

ENHANCING BUSINESS PERFORMANCE THROUGH TALENT MANAGEMENT SYSTEMS AND POSITIVE THOUGHT ACTION, SKILLS AND KNOWLEDGE: AN EMPIRICAL STUDY IN THE INDIAN IT SECTOR

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Abstract

Talent and people are the greatest creators of economic value and the most important strategic asset in an organization's pool. People are assets to be invested in and a return that can be maximised over a period of time. Demographic changes, economic evolution, and technology advancements; these factors radically influence the way people work, the way companies are structured and the way talent is managed. People come as whole people. They carry their emotions, values, their abilities, knowledge et all .Organizational productivity is the final outcome of all of its resources. Emotions earlier were a hurdle to productivity and effectiveness. Today positive emotions play a very important part in an individual's productivity. Emotion is Energy-in-Motion. It is a way of voicing oneself in life. It is the quality of how one relates to life. Positive emotions creates a purpose to fulfil the good feel in organizations. Working on learning more viewpoints, interacting more with others, enjoying making things better are the key hallmarks of positive emotions. Positive emotions are powered by a fundamental wish for pleasure and unity. The author has made an attempt in this paper to relatetalent management systems, positive emotions, thought-action, skills, and knowledge and business performance.

Keywords: Talent Management Thought Action Skills and Knowledge, Joyfulness Positive emotions, Business Performance

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1. Introduction

In today's dynamic and fluid environment, the transition from human resources to human capital to talent pool is enough evidence to substantiate the fact that people are considered as unique resources and are treated as assets. People are the competitive advantage an organization is honored to have because people are the only resources who cannot be replicated. Talent management(TM) is the art of managing talented people today and developing them for a future need.

Emotions are strong feelings springing from relationships with others. Emotions can be either positive or negative. Emotional intelligence is a key factor of professional accomplishment. Emotional intelligence, simply put is the ability to recognize, regulate, and evaluate emotions. Traditional approaches to the study of emotions have tended to overlook and even ignore positive emotions. With greater attention being given to the study of negative emotions, many emotion theorists often simply squeezed positive emotions under the umbrella of general emotion models (Fredrickson, 1998). Positive emotions are a part of everyday life. Positive emotions also contributes to enhanced creativity. Positive emotions contribute to positive outcomes.

Emotional intelligence is the subset of social intelligence that involves the ability to monitor one's own and others feelings and emotions, to discriminate among them and use this information to guide ones thinking and actions (Salovey and Mayor 1990)According to the framework of emotional intelligence, one must be competent at understanding his/her emotions, both positive and negative, be able to process emotional information accurately and efficiently, and have the insight to skillfully use one's emotions to solve problems, make plans, and achieve in one's life (Salovey & Mayer, 1990). Despite the fact that emotional experiences are generally defined as short lived and transient, the emotional experiences of employees have been demonstrated to have important workplace consequences for negotiation outcomes, organizational citizenship behaviors, decision making, and more (Brief and Weiss 2002). The bottom-line message is that organizational members should consider cultivating positive emotions in themselves and others, not just as end-states in themselves, but also as a means to

achieving individual and organizational transformation and optimal functioning over time (Fredrickson, 2003: 164)

2.Literature Review

Literature reviews are secondary sources of the data collection method. It is a summary report of the information found in the literature connected to the area of research study. The review generally describes, evaluates, and clearly communicates the literature to the reader. Articles and documents pertaining to the current topic of study was reviewed. This included not only books on the subject, portals on the subject, internet, reports, journal articles and also newspaper articles

2.1 Talent

Talent is an inherent characteristic of people. This could be repeated thoughts, behavior and feelings. Having talented employee's results in making a difference to the organization, in terms of cause for better performance in various ways. Maximizing Talent pushes people to perform in their respective jobs. Also talent is defined as people who are key contributors, the team leader and the individual who has a unique capability or makes particular contributions to an organization. On the one hand, a group of employees having above average educational qualification, skill and performance, entitled to be promoted to executive positions. (Piansoongnern, 2010)

2.2 Talent Management

One of the most important and essential constituents of a high performance business is Talent, an organizations human resources. Employees are critical assets who have to be leveraged to ensure performance. They must also be seen as contributors who through countless interactions in groups and teams, individually and collectively create an organization's performance. Talent management acts as an enabler to achieve high performance. People are the major differentiators of any organization. Retaining top talent is becoming the key challenge for companies which depend on knowledge-workers and intellectual capital as the main resource (Srinivasan 2011)

