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THE EFFECTS OF TALENT ATTRACTION ON EMPLOYEE PERFORMANCE IN STATE CORPORATIONS IN KENYA

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Abstract: **The focus of this study was establishing the effect of talent attraction on employee performance in state corporations in Kenya. Design adopted by the study was descriptive survey. A total of 162 state corporations were targeted where targeted respondents from the corporations were HR HODs. The study was a census survey, where all the 162 state corporations were used. Primary data collection tool was questionnaire. Permit for data collection was obtained from NACOSTI and a letter of introduction from the university. The study used descriptive statistics in analyzing quantitative data and for qualitative data content analysis will be used; SPSS was applied. The association between the response and the predictor variables was established by multiple regressions analysis. Correlation analysis was applied in establishing the strength of relationship between this study variable. The study found out that talent attraction has a positive and significant effect on the performance of employees of state corporations in Kenya. It further established that Human resource policy influences the association between the talent attraction and employee performance in state corporations in Kenya. The study recommends that the management of state corporations in Kenya needs to select their employees based on their talents as this will ensure that they get the best employees which will in turn boost their general performance.**

Keywords: **Career Management, Employee Performance, Talent Attraction, State Corporation.**

1. INTRODUCTION

Background of the Study

Due to globalization, the rate of competition within organizations has increased and has also led to the creation of new opportunity window for employees. Wheelock's (2010) view in Hanief, *et al*, (2013) is that the current economic situation has resulted in greater emphasis on management of talent. While aiming at increasing effectiveness of a company, various resources can be applied in achieving this and they are inclusive of money, machinery and men. Out of all those resources, people are the most important resource (Kehinde, 2012). In many past years, individuals who work in business institutions have varying values, known as production factors and later were referred to as HR of the company. Today, they have been accorded more values since that are considered to be talent that works within the company (Kehinde, 2012). The idea was based on the theory of intellectual capital which is referred to as flow of knowledge stock that is available in an organization. It can be considered to be intangible resource that relates with people who collaboratively with tangible resources constitute the market or the business value (Armstrong, 2014).

In African, CEOs hire but they are finding it hard to find the appropriate individuals. Therefore, the key agenda for CEOs is management of talent; majority of the CEOs were determined to focus on talent management strategies in the nest years and also they indicated that growth is greatly affected by lack of appropriate talent (Price Water House Coopers, 2012). The AAPAM indicated that Africa was faced by several challenges that led to its inability of recruiting and retaining talented employees and some of the challenges mentioned were poor compensation, lack of competitiveness in the work environment (AAPAM, 2014). Those factors have resulted to low productivity in the organization and migration of HR. The market in Egypt for skilled employees is very huge especially for those individuals how have technical skills in telecommunications engineers, IT, financial planners and investment bankers. Furthermore, Gara (2013) indicated that with booming of oil in the Gulf region, the temptation has been very strong for Egypt's brightest and best professionals to take the most lucrative positions abroad. For countries in Africa such as Kenya, Nigeria, Ethiopia and Ghana, skilled professionals exit to US and Europe and therefore Africa is left with scarcity of talent African (Gara, 2013).

According Business Management Review (2013) conducted for the case of Kenya it indicated that Kenya is faced with great challenge of lack of talent. The challenges are inclusive of hiring, retention and motivation of professional talent. For example, early retirement could be the cause of staff shortage since there are no individuals with qualifications needed for filling the vacancies (Lyria.*et al*, 2014). Just like most countries in Africa, Kenya is faced with myriad challenges inclusive of low morale and motivation of employees which are among the greatest issues that affect Kenyan corporations and results to loss of talent (Tetty, 2016). Despite all these, Kenyan state corporations continue to play crucial roles in production and creation of wealth needed to enhance development of the nation. In order to ensure that they can perform this role they require effective, efficient and sustainable governing (Wario, 2012). One of the major issues is concerned with hiring, retention, training and motivation of professionals when talent is not readily available. Entire areas of management are affected. Because of this, human talent is very important in ensuring company's competitiveness for a long term (Athanne, 2012).

For the Kenyan case, the state corporations are created under a parliamentary Act Cap 446. Under these act, state corporations are explained to be bodies that are created under the act of parliament. These corporations could be established by the order of the presidents and are given the power needed to undertake a particular role (State Corporation Act Cap 446). In Kenya, these corporations are established so that they can meet social as well as commercial objectives of the country (ROK, 2016). State corporations play the essential role of rectifying failures in the market, exploit social as well as political objectives, offer education, health, and redistribution or development of marginal area. Since June 2005, it is a requirement that all board members of the state corporations sign performance contracts (PC) with the government and CEOs to sign the contracts with respective Boards (Mwai, 2013).

