

**TALENT MANAGEMENT AS A SOURCE OF COMPETITIVE
ADVANTAGE: A CASE STUDY OF SYMPHONY (K) LTD**

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DECLARATION

I declare that this is my original work and has not been presented for a degree in any other university.

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DEDICATION

To my family for support and understanding especially to my husband Patrick Gachara who stood by me and supported me both morally and financially during my working on this proposal

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Abstract

An organization has to respond strategically to environmental factors in order to be sustainable. Quickness to accurate, relevant and precise information is crucial to the success of firms operating in such a competitive environment. An organization human resource capacity is an important source of competitiveness especially if the talent they possess is strategic in nature, inimitable and is rare. Hence in the present day competitive business environment, it is important for a firm to appreciate the critical role this resource can offer in being a source of competitive advantage to the firm and at the same time take actions to manage it.

The study sought to establish the role of talent management as a source of competitive advantage at Symphony (K) Ltd. A case study research design was adopted whereby the researcher interviewed seven senior managers at Symphony who were involved in the strategic process of managing organizational talent. The data was collected through the use of the interview guide that was prepared to guide the researcher and content analysis was used to analyze the data. From the results it appears that the choice of talent management strategy massively affects organisational performance. The findings of the study were that effective talent management affects the financial performance of a firm and this was reflected increased sales revenue over the years since adoption of the strategy, productivity and increased market share. In addition, the product development and innovation registered improvements over the period due to the resultant collaboration in the organization. Inter-department communication has also been enhanced due to the bi-annual meetings on the organization strategy evaluation and adjustment review and this has resulted to increased rate of strategy implementation. Some of the challenges faced in the management of talent in the organization include lack of adequate resources allocated to the process and also coming up with a talent management strategy that is not in conformity with the overall organization strategy.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

In today's rapidly moving, dynamic, uncertain and highly competitive global markets, firms worldwide are facing major decisions and challenges in global talent management (Schuler et al., 2011). For organizations across the globe, talent management of talent workers and high potentials is becoming increasing of strategic importance. The demand for competent employees is high, especially for key positions that will be tasked with steering the organization to higher levels of performance. Therefore organizations are exposed to a continuous fight for the best employees, which results in a competition for the most talented people. The policy of developing and applying talent management in the organization is different from one organization to another, mainly because it is in direct correspondence with its necessities, strategy and objectives.

Talent-based theory of the firm postulates that talent is the only resource that provides sustainable competitive advantage, and, therefore, the firm's attention and decision making should focus primarily on talent and the competitive capabilities derived from it (Roberts, 2008). The firm is considered being a talent integrating institution. Its role is neither the acquisition nor the creation of organizational talent; this is the role and prerequisite of the individual. Talent resides in and with individual persons and the firm merely integrates the individually owned talent by providing structural arrangements of co-ordination and co-operation of specialized talent workers. The demand for competent employees is high, especially for key positions; therefore organizations are exposed to a continuous fight for the best employees, which results in

a competition for the most talented people. Talent management represents the idea of increasing performance using the most important of the organization's resources – the employee, but this a very sensitive approach because if the managers will choose to retain the “inappropriate talent” then the final effect will be opposite (Bhatti et al., 2011).

In the actual economy it is mandatory to realize that human capital consists of intangible talent, skills and creative capabilities of human element of the organization (Bontis et al., 2002). The successful utilization of individual capabilities can contribute positively to performance and enhance organizational image. In talent economy, human capital is the main element, “talent is both produced and held collectively rather than individually in knit groups or communities of practices” (Lang, 2001). The fundamental feature of today's competitive climate in business concerning people issues is to find a method of attracting, developing, retaining, and motivating competent people. To employ the appropriate people in the company, the team of candidates to select from must be up to prescribed standard. This means that human resource should source and seek out such talented staff and must not expect that an advertisement in the media will yield desired results (Deroset *al.*, 2009).

1.1.1 Talent Management

Talent management includes all organizational activities for the purpose of attracting, selecting, developing, and retaining the best employees in the most strategic roles (Scullion and Collings, 2011). They further point out that talent management recognizes people who excel at particular activities and performance upon whom support is offered to enable them to “push the envelope” while capturing and sharing what they do differently so as colleagues can emulate them (Scullion

and Collings,2011). Under talent management, an organization should have the capacity to identify the kinds of people and capability that will create value or deliver competitive advantage for the organization now and in the future. In addition, talent management aims at deploying the right people in the right jobs at the right time, ensuring the right environment for individuals to deliver their best and remain committed to the organization (Uren and Jackson 2012).

Talent-based theory of the firm postulates that talent is the only resource that provides sustainable competitive advantage, and, therefore, the firm's attention and decision making should focus primarily on talent and the competitive capabilities derived from it (Roberts, 2008). The firm is considered being a talent integrating institution. Its role is neither the acquisition nor the creation of organizational talent; this is the role and prerequisite of the individual. Talent resides in and with individual persons; the firm merely integrates the individually owned talent by providing structural arrangements of co-ordination and co-operation of specialized talent workers.

Talent management treats talent management processes as a system of interrelated parts that help organizations to strategically leverage talent. By recognizing the interrelatedness nature of talent management, organizations are able to better develop, promote and retain their talent to meet current and future business needs. Organizations are taking steps to manage talent most effectively and also to develop their own employer brand. These brands simplify decision-making and communicate the value they create for their customers. Likewise, employees also identify themselves with certain organizations (Shravanthi and Sumanth, 2008) especially in the light of forecasted labour shortage. Organizations that formally decide to "manage their talent"

undertake a strategic analysis of their current human resource processes. This is to ensure that a co-ordinated, performance oriented approach is adopted.

1.1.2. Competitive Advantage

Competitive advantage is the ability of the firm to occupy a superior position in an industry and outperform its rivals on the primary performance goal- profitability. A company's superior competitive position allows it to achieve higher profitability than the industry's average (Porter, 1985). Firms strive to survive and succeed in competition by pursuing strategies that enable them to perform better than their competitors. Barney (2008) defines competitive advantage as being sustainable if competitors are unable to imitate the source of advantage or if no one conceives of a better offering. Barney (2008) distinguishes between two types of competitive advantage: temporary and sustainable competitive advantage. Competitive advantage typically results in high profits, but these profits attract competition, and competition limits the duration of competitive advantage in most cases, therefore most competitive advantage is temporary. On the other hand, some competitive advantages are sustainable if competitors are unable to imitate the source of advantage or if no one conceives of a better offering (Barney, 2008).

Competitive advantage can arise from various sources. According to Porter (1985), a firm can achieve a higher rate of profit (or potential profit) over a rival in one of two ways: either it supplies an identical product or service at a lower cost, in which case the firm possesses a cost advantage; or it can supply a product or service that is differentiated in such a way that the customer is being able to pay a price premium that exceeds the additional cost of the differentiation advantage. Once established, competitive advantage is subject to erosion by competition. This arises because a company with a competitive advantage earn higher than

average profits. These profits send a signal to rivals that the company is in possession of some valuable distinctive competence that allows it to create superior value (Hill *et al.*, 2001). Naturally, its competitors try to identify and imitate that competence. Insofar as they are successful, they may ultimately undermine the company's competitive advantage and surpass the company's superior profits. As Grant (1997) and Hill *et al.*, (2001) observe, the speed of imitation has a bearing upon the durability of a company's competitive advantage.

