

***The Effect of Talent Management Practices on Organizational
Success: Experience from Ethio Telecom – Jimma Town***

***A Thesis Submitted to the School of Graduate Studies of Jimma University in
Partial Fulfillment of the Requirements for the Award of the Degree of
Master of Business Administration (MBA)***

BY:

ALEEM ABDUL-KAREEM



**JIMMA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF MANAGEMENT**

**JUNE, 2017
JIMMA, ETHIOPIA**

***The Effect of Talent Management Practices on Organizational
Success: Experience from Ethio Telecom – Jimma Town***

BY:

ALEEM ABDUL-KAREEM

ID NO. RM 9590/08

Under The Guidance Of

PROF [Dr] A. RAMAKRISHNAN

AND

Mr. MOHAMMED YASIN



***A Thesis Submitted to the School of Graduate Studies of Jimma University in
Partial Fulfillment of the Requirements for the Award of the Degree of
Master of Business Administration (MBA)***

DECLARATION

I hereby declare that this thesis entitled “*The Effect of Talent Management Practices on Organizational Success: Experience from Ethio Telecom- Jimma Town*”, has been carried out by me under the guidance and supervision of Prof. A. Ramakrishnan and Mohammed Yasin.

The thesis is original and has not been submitted for the award of any degree or diploma to any university or institution.

Researcher’s Name

Signature

Date

ALEEM ABDUL – KAREEM

CERTIFICATE

This is to certify that the thesis entitled “*The Effects of Talent Management Practices on Organizational Success: Experience from Ethio Telecom- Jimma Town*”, submitted to Jimma University for the award of the Degree of Master of Business Administration (MBA) and is a record of bonafide research work carried out by Mr. Aleem Abdul-Kareem, under our guidance and supervision.

Therefore, we hereby declare that no part of this thesis has been submitted to any university or institution for the award of any degree or diploma.

Main Adviser’s Name

Signature

Date

Prof. A. Ramakrishnan

Co-Adviser’s Name

Signature

Date

Mr. Mohammed Yasin

JIMMA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
MBA PROGRAM

Board of Thesis Examination

Approval Sheet

Members of the Board of Examiners

External Examiner

Signature

Date

Internal Examiner

Signature

Date

Main Adviser

Signature

Date

Co-Adviser

Signature

Date

DEDICATION

I dedicate this research work to my parents and siblings for their enormous support, encouragement and prayers towards the success of my academic career.

ACKNOWLEDGEMENT

I am indebted to many people for their maximum co-operation and assistance which had helped to bring this work to fruition. I first of all convey my profound gratitude to my advisers; Prof A. Ramakrishnan and Mr. Mohammed Yasin for their continuous support and endless commitment in providing constructive comments, useful suggestions and guidance throughout the development of this research work. I am highly grateful to them for their marvelous supervisory role.

I also acknowledge the inimitable support and selfless services of staff and management of Ethio Telecom who sacrificed time and efforts out of their busy schedule to fill the questionnaires used for this study. I say a very big thank you to these respondents, because without their participation, this research work will not have been fruitful.

Furthermore, I express my sincere appreciation to my parents and siblings for their indispensable contributions, moral and financial support during my course of studies. I am also thankful to my lovely fiancée; Mustapha Umu-Hani for her patient and understanding for not being physically present for her during my course of studies. I am equally grateful to my beloved friends; especially, Wondewossen Bezabih, Ismail Kedir and Yasin Negash for being there for me anytime I need them throughout my stay in Ethiopia.

Finally, I am highly indebted to the ERMIT project and its management team for granting me the scholarship to obtain my master's degree at Jimma University, Ethiopia. My heartfelt appreciation also goes to my colleagues, Lecturers and administrative staff of management department of Jimma University and all those who through diverse ways contributed to this work.

TABLE OF CONTENTS

Contents	Page
ACKNOWLEDGEMENT	v
ABSTRACT	xii
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the Study	1
1.2 Background of the Organization	3
1.3 Statement of the Problem.....	5
1.4 Research Questions	6
1.5 Research Hypotheses.....	7
1.6 Objective of the Study	7
1.6.1 General Objective	7
1.6.2 Specific Objectives	7
1.7 Significance of the Study.....	8
1.8 Scope of the Study.....	8
1.9 Limitations of the Study	9
1.10 Organization of the Study	9
REVIEW OF RELATED LITERATURE	11
2.1 Theoretical Framework of the Study.....	11
2.1.1 Talent Management Theories.....	11
2.1.2 Theory on Talent Attraction.....	13
2.1.3 Theories on Talent Retention	14
2.1.4 The Concept of Talent and Talent Management	15
2.1.5 Growing Importance of Talent Management.....	17
2.1.6 Talent Management Practices	18
2.1.7 The Effect of Talent Management Practices on Organizational Success	20
2.2 Review of Empirical Findings	21
2.3 Conceptual Framework of the Study.....	23
2.3.1 Review of Variables	24
2.3.1.1 Linking Talent Management Strategy with Corporate Strategy.....	24
2.3.1.2 Recognizing and Rewarding High Potentials and Performers	25
2.3.1.3 Conducting Talent Review Sessions.....	26
2.3.1.4 Conducting Regular Performance Appraisals	27
2.3.1.5 Organizational Success	28
CHAPTER THREE RESEARCH DESIGN AND METHODOLOGY	30

3.1 Research Design.....	30
3.2 Sources and Type of Data.....	31
3.3 Study Population	31
3.4 Sample Size and Sampling Techniques.....	32
3.5 Data Collection Instruments and Procedures.....	33
3.5.1 Questionnaire.....	33
3.6 Validity and Reliability of the Instruments.....	34
3.7 Data Processing and Analysis	35
3.8 Model Specification and Study Variables	36
3.9 Ethical Consideration	37
CHAPTER FOUR.....	38
RESULTS AND DISCUSSION	38
4.1 Response Rate	38
4.2 Demographic Characteristics of Respondents	38
4.2.1 Age of Respondents.....	39
4.2.2 Gender of Respondents.....	39
4.2.3 Job Title.....	40
4.2.4 Length of Service.....	42
4.2.5 Terms of Employment	42
4.3 Talent Management Practices of the Organization	43
4.4 The Effect of Linking Talent Management Strategy with Corporate Strategy on Organizational Success.....	47
4.6 The Effect of Conducting Talent Review Sessions on Organizational Success.....	56
4.7 The Effect of Conducting Regular Performance Appraisals on Organizational Suc....	60
4.8 Multiple Linear Regression Analysis for the Overall Model	63
4.9 Organizational Success.....	66
4.10 The Role of Regional HR Supervisor on Talent Management Practices	68
4.11 Assumptions of Multiple Linear Regression	70
CHAPTER FIVE	71
FINDINGS, CONCLUSION AND RECOMMENDATIONS	71
5.1 Major Findings.....	71
5.2 Conclusions.....	74
5.3 Recommendations	76
5.4 Suggestions for Further Research	77
REFERENCES	79
APPENDIX I: QUESTIONNAIRE	88
APPENDIX II – ASSUMPTIONS OF MULTIPLE LINEAR REGRESSION	96

LIST OF TABLES

Tables	Page
Table 3.1 Summary of Reliability Test on Scale Items	35
Table 4.1 Response Rate	38
Table 4.2: Positions Held in the Organization	41
Table 4.3: Talent Management Practices	43
Table 4.4: Existence of Staff Member to Oversee Talent Management Initiatives	45
Table 4.5: Extent to Which the Respondents Agree to the Following Statements Being Part of their Organization's Talent Management Practices	46
Table 4.6: Linking Talent Management Strategy with Corporate Strategy	47
Table 4.7: Correlation between Linking Talent Management Strategy with Corporate Strategy and Organizational Success	49
Table 4.8: Model Summary for Linking Talent Management Strategy with Corporate Strategy	50
Table 4.9: ANOVA for Linking Talent Management Strategy with Corporate Strategy	50
Table 4.10: Regression Coefficient for Linking Talent Management Strategy with Corporate Strategy	50
Table 4.11: Recognizing and Rewarding High Potentials and Performers	52
Table 4.12: Relationship between Recognizing and Rewarding High Potentials and Organizational Success	54
Table 4.13: Model Summary for Recognizing and Rewarding High Potentials	54

Table 4.14: ANOVA for Recognizing and Rewarding High Potentials and Performers	55
Table 4.15: Regression Coefficient for Recognizing and Rewarding High Potentials	55
Table 4.16 Conducting Talent Review Sessions	56
Table 4.17 Correlation between Conducting Talent Review Sessions and Organizational Success	58
Table 4.18: Model Summary for Conducting Talent Review Session	58
Table 4.19: ANOVA for Conducting Talent Review Sessions	58
Table 4.20: Regression Coefficient for Conducting Talent Review Sessions	59
Table 4.21: Conducting Regular Performance Appraisals	60
Table 4.22: Relationship between Conducting Regular Performance Appraisals and Organizational Success	61
Table 4.23: Model Summary for Conducting Regular Performance Appraisals	62
Table 4.24: ANOVA for Conducting Regular Performance Appraisals	62
Table 4.25: Regression Coefficient for Conducting Regular Performance Appraisals	62
Table 4.26: Model Fit for all the Independent Variables and the Dependent Variable	64
Table 4.27: ANOVA for Overall Model	64
Table 4.28 Regression Coefficient and Parameters of Estimates	65
Table 4.29 Organizational Success	67

LIST OF FIGURES

Figure	Page
Figure 2.1: Conceptual Framework of the Study	24
Figure 4.1: Age of Respondents	39
Figure 4.2: Gender of Respondents	40
Figure 4.3: Length of Service	42
Figure 4.4: Terms of Employment	43
Figure 4.5: Rating of Talent management	44

LIST OF ABBREVIATIONS AND ACRONYMS

AAPAM	African Association for Public Administration and Management
BB	Broadband
BCG	Boston Consulting Group
CEO	Chief Executive Officer
CIPD	Chartered Institute of Professional Development
ETC	Ethiopian Telecommunications Corporation
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
IP RAN	Internet Protocol Radio Access Networks
MLR	Multiple Linear Regression
POS	Point on Sales
RBV	Resource Based View
SPSS	Statistical Product and Service Solution
TM	Talent management
VAS	Value Added Service

ABSTRACT

In this volatile and competitive business environment, talent management is found to be crucial for contemporary organizations, and their success is directly linked to the practices employed for talent management. Talent management practice is an approach used by organizations to attract, engage, develop, deploy and retain employees with the right skills, special abilities, high potentials, scarce knowledge or who can successfully bring about transformation and change in the organization. The study sought to determine the effects of talent management practices on the success of Ethio Telecom's business operations in Jimma town. Specifically, it looked at how linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers as well as conducting talent review sessions and regular performance appraisals affect organizational success. Both exploratory and explanatory research designs were used to achieve the purpose of this study. The study population was three hundred and fifteen (315). A sample size of one hundred and seventy six (176) was used, consisting of top management, middle level management, lower level management and operational staff. Both simple random and purposive sampling techniques were employed in selecting the sample size. A self-administered questionnaire was used as the main source of primary data collection and the company's periodical/website was the main source of secondary data. The data gathered were analyzed using SPSS version 22. The study found that talent management practices such as linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers as well as conducting talent review sessions had a significant positive influence on organizational success. However, the study found that regular performance appraisals did not have a significant impact on organizational success. It is recommended that Ethio Telecom should improve and emphasize its talent management practices; as doing so brings about greater organizational success. The particular practices should include linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers as well as conducting talent review sessions. The study suggests that future researchers should employ other elements as independent variables under talent management practices and investigate their effects on organizational success.

Keywords: Talent, Talent Management, Talent Management Practices, Organizational Success, Human Capital

CHAPTER ONE

INTRODUCTION

This chapter provides background information on the research topic, statement of the problem, purpose of the study, research questions, and significance of the study. It also includes scope of the study, limitation of the study and its organization.

1.1 Background of the Study

In today's hyper-competitive and increasingly complex global knowledge-based economy, the lack of clarity on the level of talent required to succeed is not exactly what organizations need to survive. But instead, having a meticulous, cyclical and ongoing practice around talent management will be the best differentiator between success and failure. Without talent, organizations are empty shelf. Talent refers to "the sum of a person's abilities; it includes his or her intrinsic gifts, skills, knowledge, experience, intelligence, judgment, attitude, character and drive. It also includes his or her ability to learn and grow" (Michaels et al., 2001: xii). This definition will be used in the context of this study to refer to employees who have the special abilities to perform certain tasks, have high potentials, scarce knowledge and skills or who can successfully bring about transformation and change in the organization. Such individuals are usually sought after in the market and their contributions to the organization add direct value to its success or competitive positioning (Axelrod, Michael & Handfield, 2001).

Talent management as a business success factor received attention in 1997 when the management consulting firm McKinsey & Company coined a phrase 'the war for talent' among winning organizations (Collings & Mellahi, 2009). McKinsey analysts interviewed several number of managers to determine what made the difference between successful and unsuccessful organizations and concluded that the best had leaders who were gripped with talent. Talent management refers to a process used by organizations to identify, capture, utilize, develop, grow and nurture the talent of employees to the benefits of the work team and the organization at large (Meyer, Becker & Vandenberghe, 2004). It is a continuous process that ensures that organizations have the right number of people and the right kind of people at the right place capable of meeting current and future business priorities. Talent management is the implementation of integrated strategies or systems designed to increase

workplace productivity by developing improved processes for attracting, developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs (Mudoli, 2008). Talent management also denotes a deliberate approach taken up by organization to attract, develop and retain people with the aptitude, special skills and abilities to meet not only the current requirements but also future organizational needs. It is worthy to note that up to date, there is lack of consensus among researchers and HR practitioners on the definition of talent management. As Aston and Morton (2005:30) noted that there "...isn't a single consistent or concise definition of talent management". Talent management researchers have to deal with the unresolved issues surrounding talent management's definition and its intellectual boundaries (Scullion, Collings & Caligiuri, 2010).

Some years back, organizations showed keen concerns for tangible resources, such as land, equipments and money, as well as intangibles such as brands, image, and customer loyalty. But, the times have changed. Organizations have now realized human capital is the backbone for performance, success and wealth creation. Indisputably, for organizations to succeed in this volatile business environment, they must have best practices for talent management in place. Talent management is one of the most important factors in ensuring sustainable organizational success (McDonnell et al., 2011). The ability of an organization to effectively attract, engage, develop, deploy and retain employees with the right skills and abilities at all levels is proven to be an efficient tool for its success and survival. Talent management practices have become the most critical aspect and common term in the strategic and managerial glossary of every type of organization for managing its talent pool (Saxena, 2013).

It is difficult, if not impossible for an organization to exactly replicate the quality and high caliber of workforce of another organization. It is however, practically possible for an organization to launch a new product and is cheaply imitated. An organization can also chase a lucrative market or lower the prices of its products and competitors will follow suit. It is therefore, necessary for organizations in this modern business era to develop and apply best practices for talent management in order to stay ahead of competition and ultimately being successful. Talent management practice refers to an approach used by organizations to attract, engage, develop, deploy and retain employees with the right skills, special abilities, high potentials, scarce knowledge or who can successfully bring about transformation and

change in the organization. Talent management best practices should assure organizations to build local talents in the way that is consistent with local norms but still globally standardized, which ensure that all parts of the organization attracts diverse and sufficient professional talents (Stahl et al., 2007).

The African Association for Public Administration and Management (AAPAM) found that African continent has not been able to recruit and retain well-trained and skilled personnel due to several challenges which include, among others, poor compensation, and an uncompetitive working environment. These factors, hence, lead to low organizational productivity and the migration of human resources. The exodus of highly skilled professionals to Europe and the United States is a daily occurrence in many African countries such as Ethiopia, Ghana, Kenya and Nigeria, and is largely responsible for talent scarcity (Gara, 2007). As a result many poor African countries lost highly skilled manpower to developed countries. This trend still persists up-to-date. There is therefore, the need for African countries to adapt an efficient and effective talent management practices in order to develop and retain these skilled professionals.

In Deloitte report (2015) on 10 major trends of Ethiopia Human Capital, where they used survey method to ask senior managers and HR respondents to assess the importance of specific talent challenges facing their organizations and to judge how prepared they were to meet these challenges. They used the respondents' responses to calculate for a 'capability gap' for each challenge; measuring the difference between an issue's importance and an organization's readiness to address it. The 10 major trends identified are; Performance Management, Learning & Development, Leadership, Culture & engagement, Reinventing HR, Simplifying Work, HR Technology, HR & People Analytics, Global HR & Talent Management and Workforce Capability. Global HR & talent management attracted an importance index of 75%, 48% readiness index and a capability gap of -27%. Based on this result, one can confidently say that the surveyed companies see talent management to be highly important but have shortfalls in readiness, thereby creating a wide capability gap.

1.2 Background of the Organization

The introduction of telecommunication service in Ethiopia started during the reign of Menilik; in 1894. Its services were provided under the Ministry of Postal and

Communications. In 1952 telecommunication services were separated from the postal administration and structured under the Ministry of Transport and Communications. In 1981, Ethiopian telecommunication service reorganized and named Ethiopian Telecommunication Authority (ETA).

In 1996 with the regulation number 10/1996 of the Council of Ministers, ETA changed into Ethiopian Telecommunication Corporation (ETC) to which all rights and obligations of the ETA transferred to the corporation. It is a public telecom operator and wholly owned by the government, which provides fixed line telephony, mobile telephone and internet and multimedia services for government organizations, private and commercial companies, international institutions and individuals. It is the sole provider of telecom services in Ethiopia (Ethiopian Telecommunications Corporation, 2017).

Furthermore, by recognizing the role of ETC as a key lever to the development of Ethiopia, the Ethiopian government has decided to transform the telecommunication infrastructure and services to world-class standard in 2010. Thus, ETC management decided to be outsourced to France Telecom Company. Thereby the new ETC recreated with the name of Ethio Telecom. France Télécom brought major international management practices, they drafted 460 business processes and 402 processes were applied. This change was implemented with the ambition to bring a paradigm shift in the development of the telecom sector that support the steady growth of Ethiopia and to tap the fast growing demand of telecom service especially around the horn of Africa (New Business Ethiopia, 2013).

The new Ethio Telecom was born with the view of delivering high quality service, work process efficient and cost efficient by making the hierarchical organizational structure lean and trim, tearing down barriers between departments, eliminating repeated work and empowering employees with the vision of being world best telecom service provider. Its Head Quarter is in Addis Ababa, and has regional presence in South West Region, North Region, West Region & Assosa, Gambella Region, South East Region, East & Jijiga Region, South Region, North West Region and North East & Semera Region. Ethio telecom generates revenue of over US\$ 300 million for the Ethiopian government, and was dubbed a cash cow by the current Prime Minister Hailemariam Desalegn (Ethio telecom, 2017).

Ethio Telecom Jimma Branch represents the organization in South Western part of the country. The organization has thirteen (13) active shops in this region, namely; Jimma, Agaro, Bedelle, Mettu, Gore, Masha, Teppi, Mizan, Bonga, Tercha, Sokoru, Marikato and Limmu Shops. The Jimma branch has seven divisions/departments, namely; Operations and Maintenance, Fixed Access Network, Direct Channel, Business Service, Physical Security, Finance and lastly Indirect Channel. These divisions have their own departmental managers who administratively report to the Chief Executive Officer (Representative) and functionally report to their respective Chief Managers in the Head quarter at Addis Ababa. The structure of the organizational as a whole is a functional – Matrix type, where at the regional level like the South-West region, the top most officer is the CEO representative, followed by the departmental managers (HR report, 2017). Pictorial information on the structure of the Jimma branch can be found in Appendix III

1.3 Statement of the Problem

The logic behind talent management is based on the fact that business is run by people, they are the ones who create values by using corporate assets to create products and services that people need. The implication is that the better the people an organization has, the better it will perform and this is the rationale behind talent management to attract, develop, and utilize the best brains to get superior business results (Tonga, 2007). Globalization has enabled talented employees not to limit the marketing of their skills within one region, but they can look for jobs in firms across the world. As a result of this, experts are concerned with the possibility of intense global competition for talents and therefore generate attention over how talent is recruited, retained, developed and managed (Cappelli, 2008). As stated by Michaels et al. (2001), due to enduring economic and social forces, ‘the war for talent’ will persist for the next two decades. The anticipated loss of talent in the next decade will vary by organization size, sector and industry (Collins, 2005). Public and government organizations are more concerned about the loss of potential talent than private companies (Morton, 2005). In the war for talent there are winners and losers, like in business there is success and failure. Therefore, an organization with talent management has more possibilities to be the winner in the war for talent (Williams, 2000). Hence, talent management practices should be top most priority for every organization that wants to succeed in this lean business environment.

Up to date, most studies reveal that talent management practices are either poorly applied or not existing in many organizations. Some of the most problematic practices relate to the acquisition and retention of talented employees, performance management and talent development (Du Plessis et al., 2010; Mpofu & Barkhuizen, 2013; Mtila et al., 2013). Leaders do not possess an adequate mindset towards effective implementation of talent management practices in the workplace (Magolego et al., 2013; Mpofu & Barkhuizen, 2013; Mtila et al., 2013). Poor application of talent management practices has an unfavorable impact on both individual level outcomes such as job satisfaction and motivation, as well as organizational level outcomes such as service quality and performance. This will obviously affect long-term success and survival of organizations. A lot of the existing literature surveyed focused on talent management processes, i.e. the set of steps developed by organizations in order to attract, develop and retain talented people (Stahl et al., 2012; Cappelli & Keller, 2014). But, not much attention is given to the study of talent management practices, hence, the key rationale behind this study. Also, a large portion of the existing studies focus on expected results of talent management in terms of motivation, competitive advantage, employees' retention, commitment, or individual well-being (see: Cappelli, 2008; Collings & Mellahi, 2009; Vaiman, Scullion & Collings, 2012; Kibui, 2015), and not in terms of organizational success. This prompted the researcher to link talent management practices to organizational success. As far as the researcher's knowledge goes, no research has been conducted on the topic in question in Ethiopia context. The current study therefore seeks to fill the existing research gaps and also provide a better understanding through the empirical evidence of the effect of talent management practices on the organizational success of Ethio Telecom – Jimma, Ethiopia. In this study, the independent variables are talent management practices, which encompass; linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers as well as conducting talent review sessions and regular performance appraisals. The dependent variable is organizational success.

1.4 Research Questions

In view of the research problem above, the following specific questions are to be addressed in this study:

- What is the effect of linking talent management strategy with corporate strategy on organizational success of Ethio Telecom – Jimma?

- To what extent does recognizing and rewarding high potentials and performers affect organizational success of Ethio Telecom – Jimma?
- How does talent review session affect organizational success of Ethio Telecom – Jimma?
- How does regular performance appraisal affect organizational success of Ethio Telecom – Jimma?

1.5 Research Hypotheses.

A hypothesis is a logical conjectured relationship between two or more variables expressed in the form of testable statements. The researcher came up with four hypotheses for the study.

- There is no significant effect of linking talent management strategy with corporate strategy on organizational success of Ethio Telecom – Jimma.
- There is no significant effect of rewarding high potentials and performers on organizational success of Ethio Telecom – Jimma.
- There is no significant effect of conducting talent review sessions on organizational success of Ethio Telecom – Jimma.
- There is no significant effect of conducting regular performance appraisals on organizational success of Ethio Telecom – Jimma.

1.6 Objective of the Study

The objective of the study is divided into general objective and specific objectives.

1.6.1 General Objective

The overall purpose of this study is to determine the effects of talent management practices on the success of Ethio Telecom’s business operations in Jimma town.

1.6.2 Specific Objectives

Specifically, the study seeks to achieve the following objectives.

