

ANALYTICAL VIEW OF INTEREST IN THE IMPLEMENTATION OF TALENT MANAGEMENT IN THE ENVIRONMENT OF SLOVAK COMPANIES

Jana Coculova – Nella Svetozarovova – Daniela Bertova

Abstract

The paper deals with the topic of talent management, which is an innovative tool for attracting, retaining and exploiting talented workers. The aim of the contribution is to provide an analytical view of the issue of talent management, focusing specifically on finding an interest in the implementation of talent management in the environment of Slovak companies. Part of the article is a presentation of the results of research, which was carried out on a sample of 153 companies operating in the Slovak Republic. The research followed two partial goals. The first objective was to find statistically significant differences in the interest in the implementation of talent management in terms of size and sector in which companies operate. For this purpose, two hypotheses were tested using the Kruskal – Wallis test. The second objective was to identify statistically significant links between the level of interest in the implementation of talent management and the recording of certain problems in the field of human resources management, namely the problem of filling key positions, the difficulty of retaining key staff and the problem of lack of interest in career development in the organization. Three hypotheses were tested using Spearman's correlation coefficient.

Key words: human resource management, talent management, talent pool, key job position.

JEL Code: M12, M53

Introduction

Organisations are currently in a complex and challenging environment that requires them to be effective in managing human resources and material resources. The biggest challenge is the retention of talented and high-performing workers (Amos & Weathington, 2008). The organization's ability to acquire and retain talents is the basis for the organization's continued competitiveness. In today's globalised economy, however, there is an increasing problem for organisations to recruit and retain talented workers. Business management faces a number of challenges in reducing turnover. These are mainly the lack of knowledge and skills of

candidates, who should replace the outgoing employees, the need for retraining, loss of productivity, etc. The lack of talented workers is a phenomenon that has recently affected all countries, industrially advanced in particular. Companies face a dilemma in which to orient human resources development, especially in the current globalised economics, in order to cope with talent shortages in the labor market (Gallo et al., 2019).

1 Literature Review

The term talent is judged from several perspectives among researchers. Authors Buckingham and Clifton (2001) argue that talent means a way of thinking, feelings and behaviours that can be productively implemented. Talent naturally exists in a person (it is his own), while knowledge and skills must be acquired. The aforementioned authors prefer the notion of strengths, which are formed by a combination of knowledge, skills and talent. According to the above authors, human talent is an innate trait, while knowledge and skills can be acquired by learning and practice. When talent is supplemented by knowledge and skills, then it becomes the strength of the individual (Saddozai et al., 2017).

In certain cases, talent is assessed as having certain abilities and demonstrating high potential and high performance. In this case, two main characteristics of talent can be assumed, namely having skills that include potential, performance, creativity, competences and leadership skills to achieve their goals, and overcoming the level of their competitors who do not have these abilities. These are the characters owned by the talented individual concerned (Davis et al., 2007). Talent management is essentially concentrated on individuals who are considered potential talents and the organisation should be interested in investing funds in their future (Collings & Mellahi, 2009; Valverde et al., 2013). Mortlon (2004) defines talent as an individual who has the ability to deliver significant performance benefits both now and in the future for his organization. The term talent presents a set of ideas, knowledge and skills - that give an individual the potential to produce differential value from the resources available to him in society. Tansley et al. (2006) argue that talent can be considered as a complex of skills and knowledge of employees of cognitive ability and potential. The working preferences of the individual also play an important role here. In the general sense, each individual can be considered to have high potential in different positions at different times and in different organizations.

In some organisations, an individual must reach a certain level in the organizational hierarchy in order to be considered as one who has a high potential. For this reason, it is in the

interest of each organisation to decide for itself who it designates as having a high potential. Groysberg et al. (2004) call such talents in the organization as stars - these are the ones who are the best in the order of the industry. The organisation should concentrate on the growth of the talent of these stars. In summary, it can be said (Saddozai et al., 2017) that most definitions of talent apply to potential, especially to the high potential. Talent is something inherent, which is in this single thing, generating patterns of thinking, feelings and behaviors, which are innate in an individual. On the other hand, talents represent a group of employees who have above-average educational qualifications, knowledge and skills, which predetermine for appointing to executive positions, as they are high-performing in the organization.