1.1.3 Information Technology Industry in Kenya

The communications industry is one of the fastest growing sectors of Kenya's economy, with a steady contribution to GDP. In 2009/2010, the sector accounted for 2.8 per cent of the GDP up from 2.6 per cent in 2007/2008. The sector plays a central role in creation of new jobs and in foreign direct investment.

In recognition of the rapid changes and developments in technology which have blurred the traditional distinctions between telecommunications, Information Technology (IT) and broadcasting, the Government in January 2009 enacted the Kenya Communications (Amendment) Act 2009. This statute enhanced the regulatory scope and jurisdiction of CCK, and effectively transformed it to a converged regulator.

In order to create order and certainty in the market, the industry is regulated by, Communication Commission of Kenya (CCK) which has put in place clear rules for entry and operation in the market. By enforcing the said rules with impartiality, CCK has ensured regulatory justice, fairness and certainty in the sector. This has created investor confidence in the sector as market players are aware of the underlying rules of engagement as articulated in the law and in the terms

and conditions of the licenses. With the implementation of the Unified Licensing Framework, this has opened new opportunities for investment and eliminated barriers to entry.

1.1.4 Symphony Kenya Ltd

Symphony was established in Kenya in January of 2000 after a merger of seven IT companies, all created by the Da Gama Rose Group of Companies. As a result of this merger, Symphony acquired over 300 highly qualified, skilled and experienced personnel. Consequently the company has remained at the centre of the information technology stage, providing effective computing strategies and solutions to business (telecommunications, finance, manufacturing, distribution) and government. The Symphony group has been a leading Vendor of IT solutions since 1979.

Symphony's IT projects can be considered to target large group entities and involve the bringing together of multi-vendor hardware equipment and application software from consulting partners with extensive domain talent and experience in their field of expertise. To complement such projects and to provide ongoing support, Symphony has an average employee base of over 360 highly skilled IT professionals who provide implementation and ongoing support in the following areas; technical Staff who are responsible for Hardware installation, repair and maintenance of computers (servers and personal computing systems) including special purpose peripherals such as printers, plotters, scanners, digitizers, ATM's, MICR's, passbook printers, point-of-sale systems and UPSs among others, to provide Software installation and configuration services of systems such as IBM AIX, IBM ZOS, SUN Solaris, MicrosoftWindows Server, etc. the company has invested in more than 30 software engineers. These groups of staff require extensive training both within the country and also outside since the skills required is of higher

training to be able to meet the different configurations used by the varying clients. the training required for both the system developers and programmers vary to some extent and considering that the same training and development is different from the one gained in the conventional training such as in the universities, it becomes imperative that the organization comes up with appropriate mechanism of managing this talent as a strategic issue.

1.2 Research Problem

In today's business climate where growth is largely a product of creative and technological advancements, talent management is one of the company's most valuable assets. To obtain competitive advantage companies must attract, retain and engage talented employees. As such companies must not work only to attract and retain talent, but also equip employees with the necessary skills to become leaders. Sustainable competitive advantage comes from the internal qualities that are hard to imitate rather than the firm's product-market positions. Talent management is such a resource and especially the resource and talent based views recognizes the firm's talent resources as its tool for achieving a sustainable competitive advantage (Odonez de Pablos, 2004). A sustainable competitive advantage stems from the valuable, company-specific resources that cannot be imitated or substituted by competitors. Odonez de Pablos (2004) further argues that talent management, relational capital and structural capital can all be sources of long term competitive advantage but the most significant evidence favors talent management.

Symphony Company faces tough competition for talent as most companies are experiencing a shortage of top talent and these has made the company to put in place mechanisms to manage its talent as a means to developing a firm-specific and hardly replicable human capital that could potentially lead to sustainable competitive advantage. According to 2012 management report, the

company lost six key staff members to competitors while two opted to start their own private companies to offer the same services as the company albeit on a smaller scale. the loss of these staff disrupted the strategic objectives of the company for the year since it led to delay of the customer orders, overworking of the remaining staff as well as loss of customer orders due to their withdrawing when they realise that the company was not going to deliver the service within the stipulated time period. In addition, cases have also been witnessed where employees who leave the organization have left with some customers to the competing firms. Hence, it becomes important that the company comes up with an appropriate talent management structure that will be taken as a strategic tool to help the organization as a source of competitive advantage. The policy of developing and applying talent management in the organization is different from one organization to another, mainly because it is in direct correspondence with its necessities strategy and objectives.

Several studies have been undertaken on the role of talent management. Morton (2010) researched on the effect of managing talent for competitive advantage in the United Kingdom pharmaceutical firms. Locally Wafula (2010) researched on the effectiveness of strategic talent management practices in professional service firms in Kenya and found out local professional service bodies lacked an effective talent management structures and most of their strategies are contained in the contracts with the employees whereby they discourage them from leaving the organization before a stipulated time period especially if the organization has trained the employees. Wangari (2009) studied the linkage of critical success factors and talent management systems at Olivado Kenya (EPZ) ltd and found out that once the role between strategy and talent is defined, then other aspects of strategic management such as resources allocation, organization

design, product development and market segmentation can be configured to bolster talent strengths and reduce talent weaknesses. In addition Asava (2009) carried out a research on Talent Management for competitive advantage within commercial banks in Kenya and found out that learning opportunities for an organisation that already has a talent advantage may be more valuable than for a competitor having similar learning opportunities. From the studies provided there are no studies that have been done on talent management as a source of competitive advantage at Symphony Kenya Limited. This study will therefore seek to determine how talent management as a source of competitive advantage at Symphony Kenya Limited.

1.3 Research Objective

The objective of this study will be to establish how talent management can be a source of competitive advantage at Symphony Kenya Limited

1.4 Value of the Study

The findings of this study will improve understanding of the importance implementing talent management at the symphony and how it fosters the company's competitive advantage. Successful management of talent management leads to the organisation attaining a competitive edge. Improved talent management will lead to increased productivity and motivation of staff members. The motivated staff members will be more innovative and contribute effectively to the organisation. The study will shed light on the importance of talent management in the information technology industry and it will be useful to those mandated with handling talent in other technology companies and subsequently reducing turnover rates.

The study will guide technology industry policy makers in how best to manage talent within the industry. This study may prompt further research on the talent management domain, particularly within the information technology industry, as the researcher believes it may be an opportunity for others in academia and elsewhere to learn from the study. The study will help the information technology industry to reformulate strategies related to talent management and help them to develop policies intended to reduce the sources of dissatisfaction among its employees. The study can be used for proactive decision-making on talent management and turnover.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The chapter provides information from publications on topics related to the research problem. It examines what various scholars and authors have said about the concept of talent management and its effect on organizations competitiveness. The chapter covers: concept of talent management, theories of talent management, talent management enablers and the role of talent management on organizational competitive advantage.

