

Staff perceptions on talent management and retention: A case of a labour organisation in Gauteng

by Nadia Strydom^{*}, Cecile Schultz^{**}
and Adele Bezuidenhout^{***}

Abstract

As high turnover is costly and disruptive, all organisations aim to retain talented employees. Talented employees give organisations a competitive advantage in the complex business environment of today. The aim of this article is to report on the employees' perceptions of talent management retention at a labour organisation in Gauteng. The population comprised 317 permanent staff members, and a convenience sample of 162 was used. A principal factor analysis was employed to determine the main factors, namely, dedication to staff and dedication of staff. Descriptive statistics were used to determine the perceptions of staff members on these two factors. In conclusion, recommendations are offered to labour relations practitioners on how human resource practices can contribute to the fair treatment and retention of talented employees in an organisation.

Key words: talent management, retention, employment relations, human resource practices

1 Introduction

Trust, the psychological contract, equity and fairness in any organisation are of the utmost importance in ensuring labour peace and should be included in human resource practices such as talent management and retention.

The idea of "managing talent" was developed in the 1950s when it was common for employees to stay with an organisation for their entire careers. This resulted in organisations' having to develop talent within the firm as it was challenging to hire qualified candidates from outside the organisation (Hatum 2010). For this reason, for decades developing the most superior talent has been the focus of leading companies globally. As a result, the best companies have realised that it is their talented employees who distinguish them from their competitors as these expand and globalise. Without the right talent to lead the initiative, companies cannot access or conquer new markets. Successful companies have therefore come to the conclusion that talented employees and the effective leadership of such employees are of the utmost importance (Sharkey & Eccher 2011). The current viewpoint is that talent management

^{*} Ms N Strydom is an MTech student in the Department of People Management and Development at the Tshwane University of Technology.

^{**} Dr C Schultz is a senior lecturer in the Department of People Management and Development at the Tshwane University of Technology.

^{***} Prof A Bezuidenhout is a professor of Human Resource Management at Unisa.

may incorporate specific functions like compensation, benefits, wellness programmes, addressing performance issues and providing continuous training. Furthermore, the successful coaching of key employees results in significantly improved success for organisations and includes benefits such as the retention of valued talent, increased productivity, development of high-potential performers, job satisfaction and the overall achievement of organisational objectives (Berger & Berger 2004).

Retention of valuable employees implies organisational consideration of the level of engagement of employees, recognition programmes and other contributors to the retention of those employees. The social exchange theory, rooted in the rule of reciprocity (Allen, Shore & Griffith 2003), is used as meta-theoretical framework to make sense of retention practices within the labour organisation investigated. The retention of valuable employees results in improved productivity, reduced labour costs and an increased competitive advantage for the organisation. The key focus of most talent management programmes is to retain and nurture valuable talent. This is the result of a number of factors that have recently increased the mobility of the workforce, such as globalisation, demographic changes and increased digitisation. Scullion and Collings (2006) note that the World Wide Web has enabled employees to access global employment opportunities. The retention of talent, where the focus is on the knowledge and skills of the people inside the firm, is vitally important. As a result of failure to pay attention to retaining talent, the most talented employees in organisations are often lost because they attract the most attention from head-hunters and are lured away by attractive alternative offers. The link between talent retention and acquisition is widely recognised. The lack of clear measures of talent retention is a big problem and the lack of retention data weakens organisations' ability to measure the success of their talent management initiatives (Scullion & Collings 2006).

The purpose of the study was to determine the employees' perceptions regarding talent management and retention at a labour organisation in Gauteng. The contribution of the study lies in an improved understanding of how employees perceive talent management and retention in the labour union. This new knowledge will assist human resource and labour relations practitioners to improve the level of trust, the psychological contract, equity and fairness in the organisation.

The research question that guided this article was: How do employees perceive talent management and retention at a labour organisation in Gauteng?

2 Research constructs

The constructs "talent management" and "retention" will be discussed below.

2.1 Talent management

There are different perspectives on the concept "talent management". The recent tendency in talent management literature may provide some clarity on defining talent management. Lewis and Heckman (2006) state that talent management can best be described in terms of three research perspectives: (1) talent management can be described in terms of distinctive human resource department practices and functions; (2) talent management can be defined in terms of HR planning and projections of employment/staffing needs; and (3) talent management can be seen as a generic concept focused either on high-performing and high-potential talent or on talent in general.

