Talent Attraction Strategy and Employees’ Productivity in Private Sugar Companies in Kakamega County, Kenya

Ooko George Oduor1*

1PhD students, Masinde Muliro University of Science and Technology, School of Business and Economics, P.O. Box 190-50100 Kakamega, Kenya


Abstract

Organizations that wish to be successful in this highly competitive world are the ones that systematically and proactively take necessary measures to ensure that they attract the best talented workforce. This study is aimed at determining the effect of talent attraction strategy on employees’ productivity in private sugar companies in Kakamega County. The study used cross-sectional survey research design. A stratified sampling and simple random sampling technique was also employed to enable the researcher to select the respondents from Butali and West Kenya private sugar companies in Kakamega County. The study was conducted between January 2016 to August, 2016. The target population was made up of 320 respondents which composed of 70 managers and 250 operative level employees. A sample size of 178 respondents was selected out of which 133 respondents completed and returned the questionnaires leading to a response rate of 74.72%. Interview schedule and questionnaires were used for data collection. Validity and Reliability of research instruments was guaranteed by a test re-test method. The computed Cronbach’s alpha reliability of the research instrument was 0.834 which is acceptable in social research because it is above acceptable Cronbach’s alpha of 0.7. The data collected was analyzed using descriptive and inferential statistics with the aid of Statistical Package for Social Sciences (SPSS) version 20. Spearman’s rank-order correlation and simple linear regression models were used to test for relationships between the study variables. Research findings were presented in the form of frequency distribution tables, pie charts, and percentages. The study found that talent attraction strategy had a positive and significant relationship on employees’ productivity. It is recommended that organizations should put in place and implement relevant recruitment, selection and placement programmes so as to attract prospective productive employees.

Keywords: Talent, talent attraction strategy, employees’ productivity

1. Background to the study

Different scholars have defined the word talent in differently. Tansley (2011) referred to talent as “giftedness which is innate. He also defined talent as natural aptitude and ability while Wikstron and Martin (2012) defined talent as greater mastery of developed knowledge and abilities in the field of human endeavor. According to Axelrod, Handfield and Michaels (2001), talent is the sum total of the person’s abilities; it entails his/her skills, intrinsic gifts, knowledge, experience, judgment, intelligence, attitudes, drives and character. According to Armstrong (2006), talent attraction strategy is the use techniques of identifying and selecting the right talent that reflect organizational value and culture. For talent attraction strategy to be effective, organization needs to put in place strategies of recruiting the best talent from the talent pool. Talent pools contain employees with special traits that can form future senior executive members (Ballesteros, 2010).

After recruiting from the talent pool, the next step is selecting applicant(s) that meets job qualifications and placing him/her in the right job for effective performance. Talented employees can be sourced by either using internal or external sources of recruitment depending on the circumstances that the organization is in. For example, internal sources are used when there is a need to uplift morale of the current employees who have knowledge and experience on how business processes in the organization works (Davis, 2007). However, external sources of recruitment are the best talent sources especially if organizations want to renew its culture or introduce radical changes (Ballesteros, 2010).

In sourcing for an internal talent, organization need to have a competency inventory that shows employees skills, technical and functional competencies make deployment and redeployment effective (DuBois,
Rothwell, Stern & Kemp, 2004). According to DuBoiset al. (2004), execution of recruitment and selection for internal talent require extensive information. The information entails existing staff competencies assessment to be entered in the competency inventory. Key competencies can also be used to select the best talent especially for management positions. In selection process, multiple interviews can be used to select the best candidate instead of conducting only one interview though costly and time consuming.

After selection process, the chosen candidate is placed in the right job, trained to increase his/her job performance and prepare for next job in the career ladder (Paul, 2005). Ana (2009) and Oehley (2007) noted that employee’s value proposition and branding are important elements for attracting a talent pool. Employee value proposition is the value employees will get as a result of working for the organization.

Positive value proposition in terms of conducive work environment, job security, and availability of training opportunities, reputation and flexibility in terms of work-life balance will attract the best talent (Oehley, 2007). Ashton and Morton (2005) asserts that organization should create and refine employees’ value proposition for them to attract and retain the best talent. Employer branding is the developing of a good organization image that attract talented employees. In today’s global and highly competitive world, only organization with good corporate brands is likely to survive and be competitive (Ana, 2009). Top rate multinational companies have a clear and consistent messages about their operations and management thus boosting their corporate image, this enable them to attract the best talent (Tanuja, 2007). Therefore, this study filled the existing gap by assessing the effect of talent attraction strategy on employees’ productivity in private sugar companies in Kakamega County, Kenya.

