

## REITERATING THE DETERMINANTS OF TALENT RETENTION IN MULTINATIONAL CORPORATIONS

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### ABSTRACT

*Purpose of the study: The paper aims to reconnoiter an amalgamated relationship among talent acquisition strategies, talent onboarding, employee empowerment and talent retention among MNC's. This study intends to explore the connection empirically among the Talent Acquisition Professionals*  
*Research Design/Methodology/Approach: This is an empirical study conducted using a structured questionnaire among multinational corporate companies that are located in around Chennai and many branches by using convenience sampling methods. The sample for the study consisted of Talent Acquisition Professional working in MNC. A structured questionnaire was circulated and administered in both direct and online mode among 250 employees working in different organizations as the study calls for heterogeneity. The selected organizations were Technology Based MNC's out of 250 questionnaires almost the response rate was 80.4%. SPSS 2.0 was used for data analysis for usable 201 questionnaires.*

*Findings: The result reveals that talent acquisition strategies, talent onboarding, and employee empowerment are the key determinants of talent retention in the current fluctuation pandemic scenario Talent Retention among MNC's*  
*Limitations: The above study was conducted in a market scenario where there were a lot of fluctuations like working from home and returning to the office scenario. This survey was conducted when the major corporates downsized due to the pandemic scenarios. The Survey was conducted among Multinational Corporates Companies*  
*Practical Implication: The study suggests ways by which organizations can focus and improve on their talent acquisition strategies and talent onboarding programs so it will impact and empower the employees and enable them to retain in the long run.*

**Keywords:** talent acquisition strategies, talent onboarding, employee empowerment, talent retention

### INTRODUCTION

For any organization to perform well and have increased profits it is vital to have top talented and high potential employees, who will stick to the organization for the long term and make enormous contributions to the company. Such an employee is considered an asset of talent as retained duration will bring in more commitment and responsibility towards the management. Employees who possess this commitment will contribute heart and soul and will thus take decisions by involving themselves in favor of the organization. This attachment will come only when the employee or the talent stays in the organization for quite some time, at the beginning, it is a little wacky for everyone and the attachment comes only because of the long stay. The long-term stay will bring in emotional attachment for an employee towards the company and thus try to get the best out of him, which is a prosperous sign from the company's point of view. Yes, it is not easy for an employer to make his/her talents hold in an organization for a long time. It is definitely a challenging process. The organizations or the employer cannot completely stop employees from quitting jobs but can reduce and have control over that using some predictive analysis. By following some strategies an organization can enable better employees to stay in an organization. This study is going to aim in identifying the key determinants of Talent retention which can be focused on by corporates so that companies can implement the same pivotal focus and start retaining employees.

Bidisha, L. D and Mukulesh, B. (2013), Basically the word employee retention brings in a meaning that is aiding and encouraging employees working in an organization to feel motivated and make them feel they want to come to work every single day, by giving this feeling on a long term basis certain companies are able to be successful with their retention strategies. (Mita 2014) defines employee retention as a tool used by businesses today in order to get the best from the existing talents and also meet the organization's targeted output. Bidisha, L. D and Mukulesh, B. (2013) explain retention as a process and not a technique, in this process employees are motivated or encouraged to stay with the same company for a longer duration or at least a particular project is done. Workforce Planning for the Wisconsin State Government (2005), reflects employee retention as a systematic effort and not a process or technique and says it is a conscious systematic effort of making and enabling employees to stay in an organization by creating an environment where they are comfortable and also enforcing the policies and procedures of the company that will address the diverse needs of the company. The main objective of this literature study was to throw light on the determinant factors that companies are seeing today for retention of talent despite the pandemic situation and the strategies they follow to enable employees to have a long stay and good performance in an organization. Employee Retention is approved with a set of individual factors such as Talent acquisition Strategies (Nada Chaker2021), Talent onboarding (Research by Brandon

Hall Group 2015), and Employee Empowerment (Kristen Van Nest 2021).

