

The Relationship between Talent Management and Organizational Commitment in International Division of Tejarat Bank, Iran

Somayyeh Nobarieidish¹, Raheleh Chamanifard², Amin Nikpour^{*3}

¹ Commercial Management, Department of Commercial Management, College of Management, Tabriz Branch, Islamic Azad University, Tabriz, Iran; ² Public Management, Department of Public Management, College of Management, Kerman Branch, Islamic Azad University, Kerman, Iran;

³ Public Management, Young Researchers and Elite Club, Kerman Branch, Islamic Azad University, Kerman, Iran

*E-mail: nikpour2003@yahoo.com

Received for publication: 12 June 2014.

Accepted for publication: 30 November 2014.

Abstract

Talent management assures that each employee with the talents and special skills was located in the right job and also his career path is clear and operates as an increasing stimulation factor for better employment opportunities, both within and outside the organization. These factors prepare the ground for increasing employee's commitment to the organization. The purpose of this study is to investigate the relationship between talents management and organizational commitment in international division of Tejarat Bank. This study is a descriptive-correlation research that was conducted through the survey method. The study population consisted of all employees in international division of Tejarat Bank. 148 subjects were selected as a sample according to Morgan's table. To analyze data descriptive and inferential statistics were used including correlation test of Kendall and Partial and ranking test of Friedman. Data gathering tool was questionnaires of talent management and organizational commitment. The findings of the research show that there is a significant relationship between talent management and its sub variables as attracting the talents, talents maintenance and talents development with organizational commitment and also there is a relationship between talents management and organizational commitment according to demographic variables.

Keywords: Attracting the talents, Talents maintenance, Talents development, Organizational commitment, Demographic variables

Introduction

Organizations know that they must have the best talent in order to succeed in the hyper-competitive and increasingly complex global. For this reason in recent years, talent management has become a priority for organizations worldwide.

Talent management is the systematic and organized use of activities and human resources management policies so that attract more people and to progress and has the highest level of human resources. However, it should be fully compatible with the strategic direction of the organization (Tarique and Schuler, 2010).

Talent management focuses on how individuals are entered into organization and grow (Ulrich et al., 2008).

Talent management not only includes attracting and keeping the best individuals, but also identifies and removes unnecessary and totally unfit individuals (Ulrich et al., 2008).

Talent management includes all the activities of human resource management (Sinnor and Agadi, 2013).

The main goal of talent management is to acquire highly talented employees to be stationed at strategic positions in an organization (Declan, 2011).

Talent management is difficult and time-consuming, but very rewarding (Heinen and O'Neill, 2004).

Nowadays, talent management includes attracting the talents, talents maintenance, and talents development (D'Annunzio Green, 2008).

1- Attracting the talent: on what people the organization must be capitalized? How should be planned to find and employ the employees in designated positions? What kind of talents is needed to organizational development? These questions are just some of the questions that should be considered in an organization while drawing attraction path and developing its own employees as the most valuable organizational capital.

2- Talent maintenance: the performance of workforce should be managed so the organization ensures that it is in the path that its workforce has the highest productivity. Another discussion that should be noticed in the talents maintenance is the compensation system. In addition, the compensation policy in the organization should be developed fairly and is necessary that output of reports and analysis assessment of talents and peoples' performance is calculated in the employee's compensation system.

3- Talent development: the final step in this process includes issues related to learning and development. At this stage employees require, a palpable and clear career development path. In this case, the organization needs to more capitalize on the employees with the aim of creation for training and development opportunities. so that from this way it could maintain up to date their skills in order to accountability for the organization's future needs and expectations.

On the other hand, organizational commitment is considered as emotional and psychological attachment to the organization that based on it, a person who is strongly committed, determines his identity to organizations also participates, involves and enjoys of his membership init (Mowdey et al., 1981).

Porter et al (1978) have described organizational commitment as the relative degree of identification with the organization and participation in it. In this definition, commitment organizational involves three factors: confidence to the goals and values of the organization, tend to be considerable effort because of organization, a strong wish for continuing membership in the organization (Allen and Meyer, 1990).

