

“IMPACT OF TALENT MANAGEMENT ON INDIVIDUAL EMPLOYEE PERFORMANCE”

RANDRIANASOLO Jean de Dieu

PhD in Human Resources Management.

Prenslake Intercontinental University, Hungary

RANDRIANIRIANA Anjarasoa Mamilalaina

Master of Conferences

University of Antananarivo, Madagascar

ANDRIANONY Victorien

Master of Conferences

University of Mahajanga, Madagascar

ANDRIANARIZAKA Marc Tiana

Doctor in cognitive sciences and applications

University of Antananarivo, Madagascar

ABSTRACT

In the current context, characterised by strong competition and an increased financial crisis, the competitiveness of companies depends more and more on the performance of their human capital. Indeed, the performance of a company is strongly correlated to the individual performance of its personnel since it is up to them, through human resources management, to implement its strategy and to deploy the means necessary to achieve the prescribed objectives. Intelligent human resources management consists in considering the importance of talent management within the company. But the question is how can talent management contribute to the individual performance of employees?

All employees can become talent, and the company needs a mix of talent to grow. A survey of a sample of employees in large companies found that talent management and performance are two complementary concepts. However, the existence of talent management does not influence the individual performance of employees.

Keywords: Company, Human Resources Management, Talent Management, Individual Performance, Employee

INTRODUCTION

Whatever the times, the fashions and the tools, the issues in human resources seem unchanging: having the right people, with the right skills in the right jobs. Thus, human resources departments have to manage individuals with identical skills using skills management and people with different and rare skills using talent management. As a reminder, human resource management is the entire management of personnel and activities within a company. Over time, the function and practice of HRM has increasingly shifted to the management of the individual person. Thus, **Dolan et al (2002)**, defined HRM in an organisation as the set of activities that aim to manage the talents and energies of individuals in order to contribute to the achievement of the organisational mission, vision, strategy and goals.

The main objective of human resource management is the performance of the organisation by objectively exploiting the capabilities of human resources. Performance is the ability of an individual or a group to achieve the objectives they have set for themselves or which have been set for them. An employee's performance is his or her ability to meet the expectations expressed by his or her management, in order to satisfactorily fulfil the tasks attached to his or her position. Since effectiveness is the extent to which objectives are achieved, HRM's mission is to lead the development of human resources with a view to achieving the company's objectives.

The concept of talent emerged in the late 1990s with the rise of information and communication technologies and the scarcity of certain key skills needed for business development in a competitive market. Talent management occupies an important place in human resources management. Indeed, HRM has become more practical and increasingly focused on what a person can bring to the table or what they can contribute to the work, as the performance of the organisation depends on the performance of its employees.

The central role of individual performance in organisational success requires companies to pay particular attention to its conceptualisation and to the detection of triggering factors. The practice of talent management allows the company to put the right person in the right place. This is a guarantee for a better result, the achievement of objectives and a better performance.

Malagasy companies are still in the observation phase in terms of talent management, the justification of our research is based on the undeniable need for talent and skills in companies because the problematic that arises is how talent management could contribute to the individual performance of employees?

This study will attempt to understand how talent management can influence individual employee performance. From this overall objective, a hypothesis is derived that talent management influences individual employee performance to the extent that the organisation applies specific talent strategies. To test this hypothesis, this analysis is based on the use of data from an opinion survey of a sample of 153 employees of large Malagasy companies. The analysis of the results relating to their views on talent management within their company and their individual performance will be used to demonstrate the dependency between these two variables.