## **MATERIALS & METHODS**

Often employees feel that they are a very bad fit and the company has made a mistake hiring them and they made a mistake accepting the offer. This is a common situation that is prevailing in most companies today. Great talent is hired and they decide to leave the company immediately just after starting their work (Jobvite 2018) around thirty percent of the new joiners often leave the job in the initial three months of joining. Such employees leave the organization very soon as they did not find the day-to-day job as they expected, or maybe they couldn't align with the company culture, or even due to an unpleasant incident that could have taken place in the early employment period. For these certain reasons, it is highly possible for a talent acquisition team to focus before hiring or on the recruitment stage if the candidate is a good fit for the job and is a good fit for the organizational culture. Thus the talent acquisition team has had a direct effect on the retention of employees. Also to understand the quality of hire in an organization one of the best ways is to assess the retention rate. Thus talent leaders must necessarily frame the acquisition strategies keeping in mind the employee tenure in the organization. Since acquisition directly influences the retention of employees.

### **Hypothesis 1: Talent Acquisition Strategies have a relation with Talent Retention**

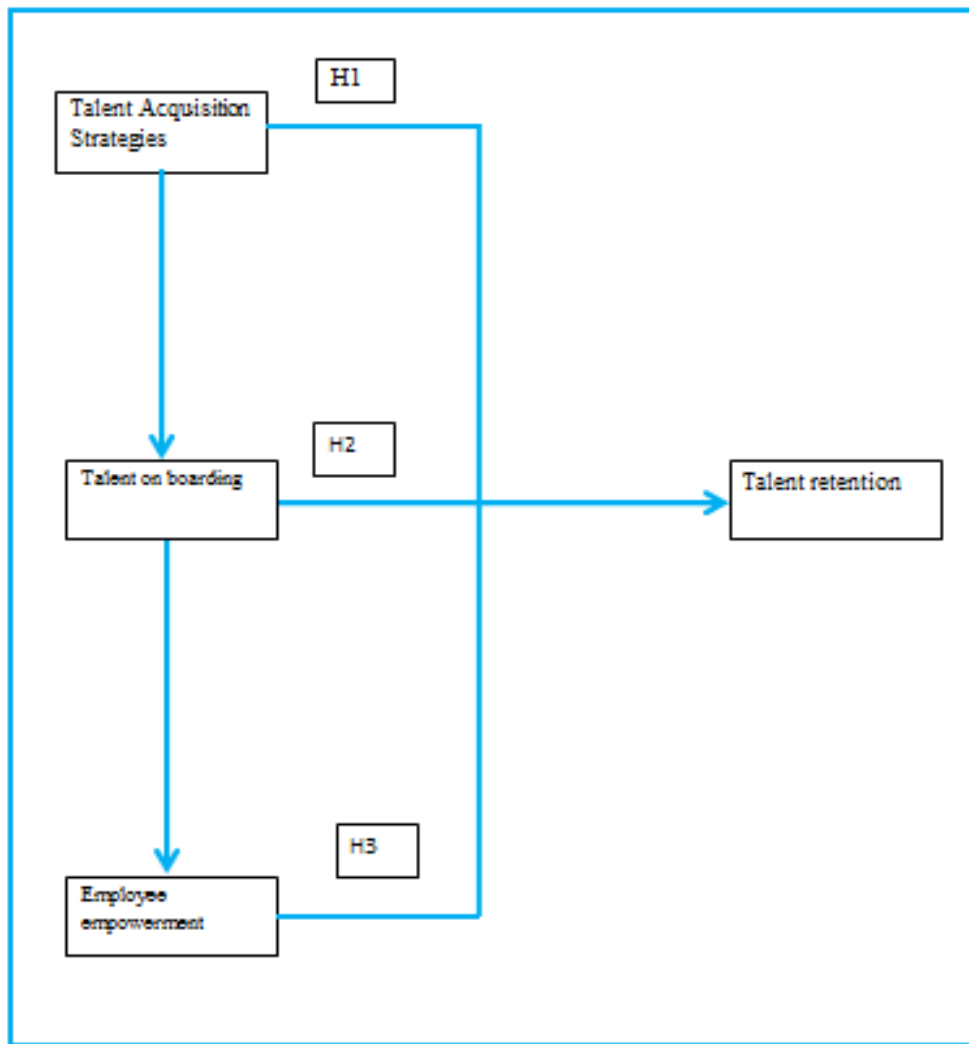
Happy workers or employees are always productive. When the leadership in the organization makes the team feel valued and constantly encourages them, they will definitely perform to their best. And employee empowerment is something that is beyond pure recognition of performance. A new culture is set when an employee is shown the value that he or she brings to the company, and this culture is filled with gratitude, empowerment, and trust. In order to create a company culture where employees feel included and empowered, constant feedback from the workers is necessary and this will make them feel excited to come to work each day. Gathering generous data on the needs and wants of the company's employees will help the HR Manager find handy and quick strategies in order to improve the company, increase overall employee happiness, and give them the sense that they are heard in the organization. By encouraging employee work-life balance an organization can significantly improve its culture and also empower its employees. With burnout being the trend it is very hard to keep a healthy organizational culture. The main reason for empowering employees is to retain and also increase their connectivity to the organization so that there is business continuity without any flaws. (Kristen Van Nest 2021)