2.2 Talent Management

In the present highly competitive world, where change is the only constant factor, it is important for the organization to develop the most important resource of all, i.e., the human resource. Talent management helps organizations to make the most of the strengths and talents of their employees. Talent management has a number of benefits to offer such as employee engagement, retention, aligning to strategic goals in order to identify the future leadership of the organization, increased productivity, culture of excellence and much more (Ballesteros, 2010). Many companies today do not have a ‘talent strategy’ in place, despite organizations’ acknowledging the fact that talent is an important issue. In many organizations there is a lack of workforce planning, while the approach to accessing talent is poorly coordinated across the business. It is crucial that talent management system be put in place for building organizations. Boudreau and Ramstad (2007) posits that the 73% of the executives in United States of America agree on the positive relationship between talent management process and business strategy to obtain the

success of the organizations. It means that companies recognize the importance of talent management integration with business strategy to get the organizational excellence.

The success in any organization through talent management anchored in three factors to create and to sustain the success in the firm. These factors are creation of a set of career paths, and development and reward plan for the most talented people which will ensure the high-quality in the company, it means that the organization will achieve and maintain its superiority. The second factor is the identification and development of key positions, which are the jobs critical to organizational current and future success as we have seen before, and then the replacements if there, will be future voids for a small number of these key or pivotal positions. This step maintains the continuity in the organization (Ballesteros, 2010). The last factor is the “segmentation of the talented pool into each investment category and managing the investment in each category appropriately”. It means that the organization should do a “classification of the investment in each employee based on his/her actual and/or potential for adding value to the company” (Bergera and Dorothy, 2003).

2.3 Theories of Talent Management

A number of frameworks have been developed with regard to the issue of converting talent into improved performance. The stream of research on “organizational learning” is diverse in terms of the meaning of the organizational learning concept. Furthermore, it is not very attentive to strategic implications of learning (Crossan *et al.*, 2009). A firm’s distinctive competence is based on the specialized resources, assets, and skills it possesses, and focuses attention on their optimum utilization to build competitive advantage and economic wealth (Penrose in Rutihinda,

1996). From the theory of the firm, two basic theories have emerged: resource-based theory and talent-based theory.

Talent-based theory of the firm postulates that talent is the only resource that provides sustainable competitive advantage, and, therefore, the firm's attention and decision making should focus primarily on talent and the competitive capabilities derived from it (Roberts, 2008). The firm is considered being a talent integrating institution. Its role is neither the acquisition nor the creation of organizational talent; this is the role and prerequisite of the individual. Talent resides in and with individual persons; the firm merely integrates the individually owned talent by providing structural arrangements of co-ordination and co-operation of specialized talent workers. That is, the firm focuses on the organizational processes flowing through these structural arrangements, through which individuals engage in talent creation, storage, and deployment (Roberts, 2008).

The issue of what contributes to competitive advantage has seen a shift in emphasis away from external positioning in the industry and the relative balance of competitive forces, towards an acknowledgement that internal resources be seen as crucial to sustained effectiveness (Wright et al., 2009). The resource based view establishes the importance for an organisation of building a valuable set of resources and bundling them together in unique and dynamic ways to develop firm success. Competitive advantage is dependent not, as traditionally assumed, on such bases as natural resources, technology, or economies of scale, since these are increasingly easy to imitate. Rather, competitive advantage is, according to the resource based view, dependent on the valuable, rare, and hard-to-imitate resources that reside within an organisation. Human capital in a real sense is an 'invisible asset' (Itami, 2007).

The resource-based view of the firm strengthens the often-repeated statement from the field of strategic human resource management that people are highly important assets to the success of the organisation. Collins and Porras (2004) urge the development and nurture of employees within a supportive strong culture. A more recent, and equally important strand has emerged under the title ‘the talent-based view of the firm’, which emphasizes the requirement of the organization to develop and increase the talent and learning capabilities of the employees through talent acquisition and talent sharing and transfer, to achieve competitive advantage. According to the resource-based view rival firms compete on the basis of the heterogeneity and immobility of their resources and capabilities (Peteraf and Bergen, 2003). Resources can be physical, human and organizational in nature, and they can be used to implement value-creating strategies. As was suggested by Barney (1991), resources which are valuable, rare, inimitable, and non-substitutable, have the potential to provide firms with a sustainable competitive advantage. A set of resources that seem to match the above criteria are talent assets.

2.4 Talent Management Enablers

Talent management enablers are capability-building items. They are the underlining factors that enable talent management processes to arrive at the anticipated results (Grant, 2007). The processes capture fundamental talent management activities. Such activities cannot distinguish one organization from another, because talent management processes in themselves are not sufficient to explain performance differences. It is the way these processes interact and embed within the organizational enablers that defines performance outcomes. The management of the talent system which according to Lei (2003) involves the organizations possessing the capability

of utilizing information technology to facilitate talent management processes as well as promoting dialogues and communications. Broadly speaking, information technology can be seen as embodying two general capabilities: managing codified talent and creating talent networks.

Regarding talent culture, technology itself does not deliver talent management, but inspires the vision of “a new world of leveraged talent” (McDermott, 2009). Adoption of information technology must be coupled with talent-friendly organizational culture in order to deliver performance. For instance, extracting and codifying individuals’ talent disconnects seekers from providers and significantly reduces a provider’s control over who has access to this talent. This creates a set of conditions that allow managers to increase their control over most employees. This sets up conditions under which codified talent is likely to reduce employee power. It is, therefore, not surprising that employees are sometimes resistant to contributing to talent repositories. Organizations need to adopt a talent culture that reduces the fear in employees of redundancy after they have contributed their talent in the quest for organizational competitive advantage.

According to Ostro (2007) organizations need the development of organizational memory in order to develop the capability to remember what worked and what failed and ensure that useful lessons were captured, conserved, and can be readily retrieved when needed. Such talent ought not to be restricted to those codified and stored in the organizational systems, such as routines and best practices, but also includes tacit talent such as experiences and expertise possessed by

individuals. Organizational memory underlines the ability to capture both explicit and tacit talent, and most importantly to make it more easily retrievable, updated, accurate and relevant.

Effective talent management requires a constant flow of talent, rather than simply accumulating a stock of it (Logan 2001). Talent flow is what facilitates the connections between seekers of specific talent and the providers of needed talent. Sharing involves taking account of the human elements, not just focusing upon the technology that supports it. Organizations should promote talent sharing beyond work process-related talent flow and sharing by contributing and retrieving from talent repository by actively promoting communities of practice. Collis (2004) stresses the need for the organizations to have talent benchmarking in order to possess the capability of measuring its talent assets against other organizations in order to identify level of comparative talent performance and the talent gaps. Talent benchmarking facilitates adoption of KM best practices, and consequently can improve talent-based capabilities for sustainable competitive advantage in the marketplace.