State corporations have been confronted with challenges that have constrained their service delivery capacities (Kobia & Mohammed, 2016). Cases of nepotism, mismanagement and corruption have been rampant. This is partly because soon after independence, political leaders used public service as patronizing instrument and the result was a tendency of rewarding loyalty of individuals with promotion of employees and recruitment. This essentially means that leadership was not necessarily given out of merit. For this reason, there was a lot of disenchantment with the public service (Aseka, 2012). State corporations have also faced challenges that have included factors of HR that relate with insufficient manpower in regard to key competencies, numbers, lack of proper mindset and socio-psychological dispositions. Absenteeism, theft, lateness, high complaints rate, low work quality, high turnover rate, poor work quality and corruption are some of the factors that indicated the issue (Chepkilot, 2015).

Most of developing countries find Public sector to be necessary and is an ongoing policy objective. Kenya is doing this to overhaul administrative systems to provide better services to the government and its citizens which improves service delivery and in return lowers levels of poverty, improves livelihood and ensures sustainable governance (Kempe, 2012). The government of Kenya is committed to transforming public service from process oriented, unnecessary bureaucratic practices, empowering speedy delivery of services by risk management and reviewing procurement management systems.

Statement of the Problem

Kenya's Stage corporations are faced with the challenge of poor performance of its employees (RoK, 2016). Poor employee performance in State Corporation in Kenya is characterized by Absenteeism, theft, lateness, high complaints rate, low work quality, high turnover rate, poor work quality and corruption (Chepkilot, 2013). According to a report by WB (2016) absenteeism cases in State Corporation in Kenya constitute up to 40% of all the disciplinary cases reported in the institutions. Operational department in the institution reported the highest number of disciplinary cases. Mbuvi (2016) indicated that for the financial year 2015/2016, the Man Hours lost in State Corporation and due to absenteeism and other factors were 10,206,976.57 which translated into Kshs. 3,867,996,698.19.

In Kenyan State Corporations, the domain for managing talent does not receive sufficient emphasis and this is evident by low employee performance witnessed in a total of sixty percent of the corporations (WB, 2016). It is approximated that every year, more than 38% employees exit State Corporations to join private institutions or be self-employed and therefore state corporations undergo a major loss of talent (WB, 2016). The high rates of employee turnover can be attributed to inappropriate strategies of managing talent which affects the performance of employees in the corporations in return affecting delivery of service (PWC, 2016).

Price Waterhouse Copper (2013) mentioned that Kenya's State corporations lose 40% of its employees as a result of problems related with management of talent which leads to low rates of retention. The Presidential Taskforce on Parastatal Reforms on State Corporation (2015) pointed out that there was weak HR and Corporation's ability to attract and retain talent which would improve employees' performance (PTPR, 2015). This calls for the need to develop programs for managing talent in State Corporations in order to play a significant role in improving employee performance (Wario, 2012). Gardener (2002) cited in Kagwiria (2014) posited that everything is possible if one has a workforce that is well managed and talented. Njiru (2014) indicated that lacking HR has affected efficiency and effectiveness of service delivery in state corporations. Over emphasis cannot be done on the importance of practices of managing talent in operations of an organization in order to achieve best results in retention of talent. It is therefore important to examine the extent to which practices of managing talent can affect performance of employees.

There are a number of scholars that have conducted research studies on areas pertaining management of talent and some of them are; Koranteng (2014) who researched on management of talent as a tool for retention of employees; a case of Procredit Savings and Loans Limited Kumasi. Koketso and Rust (2012) performed an exploratory research study on perceived challenges on management of talent in public service of South Africa; a case of Cape Town Municipality. Kambabazi (2012) did an examination on management of talent, culture of an organization and engagement of employee a case of Ugandan National Water and Sewerage Corporation. Wambui (2012) did a study on practices of managing talent in commercial state corporations while Lyria (2013) did an examination on duty performed by management of talent on organizational performance in companies listed in NSE.

Majority of the researches have been carried out in other countries such as Malaysia and Nigeria. These studies have also dealt with profit making organization whose operating environment is different from that of State Corporations. This current study, sought to fill the gap by conducting a study in state corporations in Kenya. Studies that have been conducted locally did not establish the effect of talent attraction on performance of employees of state corporations in Kenya. It is against this backdrop that this study sought to determine the role of talent attraction on employee performance of State Corporations in Kenya.

Objective of the Study

The objective of the study was to establish the effect of talent attraction on employee performance in state corporations in Kenya

Research Hypotheses

$\mathbf{H_{A1}}$ Talent attraction positively influences employee performance in state corporations in Kenya

2. THEORETICAL REVIEW

Resource Based View (RBV) Theory

This theory indicate that humans as company's resources can help the company to attain competitive advantage more than other resources like financial, technical and physical resources can because they cannot be imitated. The key concept of RBV is how a system of a company and other attributes help the company attain competitive advantage. The argument of this theory is that a company has resources that make it possible for them to attain competitive advantage and also have sustainable performance. Resources should be rate, of value and should not be imitable to ensure that it generates competitive advantage. This theory also indicates that a company can only be able to attain sustainable competitive advantage if they can create value in rare manner that will make it hard to be imitated by rivals. HR systems can be used in a way that will contribute to sustainable competitive advantage through the facilitation of competency development, specific to the company, promoting complicated social relationship and generating tacit organizational knowledge. Joo and Mclean (2006) indicated that engagement of employees is a very significant and strategic asset in attaining competitive advantage. The RBV theory was relevant in this study as it addressed the effect of attraction of talent on performance of employees in state corporations in Kenya.

