

## STUDY ON TALENT MANAGEMENT IN IT SECTOR

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### ABSTRACT

The majority of firms throughout the world are engaged in global competition and implements variety of strategies to recruit. Consequently, Talent Management(TM) has gained a lot of attention. According to today's knowledge based world, the success rate of the company in a market mainly depends on its talent of its workers. At the same time, it is getting harder to find a highly skilled workers. So this work focused on the sustained performance of an organization by incorporating TM. Thus, the goal of this study is to understand the significance of TM practises in India's IT sectors located in Chennai. The study is descriptive in nature and online journals, websites, and books are used to gather secondary data.

**Keywords:** Talent Management, IT sector, Chennai.

### 1. Introduction

The globalization process, technological advancements and fierce competition makes the firms to work hard for maintaining their position in the worldwide market. Employees plays a vital role and they are the valuable resource of any firm. Thus, organisations are now focusing on their human capital, for increasing productivity and distinguishing their goods and services in a market. [1]. The likelihood that a company will achieve its goals and objectives and have a sustainable organisational performance increases with improved and efficient human capital management. Rop [2] stated that the success and growth of any organization's depends on the placement of suitable talented workers in the appropriate position at the right time. Skilled workers are considered as the major resources who can able contribute everlasting outstanding performance with competitive advantages. Apart from capital constraints, the lack of talented employees is a also major problem in organisations [1]. However, only 3 to 5% of workforce in an organization's is categorized as talented workers [3,4]. In order to increase and maintain organisational performance, talent is a crucial success component [5,6]. Talent is defined as an individual's qualifications, knowledge, experience, intelligence and their learning capacity and growth [7]. The importance of employing talented individuals is that they are supposed to have a greater assurance to the organisation since they work exceptionally well and are highly motivated to complete their jobs, which ultimately results in higher production and profitability as well as a substantial competitive advantage. Organizations view talent as a crucial resource that underpins great performance and a long- lasting competitive advantage [2]. Because of this, all firms are now concentrating more on developing and implementing a TM strategy which is applicable for achieving global market entry [8]. The goal of TM is to achieve a everlasting organisational performance, which involves it's both tactical and strategic objectives [9]. The current unstable economic environment has increased the importance of sustainability for enterprises across all sectors, according to Miller et al. [10]. In this context, sustainability refers to an organization's cumulative activities like environmental, human, financial and societal contribution. This perspective supports the claims made by [11] and [12] that sustainability is the most important issue for HR and worldwide business. The current economic climate makes the businesses to concentrate on their long term

prosperity. By organizing the recruitment talent pool, implementing a competitive remuneration plan and by monitoring employee performance, an organisation may strengthen its competitive edge and maintain its operations. This is why any effective company strategy must include enhancing an organization's staff. [13].

The substantial link between "talent management" and "organisational performance" has been noted in earlier research [14–17], but one issue that still needs to be resolved is how TM methods can be utilized to realize long-term organisational performance. Additionally, most of these kind of researches were carried out in the US and Western Europe regions where TM practices is seen more advanced. These nations are aware of the critical significance their human capital which plays a vital role in the development and success of both their enterprises and their governments. These nations stand out for the development of their economies, civilizations, and technological infrastructure, as well as for their willingness to adopt novel ideas and methods. Researchers now have an time to examine the idea of "TM" and the effects of its application on "organisational performance" due to the development of organisations in industrialised nations. A lot of organisations in developing nations, particularly those in the Middle East countries, have recently adopted TM strategies that are comparable to those that of developed nations. However, some researchers have recommended that organisations from developing nations should not blindly stick to the existing patterns of TM strategies implemented in developed nations since certain elements (such as culture, structural imbalances,

disputes arising from concerns of culture and religion, and underdeveloped financial markets) may prevent them from producing the same results, which will have an impact on their application [18,19]. In contrast, TM strategies differ between industries but there exist some common things [20]. This assertion was supported by Bergmann's study [21], who found that there is no formula for a firm to succeed through TM activities. Similarly, there is no transfer of TM activities from one industry's success to another.

Stressing the importance of talented employees in growing sector may lead to effective implementation of TM practices. Hence, the industry must expand its human resources in order to meet this demand and maintain sustainable organisational performance. Thus, this study made an analysis of TM practices in the IT industries.

## 2. Problem Statement

Talent management has grown in significance and become an essential component of HR. Many businesses design their HR strategy after considering all of their employees. Thus, the framework for TM must be very precisely defined. Finding an appropriate employee is the key concern and practical challenge. If not, HR managers find it challenging to efficiently carry out TM procedures. Therefore, having a strong and transparent framework for TM is necessary. It is essential to have straightforward, user-friendly HR procedures to carry out TM.

## 3. Objectives of the Study

The research objective of this concept is as follows

1. To study about the TM strategies practiced by IT sectors.
2. To examine the effect of TM Practices on IT Sectors.

## 4. Research Methodology

1. Research Type:

It is descriptive in nature.

2. Scope:

The scope of this study is limited only to the examination of TM strategies of IT sectors in Chennai.

3. Data Collection:

Secondary data is collected from books, online journals and websites. The primary data has been collected from 135 respondents from various IT sectors located in Chennai.

4. Data Analytical Tools and Techniques

The gathered information has been meaningfully categorized and tallied. Simple statistical methods like percentages, averages, and standard deviation have been used for the data analysis. Using SPSS and MS Excel, the Chi square test has been used to evaluate the hypothesis, with a 5 percent threshold of significance.