### **Hypothesis 2: Employee Empowerment has a relation with Talent Retention**

One week-long onboarding is one of the common practices in almost all organizations, but practically one week is just not enough time for a new employee to become adjusted to the company's culture and the role itself. In the study by Jen Dewar on January 3, 2022, it is clear that only 29% of the newly hired population feel confident about being supported by the onboarding programs in the companies which means the most common problem retention is the reason due to ineffectiveness of onboarding. A sound employee onboarding will help in retaining the employees also bridging the gap and improving productivity (Jen Dewar, 2022). The lack of an effective onboarding process will give long-lasting negative impressions to the new employees. The engagement levels of the new hires will suffer as they will not have proper onboarding in order to socialize with peers and thus new hires might as well feel disengaged. (Madeline Laurano 2015) says 82% of new hires retain in an organization and there is a 70% increase in productivity if the onboarding in an organization is good.

### **Hypothesis 3: Talent onboarding has a relation to Talent Retention**

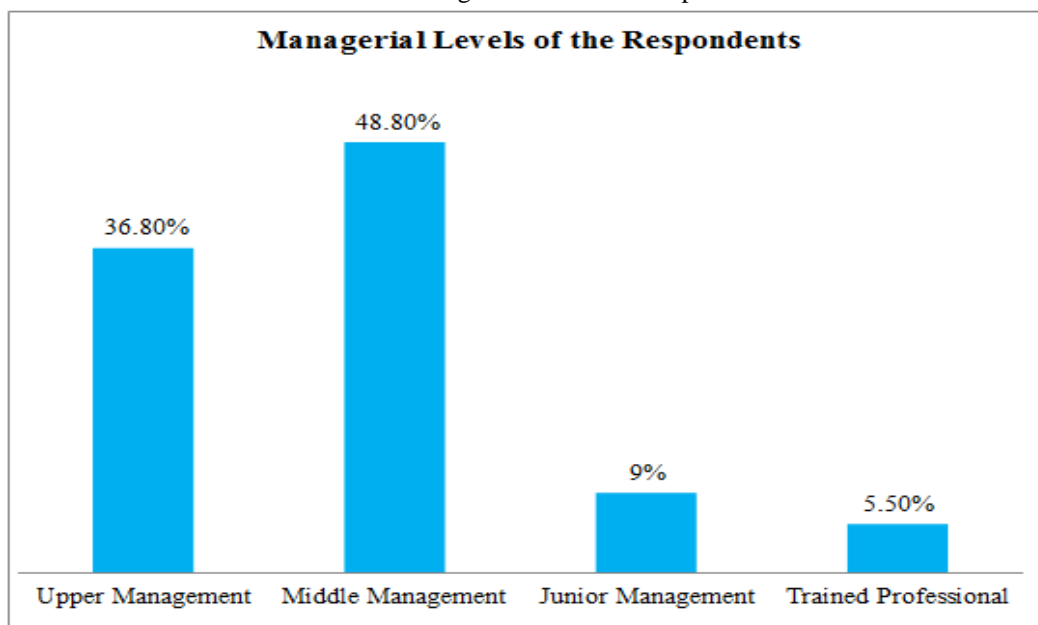
**Figure 1:** Framework of the Study



## RESULTS

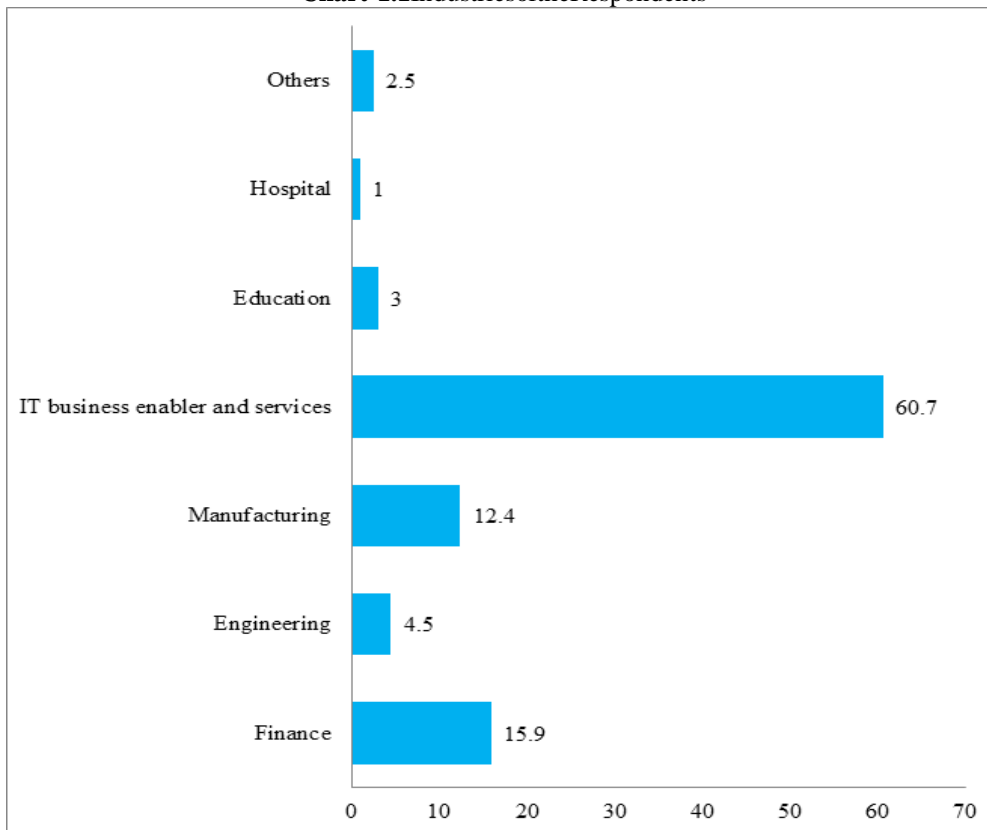
### Demographic Profile of the Respondents

Chart -1.0 Managerial Levels of the Respondents



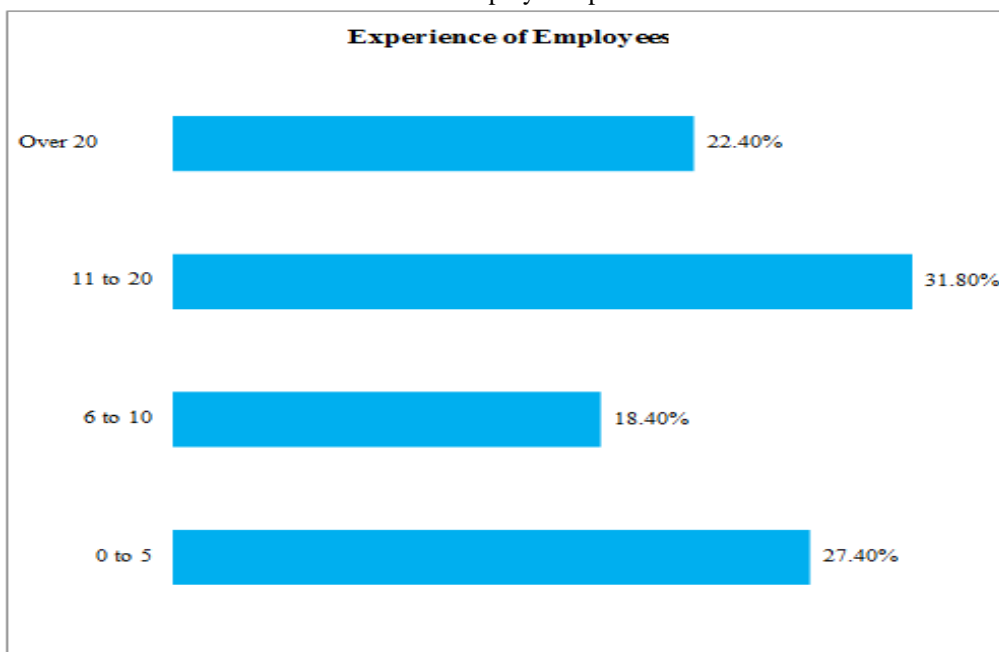
The population is classified on the basis of the managerial level they are occupied in. Out of 201 total population 74 (36.8%) belong to Upper Management, 98 (48.8%) belong to Middle Management, only 18 (9%) belong to Junior Management, and even minimum in the category of Trained Professionals is 11 (5.5%). Thus the population is highly filled with people from Upper management and least filled with Trained Professionals.