The first perspective defines talent management as a collection of typical human resource department practices, functions, activities or specialist areas such as

recruitment, selection, development, and career and succession management (Byham, Smith & Paese 2002; Chowanec & Newstrom 1991; Heinen & O'Neill 2004; Hilton 2000; Mercer 2005; Olsen 2000). In contrast, the second perspective focuses primarily on the concept of talent pools. Talent management, to these authors, is a set of processes designed to ensure an adequate flow of employees into jobs throughout the organisation (Kessler 2002; Pascal 2004). These approaches are often quite close to what is typically known as succession planning/management or human resource planning (Jackson, Schuler & Werner 2011; Rothwell 1994). Finally, the third perspective on talent management focuses on talent generically; that is, without regard for organisational boundaries or specific positions. Within this perspective two general views on talent emerge. The first regards talent (which typically means high performing and high potential talent) as a valued resource to be managed primarily according to performance levels, meaning that highly competent performers are to be sought, hired, and differentially rewarded regardless of their specific role or, in some cases, the organisation's specific needs. Thus, in contrast with the second perspective outlined above, organisations are encouraged to manage performance pools of talent generally rather than succession pools for specific jobs as suggested by the "War for Talent" approach (Axelrod, Handfield-Jones & Michaels 2002; Smart 1999).

A human capital perspective implies that employees are assessed on their value (the potential to contribute to an organisation's core competences) and uniqueness (the extent to which the employee is difficult to replace) (Lepak & Snell 1999). This perspective is linked to the third perspective on talent management.

A review of existing literature reveals a wide variety of definitions of "talent" and "talent management" per se, from rather narrow descriptions, to a more broadly defined point of view. As a starting point for discussion, talent can be defined as an individual's capability to make a significant difference to the current or future performance of an organisation (Morton 2005). Moreover, in the corporate world, as in life, talent has come to be associated with individuals with a special ability or gift. "Special" here refers to being "scarce" or "unusual" (Davies & Kourdi 2010). "Talent management" can be described as a set of integrated corporate initiatives directed at improving the availability and flexible utilisation of exceptionally capable (high-potential) employees who can have a disproportionate impact on business performance. In addition, talent management processes are often designed with the goal of ensuring a competitive advantage by utilising a small number of exceptional individuals in key leadership positions (Smilansky 2006). From a more holistic, "broader" perspective, talent management simply refers to responding to strategic or environmental demands with high quality human resource practices that produce business results. However, if this broad definition is accepted, the term talent management fails to add incrementally to our current understanding of how a highly efficient human resource department operates, according to Lewis and Heckman (2006).

In an endeavour to explain what an organisational talent management strategy should achieve, Collings and Mellahi (2009) describe it as "activities and processes that involve the systematic identification of key positions which differentially contribute to the organisation's sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organisation".

In practice, those employees who have highly valued and unique skills are often referred to as high potentials (Gelens, Dries, Hofmans & Pepermans 2013). High

potentials are believed to “show potential to become something more than what they currently are” (Silzer & Church 2009). The validity of managers' choices to send one person to a development program rather than another, to hire one person rather than another, or to nominate an individual for a high-potential talent pool is easily calculated; meaningful metrics that have the potential to markedly improve organisational talent decisions are available. Current research findings still do not explain how these measures should be reported or how the accountability framework needs to be structured to ensure action (Lewis & Heckman 2006). It should also be noted that top performers are not limited to the higher levels of management, but can be found at all levels of an organisation (Neininger, Lehmann-Willenbrock, Kauffeld & Henschel 2010).

Talent management presents various challenges. Some of these challenges relate to attraction (including reputation management, recruitment and selection), retention (including performance management and compensation activities) and development (including training and career development activities) (Tarique & Schulter 2010). The need for alignment, for developing talent management matrices, and for building talent management scorecards must be addressed in order to ensure effective talent management (Rawlinson, McFarland & Post 2008). Research on alignment has shown that although HR professionals spend a great deal of their time on formulating and managing the traditional HR activities such as recruiting, selecting, training, performance appraisal and compensation, what is missing is the systemic linking of HRM activities with the firm's strategies and directions (Rawlinson et al 2008).

Talent management involves a deliberate endeavour to attract, retain and develop individuals who possess the necessary willingness and capabilities to meet both current and future organisational needs (Stockley 2011). It consists of eight categories of initiatives, and when several of these interrelate the result is a holistic approach to talent. These eight categories are recruitment, retention, professional development, leadership/high potential, performance management, feedback/measurement, workforce planning and corporate culture and values (Morton 2005). From a similar perspective, Guillory (2009) is of the opinion that talent management consists of sourcing, attracting, recruiting, developing, advancing and retaining highly competent individuals. It is also vital for organisations' continuing success through the development of leadership and management functions. Furthermore, Blass (2007) explains that talent management may take the form of making additional processes and opportunities available to people who are considered to be “talent” in the organisation.