5. Data Analysis and Results

**TABLE 1.**  
**Distribution of Organisation based on Involvement in TM**

Involvement	Number	Percentage
High involvement	115	85.2
Low involvement	20	14.8
Total	135	100

Inference:

According to table No. 1, 85% of the respondents acknowledge that their organisations highlight TM efforts to succeed. Only 14.8% of the population claim that their company engages in TM activities less. Thus, it should be assumed that the organisations understand that talent is one which separates successful businesses from those that fail in today's rapidly evolving global economy.

**TABLE 2.**  
**Distribution of organisations based on objectives of TM practices**

objectives of TM	Applicable		Not applicable	
	Number	Percentage	Number	Percentage
Developing high potential amongworkers	107	79.3	28	20.7
Growing future managers	110	81.5	25	18.4
Retaining key position	114	4.5	17	15.5
Appropriately allocating rewards, training etc.,	108	80	27	20
Enabling the achievement of strategic goals	109	80.7	26	19.2

The organization's goals for TM activities can be inferred from the above table. The goal of an organization's TM strategy is to develop high potential persons about 79 percent. Future manager development is the focus of 81% of the organization's TM efforts. 84.5% of the organisation maintains key role people in backups. The goal of TM in 80% of organisations is to enable the attainment of strategic goals by appropriately allocating training, rewards etc.,

**TABLE 3. Analysis over organisation's focus of TM**

Organisation's focus	Number	Percentage
Selected groups of employees	0	0
High potential employees	3	2.223
Managerial employees	0	0
Technical staff	1	0.740
'All staff'	15	11.111
High potential employees and Managerial employees	3	2.223
High potential employees and Technical staff	2	1.481
High potential employees, Technical staff and 'Allstaff'	2	1.481

High potential employees and 'All staff'	63	46.661
Managerial employees and 'All staff'	1	0.740
Managerial employees, Technical staff and 'All staff'	1	0.740
Managerial employees, High potential employees, Technical staff and 'All staff'	12	8.888
Technical staff and 'All staff'	21	15.554
Selected groups of employees/High potential employees / Managerial employees	12	8.888
All staffs	9	6.666

From the above table, it should be clear that the organisations agree with Walker's (2002) study, which claims that while individuals may possess certain skills, they may not always be given the chance to use them in the job. It is essential to give everyone ongoing opportunity to learn, develop, and strive to reach their full potential.

**Table 4. TM practices based on the level of involvement in TM activities**

TM practices	Low involvement		High involvement		t-value	Pvalue
	Mean	Standard deviation	Mean	Standard deviation		
Work force planning	25.600	0.502	33.373	4.237	11.037	<0.001
Talent acquisition	12.900	0.788	22.104	3.828	14.646	<0.001
Onboarding	21.950	0.887	35.852	4.897	14.350	<0.001
Career development	6.600	0.502	20.026	1.575	11.537	<0.001
View on talent development activities	7.250	2.221	20.591	2.635	11.622	<0.001
Talent development	11.000	2.513	25.808	3.710	8.404	<0.001

Employee engagement	44.400	2.010	78.843	7.857	14.136	<0.001
Performancemanagement	51.100	2.936	79.652	7.635	17.029	<0.001
Succession planning	27.450	3.425	49.634	4.687	15.472	<0.001
Leadership development	10.700	1.625	22.478	2.291	11.607	<0.001

The organisations with a higher level of TM activities have higher levels of workforce planning practices, as evidenced by the higher mean value of work force planning activities for these organisations. For organisations that engage in a high volume of talent management activities, the mean value of TM practices is significant. Similar to this, organisations with high levels of involvement in TM activities tend to have higher mean values for on boarding, talent development and career development activities.

**Table 5. TM practices based on the overall objectives**

Variables	Low		Medium		High		NOVAF value	p- value	Bonferroni multiple comparison
	Mean	SD	Mean	SD	Mean	SD			
Work forceplanning	25.043	3.183	28.764	5.562	34.578	2.181	108.539	<0.001	L<M<H
Talent acquisition	12.913	1.276	18.352	3.823	23.063	2.985	120.314	<0.001	L<M<H
Onboarding	22.434	1.753	30.882	3.935	37.063	4.125	142.239	<0.001	L<M<H
Career development	7.869	3.401	19.588	2.399	20.221	1.221	389.120	<0.001	L<M<H
Talent development	12.869	5.471	26.588	3.410	25.684	3.815	95.804	<0.001	L<M,H
Employee management	46.565	6.458	69.823	7.037	81.021	3.957	291.434	<0.001	L<M<H

Performancemanagement	52.608	5.015	75.000	11.640	81.021	5.673	171.694	<0.001	L<M<H
Successionplanning	28.869	4.929	44.470	5.874	50.915	3.191	292.793	<0.001	L<M<H
Leadership development	11.782	3.848	21.058	3.732	22.842	1.446	200.696	<0.001	L<M<H

The talent factors of talent management are tested against the overall objectives of talent management practices using a one-way ANOVA test. Based on their overall objectives, the organisations are divided into three categories: low, middle, and high. With the aid of the Bonferroni multiple comparison test, the following conclusions can be drawn:

As a result, organisations with high levels of overall talent management procedures have high workforce planning practices.

**Conclusion**

The Indian IT and ITES industry has emerged as the world's most popular location for IT and ITES operations.. With a 52 % market share, the IT sector has become the leader in the global sourcing business. It has been discovered that TM is an ongoing process that places a strong emphasis on talent attraction and retention by retaining the most capable and potential employees through skill development to increase the profit of an organization. Hence, this work examined the effectiveness of the TM in IT sectors located in Chennai. According to this study, most of the organizations have adopted various TM strategies in order to reap benefits including better productivity, improved work- life balance and increased job satisfaction.

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