Effect of Talent Management Practices on Employee Performance among Commercial Based State Corporations in Kenya

Faith M Ndolo¹, Dr. William K Kingi¹, Dr. Mary P Ibua¹

¹School of Business Studies, Technical University of Mombasa, Mombasa, Kenya

Abstract: The purpose of the study was to assess the effect of talent management practices on employee performance among Commercial Based State Corporations in Kenya. This study focused on Purely Commercial State Corporation and Strategic State Corporations. The specific objectives addressed were; determining the effect of talent development, career development and Work-life balance on employee performance among Commercial State Corporations in Kenya. Stratified random sampling was used to select 55 Purely Commercial State Corporations and Strategic Commercial State Corporations. From the population of 55 parastatals, 48 parastatals were selected using Miller and Brewer's (2003) sampling technique. From the selected parastatals a total of 48 respondents were purposively selected. Quantitative data was collected using questionnaires. To establish the effect of talent management practices on employee performance, multiple regressions was computed. Hypotheses of the study were tested using ANOVA. Pilot study was conducted on 10% of the study sample. The results were presented descriptively using frequency tables and pie charts. The findings of the study showed that talent development had a positive significant effect on the performance of employees among Commercial Based State Corporations in Kenya, Career development had a positive significant effect on the performance of employees among Commercial Based State Corporations in Kenya and Work-life balance had a positive significant effect on the performance of employees among Commercial Based State Corporations in Kenya. Based on the findings of the study, the researcher recommended that organizations should have in-house talent management programs which are aligned with the organizational goals to ensure maximum employee productivity among others.

Keywords: Talent Management, Talent Development, Career Development, Work-Life Balance, Employee Performance.

1. INTRODUCTION

Human resource practitioners have been faced with many challenges of employee performance and talent management since employees with talents in the global job market have many choices to make (Cappelli, 2008; Amankwah and Debra, 2011). Due to the overwhelming importance of talent management in the competitive business environment, human resource professionals have got the urge to rethink of talent development, career development (Nyanjom, 2013) and work-life balance (Workplace Trends, 2015) as ways to foster employee performance. Amankwah and Debra (2011) indicates in their study that developing countries are faced with the challenge of not having the right number of qualified employees which is critical to the public sector for ensuring that it has the required skills in place to deal with the problem of talent shortage and improve on employee performance.

The review of literature indicates that talent management practices have not been embraced and it is still in its infant stage and therefore its effect on employee performance is still not far much explored (Hughes and Roge,2008; Schuler et al.,2010; Mendez and Stander,2011; Vaiman and Holder, 2011). Collings and Mellani (2009) observed that the available literature on talent management is mostly confined in the United States where a lot of studies have been carried out using western samples and the Asian emerging economies. However, some few studies have used samples from Sub-Saharan

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

Africa (Amakwah and Debra (2011) and Kenya particularly (Nyanjom, 2013). This therefore challenges the generalization of these studies in a Kenyan context.

The public sector in Kenya has lost a lot of its employees to the firms that are perceived to have good working conditions, embrace change and have equitable remuneration policies (Njoroge, 2012). It is noted that 38% of employees in the public sector resign annually to join private sector or venture into their own businesses which makes the public corporations lose the most skilled and talented employees fostering a threat to the future performance of the employees in the corporations (Anna, 2007). Mwaura (2012) in his study established that poor pay and working conditions contributed to the loss of the most competent pilots and cabin crew in Kenya Airways to competitors. Kireru (2013) further reports that between the year 2005 and 2008 Kenya Broadcasting Corporation lost 410 competent and skilled employees to competitors. Mwaura (2012) further reports that 75% of medical doctors resign from the government employment and join the private sector seeking better employment terms and conditions. Due to the high turnover rate of the government employees the government has been forced to come up with the reform programs of reorganization and restructuring so as to try to increase the governments revenue streams by making the government departments more competitive (Njoroge, 2012). However, those reforms have realized some improvement but some challenges still need to be solved including talent management (Mwaura, 2012).

Although some improvements have been experienced in the adoption of talent management system, there are still gaps that need further exploration. First, more literature has focused on case studies in America and Asia (Collings & Mellahi, 2009) while not as many have focused on Sub-Saharan Africa (Amankwah-Amoah & Debrah, 2011) or even Kenya (Nyanjom, 2013). Secondly, Kenyan public sector has been faced by serious challenges associated with lapses in talent management (Kireru, 2013). Thirdly, the link between talent management practices and employee performance has been explored more in private companies unlike public sector (Nancy, 2014). Due to these gaps, this study sought to assess the effect of talent management practices on employee performance among Commercial Based State Corporations in Kenya.