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Conceptual Framework

A conceptual framework refers to logical development, description and elaboration of networks of interrelationships between variables integrated in explaining dynamics of a situation that is under investigation. The theory underlining the relationship is explained and also the nature and directions of their association is explained. A variable refers to characteristics that can measures and it assumes various values for different subjects. Therefore, it is a logical manner in which particular attributes of a subject can be expressed (Mugenda & Mugenda, 2008). The conceptual framework shows the interrelationships among the predictor variable; talent attraction and employee performance. The conceptual also shows the operationalization of the study variables and explains the literature related to the study variables. This is illustrated in Figure 1

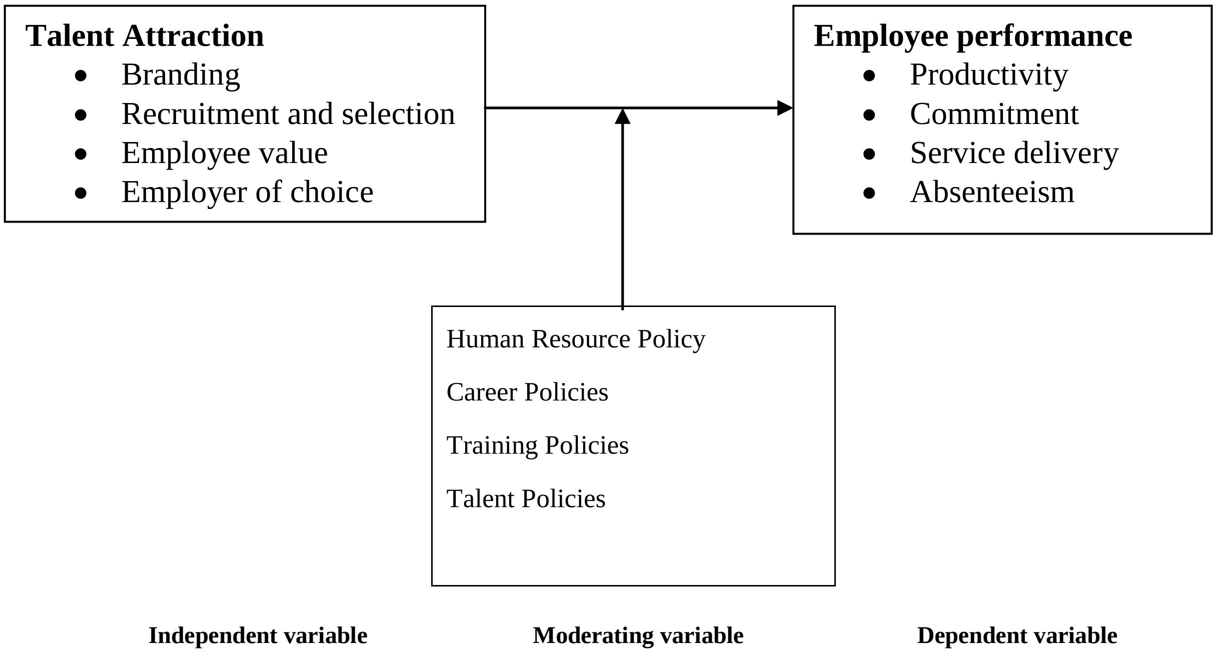

Figure 1: Conceptual framework

Talent Attraction

Talent can be attracted using various techniques which include proposing value to the employers, employers brand and recruitment and selection (Armstrong, 2006). For talent attraction using recruitment and selection, the company should ensure that they use methods that will attract talent that reflect the value and also the culture of the company (Armstrong, 2006). The first step in management of talent is recruitment of new employees from organization's pool of talent which is a group of employees who possess special character traits and have the capability of becoming executives in the future (Ballesteros et al, 2010). The source of talented workforce could either be internal or external. Internal sources are considered to be most appropriate in selecting pool of talent the reason being they have prior knowledge regarding business processes and it is easy to incorporate them into new positions and therefore boosting the morale of the employee (David et al 2007).

To be able to hire the right talented employees for organization success, talent search matrix is very important as it shows different combinations of qualitative and quantitative element of the potential employee. Through this matrix, the focus of recruiting personnel is on the character traits needed for the job to be performed (David *et al.*, 2013). The elements of the talent matrix responsible for shaping employees image required are inclusive of experience, qualification, profile, expertise and potential summarized as experience, profile and qualification. Qualification, potential and expertise are crucial for the development of the employee the company is seeking (David *et al.*, 2013). Branding by the employer includes developing of the company's image with the aim of making sure that it is good enough to attract the needed talent. Branding is considered to be a very important strategy of attracting talent into the organization. If a company is successful in managing its brand then it will be able to attain competitive advantage with ease (Kim, 2014). Failure of having a good brand image will lead to difficulties in attracting appropriate talent (Ana, 2011). Those companies that are rates as top companies share something in common, the message they pass is clear and consistent and therefore the result is a strong talent pool (Tanuja, 2013). The characteristic of proposition of employee talent is potential perception of employees regarding the value of the organization that wants to recruit them. The measure of value proposition by employees depends on the challenges the job possesses, work environment, opportunities for training, flexibility and organization's reputation (Oehley, 2007).