**Chart-1.1 Industries of the Respondents**



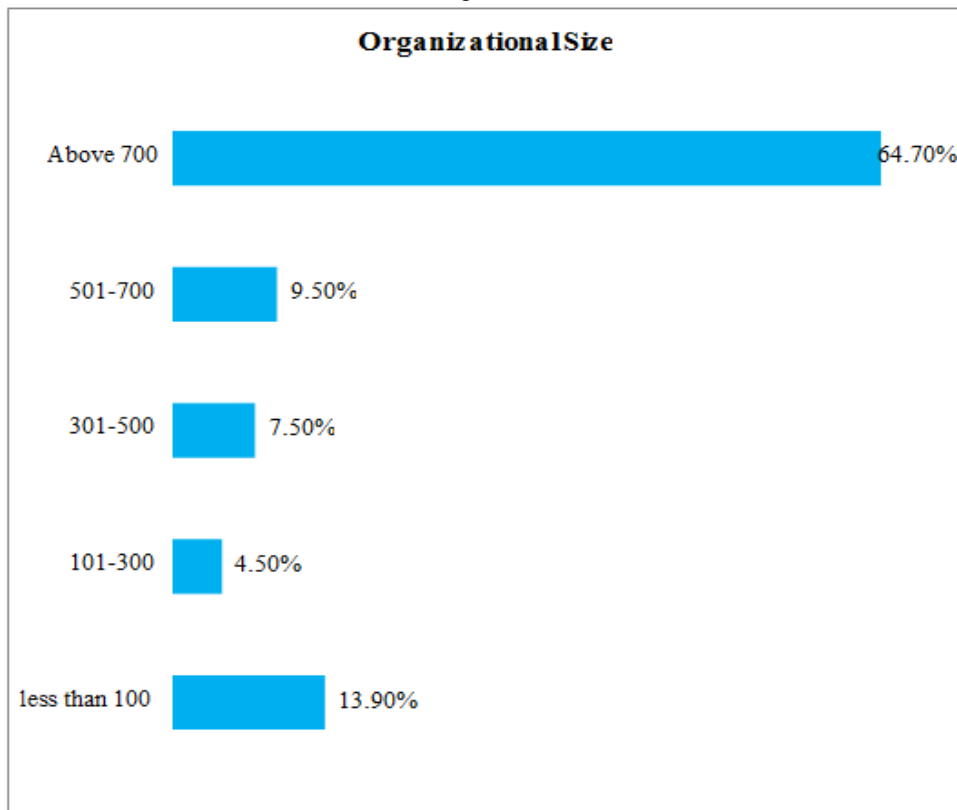
The target sample was chosen from the Talent Acquisition Department of Corporate Giants. The questionnaire so circulated was mainly targeting IT Business Enabler and Services Industry where the response rate of the population contributed to 122 is 60.7% of the total population of 201. And the industry having the least population is the Hospital Industry having contributed only 1% to the total population.

