

**“TALENT MANAGEMENT PRACTICES IN IT SECTOR:  
AN ANALYTICAL STUDY OF BANGALORE BASED  
COMPANIES”**

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**Abstract**

In a competitive marketplace, talent management is a primary driver for organizational success. Broadly defined, talent management is the implementation of integrated strategies or systems designed to increase workplace productivity by developing improve processes for attracting, developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs. A survey of nearly 33,000 employers in 23 countries reveals that 40% are struggling to locate qualified candidates. With the liberation of trade policies, transactional companies moving production to low-cost areas and the corresponding growth of global supply chains, increased globalization has resulted in socio-economic and cultural challenges. Further, talent now takes many forms, from migrants crossing borders (temporarily or seeking new homes), students gaining degrees and expatriates on assignment to tourists, refugees and business travelers. Thus, the need for talent creates movement between countries. Managing global talent has challenges and significant implications for sustainability and growth. Researcher has made an attempt to overview the Talent management practices adopted by the 10 IT companies based in Bengaluru constituting a sample of 200 employees. The statistical tools including ANOVA and Multiple Regressions have been used to analyze the data to draw the statistical inferences.

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**Keywords:**

Talent acquisition & development, Employee engagement, Performance management, Succession planning, Talent retention.

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### Introduction:

Talent management implies the recognition of creativity, innovativeness, analytical ability and distinguishing qualities of a person, which are to be encouraged and respected for the sake of protecting human values and improving the living standards of the people. Talented employees can improve the overall performance of the organization through their entrepreneurship, willpower, determination, vision about the future and aspirations. Their presence brings prosperity and happiness to the organization and the employees. The effective management of talented employees requires the organization to adopt an integrated and strategic approach ranging from talent recognition to the change in the organization culture. In between, there are several other ingredients of talent management such as talent attractions, talent selections, talent retention and talent succession. Talent recognition is an uphill task, which needs full regards and affection to the talents, use of a variety of appraisals and unbiased approach of the management. Regarding the change in organization culture, the top management should adopt the magnanimity of tolerance towards talents and be visionary that the growth and goodwill of the organisation depends on the talented employees. The organization should give thought as to why talented employees continue to work there especially these days when both the national and global business environment is highly competitive and rewarding.

Talented personnel are attracted towards those organizations, which builds up a good brand name for taking care of their valuable employees. It acts in the same manner raising the productivity and popularity of the organization as the good brand identity of the products between the customers and the reputed companies. Selection of talented employees should be transparent and take place according to the principle of meritocracy reflecting creativity for the sake of sustainable development of the organization. Selection should further be made on the basis of equal opportunity for all irrespective of caste, creed, color and rural urban bias because lotus grows in muddy water. Retention of talent is comparable to the growth of infant, which needs all care of the parents. It becomes more significant especially these days when the mobility of such people is unimaginable. Replacement of talented employees involves enormous cost. Therefore, organization should evolve strategies and make efforts to retain people rewarding them for their high performance and providing them opportunities for their progress. Effective organization anticipates the emerging trends at the global level and undertakes measures to meet

the challenges arising there. The organization plans the succession and trains the employees in a manner that the goodwill and brand name continues to dominate the market. It is an unending exercise to keep identifying potential and grooming the same for the future success of the organization.

**Research method:****Purpose of the Research:**

The Researcher aims at measuring the effectiveness of the Talent Management practices implemented by selected IT firms and to analyze the significant difference of opinion of the HR managers and employees with regard to Talent Management practices adopted. The population of the study is the employees working for the IT sector having not less than six years of experience. The measure for identifying and selection of the IT firms is based on NASSCOM membership, established for more than 10 years practicing Talent Management.

**Sampling:**

Researcher has adopted simple random sampling technique where 10 HR managers and 20 employees of the IT firms have been selected randomly. A structured questionnaire constructed using nominal and 5 rating likert scale is been administered to respondents to collect primary data.

**Hypothesis:**

Ho: Talent management practices are not effectively implemented in IT organizations of Bangalore

H<sub>0</sub> = There is no significant difference between employee opinion and HR opinion with respect to success of talent management practices.

**Plan of Analysis**

Kaiser-Mayer-Olkin (KMO) and Barlett's test of sampling adequacy. Anova and Multiple-Regression has been carried out to draw the statistical inferences.