OBJECTIVES OF THE STUDY:

- i. To determine the effect of talent development on employee performance among Commercial Based State corporations in Kenya.
- ii. To assess the effect of career development balance on employee performance among Commercial Based State corporations in Kenya.
- iii. To establish the effect of work-life balance on employee among Commercial Based State corporations in Kenya.

2. LITERATURE REVIEW

a. Theoretical Review:

i. Resource Based View Theory:

The RBV theory suggests that the most important determinant of a firms performance are the resources that the firm possess which are more of a competitive advantage to the firm (Wenerfelt, 2007). According to Ling and Jaw (2011), the firm's resources can be categorized in several ways from all the assets, the processes and even the knowledge that is possessed by the firm that facilitates effective and efficient performance

The Resource Based View Theory (RBV) of the firm provided that the firm gets added value through identification of its unique resources then putting strategies in place to ensure that those resources are well developed in a rare and inimitable way such that they cannot be substituted by the competitors (Wright et al., 2009). Talent development involves the attraction of the most valuable unique talent and ensuring that the talented employee has been given an added value to be able to meet both the current and future demands of the organization. The Resource Based Theory further explains how a firm can be able to perform better when it combines its unique resources to drive all the areas of the organization, which results to a sustainable competitive advantage through the adoption of strategies that cannot be copied by their competitor (Barney, 2012). Resources that qualify to be sources of competitive advantage must be rare, strategic, inimitable, non-substitutable, appropriate and immobile which can only be achieved by developing the employees' talent (Ling and Jaw, 2011).

Resource Base View Theory further explains that organizations competitive advantage can only be maintained through possession of unique resources that can also provide superior performance at the same time (Wright et. al., 2009). The

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

RBV theory emphasizes that organizations should add more value to their resources in a manner that is unique and not easy for competitors to copy (Ling and Jaw, 2011).

It is observed that organizations can develop their human resources by instilling competences in them that are organizational specific and also enhance complex social relationships (Wright et al., 2009). It is in this view that Ling and Jaw, (2011) observe that when employees are developed they become more committed hence becoming unique assets to the organization by enabling the organization to have an edge over the competitor. The strength of resource based view theory is that it puts stress on exploring how employees as resources are generated, sustained and developed for competitive advantage hence it was an important theory for this current study (Barney, 2012).

ii. Person-Environment Theory:

The Person-Environment theory discusses the changing approach of the relationship between a person and an occupation. According to Nyanjom (2013), people are dynamic in nature and when they are exposed to any environment, they tend to change with any change in the environment. Nyanjom (2013) notes that jobs change and at the same time people change jobs. Holland et al., (2006) argues that people are more interested in good working environments that allow them to utilize their abilities, skills and have a contribution towards the organizational achievements. Additionally, Harvat (2006) observes that people pursue areas that match with their attitudes and values and also give them an opportunity to exercise their abilities and skills.

Kireru (2013) argues that employees performance is highly influenced by career development of the individual employee. Career development forms an important part of the employees performance. As clearly stated by Holland et al., (2009), many far sighted organizations have embraced career development which has evolved from an isolated tool of individual growth becoming a key strategic asset for the organization in assuring its employees of a continuous growth (Kireru,2013).the relationship between environment and the person through career development gives the employee a chance to be interested in such an organization and stick with it (Nyanjom,2013).

Holland et al., (2009) further argues that the relationship between environment and a person can only be discussed in terms of reinforcement, congruence and satisfaction. However, the only way in which incongruence can be overcome is by changing perception, jobs, behavior, and development of the individual employee (Kireru, 2013). Nyanjom (2013) in his study found out that it is easy to retain employees with the organization by assuring them that at the end of the day they will achieve something in return mostly through individual development which is attainable by providing opportunities for career growth through career development and the necessary utilization of employees competence and it is under this perspective that Person-Environment Theory became relevant to this study.

iii. Social Exchange Theory:

According to Cropanzano, Rupp, and Bryne (2003), the social exchange theory considers the association of employment to be involving both social and economic exchanges. Economic exchange associations involve the exchange for economic favors in return for efforts put by the employees (Lockwood, 2006). Similarly, social exchanges are considered as voluntary actions, which are brought about the way a firm treats its employees with a view that the employee will reciprocate the same good deeds to the firm by (Aryee et al., 2002).

Uren and Samuel (2007) further identified that employees perceives an organization to have a competitive advantage over the other in terms of how much it embraces different talent management practices which makes unique employees to have a positive perception of their employers' commitment to support them. Talent development, Career development and Work-life Balance practices lead to the achievement of both the business and individual overall objective. This will translate to high employee performance and more engagement, satisfaction and retention of employees in the organization (Lookwood, 2006).

