Talent Acquisition Management – A Study in IT and ITES Companies in Kerala

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ABSTRACT

Organizations need to strategically manage talent flows so that individuals with the needed competences are available, when needed and are aligned with the right jobs based on the organizations objectives (Iles et al, 2010; Tarique and Schuler, 2010). Talent acquisition forms a part of a much broader strategic approach in the corporate quest to gain and sustain a competitive advantage in today’s marketplace. The organisations should be aware of the strategic significance of talented employees to an organization’s success, understanding how to acquire such employees, manage them and optimize their contributions is an important learning point for any organization.

In this paper the researcher try to add light upon ‘Talent acquisition as a talent management tool’, and the strategic outcomes of having effective talent acquisition practices in IT and ITES companies.

Keywords--- talent acquisition, talent management, work force issues, strategic outcomes of talent acquisition practices.

I. INTRODUCTION TO THE PROBLEM AND THE BACKGROUND

“The process of attracting, recruiting and retain talented employees” (Creelman, 2004, p. 3). Thus talent management starts with talent acquisition practices.

III. OBJECTIVES OF STUDY

1. To determine the workforce issues faced by the IT and ITes companies in Kerala
2. To study the level of talent acquisition practices in IT and ITes companies in Kerala
3. To understand the strategic outcomes of effective talent retention activities in IT and ITES companies in Kerala

IV. RESEARCH METHODOLOGY

The “descriptive research design” is adopted for the analysis of the study. The primary data was collected through questionnaire method. The questionnaire contains questions concerning an array of areas.

The following factors are identified related to work force issues:

Insufficient external talent supply, insufficient internal talent supply, inefficient supply, career opportunities for employees, aging work force, attrition, compensation, disinterest in industry, inability to attract young talent, relocation problems and flexible working conditions. The level of work force issues was identified based on the output.

The level of talent acquisition practices were calculated based on the organisations involvement in:
1. Building strong job profiles
2. Looking at the competencies required for each role
3. Setting expectations with the hiring manager
4. Being more proactive in sourcing
5. Comparing applicants to the job

To identify the strategic outcome of talent acquisition practices, the following variables were taken into account: Cost of recruitment, vacancy rates, employer brand, filling the talent gaps.
V. SAMPLE

The total population is the IT and ITES companies functioning in Technopark, the IT Park in Kerala. The total sample size is 213. Out of these companies, 70 companies were selected as the researcher was permitted to conduct the study in those organisations. A structured questionnaire was distributed to each of these 70 companies, to be filled by their HR department.

VI. HYPOTHESIS

- There is a significant relation between talent acquisition practices and the work force issues in an organisation.
- The cost of recruitment will be reduced for the organisation with talent acquisition practices when compared to others.
- The vacancy rates will decrease for the talent acquisition practitioners when compared to non practising companies.
- The employer brand will be enhanced for the organisations with talent acquisition practices.
- The talent gaps will be reduced for those organisations with talent acquisition practices when compared to other organisations.

VII. TALENT ACQUISITION

Talent Acquisition is the process of finding, acquiring, assessing, and hiring candidates to fill roles that are required to meet company goals and fulfill project requirements. Talent Acquisition also ensures that newly hired employees are effectively and efficiently acclimated to the organization, enabling the organization to rapidly and fully benefit from their capabilities.

Talent Acquisition includes:
- Recruiting
- Talent assessment
- Talent selection (hiring)
- Onboarding

VIII. BEST PRACTICES IN TALENT ACQUISITION

Krist Skidmore put forward the following best practices in talent acquisition process. They are:

(i). Launch
- Build strong job profiles outlining characteristics, abilities, and qualification
- Look at the competencies required for each role in the future
- Set expectations with hiring managers (around deliverables, timing, etc.)
- Define who will be involved in the recruiting process, timelines, etc.

(ii). Sourcing
- Be more proactive in sourcing: meet regularly with departments to discuss anticipated hiring needs and work to establish a pipeline of candidates
- Be more creative in sourcing: utilize online social networks, regularly network in the community to reach new audiences, and reach out to more diverse organizations

(iii). Screening/Interviewing
- Compare applicants to the closely developed job profile and work with hiring managers to get them the best candidates
- Conduct initial phone interviews/screens as appropriate
- Identify technical screenings for added/increased credibility
- Remember to focus on culture/organizational fit

(iv). Hiring Decision and Onboarding
- Collect feedback from the team with the hiring manager making the final decision
- Place a strong emphasis on the fit of the candidate
- Focus on onboarding activities (have the hiring manager send a welcome letter/email/phone call and in some countries a welcome gift, have the relocation team touch base if needed, etc.)