- To explain the effect of linking talent management strategy with corporate strategy on organizational success of Ethio Telecom – Jimma.
- To describe the effect of recognizing and rewarding high potentials and performers on organizational success of Ethio Telecom – Jimma.
- To identify the effect of conducting talent review sessions on organizational success of Ethio Telecom – Jimma.

- To point out the effect of conducting regular performance appraisals on organizational success of Ethio Telecom – Jimma.

1.7 Significance of the Study

The findings of this study will be of great benefit to Ethio Telecom in evaluating the importance of talent management practices on its success in terms of profitability, productivity, sale increases, return on investment and competitiveness. It will also be of high relevance to the policy makers of the organization since its findings depict how the chosen variables of talent management practices affect organizational success and provide suggestions for improving the talent management practices of the organization in line with global best practices. It will also help the company to gain insights on how to retain its employees with high potentials/top talents and how to place the right person on the right job. The study will create awareness of the HR manager on how to use talent management practices to improve organizational success.

The study will also be of great significance to the government of Ethiopia since it provides information on implementation of talent management practices of a state company (Ethio Telecom). This study will not only benefit Ethio Telecom and Ethiopia, but it will be of immense benefit to other African developing countries, especially, members of the East African community that are culturally, economically and politically similar to Ethiopia. Finally, this study will be of high assistance to academicians, scholars and other stakeholders since it bridges the gap in existing literature works and increase the body of knowledge in the field of talent management practices and its effects on organizational success. Thus, it will serve as a reference source for further research to be carried out.

1.8 Scope of the Study

The study was conducted on Ethio Telecom – Jimma Branch, which is located in south-west part of Ethiopia, in Jimma town. This study focuses primarily on the effects of talent management practices on organizational success. The study specifically looks at how linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers as well as conducting talent review sessions and regular performance appraisals affect organizational success. The categories of employees that were targeted for the study include top management, middle management, lower level management

and operational staff. This general inclusion of staff was done in order to have a holistic picture of how talent management practices affect organizational success.

1.9 Limitations of the Study

The study experienced an initial slow response from the respondents who were mainly busy on official duties of Ethio Telecom but this was overcome by having constant follow-up on phone calls and personal visits to the respondents' offices. Some respondents of the organization were not also willing to divulge important or correct information. This nearly posed a major problem to the research study. However, efforts were made to convince the respondents that the information given will only be used for academic purposes and were assured of anonymity and confidentiality. Also, attempts were made to show the respondents how the research will be of immense benefit to them and the entire organization if it becomes successful. Some respondents also spent a lot of time in filling the questionnaires and some lost their copies of the questionnaires, hence extending the period of data collection for more than the intended duration. The researcher resorted to physically following up with them and replacing the questionnaires which were lost. Another limitation of this study is that it was conducted on Ethio Telecom offices in Jimma town only. Hence, it is not known to what extent one can generalize the findings from this study to other branches of Ethio Telecom and also other organizations across the country.

1.10 Organization of the Study

This study is structured in five chapters. Chapter one is the introduction and provides the background of the research, problem statement, research objectives, research questions, hypotheses, scope and significance of the study, limitation of the research as well as the organization of the study.

Chapter two reviews literature on the effects of talent management practices on organizational success. It provides theoretical framework on talent, talent management, growing importance of talent management, factors affecting talent management and talent management practices. It also provides empirical review of the effects of talent management practices on organizational success. The chapter ends with a conceptual framework of the study.

Chapter three covers the methods and procedures employed for the study. The research methodology outlines the research design, target population, sample size and sampling techniques, data collection instruments, reliability and validity of the instruments, methods of data analysis, model specification and ethical consideration.

Chapter four contains the results, descriptions of the results followed by interpretation of the results and discussion on what the researcher subscribes to the results. Finally, Chapter five ends the study with summary, conclusions and set of recommendations derived from the research findings as well as suggestions for further research.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

The essence of this chapter is to review existing literature in the area of talent management and its practices. This chapter is structured along several sub-headings including but not limited to the definitions of talent, talent management and growing importance of talent management, as well as talent management practices. This section in general is divided into three separate parts. These are theoretical framework, empirical findings and conceptual framework of the study.

2.1 Theoretical Framework of the Study

A theoretical framework is a collection of interrelated ideas based on theories. It attempts to clarify why things are the way they are based on theories; it's a general assumption about nature and phenomenon (Kombo & Tromp, 2006).

2.1.1 Talent Management Theories

The distinctive competency of the firm is linked to the resources, assets and skills possessed by the members of the organization and the optimum utilization of these resources result in organizational success. This study is anchored on Talent Based Theory, Human Capital Theory and Resource Based Theory.

Talent based theory states that talent is the only resource which may help in gaining and maintaining competitive advantage, and, therefore organizations must put a focus on attracting and maintaining the talented work force (Rabbi, 2015). The role of firms is neither the creation of talent nor the acquisition of talent, rather; the firm is considered as a talent integration institute, as talent resides in the heads of individuals and firms only integrates and provides system and structural arrangements for coordination and co-operation between the talented workers. It is a more recent theory of firms, which gives importance to develop and enhance the competency of the employees of the firm through a systematic process of talent acquisition and talent transfer and sharing to gain competitive advantage thereby leading to organizational success.

Human capital theory emphasizes the value added. Thus, investment in people by organization generates worthwhile return. This theory began to be seen as human investment in the 1960s, and developed to embrace the growth theory in the late 1980s. From the late 1990s to the early 21st century, the theory has explored elements of talent, uniqueness and individuality. Nafukho et al. (2004) viewed human capital theory as the main outcome from investment in people. It is the change that is manifested at the individual level in the form of improved performance, and at the organizational level in the form of improved productivity and profitability or at societal level in the form of returns that benefit the entire society. This theory views human capital as a form of resource that organizations can invest in and is of value to the organization to the extent that it makes the organization productive (Kessler & Lulfesmann, 2006; Lepak & Snell, 1999; Nafukho, et al., 2004; Strober, 1990). The theory further suggests that investment in people leads to economic benefit for the individual and the organization as a whole (Sweetland, 1996). This theory can assist future scholars in examining how organizations and individuals make decisions regarding investments in human capital (Tarique & Schuler 2010). In addition, investments related to attracting, developing, and mobilizing talent can be viewed as investments in the human capital of the firm. Human capital theory is associated with the resource-oriented perspective of the company, as described by (Barney, 1991).

Further, talent management and its link to organizational success can be expounded by the Resource Based Theory which provides explanations on how firms can create value by managing their resources including its employees (Ngari, 2013). The theory gives importance to building unique, hard to imitate and valuable resources as well as a dynamic way to integrate those resources to get success for the organization. According to the resource based theory, organizational success is dependent on the valuable, rare and hard to copy resources that reside in the organization and human resource is one of those scarce resources. This theory holds that rival firms compete on the basis of the heterogeneity and immobility of their resources and capabilities (Peteraf & Barney, 2003). Resources can be physical, human and organizational in nature, and they can be used to implement value-creating strategies. As was suggested by Barney (1991), resources which are valuable, rare, inimitable, and non-substitutable, have the potential to provide firms with a sustainable competitive advantage. According to this theory, the sustained competitive advantage is achieved when the company has the human resources that cannot be imitated or substituted by its rivals in the market. The competitive advantage a company needs to survive is obtained by using methods different

from those used by its competitors; therefore, each company will try to find (consciously or not) rare resources that are impossible to imitate, copy or replaced. A set of resources that seem to match the above criteria are talent assets. An understanding of the organizations human resources is necessary and closely related to organizational performance and profitability, where knowledge assets are essential sources of competitive advantage (Bowman & Toms 2010). A key principle within the Resource Based View (RBV) is that the value integrated in any strategy raises when the strategy consists of, and when the collection of resources are valuable, rare, imperfectly imitable and non-substitutable – the *VRIN-criteria* (Sparrow, 2010; Bowman & Ambrosini 2007, p. 369).

2.1.2 Theory on Talent Attraction

Maslow (1908-1970) need hierarchy theory was used to illustrate the concept of talent attraction and is based on the assumption that, human needs can be classified into five categories. At the bottom is the physiological need which is fundamental and must be satisfied before all other needs. Saleem (2006) noted that an organization can help individuals satisfy their needs by providing good pay, proper working conditions and other benefits. In the context of this study, the researcher argued that Maslow's theory could be used by Ethio Telecom to attract employees through congenial working conditions as supported by Mwangi (2009) who observed that organizations could provide basic needs through fair wages and safe working conditions.

Once the physiological needs are satisfied, safety needs become significant. These needs consist of physical safety or protection against fire, accident and economic securities against unemployment. An organization can influence safety needs by providing job security, pension plans, insurance plans, safe and healthy working conditions (Nzuve, 2009). It was deduced that employees could be attracted to organizations that satisfied their safety needs by having job benefits such as pension plans and safe working conditions. Next in the hierarchy is the social needs; man is gregarious in nature and a social being, therefore he has a need to belong and to be accepted by others. Social needs include need for love and affection, association with and acceptance by various social groups (Saleem, 2006). It could therefore be inferred that employees were attracted to work for an organization that satisfied their social needs by having good work–life balance as well as having good social net-working (Kelly, 2013). Self esteem involve how others see us at work and can be enhanced by

working for an organization with good employer brand and allowing employees to gain qualifications and high positions at work. In addition, employees would be attracted to work for organizations that give them room to grow to their full potential thus realizing self-actualization (Mwangi, 2009).

2.1.3 Theories on Talent Retention

The following theories were used to explain the concept of talent retention and organizational success. Firstly, the equity theory of motivation as advanced by Adams (1965). The theory is related to the potential rewards that are promised to an individual. The major tenet of the theory is balance or equity. For example, an individual motivation level is determined by how he/she perceives equity, fairness and justice practiced by the management (Nzuve, 2007). The implication is that the higher the degree of employees perceiving fairness, the more they are motivated to perform and also their levels of commitment increases and hence they are loyal to the organizations and are likely to remain there for long. This theory is based on the assumptions that individuals are concerned both with their own rewards and also with the reward of others in the same rank, and employees anticipate that an organization will treat them with fairness and equitability in terms of the input they make and the reward they receive. Moreover, Adam (1965) argues that those employees who perceive that their job input does not match the reward they get will seek to address this perception by either low performance or turnover.

In the context of this study, equity theory was important for employee retention, as it influenced the perception of employees working for Ethio Telecom on whether they are getting fair and equal rewards. Drafke & Kossen (2002) in support of this relationship argue that employees are probable to compare the inputs they devote to the work with the outputs they receive from the organization. Once they feel they get less output for the work they have done, they perceive this as unfairness and unequal and tend to be unsatisfied or not motivated and hence are likely to leave the organization. On the other hand, if employees perceive fairness and equity they are unlikely to leave. In the context of the current study it was inferred that organizations could retain their employees by having policies and strategies that employees perceive as fair and equitable for instance having competitive compensation system that has both internal and external equity.

Secondly, talent retention was also expounded by use of the Herzberg (1974) two-factor theory. It is based on the view that there are two factors that need to be present in an employee's job situation; hygiene and motivation. According to Herzberg (1974), there are some job factors that result to satisfaction while others prevent dissatisfaction. According to Herzberg, hygiene factors are those job factors that are important for motivation to take place at the work place. If these factors are not present, they lead to dissatisfaction. These factors include pay, working conditions, supervision and company policies and administrative policies (Nzuve, 2009).

On the other hand, motivational factors are those factors that lead to satisfaction of employees. These factors motivate employees to perform. These factors include recognition, sense of achievement, growth and promotion opportunities, responsibility and meaningfulness of the work (Nzuve, 2009). In the context of this study, the researcher argued that hygiene factors such as competitive compensation system and company policies like having flexible working hours and offer of employees insurance cover were associated with talent retention which leads to improved organization success, motivational factors too such as growth and promotion opportunities could be associated with talent retention strategies.

2.1.4 The Concept of Talent and Talent Management

Talent has become a hot issue in Human Resource Management (HRM), and has stimulated the interest of many academicians and HR practitioners on this concept. Many studies that have addressed the issue of talent and talented people have tried to determine a clear meaning to the term talent and the talented, but there are clear differences between specialists and researchers regarding this field. In theory, there is a group of researchers and experts who believe that some people are considered talented as they maintain exceptional and potential capabilities through which they can influence the efficiency and effectiveness of the organization in which they work (Vlădescu, 2012). While others argue that in practice, anyone who can have an influence in achieving the organization's objectives may be called a talented. Thus, the administration shall not focus only on a small group of those who possess exceptional capabilities as each individual has the capabilities and the possibilities that shall be motivated and cared to achieve a competitive advantage for the organization. Many of the behavioral and psychological studies in the field of personal characteristics are for the gifted and has shown that the difference between talented are represented in the difference in

thinking, skills, personality, abilities, knowledge, experience that they own, and the degree of influence of each of them on the work performed by each individual within the organization in line with the strategy of the organization (Fakhro, 2015). Talent is formative capabilities that are not linked to individual intelligence (Cappelli, 2008a). The ability in a specific field or natural ability with major efficiency (Collings and Mellahi, 2009)

Talent management is the implementation of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs (Mudoli, 2008). According to Collings and Mellahi (2009: 304) Talent management refers to “activities and processes that involve the systematic identification of key positions which differentially contribute to the organization’s sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization”. This definition looks at the strategic dimensions of Talent management. A series of good steps of identifying talent, attract, and develop them (Uren and Samuel, 2007). “Implementation of integrated strategies or systems designed to improve the recruitment and development of people and retain people with the required skills and a willingness to meet current and future organizational needs” (Li and Wang, 2010: 219). The systematic attraction, identification, development, engagement, retention and deployment of those individuals with high potential who are of particular value to an organization (CIPD 2006). Talent management is an integrated set of processes, programs and cultural norms in an organization, designed and implemented to attract, develop, deploy and retain talent to achieve strategic objectives and meet future business needs (Silzer and Dowell, 2010). At its heart, talent management is simply a matter of anticipating the need for human capital and then setting out a plan to meet it. It is a mindset, where talent is at the forefront of organizational success (Cappelli 2008). The recruitment, development, promotion and retention of people, planned and executed in line with your organization’s current and future business goals (Wellins et al 2006). Administrative system based on identifying the most important and sensitive jobs that contribute to the achievement of organization sustainable and competitive advantage by receiving the labor force appropriate to perform effectively and efficiently (Waheed et al., 2012). We understand talent management to be a distinctive process that focuses explicitly on those persons who have the potential to provide competitive

advantage for a company by managing those people in an effective and efficient way and therefore ensuring the long-term competitiveness of a company (Bethke-Langenegger et al 2011). Talent management involves integrated HR practices charged with attracting and retaining the right people in the right jobs at the right time. It is about attracting, identifying, recruiting, developing, motivating, promoting and retaining employees with strong potential to succeed within the organization (McDonnell, Lamare, Gunnigle, & Lavelle, 2010). TM covers a range of activities such as recruitment, development, deployment and retention, all of which are focused upon ‘talented’ individuals, with the key processes supportive of each other, and with a focus upon selected, critically valuable employees. The key challenges are thus, to attract, recruit, develop and retain such individuals. The focus here is on ‘talent pools’, both internal and external to the organization” (Iles, Chuai & Preece, 2010).

From the foregoing definitions, it is obvious that talent management is not an in itself. It is an ongoing process focusing on identifying, attracting, engaging, developing, sustaining and deploying individuals who are of particular value to an organization, either in view of their ‘high potential’ for the future or because they are fulfilling business or operation-critical roles. It is a process through which employers anticipate and meet their needs for human capital. Admittedly, all these definitions share common sense of direction that is ‘talent management’ is essentially a strategic kind of activity. They also differ in other respects. In particular, you will observe that some take a far narrower view. They also differ considerably in scope, in terms of the range of HRM and HRD activities that they see as being properly encompassed by ‘talent management’.

2.1.5 Growing Importance of Talent Management

At the present time, talent management is on the minds of many Human Resource Practitioners and academicians. Currently, the concept and practice of talent management is growing into what can be described as one of the most vital and critical functions of HR and Business Management. For instance, in 2005, searching the term ‘Talent Management HR’ received eight million hits using a well-known internet search engine (Lewis & Heckman, 2006), and by 2012, the same term got twenty five million hits. The term is also receiving high interest and attention from most organizations around the globe. Some years back, organizations gave keen concerns for tangible resources, such as land, equipment, and money as well as intangibles such as brands, image, and customer loyalty. But, the times have

changed. Organizations have now realized human capital is the backbone for performance, success, value and wealth creation. This explains why most organizations allocate over one-third of their revenues to wages and fringe benefits of employees. As Cheese, Thomas, and Craig (2008) suggested that leaders should adopt a new talent mindset towards the workplace that is inspired by new leadership approaches, new business strategies and new leadership capabilities. Senior managers should spend at least 30 to 50% of their time managing talent in human capital centric organizations (Lawler, 2008). In today's economy, 50% of Gross Domestic Product (GDP) in developed economies is knowledge based, which is centered on intellectual assets and intangible people skills (Dess & Picken, 1999). For organizations across the globe, talent management of knowledge workers and high potentials is of increasing strategic importance (Tymon, Strumpf, & Doh 2010; Vaiman, 2010). Organizations have learnt that depending on what your business strategy is and what challenges you may face, at any given time you need the right talent to execute that strategy or deal with that challenge (Gebelein, 2006). Talent management is one of the most important factors in ensuring sustainable organizational success (McDonnell et al., 2010).

2.1.6 Talent Management Practices

As stated by Michaels, Handfield-Jones, and Axelrod (2001) that due to enduring economic and social forces, 'the war for talent' will persist for the next two decades. It is therefore, crucial for organizations in this modern business era to apply best practices for talent management in order to overcome this war and stay ahead of intense global competition. Talent management practices have become the most critical aspect and common term in the strategic and managerial glossary of every type of organization for managing its talent pool (Saxena, 2013). Talent management practices fall into two distinct and equally dysfunctional camps: doing nothing or relying on complex and bureaucratic systems that grew up in an era when business was highly predictable. The reason so many organizations struggle with talent management is that established practice doesn't work (Cappelli, 2009). Talent management practice is an approach used by organizations to attract, engage, develop, deploy and retain employees with the right skills, special abilities, high potentials, scarce knowledge or who can successfully bring about transformation and change in the organization.

Wellins, Smith, & Erker (2010) in a white paper, identified best practices for effective talent management which can serve as a foundation for a talent management system. These practices are as follows;

- Organizations should start with the end in mind – talent strategy must be tightly aligned with business strategy. Effective talent management requires that your business goals and strategies drive the quality and quantity of the talent you need.
- Talent management professionals need to move from a seat at the table to setting the table. Many have a seat at the table, where they're involved in discussions about business and leadership strategies that were previously held behind closed boardroom doors. But securing the right to listen in is not enough. Talent managers need to own parts of the process and serve as partners, guides, and trusted advisors when it comes time to talk talent.
- Organizations should recognize that potential, performance and readiness are not the same thing. Many organizations understand the idea of a high-potential pool or a group of people who receive more developmental attention. But sometimes, they fail to consider the differences between potential, performance, and readiness.
- Organizations should not equate software to talent management. Claiming a piece of software can provide a full talent management system is a bit like a food processor will produce a five-star meal. The right tools clear the path for smoother execution and may improve the end product. But, tools mean nothing without the right expertise and the right ingredients behind them.
- Organizations must know what they are looking for – the role of Success Profiles. Numerous studies show that companies with better financial performance are more likely to use competencies as the basis for succession management, external hiring, and inside promotions.
- Talent management is more about the “hows” than the “whats”. Organizations have many “whats” relative to talent management, including executive resource boards, software platforms, nine box grid comparing potential to performance, development plans, and training. These “whats” promise nothing on their own. Guarantees come from “hows” instead.

Halogen Software Inc. (2016) identified seven talent management practices to help organizations survive a downturn as follows: Align individual and organizational goals and effectively track their progress, Conduct regular employee reviews to keep employee

performance on track, Identify and reward high performing employees, Provide ongoing feedback to maximize performance, Invest in performance-based development, Have a succession plan and Be as efficient as possible.

In Oracle report (2013) concerning Talent Management Best Practices, the following were identified: Develop a social recruiting strategy, Identify top performers internally and externally, Leverage your talent to drive overall performance and competitiveness, Engage line managers to discuss performance with direct reports, Automate talent management, Cascade companywide goals across the entire organization

2.1.7 The Effect of Talent Management Practices on Organizational Success

If a firm wants to be successful, it must invest in talent management of their workers to obtain some conditions in the company like good business environment (Snell, 2007). For talent to be cultivated; the employee must be able to experience both intrinsic and extrinsic reward from their job and should the employee find job interesting and challenging, they will exert all necessary effort in doing the job and therefore lead to increased productivity (Davis et al., 2007). More than any other asset, talent provides the potential for long-term competitive advantage (Lawler, 2008). It means that companies recognize the importance of talent management integration with business strategy to get organization excellence (Boudreau & Ramstad, 2007). Talent management is important when the firms would like to build winning teams which will be formed by talented people (Davis et al, 2007). They can use these teams to solve problems or weaknesses in their organization because they have competent and experienced people in those fields.

Talent management practices can create the most permanent competitive advantages; new technologies and innovations can easily be replicated by competitors and generate only temporary competitive advantages. Sustained competitive advantage comes from talent management practices. Thus, how the organization attracts, develops, retains, motivates, manages, and rewards its talent (Heimen et al., 2004). Like a machine, a business will fail to operate successfully if key elements such as processes, systems, and structure are misaligned or hindered by friction between those element and like a machine, a business must be designed, operated, and maintained. These functions are performed by the talent – the human

capital employed by the enterprise. The collective skills of the talent employed in an organization largely comprise the organization's core capabilities.

There are three factors that should be considered in order to sustain success in the firm, the first factor is the creation of the career paths and reward and development plan for the most talented employees as this will ensure the high quality in the company. The second factor is the development of key positions in the organization and the last factor is the segmentation of the talented pool into each investment category and managing the investment in each category appropriately (Ballesteros et al, 2010). The differentiation point of any business is the skills that its employees possess. Companies that are industrial leaders have devised best plans in attracting, hiring and developing and retaining top performing talents (Snell, 2007). Strategy has to be integrated in all levels or functions of the organization (Davis et al., 2007).

2.2 Review of Empirical Findings

A number of studies have been conducted on a related area – the effect of talent management practices on organizational success. As far as the researcher's knowledge goes, no research has been conducted on the topic in question in Ethiopia context. Herein is a critical review of some of the related studies.

Aurangzeb & Bhutto (2016) conducted a study on the influence of talent management in enhancing organizational performance in service sector companies of Pakistan. Their results revealed that talent management has significant effect on organizational overall performance. The study used survey method to collect the data from the organization. Descriptive and inferential tests were also performed. Also, Moayedi & Vaseghi (2016) pointed out in their study that financial value of organizations depends on the quality of their talents, and talents can quickly increase the financial value of the organization. As a result, talents have a positive impact on the performance and success of the organization. Likewise, Ifeoma, Purity & OKoye-Nebo (2015) concluded in their research that an integrated talent management practice will help in recruiting and retaining essential talent that will work towards achieving organization success and sustainable growth. Thus, effective talent management ensures that organizations can successfully acquire and retain essential talent.

Lyria (2014) carried out a study on the effect of talent management on organizational performance in firms listed in Nairobi Stock Exchange (NSE) in Kenya and found that the

talent management had positive and significant influence on organization performance. He then recommended that talent management practices should be emphasized, as doing so brings about superior organizational performance. Cross sectional survey designs was used and stratified simple random sampling technique was employed by the researcher. Questionnaires were the main instruments of data collection and the NSE handbook (2013) was the main source of the secondary data.