Any task completion requires that an employee put his or her best efforts into it. Fear, threat, anger or obligation are poor igniters of talent and skill, people may function when driven by

survival- based negative emotions but rarely will the outcome be extraordinary. Any mission, is best served when it is perceived as an adventure, not a threat, and when one possesses genuine confidence and hope in the outcome (Loehr, 2004). When something happens at work—some workday event— it immediately triggers cognitive, emotional, and motivational processes. People’s minds start “sensemaking”: They try to figure out why the event happened and what its implications are. These perceptions feed the emotions evoked by the event, and the emotions, in turn, feed the perceptions. Depending on what happens with these cognitive and emotional processes, motivation can shift, which, in turn, affects how people perform their work. (Amabile, Kramer 2007). Rational Thought and decision making are two activities of the brain which have an implication on feelings. Like any system, they don’t exist in psychological silos and interact in complex ways (Amabile and Kramer, 2007).

Need for Talent Management- Origin and Growth

Reflecting on the need for talent management practices, it could be reasoned that, creation of more opportunities for high potentials, directions for employee development, talent on demand, keeping in mind the needs of a diverse and varied workforce, better morale, lower turnover and stress, job content at the strategic level to the job content of the jobs, and concentrating on the vision and direction would well encompass the objectives of talent management.

The term Talent Management first emerged in the late 1990s and was popularized when a study completed by researchers within McKinsey and Company revealed that it was not "best" practices that distinguished high performing companies but it was a pervasive talent management mindset (Michaels, Handfield-Jones, & Axelrod, 2001) According to Derek Stockley, “Talent Management involves specific individual and organizational development in response to a shifting and complex operating environment”. “It includes establishment and upkeep of organization culture which is supportive and people oriented and when defined, it means, a conscious, deliberate approach undertaken to attract, develop and retain people with the aptitude and abilities to meet current and future organizational needs”. (Source CIPD)

2.3 Talent Management Systems

A system is an organized focused structure which consists of unified and interconnected items with a purpose. The elements of a system continually influence each other. An integrated Talent Management System consists of the four talent elements namely talent acquisition, talent development, and talent deployment and talent retention practices existing within an organizational framework. In terms of a process a TMS should integrate and develop human resources and systems across all departments and levels, involve the cooperation of all levels of managers, irrespective of the hierarchy, be an facilitating process, be pre-emptive in terms of sustainability and business growth and provide a feeling of connect among all employees.

However well designed and implemented talent management systems, which includes performance recognition, learning and development, career and succession management and appealing work environments and work life balance have a stronger and enduring approach. Fig 1 represents the components of a talent management system.

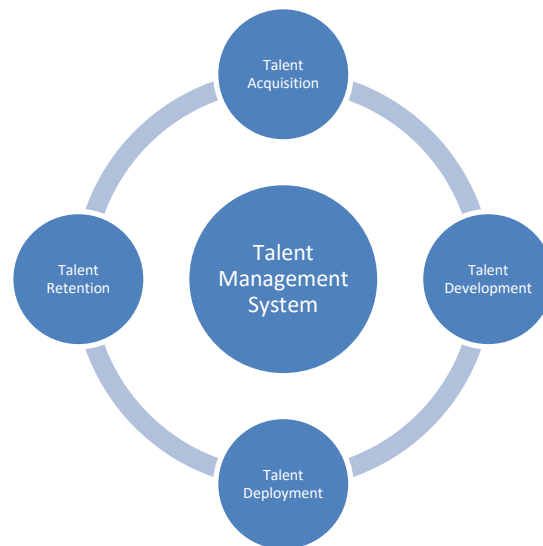


Figure 1: The Components of a Talent Management System

Talent Acquisition: “A strategic approach to identifying, attracting and onboarding top talent to efficiently and effectively meet dynamic business needs.”

Talent Development: “Development is all about developing and guiding those star employees who are able to contribute to the company’s success and growth”

Talent Deployment: “Ensures that subordinates are able to link their individual contribution to

organizational and divisional strategic direction. Actively created opportunities for employees to be engaged in work that is challenging”.

Talent Retention: “Employee retention refers to the various policies and practices which let an employee stick to an organization for a longer period of time”.