IX. DATA ANALYSIS AND INTERPRETATION

Table No.1- Level of Work Force Issues

<table>
<thead>
<tr>
<th>Level of work force issues</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>46</td>
<td>65.6</td>
</tr>
<tr>
<td>Medium</td>
<td>23</td>
<td>34.3</td>
</tr>
<tr>
<td>High</td>
<td>1</td>
<td>1.4</td>
</tr>
</tbody>
</table>

70

Inference

46 respondents out of the total sample records that the work force issue in their organisation is less. 23 of the total respondents note that they face moderate workforce related issues. Only 1 organisation responded that they face high workforce related issues.
Table No.2 – Level of Talent Acquisition Practices

<table>
<thead>
<tr>
<th>Level of TA practices</th>
<th>Talent acquisition process</th>
<th>Internal recruitment practices</th>
<th>External recruitment practices</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>Low</td>
<td>17</td>
<td>24.2</td>
<td>18</td>
</tr>
<tr>
<td>Moderate</td>
<td>14</td>
<td>20.0</td>
<td>16</td>
</tr>
<tr>
<td>High</td>
<td>39</td>
<td>55.7</td>
<td>36</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100</td>
<td>70</td>
</tr>
</tbody>
</table>

**Inference**

39 respondents agree that the level of talent acquisition practices in their organisation is high. 14 organisations replied that they have a moderate level of talent acquisition practices in their organisation. Finally 17 of the total respondents tell that the talent acquisition practice in their organisation is low.

The internal recruitment practices in 36 companies are high. 16 companies have moderate internal recruitment practices in their organisation as a part of their talent acquisition process. 18 organisations, out of the entire samples responded that the level of internal recruitment practices in their organisation is low 20 organisations have low level of external recruitment practices. 48 organisations moderately adopt external recruitment methods for talent acquisition. Only 2 organisations have high level of external recruitment practices for their talent acquisition.

Table No3 – Relation between Talent Acquisition Practices and Work force issues, Internal recruitment practices and External recruitment practices

<table>
<thead>
<tr>
<th></th>
<th>Work force issues</th>
<th>Internal recruitment</th>
<th>External recruitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson correlation</td>
<td>-0.811</td>
<td>0.905</td>
<td>0.745</td>
</tr>
<tr>
<td>P value</td>
<td>&lt;0.001</td>
<td>&lt;0.001</td>
<td>&lt;0.001</td>
</tr>
</tbody>
</table>

**Inference**

The correlation analysis of the data shows that there is a significant relation between talent acquisition practices and workforce issues in an organisation at .01 level of significance.

The correlation analysis of the data shows that there is a significant relation between talent acquisition practices and internal recruitment practices in an organisation at .01 level of significance.

The correlation analysis of the data shows that there is a significant relation between talent acquisition practices and external recruitment practices in an organisation at .01 level of significance.

Table No.4 – Strategic outcome of Talent acquisition practices

<table>
<thead>
<tr>
<th>Strategic outcome</th>
<th>Recruiting Cost</th>
<th>Vacancy rate</th>
<th>Employer brand</th>
<th>Filling skill gaps</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>Yes</td>
<td>49</td>
<td>70</td>
<td>47</td>
<td>67.1</td>
</tr>
<tr>
<td>No</td>
<td>21</td>
<td>30</td>
<td>23</td>
<td>32.9</td>
</tr>
</tbody>
</table>

**Inference**

Out of the 70 samples considered, 49 respondents mentioned that their organisation could reduce the cost of recruiting. 21 organisations records that they could not reduce the recruiting cost.

47 respondents marked that their organisation has succeeded in reducing the vacancy rate. 23 organisations could not reduce the vacancy rates.

53 organisations respond that their organisation is successful in enhancing the employer brand. 17 organisation states that they could not enhance their brand.

Out of the 70 samples considered, 49 respondents agree that they could fill the talent gaps in their organisation. 21 organisations reply that they could not successfully fill the talent gaps in the organisation.