As Tiwari (2013) quoted Anand (2004) who explored to understand the talent management practices, innovation and process in a major telecom company in India. The researcher revealed the process of effective management of talent pool which led to enhanced employee engagement and reduced attrition and proportionately increases the average tenure of employees. It further concludes that every organization in whatever sector it serves should have defined capabilities in terms of skills, knowledge, ability and behavior. A gap analysis should be conducted by assessing every employee's competency profile and correct if there are any deficiencies that exist between the actual and the desired current performance. The study also concludes that talent management should be made mandatory as it fosters a lot of innovative ideas to an organization which ultimately leads to its growth and success. Thus, implementing an effective talent management strategy, organizations can ensure that the right people are selected at the right time for the right job.

Kehinde (2012) carried out a study on the effect talent management practices on organizational performance in Nigeria and had the following findings; the results showed that there was evidence that talent management practice, profitability and return on investment were highly correlated. However, talent management index had a higher correlation with profitability level at 3.72 than with return on investment at 3.64 which was attributed to the general belief in Nigeria that the organizations pursue the profit motive at all cost including the use of talent management. The study results showed that 95% of organizations visited were either applying talent management or partially applying talent management. The questionnaires were used as the survey method of primary data collection. Correlation coefficient and t-student distributions were methods used in the analysis of data gathered.

Bano et al. (2011) studied talent management in the corporate sector in Islamabad, Pakistan and found out that talent management has positive significant influence on employee attitudinal outcomes and organizational effectiveness like employee work engagement, turnover

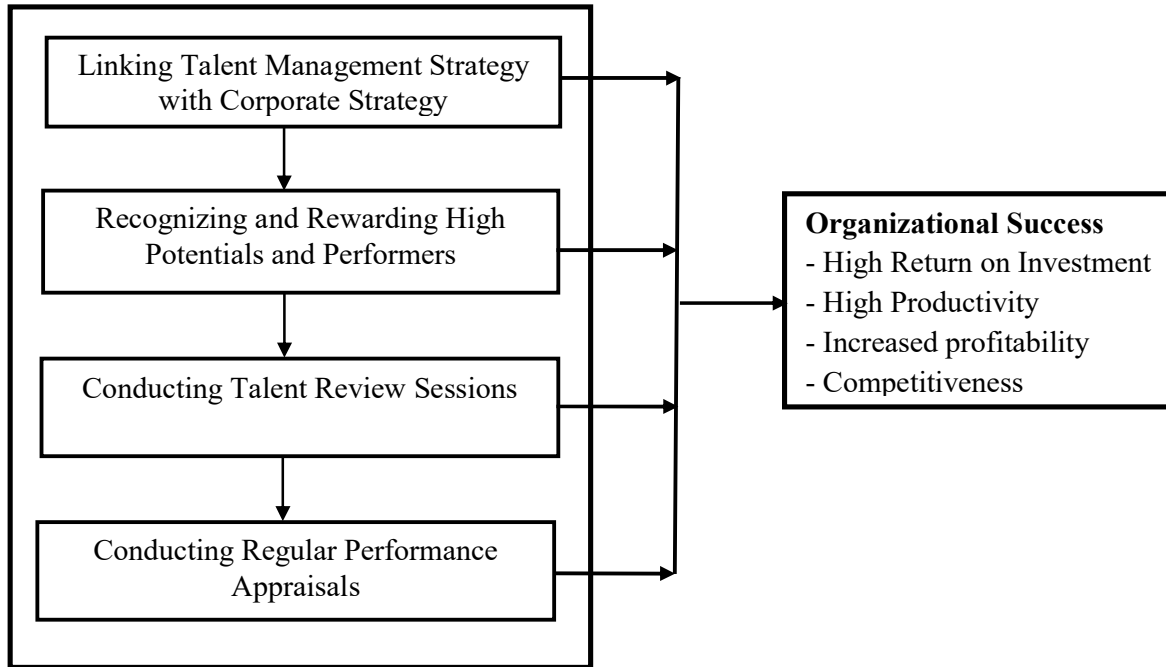
avoidance, and value addition. They concluded that organizations, which are enthusiastic for gaining competitive advantage over their business rivals, need to manage their talent in vigilant and effective ways. The company that manages their talents well delivers better results for shareholders.

Huselid (1995) study shows that a standard deviation increase in high performance talent-management practices is associated with good economic returns. Those select companies, in the top 15 percent of all those in the study in terms of their use of high performance talent-management practices, were associated with the following financial advantages A seven percent decrease in turnover, an increase of \$3,800 in profits per employee, \$27,000 in sales per employee, and an increase of \$18,600 in market value per employee.

2.3 Conceptual Framework of the Study

A conceptual framework is the diagrammatic presentation of variables, showing the relationship between the independent variables and the dependent variable. In this study, the independent variables are talent management practices, which encompass; linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers as well as conducting talent review sessions and regular performance appraisals. The dependent variable is organizational success. These variables were cautiously selected by taken cognizance to the theoretical review on talent management practices and the study area. The study sought to understand the effects of these independent variables on the dependent variable. This relationship is presented schematically in the conceptual framework in Figure 2.1;

Talent Management Practices



Independent Variables

Dependent Variable

Figure 2.1: Conceptual Framework of the Study

2.3.1 Review of Variables

Detailed descriptions or review of the independent variables and dependent variable are as follows:

2.3.1.1 Linking Talent Management Strategy with Corporate Strategy

This involves tightly connecting or aligning talent management programs with business objectives and strategies. Thus, organizations must treat business decisions and talent management decisions under one umbrella and carefully tie talent management strategies with organizational strategies. If this matching is accurately done, organizations will have the right number and right kind of people at the right place capable of achieving the long-run business goals (Abdul-Kareem, 2016). Ensuring that talent management efforts support critical organizational strategies will ultimately lead to optimal performance. If an organization doesn't connect talent management strategies to corporate strategies, it cannot know what skills will be needed in the future. This is why many organizations that failed to

do this have ended up with generic pools of high-potential leaders who lack the right skills for the roles the organizations now required to fill.

Boswell and Benson (2000) contended that the human nature is in constant need of recognition and when they are recognized, either positively or negatively; it spurs them to do more. In Boston Consulting Group (BCG) report on '*Creating people advantage, 2012: Mastering HR challenge in a two-speed world*', they proposed that every organization should develop "a talent strategy that corresponds to market conditions and business while also generate suitable economic returns" so the organizations would sustain their competitive advantage over their rivals (BCG, 2012: 20). Though the report does not give any specific recommendation on how to build up the "talent strategy", it is obvious that practitioners are aware of talent management's strategic position.

To identify talent strategy and how to align it to business strategy, HR professionals participate in business strategy planning meetings with company business leaders. After each business unit forms its strategy, HR puts needs together in a group and then identifies required organization changes and talent requirements. In this process, HR works out the talent strategy together with business leaders. After the talent strategy is ready, HR sits down with business leaders to see if the talent development approach meets talent needs and how to connect it to the business strategy. This process ensures business leaders engagement in talent development activities (Xue, 2014)

2.3.1.2 Recognizing and Rewarding High Potentials and Performers

It is necessary as part of effective talent management practices for organizations to identify high performers and employees with potentials. The Global Leadership Forecast report (2015), states that only about half of the world's organizations identify high potentials and thirty-nine (39) percent have programs to accelerate development. On the other hand, high performers are employees organizations cannot afford to lose. They help organizations to achieve competitive advantage and reach its strategic goals. Hence, organizations should acknowledge their performance, not only through salary increments, bonuses or other monetary rewards but also through demonstration of organizational commitment to them and other non monetary compensation.

Rotundo (2002) argues that reward systems ought to be a significant sphere of innovation for employers. She is of the view that increasing diversity of the workforce suggests the need for more creative approaches to tailoring the right rewards to the right people. It would, however, be impossible to list all of the various types of recognition and rewards that companies actually give their workers. It is clear that recognition and rewards – as part of a more comprehensive effort at keeping workers or adopting good workplace practices can contribute to increased performance and consequently, organizational success. Also, Pratheepkanth (2011) postulated that a reward system is an important tool that management can use to channel employee motivation in desired ways. In other words, reward systems seek to attract people to join the organization to keep them coming to work, and motivate them to perform to high levels. The reward system consists of all organization components – including people processes rules and decision making activities involved in the allocation of compensation and benefits to employees in exchange for their contribution to the organization. A well crafted reward system, which consists of monetary and non-monetary benefits, will ultimately ginger employees to contribute high performance thereby leading to organizational success.

The category “recognition and rewards” is in some ways a catch-all phrase as it includes a diverse range of formal and informal, financial and non-financial, incentives given to individual employees, groups of employees or to an entire staff. They come in all shapes and sizes: small employee of the month awards (e.g., gift, certificates, recognition plaques, company-sponsored sports teams, company parties, prizes, clothing, etc). They are often incorporated into a company’s overall Human Resource policy, but are just as often awarded “as the need arises” and at the discretion of middle-level managers or team supervisors (Amoako, 2012).

2.3.1.3 Conducting Talent Review Sessions

A talent review session is a meeting to engage more senior business leaders and experienced organizational development facilitators in sharing and discussing talent information. This ensures organizations have the right talent today and in the future for greater performance (Abdul-Kareem, 2016). A talent review is a formal meeting where senior leaders discuss information related to past performance and future potential, particularly of those employees being considered to occupy key positions in alignment with the business strategy. Highly

successful companies look at their present key positions, as well as those that will exist in the next five years, to prepare internal candidates or begin to search for external candidates whenever they conduct a talent review (Piña-Ramírez & Dávila, 2015).

As the backbone of a solid talent-management strategy, talent reviews are a practical way to identify top performers, see where leadership gaps exist, and plan for developing employees who have the potential to move into larger roles. When operated to its fullest potential, the talent-review system can have a real and enduring impact on business results (Ammon & Falvey, 2016). Bersin by Deloitte, defined talent review as a meeting in which business leaders discuss talent information, often as part of an overall succession management process; agree who the high-potential talent is; facilitate a collective understanding of the bench strength; and create essential development plans.

The purpose of a talent review is to answer several critical questions at a department, unit, or team level: Who are our top and our low performers? What are the strengths and development needs of our talent? What key roles will we need to fill in the future, and who is ready to take these on? What development plans should we put in place to improve readiness? Where are we at risk for talent-retention problems? (Ammon & Falvey, 2016). This will help organizations to assign high potentials to critical roles in line with their business needs thereby leading to organizational success. To ensure individual biases do not occur in the talent review process, managers are taught to set the stage for an open dialogue, but to not dominate the discussion. During the process, conversations must be rooted in objective metrics and observations of behavior. To avoid the “I won’t challenge you if you don’t challenge me” issue, facilitators should encourage constructive conflict between participants (Aon-Hewitt, 2013).

2.3.1.4 Conducting Regular Performance Appraisals

Regular performance appraisal provides an opportunity for managers and employees to discuss performance levels, review past achievements, current challenges, ongoing goals and skill development. Performance appraisals also open a forum to discuss skill sets, career aspirations and development plans that address performance gaps. For employees to perform at their best, it is critical to provide them frequent and quality feedback with specific details on areas they are performing well and where improvement is needed. Unfortunately, recent

studies on talent management show that managers are poor at conducting regular performance appraisals. For instance, the Brand Hall Group's Report, (2015) on 'Building the Business Case for Investing in a Talent Management Strategy' found sixty-four percent (64%) of organizations indicated that their managers were fair or poor at providing regular, timely and in-the moment feedback to employees regarding performance.

Kuvaas (2006) posits that employee's performance appraisal is a method by which the job performance of an employee is evaluated (generally in terms of quality, quantity, cost and time) typically by the immediate line manager or supervisor. According to Rudman (2003), performance appraisal policy is a critical factor in an organization in enhancing the performance of the employee. Further, there is a strong connection between how firms manage their employees and the organizational results they achieve. As indicated by Ford (2004), to transform the organization from best-effort into a results-driven organization, performance appraisal policy should be used to better reward high performers and directly target poor performers for improvement.

Grubb (2007) says performance appraisal is a procedure to evaluate how individual personnel are performing and how they can improve their performance and contribute to overall organizational success. Employees are likely to feel more satisfied with their performance appraisal results if they have the opportunity to talk freely and discuss their performance. It is also more likely that such employees will be better able to meet future performance goals (Scott and Einstein, 2001). In this regard, Selvarajan and Cloninger (2009) revealed that effective performance appraisal system results in improving performance of employees and motivating them. It can identify weak performers and strong performers within organizations. On the other hand, Roberts (2002) asserted that accurate and reliable performance appraisals help organizations to support and reward their most capable employee

2.3.1.5 Organizational Success

Success is measured by analyzing where the organization is with regards to its long-term goals and mission. There is no question that organizational success in both the short and long-term requires a solid talent acquisition strategy. According to Russell (2014), a successful company is one which behaves ethically and legally, creates value, independent of the owners' efforts. This usually results in a sustained stream of profit, and a positive market

value, representing the anticipated future profits. A successful business is one that produces a very acceptable return on the assets employed. It is that which is positioned to keep on running well without depending on the owner to be in daily attendance (Changing Minds, 2012). Lucky, Olusegun & Bakar (2012) affirmed that business success is defined as the ability of the business to achieve its stated objective. It is the achievement of the business with regards to its business goals. It is having set of goals and achieving them. According to Lucky (2011), business success tends to provide information on efficiency, growth, profit, size, liquidity, market share and leverage. It supplies information about the business development and most predominantly, the profitability of the business. Therefore, business success indicates that the business is profitable, effective, efficient and meeting the needs of its stakeholders.

2.4 Conclusion

In summary, this chapter mainly covers theoretical framework, empirical findings and conceptual framework of the study. Under theoretical framework of the study, the researcher employed talent based theory, human capital theory and resource based theory to explain the link between talent management and organizational success. Theoretical review was also made on the concept of talent and talent management, talent management practices, effects of talent management practices on organization success, among others. In the empirical review, many of the previous studies in line with the current study found that talent management practices have significant positive impact on organizational success. The researcher schematically presented the relationship between the independent variables and the dependent variable under conceptual framework of the study. Thus, linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and conducting talent review sessions as well as regular performance appraisals were used as independent variables while organizational success was used as dependent variable.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This chapter discusses the methodological approach for the study and it comprises the research design, population, sample size and sampling procedures, as well as data collection instruments and data analysis techniques. In addition, the researcher presented the reliability and validity of the instruments used, as well as ethical consideration.

3.1 Research Design

Kothari (2004) as cited in Abok, (2015) defines research design as the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to research purpose with economy in the perspective. The research design is the conceptual structure within which research is conducted; it constitutes the blueprint for the collection, measurement and analysis of data. Considering the objectives and coverage of this study, the researcher used both exploratory and explanatory research designs. The main purpose of exploratory research design studies is that of formulating a problem for more precise investigation or of developing the working hypotheses from an operational point of view. The major emphasis in such studies is on the discovery of ideas and insights (Kothari, 2004). An exploratory research design was adopted given that the research problem has few earlier studies to rely upon to predict an outcome of the study, especially, in the context of Ethiopia where no previous research is conducted on the topic under consideration. The focus therefore, was on gaining insights, first-hand experience and familiarity on the topic for later investigation. According to Saunders, Lewis and Thornhill (2009), explanatory research is about studying a situation or a problem in order to explain the relationships between variables. Explanatory research design explains or describes causal relationships between variables. Explanatory research design was used to determine and explain the relationship between the dependent variable – organizational success and the independent variables – talent management practices (linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers as well as conducting talent review sessions and regular performance appraisals). Thus, the explanatory research design was employed to accurately depict how talent management practices affect organizational success. The researcher also made use of both qualitative and quantitative data to gain in-depth understanding of the situation about talent management practices and organizational

success. The quantitative approach was used to quantify the hypothesized relationship between the dependent variable (organizational success) and the independent variables (talent management practices).

3.2 Sources and Type of Data

In order to generate relevant data for this study, both primary and secondary data sources were considered. According to Biggam (2008), primary data is the information that the researcher finds out by him/herself regarding a specific topic. Louis et al (2007) describes primary data as those items that are original to the problem under study. Primary data were collected mainly through administration of semi-structured questionnaires to the respondents. The main advantage of primary data is that it is collected afresh and for the first time and thus happens to be original in nature. This means the information resulting from it is more consistent with the research questions and purpose.

Secondary data involves the data collected using information from studies that other researchers have made of subject (Dawson, 2009). Zikmund (2003) describes secondary data as data collected by others and found by the comparative researcher in ethnographies, censuses and histories. Secondary data provided the researcher with the opportunity to better understand and explain the research problem. These data were used to establish the viable platform for the theoretical framework constituting the bases of this research, and to design the sample frame and questionnaire for collecting the primary data. Secondary data were compiled from many sources like the website, periodicals/manuals of Ethio Telecom, library books, published project reports and articles.

3.3 Study Population

The target population defines those units for which the findings of the study are meant to generalize. A study population is the entire group of people to which a researcher intends the results of a study to apply (Aron & Coups, 2008). A population is a well defined or set of people, elements, and events, group of things or households that are being investigated to generalize the results. Therefore, the target population for this study was employees and management of Ethio Telecom offices in Jimma town. In total, there were three hundred and fifteen (315) workers, comprising top management, departmental managers and other employees (The organization workforce report, 2017 from HR department).

3.4 Sample Size and Sampling Techniques

Ethio Telecom Jimma Branch represents the organization in South Western part of the country. Beside the main branch, there is another office/shop of the organization in Marikato which was also considered in this study. A sample must represent well the characteristics of the population. It has to be accurate as studying the entire population (Kothari, 2004). Out of the total target population, one hundred and seventy six (176) was used as sample size comprising of managers and employees from the seven main divisions/departments of the organization. The seven main sections include Operations and Maintenance, Fixed Access Network, Direct Channel, Business Service, Physical Security, Finance and lastly HR/Indirect Channel. Accordingly, the sample size was calculated using Slovin (1960) sampling formula as cited in Njeri (2013), as follows;

$$n = N / (1 + Ne^2)$$

Where; n is the sample size.

N is the total target population

e is the acceptable significance level; 5% will be used in this scenario.

$$n = 315 / \{1 + 315(0.05)^2\}$$

$$n = 315 / \{1 + 0.7875\}$$

$$n = 176$$

In selecting the sample size, both simple random and purposive sampling techniques were used. The lottery method of simple random sampling technique was used in choosing the employees while the purposive sampling technique was used in choosing the departmental managers and the HR manager. The lottery method of simple random sampling technique gave each participant in the population equal chances of being selected and all choices were independent of one another. Thus, it has the propensity of reducing researchers' biases. Since the population was a finite one, the lottery method of random sampling technique was done by writing names and job titles of participants on pieces of papers. These papers were then folded and kept in a container. Afterwards, the papers were thoroughly mixed up and 176 draws were made one after the other without replacement, representing 176 participants. However, the purposive sampling technique was employed due to the departmental managers' and the HR manager's specialized knowledge and experiences relating to the issue under study. The rationale for choosing the top managers/departmental managers was because they are directly responsible for the organizational success. They also set strategic

and action plans on the long term objectives of the organization. Obviously, without HR managers/professionals, talent management practices will not be effective in an organization. They determine the components of talent management practices that should be instituted in an organization and how these should be implemented. This explains why the regional HR manager was captured in this study.

3.5 Data Collection Instruments and Procedures

Zikmund (2003) defines data collection tools as the instruments used to collect information in research or the methods employed to collect research data. The choice of the methods to use is influenced by the nature of the problem and by the availability of time and money (Cooper & Schindler, 2006). In order to ensure valid and reliable information are collected from the respondents, semi-structured questionnaires were administered as the main instrument for the study.

3.5.1 Questionnaire

Agyedu et al. (2011:108) explained that a questionnaire is a “written instrument that contains a series of questions or statements called items that attempt to collect information on a particular topic”. It is a technique for securing answers to questions by using a form which the respondents fill by themselves. Questionnaire was used because it is a more efficient way of collecting data from respondents. It is not time consuming and a more appropriate instrument to collect data from a large number of people at the same time. The data provided by questionnaires can be more easily analyzed and interpreted than the data obtained from verbal responses. Questionnaires give better uniformity across measurement situations rather than interviews. The questionnaire was prepared with both open-ended and closed-ended questions and was distributed to the respondents in order to elicit their views concerning the effects of talent management practices on organizational success. The use of open-ended questions enabled the respondents to feel free and gave them the opportunity to provide in-depth responses, whereas the close-ended questions provide guided responses. The closed ended questions which were designed on an ordinal scale of measurement basis (1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree and 5=Strongly Agree). This gave insights on how the variables could be ranked to measure the degree of their strength or the agreement or the disagreement of the respondents on the variables. The questionnaires consist of five parts. The first part was to collect data on the demographic characteristics of the respondents. The second part was meant to elicit the views of the respondents concerning the talent

management practices of their organization. The third part was dedicated to the independent variables or the chosen elements of talent management practices. The fourth part was devoted to the dependent variable and the last part was exclusively meant for the HR manager alone on his role regarding talent management. One hundred and seventy six (176) questionnaires were distributed. The researcher administered the questionnaires individually to all respondents of the study. Before distributing the questionnaire, the researcher contacted the respondents and clarified the purpose of the instrument and made brief discussion on how to fill the instrument on the correct way. The study exercised due care and control to ensure all questionnaires issued to the respondents were received and to achieve this, the researcher maintained a register of questionnaires which were sent, and those which were received. In brief, the researcher ensured higher return rate for plausible conclusion about the problem.

3.6 Validity and Reliability of the Instruments

Validity can be defined as the degree to which a test measures what is supposed to measure. As pointed out by Healy and Perry (2000), validity determines whether the research instrument truly measures that which it was intended to measure. Thus, validity measures how truthful the research results are or the extent to which scores truly reflect the underlying variable of interest. Validity of the data collection tools was done by including items that are objective and actual representation of the subject matter. Validity was also established by seeking the opinions and views of experts in the field of talent management practices as well as considering related theoretical framework. Thus, panel of experts in the field studied were contacted to identify the content area. Whereas, reliability refers to the extent to which an instrument yields the same results on repeated trials. A reliable instrument consistently yields the same results when used repeatedly to collect data from the same sample drawn from a population (Orodho, 2008). According to Sekaran (2003), reliability of a measure is an indication of stability and consistency with which the instrument measures the concept and helps to assess the goodness of the measure. Thus, the extent to which any measurement procedure produces consistent results over time and an accurate representation of the total population under study is referred to as reliability. The researcher used Cronbach's Alpha as a measure of internal consistency. The Cronbach's alpha measures reliability using coefficients ranging from 0 to 1. Cronbach's Alpha is a reliability coefficient that indicates how well items in a set are positively correlated to one another. Reliability coefficients less than 0.6 are considered poor, reliabilities ranging from 0.6 – 0.7 are considered questionable,

reliabilities ranging from 0.7 – 0.8 are considered acceptable, and those coefficients above 0.8 are considered good (Sekaran 2003). An alpha of 0.7 or above is considered to be reliable as suggested by many researchers (Davis 2000). To test reliability of data collection instrument, the researcher conducted pilot study by distributing 25 questionnaires to some selected employees of Ethio Telecom, who were later not part of the study sample size. Table 3.1 is a summary of the reliability test based on the Cronbach alpha coefficient for the five scale items in the data collection instrument.

Table 3.1 Summary of Reliability Test on Scale Items

Sub-Scales	Number of Items	Cronbach Alpha
Linking Talent Management Strategy with Corporate Strategy	6	0.764
Recognizing and Rewarding High Potentials and Performers	7	0.802
Conducting Talent Review Sessions	4	0.723
Conducting Regular Performance Appraisals	4	0.731
Organizational Success	4	0.783

Source: Field Data, 2017

From table 3.1 above, the Cronbach alpha coefficient values ranged from a low of 0.723 to a high of 0.802. Since all alpha values are found to be above the threshold point of 0.7, reliabilities of the measurement instruments are considered adequate. Thus, with regard to the individual scales; the Cronbach alpha coefficients obtained for the various scales which was mainly 0.7 is considered acceptable.

