Firstly, we provide empirical support from the perspective of employees about the various talent management practices strategies employed by various IT companies from Indian context. Secondly, we provide a scheme of suggestions to the IT firms across IT sector various strategies to retain the talented workforce. Thirdly, we have ranked the various variables chosen for the purpose of the study based on the empirical evidence and suggested the managers various interventions to nurture and retain the talented workforce. Additionally, the current paper is aimed to assist the managers with some of the vital issues they face with regard to implementation of talent management strategies.*

**Key words:** *Talent management, Innovation, Job engagement, Quality of Supervision, Multiple Regression Model. Parameter.*

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## I. INTRODUCTION

The act of attracting, selecting, developing and retaining the best employees in the strategic roles to maximize the wealth of the shareholders is called talent management (Scullion & Collings, (2011)). Further, the major role of talent management is to recognizing the role of individuals who excel at particular assigned activities in the organization context and nurturing them to assign a more responsible task with an intention to create a positive image about the company (ibid). Therefore, according to Uren & Jackson, (2012) the main aim of TM is developing and positioning the right human resources at the right job on the right time and providing them the right working environment with right incentives plan to exhibits their abilities in a best possible way for the overall benefit of the organization. Thus, Talent Management means a signifies a careful method taken up by an organization to attract, develop and retain people with the aptitude and abilities to meet not only the current requirements but also future organizational needs. Therefore, TM is, thus, the managements' main priority (Michaels, et al., 2002); Byham (2001), Olsen (2000).

McKinsey, the pioneers behind talent management, define talent as "the sum of a person's abilities; his or her intrinsic gifts, skills, knowledge, experience, intelligence, judgment, attitude, character and drive. It also includes his or her ability to learn and growth (Michaels et al., (2001): xiicited in Parthasarathy, R. and Zimmermann, A., (2012), pp. 3). Now talent management is major challenge for all the firms irrespective of sector, country etc. especially in the highly competitive global market (Gardner, (2002); Scullion et al., (2010)). Moreover, attracting talented workforce to the organization is no longer the job of HR department alone, now it is the top priority of top management (Farndale et al., (2011)). As per Economist Intelligence Unit (2006) report shown that the CEO's spent nearly 50 percent of the vital time in talent related issues. Therefore, it is only those firms that follow the TM practices that have the higher chances of winning the talent war Williams, M. (2000). Thus, top management involvement is a must to win such war in present scenario especially in the current knowledge based economy (Heinien and O'Neill, (2004); Ingham, (2006); McGee, (2006)). Therefore, TM should not be separated from organizational strategy. It should be integrated as one of the vital component of overall corporate strategy (Kim and Scullion, (2011)). According to Goffee and Jones (2007) the term talent refers to a set of employees whose cognitive ability, skills, and knowledge give them the potential to produce the disproportionate vale from the resource they have available from them. Ingham (2006) define the term talent as people who are in the key position, the leader team, the individual who has the scarce capability or make particular contribution to the organization. Since talent is the most important resource the organizations are competing against each other to acquire and retain talents in order to maintain their operations and continue to grow (Gardner, (2002)). Therefore, Heinen et al, (2004) listed out four important talent management strategies for all the organizations such as talent attraction, talent retention, learning and development and career management. The author, cautioned the managers that each of these components should be defined and planned to fit the strategic requirements of the business as well as integrate with each other. Lawler, (2008) argued that the talent provides a better long-term competitive advantage over any other assets. Ballesteros & Inmaculada, (2010) listed out the key benefits of talent management practices especially from the context of

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knowledge based firms such as increased productivity, active participation, employee engagement (Julia & Evelina, (2008). Morton (2005); (DiRomualdo et al., (2009); Gruman& Saks, (2011)), retention of key employees and much more. Therefore, talent management has three essential components such as (i) Talent attraction and recruitment with right corporate branding (Armstrong, M. (2006); (Davis et al., (2007); Ballesteros & Inmaculada, (2010); (Ana, 2009)) (ii) Talent Retention through healthy HR practices such as Intrinsic and extrinsic tools ((Echols, 2007); Tansley et al., (2007); (Vaiman& Vance, (2008)) and (iii) development of talents in the organization.

Primarily, the current paper would investigate the theoretical background of the proposed topic talent management. Later, the authors tried to identify the major drivers of talent management practices from the context of Indian IT sector from the perspective of talent employees and highlighting various issues relating to the proposed topic. The reminder of this research paper is structured as follows: In Chapter One, we have discussed the background of the study and the conceptual meaning of talent management. In the next section we present the review of literature available on the topic. This is followed by the research design, the methodology employed covering the research objectives and the research hypothesis. In Chapter four the researchers cover the data analysis and in the last phase, a brief discussion have been made and the results were compared to the possible evidence.

## II. LITERATURE REVIEW

Talent Management (TM) refers to the anticipation of required skilled human resources for an organization and the planning to meet those needs. The phrase talent was first coined and popularized by McKinsey consultants (1997) in a book called the War for Talent in 1997 (cited in Michaels et al., (2001); Boudreau and Ramstad, (2007)) to highlight the vital role of leaders and high potential employees played in the success of the organizations. Later the topic talent management has received a very prominent attention in the literature for example (Lewis and Heckman (2006); Hulesid et al., (2005); Frank, F.D., Finnegan, R.P. and Taylor, C.R. (2004); Cheese, P., Thomas, R.J. and Craig, E. (2008); Boudreau, J.W. and Ramstad, P.M. (2005); Aston, C. and Morton, L. (2005); Vance and Vaiman, 2008; Tymon et al., (2010); Schuler et al., (2011); Holt Larsen and Mayrhofer, (2006); (Makela et al., (2010); Lewis, R.E. and Heckman, R.J. (2006); Parise, S. (2007); Vaiman, V. and Vance, C.M. (2008), Cappelli, P. (2008), DeVos, A. and Soens, N. (2008), Guthridge, M., Komm, A.B. and Lawson, E. (2008), Cross, R. and Thomas, R. (2008), Collings, D.G. and Mellahi, K. (2009)). In today's competitive business environment linking of human resource strategy with overall corporate strategy is vital. Consequently, workforce planning (Reilly, (1996); Vareta, (2010); Cherian, (2011); Keel, (2006); Wickham and O'Donohue, (2009)), attracting superior talent and Talent acquisition (Srivastava and Bhatnagar (2007); Madeline Lauren (2013); Bhatnagar and Srivastava, (2008); Aiman-Smith et al., (2001); Chapman et al., (2005)) have become a major challenge for organizations (Beechler& Woodward, (2009)). This problem is more serious in the emerging economies such as India, China, Brazil etc. (Tymon et al., (2010); Vaiman and Holden, (2011)). Ployhart, (2006) argued that manning the right talent to the right position acts as a key strategic opportunity to gain competitive advantage. This can be achieved either internally (through a well-defined succession management or through

corporate branding (Cappelli, (2008); Hills, (2009)). Further Taylor and Collins, (2000) concluded that talent attraction and recruitment is very critical not only for sustained competitive advantage over its rivals but also for basic organizational survival. Further, Flegley, (2006) argued that cut-throat competition in employment market, non-availability of talented and skilled employees make it very difficult to attract talent and retain talented workforce for organizations (Collings and Mellahi, (2009)). Thus the major issues behind talent management practices in any organization is that developing strategy, identifying talent gaps, succession planning, recruiting, selecting, induction, motivating and retaining talented employees with view to increase the wealth of the stakeholders (Groves, (2007); Ringo et al., (2010)).