2.5 Factors to consider in talent management

To successfully create and implement a talent management strategy, Coleman (2008) suggested that certain critical elements must be included. A talent management strategy should be linked to what the organization is attempting to achieve. It is also important to articulate the purpose of the talent management strategy. What benefits does the organization expect to gain from their work with talent management? How will it affect the employees' work? (Klaila, 2006). The personnel function should focus on top management to encourage processes that will promote cross-boundary learning and sharing. This includes helping to set up and, possibly, fund talent

networks, as well as defining and developing the skills of learning from other people (Mayo, 2008). Organizations that have achieved the greatest success in talent management are those that have appointed a senior-level executive to assume the mantle of full-time chief talent officer (Gopal and Gagnon, 2005).

Ash (1998) posits that the missing factor in strategic management texts was communication and according to the consultants, a large proportion of the organizations failed to implement the strategies because of a lack of communication. Only a few companies designed a “good” communication plan to follow through on business strategies. After reviewing nearly 200 articles and conference proceedings on data warehousing, Keen (2007) was struck by how little is said about action – “real” people making “real” decisions to have a “real” impact. They do not look at how those real people become informed. According to Kao (2006) a good strategy to work with talent management issues is not enough. The author describes the link between strategy and creativity. A connection between these two allows organizations to survive in the future. The implications of business creativity will depend upon the type of fusion created between talent management and the basic skills of creativity management (Kao, 2006).

Successful implementation of talent management is linked to such entities as culture and people. In the view of the best-practice organizations, people and culture are at the heart of creating a successful talent-based organization. The biggest challenge for talent management is not a technical one it can be integrated into any number of information technology but a cultural one (Koudsi, 2004). It is the difficult task of overcoming cultural barriers, especially the sentiment that holding information is more valuable than sharing it. Efforts to deploy KM group-ware are frequently met with employee reluctance to share their expertise (Cole-Gomolski, 2007). The

likely reason for this is that employees are competitive by nature and may be more inclined to hoard than share the talent they possess. On the other hand, a better process of sharing talent benefits the firm. Mayo (2008) feels that recruiters should look for capabilities to share talent with new employees, as well as assessing what new talent they can bring to an organization. Part of the introduction process for recruits should involve “capturing” their talent and experience. Although most new employees bring useful specialist experience with them, few people tap this rich reservoir of information. Meanwhile, the introduction should also be about passing on the experience of predecessors to new employees. Mayo (2008) points out that there is an unwillingness to trust employees with information. A favourite excuse given by organizations that withhold information is one of “commercial sensitivity”, which reflects an unwillingness to trust employees with information.

One of the most important issues when working on a talent management strategy is to create the right incentives for people to share and apply talent (The Banker, 2004). The personal reward systems must support the culture of sharing talent. To improve this process it is crucial to reward employees that contribute their expertise and to make sure employees understand the benefits of talent management, (Cole-Gomolski 2006). A problem with many reward systems and incentives for sharing talent is that useful talent comes from relatively low down in the organization, from people who are not on incentive systems and probably respond much more readily to the feeling that they belong to highly motivated, leading edge, innovative groups of people. This probably means in the end that the pivotal role is played by culture; by an unquestioned, even unconscious, code that encourages talent sharing and co-operative behavior (The Banker, 2004).

2.6 Organizational Competitive Advantage

Competitive advantage exists when a firm has a product or service that is perceived by its target market customers as better than that of its competitors. It is an advantage an organization has over competitors, gained by offering consumers greater value, either by means of lower prices or by providing greater benefits and service that justifies higher prices (Kathuria *et al.*, 2007). The overall objectives of an organization is to create value for customers, competitive advantage and improved profitability for the financial institutions, the dimensions of value that may be important to customers and the mechanisms whereby competitive advantage and improved profitability can be achieved. Within an organization, customer value is created through collaboration and cooperation to improve efficiency or market effectiveness in ways that are most valuable to key customers. Value is not inherent in products or services, but rather is perceived or experienced by the customer. Therefore, in order to compete through creating customer value, a firm must understand, and deliver the value perceived as important by its customers.

An organization's competitive advantage is built upon a well-planned and executed strategy that is sustainable. Competitive advantage belong to those organizations that can activate concurrent business processes and core competences that merge infrastructures, share risks and costs, leverage the shortness of today's product life-cycle, reduce time to market, and gain and anticipate new vistas for competitive leadership (Ross,2008.) In the competitive context, successful organizations either have a productivity advantage or value advantage, or ideally, a combination of these two. According to Porter (1985), competitive advantage is the ability to earn returns on investment consistently above the average for the industry. This therefore means

that competitive advantage can be achieved if the firm implements a value-creating strategy that is not simultaneously being implemented by any current or potential competitors. This can be interpreted to mean that sustained competitive advantage results from strategic assets; which Barney (1991) regards as those that are internally controlled and permit the firm to formulate and implement strategies that expand its efficiency and effectiveness. Competitive advantage is thus dependent not, as traditionally assumed, on such bases as natural resources, technology or economies of scale, since these are increasingly easy to imitate. Rather, competitive advantage is, according to the resource base view, dependent on the valuable, rare, and hard-to-imitate resources that reside within an organization (Stiles and Kulvisaechana, 2004).

2.7 Role of Talent Management on Organizational Competitive Advantage

One of the most important goals of any organization is to promote efficiency and effectiveness that could lead to organizational success. The studies show that if the organizational strategies and technology would be complex, its key success is human factor. Therefore, managers should consider to the factors which effect on organizational success. In this regard, Lewis & Heckman (2006) identified three key streams of analyzing the effectiveness of talent management practices. A first stream refers to an analytical technique to tie talent management to financial performance; a second stream emphasizes the process of analyzing and optimizing the talent management system, and authors aligned with the third stream appear to see analytics as a set of metrics and measures for use by different users.

Considering a financial perspective, researchers assess the relationship between competences in talent management and financial organizational performance and demonstrate why talent management is a worthwhile investment. Organizations that apply talent management practices

demonstrate significantly higher financial performance compared to their industry's peers, for example regarding sales revenue and productivity (Steinweg, 2009), Net Profit Margin and Earnings Before Interest, Depreciation, and Amortization (EBITDA), Return on Assets and Return on Equity, or Return on Shareholders' Value and Market Value. Moreover, different studies induce talent management cost savings through long-term proactive internal succession planning and higher retention rates.

