

Strategic Talent Management and University Performance: A Theoretical Perspective

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Abstract

Purpose – Talent Management has become a topic of discuss in the area of strategic human resource management since its first appearance in the work of McKinsey & Company in the late 90s. It is important to the success of an organization, as it said to contribute to a competitive edge. The aim of this paper is to develop theoretical framework to show the effect and relationship of strategic talent management and university performance.

Design/methodology/approach – The paper is based on extant literature on strategic talent management and university performance. The literatures were analyzed and synthesize from the concepts clarification to the relationship, and results are used to formulate a research framework.

Findings – literature on the strategic talent management are mostly conceptual review as the concept is relatively new. Nevertheless, some report positive relationship between talent management and organization performances in a profit oriented setup. In this paper, the authors suggest a framework to show the relationship between strategic talent management and university performance.

Originality/value – In the absence of evidence from previous studies to investigate the proposed relationship, this paper contributes to the study of strategic talent management and university performance by providing a theoretical framework, which can be used to further investigate empirically the effect and relationship between strategic talent management and performance in the context of university setup.

Keywords Talent, Strategic Talent Management, University Performance

Paper type Conceptual paper

INTRODUCTION

Universities are higher institutions of learning. It's a service oriented organisation that comprises not only human resource but a team of intellectuals makes the workforce. Universities and other higher institutions are strategically important sector with evidence that venturing in research-type education pays off in areas close to the world technology frontier (Aghion, Dewatripont, Hoxby, Mas-Colell, & Sapir, 2010). Khattak, (2012) confirmed that education contributes to economic growth; the study recommended that nations and government should keep education on top priority in public policies. Most importantly higher education as they develop high skill labour.

University performance is becoming issue of concern due to the emergence of knowledge-driven economy in the world that changes the understandings of the role of Universities and other higher institutions of learning to national economic development (Saint, 2015). In many countries, government funding for universities is openly linked to performance Metrics. Universities nowadays compete globally for both students and staff who are expected to pay close attention to how different institutions perform. Salmi (2009) attributed concentration of talent as one of the determinant of high performance in universities. Therefore, talent management is an important factor in determining university performance.

Talent management is often used interchangeably with talent strategy, human resource planning and succession planning as they all focus on effective management of employee's talent in an organisation (Lewis & Heckman, 2006). Talent management is of strategic important to an organisation as it differentiates it from others when it becomes a core competence (Ashton & Morton, 2005). For instant, one can imagine the kind of difference an organisation with right talent in key roles at the right moment can make to organisational effectiveness, innovation and revenue compared to those operating without them.

Regardless of these importance of talent management a number of universities are having inadequate personnel quantity and quality (Fabunmi & Isah , 2004). This could explain the much talked-about falling standards of education in many universities.

Studies were made in the area of university performance and competitiveness and a number of factors are found to contribute to the university performance some of them include; Ahmed (2015); Altbach (2004); Breakwell and Tytherleigh (2010); Kasim and Noh (2012); McCormack, Propper, and Smith (2013); Salmi (2015); Shin and Jang (2013); and Touama (2014) among others.

Studies on the strategic talent management on the other hand are mostly conceptual review as the concept is relatively recent-emerged area of interest. Some of these studies include: Collings, and Mellahi (2009); Ensley, Carland, Ensley, and Carland (2010); Iles, Chuai, and Preece (2010); Lewis, and Heckman (2006); Lyria

(2013); Poorhosseinzadeh and Subramaniam (2013); Thunnissen, Boselie, and Fruytier (2013). Others studied the relationship between talent management and organisational success Haghparast, Moharamzadeh, and Mohamadzadeh (2012); Kehinde (2012); and Taie (2015).

Regardless of the significant of high skilled and talent workforce that are knowledgeable in the university, review has shown that examining the effect of strategic talent management on university performance seems not be specifically address in the literature. Most of the previous studies did explained and clarified the concept of talent management with a very few examining the relationship with profit oriented organisation. On the other hand, studies on university performance, examined other factors as determinant for performance. To fill up this gap this paper proposes a theoretical framework that will explain the effect and relationship between talent management and university performance.

