

The Relationship between Talent Management with Performance Management in Selected Public Higher Learning Institutions

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Abstract— Higher Learning Institutions (HLIs) in abroad have adopted Talent Management (TM) in the managerial system which leads to Performance Management (PM) in the organization has gone up. In correlation to that, Ministry of Higher Education (MOHE) has taken a proactive action to introduce TM in public HLIs in Malaysia. In hoping to see the PM of public HLIs to go higher, strategies has been created and developed to ensure the level of public HLIs is parallel with those in abroad. Therefore, this research has been conducted to examine the relationship between TM and PM in selected public HLIs. Quantitative method has been used in order to collect a primary data of this research with 714 respondents have been approached to answer a questionnaire in selected public HLIs which are Universiti Sains Malaysia (USM), Universiti Pendidikan Sultan Idris (UPSI) and Universiti Teknologi Mara (UiTM). Information obtained from the descriptive survey has been analyzed by using IBM Statistical Packages Social Sciences (SPSS). Results showed that the relationship between TM and PM in three selected public HLIs were in moderate level whereby USM scored higher correlation as compared to other two public HLIs. As a conclusion, the result of this research will be a benchmark to other public HLIs in Malaysia to strengthen up their strategies in TM in order to boost up the organization. Meanwhile, in three selected public HLIs need to come up with better implementation of TM in order to ensure the relationship of TM and PM is highly interrelated.

Index Terms—Performance Management, Public Higher Learning Institutions, Talent Management, IBM SPSS

I. INTRODUCTION

TM have been making a significant buzz in broad daylight HLIs recently (Bersin, 2006; Fakhreldin, 2013; Mandloi, 2014). As a meaning of talent from HLIs point of view which alludes to human implanted with aptitude, aptitudes, and capacities which are required in the education sector (Cacciola, 2010; Lee, 2016; Marcum, 2015). In this examination, worker is a significant resource (Mustafa, 2013; Sweem, 2009; Wahba, 2016) in HLI which needs to create and deal with coordinated framework and techniques which can be changed to TM in accomplishing superior of the representative, understudy and additionally foundation (Fakhreldin, 2013; Gholam et al., 2015; Shafieian, 2014). Moreover, TM requires a high administration quality which can help abilities to develop, create, encourage and recognize them as indicated by the circumstance (Cacciola, 2010; Van Rooyen and Whittle, 2011).

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Administration quality incorporates different viewpoints, for example, can settle on the correct choices rapidly and plainly (Mustapha, 2013; Sidani, and Al Ariss, 2014), there is no component of preference (Loo, 2012; Sparrow, Hird, and Balain, 2011), has a center competency for the position held and don't see potential ability as a danger to his or her position (Khalvandi and Abbaspour, 2013; Strack et al., 2012; Thrift, 2013).

According to Baron & Armstrong (2007), Hoffmann, Wulf, & Stubner (2014) and Abdul et al., (2009), in the field of human resources, the term PM has been used for several decades. It was in the late 1980's when organizations began to look more closely into the individual performance within the organization. By the 1990's, the processes of objective setting, employee review, employee assessment, and the practice of performance related pay became more common, and so did the use of the term PM (Büchner, Schreyögg, & Schultz, 2014; Fine et al., 2014; Hughes & Rog, 2008; Sahai & Srivastava, 2012; Schraeder, 2009; Shahmehar, Safari, Jamshidi, & Yaghoobi, 2014; Varshney et al., 2014; Winsborough & Chamorro-Premuzic, 2016). Alzahrani (2015) has mentioned about the research has been conducted in the field of PM by the Institute of Personal Management and the findings showed that the misconception of the PM definition. The results indicated that some of the respondents mentioned that PM is one of the appraisal and acknowledgement procedure. Besides, other respondents mentioned that the rewards that employee should receive after the contribution has been made. Bakotić, (2016) come up with the employee morale has the direct effect on organizational productivity and able to recognize the value of an employee is a key to success of any organization. A few words of sincere admiration for a job well done will help increase morale among employees.