According to McCauley & Wakefield, (2006) and Athey, (2008) despite millions of unemployed, there is a grave shortage of talents especially for key positions (Bernhart, (2006); Donaldson, (2006); Green, (2000)). Competition and the lack of availability of highly talented and skilled employees make finding and retaining talented employees a major priority for organizations (Flegley, (2006)).

According to Kiessling and Harvey, (2006), Knowledge is now regarded as the most vital organizational asset with firms emphasizing skills and intangible resources as competitive tools. Therefore, retention of employees who possess and exhibit this knowledge is key for the survival (ibid). Yet, another outcome from the literature review is that succession planning, this involves preparing for the organization's next think team to handle the challenges, through developing, empowering, skilling (Cappelli, (2008); Lengnick-Hall & Andrade, (2008); Hills, (2009)). Thus, key issue is this line is identification of knowledge gap, empowering the potential employee's and ensure their retention (Cairns, (2009)).

Talent attraction can defined as the process through which organizations attract the highest calibre candidates for the job. The HR department usually resort various strategies such as employer branding (both internal and external), quality supervision, with proper job discretion, flexible working hours and employee value proposition through very attractive HR policies and compensation plan (Backhaus and Tikoo, (2004); Bouchikhi and Kimberly, (2008); (Harchandani, (2009)). Therefore, Talent management is an approach to retain the highly talented and skilled employees of an organization (Parise et al., (2006)). The major drivers of talent attraction and talent management are advancement in technology and shortage of talents (Osborn-Jones, (2001)), compensation benefits (Metha, Kurbetti&Dhankar, (2014); Aguinis (2014), Harris and Brannick (1999); Jiang, Xiao, Qi & Xiao (2009); Rao (2012), Lawler (1990), Meyer (2003), Smith (2001), Recognition and Rewards Dibble (1999) Harris and Brannick (1999); Smith (2001) well defined Career Planning path (Piansoongnern et al., (2011); Lehmann, (2009); (Paul, 2015); Cardy and Lengnick-Hall's study (2011); (Karodia, Pillay & Dawood, (2015); (Paul, (2015); Sharmila, (2016); Meyer et al (2003) Smith (2001), performance management (Aguinis, Gottfredson, &Joo (2012, p. 612); (Vaiman& Vance, (2008)), well planned recruitment policy to acquire the right talent (Kumar, 2016); Verma (2016); Kigo and Gachunga (2016), Zhang et al., 2015 (Taylor and Collins, 2000; Armstrong (2006); (Davis et al., 2007)), strategic training of key personnel ((Lopez, Peon and Ordas, 2005, 2006; Haesli and Boxall, 2005), work life balance (Sturges (2008) (Sathyanarayana, Gargesa&Lekha); Withers, 2001)), effective Communications and Participative management (Kaye and Jordan-Evans, 1999) etc.

Yet another important phenomenon documented in literature is organizational identification (OI). OI, is nothing but belongingness to the organization (Riketta, 2005). This particular phenomenon would benefit the organization in the form reduction in employee turnover (Tyler & Blader, 2000), increase the job satisfaction ((MacBeath, 2006; Steinweg, (2009)), organizational commitment (Mael & Ashforth, (1992)) and employee retention (Oladapo (2014); Deery and Jago (2015); Isukapally, 2006; Briggs 2007; Mandhanya (2015)). Since, the organizational identification is positively related to the turnover intention and organizational commitment, it is suggested to take the OI has one of the serious component of talent management. Chreim, (2002) suggested that if, the employee views the organization as a true reflection of his own self, the stronger the identification and the higher the emotional and behavioural investment of the individual in the organization.

Joyce et al., (2007) and Tansley et al., (2007) listed out the following prominent observations to justify that why talent management practices are a worthwhile investment for any organisation. According to them the firms which are engaged in talent management practices are likely to exhibit significantly higher financial performance compared to their industry peers, in terms of operating profit (Guthridge & Komm, (2008); Ringo et al., (2008)), significant improvement in operational performance (Ashton & Morton, (2005)), increased sales revenue and productivity (Barber, Catchings, & Morieux, (2005); Gandossy & Kao, (2004); Yapp, (2009)), in turn it increases the corporate profit (Lawler, (2009); Steinweg, (2009)) better return on equity (Joyce et al., (2007)) and increase in the wealth of the shareholders (Axelrod et al., (2001))

One more domain in literature that drives the talent management is a strong employer branding (Backhaus & Tikoo, 2004). Edwards (2010) digs a bit deeper and defines employment offering as particular employment experience that especially targets potential job applicants and current employees through the use of explicit claims. Employer branding includes development of an organization's image, good enough to attract employees. Without the good brand image, it is difficult to attract the right talents (Ana, (2009)). According to Bouchikhi and Kimberly, (2008), a high level corporate brand benefits the firms in drawing new talents towards the firms. Ployhart, (2006) opined that a good corporate brand image not only guarantees a continuous source of new applicants for gaps but also increases the credibility of the organization (Botha et al., (2011)).

According to Goffee and Jones, 2009; Groysberg et al, 2010 ingenious people need to be properly managed if their full potential is to be realized especially from the perspective of an organization. Bhatnagar, 004) is of the opinion that with better talent acquisition, the quality of work life, employee work engagement will improve and so does the productivity.

Manpower Inc., (2006) conducted a survey to investigate the major challenges of talent attraction and retention for organization. According to the survey findings based on 33,000 employers across 23 countries, confirmed that 40 per cent of them had difficulty in finding and hiring the desired talent. Apart from that in an empirical investigation by Axelrod et al., (2001) the 90 per cent of responded managers (7,000 managers were interviewed for the purpose of the study) indicated talent acquisition and retention were becoming a major challenge for them.

A study on the effect of talent management centered on the performance of organizations was carried out in the listed companies in the Nairobi Securities Exchange in Kenya (Lyria, R. K.