To achieve the above objective, the paper is organised and divided in to five major heading, first the introduction as seen above, then the theoretical foundation where concept of university performance and talent management are clarified and defined, previous studies that are related to concepts are reviewed and presented toward the development of the theoretical framework that explain the relationships. Resource based view theory was used as a basis to further explain the relationship. Then, Proposed Framework, Discussions with Recommendations, and finally Conclusion.

THEORETICAL FOUNDATION

Strategic Talent management

According to Michaels, Handfield-Jones, and Beth (2001) Talent Management become topic of discuss since 1990s when it appeared in the work of McKinsey & Company referring to it as the war for talent. It is said to be critical to organizational success, having the capacity to give a competitive edge through sourcing, redeployment and development of talented individuals as staff of the organisation (Winkler, 2006). Talent management has many definitions by different scholars, yet none is said to be generally accepted. There is lack of clarity on the concept (Lewis & Heckman, 2006).

The accurate description of the term talent management remains to some extent unclear (Hughes & Rog, 2008). Stephenson and Pandit (2008) reported in their work that various different researchers argued that having the right number concerning individuals at the right place, and opportune time with the right skill sets and levels of inspiration and motivation are principal to talent management. Some consider the concept of talent management to be organizational conduct for example, by attracting and selecting the best workforces as well as development and retention in the appropriate position (Stahl et al., 2007). Talent management is said to describe the organized form of attraction, retention, deployment, and development of high possible individuals as employees who are of specific quality and are considered as a certain value for the organization (CIPD, 2009).

Talent management envelops the components of human resource management (Stewart & Harte, 2010). Some considers it to be a grasped and enacted guarantee to utilizing a unified, technological, and strategic approach to human resource management (Hughes & Rog, 2008). Iles et al., (2010) sees talent management as rebranding human resource management with focus on talent pool and development by managing the progression of talents within the corporation.

Based on different views above, we can agree with the literature which reveals no generic definition of the concept talent management. Nevertheless, Lewis and Heckman (2006) recognized three key floods of thought around the idea of talent management. Equally important, there are those who just supplant talent management with human resource management. They frequently confine their attention to specific practices of human resource, for example, recruitment of staffing and development as well as succession. Furthermore, there are those who underlines the development of talent pools with an emphasis on foreseeing the staff needs and control their movement through positions. This perspective really expands on past research in the field of manpower planning literature with a narrow focus that differentiates talent management from human resource management. The last stream identified by Lewis and Heckman (2006) concentrates on the management of skilled individuals. It argues that top grading individuals or staffs are those to take all roles in the organisation for better performance (Smart, 1999). While the third approach looks highly influential, but it is neither pleasing nor suitable to fill up all positions within the organisation with top performers (Collings & Mellahi, 2009). In addition, if the talent management system is applied to all of an organisation's employees it will be hard to distinguish talent management from conventional human resource management (Collings & Mellahi, 2009).

Furthermore, Collings and Mellahi (2009) add another stream of thought about talent management to those identified by Lewis and Heckman (2006). They introduce the element of strategy by emphasising on the identification of key positions which have the potential to make a differential impact on competitive advantage of the organisation. To this end, we adapt the picture given by Collings and Mellahi (2009), to defined strategic talent management as systematic activities and processes of identifying strategic positions that will differentially contribute to the organisation's sustainable competitive advantage, and development of a talent pool of high potential and high performing incumbents to fill these roles, alongside developing differentiated human resource

planning to facilitate and fill these positions with competent incumbents and to ensure their continued dedication to the organisation.

