

IMPACT OF TALENT MANAGEMENT PRACTICES IN IT SECTOR

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ABSTRACT

Organizations use talent management as a deliberate technique to draw in, nurture, and keep the talented people who are essential to their success. In today's rapidly evolving business environment and intense competition for skilled professionals, effective talent management has become essential for achieving organizational success. Attracting top talent, fostering employee growth, putting succession planning into practice, raising employee engagement, and advancing diversity and inclusion are all included in the objectives. Issues include the skills gap, the leadership pipeline, and the consequences of remote work decisions. Organizations are seeing the value of talent analytics, ongoing learning, and strong recognition initiatives as they manage these difficulties. For businesses to maximize their human resources and adjust to the constantly shifting demands of the market, talent management is vital and dynamic.

KEYWORDS: Talent acquisition, Organizational development, Information Technology, Human resources, Workforce retention.

INTRODUCTION

Talent management is a strategic human resource approach aimed at attracting, developing, and retaining skilled employees to meet an organization's current and future business needs. The systematic process of recruiting, retaining, developing, and inspiring top performers inside a company is known as talent management. Talent management, an element of human resources management, helps organizations enhance the talent, including employee engagement, retention, skill development, succession planning, and other crucial talent-related tasks. Selecting the right candidates is only a single aspect of talent management. The capacity of an organization to meet its goals, adapt to change, and maintain its competitive advantage can all be significantly impacted by how well different processes are integrated.

NEED OF THE STUDY

The study investigates various talent management strategies employed by IT companies, such as recruitment, training, career development, and performance management. This includes assessing the effectiveness of these strategies in attracting and retaining top talent. It would analyze the relationship between organizational performance metrics, such as profitability, productivity, innovation, and employee retention rates. It would explore how a high-performing organization fosters a positive work environment that encourages employee satisfaction and loyalty. Furthermore, the study would delve into the specific challenges and opportunities within the IT sector regarding talent management and employee retention.

OBJECTIVES

- To ascertain the respondents' employee and demographic information.
- To examine the regression between talent management, organizational performance and employee retention within the company.

REVIEW OF LITERATURE

1. **Tamanna Agarwal (2018)** investigated the relationships between these three variables to see how they can help different IT-related organizations. In their study the primary data was collected from 68 IT professionals through questionnaires. Regression analysis and correlation were the

statistical tools employed in this study to investigate the relationship between high-performance HRM and practices and a number of organizational characteristics, including market value, turnover, and sales per employee. The study has concluded that the sample of organizations polled, the study has not found any evidence to indicate a decisive link between staff retention and organizational effectiveness

2. **Puja sareen and Shika mishra (2016)** examine the fundamental skill sets and abilities that every employee needs to acquire. In their study the primary data was collected from 206 IT professionals through questionnaires. The statistical tools used in this study were regression and correlation analysis to analyze data and it has found that Employees believe that in order to reduce attrition and improve overall organizational performance, IT companies should concentrate a little more on their talent retention strategy. Talent management should be a part of every IT company's business strategy or tactics in order to increase output, profitability, and performance, as the study's findings indicate that it has a substantial impact on organizational performance. Their competitive advantage in an ever-changing commercial and economic environment will enable them to grow and establish themselves in the market.
3. **R. V. Dhanalakshmi et al., (2016)** focused talent management practices are significant in the IT industries. Data collected from 500 respondents among IT professionals through questionnaires. The statistical tool used in this study was factor analysis and reliability. The study revealed that employer priorities and workers branding influence creativity and innovation.

RESEARCH METHODOLOGY

In this study were descriptive and analytical. A sample size of 250 and a convenience sampling method were adopted. The study is confined only to the HR of IT industries in Chennai city. The questionnaire was used to gather the primary data, whereas websites, published articles, and other sources served as secondary sources. A standardized questionnaire using a five-point Likert scale was used in an empirical investigation.

