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CHAPTER – I

INTRODUCTION

1.1. THE PROLOGUE

Transformation of economic, social and cultural aspects of individuals and society at large is continuously noticed from cradles of cave life to inventions of space science. Revolution and reformation through such transformation is an inherent factor of civilisation. Such transformation, which can be termed as change, leads to development. Man moved from cave life to urban settlements; His food, habit and lifestyle were continuously changed resulting in a more civilised way of life. Mechanisation and technology added more comforts and speed to man. All these changes are evident in man’s victory over mysteries of nature. These changes are seen as phases of development. But, still the society faced problems that question the relevance of the concept of development and civilisation. Development in quantitative terms could provide evidence of man’s victory; by considering the qualitative aspects, development is still a nightmare. The changes which are merely accepted as development seems to be very much ironical at present as the innumerable social problems like poverty, violation of human rights, violence on women and children, environment pollution, waste management, recurring natural disasters etc have drastically influenced. Poverty, social injustice, inequality and many more issues have compelled to redefine the concept of development. Development is accepted not just as a physical or material change, but as Prof. David Korten describes “development is a process by which the members of a society increase their personal and institutional capacities to mobilise and manage resource to produce sustainable and justly distributed improvements in their quality of life consistent with their own aspirations” (Korten 1990:67 as cited in Sharma 2005). This definition gives a broad view of development, which is the need of the day. Development thus is enhancing quality of life in accordance with individual aspirations, by enhancing individual and institutional ability to access and utilise resources. In order to achieve such realistic development various sectors of the society must toil together.
Especially in a country like India, achieving sustainable development is a difficult task. India is a country with great diversity. This diversity creates problems in handling various issues relating to gender, religion, culture etc. In such a complex scenario, government is unable to reach the nook and corner of the problem. The responsibility is though, of the government, it is not possible for the government and other institutions setup for this purpose, to take care of these issues alone.

Private or business sector with corporate social responsibility initiatives, works towards the social development; it is very meagre; and it is not the motto of the sector. Of late, this responsibility is shared to a considerable extent, by Non Government Organisations (NGOs). Realistic social change is essential to achieve sustainable development. NGOs, as a wing of third sector, have engaged themselves in social development and strive for social welfare. NGOs have assumed the role of active partners of state development programmes. From creating awareness among public to protecting interest of society at large, NGOs have created a new path in social reformation. Especially in India, they deliver the government programmes like literacy, compulsory education, health, sanitation, women empowerment etc. NGOs are efficient institutional arrangements which are most effective in strengthening the marginalised and disadvantaged sections of the society, by improved participatory representation and upholding the values of democracy. As they have gained trust from all sectors, the expectation from and responsibility of the sector has multiplied.

NGOs are confronted with various challenges relating to finance and human resource. Financial resources can be mobilised through donations and financial assistance from other institutional setups. But human resource related challenges should be addressed carefully. The challenges of human resource are mainly related to the availability of competent and suitable persons to work with. The nature of NGO work itself creates a challenge wherein employees are expected to work in remote, unscheduled, informal work place. This needs people who are willing to work and sustain in such adverse situation. The employee ability to cope with dynamic work culture becomes crucial. On the other hand, NGOs are finding it very difficult to locate suitable people to work with. Limited career growth options, less attractive earnings, working environment, difficulty to achieve work life balance, all these problems create difficulty in attracting competent people. If at all NGOs get their vacancies filled, either they face talent shortage or high employee turnover. Such
difficulties of NGOs need to be addressed carefully through comprehensive strategy. This can be made with the help of talent management. Talent management is one such human resource practice that enables NGOs to tackle their challenges efficiently.

Human resource management has evolved itself through time tested transformations. Business has evolved drastically shaping itself from various socio economic influences. The expansion of business in its size, form, area, operation etc, has resulted in various new avenues and challenges. The challenges are of production, marketing, technology, human resource finance and many more. The core objective of business centres on profit, today revolves around competitive advantage.

Industrialisation turned the whole business and relooked the source of profit at a large scale production. Mass production was the mantra of successful organisation. Then it shifted to market capture, and thereafter to technology. But it was soon realised that all these aspects which leads to success is because of human resource. Thus human resource of an organisation is considered to be the most important asset which creates competitive advantage. It is the talent in terms of knowledge, skill and attitude of the workforce of an organisation that changes the graph of growth of an organisation. This is how human resource became the most important aspect of organisation and shift from personnel management to human resource management was witnessed. Human resource management always evolved itself to support the business, like finance and marketing, with added innovativeness. The qualitative aspect of human resource is the real challenge of human resource management. Efforts are made to measure various aspects to have better understanding and control. This makes strategy formulation more realistic in its way.

Management of people is entirely peculiar and a difficult task. It needs careful attention and revision. Any of ‘best way’ of managing people cannot be prescribed to organisations. As organisations, like individuals vary in various factors. Thus individual differences and organisational difference in social, cultural, political aspects makes human resource management very dynamic. The world wide changes from globalisation have posed more advanced challenges than any. Mobility of labour, work force diversity, knowledge intensive units, pierce competition, technological innovations etc, have increased the opportunity for people and complexity for organisations. This intensified the competition among organisation for
human resource. Thus, competition for market product and technology thereby extends to human resource.

The realisation that the ‘competitive advantage’ arises not from mere product, market and technology, but from human resource of the organisation which designs products, formulates marketing strategies, and innovates through technology. This brought radical shift in people management. Employees are being considered as source of ‘competitive advantage’. All these has made human resource management to adopt itself to the dynamism of the situations and arrived with various means of managing people. Talent management is one such tool of managing people. Talent management is one of the strategies to manage people. Talent management emerges as a tool to integrate human resource practices with organisation talent. It is evidenced that survival, success, sustainability and growth of the organisation depends on its talented people. At the same time, the changing scenario has created more demand for talented people, as they are the creators of competitive advantage. This makes talent attraction and retention as one of the deciding factors of organisation success. Both having suitable talent and holding them for considerably longer period has becoming more critical. These aspects can be managed well by managing talent. Thus talent management is applied as a comprehensive strategy to attract and retain the necessary talent.

With this background, the present study aims to know the perception of employees in NGOs about the talent management. How far employee perception of talent management influences talent attraction and retention is the theme of this exploration. Though few NGOs have systematic human resource management, talent management is at its infant stage. But the study recommends application of talent management in NGOs to overcome the human resource challenges.

The study has been presented in five chapters. First chapter starts with introduction and enumerates the literature survey made in support of the study. The extensive review guides the plan and pattern of the research. It includes problem statement, relevance of the study and research methodology. The objectives and hypotheses presented in the chapter forms the basis for further study.
Second chapter highlights the concepts of talent, talent management and NGO. Conceptual analysis of the term provides the definition of the terms for the study. Third chapter gives very brief introduction of the NGOs included for the study. Fourth chapter provides statistical analysis in support of the objectives and hypotheses the study. Finally fifth chapter summarises the study by providing suitable suggestions.

The present chapter is the foundation on which the research work is built. It starts with review of literature, followed by identification of research gap, problem statement, need for the study, scope of the study, research methodology, objectives and hypotheses of the study.

1.2. REVIEW OF LITERATURE

The topic talent management has been studied with different notions. Talent management has been successfully implemented in many business units as an important strategy of human resource management. The varied and extensive use of talent management has resulted in distinguished studies on it. Talent management is studied by focusing on the aspects like talent identification, talent assessment, integration of competency framework with talent management, employer branding for talent attraction, recruitment, selection, training, development, succession planning and leadership development, role of talent management in employee retention so on and so forth. In order to achieve the objectives of the study, the review attempts to understand the influence, impact and relationship of talent management noticed in previous studies. In order to examine the talent management in NGOs it becomes prerequisite to consider previous studies on talent management. Therefore an extensive review of literature is taken up to understand talent management. The review attempts to understand the various talent management aspects from attraction to retention including talent assessment. The definition and concept of talent management will not be considered in this chapter; instead it is presented in the next chapter, under conceptual framework. Both conceptual and research studies highlighting the above mentioned aspects of talent management were considered for the study. Though the concept of talent management emerged during 1998, it gained popularity after 2003. Various business organisations have successfully implemented talent management. Both academicians and practitioners have contributed to the growth of talent management through their research. As a result, remarkable studies
on talent management have been identified in business sector. But there are very limited studies in NGO sector relating to talent management. For NGOs still talent management is an entirely new and emerging concept. Further, the talent management implementation and success relays on the organisation’s orientation towards its talent. Keeping in view all these differences among business organisations and NGOs, the literature review is summarised separately. The following section presents an analytical view of the previous literature on the subject talent management in two sections.

Section 1: Talent management in corporate/ business sector.

Section 2: Talent management in NGOs.

1.2.1. SECTION 1: TALENT MANAGEMENT IN CORPORATE/ BUSINESS SECTOR

Talent management gained overwhelming recognition since 1998, when McKinsey group cautioned about ‘talent wars’. Many organisations derived their own definitions and strategy to adopt talent management. Talent management was viewed and applied with various orientations. From recruitment to retention all human resource management practices were brought under the umbrella of talent management. This provided varied perspectives to the understanding and applications of talent management, resulting in distinguished studies from both practitioners and academicians. These different perspectives of talent management are presented in two broad sections. Hence, the following section explores the studies on talent management in business sector on two central ideas.

1. Talent identification and assessment
2. Talent management practice and outcome

1.2.1. A. Talent Identification and Assessment:

Talent identification and assessment are considered to be the fundamental aspects of the talent management. It becomes imperative for organisations, to recognize the unique talent aspect of individuals, necessary for the organisations’ successful working. Once the talent requirement of the organisation is identified, then it will be meaningful to assess the available talent on the basis of its requirement. Many studies have been conducted to evaluate the process of talent identification and assessment in organisations. These studies reveal how talent identification and
assessment forms the base for further implementation of talent management. Some of these studies emphasise on talent segmentation to make talent management more strategic.

John Ingham (2006) argues that talent management should adopt segmentation of talent to align it with competitive strategy. In order to implement talent management effectively, talent strategy should be formed to express the objective of talent management. Then talent should be defined to facilitate creation of talent framework. Talent frameworks are broader than competency framework that encompasses employees’ knowledge, networks, values, motivation and potential. Talent framework should be used to assess the position of talent available with the organisation. Author suggests four steps to identify talent. They are strategy formulation, diagnosis, analysis and action plan. These four strategies help to implement talent management. Researcher claims that the talent segmentation is the foundation for talent management

An attempt was made by Jin Ham, Chau and Wright (2006), to know the impact of competency on human resource effectiveness. Human resource competencies in terms of three aspects like business knowledge, field expertise and change management were measured based on human resource professional competency item developed by Ulrich. The results revealed that field expertise and change management have strong positive relationship with perceived human resource effectiveness.