3.7 Data Processing and Analysis

In the data processing procedures; editing, coding, classification and tabulation of the collected data were done. Data processing has two phases, namely; data clean-up and data reduction. During data clean-up, the collected raw data were edited to detect anomalies, errors and omissions in responses and checking that the questions were answered accurately and uniformly. The process of assigning numerical or other symbols came next which was used to reduce responses into a limited number of categories or classes.

The data analysis was guided by the research objectives, questions and hypotheses. The data were presented in a manner that allowed for easy analysis, interpretation and testing. After

the questionnaires had been administered, the mass of raw data collected from the field were systematically organized to facilitate data analysis. Descriptive and inferential statistical analyses were carried out using Statistical Product and Service Solutions – SPSS version 22 (formerly known as Statistical Package for Social Sciences). Descriptive statistics generated such as frequencies, percentages, mean scores and standard deviations were presented in tables and figures. Descriptive statistics enable the researcher to meaningfully describe a distribution of measurements and also describe, organize and summarize data (Mugenda & Mugenda, 2003). Inferential statistics such as correlation coefficient, model summary, ANOVA and coefficient of regression were used to test for the strength of the relationship between the dependent and the independent variables. Thus, they were used to ascertain acceptance or rejection of the research hypotheses.

3.8 Model Specification and Study Variables

The study made use of multiple linear regression analysis to test the statistical significance of the four independent variables (linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers as well as conducting talent review sessions and regular performance appraisals) on the dependent variable (organizational success). Faraway (2002), states that multiple linear regressions are used in situations where the number of independent variables is more than one. Multiple regression analysis is also valuable in quantifying the impact of various simultaneous influences upon a single dependent variable. Jackson (2009), states that multiple regression analysis involves combining several predictor variables on dependent measure. The basic purpose of using regression equation on this study is to make the study more effective at describing, understanding and predicting the stated variables. It was also used to determine whether the null hypotheses should be rejected or retained.

The following multiple linear regression model was used to fit the data.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where;

Y is organizational success.

β_0 is the intercept or the constant which is the value of the dependent variable when all the independent variables are 0.

ϵ is the error term or natural variation in the model.

$\beta_1, \beta_2, \beta_3, \beta_4$ = Regression coefficients of the predictors which measure the change induced by X_i ; $i=1, 2, 3, 4$ on Y .

X_1 = Linking talent management strategy with corporate strategy

X_2 = Recognizing and rewarding high potentials and performers

X_3 = Conducting talent review sessions and.

X_4 = Conducting regular performance appraisals.

Definitions and detailed descriptions on these variables can be obtained in chapter two under review of variables.

3.9 Ethical Consideration

Ethics refer to norms governing human conduct which have a significant impact on human welfare. Ethics in research has to do with the responsibility of researchers to be honest and respectful to all individuals who are affected by the research studies or reports of the results of the studies (Gravetter & Forzano, 2006). To ensure that ethical principles are upheld, a research permit/introductory letter was obtained from the Research and Postgraduate Office of the College of Business and Economics of Jimma University before embarking on the data collection. The respondents were informed of their rights to participate or not in this study. Information provided by respondents was not transferred to a third party or was not used for any other purpose other than academic. Thus, they were assured of utmost confidentiality and anonymity of their responses. In this regard, the names of the respondents were not disclosed.

CHAPTER FOUR

RESULTS AND DISCUSSION

This chapter describes the methods applied in order to achieve the study objectives or answer the research questions. It focuses on presenting, analyzing, discussing and interpreting the results of the study. The chapter presented the empirical findings and results of the application of the variables using descriptive, inferential and qualitative analysis. The chapter is organized under the following sub-headings; response rate, demographic characteristics of respondents, talent management practices of the organization, linking talent management strategy with corporate strategy, recognizing and rewarding high performers and conducting talent review sessions as well as conducting regular performance appraisals. Also, multiple linear regression analysis for the overall model, organizational success, and the role of the regional HR manager were presented and discussed under this chapter.

4.1 Response Rate

The number of questionnaires that were administered was one hundred and seventy six (176). A total of one hundred and fifty five (155) questionnaires were properly filled and returned. This represented an overall successful response rate of 88%. The remaining 12% failed to properly fill the questionnaires and some declined returning them. Babbie (2004) asserted that return rates of 50% are acceptable to analyze and publish, 60% is good and 70% is very good. The achieved response rate was more than 70% which implied that the response rate was very good. The response rate is presented on table 4.1.

Table 4.1 Response Rate

Response	Frequency	Percent
Successful	155	88
Unsuccessful	21	12
Total	176	100

Source: Survey Data, 2017

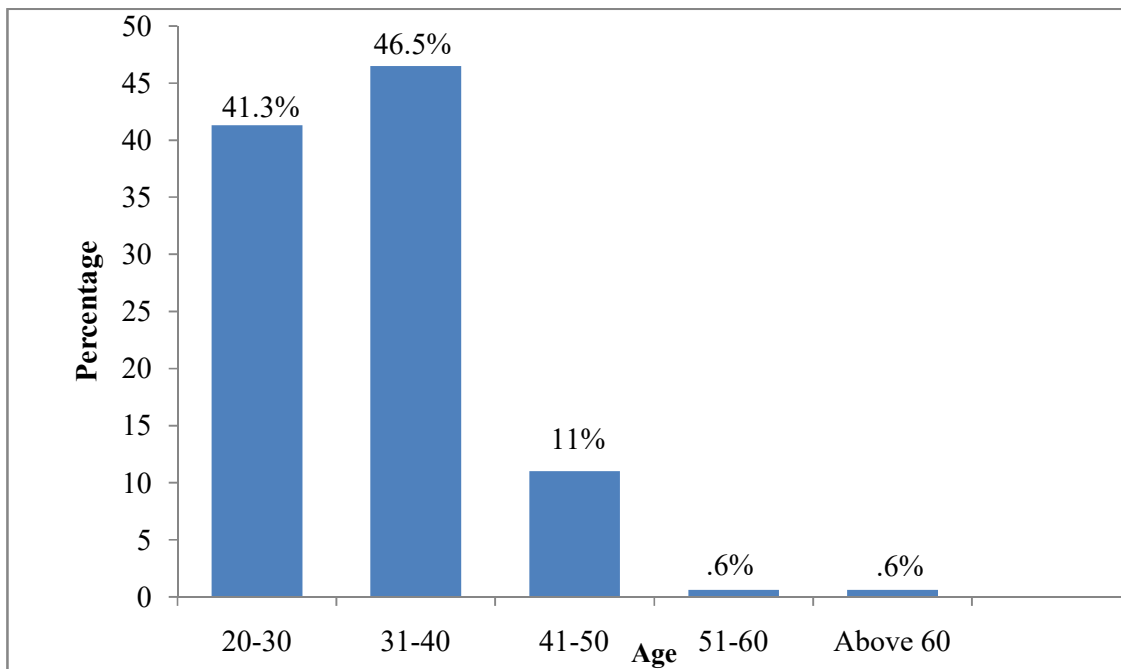
4.2 Demographic Characteristics of Respondents

The demographic data collected include age, gender, job title, years worked in the current organization, and terms of employment.

4.2.1 Age of Respondents

The study sought to identify the different age categories of the respondents. As figure 4.1 shows, majority of the respondents were aged between 31-40 years, as accounted for 72 of the respondents constituting 46.5%, followed by 64 of the respondents representing 41.3% in the age category of 20-30 years. While 17 of the respondents constituting 11% were between 41-50 years. Whereas, age categories of 51-60 years and above 60 years attracted 1 respondent each representing 0.6% for each category. The findings indicate that majority of the respondents are in the economically active age group and in their youthful stage of life, since about 88% of the respondents fall in the age categories of 20-30 years and 31-40 years. These findings coincide with Kibui (2015), who studied the effect of talent management on employees retention in Kenya's State Corporations and found that majority of the respondents were between the age of 36-40 years as accounted 35.1%, followed by 26.4% who aged between 31 to 35 years. In effect, she found majority of the respondents in the economically and youthful age group.

Figure 4.1: Age of Respondents

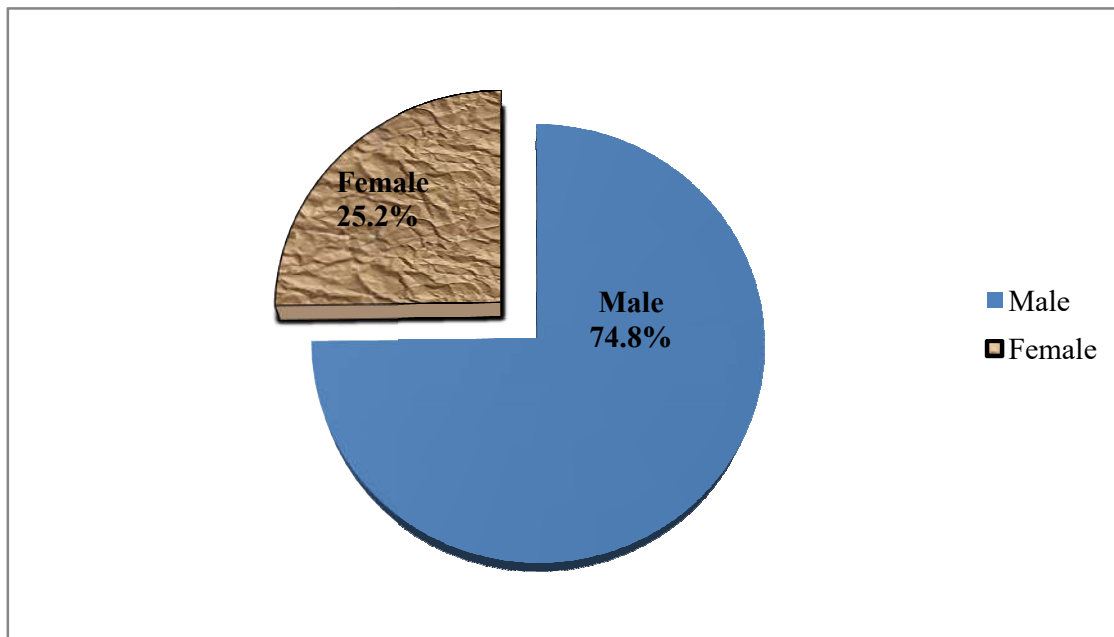


4.2.2 Gender of Respondents

The study findings as presented in figure 4.2 revealed that 116 representing 74.8% of the respondents were males while 39 representing 25.2% of the respondents were females. Hence, majority of the respondents were male. These findings concur with Aljunaibi (2014),

who investigated the impact of talent management practices on employee engagement in semi-government organizations in Abu Dhabi, UAE, and found that majority (71%) of the participants were male and 29% of them were female employees. It is not surprising in my case that majority are males due to the nature of work done at Ethio telecom. Most of the works of the company are technical and field work, making it difficult for females to largely partake. However, efforts should be made by management of the company to convince or persuade more females to join its workforce. This will help in promoting gender balance and equality. As Kireru (2013) cited (Acker, 2006), that gender equality was very important as a trait, as it can be used to improve talent management of all the staff involved. He argued that it fosters teamwork and also creates a sense of unity and an aspect of working together for a common goal with every individual effort being important to the attainment of the overall objectives.

Figure 4.2: Gender of Respondents



4.2.3 Job Title

The respondents were asked to indicate the positions they hold in the organization. Results in table 4.2 revealed that 34.8% of the staff holds different technicians' positions (IP-RAN & BB Technician, IT Technician, Line Technician, Power Technician, RAN Technician, and General Technician), followed by 9.7% of the workers being sales representative. Majority of the workers being Technicians shows the suitability of the chosen organization (Ethio

Telecom) for the research topic. The frequencies and percentages of the rest of the positions held by respondents are displayed in table 4.2:

Table 4.2: Positions Held in the Organization

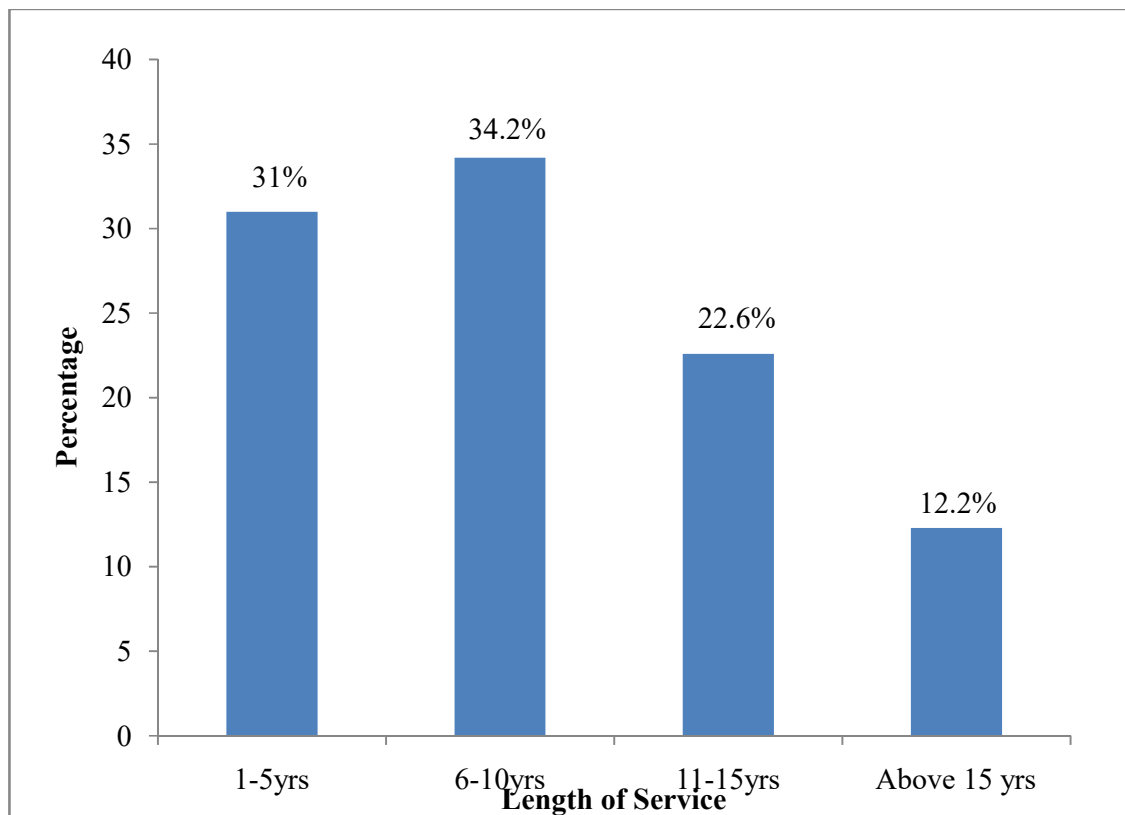
Job Title/Position	Frequency	Percent
Accountant	8	5.2
An Intern	1	0.6
Cashier	8	5.2
Driver	10	6.5
Engineer	3	1.9
Enterprise Sales Specialist	1	0.6
Sourcing and Facility (S & F)	2	1.3
Finance Manager	1	0.6
HR Administrator	5	3.2
HR Specialist	1	0.6
IP RAN & BB Technician	3	1.9
IT Specialist	2	1.3
IT Tech Support Advisor	1	0.6
IT Technician	1	0.6
Line Specialist	7	4.5
Line Technician	10	6.5
Departmental Manager	4	2.6
Optical Fiber Cable Spec.	3	1.9
Payroll Accountant	1	0.6
POS Coordinator	2	1.3
Power Specialist	1	0.6
Power Technician	13	8.4
RAN Specialist	1	0.6
RAN Technician	5	3.2
Regional HR Supervisor	1	0.6
Procurement Administrator	1	0.6
Sales Coordinator	1	0.6
Sales Executive	6	3.9
Sales Representative	15	9.7
Sales Specialist	5	3.2
Shop Supervisor	2	1.3
Supervisor (N-5)	8	5.2
Technician	22	14.2
Total	155	100.0

Source: Researcher's Field Survey, 2017

4.2.4 Length of Service

The respondents were asked to indicate how long they have been employed in the organization. From the findings presented in figure 4.3, majority (53) of the respondents representing 34.2% indicated they had served Ethio Telecom for a period ranging between 6-10 years. The second highest value is 48 representing 31% of the respondents indicated they had served the organization for 1-5 years. Whereas, 35 constituting 22.6% and 19 constituting 12.2% of the respondents specified they had served the organization for periods ranging 11-15 years and above 15 years respectively. These findings differ with Kibui (2015), who studied the effect of Talent Management on Employees Retention in Kenya's State corporations and found that majority (36.9%) of the respondents had served in the State Corporations for a period ranging between 4 to 6 years.

Figure 4.3 Length of Service

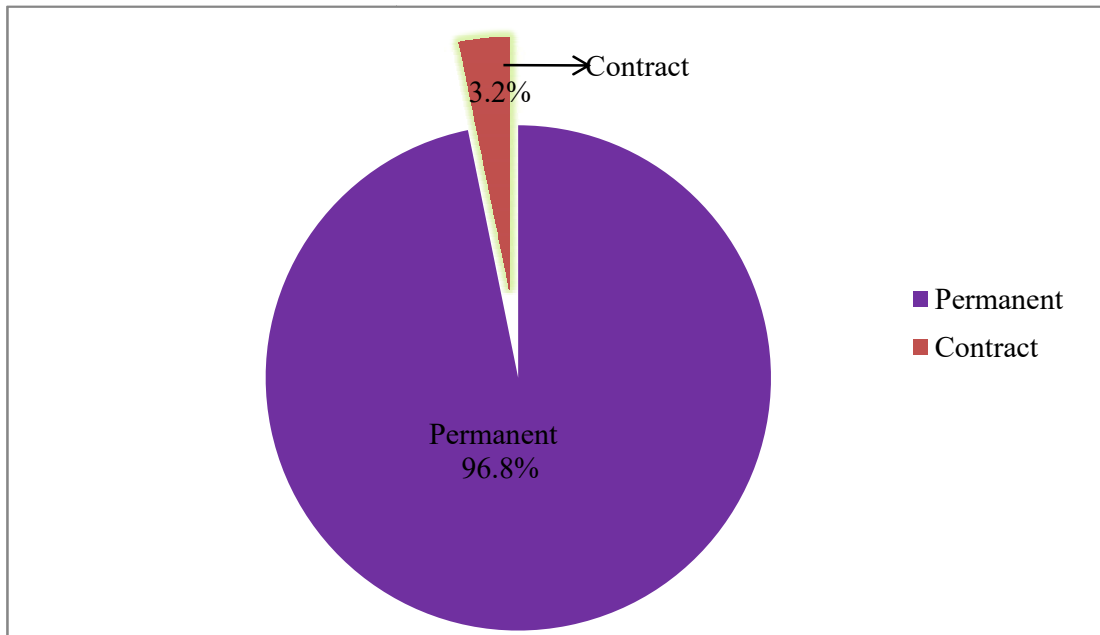


4.2.5 Terms of Employment

The study found it relevant to determine the respondents 'terms of employment' in terms of permanent or contract type of employment in order to ascertain whether the existing employees have long term benefits or would have long term benefits from the organization's

existing talent management practices. The findings of the study as displayed in figure 4.4 revealed 150 of the respondents representing 96.8% were permanently employed while 5 of the respondents representing 3.2% were on contract employment basis. This implied that majority of the respondents were working on permanent term of employment. These findings coincide with Njeri (2013), who studied the challenges affecting implementation of talent management in Kenya Broadcasting Corporation and found that majority of the respondents were working on permanent basis.

Figure 4.4 Terms of Employment



4.3 Talent Management Practices of the Organization

A) The respondents opinions were sought on whether there is a practice or an approach used by their organization to attract, engage, develop, deploy and retain employees with the right skills, special abilities, high potentials, scarce knowledge or who can successfully bring about transformation and change in the organization. This is to confirm or determine the presence of talent management practices in the organization. From the responses received, it is evident from table 4.3 that there is a high presence of talent management practices in Ethio Telecom. This is so because, majority of the respondents constituting 93.5% said there is talent management practices in place, while 6.5% of the respondent said no.

Table 4.3: Talent Management Practices

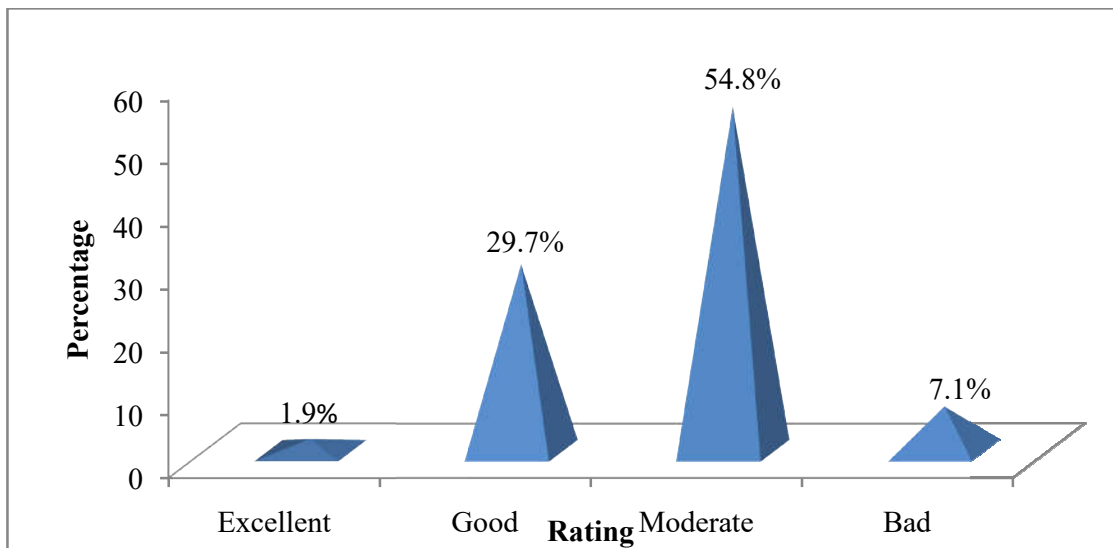
Response	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	145	93.5	93.5	93.5
No	10	6.5	6.5	100.0
Total	155	100.0	100.0	

Source: Researcher’s Field Survey, 2017

B) Rating of Talent Management Practice

Those who said ‘Yes’ to the existence of talent management practice in the organization were asked to proceed in rating it in terms of it being ‘excellent’, ‘good’, ‘moderate’ or ‘bad’. As displayed in figure 4.5, majority (85) of the respondents constituting 54.8% of the total respondents rated the organization’s talent management as being moderate, followed by 60 of the respondents representing 29.7% of the total respondents rated it good. While, 7.1% and 1.9% rated the talent management practice of the organization as being bad and excellent respectively. The remaining 10 respondents representing 6.5% did not take part in rating the organization’s talent management practice, hence, treated as missing data. This is understandable because they said ‘No’ to the existence of talent management practices in the organization, so, no need to rate it. These results concur with Njeri (2013), who studied the challenges affecting implementation of talent management in Kenya Broadcasting Corporation and found that majority (38%) of the respondents rated the talent management as being moderate, followed by 26% who rated the current condition of talent management as being good.

Figure 4.5 Rating of Talent Management



C) The respondents were asked on whether there is a staff member whose position is exclusively responsible for overseeing talent management initiatives? This question was posed in order to determine the level of attention and importance Ethio Telecom attached to talent management practices. From the findings presented in table 4.4, majority (101) of the respondents constituting 65.2% of the respondents selected ‘No’, while 54 of the respondents constituting 34.8% responded ‘Yes’ to the question. The findings are clear manifestation of little attention given to talent management by Ethio Telecom since a large portion of the respondents indicated that there is absence of a specific designated staff member to oversee talent management initiatives in the organization. Those who said ‘Yes’ explained verbally to the researcher by saying that talent management practices is under the domain of the HR manager/department. That notwithstanding, there is the need for the organization to give keen attention and interest to talent management by specifically designating a staff to exclusively oversee talent management initiatives, since this can lead to higher return and superior performance and consequently organizational success.