II. METHODOLOGY

In this study, the quantitative approach was used and it's a factorial analysis study that uses the survey method to collect data. The research instrument of the study is structured questionnaire and likert scale format is used. For the purpose of collecting primary data, a questionnaire was prepared for this study. Convenience sampling was used in this study as only the respondents that agreed to participate in this study were selected. The primary data was collected personally by the researcher as an assurance of confidentiality to respondents. A total of 714 questionnaires were distributed and collected at the same time of respondents.

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III. RESULTS

Table 1 showed an overall correlation of TM and PM in selected public HLIs. Based on the findings obtained, USM showed a higher correlation of TM and PM compared to UPSI and UiTM. USM indicated TM was a statistically significant linear relationship with the direction of the relationship is positive and the strength of the relationship was moderate ($r=0.454$, $p<0.01$). Meanwhile, UPSI showed TM was a statistically significant linear relationship with the direction of the relationship is positive and the strength of the relationship was low with PM ($r=0.264$, $p<0.01$). On the other hand, UiTM having TM that was a statistically significant linear relationship with the direction of the relationship is positive and the strength of the relationship was low with PM ($r=0.150$, $p<0.01$).

Table 1
Relationship between Talent Management and Performance Management

Variable		Public Higher Institutions		
		USM	UPSI	UiTM
		PM	PM	PM
TM	Pearson Correlations	.454*	.264**	.150**
	Sig (2-tailed)	.000	.000	.000
	N	238	238	238

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

IV. DISCUSSION

The strength relationship between TM and PM was moderate with a statistically significant linear relationship with positive direction. This result is consistent with Karuri & Nahashon (2015) about teamwork and employee engagement is significantly influenced by TM. This result also supported by Naser, Hassan & Mohammad (2014) which revealed about TM is positively significant with PM. Other than that, Hadia (2013) come up with a positive relationship between TM and organizational outcomes are employee engagement, employee PM, organizational growth and high performance. This result indicates the vital of having the good ambiance of the organization in producing a good team, product, services, and performance. Moreover, TM does not only being tested in PM but researcher often matches with organizational outcomes. Pamela, philippe & Bruno (2015) revealed about the significant and positive relationship between TM and organizational outcomes which are attractiveness, achievement of a business goal, employee PM, customer satisfaction and corporate profit.

According to next hypotheses which are there is a significant positive relationship between attractions and recruiting talent with PM, there is a significant positive relationship between developing talents and PM and there is a significant positive relationship between retaining talent with

PM. Based on the findings obtained, hypotheses outlined can be accepted with a moderate degree of correlation and statistically significant. When it comes to TM components which are the attraction and recruiting talent, it shows the dynamical action has been taken in order to avoid any poor recruitment decision because having a right talent is vital to the organization (Kevin, 2008). A Recent study done by Zeinab & Abdolkhalegh (2015) indicated that there is a significant effect between factors such as attracting the talents, alignment, talent maintenance developing the talents and PM. Utilizing of TM is not only can hire, reinforce and evaluate the talent but it also can lead to personal growth, satisfaction and loyalty in employees. In the educational sector, Austin (2009) indicates academicians attracted most because of the job, not urban amenities or other characteristics of place.

This finding is consistent with Errika (2007) that had revealed that job attributes it is more important compared to organizational attributes. In this case, it shows that applicant is more interested in the job roles itself in order to develop themselves rather than looks into organizational conditions. This finding is contradicted with Evans (2012) which stress in about the employer brands are the key to attracting and retaining talents and it leads to PM of the employees itself. These findings supported by Kate, Helen, and Tracey (2010) indicated that by having great brands, employers also need to give greater attention to diversity and work-life balance for their employees because they believe in needs and wants of the employee fulfilled, the organization will boost. According to Shazia & Shahnila (2015), there is a significant positive relationship between attracting and recruiting talent with PM. Researcher emphasizes on the vital of employer branding in enhancing the company and employee satisfaction. On the hand, corporate social responsibility also able to help organizations to stay aggressive, develop the piece of an overall industry and upgrade client dedication. Keri (2011) has mentioned about potential talents are much attracted to the values of the company.