Emerald group of publisher (2007), through their research paper emphasised the use of competency framework for talent management, to gain competitive advantage. Core competencies should be identified and linked to talent development. This paper provides four bases of identifying competencies- job based, future based, person based and value based approaches. In order to make competency framework as a basic building block of talent management, time and effort need to be extended on them. The paper suggests 4Ps to integrate talent management with competency framework: picture, pathways, programs and process. All the aspects of talent management namely recruitment, selection, training, development, performance appraisal, career planning and compensation should be based on competency framework. This ensures right talent in the organisation.
The case study analysis made by Rakesh Sharma and Jyotsna Bhatnagar (2009), in Indian pharmaceutical organisation examined how talent management, if based on competency, will become more strategic. The organisation made talent assessment through mapping out competencies, relevant to local as well as global business context. Organisation adopted talent segmentation to ascertain the quality of talent pools available with them. Talent assessment and competency framework for new hires and existing employees were made. The organisational talent was segmented into top talent, valued talent, talent under watch and incompatible talent. Talent development programmes were designed specifically to each talent category. This resulted in better attraction and retention. Thus the case study analysis shows that talent assessment and segmentation results in better talent attraction and retention.

The study conducted by Anithakumari and Sita (2010), focused on the role of competencies in talent management in Indian organisation. It explores as to how the practice of competencies in the organisation affects talent acquisition, talent development and talent retention. Totally 89 responses from 5 pharmacy and 7 IT companies were considered for analysis. It was found that all respondents rated their awareness on the competencies as positive. In both the sectors competencies are occasionally considered important for recruitment, training and development, performance appraisal, compensation and career planning. Competencies are not always considered and used; therefore procedures and practices need to be streamlined properly to adopt talent assessment regularly. Though organisations have competency models for managing their human resources, they are not systematically executing this. Still organisations should plan for an effective execution of competency based talent management.

The study conducted by Mansson and Schmidt (2011), focused on talent identification for talent development. The purpose of the study is to investigate the process of identification and development of talent by multinational companies and difficulties encountered in this process, with reference to China. The qualitative study was made with the help of 22 interviews from 14 large multinational companies. The findings of the study reveal that the identification of talent is done by searching competencies like customer focus, people engagement, commitment and loyalty to the company, drive performance, collaborative work, self leadership and good communication. For assuming global leadership additional competencies like
innovation, visionary, strategic, being able to work in diverse environment and ability to develop leaders are considered essential. It was observed that performance and potential are used as base to categorise the talents. The difficulties encountered in developing leadership are English language skills, challenging status quo, critical thinking, strategic thinking, global mindset, learning new leadership style and expressing opinion. The problems encountered with talent development are employee mobility, turnover, different values, desire to be promoted soon, developing educational standards, expectation about work and Chinese education system. Authors argue that the success of talent development depends on talent retention, better retention leads to successful talent development programme.

The study conducted by Shuming Zhao and Jaun Du (2011), remarks that talent assessment in Chinese organisations is not systematic and is limited in application. Talent assessment lacks in standardisation and quality certification. The assessment tools have either ‘imported’ foreign assessment tools or ‘modified’ tools. The ‘imported’ foreign assessment tools are those assessment instruments of foreign countries, which were directly put to use in China. Modified tools are also foreign borrowed tools, but combined with some modifications to suit to the Chinese psychological and cultural context. With this background, authors used Caliper’s profile to assess the competency of salesmen. Comparative analysis of talent between 180 Chinese and 180 US sales managers revealed that they significantly differ in external structure, sociability and cautiousness, aggressiveness, scepticism, risk taking, assertiveness, gregariousness and thoroughness. Authors advocate that talent assessment through talent identification and competency modelling will help to strengthen the core talent of individual employees and competitive strength for organisation. The application of talent assessment system should be adopted in various human resource management contexts like recruitment and selection, employee development, career planning and promotion and performance management.

An attempt was made by Singh and Sabharwal (2011), to study measurable set of factors that constitute talent, which revealed that there are measurable set of factors that constitute talent. They conclude that talent can be managed as well measured. Authors claim that talent can be measured and whatever can be measured can be managed. They investigated whether there is difference among public and private
sector employees in identifying factors that constitute talent. It was found that there is no significant difference in factors constituting talent among public and private sector employees. Among 23 factors of talent leadership, personal motivation, critical judgment, problem solving, and accountability were with highest score. Authors suggest, using talent management, to provide enabling organisational environment to utilize the talent by measuring controlling and managing it.

The study conducted by Mathias Hoglund (2012), examines the effects human resource management practice on human capital from talent management perspective. Author examines how differentiated talent induces employee perception of obligation to develop skills. It was found that there is a positive relationship between skill enhancing human resource management practices and human capital and this relationship is mediated by talent inducement. Author argues that talent management helps employees to enhance individual talent by inducing obligation to develop talent. Talent management can function as a framework that helps the development of qualities considered important for achieving organisational goals. Talent inducements can have powerful impact on employee behaviours. Psychological contract fulfilment should be considered seriously, as a breach of it creates adverse effects on the behaviour of employees. The findings of the study reveal that talent inducement has powerful effect on employee behaviour. How talent management practices are communicated to employees sends signals about the desired talent qualities that need to be exhibited and developed among employees.

Vanka Sita and Anitha Pinapati (2013) examine competency management as a tool for talent management in terms of talent acquisition, training and development and retention in Indian IT organisations. An attempt is made to identify the enabling and disabling factors of talent management. From senior management perspective talent development, talent acquisition and talent retention were perceived to be important talent management areas in the use of competency framework. Both senior management and employees consider culture challenging assignments and work environment as enabling factors of talent management.

Talent management practices considered for the comparative study made by Bedia and Padmawat (2013), are recruitment and selection, training and development, performance and potential appraisal, competency mapping and succession planning. All companies use competencies, result and potential map to identify talent. The
employees in both public and private were same in their intention to stay in organisation. According to different experience group of employees competency level differs significantly over sectors.

1.2.1. B. Talent Management Practice and Outcome:

Frank and Horwitz (2003), have identified strategies to attract, motivate and retain knowledge workers. Based on the extensive study of human resource strategies, it was found that competitive pay package is the most popular strategy for attracting and retaining knowledge workers. For motivating knowledge workers, allowing freedom to plan for the work, creating challenging work environment and recognition are very much important. The highly effective retention strategies are challenging assignments, opportunity to develop in specified areas, top management support and leadership. They opine that there is an emerging literature and research evidence on human resource strategies, practices and organisational blue prints, for attracting, motivating and retaining these workers. Salary, challenging job, recognition, growth opportunities and leadership are primary aspects of organisations’ ability to attract and retain.

Paul and N. Anantharamam (2003), studied the impact of people management practices on operating performance. The relationship of human resource management practices namely selection, induction, training, job design, work environment, performance appraisal, compensation, career development and incentives with operating performance was evaluated. Operating performance was measured in terms of employee retention, employee productivity, product quality, and speed of delivery and operating cost, which revealed that human resource management practices are positively related with operating performance. It was found that each and every human resource management practice has an indirect influence on operational performance of the organisation. Human resource management practices such as training, job design, compensation and incentives directly affect operational parameters i.e. ‘talent retention’. The researchers’ hypothesised model considers employee competence, team work, organisational commitment and customer orientation as intervening variables between human resource policies and operating performance.
Jeffry Cohn, Khurana, and Reeves (2005), studied talent management as a tool to develop leaders and emphasised the alignment of talent with leadership development. Talent development should be designed to provide value to the organisation which cannot be imitated by others. As a part of talent development, star performers should be exposed to various operational and geographical units of the business. This exposure facilitates alignment and integration of talent towards leadership development.

Talent management practice in five high performing organisations was studied by Sunita and Jyotsna (2006). The common priorities that are given in talent management are employer branding, sourcing, placing, training and leadership development. It was remarked that though there are similar talent management practices across organisation, still talent management differs due to its focus and way of direction by top management. They advocate that talent management though exists in every organisation, the extent of its formalisation and effectiveness varies. The extent of formalisation and effectiveness of talent management is the determinant of the success of talent management.

The purpose of the study made by Ntonga (2007), is to examine the perceived impact of talent management practices on employees, in comparison to the best talent management practices. Both qualitative and quantitative methods were adopted. Structured questionnaire with 5 point Likert’s scale was used to collect data. The mean value indicated that employees have clear understanding of talent management practices. The overall findings indicated that there is a significant difference between employee perception of talent management practice and international best practice of talent management. The talent management was used for retention, managing demand and supply of talent, succession, performance management and sustainability. Both employees and top management are in agreement that talent management practice will result in increased retention of employees.

Peter Holland (2007), critically evaluates the organisations’ commitment to talent management in terms of resource allocation. Researcher assessed that there is a less than adequate focus of resources on attraction, retention and development. The attention is given for recruitment and selection, but there are less resource allocations in areas like job design, general training, career management and diversity management. The focus of talent management should shift from recruitment and
selection to training and development. If organisation considers internally building the core talent, then time and money should be allocated to enrich job, design training and development, plan career management and frame diversity management. They suggest that core talent can be built internally rather for going for costlier recruitment and selection, which enables the Australian organisations to compete for better talent domestically and internationally.

The aim of the study made by Bhatnagar (2007), in BPO industry in India, is to examine talent management and its relationship with the levels of employee engagement, using mixed research design. The findings of the study alarm the industry that 60% of the people joining BPOs leave within six months. Authors advocate that in addition to induction, orientation and such other programs, there should be “actual handholding by mentor within organisation”. Employee engagement was found to be low at the beginning of the career. The three factors were noted important for employees’ retention; organisational culture, career planning with incentives and organisational support. Authors claim that talent management in terms of organisational culture, career planning, incentives and organisational support will lead to better engagement and retention.

In the present scenario of skill shortage, increased demand for talented people and increased cost of recruitment, Punia and Sharma (2008) opine that recruitment should be made to not just for filling positions by talent but to retain them for considerably longer duration. This becomes crucial due to the situation of skill shortage. This makes to analyse how far recruitment practice influences employee retention. The study investigates the influence of organisational procurement practice on employee retention. Primary data collected by 1000 IT professionals forms the sources of the study. The findings of the study reveal that respondents regard effective induction programme as the most effective strategy of retention. In addition to this, systematic job analysis and talent requirement assessment are the recurring factors. Respondents attached lowest importance in out sourcing the employees as a retention measure. Induction programme, scientific job analysis fair and skill based distribution of work assignments have tend to be the key factors influencing employee retention.

The paper by Neeti Chhabra and Mishra (2008), focuses on various strategies of talent management and employer branding to retain the talented workforce. They advocate that in order to retain talent ‘Great Company’ and ‘Great job’ are the major
factors than compensation and lifestyle. They argue that organisations’ talent management should be aligned to make it as a great place to work. In other words talent management can attract and retain talent through employer branding. Authors suggest incorporating branding in various processes like recruitment, retention and training.

Pallavi Srivatsava and Jyotsna Bhatnagar (2008) conducted an investigation with the help of a case study in a leading mobile device business company, Motorola India. They argue that the innovative strategies of organisation will not remain new forever, since they are followed by other organisations soon. In such scenario, acquisition of talent should be made keeping in mind ‘recruitment- culture- need fit’, that results in high engagement and less attrition. Personal goals and aspirations of applicant should match with an organisation’s need to achieve better person-organisation fit. It helps in anchoring employees to organisation need and reduces attrition. They acknowledge that by establishing ‘culture-recruitment fit’, comfortable work environment is created which results in better employee engagement.

James Wall and Aijala, (2008) challenge the organisation’s practice of waging wars for talent through bidding and poaching. This struggle backed by rich compensation or bonuses will easily imitated by competitors. In order to acquire talent more thoughtful response is essential. They suggest an alternative. The model suggested an integration of three aspects ‘Develop-Deploy-Connect. This leads to increased capability, alignment and commitment, which in turn enhances performance. Authors claim that when talent management process is through the suggested model, organisations will be reluctant to go back to the stop-gap measures of recruiting and retention. The talent need will be fulfilled from within.