(2014)) The study was focused on an indepth analysis of the impact of talent attraction, the retention of talents, learning and development and the management of careers based on the performance of the organizations listed in NSE in Kenya. The findings of the study was that there was a positive immense impact between talent management and the **performace** of organizations. The study suggests that if talent management is heavily put into practice, the results will be a performance that is of superior significance in the organization world.

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In an empirical investigation by Vanka Sita & Anitha Pinapati (2013) tried to explore the competency management as a tool of talent management in Indian IT companies found that recruitment followed by HR planning and performance appraisal were perceived to be the important competency based HR functions.

In an interesting study by Ready and Conger, (2007) of forty global business companies found that nearly all of the sample companies do not have sufficient talent pipeline to fill key positions within the organization, which significantly constrained the future growth of their business. In another study by James Kehinde (2011) found that there is a significant and positive impact of talent management practices on the overall performance of the organization.

In an empirical study by Nagarajan et al. (2013) found that, there was a significant impact of the Talent Management Practices on the employee performance and productivity in organized retail sector. A report by Economist Intelligence Unit, (2006) concluded that CEOs are more and more involved in the talent management practices, with the major chunk of those surveyed spending approximately twenty per cent of their time on talent management issues, while some spent approximately about 50 per cent of their time on talent management issues.

In another empirical study by Maya & Thamilselvan (2012) concluded that Alternative Work Schedule, Mentoring/Coaching, Rewards and recognition system, Alternative Work Schedule and Employee Engagement activities were the major determinants of talent management activities in Indian IT sector. Srinivasa Rao Dasari, (2008), opines that the Indian IT sector is currently facing major challenges such as attrition, employee loyalty, confidentiality etc. Therefore, the HR department role in this sector is changing. AS Murti, (2008) confirmed this view. In another study by Rani and Joshi (2012) confirmed that the major drivers of talent management and retention strategies were organizational culture, rewards, pay & other benefits and job security.

Although review of the literature shows that Talent Management is an emerging concept, the effectiveness of Talent Management practices and its contribution to the organization have still not been precisely quantified and moreover, despite the growing popularity of talent management and over a decade of debate and hype, the concept of talent management remains unclear (Lewis and Heckman, 2006; Collings, D.G. and Mellahi, K. (2009)). Therefore, the following factors motivated us to take up this topic for the purpose of the study: (i) Most studies available in literature have been retrospective, and have neglected to collect the first hand information from both employer and employees perspective, (ii) majority of the studies on talent management focus only on the conceptual issues such as policies, procedures etc. (ii) most of the organizations have taken up research in talent management independently to suit their individual needs; (iii) there has been a larger degree of research about talent management in the developed nations context and not much work has been done in developing economies such as India and (iv) With this knowledge, it is

assumed that the present empirical study would make an addition to existing work on talent management by collecting first-hand information from the talented workforce in Indian IT and IT enabled sector.

### **III. RESEARCH DESIGN**

#### **OBJECTIVES OF THE STUDY**

1. To analyse the existing Talent Management practices employed in Indian IT sector in order to retain and attract the talented workforce.
2. To identify the various factors of Talent Management practices in Indian IT sector.
3. To identify the key drivers of Talent Management practices as per the perception of the employees of Indian IT sector.

#### **HYPOTHESES OF THE STUDY**

1. There is no direct effect between gender and the independent variables such as Supervision (X1), Compensation Management (X2), Job Engagement (X3), Innovation (X4), Open Climate (X5), Career Development Path (X6), Organizational Environment (X7) and Quality of Working Environment (X8).
2. There is no significant relationship between independent variables (Supervision (X1), Compensation Management (X2), Job Engagement (X3), Innovation (X4), Open Climate (X5), Career Development Path (X6), Organizational Environment (X7) and Quality of Working Environment (X8)) and Intention to stay in the Organization (DV).

#### **SAMPLING**

The sample size taken for the purpose of the study was 200 respondents. The population covers the employees of various IT sector companies working in major IT companies across Bengaluru city. A structured questionnaire was used to collect data. By the exhaustive study of literature, the researchers have identified eight major determinants of the talent management practices of Indian IT companies namely; Quality of Supervision, Compensation management, Job engagement, Innovation, Open climate, Career development path, Organisation environment, and Quality of working environment. For each individual variable the researcher has created items utilizing five point Likert's scale. The objective of this empirical research identify the major determinants of the intention to stay in the current organisation. In mandate to gauge the indicated objectives, the researcher has established items for each variable chosen for the purpose of the study. Although 285 responses were collected at the initial stages, due to various reasons only 200 responses were retained for further analysis. The sample comprises of middle and higher middle level employees and only few employees who have been recognised as talents and awarded were chosen for the purpose of the study.

The collected data was collated by using SPSS software. While analysing the data, the following three major steps were followed. Under step one, we tested the collected data's internal consistency by applying reliability statistics. For this purpose, the instrument's reliability was adjudged by employing Cronbach's alpha. The threshold Cronbach's alpha

value fixed for this purpose was 0.7. Only those items whose Cronbach's alpha value was greater than 0.7 was retained for further analysis. Later various assumptions of the model have been tested. For this purpose, various diagnostic tests such as normality plot (this was investigated by framing histograms) and outliers were detected by employing box plots. In the second phase, frequency table and cross tabulation have been run and inferential statistics have been run to arrive at the meaningful statistical inference. In the last phase, multiple regression has been run to identify the major determinates of Intention to stay in the organisation.

**Table No. 1**  
**TABLE SHOWING CRONBACH'S ALPHA**

| Factors                               | Items | Cronbach's Alpha |
|---------------------------------------|-------|------------------|
| Supervision                           | 6     | 0.954            |
| Compensation Management               | 4     | 0.901            |
| Job Engagement                        | 5     | 0.903            |
| Innovation                            | 4     | 0.925            |
| Open Climate                          | 5     | 0.941            |
| Career Development Path               | 4     | 0.929            |
| Organizational Environment            | 5     | 0.841            |
| Quality of Working Environment        | 6     | 0.931            |
| Intention to stay in the organization | 5     | 0.894            |
| Overall                               | 44    | 0.914            |

The values of  $\alpha$  in this study for the 44 items was found to be .914 (Cronbach's Alpha Based on Standardized Items was .914) (Cronbach, L. J., & Meehl, P. E. (1955). It implies that there is a high degree of internal consistency in the responses to the questionnaire.

