

Best Practices for Effective Talent Management in the Manufacturing Industry

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Due to the COVID-19 pandemic, several businesses are shifting to remote work models and organizations require agile workforce planning and management practices to tackle the current scenario. Talent management practices are important to attract, develop and retain talented individuals who possess the right skill sets for the job. Talent management in the manufacturing industry in India is crucial because it plays a vital role in ensuring the growth and success of the organization. The manufacturing industry in India is highly competitive, and companies need to attract and retain top talent to remain competitive. This paper focuses on the role of talent management factors on organizational performance in the manufacturing industry.

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Introduction

To identify the right kind of workforce, talent management is a very important process for the management of the firm (Ulrich & Allen, 2014). Talent management research is not paid enough attention in organizations and there is a lack of definition of the right talent (Gallardo-Gallardo & Thunnissen, 2016). Many organizations face the problem of a lack of adequate talented employees and the right kind of talent (Glenn, 2012). Talent attraction also depends on the status of the employer, the position of management, and the feeling of unity within the firm (Sharma & Prasad, 2018). Talent attraction in any organization depends on an encouraging atmosphere, a friendly environment with peers, supportive leaders, and a good name for the firm in the market. (Deepa & Baral, 2019).

Talent retention refers to the effective approach to maintaining and retaining the topmost talent in the firm (Akram et al., 2020). Talent retention is facilitated by retaining quality and high-level employees to contribute to issues and

cope with competition (Rasoulzadeh & Samri, 2020). Retention of talent is facilitated by impartial and fair payment systems (Srihandayani & Kusnendi, 2020). Talent retention is influenced by the just behavior of the management towards its employees. Justice within the firm is linked with a lot of factors and shows a lot of behaviors within the firm (Asplund, 2020).

The learning and development factor of organizations is very crucial as it determines the futuristic behavior of employees (Mazouch & Fischer, 2011). Learning and development of employees includes educating them and training them or else employees may leave the organization (Vostrá, Jindrová & Dömeová, 2011; Zeman, 2009). For effective learning and development, management must incorporate innovative skills and technologies for employees and make sure employees learn them (Königová & Fejfar, 2011). For appropriate learning and development, firms should be ready for expenditures on education and competency development, or else employees will not want to remain in the firm (Mráček, 2009). The learning and development of employees lead to the involvement of employees in the firm on an emotional level (Semwal & Dhyani, 2017).

Career management means how employees choose their careers objectively and develop procedures to achieve them along with identifying their own strengths and capabilities (Greenhaus et al., 2000). There exists a relationship between career management and succession planning of employees (Blackman & Kennedy,

2013). Career management can be brought to place by giving employees chances of developing themselves for their own growth and giving them a sense of pride (Dargham, 2013).

Review of Literature

Attracting and holding higher-level talent through suitable procedures is very important for an organization's image (Oginni & Ogunyomi, 2012; Bouton, 2015). Making an organization attractive is essential as it tells about the various aspects of the firm for employees to be interested in working there along with details of the variety and distinctiveness of the firm (Kumari & Saini, 2018). Unique procedures are applied in organizations for talent attraction of employees (Tyskbo, 2019). Several different studies have shown that appropriate talent attraction practices affect employee skills including placing the "right person at the right job" (Mensah & Bawole, 2020). Also, talent attraction leads to identifying the responsibility of managers and the level of firm's assistance (Bratton & Watson, 2018).

Talent retention deals with the effective leadership and motivation provided by the management to the employees of the firm (Mandhanya, 2015). Retention of employees of any firm depends on the reputation of the firm in the market which include factors like hygiene conditions, working culture, and career advancement opportunities (Holston-Okae & Mushi, 2018). For effective talent retention in any organization, proper payment systems should be in place along with

efficient performance appraisal by the management (Latha, 2013). Talent retention depends upon the proper management of the human factor and the employees within the firm (Odunlami & Matthew, 2014).

Learning and development of employees deal with how firms enhance the employee's overall development and skillset (Khawaja & Nadeem, 2013). Employee learning and development consists of a list of tasks and procedures given by the firm for enhancing the skills and technical qualifications of employees as well as increasing the overall performance of the firm (Hameed & Waheed, 2011). For appropriate learning and development of employees, firms must focus on developing employees consistently and at frequent intervals for its success (Khawaja & Nadeem, 2013).

Career management of the employees consists of the procedures and strategies incorporated by the organization for the employee's growth in career (Seema. & Sujatha., 2013). Career management of any employee deals with enhancing their qualities and capacity for achieving their objectives and helping them in career advancement and reputation (Albay & Serbes, 2017). For effective career management of employee, proper strategies for the individual as well as the firm, is required (Rezaean et al., 2012). Career management factors include intellect, awareness, and capabilities as well as employee's proficiency development (Atli, 2016). Career satisfaction is one of the elements of subjective career success. Career management of employees in-

cludes two aspects, job satisfaction and career satisfaction (Chen, 2010).

Objective of the Study

The objective of this study is to study the role of talent management factors on organizational performance in the manufacturing industry. The present study is focused on analyzing the effect of the talent attraction factor, talent retention factor, learning and development factor, and career management factor on the manufacturing industry. Keeping this in view, a sample consisting of employees who work in the manufacturing industry was selected from central India.