Table 4.4: Existence of Staff Member to Oversee Talent Management Initiatives

Response	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	54	34.8	34.8	34.8
No	101	65.2	65.2	100.0
Total	155	100.0	100.0	

Source: Researcher’s Field Survey, 2017

D) The study sought to investigate the extent to which the respondents agree to the following statements being part of their organization’s talent management practices. The respondents were asked to indicate the level to which they agree that ‘linking talent management strategy with corporate strategy’, ‘recognizing and rewarding high potentials and performers’, ‘talent review sessions’ and ‘regular performance appraisals’ are part of their organization’s talent management practices, on a five-point likert scale. The findings of the study are presented in table 4.5.

Table 4.5: Extent to Which the Respondents Agree to the Following Statements Being Part of their Organization’s Talent Management Practices

Item	SD %	D %	N %	A %	SA %	Mean
Linking talent management strategy with corporate strategy	3.9	67.1	12.3	11.5	5.2	2.47
Recognizing and rewarding high potentials and performers	0.6	5.2	3.2	71.0	20.0	4.05
Conducting talent review sessions	1.9	21.3	25.8	42.6	8.4	3.34
Conducting regular performance appraisals	0.6	1.9	14.3	63.2	20.0	4.00

Source: Researcher’s Field Survey, 2017

Key: *SD= Strongly disagree, D= Disagree, N=Neutral, A=Agree, SA=Strongly agree and % =Percentage*

NB: In the context of this study’s analyses and discussions, agree and strongly agree are treated as one, so as disagree and strongly disagree. Hence, all the findings that follow subsequently will be treated as such. However, the tables will display them separately.

From table 4.5, the mean score from the respondents suggest disagreement on the statement ‘linking talent management strategy with corporate strategy’, as it attracted a mean score of 2.47 and 71% disagreed on it. Whereas, majority of the respondents agreed to the statement that their organization recognizes and rewards high potentials and performers as it attracted a mean score of 4.05 and 91% agreed. The mean score of 3.34 and 42.6% neutral from the respondents on the third statement ‘conducting talent review sessions’ suggests neutrality (i.e. neither agreed nor disagreed) to the statement. It is however; clear that majority of the respondents agreed that their organization conducts regular performance appraisals as it attracted a mean score of 4 and 83.2% agreed.

Based on the above findings, it can be deduced that Ethio Telecom falls short in linking talent management strategy with corporate strategy and in conducting talent review sessions. Hence, management of the organization has to give keen attention and importance to these areas as they contribute significantly to organizational success.

4.4 The Effect of Linking Talent Management Strategy with Corporate Strategy on Organizational Success

The first research question was to determine how linking talent management strategy with corporate strategy affects organizational success of Ethio Telecom – Jimma. Descriptive, inferential and qualitative findings on this research question are presented as follows:

4.4.1 Descriptive Results

This section presents descriptive findings on how linking talent management strategy with corporate strategy affects organizational success. Accordingly, the percentages of the various statements under this are displayed on table 4.6.

Table 4.6: Linking Talent Management Strategy with Corporate Strategy

Statement	SD %	D %	N %	A %	SA %
My organization's business strategy is sound and its talent strategy is designed to support the business strategy.	1.3	3.9	10.3	63.9	20.6
The HR manager of my organization sits in the business strategy planning meeting and for which talent strategy is on the agenda.	3.9	6.5	15.5	60.0	14.2
When a company aligns its talent strategy to business strategy, it is more likely to achieve its strategic objectives.		4.5	10.3	65.2	18.1
My organization's talent management strategies develop people with the right skills to implement the business strategy.	11.0	64.5	5.8	16.8	1.9
This company's talent management strategy is targeted toward its strategic objectives to achieve maximum performance.	9.0	60.0	8.4	19.4	3.2
Connecting talent management strategy with business strategy helps the organization to have the right caliber of staff to achieve the long-run business goals.	1.3	4.5	10.3	59.4	24.5

Source: Researcher's Field Survey, 2017

Key: *SD= Strongly disagree, D= Disagree, N=Neutral, A=Agree, SA=Strongly agree, and % =Percentage*

From table 4.6, it is evident that majority of the respondents agreed that the organization's business strategy is sound and its talent strategy is designed to support the business strategy as 84.5% of the respondents agreed to this, while 5.2% of the respondents disagreed and 10.3% were neutral (neither agreed nor disagreed). Also, majority of the respondents constituting 74.2% agreed that their HR manager sits in the business strategy planning meeting and for which talent strategy is on the agenda, while 10.4% disagreed and 15.4% were neutral to this statement.

In addition, 83.3% of the respondents agreed to the statement 'When a company aligns its talent strategy to business strategy, it is more likely to achieve its strategic objectives', while 6.4% disagreed and 10.3% of the respondents neither agreed nor disagreed to this statement. However, 75.5% of the respondents disagreed to the statement their organization's talent management strategies develop people with the right skills to implement the business strategy, whereas 18.7% of them agreed and 5.8% were neutral to the statement. More so, 69% of the respondents disagreed that their company's talent management strategy is targeted toward its strategic objectives to achieve maximum performance, while 22.6% agreed and 8.4% neither agreed nor disagreed to the statement. On the other hand, majority of the respondents constituting 83.9% agreed to the statement 'Connecting talent management strategy with business strategy helps the organization to have the right caliber of staff to achieve the long-run business goals', whereas 5.8% disagreed and 10.3% could not make up their minds on the statement.

It can therefore, be deduced from the above findings in table 4.6 that Ethio Telecom is lacking behind on the fourth and fifth statements as 75.5% and 69% of the respondents disagreed to these statements respectively. Hence, its management needs to give critical attention to these areas.

4.4.2 Inferential/Quantitative Results

This section presents quantitative results on how linking talent management strategy with corporate strategy affects organizational success. It is to prove whether the null hypothesis (There is no significant effect of linking talent management strategy with corporate strategy on organizational success) holds or not. Accordingly, Pearson correlation, model summary,

an analysis of variance (ANOVA) and regression coefficient are discussed under this sub-heading.

In this section and the subsequent sections on regression results, the adjusted R square was used as a measure of the explanatory power to show how the independent variables explain the dependent variable. The F statistics (ANOVA) was used as a measure of the model significance. Pearson correlation and the regression coefficient summary were used to explain the nature of the relationship between the dependent and independent variables. The significance levels of each regression results were also taken into account for proper interpretations.

Table 4.7: Correlation between Linking Talent Management Strategy with Corporate Strategy and Organizational Success

Variable		Organizational Success	Linking Talent Management with Corporate Strategy
Organizational Success	Pearson Correlation Sig. (2-tailed)	1	.444 .000
Linking talent management strategy with corporate strategy	Pearson Correlation Sig. (2-tailed)	.444 .000	1
Correlation is significant at 0.01 level (2-tailed)			

Table 4.7 displays the results of correlation test analysis between the dependent variable (organizational success) and the independent variable (linking talent management strategy with corporate strategy). The correlation coefficient (r) of 0.444 (44.4%) indicates that linking talent management strategy with corporate strategy has a moderately positive correlation with organizational success. This reveals that any positive change in linking talent management strategy with corporate strategy will lead to an increased in organizational success.

Table 4.8: Model Summary for Linking Talent Management Strategy with Corporate Strategy

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.444 ^a	.197	.192	.463
a. Predictors: (Constant), Linking Talent Management Strategy with Corporate Strategy				

Regression analysis was conducted to empirically determine whether linking talent management strategy with corporate strategy was a significant determinant of organizational success in Ethio Telecom. Regression results in table 4.8 indicate the goodness of fit for the regression between organizational success and linking talent management strategy with corporate strategy and the predictor variable was satisfactory. An adjusted R squared of 0.192 indicates that 19.2% of the variations in organizational success can be explained by the predictor variable (linking talent management strategy with corporate strategy).

Table 4.9: ANOVA for Linking Talent Management Strategy with Corporate Strategy

Indicator	Sum of Squares	Df	Mean Square	F	Sig.
Regression	8.028	1	8.028	37.490	.000 ^b
Residual	37.761	153	.214		
Total	40.789	154			

From table 4.9, it is apparent that the regression model was significant using ‘linking talent management strategy with corporate strategy’ as a predictor variable. An F statistic of 37.49 and a probability value of 0.000 clearly indicate that the model was significant. The probability value of (0.000) shows that there is a very low probability that the statement “regression model was insignificant” was true and it was therefore possible to conclude that the statement was untrue.

Table 4.10: Regression Coefficient for Linking Talent Management Strategy with Corporate Strategy

Variable	Beta	Std. Error	t	Sig.
(Constant)	2.028	.297	6.931	.000
Linking TM Strategy with Corporate Strategy	.529	.086	6.123	.000

Table 4.10 depicts the regression of the independent variable. The results reveal that linking talent management strategy with corporate strategy is statistically significant in explaining

organizational success of Ethio Telecom. This is so because of its p-value of 0.000, which is less than 0.05 and a beta value of 0.529.

The regression results displayed above were used to test the null hypothesis “There is no significant effect of linking talent management strategy with corporate strategy on organizational success of Ethio Telecom”. As shown by correlation coefficient of 0.444, adjusted R Square of 0.192, F statistic of 37.490 and a p-value of 0.000, there is a significant relationship between linking talent management strategy with corporate strategy and organizational success. Hence, the null hypothesis was rejected.

4.4.3 Qualitative Results

The respondents were requested to indicate how else linking talent management strategy with corporate strategy affects organizational success. The respondents reflected on the following quotations;

“Connecting talent management strategy with corporate strategy will spell out day-to-day work activities and enhance employees’ performance”, “Strategic alignment between the two will give you the edge to quickly derive optimal success levels”, “It strengthens accountability by assigning measurable and clearly articulated goals that are visible company-wide”, “Mismatch between talent management strategy and business strategy leads to reduction in employees’ motivation and interest towards work thereby affecting organizational performance”.

The above findings imply linking talent management strategy with corporate strategy significantly contribute to organizational success.

4.5 The Effect of Recognizing and Rewarding High Potentials and Performers on Organizational Success

The second research question was to establish how recognizing and rewarding high potentials and performers affect organizational success of Ethio Telecom. Descriptive, inferential and qualitative findings on this research question are presented as follows:

4.5.1 Descriptive Results

This sub-heading presents descriptive findings on how recognizing and rewarding high potentials and performers affect organizational success. Therefore, the percentages of the various statements under this are displayed on table 4.11.

Table 4.11: Recognizing and Rewarding High Potentials and Performers

Statement	SD %	D %	N %	A %	SA %
The reward system of my organization recognizes and employees' contributions.	1.9	3.2	14.2	61.3	19.4
The organization has a reward system that I perceive to be fair, just and equitable.	7.7	65.2	17.4	9.7	0.0
Management of the organization always creates a supportive work climate that promotes high performance.	3.9	12.3	18.0	49.0	16.8
The organization offers monetary and non – monetary rewards that are enough to facilitate my talent development.	1.3	5.8	58.7	27.1	7.1
The salary and fringe benefits I receive in this organization are proportionate to my performance and efforts.	12.9	61.9	7.2	14.8	3.2
My organization recognizes that its success hinges on its ability to motivate high potentials.	0.6	6.5	11.6	69.7	11.6
When the incentive given is according to potentials and performance of employees, it acts as a powerful stimulant to contribute towards organizational success.	0.0	8.4	9.1	53.5	29.3

Source: Researcher's Field Survey, 2017

Key: *SD= Strongly disagree, D= Disagree, N=Neutral, A=Agree, SA=Strongly agree and % =Percentage*

From table 4.11, it is obvious that majority of the respondents constituting 80.7% agreed that the reward system of their organization recognizes employees' contributions, while 5.1% of them disagreed and 14.2% neither agreed nor disagreed to it. However, majority of the respondents representing 72.9% disagreed that their organization has a reward system perceived to be fair, just and equitable, whereas 9.7% disagreed and 17.4% were neutral to this statement. In addition, 65.8% of the respondents agreed that management of their

organization creates a supportive work climate that promotes high performance, while 16.2% disagreed and 18% of them could not make up their minds on it.

Moreover, 58.7% of the respondents neither agreed nor disagreed that their organization offers monetary and non – monetary rewards that are enough to facilitate talent development, whereas 34.2% agreed and 7.1% of them disagreed to the statement. Also, 74.8% of the respondents disagreed that the salary and fringe benefits they receive are proportionate to their performance and efforts, while 18% agreed and 7.2% were neutral to the statement. On the other hand, majority of the respondents constituting 81.3% of the respondents agreed that their organization recognizes that its success hinges on its ability to motivate high potentials, whereas 7.1% of the respondents disagreed and 11.6% of them neither agreed nor disagreed to the statement. Lastly, greater part of the respondents constituting 82.8% of the total respondents agreed to the statement ‘when the incentive given is according to potentials and performance of employees, it acts as a powerful stimulant to contribute towards organizational success’, while 8.4% disagreed and 9.1% of them neither agreed nor disagreed to the statement.

It can therefore, be inferred from the above findings in table 4.11 that Ethio Telecom has shortfall on the second and fifth statements as 72.9% and 74.8% of the respondents disagreed to these statements respectively. Also, the general neutrality of the respondents on the fourth statement calls for management’s attention. Hence, management of the organization needs to put measures in place to address these areas.

4.5.2 Inferential/Quantitative Results

This section presents quantitative results on how recognizing and rewarding high potentials and performers affect organizational success. It is to test whether the null hypothesis (There is no significant effect of recognizing and rewarding high potentials and performers on organizational success) holds or not. Accordingly, Pearson correlation, model summary, an analysis of variance (ANOVA) and regression coefficient are discussed under this sub-heading.

Table 4.12: Relationship between Recognizing and Rewarding High Potentials and Organizational Success

Variable		Organizational Success	Recognizing and Rewarding High Potentials & Performers
Organizational Success	Pearson Correlation	1	.294
	Sig. (2-tailed)		.000
Recognizing and Rewarding High Potentials and Performers	Pearson Correlation	.294	1
	Sig. (2-tailed)	.000	
Correlation is significant at 0.01 level (2-tailed)			

Table 4.12 shows the results of correlation test analysis between the dependent variable (organizational success) and the independent variable (recognizing and rewarding high potentials and performers). The correlation coefficient of 0.294 (29.4%) indicates that recognizing and rewarding high potentials and performers have a positive correlation with organizational success. This discloses that any positive change in recognizing and rewarding high potentials and performers will lead to an increased in organizational success.

Table 4.13: Model Summary for Recognizing and Rewarding High Potentials and Performers

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.294 ^a	.086	.080	.494
a. Predictors: (Constant), Recognizing and Rewarding High Potentials and Performers				

Regression analysis was conducted to empirically determine whether recognizing and rewarding high potentials and performers was a significant determinant of organizational success in Ethio Telecom. Regression results in table 4.13 indicate the goodness of fit for the regression between organizational success and recognizing and rewarding high performers and the predictor variable was satisfactory. An adjusted R squared of 0.080 signifies that 8% of the variances in organizational success can be explained by the predictor variable (recognizing and rewarding high potentials and performers).

Table 4.14: ANOVA for Recognizing and Rewarding High Potentials and Performers

Indicator	Sum of Squares	Df	Mean Square	F	Sig.
Regression	3.519	1	3.519	14.448	.000 ^b
Residual	37.269	153	.244		
Total	40.789	154			

From table 4.14, it is apparent that the regression model was significant using ‘recognizing and rewarding high potentials and performers’ as a predictor variable. An F statistic of 14.448 and a probability value of 0.000, clearly indicate that the model was significant. The probability value of (0.000) shows that there is a very low likelihood that the statement “regression model was insignificant” was true and it was therefore possible to conclude that the statement was untrue.

Table 4.15: Regression Coefficient for Recognizing and Rewarding High Potentials and Performers

Variable	Beta	Std. Error	T	Sig.
(Constant)	2.693	.312	8.640	.000
Recognizing and Rewarding High Potentials and Performers	.352	.093	3.801	.000

Table 4.15 depicts the regression coefficients of the independent variable. The results reveal that recognizing and rewarding high potentials and performers is statistically significant in explaining organizational success of Ethio Telecom. This is so because of its p-value of 0.000, which is less than 0.05 and a beta value of 0.352.

The regression results presented above were used to test the null hypothesis “There is no significant effect of recognizing and rewarding high potentials and performers on organizational success of Ethio Telecom”. As shown by correlation coefficient of 0.294, adjusted R Square of 0.080, F statistic of 14.448 and a p-value of 0.000, there is a significant relationship between recognizing and rewarding high potentials and performers and organizational success. Therefore, the null hypothesis was rejected.

4.5.3 Qualitative Results

The respondents were requested to indicate how else recognizing and rewarding high potentials and performers affect organizational success. The respondents reflected on the following quotations;

“I believe if a worker has job satisfaction, he/she will perform their duties and responsibilities using the maximum efforts thereby leading to attainment of organizational goals”, “By providing tangible and intangible rewards such as salaries and wages, commissions, bonuses, comprehensive insurance and other benefits”, “Motivation and performance have direct relationship. If an employee is highly motivated, he will contribute towards organizational success”, “When employees are not rewarded according to their efforts and performance, they tend to lower their contributions thereby affecting organizational success”.

The above findings imply that recognizing and rewarding high potentials and performers greatly affect organizational success.

4.6 The Effect of Conducting Talent Review Sessions on Organizational Success

The third research question was to determine the effect of conducting talent review sessions on organizational success of Ethio Telecom. Descriptive, inferential and qualitative findings on this research question are presented as follows:

4.6.1 Descriptive Results

This section discusses descriptive findings on how conducting talent review sessions affect organizational success. Therefore, the percentages of the various statements under this are presented on table 4.16.

Table 4.16 Conducting Talent Review Sessions

Statement	SD %	D %	N %	A %	SA %
There is a meeting in place in my organization that engages senior business leaders in discussing talent issues.	1.9	1.9	4.5	72.3	19.4
This organization fills critical talent gaps through talent review sessions in order to achieve organizational objectives.	1.3	3.9	7.7	70.3	16.8
The organization uses talent review session to identify employees with successor potential and non A-Players in critical roles.	3.2	52.3	9.0	27.1	8.4
Talent review sessions can help an organization to increase its talent pool so that organizational objectives can be achieved.	1.3	1.9	7.7	71.0	18.1

Key: SD= Strongly disagree, D= Disagree, N=Neutral, A=Agree, SA=Strongly agree and % =Percentage

It can be analyzed from table 4.16 that majority of the respondents constituting 91.7% agreed that there is a meeting in their organization that engages senior business leaders in discussing talent issues, while 3.8% disagreed and 4.5% of them couldn't make up their minds on the statement. Also, 87.1% of the respondents representing the majority agreed that their organization fills critical talent gaps talent through talent review sessions in order to achieve organizational objectives, whereas 5.2% disagreed to the statement and 7.7% of them were neutral to it. However, majority of the respondents constituting 55.5% of the total respondents disagreed that their organization uses talent review session to identify employees with successor potential and non A-Players in critical roles, while 35.5% agreed and 9% of them neither agreed nor disagreed. On the other hand, 89.1% of the respondents constituting the majority agreed to the statement 'talent review sessions can help an organization to increase its talent pool so that organizational objectives can be achieved', whereas 3.2% disagreed and 7.7% of them couldn't make up their minds on the statement.

Since majority of the respondents constituting 55.5% of the total respondents disagreed that their organization uses talent review session to identify employees with successor potential and non A-Players in critical roles, it implies that Ethio Telecom has deficit on this. Hence, its management needs to give critical attention and importance to this area.

4.6.2 Inferential/Quantitative Results

This section presents quantitative results on how conducting talent review sessions affect organizational success. It is to prove whether the null hypothesis (There is no significant effect of conducting talent review sessions on organizational success) holds or not. Accordingly, Pearson correlation, model summary, an analysis of variance (ANOVA) and regression coefficient are discussed under this sub-heading.

Table 4.17 Correlation between Conducting Talent Review Sessions and Organizational Success

Variable		Organizational Success	Conducting Talent Review Sessions
Organizational Success	Pearson Correlation	1	.290
	Sig. (2-tailed)		.000
Conducting Talent Review Sessions	Pearson Correlation	.290	1
	Sig. (2-tailed)	.000	
Correlation is significant at 0.01 level (2-tailed)			

Table 4.17 displays the results of correlation test analysis between the dependent variable (organizational success) and the independent variable (conducting talent review sessions). The correlation coefficient of 0.290 (29%) indicates that conducting talent review sessions has a positive correlation with organizational success. This implies that any positive change in conducting talent review sessions will lead to an increased in organizational success.

Table 4.18: Model Summary for Conducting Talent Review Sessions

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.290 ^a	.084	.078	.494

a. Predictors: (Constant), Conducting Talent Review Sessions

Regression analysis was conducted to empirically determine whether conducting talent review sessions was a significant determinant of organizational success in Ethio Telecom. Regression results in table 4.18 indicate an adjusted R squared of 0.078, which implies that 7.8% of the variation in organizational success can be explained by talent review sessions.

Table 4.19: ANOVA for Conducting Talent Review Sessions

Indicator	Sum of Squares	df	Mean Square	F	Sig.
Regression	3.438	1	3.438	14.085	.000 ^b
Residual	37.350	153	.244		
Total	40.789	154			

From table 4.19, it is evident that the regression model was significant using ‘conducting talent review sessions’ as the predictor variable. An F statistic of 14.085, supported by a probability value of 0.000, clearly indicates that the model was significant. The probability

value of (0.000) shows that there is a very low possibility that the statement “regression model was insignificant” was true and it was therefore possible to conclude that the statement was untrue.

Table 4.20: Regression Coefficient for Conducting Talent Review Sessions

Variable	Beta	Std. Error	T	Sig.
(Constant)	2.655	.325	8.158	.000
Conducting Talent Review Sessions	.325	.087	3.753	.000

Table 4.20 depicts the regression coefficients of the independent variable. The results reveal that conducting talent review sessions is statistically significant in explaining organizational success of Ethio Telecom. This is due to its p-value of 0.000, which is less than 0.05 and a beta value of 0.325.

The regression results presented above were used to test the null hypothesis “There is no significant effect of conducting talent review sessions on organizational success of Ethio Telecom”. As shown by correlation coefficient of 0.290, adjusted R Square of 0.078, F statistic of 14.085 and a p-value of 0.000, there is a significant relationship between conducting talent review sessions and organizational success. Therefore, the null hypothesis was discarded.

4.6.3 Qualitative Results

The respondents were requested to indicate how else conducting talent review sessions affect organizational success. The respondents reflected on the following quotations;

“Talent review sessions enable my company to put the right person at the right place on the right time so as to effectively and efficiently achieve the organization’s objective”, “Talent review session is remarkably good for my organization so as to increase employees’ performance and increase its return on investment”, “It helps to prepare plans for developing employees who have the potential to move into larger roles and to identify where leadership gaps exist”, “Talent review sessions assist my organization to identify who are its low/high performers, their strengths and weaknesses as well as their developmental needs”.

From the above qualitative findings, it is clear that conducting talent review sessions affect organizational success.

4.7 The Effect of Conducting Regular Performance Appraisals on Organizational Success

The fourth research question was to find out the effect of conducting regular performance appraisals on organizational success of Ethio Telecom. Descriptive, inferential and qualitative findings on this research question are presented as follows:

4.7.1 Descriptive Results

This sub-heading presents descriptive findings on how conducting regular performance appraisals affect organizational success. Therefore, the percentages of the various statements under this are displayed on table 4.21.