#### IV. DATA ANALYSIS

**Table No 2**  
**TABLE SHOWING THE DEMOGRAPHIC FACTORS**

| Variables      | Categories                 | No of respondents | Percentage |
|----------------|----------------------------|-------------------|------------|
| Gender         | Female                     | 80                | 40.0       |
|                | Male                       | 120               | 60.0       |
| Age            | Less than 20               | 2                 | 1.0        |
|                | 21-30                      | 182               | 91.0       |
|                | 31-40                      | 12                | 6.0        |
|                | 41 and above               | 4                 | 2.0        |
| Marital Status | Married                    | 44                | 22.0       |
|                | Single                     | 156               | 78.0       |
|                | Degree                     | 108               | 54.0       |
|                | Master Degree              | 76                | 38.0       |
| Qualification  | Diploma                    | 6                 | 3.0        |
|                | Other professional Courses | 10                | 5.0        |
|                | Top Level                  | 17                | 8.5        |
| Job Status     | Middle Level               | 127               | 63.5       |
|                | Entry Level                | 56                | 28.0       |
| Years of Work  | Less than 2                | 86                | 43.0       |

|                                  |              |     |      |
|----------------------------------|--------------|-----|------|
| Experience                       | 3-9          | 108 | 54.0 |
|                                  | 10-16        | 2   | 1.0  |
|                                  | 16 and above | 4   | 2.0  |
|                                  | Less than 2  | 138 | 69.0 |
| Years worked in current position | 3-6          | 56  | 28.0 |
|                                  | 7 and above  | 6   | 3.0  |

**Analysis: Gender:** 60% of the respondents were male and balance 40% were female (Majority of the respondents were male). **Marital Status:** 78% of the respondents were single and the balance 22% were married (Majority of the respondents were single). **Age:** 91% of the respondents were belongs to age group of 21-30 followed by 31-40 with 6% and the rest 1% of age group belongs to less than 20 and 2% belongs to 41 and above (Majority of the respondents belongs to youth) **Qualification:** 54% of the respondents were degree holders, 38% were master degree holders, 3 % were diploma holders and the rest 5% were other professional courses holders (Majority of the respondents were bachelor's degree holders). **Job Status:** 63.5% of the respondents were belong to middle level in the organization, 28% belongs to entry level and the rest 8.5% belongs to top level. (Majority of the respondents were belonging to middle level management). **Years of Work Experience:** 54% of the respondents were having the work experience of 3-9 years, 43% of respondents were having less than 2 years of work experience, 2% of the respondents were having 16 and above years of work experience and the rest 1% were having the work experience of 10-16 years (Majority of the respondents were having work experience of 3-9 years). **Years worked in current position:** 69% of the respondents were working in the current organization in less than 2 years, 28% of the respondents were working between 3-6 years and the rest 3% working more than 7 years in the current organization (Majority of the respondents were working in the current organization in less than 2 years).

**Table No 3**  
**TABLE SHOWING ONE WAY ANOVA RESULTS (Job status with IVs)**

| One Way Anova (Job Status with the quality of Supervision) |                |     |             |       |      |
|--|----------------|-----|-------------|-------|------|
|  | Sum of Squares | df  | Mean Square | F     | Sig. |
| Between Groups   | 636.600        | 2   | 318.300     | 8.105 | .000 |
| Within Groups  | 7736.420       | 197 | 39.271      |       |      |
| Total  | 8373.020       | 199 |             |       |      |
| One Way Anova (Job Status with Compensation Management)    |                |     |             |       |      |
| Between Groups   | 238.566        | 2   | 119.283     | 8.814 | .000 |
| Within Groups  | 2666.054       | 197 | 13.533      |       |      |
| Total  | 2904.620       | 199 |             |       |      |
| One Way Anova (Job Status with Job Engagement)             |                |     |             |       |      |
| Between Groups   | 314.324        | 2   | 157.162     | 7.736 | .001 |
| Within Groups  | 4002.296       | 197 | 20.316      |       |      |
| Total  | 4316.620       | 199 |             |       |      |
| One Way Anova (Job Status with Innovation practices)       |                |     |             |       |      |
| Between Groups   | 115.808        | 2   | 57.904      | 3.676 | .027 |
| Within Groups  | 3103.212       | 197 | 15.752      |       |      |
| Total  | 3219.020       | 199 |             |       |      |

| One Way Anova (Job Status with the Open Climate)                          |          |     |         |       |      |
|---|----------|-----|---------|-------|------|
| Between Groups  | 165.812  | 2   | 82.906  | 3.058 | .049 |
| Within Groups   | 5340.188 | 197 | 27.108  |       |      |
| Total   | 5506.000 | 199 |         |       |      |
| One Way Anova (Job Status with the Career Development Path)               |          |     |         |       |      |
| Between Groups  | 110.851  | 2   | 55.425  | 3.701 | .026 |
| Within Groups   | 2950.269 | 197 | 14.976  |       |      |
| Total   | 3061.120 | 199 |         |       |      |
| One Way Anova (Job Status with the quality of Organizational Environment) |          |     |         |       |      |
| Between Groups  | 103.633  | 2   | 51.816  | 2.505 | .084 |
| Within Groups   | 4075.522 | 197 | 20.688  |       |      |
| Total   | 4179.155 | 199 |         |       |      |
| One Way Anova (Job Status with the Quality of Working Environment)        |          |     |         |       |      |
| Between Groups  | 351.167  | 2   | 175.583 | 6.128 | .003 |
| Within Groups   | 5644.708 | 197 | 28.653  |       |      |
| Total   | 5995.875 | 199 |         |       |      |

**Analysis:** A one way Anova test has been conducted to find out any difference between Job status in the organisation (Top Level, Middle Level and Entry Level) and their perception towards the chosen independent variables for the purpose of the study. It is evident from the above table No 3. For the first variable (Supervision) we found a significant effect of Job status such as Top Level (Mean = 21.35), Middle Level (Mean = 22.13) and Entry Level (Mean = 18.09) were statistically significantly different while perceiving the quality of Supervision with  $F(2, 200) = 8.105, p = .000$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.357,  $p = .436$ .

Similarly for the second factor Compensation Management, there was a significant effect with  $F(2, 200) = 8.814, p = .000$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.023,  $p = .541$ . For Job Engagement there was a significant effect of job status such that the various levels chosen for the purpose of the study significantly different while perceiving the Job Engagement with  $F(2, 200) = 7.736, p = .001$ . However, Levene's statistics for homogeneity of variance based on Mean was 0.921,  $p = .627$ .

For Innovation Practices there was a significant effect of job status with  $F(2, 200) = 3.676, p = .027$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.321,  $p = .327$ . For Open Climate there was a significant effect of job status with  $F(2, 200) = 3.701, p = .026$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.227,  $p = .381$ . For Working Environment there was a significant effect of job status with  $F(2, 200) = 6.128, p = .003$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.011,  $p = .521$ . However, for Organizational Environment there was no significant effect of job status with  $F(2, 200) = 2.505, p = .084$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.235,  $p = .441$ .