It is noted by Aryee et al., (2002) that social exchange theory explains how employees attach themselves to their firms in anticipation of some returns from the firms, a behavior which has resulted to Employees changing organizations to those that are offering better remuneration, training and career development plan in order to achieve their goals (Njoroge, 2012). It is in this view that employees anticipate when offered favorable rewards it automatically leads to increased performance (Uren and Samuel, 2007). Harvat (2009) however notes that employees always react negatively against dissatisfying conditions by developing negative work attitudes, for example, absenteeism.

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

According to Social Exchange Theory, employees are more loyal to their employers because of the anticipation they have on the incentives from the organization. Therefore, Cappeli (2008) observed that failure to equitably reward the employee leads to non-commitment of the employee to the organization that affects the employee performance hence making Social Exchange Theory relevant to this current study.

b. Conceptual Framework:

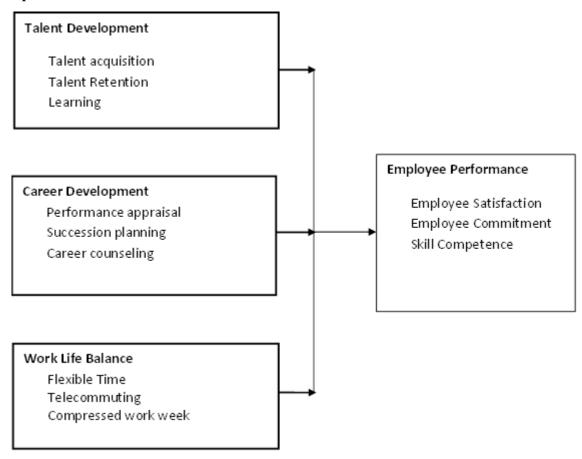


Figure 1 Conceptual Framework

i. Effect of Talent Development on Employee Performance:

Talent management aims at developing employees and preparing them for future senior positions (CIPD, 2010). The study further revealed that, well-designed talent development activities have a positive significant effect on a firm's performance. Cappeli (2008) concur that performance of any organization depends on how it sets its profile according to what it expects from its future senior managers by developing employees through carefully and accurately identifying the characteristics of the employees who IT will carry into the future. On the other hand, Kermally (2004) argues that good results cannot be achieved by budgeting and establishing various initiatives to develop talent alone. Hence, Collings and Mellani (2009) provides that there is a need for organizations have a talent development strategy which is to aligned with organizational strategy so that there be a match between supply and demand as employees advanced through development of jobs and experiences.

It has been observed globally that high competitive and dynamic environment calls for attraction of the right talent which has become very key for any organization to survive the competition (Brewster et al., 2007; Ling and Jaw, 2011; Nyanjom, 2013). Wright et al., (2009) assert that, continuous learning for the talented employees should be emphasized by the organization if they expect high employee performance and sustainability of the market.

Njoroge (2012) highlights that the firm's ability to survive the turbulent environment is vested not only in attracting talented employees but also in retaining them in the organization. Nana (2013) asserts that talent development initiatives allows for attainment of employee performance. Similarly, Njiru (2008) notes that there exist a link between talent development and employee performance which enables the organization to attain its goals and objectives by creating a

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

relationship between employee performance goals and the strategic goals of the organization leading to clarity of the employees performance expectations hence development of a performance culture in the organization

ii. Effect of Career Development on Employee Performance:

Career development and employability has become a critical affair to many firms in the recent past (Uren and Samuel, 2007). Vaiman and Vance (2008) observe that there is a high demand from employees in terms of personal growth and development forcing the organization to create an employee value positioning that supports career development.

According to Kireru (2013), career development has brought about unique knowledge to the individual employee that is beneficial to the organizational competence. Vaiman and Holder (2011) further assert, organizations should take an active role in career development programs and Performance appraisal which also goes a long way in determining the success and competitive positioning of the organization. Kabwe (2011) further highlights that many organizations use career development programs to help their employees plan their careers, encourage their physical and mental growth since it is noted that employees prefer career advancement opportunities.

Stahl et al., (2007) note that career development process involves career counseling which acts as the component and the foundation of employee development process and gives yield to high returns for both the employee and the employer. Stahl et al., (2007) further argue that, an effective Career Counseling Program helps the organization in identifying potential employees and enables the employee in mapping out realistic career opportunities. This is further supported by Ling and Jaw (2011) who explain that as far as an employee is satisfied by career counselling the employee's commitment is boosted hence leading to improvement of the employees performance.