The influence of job satisfaction relating to pay, promotion, operating condition, co-workers, benefits, communication and the nature of work on retention was examined by Westlund and Hannon (2008). The JSS instrument, to assess employee attitude on the job and aspects of job, was utilised. The coefficient of determination=0.395 indicating that 39.5% of turnover intentions can be attributed to variables in the model.

The effectiveness of talent management was envisaged through the impact of talent management practices on talent management outcome by Muduli (2008). The
influence of talent management practices such as recruitment and staffing, competence management, leadership development, performance management, compensation and engagement on talent management outcomes, namely absenteeism, turnover and productivity were examined. The sample consists of 110 executives and non executives working in various organisations in India. Talent management effectiveness was measured with the help of employee perception regarding the extent of talent management practices. It was found that talent management practices were significantly related with talent management outcomes. There was a positive relation between talent management practice and talent management outcome. The regression result showed that competency management, compensation, performance management and engagement are found to correlate more than recruitment and staffing and leadership development and assessment with talent management outcome. It was suggested that paying attention to competency management, compensation, performance management and engagement will definitely reduce the labour turnover and absenteeism.

The report by Economic Intelligence Unit by Murry (2008) is based on the survey of 395 senior executives. Major findings of the study highlight the need for adopting talent management strategy to expand globally. This is because the recruiting and retaining of top talent is turning harder. Researchers observed that individual assessment remains the preferred method of measuring employee performance. In addition, talent development through new opportunity and linking pay and performance are the mostly followed strategies of talent management.

Qualitative approach was used by Born and Heers (2009), to explore talent management practices in two organisations, HSBC and P and G. In both the companies talent management was used as a strategy to attract and retain employees. In HSBC, talent management process was embedded with strategic and cultural objective and emotional commitment to talent management process by management. P and G used talent management as a means to create employer brand value through training and development, and community involvement. Internal development was used to retain employees. Talent management is considered to be the top management priority focusing on business strategy, embedded with organisational culture.

Talent management in India was studied with the help of a survey of Indian organisations by Tymonjr, Stumf and Doh (2009). 4811 employees are selected from
28 companies in India to know the employee perception of their company, their managers and human resource practice. 6 talent management variables namely intrinsic rewards, hygiene factors, performance management, pride in the organisation, manager support and social responsibility were considered as dependent variables. Its influence on three outcomes (satisfaction with the organisation, career success and intention to leave) was studied. Hygiene factors and intrinsic rewards contributed for employee satisfaction and career success, the relationship between them being strong and positive. It also indicated that satisfaction and intention to leave are related. Employees are more likely to value their overall situation within the organisation as opposed to stressing only their career advancement.

To assess the drivers of employee turnover and performance in off shore location, Wayne, Choudry and Wilson (2009), have advocated the study. The results indicated that employee- leader relationship is the key to reduce turnover and thereby leads to improved retention. This also enhances performance of the employee. The researchers noted that a high quality employee leader relationship is based on contribution, loyalty, mutual liking and professional respect. Work experience was negatively correlated with turnover intention \((r=-0.11)\). Empowerment measured on 4 dimensions: (meaning, competence, self determination and impact) is significantly negatively correlated with turnover intentions \((r=-0.289)\). Authors recommend improving the quality of employee- leader relationship.

To have better understanding of talent attraction and talent retention, it was aimed to explore and establish the factors influencing talent management at Nation Media Group by Mwangi (2009). The researcher perceived salary, training, promotion, working condition, leadership styles, organisational culture, job security as independent variables of the study and talent management being dependent variable. The data collection was made through questionnaire and personnel interview. It was found that the employees were dissatisfied with the pay. Among the study variables, remuneration, promotion and working condition are more important to make employees stay in organisations than leadership style and job security. Thus the author suggests adopting competitive pay package, promotion and better working condition to retain the employees.

The purpose of the study by Kilfman (2009), is to examine the relationship between talent management and psychological contract fulfilment. The study assumed
that talent management practices are positively associated with the psychological contract fulfilment. And that this relation is moderated by generations. The sample consisted of 340 employees. It was found that there is a positive relation between talent management practice and psychological contract fulfilment. This relation is highest for generation X and weakest for baby boomers. Increased talent management practices will result in increased clarity about employment relationship.

Kyndt, Dochy, Michielsen and Moeyaert (2009), conducted a study of 349 participants working in different organisations. The purpose of the study was to examine the relationship between learning and working climate and employee retention, relationship between high potentials and retention, relationship of variables like education, number of children, seniority, age and gender of the employee to retention. 44.77% of variance in retention is explained by five factors: appreciation and stimulation (16.91), leadership skills (10.03), pressure of work (6.59), following procedure (6.10) and learning attitude (5.14). It was found that a significant positive influence of seniority on employee retention (t=2.907, p<0.01, beta=0.139). Level of education (t=-2.436, p<0.5, beta=-0.110) indicates that lower level of education have a greater tendency to stay than those with more education.

The paper by Lacy, Arnott and Lowitt (2009), opens new vistas in talent development for building organisation sustainability by analysing the experiences of Fortune 500 companies both in public and private sector. Author identified some reasons for transformation of organisational environment. Technological innovations, employee values, availability of capital and consumer preferences were the major reasons creating change. All these changes and essence of talented employees for sustainability had made organisation to re look the talent investment policies. Organisation values, attitude, skill and knowledge of employees contribute to create sustainability. As the quality of employees is a real factor of sustainability, employee learning, performance management and employee engagement are the ways through which organisation attains sustainability.

To explore contextual and organisational issues associated with attraction and retention in energy industry, Hutnings, Cieri and Shea (2010), conducted a study. According to respondents, the challenges of workforce are skill shortage, aging workforce, employee turnover, planning for closure, work place relation, reluctance to reside remotely, legislation and union presence. The important strategies for attraction
and retention are training and development, improving recruitment practices, organisational culture, and manager to employee communication. The difficulties found for attracting staff to remote location of energy industry are mainly due to negative image created about the industry by environmentalists and limited career path.

The causes of the shortfall in talent pipeline were examined by Jean Martin and Conrad Schmidt (2010). They studied 20000 employees, who were considered as emerging stars, from over 100 organisations. The researchers noticed some common errors in maintaining talent. The errors are equating current high performance with future potential, delegating the work of managing top talent, shielding rising stars from early failures, lack of integration between stars and strategy of business.

Bethke, Longenegger, Mahler and Staffelbach (2010) conducted a study to identify the perceived effectiveness, impact of talent management on organisational performance and to describe the extent to which organisation success is associated with talent management strategies. The study was conducted with the background that the implementation and improvements in talent management system have a positive effect on organisational performance in various ways. The research propositions were that the talent management strategies influence the organisational performance. Organisational performance was measured with non financial outcomes at institutional level and individual level. The non financial outcomes at institutional level were attractiveness, time saving for successions, achieving business goals, operational excellence, and customer satisfaction. Non financial outcomes at individual level (employee level) were, job satisfaction, performance, motivation, commitment, work quality, qualification and trust in leaders. Data was collected from 138 organisations. Correlation and regression analysis were used to test the prepositions. The results of the study supported that there is a positive impact of talent retention and talent development on satisfaction, motivation, commitment, work quality, qualification and trust in leaders. Authors concluded that talent management strategies influences non financial outcomes at both individual and institutional level.

According to Hartman, Feisel, and Schober(2010), talent scarcity in China and limited world class talent in China, brain drain of educated Chinese youngsters are the reasons for which talent management has become major concern of western MNCs in china. The researchers aim to explore about how do western MNCs in China identify,
develop and retain talented employees and does talent management practices are tailored for local subsidiaries considering the institutional and cultural influence. The case study method was adopted to examine the identification, development and retention of talented employees. Considering 7 western MNCs operating in China, open ended and exploratory research questions were used for data collection. In-depth qualitative interviews were utilised to get additional knowledge about the problems. Among the selected cases, only 3 organisations considered identification of talent and focused on creation of talent pools by segmentation. Other organisations have adopted inclusive approach, where all employees are considered to be talented. It was found that identification of talent was unstructured. Only large organisations focused on creation of talent pools. “Formalisation” based process was followed for talent identification. For developing talent training internally was the most preferred route. It was noted that the turnover problem is due to the fact that identification of talent focused on the value and potential of employees ignoring the difficulties encountered in replacing them. The authors advocated that better retention can be achieved by creating the spirit of unity because Chinese society is based on family bondage where sense belongingness is valued more.

The paper by Pallavi and Jyotsna (2010), addresses the challenge of talent acquisition through employer branding. Talent attraction is the result of employer branding. The employer branding was determined through career growth, reward strategy, people orientedness, learning and development. These factors of the employer brand discovered under the study, were categorised as caring organisation and enabling organisation. The aspects of what the organisation is and what the organisation has for its employees are the deciding factors of employer brand.

The investigation conducted by Govaerts and Kyndt (2011) to know the factors influencing talent retention revealed that development or learning opportunity is the key factor for talent retention. Further the researchers examined relationship of the employee factors like age, seniority and level of education with employee retention. The regression model of intention to stay indicates that learning and working climate is a good predictor of intention to stay (t=24.723, p<0.001, beta=0.622). The regression analysis for intention to leave as dependent variable was conducted. It was found that learning and working climate relates negatively to the intention to leave (t=-5.963, p<0.001, beta=-0.191). This indicates that learning
opportunity and positive working climate reduces the intention to leave. Age has a significant positive relationship with retention.

A formal process was designed for nurturing talented employees. Talent reviews, identification of talent gaps, talent segmentation, succession planning, development and retention plans are carried out as a part of talent management process. As a result, all people from all levels of the organisation were involved in talent management. Internalisation and formalisation of talent management has contributed to the understanding of talent management strategy by all the employees.

The case study analysis in a telecom sector of India, Bharti Airtel by Priyanka Anand (2011), revealed that the structured and formalised implementation of talent management through identification and assessment, employee development and succession planning have improved the organisations talent position. It was found that the formalisation of talent management practice results in reduced turnover, increased employee engagement and happiness.

Doh, Stump and Tymon (2011), conducted comprehensive survey of 4352 employees of 28 Indian and international organisations operating in India. Authors undertook a study with an assumption that greater the perception of comprehensive and formal human resource practices, higher the employee retention. Employee perception of positive stakeholder culture and responsible leadership are positively related with human resource practices. This enhances pride and satisfaction of employees and thereby improves retention. Talent retention with respect to six demographic variables namely, gender, age, education level, length of service, responsibility level, number supervised was observed. The result supported that intentions to leave and turnover were higher for younger employees, males and employees with more experience.

Maitri Shah (2011) ensures that employer brand can enhance talent retention and thereby leads to better talent management. They theoretically advocate that talent management, through employer brand, utilises people oriented strategies which enhances organisation’s image. The world wide talent shortages are the greatest threat for the talent pool of an organisation. So employer brand should be utilised not only to create satisfaction but to create positivism in the minds of external environment. Authors opine that employer branding is the essence of the employment experience.
The purpose of the study by Chikumbhi (2011) is to explore the determinants of talent management. Both qualitative and quantitative methods were utilised for the research. The primary data was collected from 40 employees in grade 5 and 6 working in the Bank of Zambia. It was found that there is no adequate talent planning in Bank of Zambia. Recruitment process is satisfactorily administrated strategy of talent management. But organisation has to improve in the areas of succession planning, compensation and rewards, performance evaluation and employee empowerment.