Organizational commitment is defined to give the identity to the people by involving and sharing them in the specific organization (Gunluet al., 2010).

Organizational commitment includes emotional commitment, continuum commitment, normative commitment (Meyer and Hersovitc, 2001).

1- Emotional commitment: represents an employee's emotional continuity and identification his entity with the values and goals of the organization and the extent of his involvement with the organization .the employees who have strong emotional commitment maintain their membership in the organization and continue to work in it because they are willing to do such works at heart.

2- Continuous commitment: represents the cost of resulting from leaving the organization. The staffs that their primary relationship with the organization is based on continuum commitment will remain in the organization because to remain in the organization is necessary for them and they need for it.

3- Normative commitment: represents the sense of task and obligation to remain in the organization and the people who have this kind of commitment think that continue to work in the organization is a task and an obligation for them.

Talent management is a process that emerged in the 1990 s and still traverses the path of transformation. The word of the talent war was presented by Mckinsey counseling company for the first time in 1997. In surveying Mckinsey company was observed that the organizations which are more successful in attraction, development and maintenance managers with higher talent have more profitability and productivity. Thus, this led to attitude to talented people for organization be changed and is seen as a resource of creating advantage of competitive (Gay and Simz, 2009).

Researches indicate when people have injustice understanding in the distribution of output of the organization, they react negatively about the outcome. Injustice understanding by managers and supervisors caused to people react negatively against the managers and supervisors who caused to understanding the in justice in them so they have less commitment about the managers (Irving et al., 2005).

Kip (1989) concluded in his researches that training and development is a key element in human resources management. In fact the training and development is similar to Litmus' experiment that is the other management programs should be compared with it. When the organizations compete together based on quality and they apply works programs with high commitment such as employee's participation, teamwork and to pay based on merit. Staff's development in such a situation, is considered a key element in the performance. So that it can be increased the capacity of individuals and employed groups and enable them to contribute in a significant way in such systems that people encourage working in them (Redman and Wilkinson, 2008).

Klein (2001) concluded in his researches that there is a significant relationship between perceived access to training and affective organizational commitment.

Spector (2008) concluded in his researches that in the human resources plans should be paid more attention to the organization needs and its employee's needs. He believes that an organization to maintain the health and productivity should be supplied the individuals or its human resources required regularly and continually and pay attention to their needs.

Yap et al. (2010) concluded in their researches employees who perceived diversity training to be effective were significantly more committed to their organizations and more satisfied with their careers than employees who perceived diversity training to be ineffective or non-existent.

Devender (2013) concluded in his researches that there is a positive relationship between manpower planning and organizational commitment.

In fact the selection and maintenance strategies and the staffs better training, upgrades the outlet of the organization and improves the staff's organizational commitment (which is caused to increase the employee engagement and improve organizational performance).

Regard to what we discussed, hypotheses of this research are:

Main hypothesis

There is a relationship between talents management and organizational commitment of employees in international division of Tejarat Bank.

Secondary hypotheses

H₁: There is a relationship between attracting the talents and organizational commitment of employees in international division of Tejarat Bank.

H₂: There is a relationship between talents maintenance and organizational commitment of employees in international division of Tejarat Bank.

H₃: There is a relationship between talents development and organizational commitment of employees in international division of Tejarat Bank.

H₄: There is a relationship between talents management and organizational commitment of employees regarding to demographic variables in international division of Tejarat Bank.