The organization should conduct an evaluation on what they are offering to already existing and new talents and their expectations in return from employers and employees point of view; the value proposition should provide fair exchange of value. The image of the organization, its reputation, mission and record provide a reflection of value proposition (Sloan *et al,* 2003). Poorhosseinzadeh *et al* (2012) indicated that the probability of a company to attract the appropriate talent is based on the values of the organization and the perception of the targeted talent to the organization. Iles et al. (2010) did argue that there is no alternative for employers other than branding themselves employers of choice. Companies should therefore have a good image in regards to rewards and working conditions of the employees.

Employee Performance

Every company has some expectation from their employees in regard to their performance. When performance of employees meet the goals set by the organization then the employees are said to have met the expectations of the organization, and are considered to be good performers. This suggests that effective presentation and administration of tasks by employees, reflecting the organizational desired quality can be referred to as performance as well. Dessler (2011) defined performance of an employee as a personal measurable behavior that is of relevance towards the achievement organizational objectives. There is more to performance of employees other than individual aspects and are inclusive of external factors like working environment and motivation (rewards). Four dimensions are used in determining performance of employees and they are; quantity, quality, work knowledge, and dependability (Mazin 2010).

Low levels of performance and not being able to meet the goals set by the organization can be considered to be personal failure and dissatisfying experience. Individuals that are high performers get promotions within the organization with ease and better opportunities in their career compared to individuals whose performance is low (Sabwami, 2014). Baloch *et al, (*2010), sought to provide measures of the effect of three practices of HR (Rewarding and compensation, training and performance evaluation) on perception regarding performance of employees. From the findings of the study, HR practices and performance of employees were positively related. With globalization trend combined with lack of certainty clouding improvements in global economy in regard to productivity and employees' performances, this study established that county hospitals needed employees who were equipped with skills, knowledge and competencies and right qualifications for the execution of their strategies and planning, (Ismail, *et al.*, 2014). Their survival was contingent upon highly productive employees, (Mazin 2010) and the county hospital's ability to fore know their hospital needs, health worker's needs especially high performing ones could gain them a competitive advantage, (Majid, 2015).

3. RESEARCH METHODOLOGY

This study employed the use of descriptive survey. Using this form of research design the researcher has the ability to provide a summary and organize data in a way that is effective (Kireru, 2014). This technique also allows provision of tools that describe collection of statistical observations and reduces the information to a form that can be understood with ease. Positivism will be philosophical foundation for this study where the study will achieve triangulation by use of qualitative and quantitative data. This philosophy is good because it doesn't restrict an individual's to select either positivism or interpretivism as far as techniques, epistemology and logic are the concerns (Creswell, 2012).

In this study, targeted population comprised of head of departments (HR) in state corporations in Kenya which totals to 162 (ISC Report, 2016). The corporations are divided further into various categories which are: financial (20), regulatory (30), commercial/manufacturing (30), learning institutions (32) and service (50). The study was interested in this population because of the fact that they have weak governance and therefore their vulnerability to loss of talented employees by them exiting the corporation is high (Mbuvi, 2016).

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Table 1: Target Population

Category	Frequency
Financial	20
Regulatory	30
Commercial/manufacturing	30
Learning institutions	32
Service	50
Total	**162**

Source, ISC Report (2019)

The sampling frame for this study was the list of 162 state corporations that the researcher obtained from the ISC Report 2016. The heads of departments (HR) were picked as the respondents for this study. A census survey is often construed as the opposite of a sample as its intent is to count everyone in a population rather than a fraction. According to Kothari (2010) census survey is suitable only in the following cases; when the researcher wants to attain high level of accuracy, time for data collection is enough, the population under consideration is small and there are no financial constraints. Through the census survey, the researcher was able to study the research problem intensely because it enabled her to collect a lot of information. The study adopted census survey of 162 state corporations. When selecting a census survey, practicality, cost, representativeness and also the nature of the population and the survey are put into consideration. All the state corporations formed the unit of analysis while the unit of observation consisted of 162 Head of department (HR) of each State Corporation, thus forming a sample size of 162 respondents. These individuals were considered to have the relevant information relating to the effect of talent attraction on performance of employees in state corporations in Kenya.

Collection of primary data was done with the use of questionnaires as the main data collection instruments. The questionnaires were developed in a manner that addressed study's objectives, research questions and test hypothesis. The questionnaire that the study adopted contained both open and close ended questions. Open ended questions comprised of 5-point Likert scale questions and nominal questions.