CONCEPTUAL FRAMEWORK

Talent management is a concept that makes it possible to account for the development and knowledge of employees. Talent management aims to retain effective and efficient employees. In the practice of talent management for a company, three levels are important: the first level consists of detecting talent, i.e. identifying employees internally who are likely to have broader skills than those previously hired; the second level consists of developing talent, i.e. exploiting the desire for evolution, which is the need for self-fulfillment; and the third level consists of enhancing talent, i.e. placing new talent in the right place and pushing collective intelligence and/or recognising and enhancing those already present in the company and encouraging collaboration. Many authors have been interested in the notion of talent, and there are several definitions of talent. According to **Larousse**, the notion of talent is defined as an ability to do something, a capacity, a remarkable gift or a person gifted in a particular activity. Talent is a multidimensional concept, and many researchers have given their definition. According to **Thévenet and Cécile Dejoux (2010)**, talent is a rare skill, a sought-after skill that is therefore a rare combination of rare skills¹. For **Boudreau (2007)**, talent is an exceptional person because he or she possesses rare skills. Another definition according to **Miralles (2007)**, also evokes that if the competence of an individual is defined in particular by what he knows how to do, his talent is characteristic of what he does better than the others. And so talent is the addition of excellence and difference. According to these definitions, talent is a rare and exceptional competence of people and also a high potential that companies need to develop. As a multi-dimensional concept, talent also represents several perspectives, namely the organisational perspective, the individual perspective, the competence perspective and finally the specific ability. The organisational perspective is based on the individual-collective relationship. The individual level refers to the organisation's expectations of the individual, his or her achievements and the tasks performed, while the collective level is the combination of these achievements and individual tasks. The individual perspective is based on the relationship between the person and his or her activity. This refers to two possibilities, on the one hand it refers to what the person can do and on the other hand to what the person can do. Concerning talent and competence, talent is a rare combination of rare skills. Here, the development of skills is to be considered as a shared and permanent issue. To obtain individual competence with rare skills, the company must use mechanisms to detect, train and maintain talent. For **Roger and Bouillet (2009)**, talents are considered as a subset of skills, those in which the person excels, in which he or she distinguishes him or herself from others. Finally, compared to considering talent as a particular aptitude, conceiving talent as an aptitude is tantamount to treating it as a natural resource whose best shelters need to be detected. The method used in talent as a skill is the sequencing of tasks on pre-prescribed jobs.

¹ Maurice Thévenet and Cécile Dejoux; talent management 2nd edition.

Individual performance is the ability of an individual to achieve the objectives that he or she has set or been set. In a managerial and qualitative approach, performance has 3 ideas ²

The first considers it as a result, which represents the "level of achievement of objectives". The second as an action, which implies an actual production, thus a process. And finally the third considers success, as an attribute of performance. Performance is a polysemous, complex and difficult to define concept which has evolved strongly with management theories. Its definition may differ from one author to another but generally it revolves around the notion of effectiveness and efficiency.

According to Gilbert, performance is a ternary relationship between the objectives sought (targets, estimates, projections), the means to achieve them (human, material, financial or information resources) and the results obtained (goods, products, services, etc.). This definition of performance applies to any ordered system (individual, organisation, system, etc.) that produces results from basic resources. The individual context of performance indicates the results that an employee has brought to the organisation compared to other employees. Individual performance can result from work trust, organisational justice and organisational supports or hierarchical relationships. Trust at work has a positive effect on an individual's performance because on the one hand it improves the individual's image of his or her work and on the other hand it gives him or her an obligation to do his or her job so as not to disappoint his or her colleagues and/or break this trust. Having a sense of justice in a workplace optimises an employee's individual performance. Fairness at work evokes the term ethics as each individual should be compensated fairly. Finally, organisational support such as organisational as well as managerial support for an employee improves his or her performance by providing security and trust.

The two concepts "talent" and "performance" are both part of human resource management and focus on the same objective of ensuring the contribution and performance of human capital. The process and activities involved are completely different between these two programmes, but the intended outcome is the same.

RESULTS

The identification of the respondents will allow us to further develop the analyses related to our study variables. Thus, the table below shows the information on the sampled respondents.