Research on talent metrics (Boudreau & Ramstad 2007) has identified common mistakes encountered by managers in identifying, monitoring and implementing important or the most suitable talent metrics for their organisations (cited in Tarique & Schulter 2010). Other studies have examined specific talent metrics, including talent brand mapping, employee-recruitment gap analysis, strategic readiness of individual talent, employee satisfaction, work motivation, employee commitment and extra-role behaviours (Collings & Mellahi 2009; Lawler, Levenson & Boudreau 2004). The remaining studies have attempted to develop talent-based scorecards that focus on becoming an employer of choice (Branham 2005) sustaining employee engagement and developing a high-performance culture (Rampersad 2008, cited in Tarique & Schulter 2010). The key indicators used to evaluate talent management include the following (Sparrow, Brewster & Harris 2004):

- added value per employee;
- recruitment ;
- graduates;

- development;
- internal appointments; and
- retention.

2.2 Retention

The retention of valuable, qualified employees is a top priority for contemporary organisations (Neininger et al 2010). Simply stated, retention refers to the number of employees in an organisation that remain in the employment of the organisation for a given period of time and it refers to an organisation's ability to maintain a competent and stable workforce (Rothwell 2010).

The theoretical premise that applies to retention and turnover is the social exchange theory, rooted in the rule of reciprocity (Allen, Shore & Griffith 2003). This theory is based on the principle that the exchange of social and material resources is a fundamental form of human interaction and interpersonal relationships (Pathbreakers 1996). The two entities involved in the exchange are the organisation and the individual employee. Retention includes all the activities, both tangible and intangible (Hatun 2010) an organisation undertakes to encourage qualified and productive employees to stay with the organisation and to ensure talent is not lost. It is therefore a deliberate effort by an organisation to retain desirable, talented "high performing" employees to ensure that business objectives are met.

These "high performing" employees should be encouraged to stay with the organisation and should remain happy and productive for as long as possible. Thus, to a certain extent, retention also involves the process of encouraging the under-performers or "low performers" to leave the organisation in order to create more opportunities for high achievers. In essence, retention should be about focusing on retaining the excellent performers and getting rid of poor performers (Carsen 2005). Therefore, it can be stated that the main objective of retention is to ensure that the turnover of highly valued, high-quality employees is reduced to a minimum (Jackson et al 2011). Similarly, Steel, Griffith and Horn (2003) believe that retention is a positive event when a high performer stays in the employment of the organisation. In contrast, retention becomes a negative event when a low performer chooses to stay. In practice, high performers are unfortunately more likely to leave because of attractive alternative job opportunities (Steel et al 2003).

For retention programmes to be effective, a holistic, comprehensive, and reflective process is necessary (Mitchell, Haltom & Lee 2001). Lepak and Snell (1999) suggest that employees with valuable skills should be targeted first for retention. By doing so, the human resource and employment relations practitioner will be able to provide a more stable and predictable source of human capital (Gelens et al 2013). Furthermore, on a practical level, retention practices include both tangible and intangible aspects (Hatun 2010). Tangible aspects include actions such as exit interviews, job satisfaction surveys and feedback, retention-rate benchmarking, job enrichment, realistic job previews and training (Steel et al 2003). On a more abstract, intangible level (Hatun 2010), these programmes should include interventions to address the engagement of employees and recognition of excellent performance (Cascio 2006). Effective recruitment and retention help organisations to attract talented employees and also increase the chances of retaining such employees (Jackson et al 2011).

Turnover is a retention metric (Soupata 2005). The balanced scorecard model was developed by Dr David Norton and Dr Robert Kaplan of the Harvard Business School (Kaplan & Norton 1996). The Human Resource (HR) Balanced Scorecard was

conceived with New Economy organisational dynamics in mind and uses a broad range of “leading and lagging” indicators – overall strategy, operational processes, customer perceptions and financials to evaluate the effectiveness of HR initiatives for the bottom line (Ulrich, Huselid & Becker 2001). The HR Balanced Scorecard provides the means to monitor workforce indicators, analyse workforce statistics, diagnose workforce issues, calculate the negative financial impact, prescribe solutions and track improvements (Walker & MacDonald 2001).

2.3 Integration of talent management and retention to ensure organisational success

Employee retention programmes require an overall, comprehensive and carefully considered process if they are to be effective. They are expensive, require substantial effort, and vary across organisations and industries. Furthermore, there is growing recognition that these programmes are competing for talent (Mitchell et al 2001). In addition, Holtom, Mitchell, Lee and Eberly (2008:261) emphasise the idea that although research attention has been paid to the consequences of turnover, more theoretical and empirical work is needed to identify the mediating mechanisms between turnover and a number of organisational performance indicators. They go on to explain that business leaders have recognised the value of the retention of talented knowledge workers, especially in an era of extensive globalisation.