Vaiman and Holder, (2011) asserts that through succession planning the organization is always up to date in ensuring that people with the right qualifications and talents are available when needed. Mendez and Stander (2011) observe that career development has brought about the encouragement of employees development through career progression which has undoubtedly shifted the balance of power towards talented professionals.

iii. Effect of Work Life Balance on Employee Performance:

Beauregard and Henry(2009) defined Work-life balance as the ability of an individual to satisfy both work, family, non-work related commitments, responsibilities and activities. Beauregard and Henry (2009) further assert that it's easy to catch the eye of an employee when the employee realizes that the organization offers work/life management tools as part the employees package .this is because most of the talented employees are nowadays interested on employers who not only offer a health work life balance but rather who demand them. A recent study confirmed that, 43% of employees are attracted to their employers on the basis of the kind of the work-life initiative offered by the employers (Accenture, 2013). The study further posited that work/life benefits also assist employers to retain their employees, enhancing their job satisfaction and making them more productive in their roles.

Exemplary results are declared mostly by employers who offer several work/life management benefits to their employees that might include and not be limited to flex time, telecommuting and compressed workweeks as a recruitment and retention measure (Workplace Trends, 2015). Beauregard and Henry, (2009) further in their study revealed that through flexible working hours employees were able to report increased job satisfaction and their engagement to their work had highly improved. Work-life balance further triggers the employees to have a unique emotional attachment to the organization which later results to loyalty of the employee to the organization leading to employees being easily retained in the organization (Lockwood, 2006).

The successful achievement of work/life balance will translate to a more developed workforce which further leads to high productivity and success in the workplace (Moore, 2007). a lot of employees stress has been related to unfair balancing of the employees work life and their personal life which may include and not be limited to task demands, poor interpersonal factors ,financial and economic factors a lot of conflicting work and family roles and poor organizational climate (Wheatley, 2012). There are many gains accrued by an organization that embraces work life balance that generally include increased employee job satisfaction, reduction of overtime, decreased absenteeism, and increased productivity (Grant, Wallace, & Spurgeon, 2013). with the introduction of flextime schedule the firm is guaranteed an increase in terms of productivity or performance which is a positive effect on the organizational performance (Wheatley, 2012).

Compressed workweek suggests that employees work for longer hours that further leads to an increase for time they work to some higher level (Blackburn, 2009). Although there might be an increase in the working hours, there might also be a

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

decrease in performance that might be linked to a slightly lower link between the employees' capabilities and the sub requirements as expressed in the framework of the work adjustment model (Blackburn, 2009). However, a study on compressed-workweek-schedule argued that after implementation of compressed workweek schedule it brought about different reactions where some respondents argued that their productivity increased while others claimed that their productivity remained the same (Accenture, 2013).

3. METHODOLOGY

The research applied both descriptive and explanatory research methods in the conduct of the study. The population of the study consisted of Purely Commercial State Corporations (34) and Strategic Commercial State Corporations (21). The respondents of this study included the Managing Directors or Human Resource Managers of the state corporations. This is because they are responsible for running of the state corporations.

With a confidence interval of 95 percent, the sample size was determined using the formula given by Miller and Brewer (2003) below.

$$n = \frac{N}{1 + N(\alpha)^2}$$

Where:

n= the sample size,

N= the sampling frame

 α = the margin of error (0.05%)

A sample size of 48 was arrived at as follows:

$$n = \frac{55}{1 + 55(0.05)^2}$$

A sample size of 48 commercial state corporations was drawn randomly using random number generator from 55 reclassified government owned entities that were traced for the study. Purposive sampling was then used to select a sample of 48 respondents. Data was collected using a questionnaire developed by the researcher and items were measured on a five point liker scale.

In the quantitative analysis, descriptive statistics, correlation analysis and multi linear regression statistical tools were used to derive conclusions from the data collected. An analysis using coefficient correlation was carried out to examine the relationships between the variables describing the direction, degree and strength of association between the variables using Statistical Package for Social Sciences (SPSS) version 20.0. A factor linear model was applied to compute multi linear regression (MLR) to examine the significance of the relationship between the dependent and independent variables. The multi linear regression tool assisted to estimate or predict the unknown value of one variable from a known value of another variable. It revealed the relationships between the variables to make it possible to predict or estimate. ANOVA test was run to test the significance of the relationships between the variables based on which the set hypotheses were rejected or accepted. The decision to accept the research hypothesis was based on ρ -values. The ANOVA test was chosen as the study presumes that the population being tested was normally distributed, had equal variances and the samples were independent of each other.