Carlucci *et al.* (2004) showed how the management of talent assets impact business performance. It is argued that business performance equates to value generated for the key stakeholders of an organization. The generated value is the result of an organization's ability to manage its business processes and, on the other hand, the effectiveness and efficiency of performing organizational processes are based on organizational competencies. Finally, the management of talent assets enables an organization to grow and develop the appropriate organizational competencies. Therefore, the fact that organizational competencies are based on the effective and efficient management of talent assets puts it at the heart of business performance and value creation. Similarly, the effectiveness of talent asset management provides firms with an ability to constantly reconfigure, accumulate, and dispose of talent resources to meet the demands of a shifting market (Zott, 2003). Dynamic capabilities are therefore the organizational and strategic routines which firms use to achieve new resource configurations as markets emerge, collide, split, evolve and die. Dynamic capabilities are unique to individual firms, reflecting their individual idiosyncrasies, their specific path-dependencies, and hence are considered the source of sustainable competitive advantage and long-term superior performance (Teece et al, 1997).

Furthermore, studies have disclosed a big difference in the reported change in operating profit Ringo et al., (2008); this also could lead back to qualified people themselves. Although it is a fact that the qualification of talent workers is a critical success factor and ensures competitive advantage, it is not reported whether this is the result of specific talent management activities. Therefore, it still remains open “whether talent management practices lead to organizational success or if organizational success provides the resources to invest in talent management practices” (Lewis & Heckman, 2006), or, to start with: if talents arise from successful companies or if talents make companies successful - still subject of current learning studies (MacBeath, 2006). However, studies show that companies excelling in sophisticated talent management outscored companies with a lower effort level in terms of talent management practices.

On the corporate level, a sustainable strong corporate culture, a significant increase in operational excellence and a better market access (Kontoghiorghes and Frangou, 2009) are reported results of strong talent management capabilities. Moreover, a study of Towers Perrin suggested that a strong talent management strategy improves an employer’s image and attractiveness, but only if the strategy is transparent and clearly communicated inside as well as outside the company (Sebald et al., 2005). The British electricity and gas supplier “Npower” demonstrated why talent management is a meaningful investment. After business reorganization and implementation of a talent management process in 2008, npower registered an increase in sales revenue by 54 percent and in productivity by almost 5 percent, and customer service-related complaints declined by more than 14 percent. In addition, the number of employees who would recommend working at npower was up by 11 percent points, and employees’ confidence in leadership grew by 7 points (Yapp, 2009). Basically, there is a tendency to be short of

reporting the degree to which other parameters influence the results or which and how omitted variables were taken into account. For example in the case of npower, the question arises whether the reorganization of the strategic segments and business units or the contemporaneous implementation of a talent management process had a stronger effect on corporate culture and productivity.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology that was used to carry out the survey, what was to inform the selection of the research design, the target population, sampling method to be used, data collection instrument and how data was to be analyzed, interpreted and presented

3.2 Research Design

The research design adopted was a case study. A case study is an in-depth investigation of an individual, institution or phenomenon. The primary purpose of a case study was to determine factors and relationships among the factors that have resulted in the behavior under study. A case study was adopted since not all the potential population of the study were knowledgeable of such innate factor as a firm's talent management strategy.

In light of this therefore, a case study design was deemed as the best design to fulfill the objective of the study as the results were expected to provide an insight in understanding how the organization uses its dynamic capabilities as a strategic tool.

3.3 Data Collection

The study made use of primary data which was collected through a face to face interview with the researcher and that the interview guide consisted of questions that the interviewer asked the respondents. The respondents interviewed were those involved with identification, development and harnessing organization talent management process. The interview guide was made up of three sections namely; respondents' profile, organizations talent management process existence

of dynamic and how talent management is used a source of competitive advantage in the organization. The researcher believes that this made it possible to obtain data required to meet specific objectives of the study.

The interviewees were the top managers and functional heads in charge of Human resource, Executive, business development and research, marketing, and public affairs and Finance departments. These were considered to be key informants for this research. In addition the departments in which the intended respondents work in are the key host of talent in the organization.

3.4 Data Analysis

The data obtained from the interview guide were analyzed qualitatively using content analysis. The qualitative analysis is adopted in this study because the researcher was able to describe, interpret and at the same time criticize the subject matter of the research since it was difficult to do so numerically. It also enabled the researcher to make individualistic judgment on the research subject matter. The qualitative analysis was done using content analysis. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study. It involves observation and detailed description of objects, items or things that comprise the object of study. The themes (variables) that were used in the analysis were broadly classified into two: talent management process in the firm and how the firm has utilized its talent as a source of competitive advantage.

CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

4.1: Introduction

The research objective was to establish how talent management is a source of competitive advantage at Symphony (k) Ltd and also identify the challenges faced in the employing talent as a source of competitiveness. This chapter presents the analysis and findings with regard to the objective and discussion of the same.

4.2 Respondents Profile

The respondents comprised the top management of Symphony (K) Ltd. In total, the researcher interviewed four respondents that had been intended to be interview in the research design. One of the respondents was not available during the interview period and the researcher was informed that the targeted respondent had left the organization. Despite a new employee having been recruited to hold the position, the researcher felt that she had not worked long enough in the organization to provide adequate information for the attainment of the organizations objectives. As a result the response rate was around 80%. The respondents comprised one staff member each from human resource department, business development and research, marketing and public affairs and finance departments. The response rate table is presented in Table 4.1 below

Table 4.1: Department

Department	Frequency	Percent	Cumulative Percent
Human Resource	1	25	25
Business development	1	25	50
Research & Marketing	1	25	75
Finance	1	25	100
Total	4		

All the respondents interviewed had worked in their respective positions for at least 5 years and cumulatively had work experience of 54 years within Symphony and other IT based firms. Academically, the respondents had all attained university education with 3 of them having undertaken a master’s degree in their respective fields. In addition 2 of the interviewees had rising through the ranks in the organization to occupy the present management position. The work experience of the respondents is presented in the table below.

Figure 4.2: Duration of work Experience

Years	Frequency	Percent	Cumulative Percent
4 – 10	1	25	25
11- 15	2	50	75
Over 15	1	25	100.0
Total	11	100.0	

With their solid academic and work life background in the affairs of the organisation, the respondents were found to be knowledgeable on the subject matter of the research and thus capable to help in the realization of the research objective.

4.3 Talent Management Process at Symphony (k) Ltd

In this section of the interview guide, the researcher aimed at establishing whether Symphony had in place a talent management process in place and if so, how the process is undertaken.

The respondents were unanimous that until only ten years ago, Symphony did not have in place and elaborate mechanism of managing this intangible asset. They noted that until then, Symphony was one of the market leaders in the corporate segment as an IT solution firm. The major clients were corporate bodies and multinational organizations and thus felt that their

market was secure. However, the competitive business environment took a turn more recently when the organisation, lost some key employees to competitors that offered the same service and plied the same trade. Further, some of the employees left the organization to start their own firms that tailored their products to the existing company products and in some cases also started supplying the same clients for Symphony. The respondents pointed also that the field of IT is so much dynamic and that continuous training and development was necessary to keep abreast with the demands of the market. With the loss of this critical group, the organisation found it challenging to maintain the service level because the new employees did not have the competency and more so did not have reference point to pick from. As a result, three respondents, 60% of the population, noted that organisation took a deliberate move to put in place a mechanism of generating and storing new talent and finally putting in place system of sharing the same within the organisation.