As management shifts its focus from basic return-on-investment metrics to a broader, more balanced HR scorecard in an attempt to ensure organisational success, talent management and retention have become top priorities (Sandler 2006). Research on the factors that have been shown to facilitate the retention of talented employees has indicated that these factors can include job satisfaction, perception of fairness, employee engagement and commitment initiatives (Lockwood 2006). Commitment, and especially team commitment, is often seen as the key to mastering the challenge of retaining high-potential employees (Neininger et al 2010). Furthermore previous studies also looked at specific types of employees such as “high technology” employees (Döckel 2003; Döckel, Basson & Coetzee 2006; McNee, Morello, Zidar & Smith 1998) and identified the important factors for this group of employees as compensation (base salary); job characteristics (skills variety and job autonomy); training and development opportunities; supervisor support; career opportunities, and wellness programmes.

3 Research design

The research methodology, research participants, measuring instrument, characteristics of the population, ethical considerations and statistical analysis will be discussed below.

3.1 Research methodology

The research design for this study included a quantitative, descriptive research method. A cross-sectional, survey design was used to collect data from the respondents in order to describe their behaviour towards and perceptions of talent management in the labour organisation.

3.2 Research participants

A labour organisation in Gauteng was chosen as the population for the study on which this article reports. The labour organisation consisted of 317 staff members, including management, administrative and technical staff. The total population was invited to

participate. A total of 162 staff members responded by completing the questionnaire and consent form. Thus, the total percentage of the population that responded was 51.10%. This is judged a highly representative portion.

3.3 Measuring instrument

A self-administered questionnaire was used (Bless, Higson-Smith & Kagee 2006:117). A Likert-type scale was used that required respondents to respond to statements by choosing one of four alternatives (where 1=strongly disagree, 2=disagree, 3=agree, 4=strongly agree). Thirty questions were compiled and analysed for the study.

Validity refers to the degree to which a study accurately reflects or assesses the specific concept that the researcher is attempting to measure (Welman, Kruger & Mitchell 2005). Validity is concerned with the success of the study in measuring what the researcher(s) set out to measure (Welman et al 2005).

A pilot study consisting of 15 experts in the HR environment completed the questionnaire beforehand to determine whether the questions were being understood and interpreted as intended, and whether they were relevant to the field. This was done to ensure face validity. According to Chan and Schmitt (1997), if a test appears to be valid to participants or observers, it is said to have face validity. The questionnaires were also completed by 20 staff members in the labour organisation used for the study to determine whether the questions were being understood and interpreted as intended, and whether they were relevant to the field.

The Cronbach's alpha coefficient was used to calculate the reliability of the questionnaire. According to Zinbarg, Revelle, Yovel and Li (2009), a Cronbach's alpha of 0.7 and higher is considered an acceptable reliability coefficient (see section 4.1).

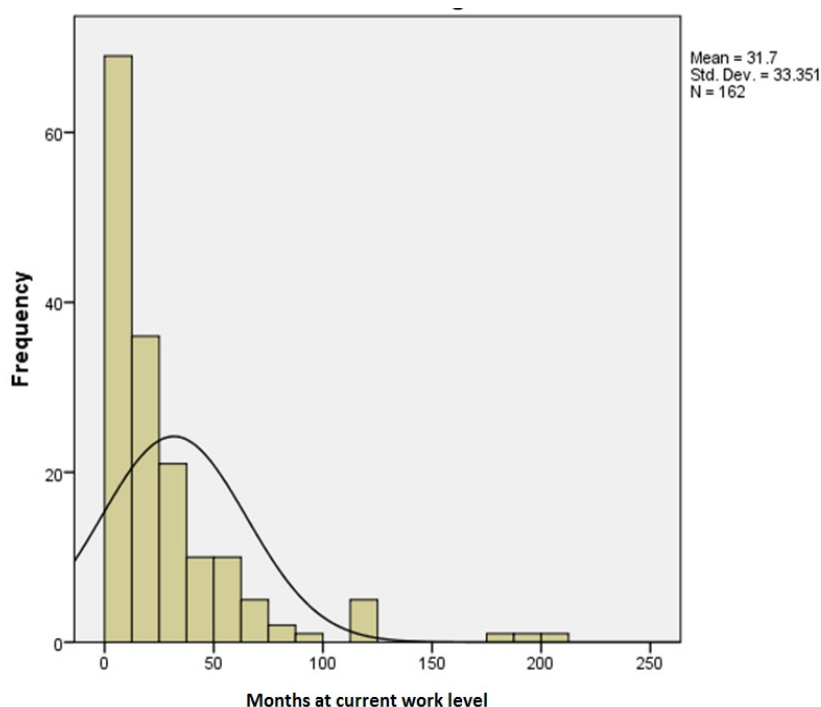
3.4 Characteristics of the population

The average age of the sample was 35 years. Most respondents had been employed by the labour organisation for between 1 and 2 years (50%), with 25.9% having been employed for 3–5 years, 16% for 4–7 years, and 8% for more than 7 years. Regarding the gender of the sample, 65.4% were female respondents and 34.6% were male. Participants had been at their current job level for an average of 31.70 months. The months spent by participants at the current job level are presented in Table 1 and also in Figure 1.