The study was made by Jeevan Jyoti and Sharma (2011) to know the extent of correlation between talent management and employee effectiveness and impact of talent management on employee effectiveness. The study was undertaken in an automobile industry and restricted to the employees of Maruti Udyog limited. Talent management was measured with the help of motivation strategy, training and education, development. Employee effectiveness was measured by service culture and customer focus. The results suggest that there is a relationship between talent management and employee effectiveness. They concluded that better training method, proper designing and formulation of human resource policies will increase employee effectiveness.

Gul, Akbar and Zebian (2012) conducted a study to know the relationship between talent management and retention. 74 employees of banking sector were the source of primary data. The structured questionnaire was about the role and impact of capacity development, promotion and employee empowerment on retention. With correlation and regression analysis, it came to light that there is a positive relationship between capacity development, promotion and employee empowerment. It was clear that both employee empowerment and capacity development are positively and significantly correlated with retention. But the correlation between promotion and retention was -0.111. The regression analysis shows that 56.2% of variation in retention is explained by capacity development and 23.2% that of from employee empowerment. Therefore care should be taken to design promotion strategy.

A study was conducted in the banking sector in Ghana by Sokro (2012) to investigate how employer branding influences the attraction and retention of employees. It was found that the brand names are crucial and influence decisions of employees to join the organisation. Employer branding also enhances retention.
Among the reasons, good working condition (78.2%), career advancement opportunities (71.3%), core values of the organisation (69%) and reward system (60.9%) influenced talent retention. A chi square test indicated that there was a significant association between perceived favorability of organisation image and employee retention. Author recommends using employer branding as a strategy to attract and retain the workforce. (Chi square =32.5545, beta<0.001). 

The purpose of the study conducted by Poorhosseinzadeh and Subrahmaniam (2012), is to know the determinants of successful talent management. Researchers advocated that the attraction, deployment, development, retention and succession planning influences talent management. Quantitative approach with survey method was adopted wherein data was collected through a structured questionnaire formed on Likert’s scale. Convenience sampling was adopted to collect data. For analysis purpose, correlation and regression were applied to test whether there is a positive relation between attraction, deployment, development, retention and succession planning with talent management. It was confirmed that all independent variables correlated positively and significantly with talent management. Further it was noted that the significant predictor of successful talent management in MNCs in Malaysia is developing talent which explains about 53% variation of successful talent management.

The study by Kehinde (2012) aims to measure the impact of talent management on organisational performance. Organisational performance is measured with financial aspects namely profit and return on investment. The study was conducted in Nigeria. The sample formed 16 persons designated as CEO, COO and director. Structured interview was used to collect the data. It was found that talent management is highly correlated with profitability and return on investment. It was clear that talent management has higher correlation with profitability level than return on investment. The research revealed that talent management implementation positively influences work performance in the company. It was recommended to use talent management for all categories of staff, since it influences on work performance.

The study was made to examine the effects of talent categorisation (exclusive people approach) on talent management outcomes by Langenegger (2012). According to exclusive people approach only few employees with high performance potential are considered as talent. The author focuses on the categorisation’s effect on job
satisfaction, intention to quit and engagement. The propositions talent (employee classified as talent out of the companies view) show higher job satisfaction, engagement and lower intention to quit than non talent was tested. The study was made on Swiss financial service organisations where there is a sophisticated talent management. Talent categorisations in these organisations are communicated to employees. Totally 219 responses were collected, out of which, 73 were identified as talent, were collected. Talent management was measured with talent development. It was found that talents have higher job satisfaction, engagement and lower intention to quit.

The study made by Scott, McMullen and Royal (2012) revealed that those organisations which identify key talent and launch succession planning are more confident in their ability to retain key talent. But the primary reasons for quitting is more pay elsewhere, lack of promotional opportunities and less pay level compared to industry level and dissatisfaction with job or work responsibility.

The case study made by Akila (2012) in BGS energy ltd., Chennai examined the relationship between superior support, work environment, work life balance, career opportunities, recognition and reward with retention. All the factors are significantly positively related with retention. Factors like gender, experience and department of employees were not associated with retention. Career opportunities were ranked first among the factors of retention. The predominant predictor of retention was career opportunities. It was concluded that there is a linear relationship between career opportunities and retention. Work life balance and work environment influences job satisfaction of the employees.

The purpose of the research by Groves (2012) is to develop practical solutions to various talent management challenges to improve clinical, financial and work performance metrics of health care organisations. 142 organisations participated in the survey. The respondents rated the degree to which their respective organisation utilised talent management success factor. Talent management success factor was measured with series of talent management best practices like top management team support, talent assessment practice, performance management, leadership development, pay practice and recruitment practices of the organisations. It was found that the hospitals with high success factor has lower annual turnover of staff, compared with low success factor scores. The 2.07% reduction in annual turnover of
nurses represents a total annual cost savings of $2.45 million, while the 1.78% of reduction in annual managers’ turnover represents a total annual cost savings of $800,617. The organisations use leadership competencies, job performance and specific work experience as primary factors for designation employees as high potential. The hospital with talent management has high productivity and success with low turnover of nurse and management.

Rani and Joshi (2012) defined talent management as a core sub system of an organisations strategic management to develop a human resource asset base that is capable to support current and future organisational growth directions and objectives. They have envisaged the relationship between talent management strategies and retention. Comparative study on talent management strategies in information technology company Infosys and automobile (Tech Mahindra) was made. Both the companies have talent identification through competency and assessment. The drivers of employee retention are organisational culture (60%), rewards (48%), pay (57%) and job security (52%). Organisational culture and rewards are the driving force for attracting and retaining talents. Base pay and job security are important factor in retaining employees. Training is the major aspect of employee motivation. Most of the employees have clear knowledge about the vision, mission and objectives of the organisation and ways to achieve them.

The paper by Renateorllieb and Sieben (2012) examines the proposition that critical resources of professionals and managers imply different retention strategies. 151 German manufacturing and service sector companies were surveyed and 4 clusters were formed on the basis of types of potentially critical resources of professional and managerial staff. The results show that among retention strategies like coercion, incentives, norms and values recruitment of new professionals and managers and knowledge management, the two strategies namely norms and values and incentives are regarded as most appropriate retention strategy. Authors concluded that employee retention, recruitment and knowledge management are not mutually exclusive; they represent complementary strategies aiming at the retention of critical resources in the company.

Rajanish and Saniya (2012) explored the key factors of retention in telecom sector. 10 factors were identified for retention. They are importance of training, consultation of the employee during target setting, satisfaction with compensation
level, rewards and recognition given to executives, working conditions, job capability, ability to meet target, plan to start their own business, satisfaction with incentives and participation in management. Among these factors, employee satisfaction is less for compensation level and reward and recognition. Authors suggest improving in the area of monetary and non-monetary reward to increase employee satisfaction in these areas.

High potential employees are real assets of the organisation. At the same time they are high flyers who can pose real problems of retention. Peter Bartram (2012) suggests some measures to control and monitor such high flyers. The 8 important ways are attaining perfect match of job-person-organisation fit; effective induction, integrating new staff, meeting employee expectations, appointing exceptional managers, promoting staff development, designing systematic pay policy and providing good work-life balance. This enables to retain high flyers.

Ravinder Kumar and Ritu Arora (2012) examined the determinants of talent retention in business process outsourcing industry. The primary data was gathered from 25 employees of 25 BPO firms. They found that the employees regard organisation culture followed by work life integration, rewards and compensation as the most prominent factors to decide about continuing work (job shift). The researchers suggest that the work culture of BPO industry should be improved to increase the employee retention rate. Further they note that the age, qualification, gender, and experience of the employee are related with retention.

The study made by Marco Guerci and Luca Solari (2012) on talent management by considering 4 Italian companies, using case study method confirms that talent management is used for gaining competitive advantage. It is not rebranding but is a strategy. The organisations used exclusive people approach but still, team and networks are considered rather than individual talent. It is seen as an opportunity for improving top and line managers’ commitment to the human resource management process. Talent management is seen as a tool to boost the managers’ sensitivity and responsibility as well as ongoing relations with the talented resources. The researchers observe that the talent management is an effort to strengthen the human resource management practices in Italian context of poor training and development through talent practices. Italian organisations are advancing in designing human resource
management programmes. They are moving towards segmented approach of workforce.

The study by Maura Sheehan (2012) examines whether there is a positive relationship between management development and perceived subsidiary performance and whether national context mediates any link between management development and subsidiary performance. Poland, UK, Czech Republic and Hungary are the 4 countries selected, of which 378 organisations were surveyed. 715 interviews were held. It was found that management development is significantly and positively associated with perceived subsidiary performance. Further it was noted that there is a positive association between human capital and returns to management development. It was also found that the perceived management development varies considerably between respondents. Specialists and managers perceive there to be good practice of talent management compared to line managers. The paper claims that by cutting expenditure on key talent management interventions, management may have adverse effects on the future competitive advantage of the organization.

Vlad Vaiman Scullion and Collings (2012) present a paper to understand the key issues that emerge in the context of decision making on talent management. The review on talent management decision making discloses that talent decisions are based on cognitive process rather than rational approach. This leads to biased decision. The talent decisions should be made on the basis of scientific data and processes. The key factors influencing talent management decision making in the global context are talent shortages, demographic and societal trends, corporate social responsibility, diversity, the increasing mobility, permanent shift to a knowledge based economy and growing importance of emerging markets. Authors, in order to improve decision making in talent management, suggest the need to develop more comprehensive framework to reflect the complexity of environmental factors that affect talent management in the international context.

The report by Deloitte (2012) says that critical talent is becoming increasingly difficult to replace due to shortage of skilled employees. The entry barriers to fill the roles, time taken for development etc. are hurdles in pathway of acquiring talent. Therefore the report recommends that talent management should follow segmented approach as the expectation of employees differs according to generations, geographical area, gender etc. It was found that ‘millennial’ and ‘generation X’ expect
financial incentives and promotion, whereas ‘baby boomers’ need support and recognition. It was also found that men appeared to focus on financial incentives, while women were more likely to seek recognition.

The descriptive research was made to find out the talent management of employees in retail industry of Chennai by Deepa and Kuppuswamy (2013) considering retail units like Shoppers Stop, Reliance and Pantaloons. Primary data was collected from 200 employees of retail industry through structured questionnaire. The financial incentives were considered as the major aspects to manage and retain employees. Bonus, piece rate system, salary and others are the major motivators. Decision making power, additional responsibility and promotion to higher job are non financial aspects of talent management. It was found that there is a neutral opinion of retail workers on talent management policies.

A 234 mid range and senior executives of 5 star and 4 star hotel establishments formed the sample of the study made by Altrnoz, Cakiroglu, and Cop (2013). Correlation and regression analysis were used to study the influence of talent management on organisational trust. A strong positive correlation was found between talent management and organisational trust (r= .763, p=.000). The findings of the study suggested that 58% of organisation trust perceptions are dependent on talent management practices. That is, the improvement in talent management practices resulted in increased level of organisational trust. In relation to the demographic variables considered for the study, it was found that in 5 star hotels, the perception of talent management and organisational trust are higher than that of 4 star hotels. Married workers and male workers have higher perception of talent management and organisational trust than single and female workers. The perception of talent management and organisational trust increases in line with education.