First of all, it is important to realize that talent management is a long-term, strategic process, and in terms of methodology and the benefits that talent management brings with it, this kind of people management tends to be significantly underestimated. A well-set talent acquisition program and systematic work with talented employees brings quality results in the form of economic growth and a strong market name. There are several reasons that lead companies to deal with human resources and especially talented individuals who influence the performance and competitiveness of the organization through their actions:

- The constant need for innovation, research and development.
- Diminishing workforce flexibility due to the search for a balance between living and working, increasing demands of employees.
- Migration of skilled and talented people abroad.
- Inefficient training of employees, no results.
- Difficulty identifying employees with high potential.
- Departure of customers who leave for the competition due to personal relationships with previous employees (Horváthová, 2011).

Training and development are a cost for the company in the form of investing time in planning, training or development of employees, training must be paid for and employees do not work during training. Talent management enables targeted development exactly where it is needed, so the investment in it pays off. During the 20th century, managers of business units concentrated mostly on material resources such as land, buildings and technology. All efforts were concentrated on two known factors - labor and capital. Today, 50% of gross domestic product is made up of based on knowledge that lie in intellectual assets, on the skills and abilities of workers. This leads organizations to develop highly integrated systems and approaches to talent management and thus ensure the continuous growth of the organization.

In order to successfully master the implementation of talent management, organization leaders must understand and master the issues of creating a talent pool, recruiting and selecting top talent, developing and retaining top talent. Recruitment, selection, engagement and development, as well as talent retention, constitute the five essential components of talent management (Pruis, 2011).

Heimen and Collen (2004) note that businesses can gain a lasting competitive advantage in the market through organizational appeal, development, motivation, management and rewarding of talents. Short time competitive advantages can be gained through innovation and new technologies. Like a machine, an enterprise will not function successfully if key elements such as processes, systems, and structure are improperly managed; like a machine, an enterprise must be efficiently and purposefully managed. These functions are performed by talent - human capital, which is employed in the enterprise. In fact, talent is usually the so-called "biggest lever" to improve business performance. Talents in the organization have exceptional abilities that are very difficult for competitors to compare. Lawler (2008) notes that talent provides the potential for a long-term competitive advantage more than any other asset.

2 Methodology

Given that talent management represents a relatively new, innovative approach in the field of human resources management, a high level of use of talent management in the Slovak business environment cannot be assumed. However, the intention was to conduct research that would determine the level of interest in the application of talent management in the environment of Slovak companies.

The aim of the research was to find out the degree of interest in the implementation of talent management in Slovak enterprises, while two sub-objectives were pursued:

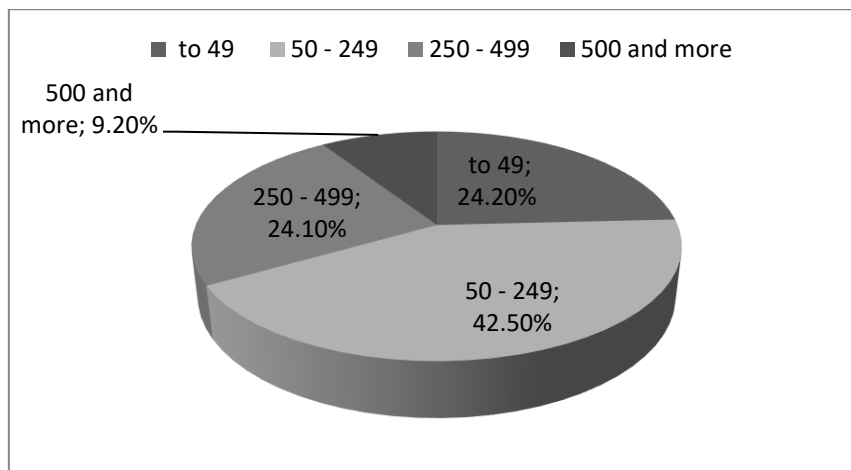
1. Identification of statistically significant differences in the interest in implementing talent management in terms of size and sector in which the enterprise operates.
2. Identification of a statistically significant link between interest in talent management implementation and the recording of human resources management problems, namely the difficulty of filling key positions; difficulty in retaining key workers; the problem of workers' lack of interest in career growth.