Table 1
Months at current job level

N	Valid	162
	Missing	0
Mean		31.70
Median		24.00
Mode		12
Standard deviation		33.351
Skewness		2.761
Standard error of skewness		.191
Minimum		2
Maximum		204
Percentiles	25	12.00
	50	24.00
	75	36.00

Figure 1
Months at current job level



3.5 Ethical considerations

The labour organisation gave permission for the study to be conducted and the questionnaire was distributed electronically to all respondents along with an informed consent form. Respondents' privacy was protected during the course of the research as they were not required to put their names on the questionnaire. Individual results were also kept confidential. The recipients of the questionnaire were given a choice as to whether they wished to participate in the study. The researcher reported the findings of the study with scrupulous accuracy and integrity. The findings and results of the research have not been misrepresented and are not deceptive.

3.6 Statistical analysis

A principal factor analysis was used to determine how the constructs influence the responses to the measured variables. This method of factor analysis is a collection of methods for investigating how constructs influence the responses to a group of measured variables (DeCoster 1998). Factor analysis was used to determine the Cronbach's alpha scores for both the research constructs and also to determine the correlation or relationship between the two research constructs.

The t-test for independent samples was used to compare two groups. The t-test for dependent samples was used to compare two variables with the same subjects (observations).

4 Results and discussion

The results will be discussed and presented in terms of reliability analysis, descriptive analysis and factor analysis.

4.1 Reliability analysis

The Cronbach's alpha for the factor "dedication of the employee" which relates to retention was 0.856 and the Cronbach's alpha for the factor "dedication to the employee" which relates to talent management was 0.908. Overall the factors displayed a high reliability, as both scores were well above 0.7 and therefore the questionnaire was judged reliable.

Table 2
Item analysis of retention

Item description	Cronbach's alpha if item deleted
I am offered opportunities to complete tasks on my own	.837
I am dedicated, committed and loyal to my organisation	.844
I am proud of my employer's image in the market	.852
I believe my supervisor/manager is an effective leader	.842
I have a pleasant work environment	.835
I have the freedom to do what I consider best in my job	.834
I like achieving difficult challenges	.852
I want to continue working at my current organisation	.843
I respect the values of my organisation	.846
My organisation ensures that I remain knowledgeable on their products and services	.846
I have the materials/equipment I need to do my work right	.847

The 11 questions or items that were grouped under the factor termed "dedication of the employee" are displayed in Table 2 together with the inter-item correlation for each of the questions or items. The Cronbach's alpha for each of the 11 items is also shown and all 11 items' Cronbach's alphas were above 0.8, which meant that the items or questions were unquestionably reliable.

The 17 questions or items that were grouped together in the factor labelled "dedication to the employee" are displayed in Table 3 along with the inter-item correlation for each of the questions or items. The Cronbach's alpha for each of the 17 items was generally above 0.8 indicating a very high degree of reliability.

4.2 KMO and Bartlett's test of sphericity

Factor analysis was conducted to establish whether the original theoretical scales corresponded to the investigative grouping of items. The Kaiser-Meyer-Olkin measure of adequacy should be 0.5 or higher, with a desirable value of 0.8 or higher (Child 2006).

Table 3
Item analysis of talent management at the organisation

Item description	Cronbach's alpha if item deleted
I receive reasonable compensation	.903
My supervisor has discussed my career path with me	.898
My organisation remunerates me within reason for the amount of work that I do	.903
My company offers incentive rewards for a job well done	.899
My organisation offers reasonable fringe benefits	.903
At work I have opportunities to grow	.898
My department appoints the right people	.900
My department understands the actual capabilities of every employee in the department	.899
My department recognises the need to employ certain staff in order to achieve certain business goals	.903
I have received recognition/praise for good work in the last month	.900
I have had at least one mentor at my current employer	.907
I regularly receive sufficient training	.905
My department deals with change effectively	.904
My performance at work is tracked against set objectives	.905
I think that my position in the organisation is secure	.904
My organisation has a competitive advantage in the market	.908
I have been promoted within the last 2 years	.914

Table 4
The KMO and Bartlett's test of sphericity

Kaiser-Meyer-Olkin measure of sampling adequacy	.896	
Bartlett's test of sphericity	Approx. chi-square	2452.981
	Df	435
	Sig.	.000

The table above indicates that the Kaiser-Meyer-Olkin measure of sampling adequacy was 0.896. In Bartlett's test of sphericity, the significance was 0.000, which indicates sampling adequacy. Hence the data were suitable for factor analysis.

4.3 Factor analysis

A principle factor analysis was conducted to determine the factors that constitute talent management and retention.