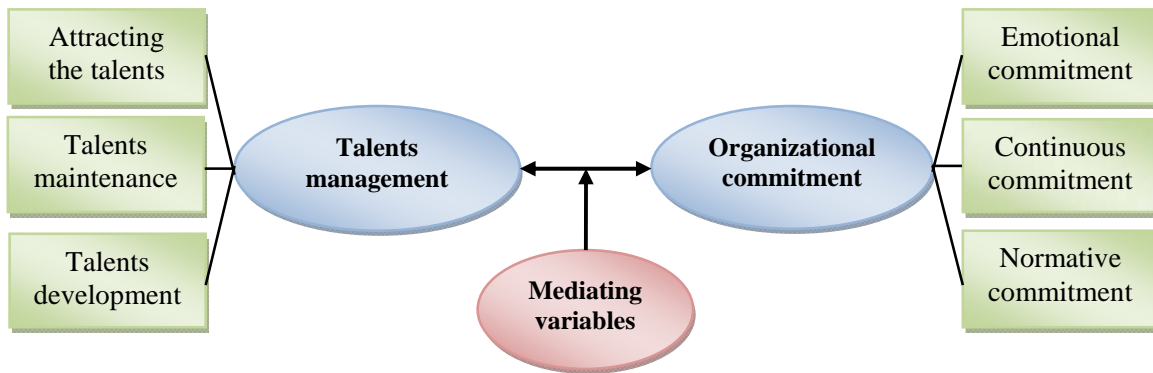


Figure 1: Conceptual model of research

Research methodology

This research is descriptive and correlative, and Spearman and Partial tests is used to identify correlation coefficient. It is a field research and was done in a survey way. Population of research is all staffs in international division of Tejarat Bank. First we had 240 people, 148 were selected as sample regard to Morgan table (60% are female, 70% have BA and MA, 85% have more than 10 years work experience and 90% of them are older than 30). Population of managers is 51 person and 45 were selected as sample regard to Morgan table. To collect data we use talent management and organizational commitment questionnaires. First questionnaire is to evaluate talent management and includes 25 questions. Second questionnaire evaluates organizational commitment and has 24 questions (talent management questionnaire were spread among managers and organizational commitment questionnaire were spread among their staffs). Table 1 shows questions about different dimensions of talent management and staff’s organizational commitment:

Table 1: Dimensions of talents management and organizational commitment and how to evaluate

Row	Dimensions of talents management	Question’s number	Dimensions of organizational commitment	Question’s number
1	Attracting the talents	1-2-3-4-5-6-7-8-9	Emotional commitment	1-2-3-4-5-6-7-8
2	Talents maintenance	10-11-12-13-14-15	Continuous commitment	9-10-11-12-13-14-15-16
3	Talents development	16-17-18-19-20-21-22-23-24-25	Normative commitment	17-18-19-20-21-22-23-24

Validity: in order to determine the validity of the talent management questionnaire has been used of content validity (experts’ opinion), talent management questionnaire validity was calculated

0.89. The organizational commitment questionnaire was standard and has ever been used in the other studies including Meyer and Herscovitc (2001).

Reliability: reliability of these questionnaires by using test-retest method were calculated respectively, 0.87 and 0.81.

To analyze data were used descriptive and inferential statistics (correlation test). Data was analyzed with SPSS software after inputting to the computer.

Results

Table 2: Evaluate correlation of predictor variable (talents management) and response variable (organizational commitment)

Predictor variable	Response variable	Frequency	Kendall	
			Correlation coefficient	Significance level
Attracting the talents	Organizational commitment	45	0.127	0.009
Talents maintenance	Organizational commitment	45	0.412	0.000
Talents development	Organizational commitment	45	0.437	0.000
Talents management	Organizational commitment	45	0.341	0.000

Study research's hypotheses:

Main hypothesis

There is a relationship between talents management and organizational commitment of employees in international division of Tejarat Bank.

Regarding to table 2, Kendall's correlation is 0.341 and correlation in significance level is 0.01, it means that there is a relationship between talents management and staff's organizational commitment in international division of Tejarat Bank and as Kendall's correlation is positive so there is a positive relationship between talents management and organizational commitment.

Secondary hypotheses

H₁: There is a relationship between attracting the talents and organizational commitment of employees in international division of Tejarat Bank.

Regarding table 2, Kendall's correlation is 0.127 and correlation in significant level is 0.01, it means that there is a relationship between attracting the talents and staff's organizational commitment in international division of Tejarat Bank and as Kendall's correlation is positive, so there is a positive relationship between attracting the talents and organizational commitment.