The variables under study were analyzed applying the following econometric model given as;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where: $\beta_0 =$ Constant β_1 , β_2 , β_3 , $\beta_4 =$ Coefficient of predictors

Y = refers to dependent variable (Employee performance)

 $X_1 =$ represents work-life balance

X₂= represents talent development

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

 X_3 = represents career development

 $\varepsilon = \text{error term}$

4. RESULTS

This section first presents the response rate and reliability tests. It also presents descriptive and inferential statistics.

a. Reliability and Response Rate:

Out of the 48 questionnaires, 40 of them were dully filled and returned by the respondents; giving a response rate of 83.3%. Mugenda and Mugenda (2003) argued that for a sample size to be representative enough there should be a response rate of at least 50%.

Cronbach alpha correlation coefficient was computed to determine the reliability of the questionnaire at 95% confidence interval. Cronbach's alpha correlation coefficient was found to be 0.773, which indicated that the level of internal consistency. According to Maizura, Masilamani, & Aris (2009) the acceptable alpha should be at least 0.70 or above for the instrument to be considered reliable.

b. Pearson Correlation Coefficient:

The study sought to establish the strength of the relationship between independent and dependent variables of the study. Pearson correlation coefficient was computed at 95 percent confidence interval (error margin of 0.05). Table 1 illustrates the findings of the study.

		Talent	Career	Work-life	Employee
		Development	Development	Balance	Performance
	Pearson Correlation	1	.272	.004	.001
Talent Development	Sig. (2-tailed)		.090	.981	.995
	N	40	40	40	40
Career Development	Pearson Correlation	.272	1	.318*	.420**
	Sig. (2-tailed)	.090		.045	.007
	N	40 40	40	40	40
Work-life Balance	Pearson Correlation	.004	.318*	1	.625**
	Sig. (2-tailed)	.981	.045		.000
	N	40	40	40	40
Employee	Pearson Correlation	.001	.420**	.625**	1
Performance	Sig. (2-tailed)	.995	.007	.000	
i criormance	N	40	40	40	40

Table 1: Correlation Matrix

As shown on Table 4.6 above, the p-value for talent development was found to be 0.001 which is less than the significant level of 0.05, (p<0.05). The result indicated that Pearson Correlation coefficient (r-value) of 0.995, which represented a strong, positive relationship between talent development and employee performance.

As shown on Table 4.6 above, the p-value for career development was found to be 0.007 which is less than the significant level of 0.05, (p<0.05). The result indicated that Pearson Correlation coefficient (r-value) of 0.420, which represented a weak, positive relationship between career development and employee performance.

As shown on Table 4.6 above, the p-value for work-life balance was found to be 0.000 which is less than the significant level of 0.05, (p<0.05). The result indicated that Pearson Correlation coefficient (r-value) of 0.625, which represented an average, positive relationship between work-life balance and employee performance.

c. Regression Analysis:

Multiple linear regressions were computed at 95 percent confidence interval (0.05 margin error) to show the multiple linear relationships between the independent and dependent variables of the study.

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

i. Model Summary:

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.671 ^a	.451	.405	3.02892		
a. Predictors: (Constant), Work-life Balance, Career Development, Talent Development						

Table 2 shows that the coefficient of correlation (R) is positive 0.671. This means that there is a positive correlation between talent management practices and employee performance of Commercial Based State corporations in Kenya. The coefficient of determination (R Square) indicates that 45.1% of employee performance of Commercial Based State corporations in Kenya is influenced by talent management practices. The adjusted R² however, indicates that 40.5% of employee performance of Commercial Based State Corporations in Kenya is influenced by talent management practices leaving 59.5% to be influenced by other factors that were not captured in this study.

ii. Analysis of Variance:

Analysis of Variance was also computed. The p-value is 0.000 which is < 0.05 indicates that the model is statistically significant in predicting how talent management practices affect employee performance of Commercial Based State corporations in Kenya. The results also indicate that the independent variables are predictors of the dependent variable. This means that talent development, career development and work-life balance influence employee performance of Commercial Based State corporations in Kenya.