The two original theoretical scales were talent management and retention, and the intention was to measure these two scales against each other. The two scales that were found during the factor analysis were named "dedication to the employee" (Factor 1) and "dedication of the employee" (Factor 2). Dedication to the employee related to the original factor "talent management", and the factor dedication of the employee related to the original factor "retention".

Table 5
Two-factor analysis results of the factor analysis

Questionnaire statement	Factor	
	1	2
I receive reasonable compensation	.818	-.276
My supervisor has discussed my career path with me	.769	
My organisation remunerates me within reason for the amount of work that I do	.764	
My company offers incentive rewards for a job well done	.687	
My organisation offers reasonable fringe benefits	.618	
At work I have opportunities to grow	.609	.223
My department appoints the right people	.597	.213
My department understands the actual capabilities of every employee in the department	.595	.257
My department recognises the need to employ certain staff in order to achieve certain business goals	.567	
I have received recognition/praise for good work in the last month	.555	.222
I have had at least one mentor at my current place of employment	.534	
I regularly receive sufficient training	.511	
My department deals with change effectively	.497	
My performance at work is tracked against set objectives	.406	.255
I think that my position in the organisation is secure	.351	.329
My organisation has a competitive advantage in the market	.351	
I have been promoted within the last two years	.287	
I am dedicated, committed and loyal to my organisation		.734
I am offered opportunities to complete tasks on my own		.656
I want to continue working for my current organisation		.639
I have the freedom to do what I consider best in my job		.608
I respect the values of my organisation		.561
I have a pleasant work environment	.323	.494
I like achieving difficult challenges		.482
At work I have the opportunity to do what I do best every day	.376	.464
I believe my supervisor/manager is an effective leader	.354	.359
My organisation ensures that I remain knowledgeable on their products and services	.330	.347
I have the materials/equipment I need to do my work right	.260	.339
I am proud of my employer's image in the market		.335
My organisation allows me the opportunity to provide good customer service		

The average inter-item correlation should be between 0.1 and 0.5, and for both factors it was in the region of 0.3. The factors found were therefore rated as reliable with certainty. The original scale of talent management was revised by the factor loadings per item in the sense that ten of the questions initially constructed under talent management and seven of the questions initially constructed under retention appeared under the factor termed "dedication to the employee". The original scale of retention was revised by the factor loadings per item in the sense that eight of the questions initially constructed under "retention" and five of the questions initially constructed under "talent management" appeared under the factor termed "dedication of the employee". The revision of the original scales was probably undertaken as a result of the similarity between the factors which make up talent management and retention.

The factor termed “dedication to the employee” can be related to talent management as talent management is viewed as an organisation’s dedication to employees. This dedication is evident in the form of training, performance management, motivation, engagement, internal and external rewards and many more.

Table 6
Factor loadings of the items

Questionnaire statement	Original scale	Factor		Factor name	Alpha	Average inter-item
		1	2			
I receive reasonable compensation	Talent management	.818	-.276	Dedication to the employee	0.908	0.380
My supervisor has discussed my career path with me	Talent management	.769				
My organisation remunerates me within reason for the amount of work that I do	Retention	.764				
My company offers incentive rewards for a job well done	Retention	.687				
My organisation offers reasonable fringe benefits	Retention	.618				
At work I have opportunities to grow	Retention	.609	.223			
My department appoints the right people	Talent management	.597	.213			
My department understands the actual capabilities of every employee in the department	Talent management	.595	.257			
My department recognises the need to employ certain staff in order to achieve certain business goals	Talent management	.567				
I have received recognition/praise for good work in the last month	Retention	.555	.222			
I have had at least one mentor at my current place of employment	Talent management	.534				
I regularly receive sufficient training	Talent management	.511				
My department deals with change effectively	Talent management	.497				
My performance at work is tracked against set objectives	Talent management	.406	.255			
I think that my position in the organisation is secure	Retention	.351	.329			
My organisation has a competitive advantage in the market	Talent management	.351				
I have been promoted within the last two years	Retention	.287				

continued/

Questionnaire statement	Original scale	Factor		Factor name	Alpha	Average inter-item
		1	2			
I am dedicated, committed and loyal to my organisation	Talent management		.734	Dedication of the employee	0.856	0.350
I am offered opportunities to complete tasks on my own	Retention		.656			
I want to continue working for my current organisation	Retention		.639			
I have the freedom to do what I consider best in my job	Retention		.608			
I respect the values of my organisation	Talent management		.561			
I have a pleasant work environment	Retention	.323	.494			
I like achieving difficult challenges	Retention		.482			
At work I have the opportunity to do what I do best every day	Talent management	.376	.464			
I believe my supervisor/manager is an effective leader	Talent management	.354	.359			
My organisation ensures that I remain knowledgeable on their products and services	Retention	.330	.347			
I have the materials/equipment I need to do my work right	Retention	.260	.339			
I am proud of my employer's image in the market	Talent management		.335			
My organisation allows me the opportunity to provide good customer service	Retention					

The factor termed "dedication of the employee" can be related to retention as retention refers to dedication on the part of employees and commitment to remaining with an organisation instead of searching for opportunities elsewhere.