The objectives of the study guided data analysis. SPSS version 23 was used to analyze the data that was collected from the field. In order to allow data to be entered into the software, the questionnaires were referenced and the data coded. Both quantitative and qualitative data were collected. Quantitative data collected was analyzed using descriptive statistics techniques. Qualitative data was analyzed using content analysis which was performed in SPSS. Before the data was analyzed, it was first coded, cleaned, and grouped as per their variables.

Pearson R correlation was used to measure strength and the direction of linear relationship between variables. Multiple regression models were fitted to the data in order to determine how the predictor variables affect the response variable.

To determine any causal relationship, linear regression analysis was conducted. The study obtained linear regression results for the study variable

Objective 1: $Y = \beta o + \beta_1 X_1 + \varepsilon$ …….for talent attraction..…. …… …………...……….. (i)

Testing Multiple Linear Regression Assumptions

Multicollinearity

In this study, tolerance and VIF was applied in testing multicollinearity. The tolerance provides measures of the effect caused by a single predictor variable on other predictor variables. For the first step regression analysis, Tolerance is; $T = 1 - R^2$. If the value of T is less than 0.01 then it is certain that multicollinearity is present. VIF in linear regression is defined as VIF = 1/T. therefore, if VIF is greater than 10 then multicollinearity might be present and if the value of VIF is greater than 100 there is certainly that multicollinearity is present, which leads to a complication. In multiple regression analysis, when there is correlation between two variables, there is an increase in the standard error of the two variables which is more than what could be found if equal uncorrelated variables were applied. Daniel and Wood (1971) discussed it and indicated that the standard error is increased by a factor of: $VIF = 1 / (1 - R^2)$ when the variables are correlated, where R is a representation of the correlation coefficient between the variables and there are instances where VIF is used to refer to Variance Inflation Factor. Therefore it was important to use variables that are not correlated.

Linearity Test

Linearity assumption requires that the relationship between the variables be linear. It's important that the study checks for outliers because linear regression is sensitive to the effects of outlier (Creswell, 2006). The best way to test if the assumption is met is by use of scatter plots. When drawing a scatter plot, the residual values are used and are plotted on the x-axis and also Y values are used which are plotted on the y-axis. It can be concluded that the linear assumption is met if the plot follows a linear pattern.

Autocorrelation Test

Autocorrelation can be checked using scatterplot but also it can be tested in linear regression model using Durbin-Watson test. The null hypothesis for the Durbin-Watson's d tests is that the residuals aren't linearly auto correlated. The d value ranges from 0 and 4, if the value is found to be within 2 then it implies absence of autocorrelation. If the d values are; $1.5 < d < 2.5$ it implies absence of autocorrelation in the data. Durbin-Watson test do analyse for linear autocorrelation for only direct neighbors being the effects of 1st order.

Heteroscedasticity

This study used VIF to ascertain heteroscedasticity. Skewness and kurtosis were used to examine the normality of the variables. Kline (2011) indicated that if skewness statistic lies between (-3.0, 3.0) and the kurtosis statistic lies in the interval (-10.0, 10.0) then it can be assumed that the variables are univariate normal. When carrying out linear regression it is important that the data doesn't show any signs of heteroscedasticity because the outcome will be ruined i.e. the coefficients will be biased (Creswell, 2006). The best way to measure homoscedasticity is by use of scatter plot. If there is presence of heteroscedasticity then the graph will be a rough cone shape.

Normality Assumption

This study used Shapiro Wilk test to test for normality (Cooper & Schindler, 2006). The null-hypothesis for Shapiro Wilk test was that the population is normally distributed; thus, if the selected alpha value is greater than the p-value, we accept the alternative hypothesis since there is enough evidence that the data is not normally distributed.

Tests of Hypotheses

The hypotheses of the study were tested by performing ANOVA and F-test. The association existing between the variables was established using t-test, while the fit of the entire model was established using F-test (Cohen & West, 2003; Cooper & Shindler, 2011) where the significance level of R^2 was 5%. If the F- statistic was less than F-critical then we accept the alternative hypothesis and reject the null and vice versa (Gathenya, 2012; Mugenda and Mugenda, 2003; Cooper and Shindler, 2011).

Presentation and Discussions of Findings

162 Head of department (Head of Human Resource) of each State Corporation were targeted. 148 questionnaires were filled and returned which translated 91.4% rate of response. If the arte of response is 50% it can be said to be adequate, if it is 60% it is considered good if it is 70% and above then it is excellent for analysis and making inference (Mugenda & Mugenda, 2008). Therefore our rate of response was considered excellent because it was above 70%.

Table 2: Response rate

Response	Frequency	Percent
Returned	148	91.4
Unreturned	14	8.6
Total	**162**	**100.0**

Reliability of data collection tool was determined by performing reliability analysis. Cronbach's Alpha was used. According to Gliem and Gliem (2003) acceptable threshold alpha value is 0.7 and was therefore used as a benchmark in this study. From the findings presented in Table 3 indicate that talent attraction, has an alpha of 0.821, and employee performance has an alpha of 0.849.

