

## **A Review of Impact of talent management and skill management practices on employee retention with respect to private hospitals in Sangli District.**

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### **ABSTRACT:-**

This article presents analysis of research evidences on Impact of Skill management and Talent management on Employee retention and Employee turnover. The aim of this study is to examine the impact of current skill management and talent management practices on employee retention through undertaking systematic review of literature, identifying and discussing the responsible factors, considering the gaps within research literature for future research and practice.

**KEY WORDS:-** Employee turnover, Employee retention, Skill management, Talent management.

### **INTRODUCTION:-**

Healthcare has become one of India's largest sectors - both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well private players. The overall Indian healthcare market today is worth US\$ 100 billion and is expected to grow to US\$ 280 billion by 2020, a compound annual growth rate (CAGR) of 22.9 per cent. Healthcare delivery, which includes hospitals, nursing homes and diagnostics centers, and pharmaceuticals, constitutes 65 per cent of the overall market.

Indian healthcare delivery system is categorized into two major components - public and private. The Government, i.e. public healthcare system comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of primary healthcare centers (PHCs) in rural areas. The private sector provides

majority of secondary, tertiary and quaternary care institutions with a major concentration in metros, tier I and tier II cities. India's competitive advantage lies in its large pool of well-trained medical professionals.

But these medical services, particularly the hospitals are facing the major issues of employee turnover. Employee turnover refers to the number or percentage of workers who leave an organization and are replaced by new employees. It is of four types as; voluntary, involuntary, functional and dysfunctional turnover.

In this study the attempts will be made to cover all the types of turnovers and then how the talent management and skill management practices should be developed. Then in the light of these talent management practices and skill management practices attempt will be made to gauge effective employee retention practices in order to minimize this turnover and retain talented pool of employees in the hospitals.

## **REVIEW OF LITERATURE:**

### **Yona Sakaja Mangusho, Raphael Kipkoech Murei (2015)**

The researchers have conducted a research on "Evaluation of Talent Management on Employees Performance in Beverage Industry: A Case of Delmonte Kenya Limited", talent management practice within organization is an international human resource strategy that seeks to identify, develop, deploy and retain talented and high potential employees.. The study established that the job retention motivated the employees of Del Monte leading to ultimate performance. The study recommended that the management should ensure the work environment be attractive to the employees so as to motivate, thus leading to better performance.

### **Victor Oladapo, (2014)**

The researcher has studied on THE IMPACT OF TALENT MANAGEMENT ON RETENTION .This study sought to understand the challenges and successes of talent management programs and the reasons why some American companies choose not to have a program. This study also tested the predictive power of job security, compensation and opportunity on retention rates. Participants cited opportunity for job advancement as the most significant factor affecting retention rate. The study further revealed that job security, compensation, and opportunity for advancement were not found to have predictive value for employee retention rates.

**Ali Chitsaz-Isfahani, HamidReza Boustani (2014)**

The researchers had conducted research on "Effects of Talent Management on Employees Retention: The Mediate Effect of Organizational Trust" In this research they had investigated the relationship between Talent management, employee Retention and organizational trust. The aim of the article is to examine the effect of Talent management on employee Retention through organizational trust among staffs of Isfahan University in Iran. The results of hypothesis testing indicate that there is a significant relationship between Talent management, employee Retention and organizational trust. . The limitation of this study was it just aimed on six dimensions including Career Management, Mentoring, Coaching, Training, Job Experience and Succession Planning on employee Retention through organizational trust among staffs of Isfahan University in Iran

**Maya M., R. Thamilselvan (2013)**

The researchers had performed a study on "Impact of Talent Management on Employee Performance and Organizational Efficiency In ITSP's with reference to Chennai City". The result showed a significant association on the role played by talent management in employee's performance and organizational efficiency

**Usha Tiwari, Devanshi Shrivastava, (2013)**

The researchers had conducted a study on "Strategies And Practices Of Talent Management And Their Impact On Employee Retention And Effectiveness." The prime focus of this study has to analysis the talent management initiative taken by the HR professional and find out the effectiveness of such initiatives as well as the satisfaction level of the employees. The study revealed that age of employees is independent from satisfaction but experience of employees does affect the satisfaction with the practices of talent management.

**Kwenin D. O., Muathe S., Nzulwa R.,(2013)**

The researchers had worked on "The influence of employee rewards, human resource policies and job satisfaction on the retention of employees in Vodafone Ghana ltd." The result showed that when organization's reward systems are adequate, it does not only lead to equity, but increase retention. It was also found that job satisfaction and favorable human resource policies have positive link with retention.

**Akila R. (2012)**

The researcher had carried a research on “A study on employee retention among executives at BGR energy systems ltd. Chennai”. The employee retention programme at BGR was not found satisfactory. The analysis of data revealed that employees have give highest weighting to comfortableness in working hours and not satisfied with the annual increments provided. Gender has significant relationship with work life balance. Correlation between job satisfaction and working condition leads to employee retention. The departments also have an influence on it. The factors that had a greater influence on employee retention were career opportunities, work life balance and recognition at BGR energy.

**Richard C. Hoffmana\* and Frank M. Shippera, (2011)**

The researchers had engaged a study on “The impact of managerial skills on employee outcomes: a cross cultural study” This study examined the interaction effect of cultural values and managerial skills on two outcomes, employees' attitudes and workgroup effectiveness. The results indicated that cultural values tend to have a greater effect when a manager is less skilled than when the manager is highly skilled. When the manager is highly skilled, the interaction effects of culture tend to disappear.