4.4 Descriptive statistics

The descriptive statistics that emerged for the two factors are explained below.

Table 7
Descriptive statistics per factor

	N	Minimum	Maximum	Mean	Std deviation
Dedication of the employee	162	1.73	4.00	3.5118	.39541
Dedication to the employee	162	1.53	4.00	2.9488	.53469
Valid N (listwise)	162				

The factor, dedication of the employee, which relates to retention, showed the highest mean score of the two factors, while the factor, dedication to the employee, which relates to talent management, showed the lowest mean score. The original scale was a four-point scale, which means that the mean value for both factors tended to the positive side since both factors had a mean value of around 3. Because the mean value

for the two factors did not differ much, it can be said that the respondents experienced both factors in a relatively equal way. One can therefore conclude that the participants in the sample were of the opinion that their talents were being managed and they would like to keep working for their current employer.

Statistics for the male and female groups of respondents were compared for both of the factors that emerged.

Table 8
Comparison between subgroups

	Gender	N	Mean	Std. deviation	Std. error mean
Dedication of the employee	Male	56	3.4708	.42361	.05661
	Female	106	3.5334	.37995	.03690
Dedication to the employee	Male	56	2.9559	.56357	.07531
	Female	106	2.9451	.52150	.05065

The mean values for both males and females were very similar for both factors. In terms of the factor, dedication of the employee, which relates to retention, there was a small mean difference of 0.06 between the males and the females. In terms of the factor, dedication to the employee, which relates to talent management, there was a very small mean difference of 0.01 between the males and females. It is therefore evident that the males and females in the organisation perceived the factors in a similar fashion, which would indicate that they received equal treatment in the organisation. If the males and females had not perceived the factors in a similar way, this would have raised the concern that they might not be receiving equal treatment, being given the same opportunities and so on.

Table 9
The independent sample test

		Levene's test for equality of variances		t-test for equality of means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean difference	Std error difference	95% confidence interval of the difference	
									Lower	Upper
Dedication of the employee	Equal variances assumed	.001	.978	-.959	160	.339	-.06267	.06534	-.19170	.06637
	Equal variances not assumed			-.927	102.033	.356	-.06267	.06757	-.19670	.07136
Dedication to the employee	Equal variances assumed	.042	.838	.122	160	.903	.01082	.08860	-.16416	.18580
	Equal variances not assumed			.119	104.783	.905	.01082	.09076	-.16914	.19079

The significance in the statistical representation above was greater than 0.05 in both instances, which indicates that the variances were approximately equal. The T-value for the factor, dedication of the employee, was -0.959 and the factor, dedication to the employee, 0.122. For both factors there was a 160 degree of freedom. Hence, there

was no significant difference between the factor, dedication of the employee (retention), and the factor, dedication to the employee (talent management), because the significance value was more than 0.05 in both instances.

5 Discussion

The two factors that were used during the factor analysis were called “dedication to the employee” and “dedication of the employee” and related to talent management and retention respectively. It was evident that the males and females in the organisation under study perceived talent management and retention in a similar way. This could be an indication that the two genders are treated equally in the organisation and this is a positive indicator for employment relations practitioners. Owing to the fact that the mean value for the two factors, namely “dedication of the employee” and “dedication to the employee”, did not differ much in the empirical study, it can be said that the respondents experienced both factors in a relatively equal way, that talent in the labour organisation was managed appropriately and that employees would like to remain with their current employer.

Previous research has shown that the non-existence of an employee retention strategy, to which management can refer when recruiting and retaining employees with the right skills, leads to an uncontrollably high employee turnover rate (Mohlala et al 2012). This implies that organisations should pay attention to all the factors comprising talent management when implementing a talent management strategy, as these factors are inseparably linked to the successful retention of talent.

Allen et al (2010) highlight the fact that despite extensive research and even more intense organisational interest, there is still a discrepancy between science and practice in the way retention and turnover are understood. In practical terms, there are implications for human resource and employment relations practitioners and managers. The growing trend of accurately assessing the shortage of qualified and experienced human capital has emphasised the importance of retaining talented employees in order to maintain organisational success (Hinkin & Tracy 2000). Cascio (2006, in Allen et al 2010) calculates the cost of an unsuccessful retention strategy that results in turnover at more than 100% of the annual salary of the position being filled. In response, it is essential for human resource and employment relations practitioners to implement effective human resource practices such as a proactive retention strategy to actively avoid or reduce undesirable turnover of high potential employees (Holtom et al 2008).