Table 3: Reliability analysis

Scale	Cronbach's Alpha	Number of Items
Talent attraction	0.851	12
Employee performance	0.849	6

Descriptive Statistics Results

Talent Attraction

The objective of the study was to establish the effect of talent attraction on employee performance in state corporations in Kenya. The factors that were given attention to under talent attraction included branding, recruitment and selection, employee value and employer of choice. Means and standard deviations were applied in explaining the findings of the study. The means were interpreted as follows; a mean of 0-1 implied that the respondents strongly disagreed, a mean of 1.1-2 implied they disagreed, 2.1-3 suggest that they were neutral, a mean of 3.1-4 suggest they agreed, and a mean of 4.1-5 implies the respondents strongly agreed.

Branding

Respondents indicated the level to which they agreed with various statements on branding. The findings indicate that the respondents agreed that the company tries to develop a good brand image with the aim of attracting employees with talent (M= 4.027, SD=0.911), branding makes the organization attractive to various stakeholders (M=3.905, SD=0.830) and organization is active in communicating and implementing branding of the employer (M=3.845, SD=0.789).

The findings indicate that state corporations in Kenya usually take part in communicating and implementing employees branding, they also try to create a brand image that is good with the aim of attracting employees who are talented and through branding they attract different stakeholders. These findings are in agreement with Kim (2014) who indicated that an organization that is effective in managing its corporate brand will be successful in attaining competitive advantage in the highly competitive market environment.

Table 4: Branding

	N	Mean	Std. Dev.
My organization is active in communicating and implementing branding of the employer.	148	3.845	0.789
My company tries to develop a good brand image with the aim of attracting employees with talent.	148	4.027	0.911
Branding makes the organization attractive to various stakeholders	148	3.905	0.830

Recruitment and selection

Respondents provided their level of agreement with various statements on branding recruitment and selection. The findings show the respondents agreed that recruitment and selection based on qualification ensures that the organization gets talented employees (M=3.878, SD=0.786), the organization ensures a free and fair recruitment of employees (M=3.858, SD=0.774) and the organization provides job security to its employees with the aim of attracting appropriate talent (M=3.831, SD=0.775).

The findings imply that state corporations in Kenya ensure free and fair recruitment of employees, they also recruit and select based on qualification in order to make sure that they get talented employees. Additionally, in order for state corporations in Kenya to attract the right talent they assure their employees of job security. These finding concur with Coetzee (2014) who stated that it is important for managers to realize that recruitment and development of talented employees is important to ensure success in the objectives of the company and thus it is important for them to seek employees that are competent and that possess abilities contributing significantly to their team.

Table 5: Recruitment and selection

	N	Mean	Std. Dev.
The organization ensures a free and fair recruitment of employees.	148	3.858	0.774
Recruitment and selection based on qualification ensures that the organization gets talented employees.	148	3.878	0.786
The organization provides job security to its employees with the aim of attracting appropriate talent	148	3.831	0.775

Employee value

Respondents provided their extent of agreement with statements on Employee value. The mean values were greater than 3 implying that the respondents were in agreement with the statements. The variation in responses across the means was not great because the values of standard deviation ranged between 0.7 and 0.8. The findings reveal that respondents agree that the company makes use of values talent search matrix in selecting process with the aim of getting employees with qualification, experience, expertise and potential (M=3.824, SD=0.770), the organization's working conditions which is favorable and fair pay makes it possible for the company to attract appropriate talent (M=3.818, SD=0.867) and the organization values its employees since it rewards the employees in line with their performances (M=3.777, SD=0.790).

The findings indicate that state corporations in Kenya apply the use of talent search matrix the aim of getting employees with qualification, experience, expertise and potential. State corporations in Kenya attract the right talent by offering good working conditions and fair wages. In addition, they show that they value their employees by rewarding them for their good performance. These is in agreement with Sloan *et al* (2003) who indicated that the organization should conduct an evaluation on what they are offering to already existing and new talents and their expectations in return from employers and employees point of view; the value proposition should provide fair exchange of value.

Table 6: Employee value

	N	Mean	Std. Dev.
The company makes use of values talent search matrix in selecting process with the aim of getting employees with qualification, experience, expertise and potential	148	3.824	0.770
The organization's working conditions which is favorable and fair pay makes it possible for the company to attract appropriate talent	148	3.818	0.867
The organization values its employees since it rewards the employees in line with their performances.	148	3.777	0.790

Employer of choice

Respondents provided their extent of agreement with statements on Employer of choice. From the findings the respondents agreed that balance in work life and facilities for social networking act as motivators for employees (M=4.142, SD=1.038), the company provides support to training of employees and their progression in career (M=4.014, SD=0.919) and with the aim of attracting appropriate talent, the organization provides good work climate (M=3.899, SD=0.830).

The findings indicate that state corporations in Kenya support employee training and career progression and also with the aim of attracting appropriate talent, they provide good work climate. Also, the organizations motivate its employees by providing them with balance in work life and facilities for social networking. The findings concur with Kelly (2013) who stated that employees will be attracted by companies that they think have a greater ability of satisfying their social needs through provision of good balance in wok life and also provides a good social networking.