The conceptual paper by Peter Cappelli (2013) gives new insight to the segmentation approach of talent. The paper cautions that quality of work and performance problems are not individualistic. The ‘A players’ is a misconception. Researcher insists that the performance differences are probably not due to difference in individual talent but because of the system support secured by the environment. Author says that hiring is a just in time solution for urgent talent need, wherein internal talent development is the long term strategy of strengthening talent pool.
talent needs should be rightly assessed to make the investments on talent fruitful. The best way to retain the valued employees is to provide promising career path.

A study was conducted by Gumus et al (2013) to find out in what ways talent management is effective with the question how potential leaders stay in a company. The study was conducted in financial sector considering the sample of 65 bank employees. The demographic data on gender, education, work experience and title were collected. Talent management practice was assessed with 22 questions using 5 point Likert’s scale. The ANOVA test was performed to know the opinion of employees on retention and maintenance of employees as a talent management practice. It was found that there is a statistical difference in terms of age and work experience. The level of agreement with the opinion “Performance management is effective in terms of maintaining the talents” decreases as the work experience increases. In other words experienced workers have less agreement over the performance management system as a retention and maintenance tool. The level of agreement for “Management redundancy plan is important in terms of development of required management team”, decreases as the age become younger. It was concluded that the application relating to talent management studies of the firm are at satisfactory levels.

The research by Bedia and Padmawat (2013) concentrated on the comparative analysis of talent management practice in selected public and private organisations. Sample included 313 respondents from 53 public and private organisations. The major findings revealed that there is a difference in ‘competency assessment’, ‘360 feedbacks’ with respect to experience but no significant difference was found in ‘employee stay with organisation’. It was noticed that majority of the private companies use competencies, results and potential, as parameters to identify talent, whereas public companies use results as parameter to identify the talent. Acquiring new talent and leveraging existing talent are the talent retention strategies of private companies. Public company, rather than hiring new talent, uses leveraging existing talent as a strategy for retaining the workforce.

Authors Mankins, Bird and Root (2013) explore about reinventing talent management. This reinvention is through integrating star performers. In many instances star players are confined to single department or division of an organisation. But they must be seen as organisation asset rather than a property of a particular unit.
Authors unfold the idea of stars working in teams together as dangerous threat because star players start competing among them rather than against other competing organisation. Any individual leader involved in strategy implementation should have authority to recruit and strengthen the talent pipeline. Authors caution demoralising average performing workers while celebrating star players contribution.

Fatima and Veloso (2014) studied the talent retention strategies in Brazilian organisations with the help of case study analysis. Two companies, one in electrical energy sector and other in the pharmaceutical sector were selected for the study. Both the companies have their own management model to recognise high potentials. 20% of the total employee group is considered as a talent group. Organisation has various retention measures like incentives, recruitment strategy, strategy of norms and values and knowledge management strategy, which were used to retain the talented employees. In Company A, 86% of retention is explained by retention factors and in company B, it is 83%. Authors suggest that in addition to creating talent retention strategy, companies need to understand external factors like job market, career expectation and personalities of talent.

In line with the relationship of talent management and retention, an interesting factor was discovered by another study, by Nurul Ezail et.al (2014). The paper addresses the relationship between talent management and retention, by considering employee engagement as important mediating variable. The important talent management aspects considered for the study are managerial support, career development, rewards and recognition. The sample consists of 840 employees from 3 information technology organisations. The respondents are executives and above levels, from 3 departments. It was found from the analysis that there is a significant positive relationship between talent management and retention, talent management and employee engagement. The talent management has significant contribution towards retention and engagement. The finding of the study explored that when employees are provided with satisfactory talent management, they will be more engaged and they tend to remain in the organisation.

The study by Orwa and Njeri (2014) in Kenya sought to address the challenges of talent management. It was aimed to investigate the influence of organisational culture, career management and reward system and work environment on talent management. The study was based on descriptive design. The study was
undertaken in Broadcasting Organisation of Kenya with 159 employees. Among them, 61 lower and middle level employees are selected. Organisation culture was found to be the major influencing factor on talent management. Other factors which influenced talent management were career management, reward system and work environment.

1.2.1. C. Summary of the Review:

Thus the extensive review of the studies on talent management in business sector shows that talent management is implemented in a systematic and formal basis, mostly adopting segmentation approach to talent. The talent identification and assessment is made with the help of competency frameworks. Talent management is being used for leadership development and succession planning. On the other hand talent management is seen as a means to achieve better talent attraction and talent retention. The study made by Ham, Chou, Chau, and Wright, (2006); John Ingham (2006); Rakesh Sharma and Jyotsna Bhatnagar (2009); Mansson and Schmidt, 2011; Zhao and Du, (2011); Singh and Sabharwal, ( 2011) present the importance of talent identification, assessment, segmentation for increasing the effectiveness of talent management. These papers suggest to utilise competencies to identify talent and integrate it with organisational talent management practice to secure long term success. Authors recommend that talent assessment will result in better attraction and retention by improving individual talent and organisational talent pool.

Many studies have concentrated on one or two aspects of talent management like recruitment, selection, leadership development, and succession planning and so on. Cohn, Khurana and Reeves, (2005) viewed leadership development as an essence of talent development. Chug and Bhatnagar, (2006) explored the determinants of successful talent management; Peter Holland ( 2007), suggest talent development instead of hiring panically. There are some studies which examines the relationship of talent management with organisational human resource outcomes like talent attraction and retention. The studies conducted by Frank M. Horwitz (2003); Paul and N.Anantharamam (2003); Ntonga (2007); Bhatnagar (2007); Chhabra and Mishra (2008); Westlund and Hannon (2008); Muduli (2008); Wayne, Choudry, and Wilson (2009); Mwangi (2009); Kyndt, Dochy, Michielsen, and Moeyaert (2009); Govaerts and Kyndt (2011); Sokro (2012); Rani and Joshi (2012); are related with the determinants of talent attraction, retention and relationship of retention with talent
management practices. The studies were conducted in different industries like IT, BPOs, manufacturing, Energy, retail, telecommunication, pharmaceutical, hotel and banking sector. The common aspect of the review of all these studies reveals that there is a systematic, formal human resource management system, through which talent management is implemented as a strategy to attract and retain employees. Talent management is implemented formally and is communicated across the organisations. Talent management is used either with segmented or non segmented approach.

1.2.2. SECTION 2: TALENT MANAGEMENT IN NGOS

The study conducted by Julie Napoli (2006) investigates the relationship between non profit organisation (NPO) brand orientation and organisational performance. Researcher claims that there is a positive association between the non profit brand orientation and non profit organisational performance. The shared sense of brand among different stakeholders enhances organisational performance. The comparative analysis between below average performing organisations and above average performing organisations, showed that the below average performers are significantly lower in their ability to satisfy stakeholders need and achieve short term and long term goals. The higher performing organisations are more adaptive and monitoring to changes and recognise brand attitude of the stakeholders effectively. The researchers contend that strong brands are becoming increasingly important for the longevity and survival of non profit organisations. Further author notices that many brand orientation activities are not entirely new many have currently engaged in such activities but on an ad hoc basis. This demands change of mindset to formalise the process within an organisation.

On the basis of the strategy of non profit organisations, Kunle Akingbola (2006) classified 148 non profit organisations of Canada that were considered for the study as prospector, analyzer, defender and reactor. It was reported that the level of importance of recruitment, compensation and labour relations in the non profit organisations is not related to their organisational strategy. But importance of training was different among prospectors and defender type of non profit organisations. The researcher observes that there is a lip service to human resource management in non profit organisations. He notes that nonprofits talk about human resource management
and see it as a part of strategy, but do not have the capacity to support its implementation.

Authors Brewster et. al. (2006) have noticed that NGOs pay lesser attention to manage their employees. They do not consider human resource management as a serious strategic issue. The employees of selected NGOs complained about selection and career planning. This will result in dissatisfaction and decreased commitment. Further they advice that commitment to mission and concern for staff should be developed simultaneously. Commitment to mission and concern for staff capability and work life balance should be achieved parallel without sacrificing one for the other. The NGO functioning should be changed from administrative and reactive to proactive and policy driven. Authors remark that NGOs should realise that good human resource management is not diverting the resources of beneficiaries instead it is the pre-requisite for uninterrupted quality service to beneficiaries.

The research by Chris Silva (2006) cautions about the skill shortage, especially in senior managerial level. According to a study published by the Bridge Span group, non profit organisations will need to recruit and develop 6,40,000 new senior managers over the next decade, which is 2.5 times the current number of employees. They acknowledge that the talent shortages can be tackled by retiring boomers. Author claims that non profit organisations should develop flexible work options, robust recruitment network, to find talented employees. The non profit organisations should tackle the typical problems of the sector like burnout, stress and lack of training, by streamlining professional human resource unit. As NGOs are growing at a faster rate such formal and professional approach is to be practiced to meet their talent requirements.

The paper by John Hailey (2006) explores the elements of leadership development and assesses the skills and competencies that need to be developed among NGO leaders and managers. NGO leaders need integrity personal strength, and political values. It advocates that the NGO leaders want flexible, personalised, process based training programmes that are focused to develop untapped potential of individual leaders. The future of NGOs depends on their ability to recruit and retain effective leaders. Therefore leadership talent and its development should become priority issue of the NGO agenda.
The research commissioned by People in Aid (2007), aims to identify the problems with motivating staff of the NGOs. They found that irrespective of the size, mission, and extent of operation, difficulties of low morale and low motivation of staff were found in NGOs. The high turnover reported by the research is due to low salary, lack of recognition, work restructuring and job insecurity, issues of personal safety and security, lack of training and development opportunities, work culture and non alignment of values. 28 organisations in four countries namely Honduras, India, Kenya and Pakistan were studied. The report observes that high turnover rate is persistent as the job hopping is common among professionals of these organisations. They suggest adopting a robust and proactive human resource strategy to focus and align employee talent with organisational objective.

Vijay Padaki (2007) envisages the bottlenecks of investment in people in NGOs. The project based, contractual and limited period of job duration is a major problem of staff appointment. This makes career path, job security and long term employment expectations of employees a nightmare. The author also recognises that the work related stress causes serious issues relating to alienation experienced by staff. Alienation experienced by young workers due to not attractive NGO career that creates intellectual and emotional isolation from family and friends. Author explains clearly how the emotional and intellectual stress is built among the staff of NGOs. Emotional load is experienced by young people due to the helplessness feeling arousing from the world of poverty, exploitation, cruelty and blatant injustice. This feeling of helplessness, guilt and anger makes them to suffer from self-doubt and depression. Many NGO jobs requiring higher level of analytical, managerial and relational skills are assigned to young NGO employees who lack proper training and life experience. Employees are compelled to manage these responsible roles that results in intellectual stress. The long hours of work, working on Sunday and holiday is hampering the work life balance of NGO employees. Further induction programme is a neglected aspect of human resource in NGOs. All these will mount the problems of NGOs. Further NGOs are poor in leadership management, security and rights to staff.