Table 3: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	271.223	3	90.408	9.854	$.000^{b}$
1	Residual	330.277	36	9.174		
	Total	601.500	39			
a. Depend	lent Variable: Em	ployee Performance				
b. Predicte	ors: (Constant), W	Vork-life Balance, C	areer Develop	ment, Talent Devel	opment	

iii. Regression Coefficients:

Table 4: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Co	efficients t	Sig.
		В	Std. Error	Beta		
(Constant)	Constant) 23	23.716	7.056		3.361	.002
Talent Deve	lopment	.086	.146	.076	.591	.038
Career Deve	elopment	.330	.167	.269	1.981	.025
Work-life B	alance	.659	.160	.540	4.127	.000

From the Coefficients Table 4 the regression model can be derived as follows:

$$Y = 23.716 + 0.086 X1 + 0.330X2 + 0.659X3$$

The results in Table 4.9 indicate that all the independent variables have a significant positive effect on employee performance. The most influential variable is work-life balance with a regression coefficient of 1.659 (p-value = 0.000), followed by career development with a coefficient of 0.330 (p-value = 0.025) and lastly talent development with a coefficient of 0.086 (p-value = 0.038). According to this model when all the independent variables values are zero, employee performance of will have a score of 23.716.

d. Test of Hypothesis:

Hypothesis One H01: Talent development has no significant effect on employee performance among Commercial based State Corporations in Kenya

Since the results shows a p-value of 0.038 which is lower than the alpha at the level of significance of 0.05 (5%), the researcher failed to reject the HO1 that talent development has no significant effect on employee performance among

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

commercial based State Corporations in Kenya but accepted the Ha1 that talent development has significant effect on employee performance. The results in Table 4.8 fail to provide support for HO1. Therefore, talent development was found to have significant effect on employee performance (β =0.076; t=0.591; P<0.038 at 0.05 level of significance) and hence accept the Ha1.

Hypothesis Two H02: Career development has no significant effect on employee performance among Commercial based State Corporations in Kenya

At a level of significance of 0.05(5%), the p-value was 0.025 which was less than the alpha and therefore the H02 was rejected that career development has no significant effect on employee performance whereas the researcher accepted the Ha2 that career development has significant effect on employee performance among commercial based State Corporations in Kenya. The results in Table 4.8 provide support for Ha2 and therefore these results accepted the Ha2. Therefore, career development was found to have significant effect on employee performance ($\beta = 0.269$; t = 1.981; P<0.025 at level of significance of 0.05) and hence accepted Ha2.

Hypothesis Three H04: Work Life balance has no significant effect on employee performance among Commercial based State Corporations in Kenya

At level of significance of 0.05(5%), the p-value was 0.000 which was lower than the alpha and therefore the researcher failed to reject the HO3 that work life balance has no significant effect on employee performance among commercial based State Corporations in Kenya but accepted the Ha4 that work Life balance has significant effect on employee performance. The results in table 4.8 failed to provide support for HO3 and therefore HO3 was rejected and instead the Ha3 was accepted. Hence, work life balance was found to have statistically significant effect on employee performance ($\beta = 0.540$; t = 4.127, P<0.000 at level of significance of 0.05).

5. DISCUSSION

The study sought to determine the effect of talent development on employee performance among Commercial Based State corporations in Kenya. The findings of the study revealed that majority of the respondents agreed that their organizations had well designed talent development activities which enhanced employee performance, they always developed a profile of future senior leaders and prepared employees for future managerial positions. Their organizations regularly assessed the readiness of employees in taking leadership roles, they always aligned talent development strategy with organizational strategy, they had in-house development programs for effective talent development practice, they used coaching by line managers to develop effective talents and organizational talent management systems was always a match between supply and demand for the job. From t-test analysis, the t-value was found to be 0.591 and the ρ -value 0.038 which is less than the significance level of 0.05. Therefore, the null hypothesis was rejected while the alternative hypothesis was accepted. The study concluded that talent development had a significant effect on the performance of employees among Commercial Based State Corporations in Kenya. Pearson Correlation coefficient indicated a strong, positive relationship between talent development and employee performance (p=0.001, r=0.995). The findings of the study are consistent with findings of CIPD (2010) that revealed that well-designed talent development activities in an organization can have a positive and significant effect on a firm's performance. Cappeli (2008) concur that for any organization to perform, it needs to have a well-defined profile of what it wants from its future senior managers by developing employees for future management positions and also accurately assessing the readiness of high-potential individuals for leadership roles. Njiru (2008) notes that talent development is critical to employee performance because it enables the organization attain its vision and objective, creates a relationship between employee performance goals and organization's strategic goals, facilitates the employee to have clarity regarding performance expectations and is a requirement for developing a performance culture within the organization.

Secondly, the study sought to determine the effect of career development on employee performance among Commercial Based State corporations in Kenya. The findings of the study indicated that majority of the respondents agreed that their organizations encouraged job rotation, their organizations provided opportunities for job enrichment, they had career progression ladders and their organizations contributed to career identity by providing abundant opportunities for self-development. In addition, majority of them agreed that their organizations promoted career choice by availing opportunities for advancement and mentors, career development reduced employee absenteeism and turnover, it improved employee commitment as well as employee performance and it had a direct impact on job performance. From t-test analysis, the t-value was found to be1.981 and the ρ-value 0.025 which is less than the significance level of 0.05.