Meanwhile, Emily (2012) found enough information about the job when advertising opportunities play the biggest role in attracting potential talent. All the organization set their own strategies or adapted and adopted from the successful organization in developing their talent in order to enhance the employee competencies in term of knowledge, skills and especially attitude (CIPD, 2006). Talent development strategies may help to cultivate high potential people and future leaders for the organizations. The modern organizations pay their attention to create a learning culture within the organizations. However learning philosophy will be affected on learning the culture. Learning philosophy refers to management perception on individual progression in learning. If the management considers learning as an investment, in future, the organization will reap all what they have sowed (Armstrong, 2012) which is benefited for both organizations and individuals. The mechanisms for creating a learning organization are training and development, coaching, mentoring, succession planning, in-house development programs etc. (Farrukh & Waheed, 2015). These mechanisms consider as learning strategies or

talent development strategies which should execute to gain organizational performance (Niazi, 2011; CIPD, 2000a).

Meanwhile, in Malaysia's business context, the study found that only 67.3% of the multinational companies studied had to implement TM in their organizations and developing talents was found to be the most significant relationship with PM of the employees (Mahan & Indra 2012). Apart from that, in the hospitality industry, Nitin (2015) found 52% agreed that developing talents has a positive relationship on PM. This finding is consistent with research done by Karen (2001) indicates developing talents with specific programs organize by the organization has a significant impact towards PM. Meanwhile, in the educational sector, sampling was done by the teacher in Iran and the findings revealed that the variables which are developing talents, organizational development and PM have the significant relationship with positive the direction (Parvaneh 2016).

Developing talents implies constructive development in such organizational motives for optimum enhancement of PM of the employees. These types of training and development programs help in improving the employee behavior and attitude towards the job and also uplift their morale (Pahlavi, 2013). Stephen & Christine (2007) emphasize on PM of the employees was dependent with effectiveness and efficacy of training program which able to develop talent within the organization. Other than that, developing talents increased PM level of employees through training, coaching, motivation which part of the program held in the institution (Nagaraju & Archana 2015). According to Elizabeth (2012), PM is directly proportional to retention and inversely associated with turnover intention. Meanwhile, factors such pay, promotion, working conditions and nature of work are the dimension of PM need to take into account by the employers if they want top talents to stay in the company (Alamdar & Muhammad 2014).

This finding is consistent with Bodjrenou, Ming & Bomboma (2016) which emphasis on more factors of employee retaining beside their PM which are organization culture, training, and development, autonomy, supervision, and leadership. These findings also supported by Edward (2011) which focus on the current scenarios of employees nowadays which if they are not served with good opportunities, experienced, salary, remuneration and others, they will switch over. Thus, it shows the direct significant between retaining talents and PM. If one of the variables are not fulfilling, the negative relationship will happen. Lockwood (2007) added the challenge today is not just retaining talented people but fully engaging them, capturing their minds and hearts at each stage of their work lives. Apart from that, employees who experience lower engagement, commitment and involvement with their organization was significantly positive not to retain in the company and it is directly proportional with lower PM (Kenneth, 2012).

In focusing on the relationship between retaining talent and PM, research done by Chandan & Bijaya (2010) and they found out positives outcomes relating to PM and retaining talent. Research findings done by Chandan & Bijaya (2010) supported by Tan (2011) which revealed about retaining talents was significantly related with PM. Overall PM was found to be significantly and negatively related to turnover when controlling for the effect of satisfaction with

supervision (Steven, 2007). Hence, it shows that employers need to take extra care of their employees in order to retain their best employee by considering factors of PM that has been discussed earlier. But, Benita (2014) revealed the contradiction findings of the negative relationship between retaining talents with PM and address media does not necessarily to employ human resource management with the perception that HRM does not perform any extraordinary function. Even though some research revealed the negative relationship between retaining talent and PM it does not picture the overall concept of these variables because the different field of sampling would give a different result.