DATA ANALYSIS AND INTERPRETATION

❖ PERCENTAGE ANALYSIS

Table 1 Demographic Profile

Demographic profile	Category	Percentage
Gender	Male	60.6
Age	31-40	38.1
Education Qualification	Post Graduate Studies	30.7
Income	5,00,001-6,00,000	34.6
Marital Status	Married	55.5

- In the above table, the percentage of respondents according to gender: Male is 39.3 and the Female is 60.6
- 33.4 % of people have come under 21-30, 38.1 % have belonged to 31-40, 18.5 % of respondents come under the age category of 41-50, and only 9.8 % of respondents come under 51-60.
- Post graduate studies have covered about 62.5 %, under graduate studies have covered 30.7 % and the diploma have covered about 6.69%.
- 34.6 % of respondents have been covered under 5,00,001-6,00,000, 19.6 % of respondents have been come under 4,00,001-5,00,000, 21.2 % of respondents have come under 6,00,001-7,00,000, 12.9 % of respondents have been come under 7,00,001-8,00,000 and 11.4 % of respondents have been come under above 8,00,000.
- The percentage of respondents according to marital status: married were 55.5 and unmarried were 44.4.

Table 2 Employee Details

Employee details	Category	Percentage
No of Employees	1000-1500	33.8
Experience in HR Field	3 - 5 years	40.1
Experience in Current Organization	3 - 5 years	41.7

- In the above table, the percentage of respondents according to No of employees: 16.1% have come under less than 1000, 33.8% are covered under 1000-1500, 27.5% have come under 2000-2500 and 22.4 % have come under more than 2500.
- The distribution of respondents based on their experience in the HR field is as follows: 18.5% have less than 3 years of experience, 40.1% have between 3 and 5 years, 28.3% fall within the 6 to 10 years range, and 12.9% have more than 10 years of experience.
- 41.7% of respondents have been covered under 3 - 5 years, 29.5% of respondents covered under less than 3 years, 18.1% of respondents have been covered under 6 – 10 years, 10.6% of respondents covered under more than 10 years.

❖ **RELIABILITY TEST**

Table 3 Reliability Test

Factors	Cronbach's alpha	No of items
Talent management	0.831	8
Employee retention	0.817	8
Organizational performance	0.880	11

From the above table, reliability was found for 3 factors: talent management (83.1%) with 8 likert scale items, employee retention (81.7%) with 8 likert scale items, and organizational performance (88%) with 11 likert scale items.

❖ REGRESSION ANALYSIS

H_0 There is no relationship between talent management, organizational performance and Employee retention.

H_1 There is a relationship between talent management, organizational performance and Employee retention.

Table 4 Relationship between Talent management organizational performance and Employee retention

Variables	Regression Coefficients	t-value	Sig.
(Constant)	.314*	2.209	.028
TM	.388**	4.495	.000
OP	.517**	10.344	.000
F	296.516**		.000
R	.838		
R Square	.703		
Adjusted R Square	.700		

**significant at the 0.01 level. TM - Talent Management; OP -Organizational Performance; ER - Employee Retention.

The above table shows the alternative hypothesis was accepted. The result was that there is a relationship between the variables of talent management, organizational performance and employee retention.

IMPLICATIONS

Basically talent management in the IT sector will be a crucial role to play among talented employees. Its main theme is to attract, develop and retain skilled professionals. Employees have to take

advantage of training and development opportunities provided by the company to enhance skills and stay competitive in the industry which can increase job satisfaction and loyalty. Every company should concentrate a little more on their recruitment method and talent management practices. Organizational success indicates market position, innovation, work environment, customer satisfaction, financial stability and employee retention.

CONCLUSION

Recruitment and selection are key components of talent management strategy. Talent management leads to employee retention and performance. Businesses are well aware that having the greatest staff is essential to succeed in today's complicated and fiercely competitive global economy. Companies recognize that managing people is a crucial duty tool to get the best results, in addition to the requirement to hire, train, and retain qualified employees. According to the study's findings, employee retention and organizational performance are positively impacted by talent management strategies.

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