**Results and Analysis:**

The KMO measure of sampling adequacy was used to assess the appropriateness of factor analysis. Kaiser Meyer Olkin measures the strength of the relationship among variables. KMO measures the sampling adequacy which should be greater than 0.5 for a satisfactory factory analysis. The KMO criterion is fulfilled with value 0.840. Total eleven factors are extracted. All factors having Eigen value greater than one and variables showing the loading more than 0.5 have been taken into consideration

**Table 1****KMO and Bartlett's Test**

<b>Kaiser-Meyer-Olkin Adequacy</b>	<b>Measure of Sampling</b>	<b>.840</b>
Bartlett's Test of Sphericity	Aprox. Chi-Square	12278.714
	Df	741
	Sig.	.000

**I - Results of Hypothesis tested:**

$H_0$  = Talent management practices are not effectively implemented in IT organizations of Bangalore.

$H_1$  = Talent management practices are effectively implemented in IT organizations of Bangaluru

The multiple regression is done. The table2 provides R and  $R^2$  values. The value of R (0.1869, 0.920, 0.928, 0.932, 0.938 and 0.962) indicates a high degree of correlation. The  $R^2$  value indicates how much of total variation in the dependent variable is explained by independent variables. From the table, it can be concluded that Performance management (92.6) has the high degree of correlation, followed by talent development (0.938), succession planning (0.932), employee engagement (0.928), talent retention (0.920) and talent acquisition (0.869). It can be concluded that talent management practices are successfully implemented in IT organizations of Bangaluru.

**Table 2**

<b>Model summary for regression analysis of first hypothesis</b>									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	Df1	Df2	Sig. F change
<b>1</b>	.869 <sup>a</sup>	.756	.755	.425	.756	1849.767	1	598	.000
<b>2</b>	.920 <sup>b</sup>	.847	.847	.336	.092	358.218	1	597	.000
<b>3</b>	.928 <sup>c</sup>	.861	.860	.321	.014	58.809	1	596	.000
<b>4</b>	.932 <sup>d</sup>	.869	.868	.312	.008	35.045	1	595	.000
<b>5</b>	.938 <sup>e</sup>	.881	.880	.298	.012	59.138	1	594	.000
<b>6</b>	.962 <sup>f</sup>	.926	.925	.235	.045	363.694	1	593	.000

$H_0$  = There is no significant difference between employee opinion and HR opinion with respect to success of talent management practices.

$H_1$  = There is a difference between employee opinion and HR opinion with respect to success of talent management practices.

**Table-3****Average and variance table**

Groups	Count	Sum	Average	Variance
Employee	600	2498	4.163333	0.737885364
HR	40	170	4.25	0.705128205

(Source : Field data)

**Table-4**  
**ANOVA Table**

Source of Variation	Sum of Squares	Degrees of Freedom	Mean Square	F	P value	F critical
Between Groups	0.281667	1	0.281667	0.382760139	0.536351	3.856
Within groups	469.4933	638	0.735883			
<b>Total</b>	<b>469.775</b>	<b>639</b>				

(Source : Field data)

Since value of  $F < F_{critical}$  and value of  $P > 0.05$ , it can be concluded that there is no significant difference between opinion of HR executives and IT employees with respect to success of talent management practices. It can be concluded that second null hypothesis is true.

## II- Results of Demographic profile of the Respondents

### Respondents Profile :

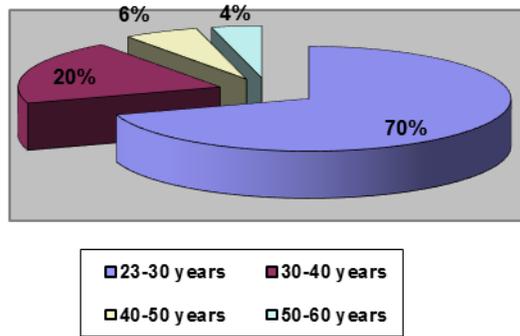
The profile of the Respondents has a pertinent role to play in expressing and giving the responses about the problem. The talent management practices for different IT industries are implemented in different ways. Therefore, it is necessary to study the profile of the Respondents. In the present research, personal characteristics like age, sex and experience of IT employees and HR executives have been examined and presented. A detailed profile of the respondents is given below.