University performance

Universities nowadays are subject to the same pressures of the marketplace. Profound changes in the nature of competition have made universities and other higher institution of learning operate like business to the level that students are being treated as customers, university management are now looking for how to give them and other stake holder maximum satisfaction. Moreover, stakeholder's demands are becoming more and more complex, which need to be attended in order to gain and maintain competitive advantage in the educational organizations. The universities have to guarantee that the students as their customers receive super-quality service. They have a primary duty of producing graduates that can be able to accommodate and compete favourably in the emerging societal challenges, such as graduates producing high-quality profile that can favourably compete in the industry (Suryadi, 2007).

Universities forms part of those organisations that non-financial measures are used in determining the levels of their performance since are mostly non-profit in nature. Non - financial are better measures in rating the performances of organisation on the basis of competitive advantages (Gronum, Verreynne, & Kastle, 2012; Hilman, 2009; Hilman & Mohamed, 2011; Kaplan & Norton, 1992). Historically, quality assessment at higher education institutions generally was based primarily on peer review and accreditation (Hazelkorn, 2015). The outcomes of those processes, while exhaustive, were reports written in terms that were difficult for those outside of the academy to understand or to use when comparing institutions. Hazelkorn (2015) noted the practice and contributed to a breakdown in trust between institutions and students, policy makers, and others.

Some higher education institutions had adopted quality-improvement practices in the late 1980s as a result of the successes realized in the industry (Widrick, Mergen, & Grant, 2002). Many authors have suggested that performance measurement in the university should takes to account academic achievement. University performance measurement should comprise both student's related academic achievement and non-students related academic achievement (Higgins, 1989; Ball & Wilkinson, 1994; Johnes & Taylor, 1990).

Student's related academic achievement comprises of student academic status, classes of degree and graduation rates as indicators for measuring university performance (Higgins, 1989; Ball & Wilkinson, 1994; Miller, 2007). Johnes and Taylor (1990), have undergraduate's wastage rate as a variable for measuring university performance. In addition to classes of degree and graduation rates, Sall, (2003), Agha (2007) and Lee and Buckthorpe (2008) emphasis on undergraduate's wastage rate while, Pinilla & Munoz (2005) added graduation rate as a variable for measuring university performance.

Non-student's related academic achievement on the other hand has competitive positions and innovation as indicators for measuring university performance (Wei, Choy & Yew, 2009). Suryadi (2007) suggested innovation, organisational agility and sustainability as performance measures while Deem (2008) add market share to innovation as performance measures.

In addition, League tables and national rankings are some of the popular devices developed to compare university performance that drives competitions in the higher education sector globally. Quacquarelli Symonds (QS), Times Higher Education (THE), Academic Ranking World University (ARWU) and Ranking Web of Universities (Webometrics) are the most university ranking body that measures university performance and place university accordingly.

Research Quality, Teaching Quality, International Outlook and Graduate Employability are the four criteria used by the QS world university ranking. Each criterion is supported by six main indicators which include: Academic Reputation, Employer Reputation, and Citation per Faculty. Others include Student Faculty Ratio, International Students and International Faculty (Quacquarelli Symonds world university rankings [QS], 2015). The THE world university ranking body uses the following five performance indicators in their ranking: Research, Teaching, Citations, Industry Income and International Outlook (Times Higher Education World University Ranking [THE], 2015). ARWU ranking body has Quality of Education, Quality of Faculty, Research Output and Per Capital Performance as their performance indicators for university ranking (Academic Ranking World University [ARWU], 2015). The Webometrics has Impact, Presence, Openness and Excellence as performance indicators for university ranking (Ranking web of universities [Webometrics], 2015).

Based on the above discuss, one can deduce that indicators measuring university performance heavily vested on the talent workforce available in the university. With this we takes university performance to mean the ability to use available resources to improve trends and academic achievement by ensuring that students receive high-quality service by the talent resource and produce good graduates that can be able to accommodate and compute in the emerging societal challenges through teaching, research and publications.