**Chart-1.2 Employee Experience**



There was a stiff balance in the population on grounds of employees' experience as HR working in corporates. The majority of the population is ruled by the folks having 11 to 20 years of work experience that is 64(31.8%) who will effectively have a rich industry experience and also an open mind for new ideas, the Millennials having 0 to 5 years of work experience have contributed to a sumptuously having a population size of 55 (27.4%), while the industry experts possessing more than 20 years working in corporates form another major part of the population having about 45(22.4%), and employees with around 6 to 10 years of work experience form 37(18.4%) of the population, thus almost the population is proportionally scattered.

**Chart-1.3** Organizational Sizes



The maximum population is from fortune 1000 companies with a company size having more than 700 employees formulates to the majority of the population has 130 (64.7%) of the total population, and start-up corporates companies also constitute 28 (13.9%) of the total population followed by other medium-sized companies.

**PEARSONCORRELATION** is a value that varies between -1 to +1. This value denotes the quantitative extensity of the two variables to understand its linearity.

**Table-1.0** Pearson correlations

Correlations					
		TAS	EE	TO	TR
TAS	PearsonCorrelation	1			
	Sig.(2-tailed)				
	N	201			
EE	PearsonCorrelation	.211**	1		
	Sig.(2-tailed)	0.003			
	N	201	201		
TO	PearsonCorrelation	.422**	.481**	1	
	Sig.(2-tailed)	0.000	0.000		
	N	201	201	201	
TR	PearsonCorrelation	.514**	.405**	.539**	1
	Sig.(2-tailed)	0.000	0.000	0.000	
	N	201	201	201	201

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

TAS	
EE	R-value indicating the relationship strength is .211 **. It is directly proportional which means for each incremental point of talent acquisition strategies; employee empowerment will also increase by the same level. The ** indicates there is a 99% confidence level among the variables. There is a significant relationship between talent acquisition strategies and employee empowerment as the significant value is .003 which is less than 0.05.
TO	R-value indicating the relationship strength is .422 **. It is directly proportional which means for each incremental point of talent acquisition strategies; talent onboarding will also increase by the same level. The ** indicates there is a 99% confidence level among the variables.

	There is a significant relationship between talent acquisition strategies and talent onboarding as the significant value is .000 which is less than 0.05.
TR	R-value indicating the relationship strength is .514 **. It is directly proportional which means for each incremental point of talent acquisition strategies; talent retention will also increase by the same level. The ** indicates there is a 99% confidence level among the variables. There is a significant relationship between talent acquisition strategies and talent retention as the significant value is .000 which is less than 0.05.
<b>EE</b>	
TO	R-value indicating the relationship strength is .481 **. It is directly proportional which means for each incremental point of employee empowerment; talent onboarding will also increase by the same level. The ** indicates there is a 99% confidence level among the variables. There is a significant relationship between employee empowerment and talent onboarding as the significant value is .000 which is less than 0.05.
TR	R-value indicating the relationship strength is .405 **. It is directly proportional which means for each incremental point of employee empowerment; talent retention will also increase by the same level. The ** indicates there is a 99% confidence level among the variables. There is a significant relationship between employee empowerment and talent retention as the significant value is .000 which is less than 0.05.
<b>TO</b>	
TR	R-value indicating the relationship strength is .539 **. It is directly proportional which means for each incremental point of talent onboarding; talent retention will also increase by the same level. The ** indicates there is a 99% confidence level among the variables. There is a significant relationship between talent on-boarding and talent retention as the significant value is .000 which is less than 0.05.

### MULTIPLE REGRESSIONS

The main aim of this concept is to find the linear combinations of independent variables and correlate them with the dependent variable. (Rajini.G. 2011) used multiple regression in order to identify the effects of the combination of the independent variables that is (Talent acquisition strategies  $X_1$ , Talent onboarding  $X_2$ , employee empowerment  $X_3$ ) against the dependent variable (Talent retention). The regression was tested by using the T-test and the coefficient was used to compare as well as determine the percentage of variation that exists in the dependent variable. F – Value was used to know the significance of the F distribution. The dependent variable is talent retention the independent variables are talent acquisition strategies  $X_1$ , Talent onboarding  $X_2$ , and employee empowerment  $X_3$ . Where C is constant,  $A_1$ ,  $B_1$ , and  $D_1$  are regression coefficients. Thus the regression coefficients were executed.