### Age :

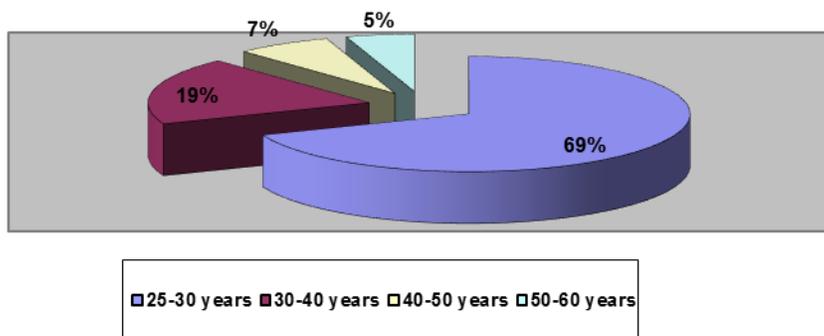
Age of the respondents is one of the significant characteristic in understanding the Respondent's view about any issue and is also the indicator of the maturity level of the Respondents. Hence, age becomes important to examine the response. It is found that almost three fourth of the Respondents are in the age group of 23-30 years, 20% of the respondents are in the age group of

30-40 years, 6% of the employees are in the age group of 40-50 years and 4% are in the age group of 50-60 years. It can be concluded that maximum number of employees are in the age of 23-30 years

**Chart 1 – Age of IT Employees**



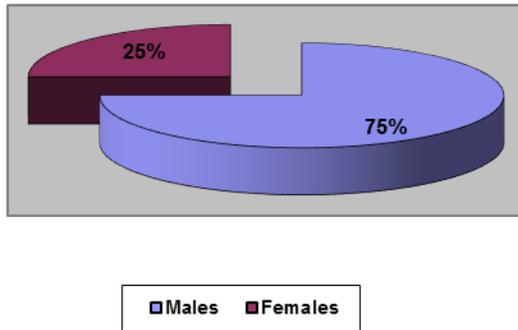
**Chart2 – Age of HR Executives**



It is observed that 69% of the respondents are in the age group of 25-30 years, 19% of the respondents are in the age group of 30-40 years, 7% of the Respondents are in the age group of 40-50 years and 5% of the respondents are in the age group of 50-60 years. It can be concluded that majority of HR executives are young people in the age group of 25-30 years.

### **Gender :**

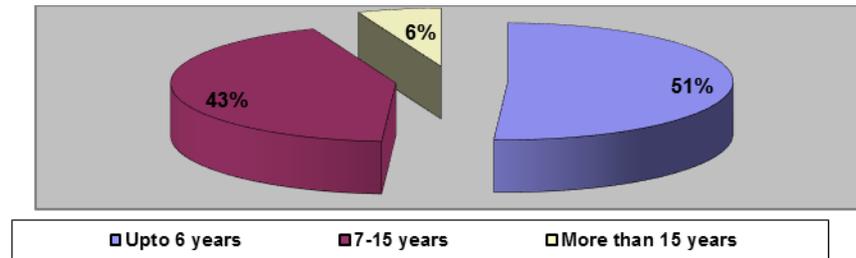
Gender is an important variable in Indian situation and it is variably affected by social and economic phenomenon. It is important to understand the contribution of males and females – IT industry. Therefore, variable gender was investigated for the study. It is found that three-fourth of the respondents are male. 75% of the respondents are males and 25% are females. It can be concluded that majority of males are working in IT industry

**Chart3 – Gender Distribution in IT industry****Chart4 –Gender Distribution of HR executives**

It is found that almost half of the respondents are females. 51% of the respondents are female HR executives and 49% are male HR executives. It can be concluded that in IT industry, there are more number of females working as HR executive as the number of female IT employees

**Experience :**

Experience helps the person to have better insight of the particular issue or problem. Therefore, it is pertinent to study about the experience of the respondents. The details of experience of employees in years. It is observed that almost half of the respondents have the experience of six years, 51% of the respondents have experience of upto six years, 43% of the respondents have experience of 7-15 years and 6% of the respondents have experience of more than 15 years. In conclusion, it can be said that majority of respondents have experience of six years.

**Chart5 – Experience in years of IT employees****Conclusion :**

Availability of suitable and competent talent inside any organization determines the excellence of the same. Different organizations believe in different theories and practices to ensure the right ‘availability’ of talent. Talent is the key to success in every business. Reciprocity is the key. The employees are a kind of investors in the company and expect a return on their every investment such as hard work, creativity etc. The institutions should be seen as employer of choice by competing on various aspects such as compensation, benefits and other given as above. High potential must be carefully managed. Generational differences continue to pose new challenges to today’s employers, which must be carefully handled.

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