Table 7: Employer of choice

	N	Mean	Std. Dev.
the company provides support for training of employees and their progression in career	148	4.014	0.919
balance in work life and facilities for social networking act as motivators for employees	148	4.142	1.038
With the aim of attracting appropriate talent, the organization provides good work climate.	148	3.899	0.830

Employee Performance

Respondents were requested to indicate the extent to which each of the statements in the matrix represented below influences employee performance in their organization. Means and standard deviations were applied in explaining study's findings. The means were interpreted as follows; a mean of 0-1 implied that the respondents strongly disagreed, a mean of 1.1-2 implied they disagreed, 2.1-3 suggest that they were neutral, a mean of 3.1-4 suggest they agreed, and a mean of 4.1-5 implies the respondents strongly agreed.

The results show that the respondents agreed that career development enhances employee performance (M=3.831, SD=0.784), success planning strategy enhances employee performance (M=3.818, SD=0.778), training enhances employee performance (M=3.811, SD=0.781), employee motivation enhances employee performance (M=3.797, SD=0.802), employee engagement enhances employee performance (M=3.757, SD=0.751) and feedback mechanisms from supervisors enhances employee performance (M=3.777, SD=0.757). The findings show that state corporations in Kenya enhance the performance of their employees by: training, career development, employee motivation, employee engagement and feedback mechanisms from supervisors.

Table 8: Employee Performance

	N	Mean	Std. Dev.
Performance of employees is enhanced with training	148	3.811	0.781
Performance of employees is enhanced through Career development	148	3.831	0.784
Performance of employees is enhanced through strategies of Success planning	148	3.818	0.778
Performance of employees is enhanced by motivating them	148	3.797	0.802
Performance of employees is enhanced through engaging them	148	3.757	0.751
Feedback mechanisms from supervisors enhances employee performance	148	3.777	0.757

Correlation Analysis

The study conducted Pearson moment correlation analysis. Using the correlation coefficient, the study tested whether interdependency existed between the predictor variable and also whether there was any relationship between the response variable (employee performance) and predictor variable.

The results revealed that talent attraction and performance of employees were positively associated (r=0.788, p-value=0.001. These agree with Glen (2013) who related attraction of talent to successful management of talent and therefore improved organizational performance.

Table 9: Correlations Coefficient

		Employee performance	Talent attraction
Employee performance	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	148	
Talent attraction	Pearson Correlation	.788**	1
	Sig. (2-tailed)	.001	
	N	148	148

**. Correlation is significant at the 0.01 level (2-tailed).

Hypothesis Testing

Hypothesis testing was conducted to establish the effect of talent attraction on employee performance in state corporations in Kenya. Testing was conducted using multivariate analysis. The null hypothesis was as follows; Talent attraction positively influences employee performance in state corporations in Kenya.

H_{A1} *Talent attraction positively influences employee performance in state corporations in Kenya*

The findings show that Talent attraction had coefficients (β=0.333, t= 5.374, p=0.009). The significance value that was obtained was less than 0.05 which was set by the study and the t-value was greater than 1.96 at 5% significance level. The study findings therefore imply that talent attrition positively and significantly affect performance of employee in state corporations in Kenya. From the findings, the null hypothesis was upheld that talent attraction positively influences employee performance in state corporations in Kenya.

Multicollinearity

Variance Inflation Factor (VIF) was applied in assessing multicollinearity in the model. The rule is that if the value of VIF exceeds 4 then there is need to conduct further investigation and if there are more than one variables that have a VIF value of about 5 or greater than 5 then one of the variables should be excluded from the model (Bryman & Cramer, 2012). From the VIF findings presented in Table 10, the independent variable did not show any signs of multicolinearity because the VIF value was less than 5. It suggests that the findings of the regression equation aren't misleading; this is because the predictor variable in the regression equations does not have high correlation values among themselves.

Table 10: Multicollinearity Test Statistics

	Tolerance	VIF
Talent attraction	.423	2.618

Heteroscedasticity Test

Heteroscedasticity is a situation whereby there is equal variability across range of values of the second factor predicting it (Vinod, 2008). The study performed Breuch-pagan / cook-weisberg test with the aim of testing Heteroscedasticity. The null hypothesis for the test was that variances or error terms are equal (Vinod, 2008). If the value of "Prob > Chi-squared" is greater than 0.05 then it is evident that homoscedasticity exists (Park, 2008). From the findings presented in Table 11 p-value is greater that the selected level of significance which was 0.05. This implies that the constant variance (Chi^2 = 2.6874) is insignificant.

Table 11: Breusch-Pagan / Cook-Weisberg test for heteroscedasticity

Ho: Constant variance			
Statistics	df	Stat value	p-value
Chi-squared	5	2.6874	0.5412

Normality Test

Shapiro Wilk Test was used to test for normality. The null hypothesis for this test is that the variables are from a population that follows normal distribution/they are normally distributed. When the level of significance selected for the test is greater that the p-value obtained, the null hypothesis is rejected since there is enough proof that the data is not from a normally distributed population. If the p-value obtained exceeds the selected level of significance then the null hypothesis is accepted that the data in use is from a population that follows a normal distribution.