An organization talent management is not arising out of a one off process. Instead, the respondents pointed out that the introduction of talent management at Symphony involved the construction of talent pool within the firm which involved both scientific and social contribution. They highlighted that the scientific process involved the creation of a software and incorporated the input of the IT and HR specialist in the organisation and also some consultants that were contracted to come and aid in the development of the system. The developed talent was then embodied within the organisation through both explicit programs developed and through social interchange. Four of the respondents, representing 80%, noted that after the incorporation of the same talent in the organisation, this is then espoused throughout the organisation and its environments. Here the emphasis is on connectivity, access and transfer, and technologies such as video conferencing systems, document scanning and sharing tools and telecommunications

networks between branches. From this process, the respondents acknowledged talent has become useful economically to the organisation in form of increased outputs.

4.4.1 Benefits of Talent Management

The other area that the researcher wished to establish from the respondents was whether the respondents attributed any benefits of talent management in the organization. Towards this question, all the interviewees pointed that indeed talent management process in the organization has brought with it several benefits. A respondent pointed that since the process was started, the level of employee engagement and retention level had been enhanced. They noted there has been an increased participation of employees in decision. This involvement of employees in decision making has also helped the firm to retain most of its skilled employees.

The other finding from the study was that talent management in Symphony has helped in recruiting only employees whose talent is lacking in the organization and with the identification of such talent, it has helped in alignment of the organizations strategic goals which in turn helped in identifying the future leadership of the organization, increased productivity and the development of culture of excellence in the firm. The organizations competitiveness has in the same time been increased due to the adoption of talent management. Four of the respondents, representing 80% of the respondents, conquered that with talent management, competitive capabilities of each employee has been determined and placed in a position in which the same can maximally be used to gain competitive advantage by the organization. They gave an example in which programmers and system developers have been categorized into commercial, general, service sectors depending on the competency level of individual staff. They therefore appreciated that talent management has been able to bring the most benefit from each staff. It therefore came

out that internal resources, when used effectively, brings about sustained effectiveness and customer satisfaction to the organizations clients. This position will be in line with that made by Roberts (2008) when from his research, he found that the process of extracting and codifying individuals' talent disconnects seekers from providers and significantly reduces a provider's control over who has access to this talent.

4.4.2 Measures for effective Results of Talent Management

For effective results of talent management to be realized in an organization, a number of measures must be put in place. The respondents noted that in the initial phase of implementing talents, the organization had to articulate the purpose of the talent management strategy to all employees of the firm and other stakeholders. In addition, the human resource function had to focus on top management to encourage processes that will promote inter department as well as inter firm talent networks. The respondents therefore observed that to achieve this objective, the talent management process had to be steered from the top echelons of the organization in order to achieve the necessary support across the organization. The leadership of an organization was observed to be more privy to the culture existing in the organization since it was observed that, people and culture are at the heart of creating a successful talent-based organization. It also came out clearly that the biggest challenge for talent management is not a technical one since it can be integrated into any number of information technologies but rather a cultural one.

The respondents noted that although most new employees bring useful specialist experience with them, few people in any given organization tap the rich reservoir of information and therefore an organization should purpose to tap this experience from the predecessors to new employees. However, it was noted that for this transfer to take place, there is need for incentives to be given

to those staff that have the talent reserve. Thus it is necessary to reward to reward employees that contribute their expertise and to make sure employees understand the benefits of talent management. He noted that a problem with many reward systems and incentives for sharing talent is that useful talent comes from relatively low down in the organization, from people who are not on incentive systems and probably respond much more readily to the feeling that they belong to highly motivated, leading edge, innovative groups of people and that will therefore bring the necessary competitiveness to the organization.

4.4 Talent management as a source of competitive advantage

This section of the interview guide sought to establish from the respondents what effect the management of talent has had in the organizations performance which in turn will give it a competitive advantage over the other players in the industry. The findings from the answers to the interview guide were unanimous that the management of talent in the organization has indeed brought with it a number of benefits. They observed that clearly the objective of investing in a strategic talent management system by Symphony is to have a positive impact on organisational level outcomes.

The respondents on this particular research did indicate that the organisation has achieved several changes as a result of the adoption of the talent management in the firm. They pointed that, Symphony upon adopting the talent management strategy was able to configure employees their tacit knowledge gained through experience, and their social capital in the implementation of the firm's strategy. The availability of a common knowledge in the firm was recognized to go a long way in the development of strategies and also its implementation. They pointed that

employees in the firm that are engaged in the formulation and implementation of strategies are specialized and are limited and hence to achieve continuous results, there is need to retain them in the firm. The knowledge gained through experience in the firm or other organisation had become quite valuable and by the organization recognizing this pool of talent, it necessitated the development and implementation of talent management in the organization. Symphony therefore has managed with the implementation of the TM improved its process of strategy development and implementation and also quality thereof.

The organizations performance was appreciated by the respondents to be a major determinant of both financial and non-financial well being of the firm. That will determine the long term sustainability. As a result, it was noted that any factor that will affect the level of performance will have to be managed well by the firm. The noted that Symphony as an IT based company will be judged by its clients through the quality of service or product prism. As a technical area, it is expected that the staff engaged in the production process are skilled and experienced enough to be able to deliver to the expected standard. They though noted that the same skill and experience is never gotten in a short term and hence once acquired, there is need to protect and retain the acquired knowledge. This therefore called for the company to develop an effective and efficient talent management to safeguard the skills gained and to put the same in the proper task to increase the firm performance. On being asked how the same organizational performance as been enhanced through the effective knowledge management, the respondents gave an example of the regional expansion of the firm in the east African region that came about through proper management of talent. They pointed that currently, the company operates in Tanzania, Uganda and Rwanda compared to only Kenya 10 years ago and this can be attributed to the effective management of talent that started during the same period. With the same expansion, the

respondents noted that over the number of client base has almost tripled from 100 to the present slightly over 300 corporate clients.

Talent management was also found to have a significant effect on the financial performance of the firm. The respondents did appreciate that with the better management of talent, the sales revenue and productivity of Symphony has markedly. They gave an example that prior to the organization establishing an effective management of talent, the total revenue of the company was averaging Ksh 150M p.a as compared to the present sales revenue of over Ksh 750M. This marked increase was attributed to the better management of organizations talent. The increase in sales is definitely accompanied by the increased profitability which at the same time led to increased return to the shareholders as well as employees in form of bonuses at the end of the year. It therefore follows that organizations that apply talent management practices demonstrate significantly higher financial performance compared to their industry's peers, for example regarding sales revenue and productivity.

The generated value to an organization is the result of its ability to manage its business processes and, on the other hand, the effectiveness and efficiency of performing organizational processes which all of them are based on organizational competencies. Another increased performance that came out of the organization adoption of talent management was pointed out as increased operational excellence and a better market access due to the changed culture in the firm. A strong talent leadership that is currently spearheaded by the senior management has inculcated in the organization the need of continuous innovation culture and improvement of the existing systems and products. The respondents pointed that at a bi-annual basis, evaluation of new innovations

and betterment of the existing products is analyzed whereupon all staff are invited to contribute and challenge each other on the current phase of operations. This was pointed out by the respondents to have changed the current corporate culture.