**Table No 4**  
**TABLE SHOWING ONE WAY ANOVA RESULTS (Qualification with IVs)**

| One Way Anova (Qualification with the quality of Supervision) |                |    |      |   |      |
|---|----------------|----|------|---|------|
|   | Sum of Squares | df | Mean | F | Sig. |
|   |                |    |      |   |      |

|  |          |     | Square  |       |      |
|--|----------|-----|---------|-------|------|
| Between Groups   | 361.631  | 3   | 120.544 | 2.949 | .034 |
| Within Groups  | 8011.389 | 196 | 40.874  |       |      |
| Total  | 8373.020 | 199 |         |       |      |
| One Way Anova (Qualification with Compensation Management)                   |          |     |         |       |      |
| Between Groups   | 93.594   | 3   | 31.198  | 2.175 | .092 |
| Within Groups  | 2811.026 | 196 | 14.342  |       |      |
| Total  | 2904.620 | 199 |         |       |      |
| One Way Anova (Qualification with Job Engagement)                            |          |     |         |       |      |
| Between Groups   | 249.532  | 3   | 83.177  | 4.008 | .008 |
| Within Groups  | 4067.088 | 196 | 20.750  |       |      |
| Total  | 4316.620 | 199 |         |       |      |
| One Way Anova (Qualification with Innovation practices)                      |          |     |         |       |      |
| Between Groups   | 111.269  | 3   | 37.090  | 2.339 | .075 |
| Within Groups  | 3107.751 | 196 | 15.856  |       |      |
| Total  | 3219.020 | 199 |         |       |      |
| One Way Anova (Qualification with the Open Climate)                          |          |     |         |       |      |
| Between Groups   | 162.224  | 3   | 54.075  | 3.656 | .013 |
| Within Groups  | 2898.896 | 196 | 14.790  |       |      |
| Total  | 3061.120 | 199 |         |       |      |
| One Way Anova (Qualification with the Career Development Path)               |          |     |         |       |      |
| Between Groups   | 162.224  | 3   | 54.075  | 3.656 | .013 |
| Within Groups  | 2898.896 | 196 | 14.790  |       |      |
| Total  | 3061.120 | 199 |         |       |      |
| One Way Anova (Qualification with the quality of Organizational Environment) |          |     |         |       |      |
| Between Groups   | 170.733  | 3   | 56.911  | 2.783 | .042 |
| Within Groups  | 4008.422 | 196 | 20.451  |       |      |
| Total  | 4179.155 | 199 |         |       |      |
| One Way Anova (Qualification with the Quality of Working Environment)        |          |     |         |       |      |
| Between Groups   | 363.604  | 3   | 121.201 | 4.218 | .006 |
| Within Groups  | 5632.271 | 196 | 28.736  |       |      |
| Total  | 5995.875 | 199 |         |       |      |

**Analysis:** A one way Anova test has been conducted to find out any difference between qualification of the responders (Degree, Master Degree, Diploma and Other professional Courses) and their perception towards the chosen independent variables for the purpose of the study. It is evident from the above table No 4. For the first variable (Supervision) we found a significant effect of Qualification such as Degree holders (Mean = 21.83), Masters (Mean = 19.55), Diploma (Mean = 25.00) and other professional courses (Mean = 19.20) were statistically significantly different while perceiving the quality of Supervision with  $F(3, 200) = 2.949, p = .034$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.457,  $p = .228$ . For Job Engagement there was a significant effect of job status such that the various levels chosen for the purpose of the study significantly different while perceiving the Job Engagement with  $F(2, 200) = 4.008, p = .008$ . However, Levene's statistics for homogeneity of variance based on Mean was .560,  $p = .642$ . For Open Climate

there was a significant effect of job status with  $F(3, 200) = 2.809$ ,  $p = .041$ . However, Levene's statistics for homogeneity of variance based on Mean was 2.276,  $p = .083$ . For Working Environment there was a significant effect of job status with  $F(2, 200) = 3.656$ ,  $p = .013$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.430,  $p = .235$ . However, for Organizational Environment there was a significant effect of job status with  $F(3, 200) = 2.783$ ,  $p = .042$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.315,  $p = .472$ . For Quality of Working Environment there was a significant effect of job status with  $F(3, 200) = 4.218$ ,  $p = .042$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.365,  $p = .339$ . However, for the second factor Compensation Management, there was a significant effect with  $F(3, 200) = 2.175$ ,  $p = .092$ . Levene's statistics for homogeneity of variance based on Mean was 1.453,  $p = .371$  and For Innovation Practices there was no a significant effect of qualification with  $F(3, 200) = 2.339$ ,  $p = .075$ . However, Levene's statistics for homogeneity of variance based on Mean was 1.121,  $p = .457$ .

**Table No 5. TABLE SHOWING CORRELATION COEFFICIENT BETWEEN THE DEPENDENT VARIABLE AND THE INDEPENDENT VARIABLES**

|     | IV1 | IV2    | IV3    | IV4    | IV5    | IV6    | IV7    | IV8    | DV     |
|-----|-----|--------|--------|--------|--------|--------|--------|--------|--------|
| IV1 | 1   | .443** | .319** | .401** | .435** | .363** | .339** | .465** | .598** |
| IV2 |     | 1      | .345** | .508** | .388** | .337** | .383** | .536** | .580** |
| IV3 |     |        | 1      | .411** | .419** | .457** | .411** | .411** | .458** |
| IV4 |     |        |        | 1      | .404** | .257** | .469** | .520** | .572** |
| IV5 |     |        |        |        | 1      | .338** | .419** | .411** | .406** |
| IV6 |     |        |        |        |        | 1      | .481** | .498** | .422** |
| IV7 |     |        |        |        |        |        | 1      | .447** | .401** |
| IV8 |     |        |        |        |        |        |        | 1      | .417** |
| DV  |     |        |        |        |        |        |        |        | 1      |

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

It is evident from the above table No. 5 that the Pearson correlation coefficient between **Quality of Supervision (X1)** with Dependent Variable (**Intension to stay in the organization**) was,  $r(200) = .698^{**}$ ,  $p = .000$  between **Compensation management (X2)** with Dependent Variable (**Intension to stay in the organization**) was,  $r(200) = .780^{**}$ ,  $p = .000$ . Between **Job engagement (X3)** with Dependent Variable (**Intension to stay in the organization**) was,  $r(200) = .858^{**}$ ,  $p = .000$ . Between **Innovation or Innovative practices (X4)** and Dependent Variable () was,  $r(200) = .772^{**}$ ,  $p = .000$ , between **Open climate (X5)** with Dependent Variable (**Intension to stay in the organization**) was,  $r(200) = .806^{**}$ ,  $p = .000$ , between **Career Development Path (X6)** with Dependent Variable (**Intension to stay in the organization**) was,  $r(200) = .722^{**}$ ,  $p = .000$ , between **organization environment (X7)** with Dependent Variable (**Intension to stay in the organization**) was,  $r(200) = .401^{**}$ ,  $p = .000$  and finally **Quality of working (X8)** with Dependent Variable (**Intension to stay in the organization**) was,  $r(200) = .817^{**}$ ,  $p = .000$ . Therefore we can reject the null hypothesis. We found a strong correlation between the Independent variables and the dependent variable.