The purpose of the paper by Chenot (2007) is to investigate the relationship between organisation culture and retention in public child welfare service organisation in Central California. Cross sectional survey of seven hundred sixty seven employees
from eleven agencies in Central California was made. The major findings show that organisation culture has positive relationship with service quality and work attitudes. Work attitude have significant relationship with retention. Organisational climate, stress and engagement are related with retention.

Discussing the perquisites in public, private and NGO, the authors Werker and Ahmed (2008) analyse the reasons for less attractive career in NGOs. Though NGOs are giving higher salaries, this cannot be equated with the pay scales in other sectors. Especially in private sector employee salary is substantially high. In addition to this, corporate sector has broad based incentives and career development path. All these entails a substantial reduction in estimated lifetime earnings in NGOs compared to other sectors. Besides personal sacrifices, variable long working schedule, etc. will not be ignored that makes NGO job more critical. Author notices that NGOs are moving towards professionalisation. They are giving importance to organisation and management aspect.

People in Aid (2009) conducted a survey of European international NGOs to know the staff care approach adopted by them. The staff care approaches may be based on the economical, physical and psychological need of the staff. The report emphasises on the psychological care. The findings of the study revealed that staff care practices are inconsistent with the minimum standards and no guidelines are adhered for providing staff care. The definition and policy relating to staff care are inconsistent among the organisations. There is no standard procedure for various staff benefits like medical check-ups. Though many organisations provide induction programme to staff, this is not properly planned in relation to the mission and objectives of the organisation.

In a report, Mike Johnson (2010) pointed out the major challenges faced by NGOs are related to shortage of leadership talent and high turnover of employees. Many organisations have changed themselves drastically through restructuring. The major issues that impact leadership and talent management are noted as competition with the private sector to secure specialised talent. This battle made NGOs to provide better rewards in terms of both monetary and professional opportunity and exceptional autonomy. Many NGOs are making talent assessment to track hiring, performance management and training and development. Less tolerance was
developed for lazy and underperforming employees, which indicates the expectation of performance at standard level.

Choudry and Mukhopadhaya (2011) explored through comparative study of government organisations and NGOs in the service delivery programme in Bangladesh. This comparison was based on two aspects, the credibility and focus towards beneficiaries. 562 responses from 78 villages were collected for this purpose. In many aspects like programme planning, fund utilisation, listening and adopting suggestions from beneficiaries and coverage of remote areas, NGOs are better than government organisations. But in staff skill and support, fieldworker’s attitude towards beneficiaries and other staff related aspect, NGO lag behind. Government organisations are better in these areas. Thus author points out the need of those NGOs to invest heavily on their staff training. This enables them to overcome skill shortage.

Manimala and Bhati (2011) conducted a detailed study of the innovative strategies of various NGOs with respect to attraction and retention of talent. The findings of the case study analysis were that inadequacies in the availability and management of human resources are the crucial problems of the organisations. They recommend to adopt strategies like; creation of vision, achieving convergence in value, organisation brand building, allowing freedom to participate in decision making and thereby developing sense of belongingness, and providing learning and development opportunity.

The comparative study of managerial leadership in UK public, private and third sector was made by Robert et al (2011). The study revealed an interesting matter that the perceptions, judgments and descriptions of effective and ineffective managerial leadership in UK NGOs are much similar to that of private and public sector organisations. Authors opine that this similarity challenges the strongly held notion that non profit organisations are substantially different from for profit and public sector. Further the paper discovers the behavioural indicators where commonality is noticed among these three types. They perceive effective managerial leadership when they “plan ahead, organise effectively, proactively control performance, actively support their staff, recognise and acknowledge achievement, delegate well and empower their staff, show care and concern for other people, fight for interests of and address the training and development needs of their staff, adopt an open and personal approach, involve employees in decision making, communicate
and consult with staff on a regular basis and keep them informed of matters that effect
them”. The indicators of ineffective managerial leadership is “not exhibiting effective
managerial behaviours and if they perceived to autocratically dismiss other people’s
ideas, exhibit unfair inconsiderate irrational, self serving, undermining standards of
managing and tolerate poor performance from others, engage in ignoring and
avoidance behaviour, abdicate from their managerial responsibilities or exhibit
closed mindedness and a negative approach”.

Latha and Prabhakar narrate the problems of NGOs as lack of dedicated
leadership and shortage of trained staff. They emphasise the need for dedicated
leadership to render quality services. The leadership crisis of post independent India
aroused due to shift of NGO leaders from social service to political field. Another
problem is that NGOs face shortage of trained personnel. This is due to reasons that
professionally trained persons expect high salary and attractive career growth options.
NGOs fail to meet these expectations. Another reason is that most of the NGOs
carryout their activities in rural areas. Many professionally trained persons prefer to
work in cities and urban centres. NGOs lack funds to provide training to those who
are working for it. Some NGOs fear to spend on training because trained personnel
may leave the organisation. (Latha & Prabhakar, 2011).

Bunchapattanasakda, Wiriyakosol, and Ya-anan (2012) aimed to investigate
the influence of leadership on retaining practice in NGOs in Thailand. Four NGOs
were considered for the study. In depth interview was made with the senior
managerial level employees. It was found that leadership is the dominant factor of
retention than other factors like compensation, communication, working condition
and relationship among peers. In order to be more effective, Authors suggest, leaders
should consider and value the individual difference among employees in competence,
attitudes, behaviour etc. Leadership becomes major tool in retaining employees
especially when expectations relating to compensation and career are not met
completely. (Bunchapattanasakda, Wiriyakosol, & Ya-anan, 2012).

The personnel management of NGOs in Bangladesh was studied with mixed
method using unstructured interviews, archival study, case study and quantitative
study of job advertisement by Khondaker, Rahman and Sultana (2012). Recruitment
and selection, training and education, Compensation and motivation are the 3 areas of
personnel management considered for the study. The authors found that large
organisations have systematic structured formal procedure for recruitment and selection. Competencies and job specifications are utilised for selection. Career development and employee training will be sufficiently provided by the organisation. Large organisations have future oriented long term focus with their talent management practice. But small and medium organisations lack clarity over their approach. They do not have structured formalised process of managing people. Small and mid size NGOs don’t have any formal mechanism to manage people.

The link between talent management and employee engagement was examined by conducting a survey of 40 employees in two large NGOs by Mutambara and Mutambara (2012). It was discovered that organisations lack effective talent management in the areas of induction, succession planning, training and development. In the selected organisations, 42% of employees showed unwillingness to continue to work for the organisation. Employee intention to leave is high and the reasons for turnover intentions are low salary, lack of development and advancement opportunities, lack of recognition of effort, poor relation, partial application of policies and job insecurity. The employees opined that the talent management and human resource management are not systematic in organisation. It was found that the two organisations selected for the study are though good at attracting highly qualified staff, they fail to retain them.

The human resource architecture in NPOs unfolded the state of human resource management in NPOs. Authors Ridder, Piening and Baluch (2012) propounded 4 theoretical human resource management orientations that NPOs adopt: administrative, motivational, and strategic and value based human resource management. The exploratory multiple case study of health and social service organisations unfolded the fact that all organisations are facing similar challenges from external operative environment; they differ in their responses to such challenges. This response is the result of their human resource management orientation. It was observed that administrative human resource management is not professionalised due to funding pressure. Therefore it concentrates on cost cutting measures, treating employee as a cost and equating itself with regulatory human resource management. The findings reflect that the NPOs are turning towards commercialisation and efficient use of scarce resource. With the wide spread marketisation of the sector
NPOs are looking for professionalised approaches, focusing on measurable outcomes and impact.

The report by New York State Welfare Department (2012) identified the hurdles of NGOs as lack of experience and skill among human resource, thereafter, prohibitive financial support for training and development blows up the hurdle. The basic organisational need across the sector are continuous training for staff, recruiting appropriate staff, timely professional input in developing and inputting plans. It also highlights the survey report about the resistance to changes by workforce, which constitutes primarily female with an older age profile.

The Centre for Non Profit Development and Pluralism’s paper (2012) provides guidelines for managing NGO staff. It says that the managing is more critical in NGO because an NGO is rarely fully staffed. This shortage makes employees to fill multiple roles and carry additional work burden. In many instances, staffs work without adequate training, equipment and facilities. An NGO’s ability to deliver high quality work depends directly on the skills, energy commitment and talent of the people who carry out the work. Creating positive work environment, delegating autonomy to employees to enhance their experience and growth are very important to enhance the quality of staff.

Not offering competitive salary, not able to attract many highly trained, experienced people are major problems of NGOs observed by Yiyi Lu in China. The NGOs in big cities hire migrants from rural areas or small towns, or laid-off workers. Many organisations employ friends and relatives. These people lack training in the domain area that affects quality of service. The internal conflicts between employees who are specially connected to managers and those who do not, has affected moral of staff and resulted in low performance of the organisation. But in many specialised areas, even if the organisation is ready to remunerate highly it may not found professionally trained people. Many new comers steal the staff of earliest organisation. Taking away each other’s staff is also a problem.

A qualitative research by Ahmed (2013), based on the case study of Bangladesh Rural Advancement Committee (BARC), an NGO, highlighted the recruitment and selection procedure. Though recruitment and selection process is fair and transparent the lacunas are identified by researcher that the job specification is not
proper, selection board is not structured and efficient. Existing employees are denied of the opportunity to apply and thus discouraging internal recruitment. This limits talent development opportunity. (Ahmed, 2013)

Ian Cunningham et. al. (2013) found that NGOs have adopted cost cutting by changing the terms and conditions of employment. The study showed that all most all organisations have introduced change in conditions relating to basic pay, pensions, sick pay, sick leaves and other allowances. This suggests that the employment conditions of staff in NGOs are undergoing a fundamental and detrimental process of reform.

A comparative analysis of human resource management in public and non profit organisation was made by Bingle, Meyer and Taylor (2013), to know the distinguishing nature of non profits. The various areas that differentiate NPO human resource management from that of public enterprise are volunteer management, role and presence of board and strategic planning. Compensation and motivation are entirely different in both the units. The ability of NGOs to compensate its staff through salary, benefits and incentives is comparatively very low. Thus it cannot motivate employees through monetary rewards. NGOs need to adopt some non monetary motivational strategies which can hold its staff.

The paper by Kefis and Aspridis (2014) theoretically evaluates the human resource management scenario of NGOs. It figures out the human resource problem as lack of long term human resource plan. Though organisation may be project based, but its strategy should plan for procurement and retention, keeping eye on the long term objectives of the organisation. The recruitment and selection should be made systematic to acquire most suitable persons. The authors point out that youngsters want to join NGO as a way to gain additional knowledge and skill and professional experience. Such expectation need to be reached by organisation. NGOs should adopt a method to evaluate staff performance and assess their efficiency.

The evaluation of human resource management challenges of NGOs pointed out by Batti (2014) that the absence of human resource unit in NGO as a major hurdle. This leads to unprofessional way of managing staff. Human resource management as a strategy of sustainability is badly needed for NGOs. The major challenges identified by the author are recruitment and retention of competent staff,
remote or inaccessible area of operation, short term oriented projects, project based work, turnover of employees before completion of project. The dynamism experienced in project oriented organisations makes attraction and retention of staff difficult. In addition to these, inadequate human resource policies and procedures, lack of capacity to manage a diversity of work force, mismatching of employee qualification with jobs inadequate human resource management skill among supervisors, inability to offer and provide better salary, improper performance management system, lack of induction, inadequate career development, presence of leadership crisis are the real challenges.