On the other part, there is a significant positive relationship between TM with PM. According to the result obtained, strength relationship between TM and PM was moderate with a statistically significant linear relationship with the positive direction ($r=.489$, $p<0.001$). TM does change overall organizational performance (Kehinde, 2012). This result in line with research done by Amato (2013) which indicated a positive relationship between these two variables. The component of TM has covered all segments in organization starting from recruiting, developing and retaining. The organization should prepare, maintain and improvise their scheme, program, and training related to the staff. This is because the staff is the key to organizational growth which fulfilling their needs, requirement and occupy them with self-development will ensure the performance of the company will boost. The background of this research is in public sector which leads the researcher to do a comparison with other countries as well such Singapore and Thailand. Even though the difference of TM in term of definition, structure, and scope of authority of the responsible agencies, the level of flexibility of incentives schemes and the differing performance appraisal system but the practicing of TM will lead to better PM of the organization (Poocharoen & Lee, 2013). These findings also supported by Nobarieidishe, Chamanifard, & Nikpour (2014) which indicated TM has a relationship with PM. These several types of research done by the different author and country show TM practicing have actually given significant impact to the organizational as a whole especially in PM and PM. Thus, there is no doubt regarding TM practicing either in public or private agency. In HLLs in Malaysia, TM practicing is given a big opportunity to the potential, current and retirement talents about their needs and wants because, in this current system, staff is most important key (Gabčanová, 2011) to lead the organization towards successful regardless any fields or sectors.

Meanwhile, the hypotheses are there is a significant positive relationship between attracting and recruiting talent with PM, there is a significant positive relationship between developing talent with PM and there is a significant positive relationship between retaining talent with PM. Based on the findings obtained, hypotheses outlined can be accepted with a moderate degree of correlation and statistically significant. According to Descu (2012) the possibilities of TM being implemented in public sector is huge and creating the same procedure of TM practiced by private will benefits a lot of staffs and it will lead to a better nation. What's more, the difficulties of pulling in and creating capable people for future position of leadership in associations from the general population part since they are one of the wellsprings of upper

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hand. It is exceptionally testing to hold ability inside the association and keep them inspired.

Thus, a proper TM practices which comprises of its components which are attracting, recruiting, developing and retaining that will develop individual personnel and directly will help the organization boost their performance. Apart from that, the successful company will encounter on how to attract and retain very best people and three essential features would help the implementation of TM which are entrepreneurship, an owner-businessperson mindset, and cause-driven environment (Williams, 1988). This kind of approach has been taken by UiTM to support its students and staffs to have the business mindset in order to cater to all the challenges and upcoming issues.

This is actually a preparation to the staff as well as student to develop different skills after graduated. Nobarieidishe et al., (2014) found there a relationship between attracting, recruiting, developing and retaining talents with PM. On the other hand, other industry also having difficulties in dealing with attraction, retention, and development and given higher priority in this particular area (Mol, 2004). In attraction, development and retention talents, it is necessary to practice TM as a way of capturing knowledge, problem-solving and develop creativity that results in innovation (Matos, Lopes, & Matos, 2012). Cheese (2008) had mentioned regarding the elements of TM practice which definitely will drive the organization to the success but somehow it will turns difficult once it is not being focused. He also revealed how important of talent contribution towards PM. Kristie (2013) supported research finding done by Cheese (2008) which indicated TM elements correlated with PM by using a specific tool called Harrison Assessment Talent Management System (HATS). Meanwhile, Aguinis, Gottfredson, & Joo (2012) indicated on how PM able to help the organization win the talent war by attraction, development and retention top performers.

V. CONCLUSION

Practically, in knowing the relationship between TM and PM in public HLIs, it will trigger the top management as well as MOHE to come up with better resolution in order to boost the organization towards excellence. Therefore, the result of this research will be a benchmark to other public HLIs in Malaysia to strengthen up their strategies in TM in order to boost up the organization. Meanwhile, in three selected public HLIs need to come up with better implementation of TM in order to ensure the relationship of TM and PM is highly interrelated

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