**Anappindi S. and Manohar M.S. (2011)**

The researchers conducted a study on “ I am here to stay ! The stock broking way (an Indian perspective) : part 1.”

This study focused on how better one can integrate the employee aspirations with the goals and missions of an organization. The factors like changing office dynamics, grown intellectuality and aspiration etc. were studied for employee retention.

**Ghosh Koustab and Sahney S. (2011)** The researchers had studied the “Impact of organizational socio-technical system on managerial retention – A general liner modeling approach.” This study concluded that in the industrial organizations, designing the managerial jobs by balancing the both organizational social and technical subsystem elements does impact on managerial retentions.

**Groeneveld S. (2010)** The researcher conducted a research on a research on “Diversity and employee turnover in Dutch Public sector” to explore the differences in turnover and turnover

intensions by gender and ethnicity. By analyzing the two data sets :- determinants of turnover and turnover intension of both native Dutch and ethnic minority men and women , the results showed that the women's turnover is mostly commonly associated with the intrinsic factors (like needs and values etc.), where as for the men the causes are extrinsic factors (like organizational leadership, management support etc.)

**Makawatsakul Nantapron and Kleiner H. Brain (2010)** The researchers had conducted a research on “the effect of downsizing on morale and attrition” They have studied the factors of morale and downsizing, how morale is measured. The study revealed the importance of role of management towards effective downsizing & positive attrition i.e. keeping the downsized employee happy during the downsizing process.

**Bergiel E. B., Nguyen V.Q. and Clenney B. F. (2009)** The researchers had studied “Human resource practices, job embeddedness and intention to quit” They used job embeddedness , a new construct, to investigate its mediation effect on its relationship between employees' intention to leave and four areas of human resource practices : compensation, supervisor support, growth opportunity and training. The results showed that job embeddedness fully mediated compensation and growth opportunity, partially mediated supervisor support , and did not mediated training in relation to employee's intention to quit.

**Beulen Erik (2009)** The researcher conducted study on “ Contribution global service provider's Human Resource Information System (HIRS) to staff retention in immerging markets- Comparing issues and implications in six developing countries.” Especially important in minimizing the turnover is the support that they can provide for allocation of employees for international engagements, including scheduling and training. Culture and local labor market differences do of course influence the HR functionalities needed. This study provides insight into the factors that nesseciates local adaption to a global HRIS.

**Cordray Kevin (2005)** The researcher had conducted a research on “High retention rates bring customer benefits at SITEL- Direct- Why Call center company bucks the trend.” The researcher found that the company consistently maintains monthly retention rates that are not only above the industry benchmarks but also compare well with other sectors in the customer services industry. The researcher further found the company's overall offering of

comprehensive training, career development opportunities, working hour flexibility, sense of community and convenient location not only contribute to its strong position in the market place, but also to the experience of every customer interaction.

### RESEARCH GAP:

Name of Researcher/ Researchers	Year	Factors covered								
		HRP	Recruitment & Selection	Training & Development	Induction & Placement	Performance Appraisal	Remuneration	Employee Relations	Carrier Development	Organizational culture
Yona Sakaja Mangusho, Raphael Kipkoech Murei	2015			✓		✓				
Victor Oladapo	2014						✓		✓	
Ali Chitsaz Isfahani, Hamid Reza Boustani	2014	✓		✓					✓	✓
Maya M., R. Thamilselvan	2013					✓				✓
Usha Tiwari, Devanshi Shrivastava	2013						✓			
Kwenin D. O., Muathe S., Nzulwa R.	2013	✓					✓			✓
Akila R.	2012								✓	✓
Richard C. Hoffmana* and Frank M. Shippera	2011						✓			
Anappindi S. and Manohar M.S.	2011								✓	✓
Ghosh Koustab and Sahney S.	2011						✓			✓
Groeneveld S.	2010						✓			✓
Makawatsakul Nantapron and Kleiner H. Brain	2010						✓			
Bergiel E. B., Nguyen V.Q. and Clenney B. F	2009			✓			✓	✓	✓	
Beulen Erik	2009			✓	✓					✓
Cordray Kevin	2005			✓				✓	✓	✓

Source: Review of literature

### RESEARCH ANALYSIS:

- Most of the researchers have concentrated on organizational culture, employee relations and career development.
- Few research attempts made on Human resource planning, training and development, performance appraisal and remunerations.
- No previous study made on impact of recruitment, selection, induction and placement on employee retention.

- No previous study was found exploring the impact of skill management on employee retention.
- As well as no study was found done on proposed title in the area understudy.

### **CONCLUSION:**

The complexity of service sector is increasing day by day. The hospitals as a part of healthcare services are not the exceptions. The professionalism and technical aspects are the key factors for the survival and success. Hence the human resource becomes the crucial factor for the hospitals. Being service sector, the hospitals now required to be more keen on Human Resource Practices. The problem the hospitals facing today is not just about retaining number of employees but also it is about retaining the talented staff. Hence defining the talent, attracting the talent and maintaining the talent is the success mantra. The hospitals now have to link the talent management with every function of HRM. i.e. there should be a link between talent management and human resource planning, recruitment and selection strategies, training and development strategies, remuneration strategies, performance appraisal strategies, separation strategies and motivational strategies etc. This will help the private hospitals to minimize and to face the problem of employee turnover successfully.

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