Methodology

The primary data was collected from a sample consisting of 400 employees of the manufacturing sector through a self-designed, structured questionnaire on a five-point Likert scale. The questionnaire consisted of two sections. The first section deals with demographic-related questions while the latter section consists of close-ended questions of multiple-choice options related to talent management (i.e, talent attraction, talent retention, learning & development, and career management). The reliability of the constructs was assessed by Cronbach's alpha. All latent constructs with the exception of relationship strength have Cronbach's alpha of more than 0.7 (Hair et al., 2006). Furthermore, the composite reliability, considered a better measure of internal consistency (Bagozzi & Yi, 1988), was greater than or equal to 0.7 for all constructs. These results indi-

cate that all constructs demonstrated acceptable reliability.

Hypotheses

H01: There is no significant effect of the talent attraction factor on organizational performance in the manufacturing industry.

H02: There is no significant effect of the talent retention factor on organizational performance in the manufacturing industry.

H03: There is no significant effect of the learning and development factor on organizational performance in the manufacturing industry.

H04: There is no significant effect of career management factor on organizational performance in the manufacturing industry

Talent Attraction Factor

The main purpose of this analysis is to know to what extent is organizational performance influenced by the talent attraction factor. The results are obtained using SPSS. Table 1 provides us with the data needed to perform the multiple regression analysis.

The coefficient of determination R Square indicates the percent of the total variance explained by the independent variable. In Table 1 it is found to be 48.5%

Table 1 Model Summary (Talent Attraction Factor)

Model	R	R Square	Adjusted R square	Standard error of the estimate
1	.696	.485	.480	2.450

There is no significant impact of the talent attraction factor on organizational performance in the manufacturing industry.

The significance value taken is 0.000.

This means that the null hypothesis (H01) is accepted and the alternate hypothesis (H1) is rejected.

Talent Retention Factor

The coefficient of determination R square is found to be 51.60%. (Table 2).

Thus, there is a significant impact of the talent retention factor on organizational performance in the manufacturing industry. The significance value is taken as 0.000. This means that the null hypothesis (H02) is rejected and the alternate hypothesis (H1) is accepted.

Learning & Development Factor

The coefficient of determination R is found to be 61.80% (Table 3). Thus there is a significant impact of the learning and development factor on organizational performance in the manu-

Table 2 Model Summary (Talent Retention Factor)

Model	R	R Square	Adjusted R Square	Standard error of the estimate
1	.719	.516	.512	2.374

facturing industry. The significance value is taken as 0.000. This means that the null hypothesis (H03) is rejected and the alternate hypothesis (H1) is accepted.

Table 3 Model Summary (Learning & Development Factor)

Model	R	R Square	Adjusted R Square	Standard error of the estimate
1	.786	.618	.614	2.109

Career Management Factor

The coefficient of determination R Square is found to be 37.10% implying that there is no significant impact of the career management factor on organi-

zational performance in the manufacturing industry (Table 4). The significance value is taken as 0.000. This means that the null hypothesis (H04) is accepted and the alternate hypothesis (H1) is rejected.

Table 4 Model Summary (Career Management Factor)

Model	R	R Square	Adjusted R Square	Standard error of the estimate
1	.609	.371	.364	2.708

Discussion

A few important factors were recognized as facilitators of the talent attraction process. The role of proper communication between employees and employers has appeared to be one of the main factors in attracting talent (Deepa & Baral, 2019). It is indicated that proper working conditions also play an important role in employee attraction (Sharma & Prasad, 2018). Availability of qualified employees, the brand image of the organization, job security, employee training, work-life balance, social networking facilities and organizational climate have also emerged to be crucial factors for the talent attraction process.. Effective leadership style emerges as one of the important factors in the retention of employees (Mandhanya, 2015). The company image, efficient compensation systems, flexible working hours, training

opportunities, effective performance assessment, job satisfaction, and motivation, etc are also crucial factors for the talent attraction process Non-monetary rewards come out as the driving force for the retention of employees.

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Certain factors were recognized as facilitators of the learning and development process such as learning and development strategies, identification of employees’ needs for learning, continuous acquisition of skills, In house development programs, coaching by managers, leadership skills development, business skill development, e-learning and teamwork skills, play an important role in employee learning.

Certain factors were recognized as facilitators of the career management process such as career counseling is important for employee's management of career (Greenhaus et al., 2000). Establishing career centers can help an employee's career growth (Dargham, 2013). Career planning facilities, Job rotations, Employee growth and progression, Succession planning, and Suitable programs and initiatives can be provided by the firm for the effective career management of an employee.

Conclusion

With the rise of scarcity in talented employees at a global level, organizations must invent and apply procedures that help them in attracting, retaining, developing, and managing careers of suitable employees and also to make them stay in their firm for long. Manufacturers who have involved and interested employees, always get benefitted and become more successful. Online recruitment also facilitates in the talent attraction process. The manufacturing industry has started developing talent management strategies for efficiency in their organization. The industry can pay attention to factors like pay scale, brand image, job satisfaction, and security for attracting talented employees. Manufacturing industries can improve talent retention of employees by building a good appraisal and payment system in the organization. Organizations know that not only monetary rewards are important for retaining employees but other factors like belongingness to the firm and satisfying their basic human needs are also crucial. Firms retain employees through proper

leadership and motivation of employees. The observation is that developing employees effectively leads to the continuous development of the firm. Career management of employees in any organization leads to a constructive effect on the belongingness of the employee towards the firm. Career management includes giving and offering employees overall development chances in their career growth. This will help their advancement.

Limitations & Further Research

Our study has certain limitations but also provides opportunities for further future research. Firstly, the sample which was studied is limited in terms of the type of industry. This research can further be expanded by covering other industries in the future apart from the manufacturing industry. Secondly, the variables involving the dependent factor "organizational performance" could be increased in number. Thirdly, the geographic spread is limited to one state viz. Madhya Pradesh. It can be studied over a vast geographical spread by including more states.

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