Another performance measure that was identified to be influenced by level of talent management at Symphony was market penetration. The interviewees noted that at the corporate level, a sustainable strong corporate culture, a significant increase in operational excellence and a better market access have been reported with the strong talent management capabilities. In addition, the number of employees who exited the firm after the talent management process was implemented reduced. This could be attributed to improved quality, speed and skills, higher innovative ability, a higher job satisfaction among employees given the improved career and development perspectives that has come about from the management of talent in the organization.

4.5 Challenges facing Implementation of Talent Management at Symphony

This part of the interview guide wished to determine the implementation gaps of TM. The summary of the results is presented in the table 4.3 below.

Table 4.3: Implementation challenges of Talent Management

Implementation Challenge	Frequency	Percent	Cumulative Percent
Low degree of operational fitness	3	18	18
External factors	2	13	31
Management In effectiveness	3	19	50
Lack of clear definition of the	4	25	75

knowledge			
Difference in management and employee perception	4	25	100
Total	16		

The implementation of TM practices at Symphony has not been free from challenges. There were fundamental challenges that faced the firm and originated from lower degrees of fitness between the organizations talent management activities and the external as well as the internal environments confronting the enterprise. The results of the study show that the major external environment factors affecting the enterprises, as enumerated by 4 of the respondents included cost, quality of the product, time and flexibility, all of which are used for enhancing the competitiveness of an enterprise.

The role for top managers in implementing knowledge management is to review the internal and external environments of the enterprise in order to understand its strength, weakness, opportunities, and threats in conducting knowledge management activities. However, the research found out that in the case of Symphony (k) Ltd, the managers in some case implemented some TM strategies that were not suitable in the circumstance. One of the respondent noted that top managers should understand whether or not an enterprise can rely on itself to create specific types of talents that are components of core knowledge and if not, then determine whether there will be need to enter into some form of alliances or joint ventures. Four of the respondents, representing 80% of the population, noted that the perceptions of top managers about the competitiveness that can be acquired from talent management may be too optimistic or too pessimistic to formulate a suitable goal for the talent management system.

Hence as was noted, the talent required by the organisation to improve its competitiveness could differ with the TM strategy actually being implemented by the organisation.

External analysis is crucial from the strategic aspect of talent management, because it ensures that the enterprise can appropriately implement the talent management program to achieve a sustainable competitive advantage. In this process, the weaknesses in competitors must be exploited and their strengths must be bypassed or neutralized. With this in mind, the respondents noted that the critical task of top managers is to identify the core knowledge which is necessary to achieve and maintain competitive advantages. However, 60% of the respondents observed that the organization lacked a clear goal and blueprint of what the added value that can be fostered from the talent system. With this challenge, the respondents noted that the organization was not able to launch its TM system in the organization to successfully implement appropriate programs. To counter this challenge, the respondents concluded that an organization conducts a complete self-diagnosis to help top managers thoroughly realize what knowledge the enterprise needs to sustain competitive advantages.

Effective implementation of talent management strategies includes a clear definition of what knowledge needs to be achieved and what motivations must be created. Two of the respondents noted that in the case of Symphony, the organization did have a complete measurement system to evaluate whether the talent gained will enable the enterprise to enhance their competitiveness after the implementation of talent. The measurement process will consist of identifying and recognizing value-adding processors and resources, assessing and comparing the execution of talent management activities, and evaluating the impact of an organization's management

performance based on bottom-line performance, which must have taken place to completely understand the present position of the firm.

Another challenge that the organization faced in its implementation of TM process was the existence of a gap between perceptions of top managers and that of employees due to the difference of position, role, and professional knowledge. Creating new knowledge is a common responsibility for each department or group of experts in a Talent - creating company. Managers at all levels and frontline employees must also share this responsibility. The respondents found out that the perceptions of what type of knowledge employees will be different and depend on their positions and roles. Therefore, to match the perceptions of all employees in different positions, the goals and the plan that are committed by all levels of employees for the knowledge management system became a challenging issue. To mitigate against this challenge, 80% of the respondents suggested that the organization needs to provide training and leverage the resources for the employees.

CHAPTER FIVE: SUMMARY, DISCUSIO,N CONCLUSION AND RECOMMENDATION

5.1 Summary

The results centered on determining the extent to which talent management was being utilized as a source of competitive advantage at Symphony (K) Ltd and also identifying the challenges that the organization faced while implementing the same strategy.

The results of the finding were that the Symphony (K) Ltd had incorporated talent management in its management process. This was evident from the level of internet, intranet, training, free interaction among employees and access to talent system as well as incorporation of knowledge communities and management support of talent creation, sharing, and storage. This means that Symphony (K) Ltd has strategically utilized talent management for its prosperity. For effective talent in an organization, the company needs to create a good culture at all management levels by ensuring that all employees are equipped with the right knowledge as well as being ready to share the same with other staff members. The development and implementation of talent management need to be driven by the top managers who appreciate that talent is a key organizational resource.

A number of benefits have been identified to accrue to an organization as a result of adopting talent management. In the case of Symphony it was able to configure employees tacit knowledge gained through experience, and their social capital in the implementation of the firm's strategy. The availability of a common knowledge in the firm that could be accessed by all staff was recognized to go a long way in the development of strategies and also its implementation.

Technical competence is never gotten in a short term and hence once acquired, there is need to protect and retain the acquired knowledge. This therefore calls for the company to develop an effective and efficient talent management to safeguard the skills gained and to put the same in the proper task to increase the firm performance.

Talent management was also found to have a significant effect on the financial performance of the firm. The financial performance of the firm resulting from adoption of talent management was reflected in increased sales revenue over the years since adoption of the strategy, productivity and increased market share. In addition, the product development and innovation has registered improvements over the period due to the resultant collaboration in the organization. Inter-department communication has also been enhanced due to the bi-annual meetings on the organization strategy evaluation and adjustment review and this has resulted to increased rate of strategy implementation. It was also noted that at corporate level, a sustainable strong corporate culture, a significant increase in operational excellence and a better market access have been reported with the strong talent management capabilities. In addition, the number of employees who exited the firm after the talent management process was implemented reduced. This could be attributed to improved quality, speed and skills, higher innovative ability, a higher job satisfaction among employees given the improved career and development perspectives that has come about from the management of talent in the organization.

However, the implementation and operation of talent management in the organization has not been free of challenges. Several gaps were noted at Symphony which included: a lack of congruence between the talent required to enhance the competitiveness of the company as perceived by top managers and the talent actually required to enhance its competitiveness;

management inability to identify the correct talent required to enhance an enterprise's competitiveness and the difference in the plan to implement the talent process; the difference between the plan to implement talent management as proposed by top managers and the implementation progress of the talent plan; between the talent obtained after implementing the management system and the knowledge required to enhance an enterprise's competitiveness and finally the knowledge required to enhance an enterprise's competitiveness as perceived by the employees and the knowledge actually obtained after implementing the knowledge management system.