In the final stage, the researchers used multiple regression model to investigate the major drivers of Intention to stay in the organisation. The Following multiple regression model was used to test the theoretical relationship between the dependent variable and the independent variables

$$Y (\text{Intention to stay in the Organization}) = a + b_1 X_1 (\text{Quality of Supervision}) + b_2 X_2 (\text{Compensation management}) + b_3 X_3 (\text{Job engagement}) + b_4 X_4 (\text{Innovation}) + b_5 X_5 (\text{Open climate}) + b_6 X_6 (\text{Career development path}) + b_7 X_7 (\text{Organizational environment}) + b_8 X_8 (\text{Quality of working environment}) + C \dots\dots\dots (1)$$

**Table No 6: Results of Regression Statistics**

|                                |        |
|--------------------------------|--------|
| R                              | .892   |
| R Square                       | .796   |
| Adjusted R Square              | .787   |
| R Square Change                | .796   |
| Standard Error of the estimate | 2.091  |
| F Value                        | 92.938 |
| Significance of F              | .0000  |
| Durbin-Watson                  | 2.040  |

**Analysis**

R square represents the percentage movement of the dependent variable which is captured by the intercept and the independent variable(s). Above obtained results explain 79.6% of the variation in Intention to stay in the Organization (DV) is captured by independent variables (Supervision (X1), Compensation management (X2), Job engagement (X3), Innovation (X4), Open climate (X5), Career development path (X6), Organizational environment (X7) and Quality of working environment (X8) are independent variables) with Standard Error of 2.091

In the above Table No. 6 that ANOVA explains the joint impact of Independent variables on the dependent variables. The F value is 92.938 with a (p=0.000). Therefore, we can reject the Null Hypothesis ( $H_0: \mu_1 = \mu_2 = \mu_3 = \mu_4 = \mu_5 = \mu_6 = \mu_7 = \mu_8$ ) indicating they are not equal.

Table 7: Table showing coefficients

**Table No 7**

| Model               | Unstandardized Coefficients |            | Standardized Coefficients | t        | Sig.  | Collinearity Statistics |       |
|---------------------|-----------------------------|------------|---------------------------|----------|-------|-------------------------|-------|
|                     | B                           | Std. Error | Beta                      |          |       | Tolerance               | VIF   |
| Constant            | 1.152                       | 0.686      |                           | 1.6793   | 0.094 |                         |       |
| <b>Supervision</b>  | 0.049                       | 0.045      | 0.071                     | 1.088889 | 0.273 | 0.259                   | 3.861 |
| <b>Compensation</b> | 0.159                       | 0.071      | 0.134                     | 2.239437 | 0.001 | 0.23                    | 4.342 |
| <b>JE</b>           | 0.404                       | 0.073      | 0.415                     | 5.534247 | 0.000 | 0.192                   | 5.21  |
| <b>Innovation</b>   | 0.112                       | 0.102      | 0.1                       | 1.09804  | 0.274 | 0.13                    | 7.716 |
| <b>Open climate</b> | 0.258                       | 0.078      | 0.299                     | 3.307692 | 0.001 | 0.131                   | 7.633 |
| <b>CD path</b>      | 0.075                       | 0.081      | 0.065                     | 0.92593  | 0.354 | 0.219                   | 4.574 |

|            |       |        |       |          |       |       |       |
|------------|-------|--------|-------|----------|-------|-------|-------|
| <b>O E</b> | 0.012 | 0.0053 | 0.012 | 2.264151 | 0.001 | 0.736 | 1.358 |
| <b>QWE</b> | 0.265 | 0.056  | 0.321 | 4.732143 | 0.000 | 0.231 | 4.324 |

Intercept is  $\alpha$  in the set equation. Standard error measures the variability in approximation of the coefficient and lower standard error means coefficient is closer to the true value of coefficient. Intention to stay in the Organization (DV) was the dependent variable and Quality of Supervision (X1), Compensation management (X2), Job engagement (X3), Innovation (X4), Open climate (X5), Career development path (X6), Organizational environment (X7) and Quality of working environment (X8) were independent variables. Results show that all the independent variables have positive coefficients that is they share direct relationship with the dependent variable (Intention to stay in the Organization).

**Test of Hypothesis**

In order to assess the relationship between the independent variable (s) and dependent variable, the researcher has established the following hypothesis and to prove or disprove the hypothesis the researcher has employed multiple regression analysis.

**Null Hypothesis (H<sub>0</sub>)** There is no significant relationship between independent variables(Quality of Supervision (X1), Compensation management (X2), Job engagement (X3), Innovation (X4), Open climate (X5), Career development path (X6), Organizational environment (X7) and Quality of working environment (X8)) and dependent variable (Intention to stay in the Organization).

The result indicates that the standardised coefficient for the first independent variable Compensation management (X2) was ( $\beta=.129$ ,  $p=0.002$ ), followed by **Job engagement** (X3) was ( $\beta=.415$ ,  $p=0.000$ ), Open climate (X5) was ( $\beta=.299$ ,  $p=0.001$ ), Organizational environment (X7) was ( $\beta=0.012$ ,  $p=0.001$ ) and Quality of working environment (X8) was ( $\beta=0.321$ ,  $p=0.000$ ) **were the major determinants of intention to stay in the current organisation.**

However, for Independent variables such as Quality of Supervision (X1), the computed beta was ( $\beta=0.071$ ,  $p=0.273$ ), for the variable **Innovation** (X4) ( $\beta=0.1$ ,  $p=0.274$ ) and for Career development path (X6) ( $\beta=0.065$ ,  $p=0.354$ ). Therefore, we cannot reject the null hypothesis.

$$Y \text{ (Intention to stay in the Organization)} = a + b_1 X_1 \text{ (Quality of Supervision)} + b_2 X_2 \text{ (Compensation management)} + b_3 X_3 \text{ (Job engagement)} + b_4 X_4 \text{ (Innovation)} + b_5 X_5 \text{ (Open climate)} + b_6 X_6 \text{ (Career development path)} + b_7 X_7 \text{ (Organizational environment)} + b_8 X_8 \text{ (Quality of working environment)} + \epsilon \dots\dots\dots (1)$$

$$Y \text{ (Intention to stay in the Organization)} = \alpha + \beta_2 X_2 + \beta_3 X_3 + \beta_5 X_5 + \beta_7 X_7 + \beta_8 X_8 + \epsilon$$

$$Y \text{ (Intention to stay in the Organization)} = 1.152 + 0.159 \text{ (Compensation management)} + 0.404 \text{ (Job engagement)} + 0.258 \text{ (Open climate)} + 0.012 \text{ (Organizational environment)} + 0.265 \text{ (Quality of working environment)} + \epsilon$$

**Table 8: THE RELATIVE WEIGHTS OF THE CHOSEN FACTORS**

| <b>Factor</b>                  | <b>Relative weights in percentage</b> |
|--------------------------------|---------------------------------------|
| Job Engagement                 | 0.351397                              |
| Quality of working environment | 0.271804                              |
| Open climate                   | 0.253175                              |

|                            |          |
|----------------------------|----------|
| Compensation management    | 0.113463 |
| Organizational environment | 0.010161 |

It is evident from the above table No. 8 that the very important dimension was **Job Engagement** with a relative weight of 35.13 percent, followed by Quality of working environment with 27.18 percent, Open climate with 25.31 percent, Compensation management with 11.34 percent and Organizational environment with 1.016 percent.