The research was carried out in the months of March - April 2022 on a sample of Slovak enterprises, data collection was carried out in electronic and personal form. 350

organizations of different sizes and sectors operating in the Slovak Republic were contacted, while 153 fully completed questionnaires were returned. For the collection of data, the questionnaire method was used, which contained both items relating to the identification features of enterprises (size, industry) and, on the one hand, items identifying selected problems in the field of human resources management, for the detection of which the Likert scale 1 (high level of evidence of the problem) – 5 (zero evidence of the problem) was used. The dependent variable, namely the degree of interest in implementing talent management, was measured on a Likert scale of 1 (definitely yes) – 5 (definitely not).

To fulfill the research goal, 5 hypotheses were tested, using the Kruskal – Wallis test and the Spearman correlation coefficient, at a significance level of α 5%. The composition of the research sample in terms of size expressed in the number of employees is shown in Figure 1.

Fig. 1: Composition of the research sample in terms of size



Source: developed by the authors

3 Results

In order to identify interest in the implementation of talent management, research was carried out on a sample of Slovak companies, while two objectives were pursued. The first sub-objective was to determine whether there was a different level of interest in implementing talent management in terms of enterprise identification traits, namely size and sector. Two hypotheses were tested using the Kruskal – Wallis test.

H1: There are statistically significant differences in interest in implementing talent management in terms of company size (expressed in terms of number of employees).

In Table 1 we can see the results of the Kruskal-Wallis test used to verify H1. Since the p-value = 0.343435, which is > 0.05 , the H1 hypothesis has not been confirmed, so perhaps it is possible to assume that there is no statistically significant difference in interest in implementing talent management in terms of company size.

Tab. 1: Testing of hypothesis H1

Kruskal-Wallis test	chi-squared	df	p-value
Resulting values	4.4925	4	0.343435

Source: Gretl output

H2: There are statistically significant differences in the interest about implementing talent management in terms of the sector in which the company operates.

For the H2 hypothesis, we compared the enterprises from the point of view of the sector in which the company operates, the subject of comparison was the primary, secondary, tertiary and quartial sector (according to the NACE classification). The Kruskal-Wallis test was used to verify H2, and the result values are given in Table 2. Since p-value = 0.0546765, we reject the H2 hypothesis and it can be concluded that there is no statistically significant difference in the interest in implementing talent management from a sector perspective.

Tab. 2: Testing of hypothesis H2

Kruskal-Wallis test	chi-squared	df	p-value
Resulting values	9.2708	4	0.0546765

Source: Gretl output

Testing of the H1 and H2 hypotheses concluded that Slovak companies do not show a different level of interest in implementing talent management in terms of size or the sector in which they operate.

Another part of the research investigated the link between interest in implementing talent management and recording certain issues that enterprises may have in the field of human resources management. The subject of the investigation was three selected issues that were believed to lead companies to look for new, innovative ways, such as talent management, namely:

- (1) the difficulty of filling key posts;
- (2) the problem of retaining key personnel;
- (3) the problem of lack of interest in career growth.

Three hypotheses were tested using the Spearman correlation coefficient.

H3: There is a statistically significant link between the interest in implementing talent management and the problem of filling key positions.