2.4 Thought Action Skills and Knowledge Model -TASK Model (Sharma 1996, 2006)

Dr. Subhash Sharma is a leading management thinker and in his path breaking book “Management in New Age, Western Windows Eastern Doors” suggests the Thought Action Skills and Knowledge (TASK) model. The TASK model was reported by Dr. Subhash Sharma who proposed that there is an association between thoughts, actions, and emotions. For instance, in interpersonal interactions, good thoughts lead to positive actions and bad thoughts lead to vengeance and revengeful action which have an impact on task performance. As actions emanate from the thoughts, it is considered important to see the interconnection. A person’s psychological state can affect performance. This research puts across the connection between Talent Management and the TASK model. According to him; In Indian psycho-philosophy, thought is like the spring and action is like its flow. As actions emanate from the thoughts, it is considered important to see the interconnection.

The framework suggested here refers to the thought action analysis and looks into the interconnectedness between thoughts, actions and emotions. Thoughts can be classified in terms of good or positive and bad or negative. Good thoughts lead to good action and bad thoughts lead to bad action. Vengeance, revengeful actions emanate as a result of bad thoughts. Help, empathy, concern for others emanate from good thoughts. Positive emotions strengthen the good thoughts and negative emotions enhance the negative thoughts. These repeated thoughts have an impact on the waking, sleeping and dream states of consciousness. This repeated conditioning leads to a person’s T-A (Thought Action) cycle in terms of T-A positive and T-A negative. A T-A positive person draws his inspiration from positive thinking, while a TA negative person draws his inspiration from negative thinking. The two types differ in their TASK (Thought-Action Skills and Knowledge). People display a mixture of T-A positive and T-A negative emotions. However in some T-A positive is more dominant as compared to T-A negative in others T-A negative is

more prominent. A situational analysis may indicate as to what type of situations may elicit a positive T-A or a negative T-A. A person dominant in T-A positive is likely to handle conflict situations with more humanistic and empathy oriented approach. Individuals with T-A positive mental frame have positive attitude towards life, interpersonal relationships and difficulties. They are optimists. Individuals with T-A negative mental frame display negative attitude towards life, interpersonal relationships and difficulties. They are the pessimists.

2.5 The Indian IT sector

The present research study has been conducted in the Indian IT sector in Bangalore. The employees of the IT sector are knowledge workers. Indian Information Technology industry is on a growth path in the country. The brand equity of the Indian IT industry is very valuable in the global markets. The Indian IT Industry comprises of Information Technology industry, software industry and information technology enabled services (ITES), which includes business process outsourcing (BPO) industry and now E commerce. The highest volume of employable and diverse talent in the world is housed by the Indian subcontinent. (Source- NASSCOM).

Knowledge intensive organizations operating in today's modern business environment face several kinds of challenges brought by their ways of operating and the characteristics in their environments. Just to name a few, these new challenges include highly dynamic business environments, complicated intellectual work at all levels of the company, efficient use of information and communication technologies, and a fast pace of information and knowledge renewal (Sydanmaanlakka 2002). Knowledge workers in the IT industry work long hours and their productivity is a collaborative effort.

2.6 Business Performance

Business performance management involves reviewing the general business performance and determining how the business can better attain its goals. Strategic and operational goals have to be aligned to the business activities to enable better performance. Better decision making is visible as BPM seeks to summarize available information. This entails managers to have access to information relating to company's performance. Knowledge intensive organizations operating in today's modern business environment face several kinds of challenges brought by their ways

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Many companies have implemented tools for measuring their performance in order to stay in business and compete with tough competition. Organizations must face not only more demanding conditions but in the current period, the world financial crisis as well. Due to these reasons, the organizations are forced to measure performance of the organization and contribute to the stability of the organization in today's competitive environment. Organizations try to measure performance according to the financial drivers but in the recent period top leaders attempted to find new performance indicators which would take the "wind from sail" to their rivals in the market. (Gabcanova, I,2012)Yeung and Berman (1997) declared that measures that are identified in HR should be impact rather than activity driven. This should also be all encompassing and concentrate on the entire HR system than on individual practices.

The evolution of business performance management recognized that aspects other than efficiency and financial output add to the overall performance of the organization. The criteria of performance could be quality, know how, technology, intellectual property and stakeholder satisfaction which includes customers and internal customers who are the employees.

A complete evaluative system consists of both financial and non-financial measures and measures of business outcomes and the drivers of those results. Measures chosen should align with business objectives based on vision and strategy. Also, it would seem fit to measure the effects of a TMS to see if they effectively contribute to Business Performance. Information about customers, market developments, competitors, processes, financial position are very important for assessing the business performance apart from the competencies of the available talent pool.Many measures have been developed for the new success factors, such as learning, innovation, and personnel satisfaction (Knight 1999, Dzinkowski 2000) One of the most important success factors is intellectual capital, which consists of human, innovation, process

and customer capital (Knight 1999) Business Performance in the current research would include revenues in terms of people development inherent in the knowledge workers.