H₂: There is a relationship between talents maintenance and organizational commitment of employees in international division of Tejarat Bank.

Regarding to table 2, Kendall's correlation is 0.412 and correlation in significant level 0.01, It means that there is a relationship between talents maintenance and staff's organizational commitment in international division of Tejarat Bank and as Kendall's correlation is positive so there is a positive relationship between talents maintenance and organizational commitment.

H₃: There is a relationship between talents development and organizational commitment of employees in international division of Tejarat Bank.

Regarding to table 2, Kendall's correlation is 0.437 and correlation in significant level is 0.01, it means that there is a relationship between talents development and staff's organizational commitment in international division of Tejarat Bank and as Kendall's correlation is positive so there is a positive relationship between talents development and organizational commitment.

Table 3: Evaluate correlation between talents management and organizational commitment regarding to demographic variables

Mediating variables	Partial correlation coefficient	Significance level	Number	Relation	Kind of relation
Age	0.322	0.0021	45	Yes	Positive
Sex	0.338	0.000	45	Yes	Positive
Work experience	0.42	0.000	45	Yes	Positive
Education	0.438	0.000	45	Yes	Positive
With attendance of all mediating variables	0.378	0.000	45	Yes	Positive
Without attendance of all mediating variables	0.391	0.000	45	yes	positive

Findings of partial correlation coefficient show that if effect of age, sex, work experience and education is stable, there is a significant relationship between talents management and organizational commitment of employees separately ($p < 0.01$). Also if all intermediate variables (age, sex, work experience and education) are stable, there is a significant relationship between these two variables simultaneously ($p < 0.01$). These findings show that these variables don't have moderating role in a relationship between talents management and organizational commitment, because there isn't any notable variation among correlation of talents management and organizational commitment with attendance of each of these intermediate variable separately or simultaneously. As it is shown, correlation with or without intermediate variables is equal. Also relationship between talents management and organizational commitment is direct separately or simultaneously, if intermediate variables are stable.

In order to rank the predictor variables was used Friedman rank test, which is discussed in the following table:

Table 4: Ranking predictor variables

Variables	Mean	Rank
Talents maintenance	4.13	1
Talents development	3.21	2
Attracting the talents	1.98	3

As it is clear from Table 4, talents maintenance factor has had the highest rank between the variables of talent management and talents development and attracting the talents were located in the next ranks.

Discussion and Conclusion

The findings of the study suggested that there was a significant relationship between the talent management and its sub variables as attracting the talents, talents maintenance, and talents development with organizational commitment. Also talents maintenance variable has had the highest rank between the variables of talent management and talents development and attracting the talents were located in the next ranks. The findings were analyzed and compared with the results of different researches which are as follows:

The findings of the study show that there is a significant relationship between attracting the talents and the employee's organizational commitment in international division of Tejarat Bank. The finding results are coordinated with the results of researches of Dyet (1982), and Devender (2013).

Dyet believes that the benefits of manpower planning are as the increasing employee's commitment and performance.

Devender concluded in his researches that there is a positive relationship between manpower planning and organizational commitment.

Another finding of the study shows that, there is a significant relationship between talents maintenance and employee's organizational commitment in international division of Tejarat Bank. This finding is consistent with the results of researches of Halfman (1995), Pfeffer (1998), and Armstrong (2000).

Halfman thinks that the benefits of 360 degree feedback including follows: It defines the organizational skills and competencies, increases the employee's engagement, creates the workforce with the high participation, reduces the organizational hierarchy ,makes things smoother, increases job satisfaction and specifies the performance lines and has easy executive steps (Jones and Bearley, 1996)

According to Pfeffer salary and fee can be encouraged the employee's commitment and their motivation in order to achieve the goals of organization.

Armstrong claims the proposed benefits for payment based on performance are follows: it makes motivation and employee's satisfaction, prepares an Intuitive tool for rewarding and recognizing successes.