## V. DISCUSSION AND CONCLUSION

The current empirical study entitled talent management practices in India IT sector has been undertaken with an intention to understand the major determinants of talent management practices employed by the Indian IT companies. In order to realise the stated objectives the researchers have collected data from 200 IT professional respondents in Bengaluru city. The collected data's internal consistency was tested by applying reliability statistics. For this purpose, the instrument's reliability was adjudged by employing Cronbach's alpha (1951). The threshold Cronbach's alpha value fixed for this purpose was 0.7. Only those items whose Cronbach's alpha value was greater than 0.7 was retained for further analysis. In our analysis the alpha value ranged from 0.841 to 0.954. It implies that there is a high degree of internal consistency in the responses to the questionnaire. Later, the collected data was tested for normality assumption (this was investigated by framing histograms) and outliers have been eliminated by employing box plots. In the last phase, a robust multiple linear regression was run. The current study reveals the following major observations: Majority of the respondents were male. Majority of the respondents were youth and graduates; major chunk of the respondents were belong to middle level in the organization. 54% of the respondents were having the work experience of 3-9 years and 69% of the respondents were working in the current organization in less than 2 years. A one way Anova test has been conducted to find out any significant difference between Job status in the organisation and their perception towards the chosen independent variables for the purpose of the study. We found a significant difference between the job status of the employees and the chosen variables such as Supervision (X1), Compensation management (X2), Job engagement (X3), Innovation (X4), Open climate (X5), Career development path (X6), and Quality of working environment (X8). Similarly one way Anova between qualifications of the respondents with the chosen variables we found a significant difference between all the variables except Compensation Management practices and Innovation practices of the organisation. We found a significant correlation between the dependent variable and the chosen independent variables. The regression results revealed that the independent variable Compensation management (X2), **Job engagement (X3)** Open climate (X5), Organizational environment (X7) and Quality of working environment (X8) **were the major determinants of intention to stay in the current organisation. When we rank the determinants we found the most prominent determinant being Job Engagement** followed by Quality of working environment, Open climate, Compensation management and Organizational environment.

## MANAGERIAL IMPLICATIONS

## **JOB ENGAGEMENT**

It is evident from the current study, the independent variable Job engagement stood first with a relative weight of 35.14 percent. The HR departments of various firms need to retain and maximise the potential of their talent pool. To achieve high degree of productivity, organisations have always concentrated on human resource functional activities such as professional development by providing training & development opportunities, proper compensation schemes, safety, and employee rights (Appelbaum & Hare, (1996); Combs & Skill, (2003) cited in Dagher, Chapa and Junaid, (2015)). Mere, talent recruitment policy will not help the organisation to realise its goals, the organisation must ensure that, the talents must go beyond their assigned roles and responsibilities. The managers should motivate and inspires that their employees to take up the initiative to put their maximum efforts and capabilities to their job (similar observations were documented in the literature by Sanchez and McCauley, 2006 and Bakker and Leiter, 2010). In this context it is worth to note that the item one “I get the feeling of personal accomplishment, from the work” had the highest mean score of 4.32 with the SD of 0.569, followed by item three “I’m satisfied with the Business Unit as a Place to work” with a mean score of 4.21 and SD of 0.821. However, item five “I’m proud to be a part of my Business Unit” recorded the least mean score of 3.13 with the highest SD of 1.12. This indicates that the employees are engaged to the job but not to the organisation. Engaged employees not only are committed towards their job but they are also passionate and proud about their organization. Engaged employees see the organizations future as well as the mission and objectives of the organization. Therefore, it is suggested to the organisations to focus more on developing the employees to have more organisation loyalty along with job engagement to be enthusiastic and energetic to take up the responsibilities beyond their job with their own interest for their development and the overall development of the organisation. Apart from this, employee engagement has a substantial impact on employee productivity and talent retention (Glen, 2006). In this context it is worth to cite the definition given by Gubman (2004, p. 43) job engagement. According to Gubman (ibid) “an intensified emotional connection to a job and organization that goes beyond satisfaction” that enables people to perform well, and makes want to stay with their employers and say good things about them. Similar findings were documented by (Sathyanarayana, Gargesa&Lekha (2008)).

## **QUALITY OF WORKING ENVIRONMENT**

The second major determinant of talent management in the current study is Quality of working environment. In this context it is worth to note that item no eight “The last year, I have had opportunities at work to learn and grow” stood first with a mean score of 4.32 with a SD of .547 followed by item two “I have the materials and equipment I need to do my work right” with a mean score of 4.17 with a SD of .621 and item five “In the last three months, I have received recognition or praise for doing good work stood third with a mean score of 3.94 with a SD of 0.654. However, item three “At work, I have the opportunity to do what I do best every day” had the least mean score of 3.1 with the highest SD of 0.962 followed by “There is someone at work, who encourages my development and at work my opinions seem to count” with mean score of 3.21 with the SD of .842. In this competitive business environment, it’s not mere providing the required materials and equipment to dot the task,

just learning and development alone will not save the organisation. Giving recognition or praise for doing good work is key for succession management (Huang, (2001); McDonnell, et al. 2010). As majority of the employees expressed that there is no one is there at work place, who encourages my development and at work my opinions seem to count. Further, it is noted that recognition is a need and it has become a backbone of success, without proper recognition and encouragement at work place one cannot expect loyalty, continuous learning, gaining and maintain performance may become impossible. The main aim of every organizational strategy is to boost the effectiveness and efficiency of the functional operations which could lead the organization to success. Therefore, TM is such one vital tool in the hands of the management to build winning teams which will be formed by talented pool. Therefore, it is very important encourage these talent teams when they did a good job. There are two ways to retain the talented workforce in the organisation namely extrinsic and intrinsic. The extrinsic rewards are the monetary rewards and intrinsic rewards are non-monetary in nature. For talented employee both components are very important. However, for management of talent latter is very important than the former. Therefore, organisations should focus more on the intrinsic rewards by giving them proper recognition, by giving them enough autonomy at work, flexible employment condition. Similar findings were documented by Mendez & Stander, (2011).