Business performance is determined by two major streams of research. “One is based primarily upon an economic tradition, emphasizing the importance of external market factors in determining firm success. The other line of research builds on the behavioral and sociological paradigm and sees organizational factors and their fit with the environment as the major determinants of success”(Hansen, Wernerfelt, 1989). Organizations try to measure performance according to the financial drivers but in the recent period top leaders attempted to find new performance indicators. Tootell et al. (2009) stated since 1980s there has been an increasing emphasis on the importance of HR measurement. The behavioral and HR performance indicators have the ability to provide recommendations for action which can hugely impact the bottom-line.

3.Research Method

The methodology used in this research paper is the descriptive research methodology.A questionnaire developed based on the variables to be researched was administered to collect primary data, to respondents in the Indian IT industry in Bangalore. A total of 473 usable surveys were finally received. Respondents who took part in the survey were carrying out core IT roles or support role. Each respondent was guaranteed anonymity.Secondary data was collected by perusing extensive literature.Hypotheses were constructed and linear Regression was used to analyze the data and test the hypothesis.SPSS was the tool used to analyze the results.

4.Results and Analysis

The participants in the study were asked about their perceptions with regard to the TASK model. Emotional intelligence refers to the notion of viewing the experience and expression of emotions as a domain of intelligence (Goleman, 1995).With regard to whether emotional intelligence was practiced in their organizations, the majority (68.6%) of the participants had either agreed or strongly agreed to its presence. However, it was surprising to note that a large number of the participants held a neutral opinion (41.2%) about it, suggesting that emotional intelligence may not be measured as a part of the performance criteria hence the staff could not distinguish its practice in the organisation.

Good intuition is essential to understand the way the people and the world works, however, this process is developed over years of experience and knowledge. Most situations present itself to be intuitive and the employees are expected to take a decision based on their intuition. From the perspective of employee thought process in their organizations, the majority of the participants agreed (46.7%) or strongly agreed (25.4%) that it is intuitive. However, 27.9% of the participants were neutral in this matter. Furthermore, the majority of the participants agreed (58.6%) or strongly agreed (30.7%) that the employee thought process in their organizations was rational.

Positive emotions effect positive thought action, which results in feel good factor. In addition, the balance of positive emotions with negative emotions is related to life satisfaction (Diener & Larsen, 1993). In this study, 48.4% of the participants agreed or strongly agreed (45.7%) that the thought action sequence was positive in their organizations. With regard to skill development, the majority of the participants agreed (57.9%) or strongly agreed (38.7%) that it was given importance in their organizations. (92.5%) agreed that employees in their organizations take interest in enhancing their knowledge levels. (Table 4.10).

Table 4.10: Respondents' Perception of TASK Model in their Organizations

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Emotional intelligence is practiced in your organization	Frequency	0	1	195	189	88
	Percentage	0	0.2	41.2	40.0	18.6
The employee thought process in your organization is intuitive	Frequency	0	0	132	221	120
	Percentage	0	0	27.9	46.7	25.4
Employee thought process is rational	Frequency	0	0	51	277	145
	Percentage	0	0	10.8	58.6	30.7
The thought action sequence is positive in your organization	Frequency	0	0	28	229	216
	Percentage	0	0	5.9	48.4	45.7
Skill development is given importance in your organization	Frequency	0	2	14	274	183
	Percentage	0	0.4	3.0	57.9	38.7
Employees take interest in enhancing knowledge levels	Frequency	0	0	37	247	189
	Percentage	0	0	7.8	52.2	40.0

4.2 Hypothesis

- Hypothesis H: TASK (Thought, Action, Skills and Knowledge) elements impact the Talent Management System and Business Performance of an organization
- Hypothesis H was divided into two sub-hypothesis to understand the influence of the TASK elements on the two separate aspects of the talent management systems and business performance. Accordingly,
- Hypothesis Ha: TASK elements have an impact on the Talent Management System of an organization.
- Hypothesis Hb: TASK elements have an impact on the business performance of an organization.

Hypothesis Ha: The TASK elements have an impact on the talent management system of an organization

Based on the data collected, from the survey questionnaire, a simple linear regression analysis was done to ascertain the relationship between TASK elements and the Talent Management System and its impact on business performance.