Table 4.21: Conducting Regular Performance Appraisals

Statement	SD %	D %	N %	A %	SA %
Supervisors in my organization provide frequent feedback to employees with specific details on areas for improvement.	4.5	20.6	11.6	49.0	14.3
My organization has an open forum for managers and employees to periodically discuss performance levels.	13.5	55.5	9.0	17.5	4.4
The performance appraisal policy of this organization enhances employees' performance.	0.0	14.2	18.7	54.2	12.9
Performance appraisals are fairly and honestly done in this organization.	11.0	54.8	14.8	12.3	7.1

Source: Researcher's Field Survey, 2017

Key: *SD= Strongly disagree, D= Disagree, N=Neutral, A=Agree, SA=Strongly agree and % =Percentage*

The above results on table 4.21 clearly shows that majority of the respondents constituting 63.3% agreed that their supervisors provide frequent feedback with specific details on areas for improvement, while 25.1% disagreed and 11.6% of them were neutral. However, 69% of the respondents representing the majority disagreed that their organization has an open forum for managers and employees to periodically discuss performance levels, whereas 21.9% of them agreed to this and 9% of them couldn't make up their minds on it. On the other hand, majority of the respondents constituting 67.1% of the total respondents agreed to the statement "the performance appraisal policy of this organization enhances employees'

performance”, while 14.2% disagreed and 18.7% of them neither agreed nor disagreed to the statement. Lastly, 65.8% of the respondents disagreed that performance appraisals are fairly and honestly done in this organization, while 19.4% of them agreed and 14.8% out of the total respondents were neutral to the statement.

It can be deduced from the above findings in table 4.21 that Ethio Telecom has deficiency on the second and fourth statements since 69% and 65.8% of the respondents disagreed to these statements respectively. Hence, management of the organization needs to put measures in place to address these areas.

4.7.2 Inferential/Quantitative Results

This section discusses quantitative results on how conducting regular performance appraisals affect organizational success. It is to test whether the null hypothesis (There is no significant effect of conducting regular performance appraisals on organizational success) holds or not. Accordingly, Pearson correlation, model summary, an analysis of variance (ANOVA) and regression coefficient are presented under this sub-heading.

Table 4.22: Relationship between Conducting Regular Performance Appraisals and Organizational Success

Variable		Organizational Success	Regular Performance Appraisals
Organizational Success	Pearson Correlation	1	.166
	Sig. (2-tailed)		.039
Conducting Regular Performance Appraisal	Pearson Correlation	.166	1
	Sig. (2-tailed)	.039	

Table 4.22 shows the results of correlation test analysis between the dependent variable (organizational success) and the independent variable (conducting regular performance appraisals). The correlation coefficient of 0.166 (16.6%) indicates that conducting regular performance appraisal has a weak positive correlation with organizational success.

Table 4.23: Model Summary for Conducting Regular Performance Appraisals

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.166 ^a	.028	.021	.509
a. Predictors: (Constant), Conducting Performance Appraisal				

Regression analysis was conducted to empirically determine whether conducting regular performance appraisal was a significant determinant of organizational success in Ethio Telecom. Regression results in table 4.23 indicate an adjusted R squared of 0.021, which implies that 2.1% of the variances in organizational success can be explained by performance appraisal.

Table 4.24: ANOVA for Conducting Regular Performance Appraisals

Indicator	Sum of Squares	df	Mean Square	F	Sig.
Regression	1.124	1	1.124	4.337	.039 ^b
Residual	39.664	153	.259		
Total	40.789	154			

From table 4.24, it is conspicuous that the regression model was slightly significant using ‘performance appraisal’ as a predictor variable. An F statistic of 4.337 and a probability value of 0.039 clearly indicate that the model was not all that much significant. The probability value of (0.039) shows that there is a slightly high probability that the statement “regression model was insignificant” was true and it was therefore possible to conclude that the statement was somehow true.

Table 4.25: Regression Coefficient for Conducting Regular Performance Appraisals

Variable	Beta	Std. Error	t	Sig.
(Constant)	3.429	.214	15.990	.000
Conducting Regular Performance Appraisals	.145	.070	2.083	.039

Table 4.25 depicts the regression coefficients of the independent variable. The results reveal that conducting regular performance appraisals is statistically weak in explaining organizational success of Ethio Telecom. This is so because of its p-value of 0.039, and a beta value of 0.145.

The regression results presented above were used to test the null hypothesis “There is no significant effect of conducting regular performance appraisals on organizational success of Ethio Telecom”. As shown by correlation coefficient of 0.166, adjusted R Square of 0.021,

F statistic of 4.337 and a p-value of 0.039, there is a very weak relationship between conducting regular performance appraisals and organizational success. Therefore, the null hypothesis was retained for further analysis in the overall model.

4.7.3 Qualitative Results

The respondents were requested to indicate how else conducting regular performance appraisals affect organizational success. The respondents reflected on the following quotations;

“The controlling function of performance appraisal is very necessary in comparing actual performance with the planned performance in order to take corrective measures on any deviation”, “The current practice in my organization performance appraisal is very effective especially in customer services and sales areas for the success of our company”, “A carefully planned and executed performance appraisal policy can help an organization to achieve its objectives by improving employees’ performance”, “Performance appraisal affects organizational success when its goals are specified, performance criteria are communicated to employees and appraisal results are discussed with them”.

From the qualitative results above, it is evident that there are other components of performance appraisals not captured in the closed-ended questions that affect organizational success.

4.8 Multiple Linear Regression Analysis for the Overall Model

This section presents multiple linear regression analysis for the overall model so as to test the combined effects of the independent variables on the dependent variable. Thus, to assess the effects of talent management practices on organizational success of Ethio Telecom. The regression equation is as follows;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where;

Y is organizational success (dependent variable).

β_0 is the intercept or the constant which is the value of the dependent variable when all the independent variables are 0.

ϵ is the error term or natural variation in the model.

$\beta_1, \beta_2, \beta_3, \beta_4$ = Regression coefficients of the predictors which measure the change induced by X_i ; $i=1, 2, 3, 4$ on Y .

X_1 = Linking talent management strategy with corporate strategy

X_2 = Recognizing and rewarding high potentials and performers

X_3 = Conducting talent review sessions

X_4 = Conducting regular performance appraisals.

At 5% level of significance and 95% level of confidence

When p-value is greater than 0.05 reject the hypothesis (ie at $p > 0.05$)

Table 4.26: Model Fit for all the Independent Variables and the Dependent Variable

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.721 ^a	.519	.507	.361

Regression results in table 4.26 indicate that the goodness of fit for the regression between the dependent variable and the independent variables is satisfactory. The correlation coefficient of 0.721 (72.1%) indicates that the independent variables have significant high positive relationship with organizational success. An adjusted R squared of 0.507, implies that 50.7% of the variances in organizational success can be explained by combined effect of the predictor variables (linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers, conducting talent review sessions and conducting performance appraisal). The remaining variances on the dependent variable could be explained by other explanatory variables not included in this study.

Table 4.27: ANOVA for Overall Model

Indicator	Sum of Squares	Df	Mean Square	F	Sig.
Regression	21.188	4	5.297	40.536	.000 ^b
Residual	19.601	150	.131		
Total	40.789	154			

From table 4.27, it is evident that the overall model was statistically significant, that is to say, the independent variables were good joint explanatory variables/determinants for organizational success. This is so, given F statistic of 40.536 and a probability value of 0.000 (ie $F=40.536$, P value = 0.000). The probability value of (0.000) shows that there is a very low possibility that the statement “overall regression model was insignificant” was true and it

was therefore possible to conclude that the statement was untrue. Hence, the overall regression model was significant.

Table 4.28 Regression Coefficients and Parameters of Estimates

Variable	Unstandardized Coefficient		Standardized Coefficient	T	Sig.
	B	Std. Error	Beta		
(Constant)	-.475	.364		-1.305	.194
Linking Talent Management Strategy with Corporate Strategy	.429	.074	.370	5.841	.000
Recognizing and Rewarding High Potentials and Performers	.393	.065	.360	5.995	.000
Conducting Talent Review Sessions	.282	.072	.236	3.924	.000
Conducting Regular Performance Appraisals	.081	.060	.077	1.338	.183

From table 4.28 above, the possible value of Y (organizational success) when all the independent variables are equal to zero is -0.475 at p-value of 0.194. It can also be deduced that linking talent management strategy with corporate strategy has a significant positive relationship with organizational success. Linking talent management strategy with corporate strategy has the highest influence on organizational success as compared to recognizing and rewarding high potentials, conducting talent review sessions, and conducting regular performance appraisals. This is shown by the regression analysis value (t-value) of 5.841, which is greater than 2 and p-value of 0.000 which is less than 0.05 at 95% level of confidence. The beta value of 0.370 implies that an increase in the effectiveness of linking talent management strategy with corporate strategy by 1 unit leads to an increase in organizational success by 0.370 units. It is also evident from the table that recognizing and rewarding high potentials has a significant positive relationship with organizational success. This is so due to its t-value of 5.995, which is greater than 2 and p-value of 0.000 which is less than 0.05 at 95% level of confidence. Its beta value 0.360 indicates that an increase in the effectiveness of recognizing and rewarding high potentials and performers by 1 unit leads to an increase in organizational success by 0.360 units.

It can further be deduced from the same table 4.28 above that conducting talent review sessions has a significant positive relationship with organizational success. This is shown by its regression analysis value (t-value) of 3.924, which is greater than 2 and p-value of 0.000 which is less than 0.05 at 95% level of confidence. The beta value of 0.236 implies that an

increase in the effectiveness of conducting talent review sessions by 1 unit leads to an increase in organizational success by 0.236 units.

However, conducting regular performance appraisals as seen from the table has an insignificant positive relationship with organizational success. This deduction was made based on its t-value of 1.338, which is less than 2 and p-value of 0.183 which is far greater than 0.05 at 95% level of confidence. Its beta value of 0.077 indicates that an increase in the effectiveness of conducting regular performance appraisals by 1 unit leads to an increase in organizational success by 0.077 units, very low influence indeed. Based on this, conducting regular performance appraisals had the least or insignificant influence on organizational success. This further supports and explains why the null hypothesis: “There is no significant effect of conducting regular performance appraisals on organizational success of Ethio Telecom – Jimma” was accepted or retained earlier.

After the critical analysis, the study model becomes;

$$\text{Organizational Success (Y)} = 0.429X_1 + 0.393X_2 + 0.282X_3$$

4.9 Organizational Success

The organizational success was the dependent variable of the study. The elements that measured organizational success of Ethio Telecom were: Return on investment, productivity, profitability and competitiveness. Descriptive results on this are presented on table 4.29.

Table 4.29 Organizational Success

Statement	SD	D	N	A	SA	M	S.D
	%	%	%	%	%		
This company talent management strategy, reward systems and talent review sessions have contributed to a high return on investment.	1.3	5.8	7.7	59.4	25.8	4.03	.829
Talent management practices of the organization led to increased employees' productivity.	0.6	4.5	5.9	55.5	33.5	4.17	.780
In this company, we believe talent management practices increased our competitiveness.	3.2	7.7	60.7	20.7	7.7	3.22	.824
Talent management practices of the organization resulted in increased profitability.	1.9	3.9	10.3	54.2	29.7	4.06	.855

Source: Researcher's Field Survey, 2017

Key: *SD= Strongly disagree, D= Disagree, N=Neutral, A=Agree, SA=Strongly agree, M=Mean and S.D=Standard Deviation and % =Percentage*

From table 4.29 above, the mean score of 4.03 and standard deviation of 0.829 from the respondents suggest agreement on the statement 'This company talent management strategy, reward systems and talent review sessions have contributed to a high return on investment', as it also attracted 85.2% agreed on it and 7.1% of the respondents disagreed. The findings agree with those in Kehinde (2012), who studied the effect of talent management on organization performance in Nigeria, and found that talent management and return on investment were highly correlated.

In addition, majority of the respondents constituting 89% agreed that talent management practices of their organization led to increase employees' productivity. This huge agreement on the statement was supported by a mean score of 4.17 and a standard deviation of 0.780. Only 5.1% of the respondents disagreed to this statement and 5.9% of them couldn't make up their minds on it. These findings concur with Lyria (2014) study on the effect of talent management on organizational performance in companies listed in Nairobi securities exchange in Kenya, who found majority (74.7%) of the respondents agreed to the statement

‘talent management in their organization lead to increased employees productivity’ while 20.7% of them disagreed and 4.3% were neutral to it.

Moreover, from the table, the mean score of 3.22 and 60.7% neutral from the respondents on the third statement ‘In this company, we believe talent management practices increased our competitiveness’ suggests neutrality (i.e. neither agreed nor disagreed) to the statement, whereas 28.4% of the respondents agreed and 10.9% disagreed to it. These findings differ with Lyria (2014), who found majority (82%) of the respondents agreed that talent management increased their competitiveness, 12% disagreed while 6% neither agreed nor disagreed with the statement.

On the other hand, a large proportion of the respondents constituting 83.9% agreed to the statement ‘talent management practices of the organization resulted in increased profitability’, while 5.8% disagreed and 10.3% of them couldn’t make up their minds on the statement. The findings concur with those in Kehinde (2012) study on effect of talent management on organization performance in Nigeria, whose results showed that there was evidence that talent management and profitability were highly correlated.

Based on the above findings, it can be deduced that Ethio Telecom falls short in using talent management practices to increase its competitiveness. This may largely due to the monopolistic nature of the organization as there are no other companies to compete with it in Ethiopian context.

4.10 The Role of Regional HR Supervisor on Talent Management Practices

In a separate sub-heading under the questionnaire, the south-west Regional HR supervisor was solely asked to respond to series of questions pertaining to his role in talent management practices, how the organization aligns talent management strategy with business strategy, measures in place to develop talent of employees, how performance appraisal is conducted, among others. These questions were posed in order to further understand the talent management practices of Ethio Telecom and to support or otherwise the responses received from the staff. The responses given by the HR manager on the questions raised are put in quotations below;

- On how the company aligns talent management strategy with business strategy; the HR manager responded that “At present stage, there is no clear connection between talent management strategy and business strategy. HR manager joins business meetings on regular basis and work closely with Business Leaders, so as to get first-hand information on the business needs in order to ensure that talent management activities are in line with business needs”. This feedback from the HR manager supports why majority of the respondents constituting 71% disagreed on the company ‘linking talent management strategy with corporate strategy’.
- Regarding the role of HR manager in the company’s talent management practices; the HR manager responded that “HR manager is the initiator, facilitator and driver of talent management activities. HR manager ensures effective planning, implementation and evaluation of policies concerning talent management”.
- On employee groups the organization wants to keep; the HR manager indicated the following;
 - Technical Staff
 - Professional Staff
 - High Performers
 - Experienced Staff
- Regarding measures the organization used to retain these groups; the manager responded that by creating a favorable working environment, providing attractive reward packages and supporting them in their areas of profession.
- Concerning measures the organization put in place to develop talent of employees; the HR manager pointed out that “We make use of different career development approaches. We provide opportunities for further studies, offer training, special assignments, projects, mentoring, coaching and learning opportunities for employees at different levels”.
- On monetary and non-monetary rewards the organization offers to value employees’ performance and contribution; the following were pointed out
 - Basic pay/salary
 - Allowances and bonuses including overtime allowance, house rent allowance
 - Leave with pay
 - Medical services
 - Transportation services

- In kind rewards like mobile apparatus, laptop, wrist watches, etc
- Regarding how the organization conducts employees' performance appraisal; the HR manager responded that "the company conducts employees' performance appraisal twice a year (every 6 months), which consists of 70% BSC (Balanced Score Card), 20% Kaizen philosophy (Quality circle) and 10% company's core values".

4.11 Assumptions of Multiple Linear Regression

Multiple Linear Regression (MLR) is a group of techniques that can be used to explore the relationship between one continuous dependent variable and a number of independent variables or predictors (continuous or dichotomous). MLR allows a more sophisticated exploration of the interrelationship among a set of variables. It can be used to address a variety of research questions and indicate how well a set of variables is able to predict a particular outcome (Pallant, 2005). Multiple Regression (MR) examines the relationship between a single outcome measure and several predictor or independent variables (Jaccard et al., 2006). In the context of this study, the researcher employed the standard multiple linear regression. In standard multiple regression, all independent variables are entered into the regression equation at once; each one is assessed as if it had entered the regression after all other independent variables had entered. Each independent variable is evaluated in terms of what it adds to prediction of the dependent variable that is different from the predictability afforded by all the other independent variables (Tabachnick and Fidell, 2007).

The correct use of the multiple regression model requires that several critical assumptions be satisfied in order to apply the model and establish validity (Poole & O'Farrell, 1971). Ignoring the regression assumptions contribute to wrong validity estimates (Antonakis, & Deitz, 2011). When the assumptions are not met, the results may result in Type I or Type II errors, or over- or under-estimation of significance of effect size (Osborne & Waters, 2002). Meaningful data analysis relies on the researcher's understanding and testing of the assumptions and the consequences of violations. It is on this premise; the researcher deemed it necessary to test the assumptions and conditions surrounding multiple regression. The assumptions of MR tested with SPSS and identified as primary concern in this research include; sample size, multicollinearity, normality, linearity and homoscedasticity. Detailed definitions, descriptions and interpretations of these assumptions can be found in **APPENDIX II**. Pictorial or graphical presentations on these assumptions can equally be located in the aforementioned appendix.

CHAPTER FIVE

FINDINGS, CONCLUSION AND RECOMMENDATIONS

This chapter presents the summary of major findings of the study, conclusions, recommendations and suggestions for further studies. The study sought to determine the effects of talent management practices on organizational success: Experience from Ethio Telecom. The summary of findings is done in accordance with the research questions and objectives of the study based on the outcome of the inferential statistical analyses used to test the research hypotheses of the study.

5.1 Major Findings

The major findings of this study are summarized in line with the research questions, objectives and hypotheses. Accordingly, the following sub-headings are used to present the major findings on the study questions and hypotheses.

5.1.1 The Effect of Linking Talent Management Strategy with Corporate Strategy on Organizational Success of Ethio Telecom – Jimma

The findings indicated that linking talent management strategy with corporate strategy had a significant positive influence on organizational success. Linking talent management strategy with corporate strategy had the greatest influence on organizational success as compared to recognizing and rewarding high performers, talent review sessions and performance appraisals. The study showed that majority (84.5%) of the respondents agreed that their organization's business strategy is sound and its talent strategy is designed to support the business strategy and greater part (74.2%) of them agreed that their HR manager sits in the business strategy planning meeting and for which talent strategy is on the agenda. Also, large portion (83.3%) of the respondents agreed that when a company aligns its talent strategy with business strategy, it is more likely to achieve its strategic objectives and majority (83.9%) of them agreed that connecting talent management strategy with business strategy will help the organization to have the right caliber of staff to achieve the long-run business goals. However, majority (75.5%) of the respondents disagreed to the statements 'their organization talent management strategies develop people with the right skills to implement the business strategy' and also 69% of them disagreed 'their company's talent management is targeted toward its strategic objectives to achieve maximum performance. The content analysis results

revealed that the respondents felt there could be more other components of linking talent management strategy with corporate strategy which could influence organizational success. This was supported by their responses in the qualitative results; “Connecting talent management strategy with corporate strategy will spell out day-to-day work activities and enhance employees’ performance”, “Strategic alignment between the two will give you the edge to quickly derive optimal success levels”; among others.

Based on the regression results, the null hypothesis was rejected and this implied that linking talent management strategy with corporate strategy has a significant effect on organizational success.

5.1.2 The effect of Recognizing and Rewarding High Potentials and Performers on Organizational Success of Ethio Telecom – Jimma

The findings implied that recognizing and rewarding high potentials and performers had a significant positive influence on organizational success. This inference was drawn from the results obtained on the descriptive analysis and the inferential statistics such as Pearson correlation, ANOVA, among others. The descriptive results showed that majority (80.7%) of the respondents agreed that reward system of their organization recognizes employees’ contributions and greater part (65.8%) of them agreed that management of their organization creates a supportive work climate that promotes high performance. Majority (81.3%) of the respondents also agreed that their organization recognizes its success hinges on its ability to motivate high potentials and 82.8% of them agreed that when the incentive given is according to potentials and performance of employees; it acts as a powerful stimulant to contribute towards organizational success. However, majority (72.9% and 74.8%) of the respondents disagreed to the statements; ‘the organization has a reward system perceived to be fair, just and equitable and ‘the salary and fringe benefits I receive in this organization are proportionate to my performance and efforts respectively. On the other hand, majority (58.7%) of the respondents neither agreed nor disagreed that their organization offers monetary and non – monetary rewards that are enough to facilitate talent development. The content analysis results revealed the respondents felt there could be more other means of rewarding high potentials and performers which could lead to organizational success. This was evident in their responses under the qualitative results; “I believe if a worker has job satisfaction, he/she will perform their duties and responsibilities using the maximum efforts

thereby leading to attainment of organizational goals”, “By providing tangible and intangible rewards such as salaries and wages, commissions, bonuses, comprehensive insurance and other benefits”; among others.

The null hypothesis was rejected by the regression results and this implied that recognizing and rewarding high potentials and performers has a significant relationship with organizational success.

5.1.3 The effect of Talent Review Sessions on Organizational Success of Ethio Telecom – Jimma

The findings indicated that talent review sessions had a significant positive influence on organizational success. This deduction was made from the results obtained on the descriptive analysis and the inferential statistics such as Pearson correlation, ANOVA, among others. The descriptive results showed that majority (91.7%) of the respondents agreed there is a meeting in their organization that engages senior business leaders in discussing talent issues and also, greater part (87.1%) of them agreed that their organization fills critical talent gaps through talent review sessions in order to achieve organizational objectives. Besides, majority (89.1%) of the respondents agreed that talent review sessions can help an organization to increase its talent pool so that organizational objectives can be achieved. However, majority (55.5%) of the respondents disagreed that their organization uses talent review session to identify employees with successor potential and non A-Players in critical roles. The content analysis results revealed that the respondents believed there could be more other components of talent review sessions that could influence organizational success. This was evident in their responses under the qualitative results; “Talent review sessions assist my organization to identify who are its low/high performers, their strengths and weaknesses as well as their developmental needs”, “It helps to prepare plans for developing employees who have the potential to move into larger roles and to identify where leadership gaps exist”, among others.

Based on the regression results, the null hypothesis was rejected and this implied that talent review sessions has a significant effect on organizational success.

5.1.4 The effect of Conducting Regular Performance Appraisals on Organizational Success of Ethio Telecom – Jimma

The findings implied that regular performance appraisals had an insignificant positive impact on organizational success. Regular performance appraisals had the lowest and insignificant influence on organizational success as compared to linking talent management strategy with corporate strategy, recognizing and rewarding high performers and talent review sessions. The descriptive results showed that majority (63.3%) of the respondents agreed that their supervisors provide frequent feedback with specific details on areas for improvement and also a large portion (67.1%) of them agreed that the performance appraisal policy of their organization enhances employees' performance. On the other hand, majority (69% and 65.8%) of the respondents disagreed to the statements; 'My organization has an open forum for managers and employees to periodically discuss performance levels' and 'Performance appraisals are fairly and honestly done in this organization respectively. The content analysis results revealed that the respondents felt there could be more other elements of performance appraisal which could influence organizational success. This was apparent in their responses under the qualitative results; "The controlling function of performance appraisal is very necessary in comparing actual performance with the planned performance in order to take corrective measures on any deviation", "Performance appraisal affects organizational success when its goals are specified, performance criteria are communicated to employees and appraisal results are discussed with them", among others.

Based on the regression results, the null hypothesis was accepted and that implied there is no significant effect of conducting regular performance appraisal on organizational success.