In addition, the recent trend of HR transference (reallocating tasks from the HR department to line managers) emphasises the importance for supervisors and managers of showing respect towards all employees (Cascón-Pereira, Valverde & Ryan 2006). HR transference implies that line managers are given more responsibilities than before when it comes to implementing talent management practices and this, in turn, increases their impact on employees' perceptions of justice (Gelens et al 2013). Employee behaviour is influenced by perceptions of organisational justice and therefore necessitates justifiable behaviour, which implies compliance with labour law, compliance with employment contracts, compliance with legitimate employer directives and policies as well as compliance with workplace procedures, rules and codes (Bendix 2010; Grogan 2009; Nel, Kirsten, Swanepoel, Erasmus & Poisat 2012; Sparrow & Cooper 2003; Venter & Levy 2011).

Like trust, fairness is a very important social condition in supervisory relationships and depends on at least four universally accepted standards, namely: objectivity, equity, consistency and reciprocity. Fairness can also be studied from the perspective

of distributive, procedural or interactional justice (Colquitt, Conlon, Wesson, Porter & Ng 2001; Cropanzano, Bowen & Gilliland 2007). The results and views expressed in the literature provide adequate proof that employees' perception of fairness in an organisation often mediates employment relationships, and for this reason it cannot be ignored when designing and executing talent management and retention strategies (Colquitt et al 2001).

The dynamic and unpredictable nature of employment relationships cannot be denied (Collins 2005). Rousseau (1995) has used the terms *organisation focused* and *relational* to describe open-ended exchanges between employers and employees. Organisation-focused employment relationships can be viewed as encouraging significant mutual investment on the part of employers and employees in developing critical organisational skills (talent) (Morrow 2011; Morrow, McElroy & Scheibe 2012). The notions of long-term involvement and investment in talented employees are crucial in this type of employment relationship. Theorists argue that by investing in employee development and allowing employees greater participation in decision making, organisations can foster a higher level of organisational commitment from employees, which translates into an increased intention to stay with the organisation and perform exceptionally. Moreover, Rousseau (1995) suggests that when talented employees are seen as a core component of competitiveness, organisations may be willing to increase employee incentives to engage in learning and development initiatives (Lepak & Snell 1999). An appreciation of this interactive partnership will assist employment relations practitioners in creating an environment in which talent can be nurtured and retained.

The HR configurations used to manage talented employees may influence what is considered to be valuable and unique talent for the organisation at any point in time (Lepak & Snell 2002). Organisations need to be more consciously aware of the processes involved in producing successful talent management outcomes. Information on how talent management practices influence perceptions of organisational justice and fairness, resulting in desired employment outcomes and achieving desired organisational outcomes, can therefore make a significant contribution to this field of study (Naumann & Bennett 2000).

The psychological employment contract can be described as an employee's perception of the unwritten promises and obligations implicit in his or her relationship with the employing organisation (Thompson & Bunderson 2003). Less formal, unscripted psychological contracts consequently develop alongside formal employment contracts in the course of employment relationships, in order to address relationship expectations that are not regulated by formal contracts (Roehling 1997; Rousseau 1995). The psychological contract between the employer and employee would be strengthened by nurturing the employee's talent and retaining this talent for the benefit of the organisation (Thompson & Bunderson 2003).

Organisations that do not implement talent management and retention strategies are less likely to achieve a competitive advantage in the market. Important employment-relation values such as respect, justice, fairness and the psychological contract should be embedded in the talent management and retention strategies. It is therefore the role of the employment relations practitioner to ensure that the aforementioned elements are part and parcel of all HR strategies, including talent management and retention.

6 Recommendations and conclusion

Future research and scholarly attention are critical in understanding how allocations of ownership and its privileges impact both the interests of and the relationships among

workers, managers and investors. An investigation of the interactions and interdependencies between the different dimensions of the psychological contract will yield important insights that are indispensable to a more in-depth understanding of the employment exchange (Thompson & Bunderson 2003). This insight will help employment relations practitioners to improve the motivation, commitment and development of talented employees, and facilitate a shift from a short-term “transactional” psychological contract towards a longer term “relational” psychological contract (Boxall & Purcell 2008) cited in Collings and Mellahi (2009).

Based on the results of this study, it is concluded that it is essential for organisations to manage talented employees and retain these valuable employees in order to maintain competitive advantage and save on turnover costs. Employees who perceive that effective talent management practices are in place feel motivated, engaged and committed towards their current organisations. Likewise, they have the opportunity to develop their skills, reach their full potential and remain with their current employer.

It is concluded that an awareness of staff perceptions of human resource practices such as talent management and retention strategies in this labour organisation will enable employment relations practitioners to foster key values such as mutual trust, respect, equity and fairness among the employees and management of the organisation.

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