#### **OPEN CLIMATE**

The third important driver of talent management strategy as per the perception of the employees is open climate. The fifth item “You receive information from the sources that you prefer” stood first with the highest mean score of 4.09 with a SD of .412 followed by item two “You think that people in this organization say what they mean and mean what they say” with a mean score of 3.79 with a SD of .654. However, item four “You are kept informed about how well organizational goals and objectives are being met” stood fifth with a mean score of 3.19 and SD of .817 and last item “People in this organization are encouraged to be really open and candid with each other” stood last with a mean score of 3.07 and SD of 1.063.

How one can attract more talented workforce, it is through strong and effective employee value proposition. An employee value proposition gives a competitive edge to the organization and a unique identity in the job market. This can be achieved only through open climate atmosphere in the organisation. Therefore, it is recommended to the firms to communicate certain important issues such as how well organizational goals and objectives are being met, provide open and candid environment amongst the employees, providing all the necessary information to do the assigned job. A well planned employer branding has become a key strategy to attract and retain the right kind of talent as people want to work for great brands. Therefore, it is suggested to create a strong employer branding internally by providing the employees with the right knowledge and required skills to do their assigned job. Recognise the quality of work done by the employees, providing a safe and stable work environment for succession planning.

In an empirical study by Towers. Perrin (2005) concluded that a well-developed and transparent talent management practices will automatically improves an employer’s image and brand equity. However, he cautioned the managers that such strategy should be well

defined and clearly communicated both within and outside the company (Sebald, Enneking, & Wöltje, 2005). Since, retention of key employees is vital the organisations should focus more on talent management practices. This can be achieved only through framing a right recruitment policy, maintaining, developing, integrating and nurturing the talents to achieve organisational goals. When an organisation loses employees, it not only loses employees but also most valuable resource called skills. Further, skill is one of the most vital component that affects productivity, process, service quality, profitability and a host of other key concerns. Apart from it, the cost of attracting a talent is extremely higher than the cost of retaining a talent. Therefore, this can be achieved only through a well-planned talent management practices through the processes for attraction, development, retention and utilisation of essential skills and abilities of work force and their aptitude matched with the current and future business needs. It is evident from the current study that the talented employees are generally looking for well-defined & integrated career paths, challenging work, conducive working environment etc. It can be achieved only through open climate. Therefore, the managers should focus more on this vital component for nurturing of talents and for succession plans.

#### **COMPENSATION MANAGEMENT**

The fourth important driver of the talent management practices in Indian IT sector is compensation management. First item "Payment policy of the company is on par with industry and motivating me to work efficiently/effectively" stood first with a mean score of 3.74 with a SD of .954. However, few important items relating to compensation management such as "We have all the major fringe benefits and is comparable with the industry standards", "My company is providing sufficient family support system etc. the mean score was very low with high variation. In order to attract, retain talented workforce, organizations should have a good compensation system. Brown, Carlton, and Munoz (2004) (cited in Mathew J Manimala, 11) argue that compensation is a very vital factor that influences employee turnover. Although employees are attracted by the branding, satisfied with their work and working conditions but, they do not find the compensation package attractive enough to continue with the organisation for long. Investment in human capital requires careful analysis and planning. Under the talent management shade, development of leadership and succession planning are very vital to develop and retain talent. But one important element that a manager must borne in mind is that a good package may keep an employee on the job physically, but it alone will not keep an employed on the job emotionally. Therefore, it is suggested that the companies that wish to develop a successful retention plan that includes compensation and benefits must always understand their own unique characteristics and circumstances. Besides, TM, is an implicit strategy to meet a company's future demand for the right talented people at the right time and place, has a strong impact on corporate profit Bethke-Langenegger, et al. (2011). In this context it is worth to note the concluding remark made by Smith (2001) "money gets employees in the door, but it doesn't keep them there". Money is a necessary but not the sole factor in employee retention. Similar observations have been documented by Harris and Brannick (1999); Pfeffer, 1998). They agree that money is not the primary motivator for employees. According to them, many organisations have done a very good job of retaining their

employees without any monetary benefit-based retention incentives. Therefore, emotional job engagement is key for the retention of the talented workforce.

### **ORGANIZATIONAL ENVIRONMENT**

The last important dimension according to the current study was Organizational Environment (Job related Issues). For this variable we found a high mean score for the fifth item “In the organisation we have very rigorous dead line and time management” with a mean score of 4.11 and SD of 1.04, followed by “Most of the time I feel that I have been over worked” with a mean score of 4.07 with a SD of 0.781, third item “My job is prone to health hazards” with a mean score of 3.89 with a SD of .679, second item “Most of the time I feel stressed and burnt out because of my work” with a mean score of 3.79 and a SD of .689 and for the first item “Taking work home and vice versa is inevitable in our organisation” had a mean score of 3.45 and SD of 1.03.

This findings clearly points out that the employees are not mere the factors of production, therefore, they should be dealt in a good way. Mere deadline, extended working hours, stressful working condition etc. will not serve the purpose. Instead, the firms should focus on providing the employees exciting and challenging work, career growth opportunities, relationship management, flexible working hours, support for work life balance, friendly supervision etc. Effective Organizations are those that empower and engage their people, build their Organization around teams, and develop human competence at all levels instead of pressurising them on job. Therefore, it is suggested to provide an environment such as innovative practices, critical thinking and careful risk-taking. In other words, there should be an alignment between leadership, business strategy, talent development and succession planning. Therefore, it is suggested to focus more on internal corporate branding rather than expensive external branding. As the organization grows, there is a continuous need to delegate people newer roles and responsibilities. Therefore, succession planning through a well-planned talent management practices is vital for management to identify the right candidates for occupy these key positions. Therefore, organisations are expected to develop such conducive environment to attract and retain talents.

### **RESEARCH LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH**

The current study shall be inferred by taking into the following limitations. The sample taken up for the study was limited to two hundred talented employees from Indian IT sector located in Bengaluru city only therefore, the generalisation of the findings is limited. In this context it is worth to note that from the perspective of the study the talent employees refer to those who have consistently ranked as top performers from a specific domain at least for two or more than two years. Therefore, it suggested to take up an extended study encompassing more number of states and cities and other sectors such as KPO, BPO, manufacturing, automobile, healthcare, etc. over a longer period of to add to the richness of this topic.

The study has covered only few of the determinants identified from literature. The influence of factors such as top management support, employer branding, succession practices, leadership characteristics, gender discrimination practices etc. while managing talents from the organisational context can also be taken up. Finally, the research does not seek to identify

the firm specific differences in talent management practices. Future studies covering firm level aspects should be undertaken.

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