5.2 Conclusions

The conclusions drawn from the study are discussed below:

Based on the study findings, the researcher concluded that talent management practices such as linking talent management strategy with corporate strategy, recognizing and rewarding high performers and conducting talent review sessions are important and indeed influenced organizational success of Ethio Telecom – Jimma. Overall, linking talent management strategy with corporate strategy had the most significant positive relationship with organizational success. However, connecting talent management strategy with corporate strategy alone is not enough to attract and retain highly skilled, motivated and experienced workforce that the organization needs to excel. The other talent management practices must

also come to play, so as to ensure efficient attainment of organizational goals leading to its success.

Another conclusion drawn from the study is that employees highly value rewards and fringe benefits that will facilitate their talent development and commensurate with their performance and efforts as well as fair, just and equitable rewards. There was a clear indication from the findings that majority (72.9%) of the employees do not perceive the organization's reward system to be fair, just and equitable and majority (74.8%) of them also think that the salary and fringe benefits they receive are not proportionate to their performance and efforts. Most (58.7%) of them were also neutral on whether the monetary and non-monetary rewards they receive are enough to facilitate their talent development. It is on this premise that the researcher concludes that the employees will highly appreciate and value a reward system that addresses the aforementioned issues of the employees.

Also, findings from the study, especially, from the regression results point to the fact that performance appraisal had an insignificant influence on organizational success of Ethio Telecom – Jimma. This result may be surprising because one would have thought that if employees' performance appraisals are effectively conducted, it will boost employees' contributions, performance and morale, thereby leading to organizational success. However, the evidence from this study does not support this assertion. This may be due to the fact that the organization has setbacks in some areas pertaining to performance appraisal. This is evident in the findings as most (65.8%) of the employees believed performance appraisals are not fairly and honestly done in this organization and (69%) of them indicated that the organization has no open forum for managers and employees to periodically discuss performance levels. Nevertheless, the insignificant influence of performance appraisal on organizational success in this study does not necessarily mean that it has lost its usefulness. Performance appraisal is still necessary for effective functioning of an organization. As indicated by Ford (2004), to transform an organization from best-effort into a results-driven organization, performance appraisal policy should be used to better reward high performers and directly target poor performers for improvement.

In conclusion, the success of any talent management practices depends on a well defined roadmap that supports a long term strategic vision of an organization. The long term strategic vision of the organization will facilitate in assessing its current talent pool. It will also

provide concrete basis for attracting, engaging, developing and deploying people who can successfully bring about transformation and change in the organization. The study concludes that linking talent management strategy with corporate strategy, recognizing and rewarding high performers and talent review sessions are very crucial for organizational success.

5.3 Recommendations

In view of the study findings and conclusions, the following recommendations are put forward.

- ❖ It is recommended that management of Ethio Telecom, particularly; the South-West CEO (Representative) and the South-West HR supervisor should improve and emphasize its talent management practices; as doing so brings about greater organizational success. The particular practices should include linking talent management strategy with corporate strategy, recognizing and rewarding high potentials and performers as well as conducting talent review sessions. Specifically, management of the organization should use talent management strategies to develop people with the right skills, knowledge, and motivation to implement the business strategy and also use it to distinctively target its strategic objectives. The organization should apply a holistic approach to talent management practices – from attracting and engaging to developing and retaining employees in positions of greatest impact.

- ❖ The study also recommends that management of the organization, especially, the regional HR Supervisor and his team in the HR department should offer attractive compensation packages and favorable working conditions to employees, as the best talented employees who contribute to organizational success will be attracted to work for an organizations that they think will be more able to satisfy their needs by providing good pay package, job security and career development. Hence, management of the organization should endeavor to provide a fair, just and equitable reward to employees and also offer adequate monetary and non-monetary rewards to facilitate their talent development. In addition, the salary and fringe benefits given to employees should reflect their performance, contribution and efforts towards the organizational success

- ❖ It is also strongly recommended that management of the organization utilizes talent review sessions to identify employees with successor potential and those who are non A-Players in critical roles. Management of the organization should use talent review sessions to answer questions such as: Who are our top and our low performers? What are the strengths and development needs of our talent? What key roles will we need to fill in the future, and who is ready to take these on? What development plans should we put in place to improve readiness? Undoubtedly, when these questions are properly addressed, organizations will be able to have a smooth transition of employees from lower roles to higher roles and an effective succession planning.

- ❖ It is also prudent for management of the organization, particularly, the regional HR supervisor, departmental managers and other appraisers to tackle the shortfalls the organization has on performance appraisal as majority of the respondents indicated that performance appraisals are not fairly and honestly done in this organization and that the organization has no open forum for managers and employees to periodically discuss performance levels of employees. Hence, the organization needs to strengthen the training and orientation of appraisers on how to conduct an effective employees' performance appraisal. Thus, proactive measures need to be put in place to address these critical areas of performance appraisal as they contribute to efficient functioning of the organization.

5.4 Suggestions for Further Research

Some extensions to this study may provide further insights into the effects of talent management practices on organizational success. Some suggestions for future studies have been provided below.

First of all, research works on talent management practices and its effect on organizational success are vital for organizations in today's global knowledge-based economy. However, most of the existing studies are carried out in the Western world which necessitated this study. It is therefore necessary for more researchers, especially, in Africa to continue to explore the area empirically. Also, due to certain limitations, this study was restricted to Ethio Telecom, which is one of the giants among state institutions. It is therefore, not known to what extent one can generalize the findings from this study to other public organizations or

even private institutions across the country. It is therefore, suggested that future studies should focus on those institutions/organizations not captured in the current study.

Moreover, the current study employed four elements as independent variables under talent management practices and investigated their effects on organizational success. This implies that other variables relating to talent management practices were not considered. Hence, it is suggested that in future, other researchers should factor in other elements of talent management practices and assess their impact on organizational success. Also, the content analyses results indicated there could be other components of linking talent management strategy with corporate strategy, recognizing and rewarding high performers and conducting talent review sessions that could contribute positively to organizational success. Future studies may use additional components of these variables and establish their roles to organizational success.

Finally, this study did not make use of moderating/control variables in the conceptual framework and therefore, there is an opportunity for other researchers to introduce these variables like age, gender or size of the companies and establish whether the findings can be generalized.

REFERENCES

- Abdul-Kareem, A. (2016). Best Practices for Talent Management: Critical Drivers for Organizational Success and Survival. *European Journal of Business and Management*, 8(25), 98-105.
- Adams, J.S. (1965). 'Inequity in social exchange', *Adv. Exp. Soc. Psychol.*, 62:335-343
- Agyedu, G.O., Donkor, F. & Obeng, S. (2011). *Teach yourself research methods*. Kumasi: (Unpublished)
- Aljunaibi, M. M. (2014). *The Impact of Talent Management Practices on Employee Engagement in Semi-Government Organizations in Abu Dhabi, UAE* (Master's Thesis). British University in Dubai
- Ammon, L. & Falvey, B. (2016). Using Talent Reviews to Advance Business Results. *Employment Relations Today*: DOI 10.1002/ert
- Amoako, N. P. (2012). *An Investigation into the Effects of Retention Strategies on Employee Turnover at Akate Farms and Trading Limited, Kumasi* (MBA Thesis). Retrieved from <http://dspace.knust.edu.gh/> on 4th January, 2017
- Anand P. (2004). Talent Development and Strategy at Telecom Major Bharti Airtel. *Strategic HR Review*, 10 (6) Pub. Emerald group of pub. Limited.
- Antonakis, J., & Dietz, J. (2011). Looking for validity or testing it? The perils of stepwise regression, extreme-score analysis, heteroscedasticity, and measurement error. *Personality and Individual Differences*, 50, 409-415. doi:10.1016/j.paid.2010.09.014
- Aon Hewitt (2013). *Building the Right High Potential Pool: How organizations Define, Assess, and Calibrate their Critical Talent*. Aon Plc.
- Aron, E. N., & Coups, E. J. (2008). *Statistics for the Behavioral and Social Sciences (5th ed.)*. New York: Prentice Hall.
- Auranzeb & Bhutto, S. A. (2016). Influence of Talent Management in Enhancing Organization Performance (Evidence from Service Sector Companies in Pakistan). *Industrial Engineering Journal*, 6(6), 2016
- Axelrod, M., Michael, H. & Handfield, J. (2001). 'Talent management.' Discussion Paper 18 Retrieved 4th December, 2016 from www.business.uzh.ch
- Babbie, E. (1998). *The Practice of Social Research (8th ed.)*. Belmont California, USA: Wadsworth publishing company.
- Banker, (2004). CSFI Knowledge Bank. *The Banker*, 147(862), p. 15

- Bano, S., Khan, M. A, Rehman, Q.H.U & Hurmayoun, A.A. (2011). Schematizing Talent Management, a core Business Issue (Study of the Factors that Impact Talent Management in the corporate Sector of Islamabad, Pakistan). *Far East Journal of Psychology and Business*,2(1)
- Barney J. (1991). Firm resources and sustained competitive advantage. *Journal of management*, 17(1), 99-120
- Bersin by Deloitte Lexicon: Retrieved from www.bersin.com/Lexicon/Details.aspx?id=13212 on 20th March, 2017.
- Bethke-Langenegger, et al (2011). Effectiveness of Talent Management Strategies. *European Journal of International Management*, 5(5), 524 - 539
- Biggam, J. (2008). *E-Security in the Digital Age*. (Lecture delivered to MSc. E-business students, Division of Business Information Management Inverclyde University.
- Boston Consulting Group & World Federation of People Management Associations (2012). *Creating people advantage 2012: Mastering HR challenge in a two-speed world*. Retrieved on January 2, 2017 from <http://www.bcg.com>
- Bowman, C. & Toms, S. (2010). Accounting for Competitive Advantage: The resource-based view of the firm and the labour theory of value. *Critical Perspectives on Accounting*, 21(3) 183–194. Doi: 10.1016/j.cpa.2008.09.010
- Bowman, C., & Ambrosini, V. (2007b). Identifying Valuable Resources. *European Management Journal*, 25 (4), 320-329.
- Brandon Hall Group (2014). *State of Talent Management Study: Florida-USA*. Cap
- Cappelli, P. (2008). Talent Management for the Twenty-First Century. *Harvard Business Review*.
- Changing Minds (2012). http://changingminds.org/explanations/trust/what_is_trust.htm. Access on 27th December, 2016
- Cheese, P., Thomas, R. J., & Craig, E. (2008). *The talent power organization: Strategies for globalization, talent management and high performance*. London and Philadelphia: Kogan Page.
- CIPD (2006). *Talent management: Understanding the dimensions*. London: CIPD.
- Cole, G. A. (2007). *Management Theory and Practice* (6th ed). London: Thomson Learning.
- Cole-Gomolski, B. (2006). Chase Uses New Apps to ID Best Customers. *Computerworld*, 31(35), 49-50.
- Collings, D. G. & Mellahi, K. (2009). Strategic talent management: A review and research agenda. *Human Resource Management Review*, 19(2009), 304–313

- Cooper, D. R., & Schindler, P. S. (2006). *Business Research Methods* (9th ed). New York, NY: McGraw-Hill.
- Davis, D. (2000). *Business Research for Decision Making* (5th ed.). Belmont: Duxbury Press.
- Dawson, C. (2009). *Practical Research Methods: A user friendly guide to research*. United Kingdom: How to Books Ltd, 3 Newtec,
- Dess, G. G., & Picken, J. C. (1999). *Beyond Productivity*, New York: AMACOM.
- Drafke, M. W. & Kossen, S. (2002). *The human side of organizations* (8th ed) New Jersey: Prentice Hall, Inc.
- Du Plessis, L., Stanz, K., & Barkhuizen, E.N. (2010). *The relationship between Perceived talent management practices, Perceived Organizational Support POS, Perceived Supervisor Support PSS and Intention to quit amongst Generation Y employees in the Recruitment Sector*. Paper presented at the 3rd Annual People and Organization's Conference, Wharton School, McGill University.
- Ethio Telecom (2017). Retrieved from https://en.wikipedia.org/wiki/Ethio_telecom on 6th April, 2017
- Fakhro, A. (2015). *Requirements and Methods of Detection of Talented and Creative: Second International Conference for the gifted and talented - under the slogan Towards a national strategy for the care of innovators- University of the United Arab Emirates*,
- Faraway, J. (2002). *Practical regression and ANOVA using R*. Retrieved on 26th December, 2016 from www.r-project.org
- Ford, D.K. (2004). Development of Performance Appraisal Training Program for the Rehabilitation Institute of Chicago. *Journal of European Industrial Training*, 28(7), 550-568.
- Gara, R. (2007). 'Talent management in Egypt.' Paper prepared for presentation at the Global Talent management Centre.
- Gravetter, F. J., & Forzano, L. B. (2006). *Research methods for the behavioral sciences* (2nd ed.), Mason, OH: Thompson
- Grubb, T. (2007). "Performance Appraisal Reappraised: It's Not All Positive." *Journal of Human Resource Education*, 1(1), 1-22.
- Halogen Software Inc. (2016). 7 talent management practices to help you survive a downturn. Retrieved from <http://www.halogensoftware.com/uk/learn/>
- Herzberg, F. (1974). Motivation-Hygiene Profiles. *Organizational Dynamics*, 3(2), 18-29.

- Hughes J. C. & Rog E. (2011). *Talent management: A strategy for improving employee recruitment, retention and engagement within hospitality organizations*" Retrieved on 20th November, 2016
- Huselid, M .A . (1995). The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance. *Academy of Management Journal*, 38, 635-672 .
- Ifeoma, O. R., Purity, N., & OKoye –Nebo, C. (2015). Effective Talent Management: Key to Organisational Success. *Journal of Policy and Development Studies*, 9(2), 95-106
- Iles, P., Chuai, X., & Preece, D. (2010). Talent Management and HRM in Multinational companies in Beijing: Definitions, Differences and Drivers: *Journal of World Business*, 45 (2), 79-189
- Jaccard, J., Guilamo-Ramos, V., Johansson, M., & Bouris, A. (2006). Multiple regression analyses in clinical child and adolescent psychology. *Journal of Clinical Child and Adolescent Psychology*, 35(3), 456-479.
- Jackson, S. (2009). *Research Methods and Statistics. A crucial Thinking Approach* (3rd ed). USA: Waldsworth Cengage Learning.
- Kehinde J. S. (2012). Talent Management Effect on Organization Performance. *Journal of management research*, 4 (2) 76-88.
- Keith, T. (2006). *Multiple regression and beyond*. Pearson Allyn & Bacon.
- Kelly, S. (2013). *Attraction and Retention of Talent*. Retrieved on 16th December, 2016 from Kellyservices.co.nz
- Kessler, A. S., & Lülfesmann, C. (2006). The Theory of Human Capital Revisited: on the Interaction of General and Specific Investments. *Economic Journal*, 116(514), 903-923.
- Kibui, A. W. (2015). *Effect of Talent Management on Employees Retention in Kenya's State Corporations* (PhD Dissertation). Jomo Kenyatta University of Agriculture and technology
- Kombo, D. K. & Tromp, L.A. (2006). *Proposal and Thesis writing*. Nairobi, Kenya: Pauline's Publishers
- Kothari, C. (2004). *Research Methodology: Methods and Techniques*. New Delhi, India: New Age International Ltd.
- Kumar, S. (2014). Factors Affecting Talent Management Practices – A Review. *Indian Journal of Research*, 3(11)

- Kuvaas, B. (2006). Performance Appraisal Satisfaction and Employee outcomes: Mediating and Moderating Roles of Work Motivation. *International Journal of Human Resources Management*, 17(3), 504-522
- Lawler, E. E. (2008). *Talent: Making people your competitive advantage*. San Francisco, CA US: Jossey-Bass.
- Lepak, D. P., & Snell, S. A. (1999). The Human Resource Architecture: Toward a theory of human capital allocation and development. *Academy of Management Review*, 24(1), 31-48.
- Lewis, R. E., & Heckman, R. J. (2006). Talent management: A critical review. *Human Resource Management Review*, 16(2), 139
- Linjie, L. & Wang X. (2016). The Strategy of Talent Localization in Multinational Corporations. *International Journal of Business and Management*, 5(12), 219.
- Louis, C., Lawrence, M., & Morris, K. (2007). *Research Methods in Education* (6th Ed). New York, USA: Rutledge.
- Lucky, E. O., Olusegun, A. I. & Bakar, M.S. (2012). Determinants of Business Success: Trust or Business Policy? *Journal of Arts, Science & Commerce*, 3(3)
- Lucky, I.O.E. (2011). "The moderating effect of Location and culture on the relationship between individual determinants, external factor and firm characteristics on small firm performance" (Ph.D Dissertation), Universiti Utara Malaysia.
- Lyrta, R. K. (2014). *Effect of Talent Management on Organizational Performance in Companies Listed in Nairobi Securities Exchange in Kenya*. JKUAT Institutional Repository
- Maslow, A. (1908). *Hierarchy of Needs Theory*. New York: Harper
- McDonnell, A., Lamare, R., Gunnigle, P., & Lavelle, A. (2011). Still fighting the “war for talent”? Bridging the science versus practice gap. *Journal of Business and Psychology*, 26(2), 169-173.
- McDonnell, A., Lamare, R., Gunnigle, P., & Lavelle, J. (2010). Developing tomorrow’s leaders—Evidence of Global Talent Management in Multinational Enterprises. *Journal of World Business*, 45, 150-160.
- Menard, S. (1995). *Applied Logistic Regression Analysis*. Sage University Paper Series on Quantitative Applications in the Social Sciences, 07-106: Thousand Oaks, CA: Sage.
- Meyer, J.P., Becker, T. E. & Vandenberghe, T.(2004). “Employees Commitment and Motivation”: A Conceptual Analysis and Integrative Model”. *Journal of Applied Psychology*, 39(1), 991-1007

- Michaels, E., Handfield-Jones, H., & Axelrod, B. (2001). *War for Talent (Hardcover)*. Boston: Harvard Business School Press Books.
- Moayed, Z., & Vaseghi, M. (2016). The Effect of Talent Management on Organizational Success: *Scinzer Journal of Accounting and Management*, 2(3), 16-20
- Morton, L. (2004). *Integrated and Integrative Talent Management: A Strategic HR Framework*, the Conference Board, New York, NY: Research Report R-1345-04-RR.
- Morton, L. (2005). *Talent management imperative: Strategies for execution*. Retrieved November 25, 2016, from <http://www.theconferenceboard.com>
- Mpofu, L., & Barkhuizen, E.N. (2013). *The Impact of Talent Management Practices on Employees in a Government Institution*. In S.M. Lee & G. Roodt (Eds.), *30th Pan Pacific Conference, Johannesburg, South Africa* (pp. (129-131) ISBN: 1-931649-27-3. PPBA.
- Mtila, J., Barkhuizen, E.N., & Mokgele, R. (2013). *Exploring the Application of Talent Management Practices in a Local Government Institution*, 30th Pan Pacific Business Association Conference, Johannesburg, South Africa.
- Mudoli, A. (2008). Effectiveness of Talent Management in India. *In International Conferences on Management Sciences, 1–16*
- Mugenda & Mugenda (2003). *Research Methods: Qualitative and Quantitative Approaches*. Nairobi: ACTS press.
- Mwangi, M. (2009). *Factors Affecting Talent Management at Nation Media Group* (Master's thesis), Strathmore University
- Myers, R. (1990). *Classical and Modern Regression with Applications* (2nd ed.). Boston, MA: Duxbury.
- Nafukho, F. M., Hairston, N., & Brooks, K. (2004). Human capital theory: implications for human resource development. *Human Resource Development International*, 7(4),
- Ngari J.M. (2013). *Relationship between Intellectual Capital Accounting and Business Performance in Pharmaceutical Firms in Kenya* (PhD Dissertation). Jomo Kenyatta University of Agriculture and Technology
- Njeri, K. J. & Orwa, B. H. (2014). An Empirical Study of Challenges Affecting Implementation of Talent Management in State Corporations – A Study of Kenya Broadcasting Corporation. *International Journal of Humanities and Social Science*, 4, (7)

- Njeri, K. J. (2013). *Challenges Affecting Implementation of Talent Management in State Corporations – A Study of Kenya Broadcasting Corporation* (Master's Thesis). Jomo Kenyatta University
- Nzuve, S. (2007). *Elements of organizational Behaviour, Revised Edition*. Nairobi: University of Nairobi press.s
- Nzuve, S. (2009). *Industrial Relations Management*. University of Nairobi press
- Oracle, (2013). Top 10 Talent Management Best Practices. Retrieved from <http://www.oracle.com/us/chro-docs/management-best-practices-br-1979032>
- Orodho, A. (2008). *Essentials of Educational and Social Sciences Research Methods: Qualitative and quantitative Approach*. Kenya: Nairobi Acts Press
- Osborne, J., & Waters, E. (2002). Four assumptions of multiple regression that researchers should always test. *Practical Assessment, Research & Evaluation*, 8(2).
- Pallant, J. (2005). *SPSS Survival Manual: A Step By Step Guide to Data Analysis Using SPSS for Windows (12th ed.)*. Ligare: Sydney.
- Peteraf, M., & Barney, J. (2003). *Unraveling the Resource-Based Tangle*. *Managerial and Decision Economics*, 24, 309-323
- Piña-Ramírez, W. & Dávila, N. (2015). *It's Time to Review the Talent Review*. Association for Talent Development (ASD)
- Poole, M., & O'Farrell, P. (1971). The assumptions of the linear regression model *Transactions of the Institute of British Geographers*, 52, 145-158.
- Pratheepkanth, P. (2011). Reward System and Its Impact on Employee Motivation in Commercial Bank of Sri Lanka Plc, In Jaffna District. *Global Journal of Management and Business Research*, 11(4)
- Rabbi, F. (2015). Talent Management as a Source of Competitive Advantage. *Journal of Asian Business Strategy*, 5(9), 208-214
- Rao, K. N. (2013). Talent Management – A Review Study. *International Journal of Management Focus*: 3(3)
- Roberts, G. E. (2002). Employee Performance Appraisal System Participation: A Technique that Works. *Journal of Public Personnel Management*, 31(3), 332 – 372
- Rotundo, M. (2002). *Three Programs that Keep Employees in the Fold*. *Financial Post* 3 June, p.9
- Rudman, R. (2003). *Human Resources Management in New Zealand*. Auckland: Pearson Education New Zealand Limited.