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

Therefore, the null hypothesis was rejected while the alternative hypothesis was accepted. The study concluded that career development had a significant effect on the performance of employees among Commercial Based State Corporations in Kenya. Pearson Correlation coefficient indicated a weak, positive relationship between career development and employee performance (p=0.007, r=0.420). The findings of the study have been supported by the findings of other scholars. According to Kireru (2013), a knowledge economy requires career development to form an important part of organizational competencies. Clearly, career development has evolved from an isolated tool for individual growth to a key strategic asset for many far-sighted organizations (Vaiman and Holder, 2011). Kabwe (2011) further highlights that many organizations use career development programs to help their employees to plan their careers since it is noted that employees prefer career advancement opportunities.

Thirdly, the study sought to determine the effect of work-life balance on employee performance among Commercial Based State corporations in Kenya. The findings of the study showed that majority of the respondents agreed that their organization provided staff with very flexible working hours, there was very good work-life balance in the organization leading to effectiveness of the organization, they could fully balance their work and life due to a very good work life policy in their organization, their organizations took initiatives to manage work-life balance of its employees, efficient work-life management policy led to higher employee satisfaction and a good work-life management policy improved employee commitment. From t-test analysis, the t -value was found to be 4.127 and the ρ-value 0.000 which is less than the significance level of 0.05. Therefore, the null hypothesis was rejected while the alternative hypothesis was accepted. The study concluded that work-life balance had a significant effect on the performance of employees among Commercial Based State Corporations in Kenya. Pearson Correlation coefficient showed an average, positive relationship between work-life balance and employee performance (p=0.000, r=0.625). The findings of the study is in agreement with the findings of Accenture (2013) who argue that work/life benefits also help employers to retain their employees, keeping them more satisfied and more productive in their roles. Employers who offer work/life management benefits (flex time, telecommuting and compressed work weeks) as a recruitment and retention tactic post definitive results (Workplace Trends, 2015). Employees who work for organizations offering flexible working hours tend to report higher job satisfaction, increased engagement in work activities, higher organizational commitment, higher performance and higher retention (Beauregard and Henry, 2009).

6. CONCLUSION & RECOMMENDATIONS

Talent development had a positive significant effect on the performance of employees among Commercial Based State Corporations in Kenya. The organizations under study had well designed talent development activities, which enhanced employee performance, they aligned talent development strategy with organizational strategy, they had in-house development programs for effective talent development practice, they used coaching by line managers to develop effective talents. In addition, Employees were always ready to take leadership roles and organizational talent management systems matched the supply and demand for the jobs in the organization.

Career development had a positive significant effect on the performance of employees among Commercial Based State Corporations in Kenya. Career development reduced employee absenteeism and turnover, it improved employee commitment as well as employee performance and it had a direct impact on job performance. Organizations under study encouraged job rotation, provided opportunities for job enrichment as well as having career progression ladders by promoting career choice by availing opportunities for career advancement and mentors.

Work-life balance had a positive significant effect on the performance of employees among Commercial Based State Corporations in Kenya. Good work-life balance in the organization leading to effectiveness of the organization, efficient work-life management policy led to higher employee satisfaction and a good work-life management policy improved employee commitment. In addition, the organization under study took initiatives to manage work-life balance of its employees by having a good work life policy in their organization that provided staff with very flexible working hours.

The study recommends that the Kenyan Government should enact policies that promote talent management practices in the state corporations in order to ensure suitable employee development and growth that leads to high performance. Further, Organizations should encourage and support their employees who are seeking for career advancement because it will improve their professional skills and competence, which in turn will have a direct effect of employee performance. Further studies on effects of talent development should be carried out using different dimensions such as talent attraction and talent retention focusing on private organizations for comparability.

Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

REFERENCES

- [1] Accenture. (2013). Defining Success: 2013 Global Research Results. Retrieved 10 3, 2016, from Accenture: http://www.accenture.com/sitecollectiondocuments/pdf/accenture-iwd-2013-researchdeck-022013.pdf
- [2] Amankwah-Amoah, J., & Debrah, Y. A. (2011). Competing For Scarce Talent in a Liberalised Environment: Evidence from the Aviation Industry in Africa. International Journal of Human Resource Management, 22(17), 3565-3581.
- [3] Aryee, S., Burhwar, P. S., & Chen, Z. X. (2002). Trust as a mediator of the relationship between organizational justice and work outcomes: test of a social exchange mode. Journal of Organizational Behavior, 23, 267-285.
- [4] Beauregard, T. A., & Henry, L. C. (2009). Making the link between work-life balance practices and organizational performance. Human Resource Management Review, 19(1), 9-22.
- [5] Blackburn, R. (2009). Employee Survey Results on Compressed Work Week. Gaine Ville; Florida: City Council.
- [6] Brewster, C., Sparrow, P., & Vernon, G. (2007). International human resource management. London: CIPD.
- [7] Cappelli, P. (2008). Talent management for the 21st century. Harvard Business Review, 86(3), 74-81.
- [8] CIPD. (2010). An Overview of Talent Management. Chartered Institute of Personnel Development.
- [9] Collings, D. G., & Mellahi, K. (2009). Strategic talent management: A review and research agenda. Human Resource Management Review, 19, 304-313.
- [10] Grant, C. A., Wallace, L. M., & Spurgeon, P. C. (2013). An exploration of the psychological factors affecting remote e-worker's job effectiveness, well-being and work-life balance. Employee Relations, 35(5), 527-546.
- [11] Harvat, A. (2009). War of Talent Faculty of Social Sciences. London: Tulburg University.
- [12] Holland, P., Sheeham, C., & De, C. (2006). Attracting and Retaining Talent. austraria: Human Resource Development International.
- [13] Kabwe, C. B. (2011). The Conceptualization and Operationalization of Talent Management: The case of European Internationally Operating Business. Unpublished PHD Thesis, University of Central Lancashire.
- [14] Kermally, S. (2004). Developing and managing talent: How to match talent to a role and develop it to a strength. London: Thorogood.
- [15] Kireru, J. N. (2013). Challenges Affecting Implementation of Talent Management in State Corporations in A Study of Kenya Broadcasting Corporation. (Unpublished Masters Thesis).
- [16] Ling, Y.-H., & Jaw, B.-S. (2011). Entrepreneurial leadership, human capital management, and global competitiveness: An empirical study of Taiwanese MNCs. Journal of Chinese Human Resources Management, 2(2), 117-135.
- [17] Lockwood, N. R. (2006). Talent management: Driver for organization success. Research Quaterly, 1-13.
- [18] Maizura, H., Masilamani, R., & Aris, T. (2009). Reliability (internal consistency) of the job content questionnaire on job stress among office workers of a multinational company in Kuala Lumpur. Asia-Pacific Journal of Public Health, 21(2), 216-222.
- [19] Moore, F. (2007). Work-life balance: contrasting managers and workers in an MNC. Employee Relations, 29(4), 385-399.
- [20] Mugenda, O. M., & Mugenda, A. G. (2003). Research methods: Quantitative and qualitative Approaches. Nairobi: Acts Press.
- [21] Nana, O. Y. (2013). Talent management : A Buddle of Hurdles. Public Police and Administration Research Paper, 3(8).
- [22] Nyanjom, C. R. (2013). Factors influencing employee retention in the state corporations in Kenya (Unpublished Thesis). Nairobi: University of Nairobi.

International Journal of Management and Commerce Innovations ISSN 2348-7585 (Online) Vol. 5, Issue 1, pp: (580-591), Month: April - September 2017, Available at: www.researchpublish.com

- [23] Stahl, K. G., Björkman, I., Farndale, E., Morris, S. S., Paauwe, J., Stiles, P., . . . Wright, P. M. (2007). Global Talent Management: How Leading Multinationals Build and Sustain their Talent Pipeline. Instead Working Paper Series, 1-36.
- [24] Uren, L., & Samuel, J. (2007). From talent compliance to talent commitment. Strategic HR Review, 6(3), 32-35.
- [25] Vaiman, V., & Holden, N. (2011). Talent management's perplexing landscape in Central and Eastern Europe. In H. Scullion, & D. G. Collings (Eds.), Global Talent Management (pp. 178-193). London: Routledge.
- [26] Wernerfelt, B. (2007). Delegation, Committees, and Managers. Journal of Economics & Management Strategy, 16(1), 35-51.
- [27] Wheatley, D. (2012). Work-life balance, travel-to-work, and the dual career household. Personnel Review, 41(6), 813-831.
- [28] Workplace Trends. (2015). The 2015 Workplace Flexibility Study. Retrieved 10 3, 2016, from Workplace Trends: http://workplacetrends.com/the-2015-workplace-flexibility-study/
- [29] Wright, P. M., McMahan, G. C., & McWilliams, A. (2009). Human resources as a source of sustained competitive advantage: A resource-based perspective. International Journal of Human Resource Management, 5, 301-326.