Table 1: Identification of respondents

Type		Frequencies
Type	• Male	66.2%
	• Woman	33.8%
Age group	• Under 40 ;	26.0%
	• From 41 to 50 years old ;	28.6%
	• Over 50 years old ;	45.5%
EXPERIENCE	• Under 6 years old ;	55.8%
	• 7-15 years;	17.5%
	• over 15 years ;	26.6%
OLD BUSINESS	• Under 6 years old ;	14.3%
	• 7-15 years;	15.6%
	• over 15 years ;	70.1%
DIPLOMAS	• BEPC ;	11.0%
	• LAC ;	22.7%
	• BAC+2 ;	21.4%
	• BAC+3 ;	13.6%
	• BAC+4/5 and above;	31.2%
CSP	• Head of Department	14.3%
	• Head of Department	
	• Responsible for	27.3%
	• Supervisory officer	30.5%
	• Implementing agent	14.3%
	• Other	9.1%
		4.6%

Source: Authors, 2020

Characteristic of talent management

The following table summarises employees' views on talent management in their organisations according to response modalities measured by Likert scale.

² Article written by Stephan Jacquet, Performance Management.

Table 2: Respondents' views on talent management in their organisations

Variables	Average	Standard deviation
<u>Talent management :</u>		
Item 12 : Competition for talent within the company	4.03	1.662
Item 13 : The position is concerned by this talent competition	4.03	1.684
Item 14 : Talent attraction tools	3.71	1.593
Item 15 : Talent retention tools	3.78	1.692
Item 16: Evolution of carriers target talents	4.27	1.589
Item 17 : Talent-specific strategies	3.66	1.614

Source: Authors, 2020

For talent management, for times 14, 16, 17, the respondents gave a rather positive response, the majority being in the "neither agree nor disagree to totally agree" category.

For item 15, the response seems to be fairly negative, as the majority of responses are in the "somewhat disagree" category. For items 12 and 13, they are rather neutral because the majority of responses are "neither agree nor disagree".

Reliability analysis is a necessary step to judge the relevance of the results after factor analysis. Before the analysis, the talent management variable had seven items, but after removing the doubtful items, the items of no interest, only six items remain. According to this table, these six items give a Cronbach's alpha of 0.877, which is well above the average. These variables are therefore 87.7% reliable and very satisfactory.

Table 3: Talent Management Reliability Statistics

Cronbach's Alpha	Number of items
,877	6

Source: Authors, 2020

The KMO index provides an indication of whether the measurement items used to study the existence of talent management can be grouped together to better analyse the responses obtained from respondents.

Table 4: KMO Index and Bartlett Talent Management Test

Kaiser-Meyer-Olkin index for measuring sampling quality.	0,854
Bartlett Sphericity Test	Chi-square approx. 1739,268
	Ddl 136
	Meaning 0,000

Source: Authors, 2020

This table shows an approximate Chi-square of 1739.268; a degree of freedom of 136 and a significant P-value of less than 0.05, so the items are factorable.

The KMO index which is equal to 0.854 greater than 0.5 supports the possibility of factoring the talent management items. Items with an extraction value of less than 0.05 were removed from the analysis, so that of the 7 items mobilised, 6 had an extraction value greater than 0.5 and were retained.

Individual performance assessment

With regard to individual performance, the respondents evaluated their performance positively, as the majority of responses ranged from "slightly agree to totally agree" on the four items selected.

Table 5: Respondents' views on their individual performance

Variables	Average	Standard deviation
<u>Individual performance :</u>		
Item 18 : Performing tasks efficiently and effectively	6.01	1.048
Item 19 : Skills needed to perform the job	6.18	0.923
Item 20 : Knowledge of weekly objectives	5.87	1.153
Item 21 : Achievement of weekly objectives	5.61	1.062

Source: Authors, 2020

The table below shows an approximate Chi-square of 285.568 and degree of freedom of 6 and with a significance level of 0.000 which is less than 0.005. This means that the items are factorizable. Factor analysis is the next step.

Table 6: KMO index of individual performance

Kaiser-Meyer-Olkin index for measuring sampling quality.		,789
Bartlett Sphericity Test	Chi-square approx.	285,568
	Ddl	6
	Meaning	,000

Source: Authors, 2020

Five items were used to evaluate individual performance, but four of them were retained for factor analysis. These 4 items are greater than 0.05 which means that they are all factorizable.