For the H3 hypothesis, we examined the link between an interest in implementing talent management and the problem of filling important key positions. To verify the H3 hypothesis, the Spearman correlation coefficient was used. The resulting values can be noticed in Table 3. The Spearman correlation coefficient is = 0.4692473. The corresponding p-value = 0.04546, therefore, the H3 hypothesis can be accepted. It can be concluded that the interest in implementing talent management is related to the recording of the problem of filling key positions in the enterprise.

Tab. 3: Testing of hypothesis H3

Spearman correlation coefficient	r_s	t	p-value
Resulting values	0.4692473	0.577257	0.04546

Source: Gretl output

H4: There is a statistically significant link between interest in implementing talent management and the difficulty of retaining quality key personnel.

To verify the H4 hypothesis, the Spearman correlation coefficient was used, the value of which is -0.02255970. The corresponding p-value = 0.7819 and this is more than the significance level $\alpha = 0.05$. The H3 hypothesis has not been confirmed. Thus, we can say that there is no statistically significant link between the interest in implementing talent management and the problem of filling important key positions.

Tab. 4: Testing of hypothesis H4

Spearman correlation coefficient	r_s	t	p-value
Resulting values	- 0.02255970	- 0.277289	0.7819

Source: Gretl output

H5: There is a statistically significant link between interest in implementing talent management and the problem of employees' lack of interest in career growth in the enterprise.

With the H5 hypothesis, we examined the link between the interest in implementing talent management and the problem of employees' lack of interest in career growth in the enterprise. The Spearman correlation coefficient is = - 0.09293705. The attributive p-value = 0.2532, and this is more than the significance level $\alpha = 0.05$. The H5 hypothesis has not been confirmed. Thus, we can say that there is no statistically significant connection between the interest in implementing talent management and the problem of employees' lack of interest in career growth in the company.

Tab. 5: Testing of hypothesis H5

Spearman correlation coefficient	r_s	t	p-value
Resulting values	- 0.09293705	- 1.14699	0.2532

Source: Gretl output

Testing hypotheses confirmed the hypothesis only in the case of a variable – a problem with filling key positions. Based on the results of the research, a lower level of interest in the implementation of talent management can generally be noted, which may be due to a lack of awareness and knowledge of talent management issues, lack of experience, or distrust of new, little-known practices in the field of human resources management. However, it has been confirmed that companies experiencing problems in filling key positions are more interested in implementing talent management than businesses that do not. The problem of filling key positions with quality workers shows a serious problem for the functioning of enterprises, forcing HR managers to consider new practices such as talent management, which will make it possible to identify potential employees who may occupy key positions in the future and carry out activities to develop their knowledge for future work in the organization.

Conclusion

Today, business entities are aware that acquiring the best talent is the key to success in today's global environment. Along with perceiving the importance of recruiting, developing and retaining talent, business entities have realized that talent is a critical resource that management needs to get the best results (Schiemann, 2014). In order to acquire and retain talented employees, it is essential to have implemented talent management, which includes several practices that support the effective use of talented human resources and at the same time lead to strong employee loyalty and commitment. Research carried out on a sample of

Slovak companies showed a low level of interest in implementing talent management, confirming that companies that are already experiencing a problem with filling key positions show a higher level of interest in implementing talent management than companies that do not. Given the current development in the labor market, which indicates in the near future an increased problem of finding quality workers who should fill key, posts, it can be assumed that enterprises will be forced to seek and implement new, innovative ways of filling these job positions. Based on forecasts in the field of workforce development, it can be concluded that there will be a gradual increase in interest in the implementation of talent management also in the area of Slovak companies.

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Contact

Jana Coculova
University of Presov, Faculty of Management and Business
Konstantinova 16
080 01 Presov
Slovakia
e-mail: jana.coculova@unipo.sk

Nella Svetozarovova
University of Presov, Faculty of Management and Business
Konstantinova 16
080 01 Presov
Slovakia
e-mail: nella.svetozarovova@unipo.sk

Daniela Bertova
University of Presov, Faculty of Management and Business
Konstantinova 16
080 01 Presov
Slovakia
e-mail: daniela.bertova@unipo.sk