- Russell, R. (2014). *Definition of a Successful Company* Retrieved from <https://www.quora.com/What-is-the-definition-of-a-successful-company> on 27th December, 2016
- Saleem, N.A (2006) *Principles and Practice of Management Simplified*. Nairobi: Saleemi Publication.
- Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research Methods for Business Students* (5th ed.). Harlow FT Prentice Hall, Thorn hill.
- Saxena, P. (2013). Talent management: a strategic perspective, *Anveshanam – A National Journal of Management*, 1(1), 49–55.
- Scott, S.G. & Einstein, W.O. (2001). Strategic Performance Appraisal in Team based Organizations: one size does not fit all. *Academy of Management Executive*: 15(2), 107-116.
- Scullion, H., Collings, D. C. & Caligiuri, P. (2010). Introduction: Global talent management. *Journal of World Business*, 45, 105–108
- Sekaran, U. (2003). *Research Methods for Business* (4th ed.). Hoboken, New Jew: John Wiley & Sons.
- Selvarajan T.T., and Cloninger, P.A. (2009). The Influence of Job Performance Outcomes on Ethical Assessments. *Personnel Review*, 38(4), 398–412
- Silzer R. F., & Dowell B. E. (2010). *Strategy-Driven Talent Management: A leadership imperative*. San Francisco: Jossey-Bass.
- Sparrow, P. R., Hird, M., Hesketh, A. & Cooper, C.L. (2010). *Leading HR*. London: Palgrave Macmillan.
- Stevens, J. P. (2009). *Applied multivariate statistics for the social sciences* (5th ed.). New York, NY: Routledge.
- Sweetland (1996). “Human Capital Theory: Foundations of a field of inquiry”. *Review of Education Research*, 66(3), 341-359.
- Tabachnick, B. G., & Fidell, L. S. (2007). *Using multivariate statistics* (5th ed). New York: HarperCollins.
- Tarique, I., & Schuler, R. S. (2010). Global talent management: Literature review, integrative framework, and suggestions for further research. *Journal of World Business*, 45(2), 122-133.
- Tymon, W.G., Strumpf, S.A. & Doh, J.P. (2010). “Exploring Talent Management in India: The neglected role of intrinsic rewards”. *Journal of World Business*, 45(2)

- Uren, L. & Samuel J. (2007). From Talent Compliance to Talent Commitment Strategic. *HR Review*, 6(3), 32-35
- Vaiman, V. (2010), “*Managing talent of non-traditional knowledge workers –opportunities, Challenges, and trends*”, in Vaiman, V. (Ed.), *Talent Management of Knowledge Employees: Embracing Non-traditional Workforce*, Palgrave Macmillan, Basingstoke, pp. 1-22.V
- Vaiman, V., Scullion H., & Collings, D. (2012). Talent Management Decision Making. *Management Decisions* 50(5), 925-941.
- Vlădescu, A. (2012). The Possibility of Implementing Talent Management in the Public Sector. *Management & Marketing Challenges for the Knowledge Society*, 7(2):351-362.
- Waheed, S., Zaim, A. & Zaim H. (2012). Talent Management in Four Stages, the *USV Annals of Economics and Public Administration*; 12(1- 15), 130-137.
- Wellins, R. S., Smith, A. B. & Erker, S. (2010). *Nine Best Practices For effective talent management, White Paper*: Pittsburgh, PA: Development Dimensions International.
- Williams, D. (2000). ‘Talent Management in the New Business world: How Organizations can create the Future and not be consumed by it’. *Human Resource Management International Digest*, 19(6), 33-36
- Xue, Y. (2014). *Talent Management of Selected Human Resource Professionals in Middle to Large Sized Manufacturing Multinational Companies in China* (PhD Dissertation): Pennsylvania State University.
- Zikmund, W. (2003). *Business Research Methods*. Texas, USA: Harcourt College Publisher.

APPENDIX I: QUESTIONNAIRE
JIMMA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS

Dear Sir/Madam

The purpose of this questionnaire is to gather information on the *effects of talent management practices on organizational success: Experience from Ethio Telecom* as part of a study for the award of MBA at Jimma University. I will be most grateful if you could take some time off your busy schedule to respond to the following questions. This is only an academic exercise and you are assured of anonymity and confidentiality. The information you give is intended for this study only and will be collated with responses from other respondents without particular references to your responses to satisfy the objectives of this study. Thank you.

Kindly, tick [√] the appropriate response in the box or supply a response appropriate to the question in your opinion.

Part A: Background Data

1. Age

- 20 – 30 years
- 31 – 40 years
- 41 – 50 years
- 51 – 60 years
- Above 60 years

2. Gender: Male Female

3. What position do you occupy in this organization?
.....

4. How long have you been employed in this organization?
1-5 years 6-10 years 11-15 years Above 15 years

5. Please indicate your terms of employment?
Permanent Contract

Part B: Talent Management Practice

1. Is there a practice or an approach used by your organization to attract, engage, develop, deploy and retain employees with the right skills, special abilities, high potentials, scarce knowledge or who can successfully bring about transformation and change in the organization?

Yes No

2. If yes, how do you rate such a talent management practice of your organization?

Excellent

Good

Moderate

Bad

3. Does your organization have a staff member whose position is exclusively responsible for overseeing talent management initiatives?

Yes No

4. To what extent do you agree to the following statements being part of your organization's talent management practices?

Item	Rating Scale				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Linking talent management strategy with corporate strategy	1	2	3	4	5
Recognizing and rewarding high potentials and performers	1	2	3	4	5
Conducting talent review sessions	1	2	3	4	5
Conducting regular performance appraisals	1	2	3	4	5

Part C: Variables of Talent Management Practices

Please, indicate the extent to which you agree with the following statements by ticking [√] the appropriate number. Use the rating scale below:

1=Strongly Disagree(SD)	2=Disagree(D)	3=Neutral(N)	4=Agree(A)	5=Strongly Agree(SA)
--------------------------------	----------------------	---------------------	-------------------	-----------------------------

Linking Talent Management Strategy with Corporate Strategy

1. To what extent do you agree with the following statements relating to the effect of linking talent management strategy with corporate strategy on organizational success?

Statement	SD	D	N	A	SA
	1	2	3	4	5
My organization’s business strategy is sound and its talent strategy is designed to support the business strategy.					
The HR manager of my organization sits in the business strategy planning meeting and for which talent strategy is on the agenda					
When a company aligns its talent strategy to business strategy, it is more likely to achieve its strategic objectives.					
My organization’s talent management strategies develop people with the right skills to implement the business strategy.					
This company’s talent management strategy is targeted toward its strategic objectives to achieve maximum performance.					
Connecting talent management strategy with business strategy helps the organization to have the right caliber of staff to achieve the long-run business goals.					

2. Apart from those mentioned above, how else does linking talent management strategy with corporate strategy affect organizational success?

.....

.....

.....

.....

Recognizing and Rewarding High Potentials and Performers

1. To what extent do you agree with the following statements concerning the effect of recognizing and rewarding high potentials and performers on organizational success?

Statement	SD	D	N	A	SA
	1	2	3	4	5
The reward system of my organization recognizes employees' contributions.					
The organization has a reward system that I perceive to be fair, just and equitable.					
Management of the organization creates a supportive work climate that promotes high performance.					
The organization offers monetary and non – monetary rewards that are enough to facilitate my talent development.					
The salary and fringe benefits I receive in this organization are proportionate to my performance and efforts.					
My organization recognizes that its success hinges on its ability to motivate high potentials.					
When the incentive given is according to potentials and performance of employees, it acts as a powerful stimulant to contribute towards organizational success.					

2. Apart from those mentioned above, how else do you think recognizing and rewarding high potentials and performers affect organizational success?

.....

.....

.....

.....

.....

.....

Conducting Talent Review Sessions

1. To what extent do you agree with the following statements relating to the effect of conducting talent review sessions organizational success?

Statement	SD	D	N	A	SA
	1	2	3	4	5
There is a meeting in place in my organization that engages senior business leaders in discussing talent issues.					
This organization fills critical talent gaps through talent review sessions in order to achieve organizational objectives.					
The organization uses talent review session to identify employees with successor potential and those who are non A-Players in critical roles.					
Talent review sessions can help an organization to increase its talent pool so that organizational objectives can be achieved.					

2. Apart from those stated above, how else do you think conducting talent review sessions affect organizational success?

.....

.....

.....

.....

.....

.....

.....

.....

Conducting Regular Performance Appraisals

1. To what extent do you agree with the following statements relating to the effect of conducting regular performance appraisals on organizational success?

Statement	SD	D	N	A	SA
	1	2	3	4	5
Supervisors in my organization provide frequent feedback to employees with specific details on areas for improvement.					
My organization has an open forum for managers and employees to periodically discuss performance levels.					
The performance appraisal policy of this organization enhances employees' performance.					
Performance appraisals are fairly and honestly done in this organization.					

2. Apart from those stated above, how else do you think conducting regular performance appraisals affect organizational success?

.....

.....

.....

.....

.....

.....

.....

.....

Part D: Organizational Success

1. To what extent do you agree with the following statements relating to the effects of talent management practices on organizational success?

Statement	SD	D	N	A	SA
	1	2	3	4	5
This company talent management strategy, reward systems and talent review sessions have contributed to a high return on investment.					
Talent management practices of the organization led to increase employees' productivity.					
In this company, we believe talent management practices increased our competitiveness.					
Talent management practices of the organization resulted in increased profitability.					

Part E: To be Filled by the Regional HR Manager

Role of the Regional HR Manager

1. How does your company align talent management strategy and business strategy?

.....

.....

.....

2. What is the HR manager's role in the company's talent management practices?

.....

.....

.....

3. What are the employee groups the organization wants to keep?

.....

.....

.....

4. What measures does your organization use to retain these groups?

.....
.....
.....
.....

5. What measures do you have in place in this organization to develop talent of employees?

.....
.....
.....

6. What are the monetary and non – monetary rewards that your organization offers in an attempt to value employees’ performance and contribution?

.....
.....
.....

7. Briefly explain how your organization conduct employees’ performance appraisal?

.....
.....
.....

Note: HR stands for Human Resource and A-Players stand for employees who are high performers or have high potentials

Thank you for your time and cooperation

APPENDIX II – ASSUMPTIONS OF MULTIPLE LINEAR REGRESSION

1. Sample size

A sample must represent well the characteristics of the population. With small sample size, one may obtain a result that does not generalize to the target population. If results do not generalize to other samples, then they are of little scientific value. Most researchers tend to use Tabachnick and Fidell (2007) formula for calculating sample size requirements for multiple regression. These authors took into account the number of independent variables that researchers wish to use: $N > 50 + 8m$ (where N = sample size and m = number of independent variables). In the case of this study, the number of independent variables is 4 and sample size is 176. Substituting these values into the formula, we have; $176 > 82$. Hence, the assumption on sample size requirements for multiple regression was met by the researcher before analyses.

2. Multicollinearity Test

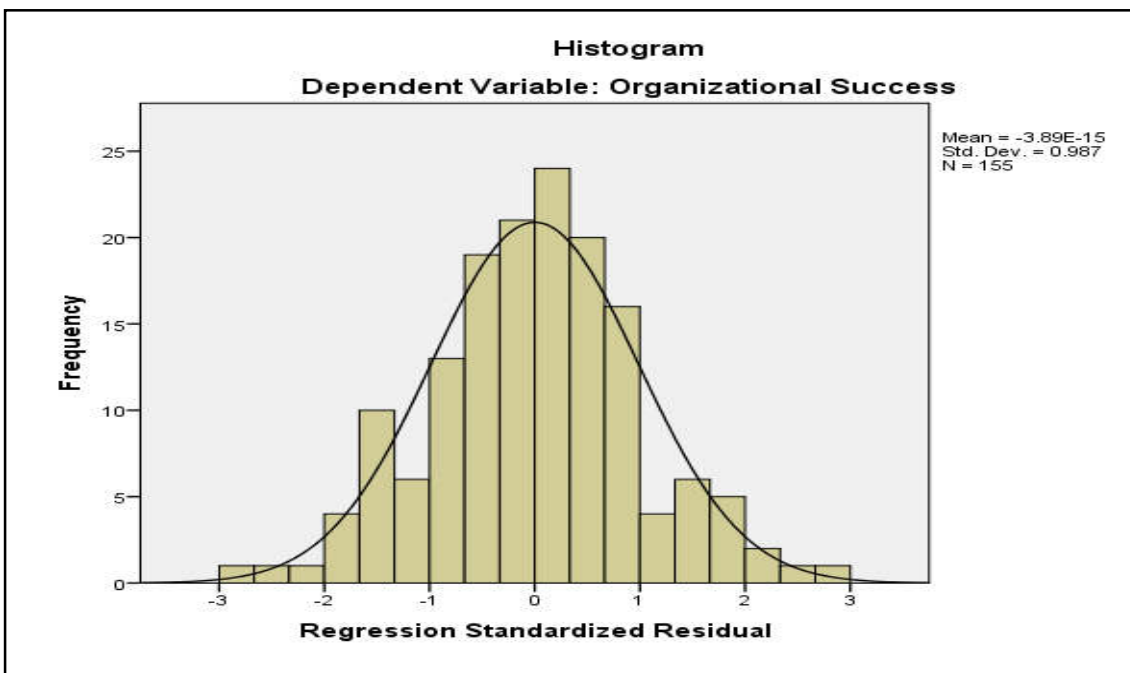
Before the analysis, a multicollinearity diagnostic test was conducted to ensure that the data was suitable for regression analysis. Multicollinearity refers to the assumption that the independent variables are uncorrelated. It occurs when several independent variables correlate at high levels with one another (Keith, 2006). It is a problem that occurs with regression analysis when there is a high correlation of at least one independent variable with a combination of the other independent variables. Menard (1995) suggests that a tolerance value less than 0.1 almost certainly indicates a serious collinearity problem and a tolerance value below 0.2 indicates a potential collinearity problem. Tolerance is an indicator of how much of the variability of the specified independent is not explained by the other independent variables in the model. Myers (1990) also postulates that a VIF (Variance Inflation Factor) value greater than 10 calls for more concern on collinearity problem. Besides, a VIF value that exceeds 5 indicates a likely collinearity problem. As indicated in the table below, there is no existence of multicollinearity problem among the explanatory variables as tolerance values are greater than 0.2 and VIF values less than 5.

APPENDIX II Table 1: Relationship among Explanatory Variables

Variable	Multicollinearity	
	Tolerance	VIF
Linking talent management strategy with corporate strategy	0.800	1.250
Recognizing and rewarding high potentials and performers	0.887	1.128
Conducting talent review sessions	0.888	1.126
Conducting regular performance appraisals	0.964	1.037

3. Normality

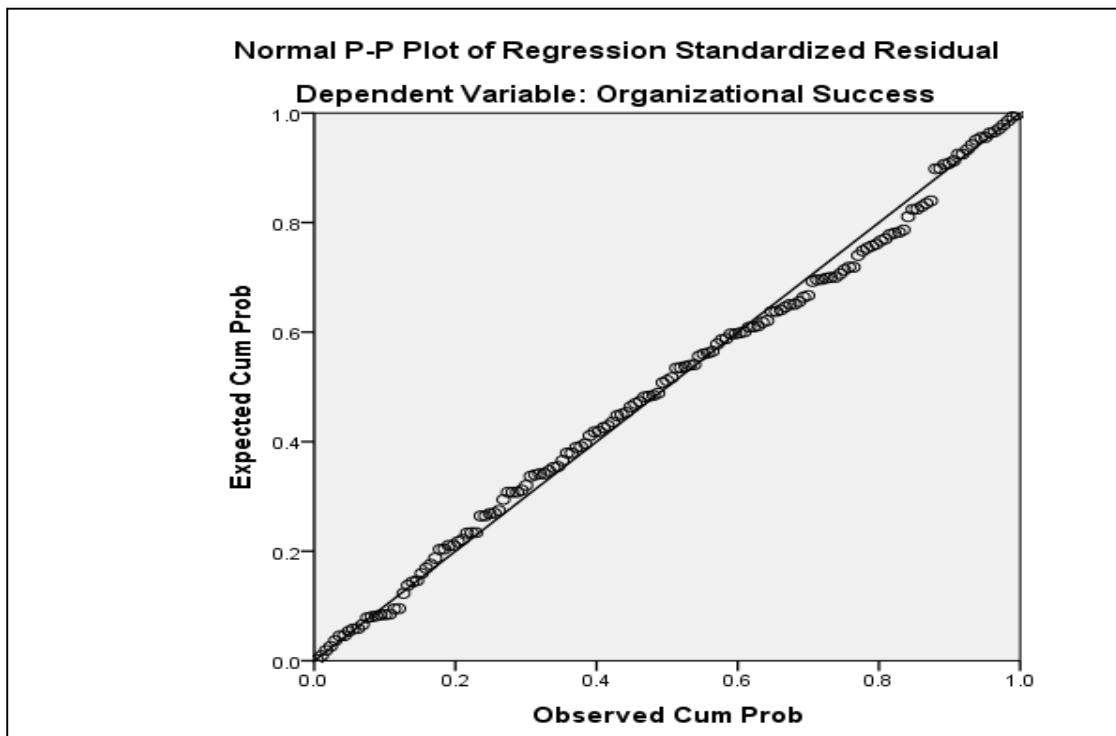
Normality refers to the normal distributions of the residuals about the predicted dependent variable scores. This assumption is based on the shape of normal distribution and gives the researcher knowledge about what values to expect (Keith, 2006). Normality tests are used to determine whether a data set is well-modeled by a normal distribution or not, or to compute how likely an underlying random variable is to be normally distributed (Gujarati, 2009). Normality can be checked through histograms of the standardized residuals (Stevens, 2009). Histograms are bar graphs of the residuals with a superimposed normal curve that show distribution. As depicted in the figure below; which is an example of a histogram with a normal distribution from the SPSS software, there is no normality problem on the data used for this study.



Source: Field Survey, 2017

4. Linearity

Linearity has to do with the residuals having a straight-line relationship with predicted dependent variable scores. It describes the dependent variable as a linear function of the predictor variables. Multiple regression can accurately estimate the relationship between dependent and independent variables when the relationship is linear in nature. If the relationship between the dependent and independent variables is not linear, the results of the regression analysis will under- or over- estimate the true relationship of the variables (Osborne & Waters, 2002). According to Stevens (2009), linearity can be best checked by normal p-plot residual. As shown in the figure below, the relationship between the dependent and independent variables is linear. Hence, no linearity problem on the data used for this study.

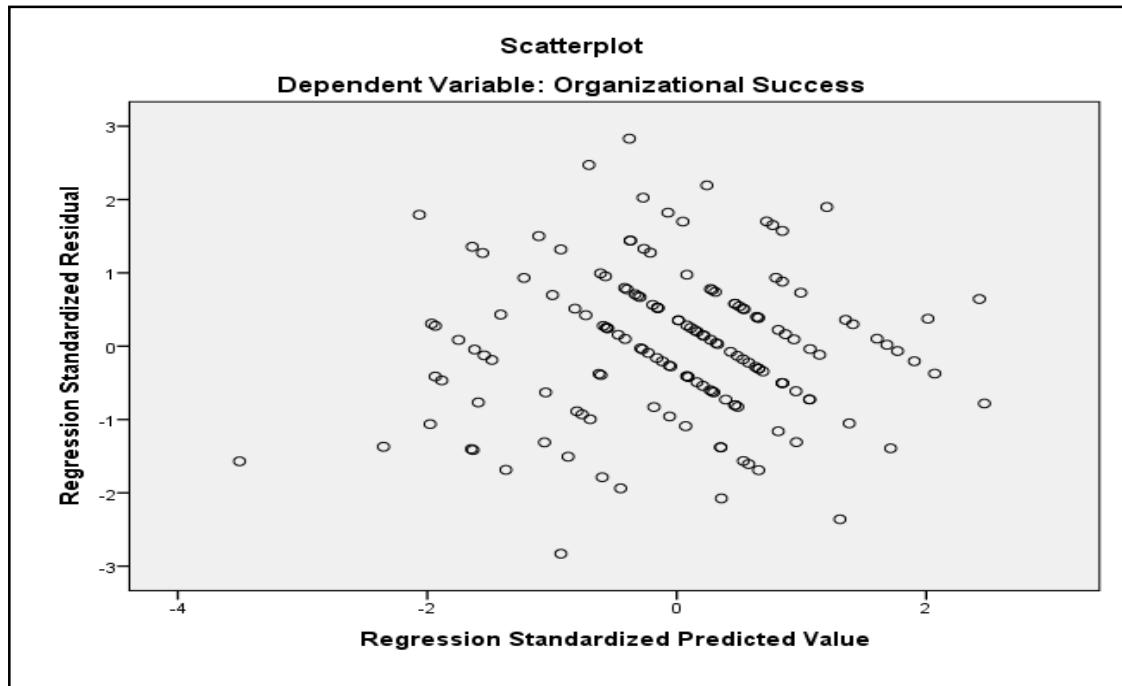


Source: Field Survey, 2017

5. Homoscedasticity

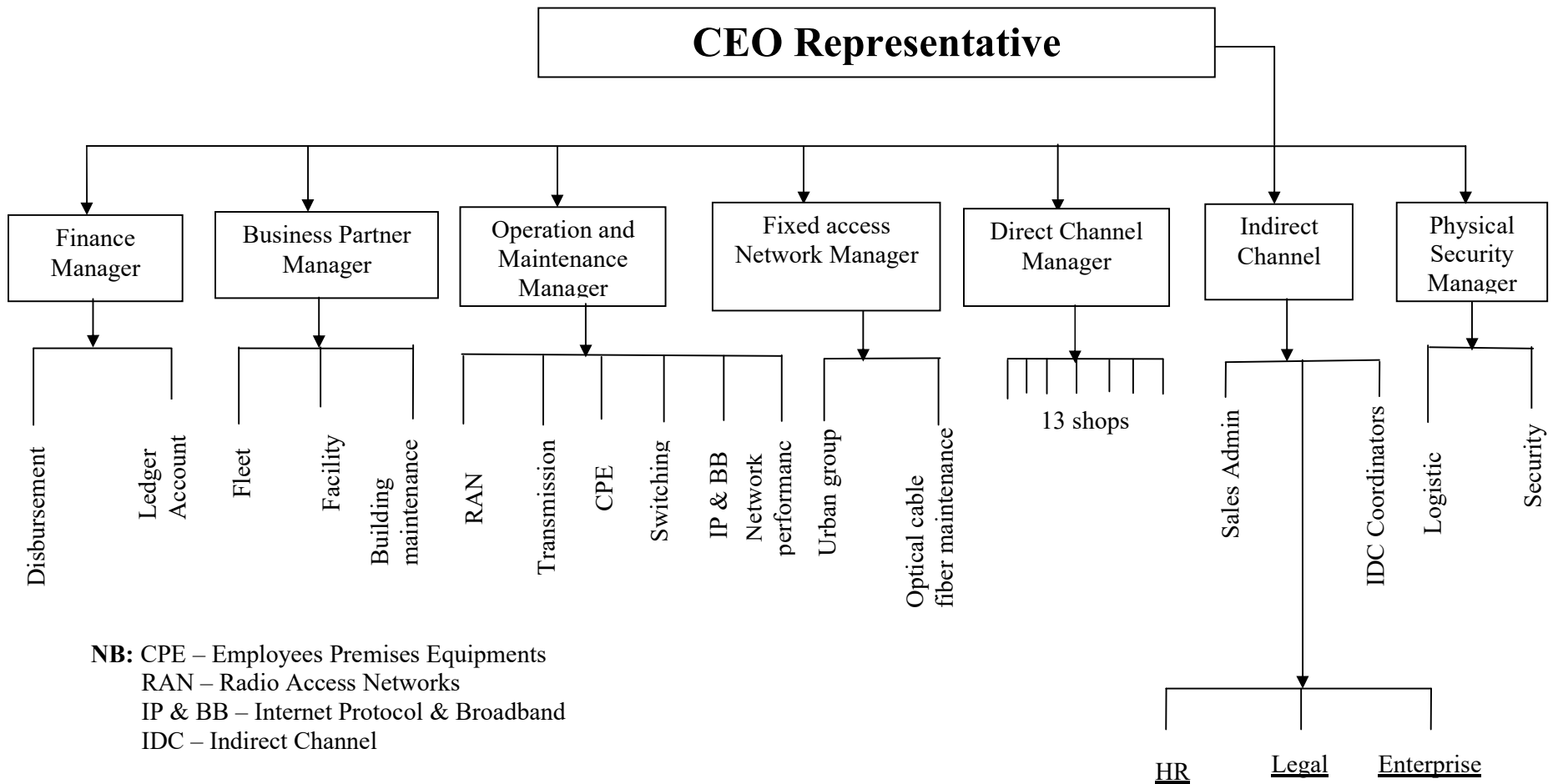
The assumption of homoscedasticity refers to equal variance of errors across all levels of the independent variables (Osborne & Waters, 2002). This means that researchers assume that errors are spread out consistently between the variables. Statistical software scatter plots of residuals with independent variables are the method for examining this assumption (Keith, 2006). Ideally, residuals are randomly scattered around zero providing even distribution

(Osborne & Waters, 2002). To check this assumption scatter plot was generated for the model. As shown in the figure below, the error variance is constant since most scattered plot attributes are around zero and near to the horizontal line. Therefore, there is no violation of homoscedasticity assumption in this study.



Source: Field Survey, 2017

ORGANIZATIONAL STRUCTURE
South Western Region (JIMMA BRANCH)



Functional + Matrix Structure