Table No.5 – Strategic outcomes of Talent Acquisition Practices

<table>
<thead>
<tr>
<th>Variables</th>
<th>Level of practices</th>
<th>Number</th>
<th>Mean</th>
<th>Std deviation</th>
<th>t - value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>No</td>
<td>21</td>
<td>14.19</td>
<td>3.14</td>
<td>10.8</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>49</td>
<td>23.08</td>
<td>3.14</td>
<td></td>
</tr>
<tr>
<td>Vacancy rate</td>
<td>No</td>
<td>23</td>
<td>14.26</td>
<td>2.85</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>47</td>
<td>23.42</td>
<td>2.77</td>
<td>12.8</td>
</tr>
<tr>
<td>Employee brand</td>
<td>No</td>
<td>17</td>
<td>13.25</td>
<td>1.43</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>53</td>
<td>22.72</td>
<td>3.52</td>
<td>10.7</td>
</tr>
<tr>
<td>Filling the gaps</td>
<td>No</td>
<td>21</td>
<td>14.47</td>
<td>3.09</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>49</td>
<td>22.95</td>
<td>3.48</td>
<td>9.6</td>
</tr>
</tbody>
</table>
**Inference**

It is clear from the above table that, there is a significant difference between level of talent acquisition practices and cost of recruitment. I.e, recruitment cost for organisations having high level of talent acquisition practices is less. The cost of recruitment for organisations with low level of talent acquisition practices is more.

Analysis of the data shows that, there is a significant difference between talent acquisition practices and vacancy rate in an organisation. The level of talent acquisition practices in an organisation is high, the vacancy rate is low. Those organisations, whose focus on talent acquisition practices is low, the vacancy rates are high.

The result of the study proves that, there is a significant difference between level of talent management practices and employer branding. The level of talent acquisition practices are high, the employer branding is more effective. Those organisation s with low level of talent acquisition practices are less successful in creating an employer brand.

The statistical analysis of the above table proves that, there is no significant difference between level of talent acquisition practices and talent gaps. Organisations with high level of talent acquisition practices have less talent gaps. In those organisations where talent acquisition practices are less, the talent gaps are more.

**X. DISCUSSION**

1. The statistical analysis of the result observes that the organisations with high level of talent acquisition practices have low work force issues in their organisation and vice versa. According to Abella (2006), “organisations which fail to attract talents will be globally less competitive”. The result of the study substantiates the statement that, “the organizations interested in maximizing productivity and effectiveness adopts systematic and rigorous approaches for attracting, selection, development and retention of talented key employees” (Huselid et al., 2005).

2. The analysis reveals that the organisations with high level of talent acquisition practices have more internal recruitment methods for filling the gaps. Organisations with high level of talent acquisition practices adopt lesser external recruitment methods in their organisation. Thus it can be concluded that the talent acquisition practices enable the organisation to fill the talent gaps internally.

3. It is proved from the statistical analysis that that organisations with high level of talent acquisition practices have succeeded in reducing the cost of recruitment. I.e. Effective talent acquisition results in decreasing the cost of recruitment.

4. Analysing effective talent acquisition practices and its impact on the vacancy rate in the organisation has proved that: Organisations with high level of talent acquisition practices have succeeded in reducing the vacancy rates in the organisation. I.e. Effective talent acquisition results in decreasing the vacancy rate.

5. Organisations with high level of talent acquisition practices have succeeded in enhancing the employer brand. I.e. Effective talent acquisition results in enhancing the employer brand.

6. Organisations whose focus on talent acquisition practices are high, has succeeded in filling the talent gaps. I.e. Effective talent acquisition results in less talent gaps.

**XI. CONCLUSION**

In this highly competitive market scenario, talent related issues are looming. Organisations should take specific initiatives now to better position themselves to meet the challenges of the talent shortage. Talent management and acquisition is of high importance for organizations that are highly dependent on talents. The study concludes that those organisations who are highly involved in talent acquisition practices had fewer work forces related issues bothering them. The study also bring to a conclusion that organisation’s with effective talent acquisition practices had better strategic outcomes like reduced cost of recruitment, enhanced employer brand, reduced vacancy rates, and less talent gaps. Therefore, it is reasonable to believe that the focus on talent acquisition activities will be a defining feature of the business success and organisational effectiveness.

**REFERENCE**