**Table - 2.0** Model Summary of Talent acquisition strategies, Talent onboarding, employee empowerment on Talent retention

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.646 <sup>a</sup>	0.417	0.408	0.28784
a. Predictors: (Constant), TO, TAS, EE				

R-Squared > 0.7 is generally considered as high level correlation while a value < 0.4 is seen as low correlation. However this is not a hard rule, this will depend on specific analysis - Jason Fernando (2021)

Table No 2 infers that the ability of prediction for model was articulated by R value 0.646 and  $R^2$  value 0.417 which shows 41.7% of variance exist in the dependent variable is from the independent variables. F-Value is 46.985

**Table-2.1** ANOVA- Talent acquisition strategies, Talent onboarding, employee empowerment on Talent retention

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.679	3	3.893	46.985	.000 <sup>b</sup>
	Residual	16.322	197	0.083		
	Total	28.001	200			
a. Dependent Variable: TR						
b. Predictors: (Constant), TO, TAS, EE						

**Table-2.2** Coefficients- Talent acquisition strategies, Talent onboarding, employee empowerment on Talent retention

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.125	0.251		4.476	0.000
	EE	0.169	0.057	0.186	2.994	0.003
	TAS	0.287	0.050	0.347	5.777	0.000

	TO	0.262	0.058	0.303	4.534	0.000
a. Dependent Variable: TR						

- There is significant relationship between talent retention and employee empowerment as the value is .003 which is less than 0.05.
- There is significant relationship between talent retention and talent acquisition strategies as the value is .000 which is less than 0.05.
- There is significant relationship between talent retention and talent onboarding as the value is .000 which is less than 0.05.

**DISCUSSION**

From this study, it is very evident that the following variables such as Talent Acquisition Strategies, Talent Onboarding, and Employee Empowerment are interdependent and are the key determinants of Talent Retention. Despite the current pandemic environment companies are still vigilant in hunting for the right talent for the right position and are making EXTRA efforts in retaining them. The cost to the company by making a wrong hire will result in almost five times the cost of an employee. The main reason companies' today hire talent is to stand out in business competitions. Apart from the acquisition strategies the right talent hired must be onboarded appropriately, so as to make them feel comfortable with the culture and also familiarize themselves with the key processes. Definitely from the survey I do understand companies are spending a lot of time and effort onboarding the new hires so as to make them feel like a part of the organization, and believe that a proper, warm onboarding will enable them to remain in the organization. If not today we see and hear a lot of cases where an employee quits their job within three months of joining one reason could be lack of onboarding. It is not surprising for us to know that the company's acquisition strategies have got a direct effect on framing the right kind of new hire onboarding program. The above study shows us that a properly onboarded employee will feel happy and will be empowered in an organization and that could be another way or determinant of retaining an employee. An employee who feels empowered and feels a part of the company will definitely contribute to the organization's well-being without any hesitation or quitting the job. The possibility of an employee's life in an organization will be long if he or she feels empowered and thus contributes to retaining them. This study is a need of the hour as we know based on previous study talent acquisition strategies, Talent Onboarding, and Employee Empowerment are the contributors to Talent Retention during normalcy. But this now conducted was during the pandemic when there are high shifts in the market and fluctuations regarding working from home and return back to the office. On verge of this debating scenario, the IT market still considers in demand of the TALENTED workforce and is strategizing on ways and areas how they can be retained in the organization.

**ACKNOWLEDGMENTS**

This is to appreciate and thank the Talent Acquisition professionals working in MNC's for parting their gems of wisdom and knowledge during the course of data collection.

**DECLARATION OF INTEREST STATEMENT**

The Authors report there is no competing interest to declare

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**List of Abbreviations**

<b>S.No</b>	<b>Abbreviation</b>	<b>Expansion</b>
<b>1</b>	TAS	Talent Acquisition Strategies
<b>2</b>	EE	Employee Empowerment
<b>3</b>	TO	Talent onboarding
<b>4</b>	TR	Talent Retention