Strategic Talent management and University performance

Studies were made in the area of university performance and competitiveness and a number of factors are found to contribute to the university performance. Ahmed, (2015) found university collaboration as a strategic approach to performance, Touama (2014) and Breakwell and Tythereigh (2010) link university performance to

its leadership. As the later found leadership style leads to performance in the university, the former found leadership quality and quality culture as the determinant for university performance. Similarly, McCormack, Propper and Smith (2013) found management practice to burst university performance. Organisational innovativeness is also found to determine performance in the university (Kasim & Noh, 2012).

Studies on the strategic talent management on the other hand are mostly conceptual review as the concept is relatively new. Some of these studies include: Collings, and Mellahi (2009); Ensley, Carland, Ensley, and Carland (2010); Lewis, and Heckman (2006); Lyria (2013); Poorhosseinzadeh and Subramaniam (2013); Thunnissen, Boselie, and Fruytier (2013). Others studied relationship between talent management and success of the organisation. Haghparast, Moharamzadeh, and Mohamadzadeh (2012) found positive relationship between talent management and organisational success in a department of youth and sport. Similarly, Taie (2015), in a study in the healthcare sector, positive correlation between talent management and organisational success was found. Similarly, Kehinde (2012) found a positive effect of talent management on organization performances in his study in profit organisation

To this end, there is a clear need to link talent management to university performance in a study, to observe the reaction considering the important of talent management to organisational success. Also, looking at the role of human capital in determining the performance of a university it seems logical that talent management may have influence too. Hence, proposing this theoretical framework for better understanding and further empirical test.

Underpinning Theory

A resource-based view theory underpins this study as it focuses on internal factors that have an effect on organizational performance to achieve the competitive advantages (Barney, 1991; Collis, 1994). In addition, resource-based view conceptualizes the organization as a set of resources that differ in creating and adding value to the organization (Barney, 1991). Strategic talent management can be considered as intangible resources and capabilities that lead organisation to achieve competitive advantages. (Pablos & Lytras, 2008; Ulrich, 1991; Wright, McMahan & McWilliams, 1994).

PROPOSED FRAMEWORK

Building on the theoretical foundations discussed above a framework has been developed with two (2) variables for investigating the effect of strategic talent management on university performance independent and dependent variables repetitively. Figure 1 shows the picture of these relationships.

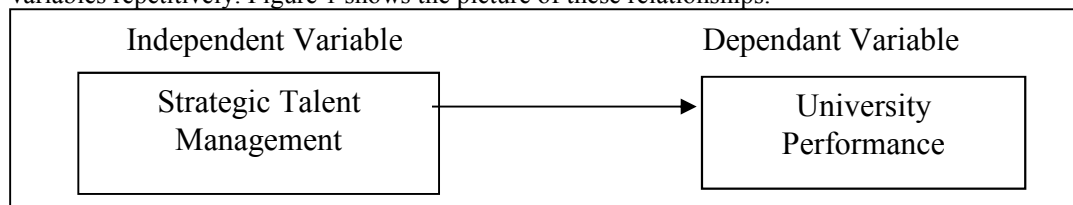


Figure 1: Proposed research framework

The above proposed conceptual framework shows the relationship between; strategic talent management, and university performance, as dependent and independent variable respectively.

CONCLUSION AND IMPLICATIONS

This paper has presented a framework on the relationship between strategic talent management and performance in the university context as depicted in Figure 1 above with some implications. First, if the proposed framework is validated, the finding will provide important insight to the university stakeholders into the significant role of strategic talent management in determining the performance of universities.

Second, the paper also suggests if the proposed framework is validated, the finding will have practical implications for selection and recruitment and staff development in the university, through talent management practices. Where talent are attracted, retained and developed. This implies that the issue of inadequate or low quality staff will be thing of the past in the university system.

SUGGESTIONS FOR FUTURE RESEARCH

This study provides good insights and foundation for future research on strategic talent management in the context of higher education mainly universities. Hence, the point that should be highlighted for future research is that the proposed framework needs empirical validation. And future research could examine the said relationship empirically in different industrial setting. And others may choose to conduct study and validate it in different countries and nations.

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