The results of simple linear regression performed to analyse the relationship between TASK (Thought, Action, Skills and Knowledge) elements and the talent management system revealed that the TASK elements with a mean value of $4.1698 \pm .510$ had a positive and significant influence on the talent management system (mean= $4.22 \pm .661$). The dependent variable in this case was the TASK elements and the independent variable was the talent management system. The TASK elements were found to contribute to 52.6% of the variation observed in talent management systems with an F value of 522.520 and $p=0.000$. The unstandardized beta value of 0.559 and the standardized beta value of 0.725 indicate that the TASK elements positively and significantly influence the talent management systems of the organization. **Hypothesis Ha is therefore accepted.**

The associated descriptive statistics, model summary and coefficients can be found in Tables 4.21 to 4.23.

Table 4.21: Descriptive Statistics for Impact of TASK elements on Talent Management Systems

	Mean	Std. Deviation	N
TASK model	4.1698	.50980	473
Talent Management	4.22	.661	473

Table 4.22: Model Summary for Impact of TASK elements on Talent Management Systems

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. Change
1	.725	.526	.525	.35139	.526	522.520	1	471	.000

Table 4.23: Coefficients for Impact of TASK elements on Talent Management Systems

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.807	.105		17.276	.000
	Talent Management	.559	.024	.725	22.859	.000

a. Dependent Variable: Task model

Hypothesis Hb: The TASK elements have an impact on the business performance of an organization : Both TASK elements and the business performance had very close mean value of $4.1698 \pm .510$ and $4.25 \pm .558$ suggesting a linear relationship between the two. A strong positive correlation was observed between the two with r value as 0.746.

The results obtained for linear regression relationship between TASK (Thought, Action, Skills and Knowledge) elements and the business performance of an organization revealed that 54.8% observed in the business performance could be explained by the TASK elements with an F value

of 570.937 and $p=0.000$. The unstandardized beta value of 0.676 and the standardized beta value of 0.740 indicate that the TASK elements positively and significantly influenced the talent management systems of the organization.

Hypothesis Hb is therefore accepted.

The associated descriptive statistics, model summary and coefficients can be found in Tables 4.24 to 4.27.

Table 4.24: Descriptive Statistics for Impact of Task elements on Business Performance

	Mean	Std. Deviation	N
TASK model	4.1698	.50980	473
Business Performance	4.2533	.55819	473

Table 4.25: Model Summary for Impact of Task elements on Business Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.740 ^a	.548	.547	.34312	.548	570.937	1	471	.000

a. Predictors: (Constant), Business Performance

Table 4.26: Model Summary for Impact of Task elements on Business Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.740 ^a	.548	.547	.34312	.548	570.937	1	471	.000

a. Predictors: (Constant), Business Performance

Table 4.27: Coefficients for Impact of Task elements on Business Performance

Task Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
		1	(Constant)	1.294		
	Business Performance	.676	.028	.740	23.894	.000

a. Dependent Variable: Task model

In summary, the unstandardized and standardized beta values for the TASK elements analysed for their influence on an organization's talent management system indicated that the TASK elements positively and significantly influence the talent management system and business performance of an organization. As the TASK elements were found to have some influence on both the talent management system and business performance of the organization, **Hypothesis H3 is accepted.**

5. Conclusion

All the constructed hypothesis were accepted indicating that, there is a definite relationship between Talent management Systems, Business Performance and the TASK model (Sharma, 1996, 2006). Many a time people are obstructed from doing any constructive work, day on day basis, they form negative halos about the organization, their coworkers, their managers, themselves and their tasks and duties. They feel frustrated and unhappy. Their morale suffers and they become demotivated. When managers enable progress and enhancement at work, peoples inner work life and joyfulness is augmented, which ultimately leads to better thought-action and more productivity and progress.

Knowledge workers today, as compared with workers of past eras, spend more time in the office and more time focused on work issues while outside the office. People who work for long hours at the office deserve to be happy and a creation of a positive environment always adds value to the thought action of any employee. It not only improves business performance but also affirms the value of an employee.

According to Dr. Subhash Sharma, whose TASK model, has been analyzed in the research paper, the thought action grid can be used to create synergy in organizations. When TA positive dominates among organizational members, the need for monitoring, control, and supervision reduces and team work, sports person's spirit and joyfulness in task performance increases. This results in enhanced task performance, which is the ultimate goal of any organization. Talent management is a management tool to establish better performance in employees. This tool is augmented by the TASK model by following which organizations and its members can benefit in terms of enhanced business performance.

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