Table 7: Total variance explained on individual performance

Component	Initial eigenvalues			Sums extracted from the load square		
	Total	of variance	Cumulative	Total	of variance	Cumulative
1	2,805	70,116	70,116	2,805	70,116	70,116
2	,536	13,392	83,507			
3	,422	10,561	94,068			
4	,237	5,932	100,000			

Extraction method: Principal component analysis.

Source: Authors, 2020

After removing the questionable item, it was deduced that individual performance is represented by only one dimension or factorial axis. This model represents the initial value at 70.116%, which is a relevant result. The components of this dimension are illustrated in the table below.

Table 8: Matrix of individual performance components

	Component
	1
I am confident in my ability to perform the tasks assigned to me in my current job efficiently and effectively.	,865
I have the skills and experience required for my job	,880
I know what I want to achieve each week.	,783
I am able to achieve the goals set each week	,818

Extraction method: Principal component analysis.
a. 1 component extracted.

Source: Authors, 2020

Individual performance includes items relating to confidence in the ability to perform tasks effectively and efficiently, possession of the skills and experience required for the job, knowledge of objectives and achievement of objectives per week.

According to the reliability test that follows the four items are 85.2% reliable and very satisfactory, as the test of these four items gave a Cronbach's alpha of 0.852 which is well above 0.7.

Table 1: Analysis of item reliability

Cronbach's Alpha	Number of items
,852	4

Source: Authors, 2020

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The table below shows the dependency between the independent variable (talent management) and the control variables with dependent variable (individual performance).

Table 10: ANOVA Talent Management and Individual Performance

Model		Sum of squares	Ddl	Medium square	F	Sig.
1	Regression	62,525	6	10,421	,547	,772b
	Residue	2799,585	147	19,045		
	Total	2862,110	153			
2	Regression	191,504	7	27,358	1,496	,173c
	Residue	2670,606	146	18,292		
	Total	2862,110	153			

a. Dependent variable : PERFORMANCE

b. Predictors: (Constant), YEARS_2, Gender_2, What is your socio-professional category, EXPERIENCES_2, Degree-2, Age_2

c. Predictors: (Constant), YEARS_2, Gender_2, What is your socio-professional category, EXPERIENCES_2, Degree-2, Age_2, TALENTS

Source: Authors, 2020

This table shows the correlation of talent management with performance. Here, both models 1 and 2 show a P-value greater than 0.5, so these models are not significant, which means that performance is not dependent on talent management.

Although talent management does not contribute directly to individual employee performance, it is essential to human resource management. However, many companies, such as many in Madagascar, do not yet take this new concept into account. In our analysis, it was noted that within the company the practice of talent management is little known by employees.³ Therefore, our survey shows that individual performance is not explained by the practice of talent management.

CONCLUSION

In conclusion, the place of Human Resources in the company is undeniable. They are the company's primary resources and play an important role in its development. In practice, human resources encompass a number of different departments that deal with many different tasks. It plays both a strategic and an operational role, and has dealt with all the support functions of the company.

Our study focuses on talent management to optimise individual performance. Talent management is not a process known to Malagasy employees and companies, although it has been developing significantly over the past few years due to the economic context and the transformation of companies. Indeed, our research speaks to the practice of talent management and the impact it has on individual performance. The results of the survey showed that talent management is not yet well applied by companies, which invalidates our hypothesis that talent management has an influence on individual performance.

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³ See annex

ANNEX**Your company has tools for talent attraction.**

TOOLS	Nb. cit.	Freq.
In disagreement	68	44,2%
Neither agree nor disagree	38	24,7%
In agreement	48	31,2%
TOTAL OBS.	154	100%

Source: Authors, 2020

Your company has tools for retaining talent.

Existence of talent retention tools	Nb. cit.	Freq.
In disagreement	59	38,3%
Neither agree nor disagree	42	27,3%
In agreement	53	34,4%
TOTAL OBS.	154	100%

Source: Authors, 2020