1.2.2. A. Summary of the Review:


It is clear from the review presented above that limited number of studies have been found in the area of human resource in NGOs. Majority of the studies are from foreign countries. Many of the studies conceptually narrate the human resource problems of NGOs. The limited studies on talent management of NGO do not take talent assessment into consideration. No study is found to address the talent requirement of NGOs.

1.3. RESEARCH GAP

The review of literature presented in the above section clearly shows the lacunias of the previous studies. Employee attraction and retention are challenging aspects even in spite of extensive research exploration in the area. Talent attraction is studied in corporate sector by considering employer brand value and its influence on
attracting competing persons. Many of the studies in the area of employee retention are found in the business sector. Research works in NGO sector, in these areas, are hardly found. Especially in the context of India, very few Indian studies are found dealing with attraction and retention of NGO employees. The available studies in Indian context ignore talent assessment.

The review of literature presented in the above section clearly brings out the lacunas of the studies. Gaps in Literature were very much visible. The two major problems within the current research field are as follows:

1. A dominant focus on ‘for profit’ organisation.
2. Inadequate research evidence
3. Lack of integrated approach for HR problems of NGOs
4. Ignoring talent assessment aspect of NGO

These identified gaps in available literature will inform the need and procedure of this research. Thus the present study has been taken-up to fill the gaps.

1.4. STATEMENT OF THE PROBLEM

The objectives of social development of the NGOs can be achieved, only when they have adequate and competent people to work with. Basically NGOs work in a social context. Their work is primarily through the personalised services for the affected group/ beneficiaries. These aspects make NGOs to rely heavily on its employees, for continued programme implementation. But NGOs are frequently confronted with the problem of finding competent people and retaining them to provide uninterrupted service. Currently, employee turnover and skill shortages are the major challenges faced by NGOs. According to the study conducted by EPN, employee turnover rate in international NGOs is 60% (Emergency Publication Network 2005). A report of the study conducted by People in Aid (2007) remarks that the employee turnover rate in India is 24% to 40%. Though these problems have been addressed through some strategies by many researchers, they failed to give any comprehensive and integrated solution. Therefore, present study focuses on determining those talent management practices of NGOs, which leads to better talent attraction and retention. The challenges of skill shortage, difficulty in attraction and retention of competent persons, are addressed properly, only when human resource practices of NGOs are streamlined with talent orientation. The formal implementation
of talent management can resolve these situations of talent crunch, by integrating organisation talent as the most valuable source of organisation, with strategic approach. Employer brand of NGOs can be strengthened through talent management which results in improved attraction and retention. In this scenario, in order to meet the challenges of NGO, more studies are essential to understand the talent requirement and talent management of NGOs. This study attempts to answer the question ‘what is the talent requirement of NGOs?’ ‘What is the perception of respondents about talent management?’ ‘Is talent management relates with talent attraction and retention?’ The study of talent management along with talent identification and assessment provides clear picture about the ways of meeting the challenges of NGOs.

1.5. NEED FOR THE STUDY

The role of NGOs in bringing social change cannot be overlooked. The present challenge of NGOs with their human resource has to be addressed to attain the sustainability of the sector as a whole. NGOs, with expansion in size, programme and area, encounter problems with staff. It may relate to turnover of employees, difficulty to find competent persons for vacant positions, talent gap, achieving goal congruence, attaining best fit of employees with the job, value and culture of the organisation. Many organisations are struggling to meet these challenges because of lack of suitable strategy. The problem intensifies due to the competition exerted either from other NGOs or from other sectors, namely for profit and government, for talented people. The review of literature shows that the talent management practices are addressed and adopted by for profit sector extensively, and there are very little studies on talent management aspect with regard to NGOs. The available literature on people management practices of NGOs either concentrates on any single aspect or lacks sufficient statistical evidence contributing to theory building. In this background the present study becomes essential to address the human resource problems of NGOs.

The human resource practices of NGOs should be tailored to make it more focused on talent. Thereby talent management becomes important tool to address the problems by an integrated approach. The study first examines the talent gap by competency framework. The influence of recruitment, selection, training and development, performance evaluation, promotion, working condition and leadership on talent retention is examined. Though few studies on talent management of NGOs
are found in foreign countries, in India, there is a lack of research in the area of people management of NGOs. Thus the study becomes essential and offers new insights for NGOs’ people management.

Program planning and implementation through teams is the real task of NGOs. Expanding program operations and maintaining program quality can be done simultaneously with the help of socially committed work teams. The team is the basic unit of performance for most of the organisations. Because of the kind of goods and services they produce, non profit organisations are critically dependent on high quality staff. NGOs which are mostly people intensive rely on their human capital-their staff. Therefore, this human capital should be developed on a formal basis (Smillie and Hailey 2001). The common theme emerging from the literature relates to the unique nature of the NGO sector and its requirement for a particular type of team. The growing NGOs view talent management as a key to develop such teams to face new challenges.

NGOs have divergent organisational assumptions in comparison to traditional profit-based organisations. They function within a social context, often working towards good of the community. At present, with the economic downfall, NGOs are in crisis mode- having to make many employee layoffs and struggling to find funding for the organisation as other organisations worldwide are restricting their expenses (Goddard 2006). Thus, the specific aspect of talent management is of top priority, especially in NGOs, where organisations battle to retain their talented employees. NGOs inherently have an increased retention risk. The nature of work, location of work, influences the choice of selecting NGO job as career option. Often retention difficulties are linked to the NGOs’ inability to provide market related pay, as it is reliant on unstable, external funding.

In this background the present study becomes timely, relevant and crucial for NGOs in identifying and adopting talent management for better attraction and retention of employees and to meet the talent requirements. The study attempts to help NGOs to deal with HR problems with comprehensive approach.

1.6. SCOPE OF THE STUDY

The present study considers employee perception of talent management practices in NGOs working in the area of disability, children, women and rural
development in Karnataka. NGOs comprise of several organisations established with different purpose. They vary in their basic nature. Culture, arts, recreation, adventure, primary and secondary education, vocational training, research and science, health care, social service, charity, religion, philanthropy and many more are the wide fields where NGOs can operate. The purpose and nature of these organisations are of distinct nature. So generalisation becomes invalid. Therefore the study considers only social service organisations, which are working primarily on the issues of disability, children, women and rural development.

It was observed that talent management practices and formally constituted human resource practices are visible only in large organisations. The difficulty associated with small and informal NGOs is that many of them exist only on paper. Some of them lack transparency and work with hidden motives. Therefore, the study intends to involve those organisations which are formally registered, working with secular idea. As stated earlier talent management practices and human resource management are found only in large NGOs and small NGOs do not have any formal standard procedure for managing their employees. Therefore, the study considers only ‘large’ NGOs. Those NGOs with more than 100 paid employees and operating in two or more districts are considered as large. Another distinct aspect of NGOs is its voluntary workers’ base. Talent management or any human resource management practice for that matter, cannot be applied to volunteers, as managing volunteers is an entirely different aspect. Thereby the inclusion criteria for organisation are that the organisations’ 95% of staff should be paid employees. Therefore the study intends to involve those organisations which are registered, formally working, run solely with paid employees, having more than 100 paid employees and operating in two or more districts, on the issues of disability, children, women and rural development in Karnataka. Those organisations which are operating purely as hospitals, educational institutions, religious groups, cultural associations and philanthropic institutions are excluded from per view of the study.

1.7. RESEARCH METHODOLOGY

The present study is exploratory in nature, since limited studies on this subject are found in Indian NGO context. It also utilises descriptive design.
This empirical study is based on both primary and secondary data sources. The secondary data is collected with the help of published sources such as text books, articles from journal, working papers and thesis submitted to universities, websites and ebsco host data base from SDMIMD at Mysore, which were used for review of literature and conceptual analysis. The directories, reports and guidelines published by government, NGO federations and other international agencies on NGOs were also utilised. In addition to this, online NGO portals, NGO websites were made use of to obtain additional information.

Large NGOs that fulfils the inclusion criteria of the study are scattered over the state of Karnataka, in such a way that identifying them itself is a challenging task. The sample units have been identified based on those secondary sources, which researcher could access. The NGO directories of Bangalore Cares, DAINET, Federation of voluntary organisations Karnataka, and VANI were utilised to identify the sample units. Purposive sampling is used to locate the organisations. The identified organisations were contacted over phone and through mail to confirm that they satisfy all the inclusion criteria mentioned above. 26 organisations have been identified in total. In order to establish trust and commitment from the respondent organisations, outline of research plan, researcher’s affiliation were mailed along with the requisition letter. In addition to this, certain degree of confidentiality was assured and requested permission to access the employees and conduct the survey. Among 26 organisations, 4 organisations denied permission and finally 22 organisations accepted the request and gave permission to conduct the survey.

The primary data was collected on talent management practices of organisations at 2 phases. In the first phase, semi structured interview was conducted with the senior level management of the organisation. In total 19 semi-structured interviews were held with managerial persons like president, senior manager, director and human resource manager of the organisations. These semi structured interviews were made in order to have more understanding about the nature of NGO work, its talent requirement, human resource unit functioning, knowledge of talent management among NGOs, and extent of application of talent management, talent management approach adopted and talent assessment process. In the second phase, data was collected with the help of self administered questionnaire.
The descriptive study was made through structured and self-administered questionnaire. The questionnaire starts with requisition letter from researcher to give true and impartial opinion and assurance of maintaining confidentiality of the answers given, followed by instructions to fill the questionnaire. The first part of the questionnaire relates to demographic variables like gender, age and marital status, number of dependent family members, education qualification, total number of years of work experience and work experience in present organisation, monthly salary, and type of work. Second part of the questionnaire is on talent management practice, with eight sections. Based on the review of literature various dimensions were identified to measure the variables. In addition to this, discussions with experts were made to design the questionnaire. Core talent or competency essential to work in NGOs was derived with the help of informal interviews held with founders of NGOs, social workers and academicians who are active in third sector research. In addition to this, the core competency guide developed by CBHA (Consortium of British Humanitarian Agency) was taken with some modifications and additions. The data was collected with the help of well structured questionnaire with 5 point Likert’s scale ranging from 1(strongly disagree) to 5 (strongly agree). Second part of the questionnaire has 8 main sections, covering the aspects of talent assessment, talent attraction, talent retention, recruitment and selection, salary and benefit, training and development, performance evaluation, promotion, leadership and working condition. Respondents were assessed on 8 important talent dimensions; Project/Program Management, Accountability, Pressure tolerance, Collaboration Professionalism, safety, Leadership and Empathy, totally consisting of 43 statements.

1.8. STATISTICAL TOOLS

In order to analyse the collected data IBM SPSS software was utilised. The data were entered into SPSS carefully. Reliability test was conducted to ensure the consistency of the research instrument. Collected data were analysed with the help of statistical techniques like percentage, bar diagram, mean, standard deviation, Cronbach’s alpha were utilised. In order to test the hypotheses tools like t-test, ANOVA and correlation were applied.
1.9. RELIABILITY ANALYSIS

All variables were put to reliability test on Cronbach’s Alpha using SPSS. Table 1.1 shows the Cronbach’s alpha value for each item. The Cronbach’s Alpha values are from .69 to .91, which is within the acceptable range of .7 to .95, ensuring good reliability of the research instrument.