5.2 Discussion

The business environment is changing rapidly and the necessity for an organization to make a difference expresses its needs to possess a highly qualified and motivated workforce. As such the demand for competent employees is high, especially for key positions; therefore organizations are exposed to a continuous “poaching” for the best employees, which results in a competition for the most talented people. The study found that different organizations have varying necessities, strategy and objectives and this means that development and applications of talent management in the organization is different from one organization to another. This point is consistent to the view expressed by Cappelli (2008) who noted that in the present information age, there is need for a company to develop its own talent management process that it will be suitable to its strategy and if the pool of talent that exist at a particular time does not match the strategy, there will be need to realign the same to its mission.

Organizational talent management process should involve a systematic identification of key positions which differentially contribute to the organization’s sustainable competitive advantage.

It is incumbent upon the organization therefore to identify high potential and high performing incumbents to fill these roles, and the development of differentiated human resource architecture to facilitate filling these positions with competent incumbents. The talent management process of the company should be able to fully exploit the potential of their internal talent; they must first identify those positions within the organisation which have the potential to differentially impact on performance. As such there should be a talent-fit between the firms strategy and knowledge management process in the firm.

A respondent pointed that since the process was started, the level of employee engagement and retention level had been enhanced. They noted there has been an increased participation of employees in decision. This involvement of employees in decision making has also helped the firm to retain most of its skilled employees. This finding will though differ with one carried out by Ballesteros (2010) but in tandem with the observation by Mayo (2004) that knowledge management in an organization enhances the level of communication in a firm.

The top management leadership of an organization should be able to support the talent management process in the firm. As Gopal and Gagnon (2005) pointed out, the organizations talent management process is inter-departmental as well as inter-firm and as such, there will be no better placed group to coordinate this function than the organizational leadership. In the research, it was found out that talent management process had to be steered from the top echelons of the organization in order to achieve the necessary support across the organization.

The internal knowledge transfer was found to require the willingness of the staff involved to voluntarily pass the same competence to the other staff. However, it was noted that for this transfer to take place, there is need for incentives to be given to those staff that have the talent

reserve. This finding is similar to that made by Cole-Gomolski (2006) who observed that the problem with many reward systems and incentives for sharing talent is that useful talent comes from relatively low down in the organization, from people who are not on incentive systems and probably respond much more readily to the feeling that they belong to highly motivated, leading edge, innovative groups of people and that will therefore bring the necessary competitiveness to the organization.

5.3 Conclusion

Talent is a fluid mix of framed experience, values, contextual information, and expert insight that is created by social interactions among individuals and organizations depending on a particular time and location. It is further accepted that talent comes from the meaningfully organized accumulation of information (messages) through experience, communication, or inference. This means therefore that in order to facilitate the accumulation process, enterprises should reform their culture and reward systems so that employees are encouraged and willing to share their experience and knowledge with others as they meanwhile accumulate their knowledge as an organizational asset. In addition, while talent assets are grounded in the experience and expertise of individuals, firms provide the physical, social, and resource allocation structure so that knowledge can be shaped into organizational competencies.

Companies realize that if they can attract and hire top talent, they will have competitive advantage. Their abilities to acquire top employees will therefore be critical their “war-on-talent” and with the increasing competition for highly skilled talent, creating an open and

For an organisation to fully exploit the potential of their internal talent, they must first identify those positions within the organisation which have the potential to differentially impact on performance. It is only then that the emphasis shifts to filling those positions. In this regard we argue that the key is the development of a talent pool of high potential and high performing employees to fill these pivotal positions. Finally, we point to the requirement to support both of these stages with a differentiated HR architecture to maximise the potential for exploiting the talent pools. We propose that organisations which apply strategic talent management systems in this way will achieve improved performance

This study shows that talent management has a strong association with productivity growth and with the percentage of annual sales derived from new products. With increased competition for highly skilled talent, creating an open and innovative culture, aligned with what matters most with employees, will provide the organization with the necessary competitive edge to attract and retain talent necessary to achieve organizational goals. It is essential to get differentiated among other organizations in the industry. Towards this end, for organizations to succeed in today's rapidly changing and increasingly competitive market place, intense focus must be applied to aligning human capital with corporate strategy and objectives.

5.4 Recommendation

The study was able to clearly demonstrate the need to have organizations understand the concept of talent management to appropriately harness and leverage on intangible assets in the firm to attain competitive advantage. It is recommended that managers increase the percentage of employees dedicated to assessing and upgrading the organization's talent pool. In addition, the

evidence presented in this research recommends that firms consider business models that invest in talent management. At the same time, implementation of talent management in any organisation should be backed by the support of the organizations top management. The organizations and staff level of awareness of talent management is critical to the success of the implementation of the same in an organisation.

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APPENDIX I: INTERVIEW GUIDE

The interview guide will seek to achieve the following objectives;

1. To establish how talent management can be a source of competitive advantage at Symphony Kenya Limited

SECTION A: Demographic Data

1. Name of the respondent(optional)
2. For how long have you been holding the current position?
3. For how long have you worked in the company?
4. What is the highest level of education you have achieved?

Section B: Talent Management

5. What steps has the company taken to manage its talent?
6. Does the company deploy the right people in the right jobs at the right time, ensuring the right environment for individuals to deliver their best and remain committed to the organization?
7. Has the company appointed a senior-level executive to assume the mantle of full-time chief talent officer in order to achieve the greatest success in talent management?
8. What are some of the benefits that accrue to the company as a result of managing its talent?
9. Does your company integrate talent management with business strategy to get the organizational excellence?

Section C: Talent management as a source of competitive advantage

10. How does the firm develop and exploit the special characteristics of knowledge and find a niche to obtain greater competitiveness?
11. How does the firm avoid being imitated by other firms of its special characteristics of talent management?
12. How does the firm organize the exploitation of resources in order to implement talent management?
13. Does the company develop and increase the talent and learning capabilities of the employees through talent acquisition and talent sharing and transfer, to achieve competitive advantage?
14. How does the company identify the kind of people and capability that will create value or deliver competitive advantage for the organization now and in the future?
15. How does the company ensure that the adoption of information technology is coupled with talent-friendly organizational culture in order to deliver performance?
16. Does the company have a culture that reduces the fear in employees of redundancy after they have contributed their talent in the quest for organizational competitive advantage?
17. How does talent benchmarking in the company improve talent-based capabilities for sustainable competitive advantage in the marketplace?
18. How does the company create the right incentives for people to share and apply talent in order to achieve competitive advantage?
19. How does the management of talent in the company put it at the heart of business performance and value creation?

20. How does the company uses a strong talent management to improve its image and attractiveness thus achieving competitive advantage?