Table 12: Shapiro-Wilk Test

	Statistic	Df	Sig.
Employee performance in state corporations in Kenya	.894	148	.098

From the findings employee performance in state corporations in Kenya (p-value=0.098) followed a normal distribution since the p-value obtained was greater than 0.05. The data therefore meets the normality assumption for regression analysis.

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Regression Results

The study conducted regression analysis between talent attrition and employee performance in state corporations in Kenya. The study computed coefficient of determination which was used to show the variability of employee performance as a result of change in talent attrition. The study also computed ANOVA which was used in showing the significance of the model and coefficients were applied in testing study's hypothesis. The results were as shown in Table 13.

R^2 value for the relationship between talent attrition and employee performance was found to be 0.073. This suggests that there was 7.3% change in performance of employees in state corporations in Kenya, due to changes of talent attraction. Therefore, other factors not studied in this study contributed to 92.7% variation of employee performance. The study also conducted ANOVA to test reliability of the regression model. The study found a significance value of 0.001 which was less than 0.05 at 95% confidence interval. The F value was 11.533 which were significant as shown by p-value of 0.001. This implies that the model was reliable in predicting the employee performance in state corporations in Kenya. The findings agree with Glen (2013) who related attraction of talent to successful management of talent and therefore improved organizational performance

From the coefficients, the regression model obtained was $Y= 9.387 + 0.286X_1 + \varepsilon$. This is an indication that a unit increase in talent attrition results to an increase in performance of employees in state corporations in Kenya by 0.286 units.

Table 13: Regression Analysis for Talent Attraction

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.271[a]	.073	.067	4.03946

a. Predictors: (Constant), Talent Attraction

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	188.192	1	188.192	11.533	.001[b]
	Residual	2382.315	146	16.317		
	Total	2570.507	147			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Talent Attraction

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.387	3.961		2.370	.019
	Talent Attraction	.286	.084	.271	3.396	.001

a. Dependent Variable: Employee Performance

4. SUMMARY OF MAJOR FINDINGS

Talent Attraction

Talent attraction practices included branding, recruitment and selection, employee value and employer of choice. In line with recruitment and selection the study found state corporations in Kenya usually take part in communicating and implementing employees branding, they also try to create a brand image that is good with the aim of attracting employees who are talented and through branding they attract different stakeholders. Branding is a useful strategy for organization to strive. The study found out that state corporations in Kenya usually take part in communicating and implementing employees branding, they also try to create a brand image that is good with the aim of attracting employees who are talented and through branding they attract different stakeholders.

In regard to employee value the study found that state corporations in Kenya apply the use of talent search matrix the aim of getting employees with qualification, experience, expertise and potential. State corporations in Kenya attract the right talent by offering good working conditions and fair wages. In addition, they show that they value their employees by rewarding them for their good performance. On employer choice the study revealed that state corporations in Kenya support employee training and career progression and also with the aim of attracting appropriate talent, they provide good work climate. Also, the organizations motivate its employees by providing them with balance in work life and facilities for social networking.

The study found that talent attraction and employee performance in state corporations in Kenya were positively associated. The study found the valued of coefficient of determination (R2) to be 0.073 implying that 7.3% variation of employee performance in state corporations in Kenya, can be attributed to changes of talent attraction. The regression analysis results indicate that talent attraction positively and significantly influence performance of employees in state corporations in Kenya. The results indicated that a unit improvement in talent attraction would lead to improvement in employee performance in state corporations in Kenya.

5. CONCLUSION

In reference to Talent Attraction the study found out that state corporations in Kenya usually take part in communicating and implementing employees branding, they also try to build a good brand image to attract talented employees and through branding they attract different stakeholders; they ensure free and fair recruitment of employees, they also recruit and select based on qualification in order to make sure that they get talented employees. Additionally, they apply the use of talent search matrix the aim of getting employees with qualification, experience, expertise and potential; they attract the right talent by offering good working conditions and fair wages. They also show that they value their employees by rewarding them for their good performance and in order for them to attract the right talent they assure their employees of job security. The study concludes that talent attraction practices have positive and significant effect on employee performance in state corporations in Kenya.

6. RECOMMENDATIONS

The study found out that recruitment and selection based on qualification ensures that the organization gets talented employees. The study therefore recommends that the management needs to select their employees based on their talents as this will ensure that they get the best employees which will in turn boost their general performance.

Suggestions for Further Studies

The findings of the study showed that talent attraction is responsible for explaining 7.3% change in performance of employees in Kenya's state corporations. There is need for further studies to be conducted on other factors that contribute of performance of employees of Kenya's state corporations. The study recommends further studies to be carried out on factors that affect adoption of practices of talent management in Kenya's state corporations.

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