Table 1.1: Reliability of the Questionnaire

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Variable</th>
<th>N</th>
<th>Percentage</th>
<th>No. of Items</th>
<th>Cronbach’s Alpha value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Talent assessment</td>
<td>863</td>
<td>100</td>
<td>43</td>
<td>0.927</td>
</tr>
<tr>
<td>1A</td>
<td>Project Management</td>
<td>863</td>
<td>100</td>
<td>5</td>
<td>0.796</td>
</tr>
<tr>
<td>1B</td>
<td>Accountability</td>
<td>863</td>
<td>100</td>
<td>5</td>
<td>0.808</td>
</tr>
<tr>
<td>1C</td>
<td>Pressure Tolerance</td>
<td>863</td>
<td>100</td>
<td>5</td>
<td>0.743</td>
</tr>
<tr>
<td>1D</td>
<td>Collaboration</td>
<td>863</td>
<td>100</td>
<td>6</td>
<td>0.697</td>
</tr>
<tr>
<td>1E</td>
<td>Professionalism</td>
<td>863</td>
<td>100</td>
<td>4</td>
<td>0.765</td>
</tr>
<tr>
<td>1F</td>
<td>Safety</td>
<td>863</td>
<td>100</td>
<td>4</td>
<td>0.747</td>
</tr>
<tr>
<td>1G</td>
<td>Leadership</td>
<td>863</td>
<td>100</td>
<td>8</td>
<td>0.699</td>
</tr>
<tr>
<td>1H</td>
<td>Empathy</td>
<td>863</td>
<td>100</td>
<td>6</td>
<td>0.785</td>
</tr>
<tr>
<td>2</td>
<td>Talent Attraction</td>
<td>863</td>
<td>100</td>
<td>9</td>
<td>0.764</td>
</tr>
<tr>
<td>3</td>
<td>Talent Retention</td>
<td>863</td>
<td>100</td>
<td>14</td>
<td>0.769</td>
</tr>
<tr>
<td>4</td>
<td>Recruitment and Selection</td>
<td>863</td>
<td>100</td>
<td>5</td>
<td>0.742</td>
</tr>
<tr>
<td>5</td>
<td>Salary and Benefits</td>
<td>863</td>
<td>100</td>
<td>10</td>
<td>0.901</td>
</tr>
<tr>
<td>6</td>
<td>Training and Development</td>
<td>863</td>
<td>100</td>
<td>8</td>
<td>0.708</td>
</tr>
<tr>
<td>7</td>
<td>Performance appraisal and promotion</td>
<td>863</td>
<td>100</td>
<td>12</td>
<td>0.913</td>
</tr>
<tr>
<td>8</td>
<td>Working Condition</td>
<td>863</td>
<td>100</td>
<td>11</td>
<td>0.838</td>
</tr>
<tr>
<td>9</td>
<td>Superior support</td>
<td>863</td>
<td>100</td>
<td>4</td>
<td>0.698</td>
</tr>
</tbody>
</table>

*Source: Field study*

Respondents were selected using simple random sampling technique. The selected organisations had various working units (branches) spread across the state of Karnataka. It was difficult to meet all the employees at one single unit. Those who are in head office/ main branch were met directly, questionnaire is distributed and collected directly from them. Respondents were on field works at remote areas in many instances. Therefore questionnaire was posted to those respondents, with self addressed envelope.
Table 1.2: Study units and sample respondents

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Organisation</th>
<th>Number of Employees</th>
<th>Questionnaires distributed</th>
<th>Valid responses received</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>APD</td>
<td>650</td>
<td>78</td>
<td>64</td>
</tr>
<tr>
<td>2.</td>
<td>ASRDS</td>
<td>530</td>
<td>64</td>
<td>55</td>
</tr>
<tr>
<td>3.</td>
<td>BALUTSAV</td>
<td>130</td>
<td>16</td>
<td>14</td>
</tr>
<tr>
<td>4.</td>
<td>EQUIP INDIA</td>
<td>170</td>
<td>20</td>
<td>17</td>
</tr>
<tr>
<td>5.</td>
<td>IPDP</td>
<td>300</td>
<td>36</td>
<td>29</td>
</tr>
<tr>
<td>6.</td>
<td>MITHRAJYOTHI</td>
<td>120</td>
<td>14</td>
<td>11</td>
</tr>
<tr>
<td>7.</td>
<td>MKS</td>
<td>300</td>
<td>36</td>
<td>31</td>
</tr>
<tr>
<td>8.</td>
<td>MYRADA</td>
<td>900</td>
<td>108</td>
<td>95</td>
</tr>
<tr>
<td>9.</td>
<td>ODP</td>
<td>950</td>
<td>114</td>
<td>90</td>
</tr>
<tr>
<td>10.</td>
<td>ORBIT</td>
<td>350</td>
<td>42</td>
<td>36</td>
</tr>
<tr>
<td>11.</td>
<td>PARASPARA</td>
<td>450</td>
<td>54</td>
<td>45</td>
</tr>
<tr>
<td>12.</td>
<td>READS</td>
<td>320</td>
<td>38</td>
<td>33</td>
</tr>
<tr>
<td>13.</td>
<td>ROSHINI</td>
<td>110</td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td>14.</td>
<td>SWASTHA</td>
<td>140</td>
<td>17</td>
<td>16</td>
</tr>
<tr>
<td>15.</td>
<td>SPOORTHY</td>
<td>190</td>
<td>23</td>
<td>19</td>
</tr>
<tr>
<td>16.</td>
<td>SNEHA</td>
<td>450</td>
<td>54</td>
<td>45</td>
</tr>
<tr>
<td>17.</td>
<td>SVYM</td>
<td>750</td>
<td>90</td>
<td>75</td>
</tr>
<tr>
<td>18.</td>
<td>USWA</td>
<td>810</td>
<td>97</td>
<td>84</td>
</tr>
<tr>
<td>19.</td>
<td>UJWALA</td>
<td>150</td>
<td>18</td>
<td>15</td>
</tr>
<tr>
<td>20.</td>
<td>VISHALA</td>
<td>250</td>
<td>30</td>
<td>22</td>
</tr>
<tr>
<td>21.</td>
<td>VIKASANA</td>
<td>500</td>
<td>60</td>
<td>48</td>
</tr>
<tr>
<td>22.</td>
<td>VATSALYA</td>
<td>110</td>
<td>13</td>
<td>11</td>
</tr>
</tbody>
</table>

**TOTAL**  
8430  
1035  
863

*Source: Field study*

### 1.10 SAMPLE RESPONDENTS

Table 1.2 depicts the sample units and sample respondents of the study. The number of sample respondents were determined to be 1035, constituting nearly 12% of the population. 1035 questionnaires were served, of which 863 are valid responses, response rate being 83%. The data were entered on SPSS. The statistical tools used for the study include mean, standard deviation, one sample ‘t’ test, ANOVA, correlation and regression. On the basis of this methodology, analysis was conducted to interpret the data to arrive at meaningful conclusion and thereby to provide suitable suggestions.
1.11 OBJECTIVES OF THE STUDY

The purpose of the study is to investigate the relationship of talent management practices on talent management outcome namely talent attraction and talent retention.

1. To study the evolution and growth of NGOs in India.
2. To assess the talent requirement for NGOs.
3. To evaluate the difference in perceived employee talent on the basis of demographic variables in NGOs.
4. To examine the perceptional difference among the respondents about talent attraction in NGOs.
5. To examine the perceptional difference among the respondents about talent retention in NGOs.
6. To examine the relationship of talent management with talent attraction in NGOs.
7. To examine the relationship of talent management with talent retention in NGOs.

1.12. HYPOTHESES OF THE STUDY

The following are the hypotheses of the study.

1. There exists a significant difference between expected and available talent in NGOs.
2. The perceived employee talent in NGOs does not significantly differ with demographic variables.
3. The perceived talent attraction of the respondents differs significantly on the basis of demographic variables.
4. The perceived talent retention of the respondents differs significantly on the basis of demographic variables.
5. There is a significant relationship between Talent management and talent attraction in NGOs.
6. There is a significant relationship between Talent management and talent retention in NGOs.
1.13. LOCALE OF THE STUDY

The study relates to the impact of talent management on talent attraction and talent retention in NGOs in Karnataka. Selected organisations are spread over the State in various districts of Karnataka.

1.14. PERIOD OF THE STUDY

The study is conducted for a period of 5 years, from 2011 to 2015.

1.15. LIMITATIONS OF THE STUDY

The following limitations are evidenced for the present study:

1. The results of the study cannot be generalised to all NGOs, as the study focuses only on NGOs working with disability, women, children and rural development.
2. The study is restricted to NGOs with more than 100 paid staff operating in two or more districts.
3. The study is based on the employee perception of talent management practices that may be subjective.
4. The study relays on qualitative data collected by employees, since the data relating to employee turnover, absenteeism, number and variety of training etc in NGOs were either not properly maintained or not permitted to disclose. Therefore researcher is confined to use only qualitative data.

1.16. CHAPTER SCHEME

The framework of the thesis is divided into the following chapters.

1.16.1. Introduction:

The first chapter starts with the prologue and review of literature. The review is presented in two sections viz., ‘talent management in corporate sector and ‘talent management in NGOs’. The extensive review of the study identifies the gaps in previous studies. On the basis of this research gap statement of the problem is made. It is followed by the need for the study. Since the study becomes relevant only when the scope of the study is identified properly. Thus, scope of the study is explained along with the inclusion criteria based on which organisations are included for the study. Then brief explanation about the research methodology including research
design, sources of data, questionnaire design, statistical tools, reliability test, sample units and respondents is given. The objectives and hypotheses of the study are presented in separate heads. The locale and period of the study is mentioned and thereafter limitations of the study are presented. Thus the chapter includes the preliminary and fundamental aspects of the research.

1.16.2. Conceptual framework:

The second chapter provides theoretical framework of various basic concepts like talent, talent management and NGO. Origin of the term talent, usage of talent in the field of sports and education, talent in organisational context are the important themes which provides conceptual background for the term talent. An attempt is made to conceptualise talent management with various sections like Definition of talent management, perspectives of talent management and relationship of talent management with human resource management. An elaborate explanation about various aspects of NGOs is made to fulfil the requirement of the first objective ‘To study the evolution and growth of NGOs in India’. Sectors of the society, definitions of NGO, Classification of NGOs, historical background, importance of NGOs in India and present challenges faced by NGOs provides an overview of NGOs.

1.16.3. Profile of NGOs:

It gives brief introduction about the NGOs that are included for the study. Vision, mission, activities and geographical spread of the selected organisations are presented.

1.16.4. Analysis and Interpretation:

Firstly scope of the analysis is provided and is followed by descriptive study of all the study variables. Profile of the sample respondents are presented with the help of cross tabulation based on gender of the respondents. Analysis in support of the study hypothesis is presented systematically under different sections. Finally decision guide for the hypothesis is presented in summarised form.

1.16.5. Findings, Suggestions and Conclusion:

Finally based on the analysis, findings along with suitable suggestions are presented in this chapter. Further, scope for further research in the field is highlighted. It ends with the conclusion about the study.