Other findings of the research on the relationship between talents development and employee's organizational commitment are consistent with the research findings of McElroy (2001), and Yap et al. (2010).

According to McElroy education promotes the emotional and normative commitment, because education improves the people perception of self-important.

Yap et al. in their study concluded employees who perceived diversity training to be effective were significantly more committed to their organizations and more satisfied with their careers than employees who perceived diversity training to be ineffective or non-existent.

References

- Allen, N. J. and Meyer, J. P. (1990). The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of Occupational Psychology*. 63(1), 1-18.
- Armstrong, M. (2000). *Performance management, key strategies and practical guidelines*. Kogan Page Business Books Press, 2nd Edition.
- D'Annunzio-Green, N. (2008). Managing the talent management pipeline. *International Journal of Contemporary Hospitality Management*. 20(7), 807-819.
- Devender, V. (2013). Human resource planning practices in SCCL. *VSRD International Journal of Business and Management Research*. 3(9), 373-382.
- Dyet, L. (1982). *Human resource planning in personnel management*. Boston: Allyn Bocon.
- Gay, M. and Simz, D. (2009). *Development of future talent management functional guidance and succession planning*. Translated: Nasrin Jozani. Tehran: Saramad Press.
- Gunlu, E., Aksarayli, M. and Sahin, P. N. (2010). Job satisfaction and organizational commitment of hotel managers in Turkey. *International Journal of Contemporary Hospitality Management*. 22(5), 693-717.

- Heinen, J. S. and O'Neill, C. (2004). Managing talent to maximize performance. *Employment Relations Today*. 31(2), 67-82.
- Irving, G., Coleman, D. and Bobocel, R. (2005). The moderating effect of negative affectivity in the procedural justice-job satisfaction relation. *Canadian Journal of Behavioral Science*. 37(1), 20-32.
- Jones, J. E. and Bearley, W. L. (1996). 360-degree feedback: strategies, tactics, and techniques for developing leaders. Human Resource Development Press.
- Klein, H. (2001). Invited reaction: the relationship between training and organizational commitment- a study in the health care field. *Human Resource Development Quarterly*. 12(4), 353-361.
- McElroy, J. (2001). Work commitment conceptual and methodological developments for the management of human resources. *Human Resource Management Review*. 11(1), 177-180.
- Meyer, J. P. and Herscovitc, L. (2001). Commitment in the workplace: toward a general model. *Human Resource Management Review*. 11(3), 299-326.
- Mowday, R. T., Porter, L. W. and Steers, R. M. (1981). *Organizational linkage: the psychology of commitment, absenteeism and turnover (organizational and occupational psychology)*. New York: Academic Press.
- Pfeffer, J. (1998). *The human equation: building profits by putting people*. Massachusetts: Harvard Business School Press.
- Redman, T. and Wilkinson, A. (2008). *Contemporary human resource management*. Pearson Education Canada Press, 3rd Edition.
- Sinnor, G. B. and Agadi, R. (2013). Talent management in hospitality and tourism Industries: a case study of select hotels of Bidar city. *Advances in Global Business Research*. 10(1), 131-138.
- Spector, P. E. (2008). *Industrial and organizational psychology: research and practice*. Wiley Press, 5th Edition.
- Tarique, I. and Schuler, R. S. (2010). Global talent management: literature review, integrative framework, and suggestions for further research. *Journal of World Business*. 45(2), 122-133.
- Ulrich, D., Brockbank, W., Johnson, D. and Younger, J. (2008). *Human resources competences: mastery at the intersection of people business*. Alexandria, VA: Society for Human Resource Management.
- Whooley, D. (2011). Talent management. Available at: <http://www.candidatemanager.net/news/2011/02/talent-management.asp>
- Yap, M., Holmes, M. R., Hannan, C. and Cukier, W. (2010). The relationship between diversity training, organizational commitment, and career satisfaction. *Journal of European Industrial Training*. 34(6), 519-538.