1.1 Statement of the research problem

The rationale behind talent attraction strategy is to identify, select and place the right talent that reflects the organization value and culture for superior business results. However, talent attraction remains a big challenge for organizations that compete for the same talent pool (Gardner, 2002). Private sugar companies in Kakamega County, Kenya have continuously experienced acute shortage of talents especially in the top managerial position and this has resulted in poaching of talent from public sugar companies through promising of high payment which in the long run may not be the case (KSB, 2013). Private sugar companies have also lost some of its talented staffs to their competitors due to poor working conditions in the company, uncompetitive salaries and lack of learning and development opportunities for career prospects (Rapando, 2011). These challenges have resulted to low employees’ productivity in terms of few out grower farmers joining the company, a low number of tonnes crushed per month, constant customers’ complaints concerning poor service delivery and wastage of production time leading to low company performance (Rapando, 2011).

While previous studies conducted in sugar companies in Kakamega County concerned themselves with an effect of training and career counseling on the performance of private sugar companies (Egessa, 2005; Rapando, 2011) none of them examined the effects of talent attraction strategy on employees’ productivity in private sugar companies. Therefore, this study bridged the knowledge gap by investigating the effect of talent attraction strategy on employees’ productivity in private sugar companies in Kakamega County, Kenya.

1.2 Research Objective

To determine the effect of talent attraction strategy on employees’ productivity in private sugar companies in Kakamega County.

1.3 Research hypothesis

Ho: There is no significant effect of talent attraction strategy on employees’ productivity in private sugar companies in Kakamega County, Kenya.

1.4 Conceptual framework

| Int. J. of Multidisciplinary and Current research, Vol.5 (Sept/Oct 2017) | Figure 1.1: Conceptual Framework showing Talent Attraction Strategy and Employees' Productivity | Source: Researcher conceptualization (2016) |

2. Literature Review

2.1 Abraham Maslow Need Hierarchy Theory on talent attraction

Maslow need hierarchy theory developed by Abraham Maslow was used to explain talent attraction concept. Maslow theory is based on the assumption that human beings have five hierarchical needs classification namely; physiological, safety, social, self-esteem and self-actualization need (Maslow, 1908-1970). Applying this theory in workplace setting, if one of the lower need have been fairly satisfied, it seizes to motivate behavior and an employee is then motivated by the next need in hierarchy. The lowest need in the Maslow’s hierarchy of needs is the physiological needs which must be satisfied.
first before all other needs. In the context of this study, the researcher argued that Maslow’s theory could be used by private sugar companies in Kakamega County to attract potential talented employees as noted by Mwangi (2009) by providing the current employees with good working condition coupled by fair wages.

Next in the hierarchy is the safety needs which are only significance when the physiological needs have been satisfied. Safety needs entails job securities and physical safety against accidents and fire. For sugar companies to attract talented workforce they need to satisfy their current employees’ safety needs through provision of pension plans, job security, insurance plans, healthy and safe working environment thus informing potential talented recruits to be attracted to the company (Nzuve, 2009). Social needs become significant after safety needs have been satisfied. Employees are social being thus they have a need of belonging and acceptance by other organization members. Social needs entail; need for association and acceptance by others, need for love and affection (Saleemi, 2006). Organizations need to provide social networks and work-life balance to their current employees thus informing potential talented employees to join that organization (Kelly, 2013).

Self-esteem needs also become relevant after the satisfaction of social needs and is the perception employees have amongst themselves while working. Organization can enhance this need by developing a good brand which allows current employees to gain additional academic qualification while working by embracing continuous learning, that is, e-learning, attending evening lecturers and having academic leaves which in the long run attracts the potential talents to join the organization. Finally, having satisfied employees self-esteem needs, it becomes insignificant and the last significant need is self-actualization need which is the realization of the employees’ full potential. This need can be aided by organizing sporting activities, tours, bonding sessions which make the current employees to maximize their talents fully. Organizations that satisfy these needs attract potential employees who are willing to work with them (Mwangi, 2009).

2.2 Talent attraction strategy and employees’ productivity

Baum and Kokkranikal (2005), defined employees’ productivity as the output per each unit of labour, that is, amount produced by each unit of labour or productive unit labour hours numbers. Organizations that utilize production inputs like labour increase their productivity thus creating competitive advantage in the global market. Kahinde (2012) study on effects of talent management on organization performance in Nigeria found out that; 95% of the visited organizations apply completely or partially talent management strategies; there was a positive correlation between talent management strategies and return on investment, and profitability. Nancy (2014) study on the effects of talent management on the performance of Comply Limited Company in Nakuru, Kenya found out that there is a positive and significant relationship between talent management strategies and organizational performance.

Poorhosseinazadeh and Subramaniam (2012) quantitative survey study of talent management on Malaysian multinational companies found out that there was a significance and positive relationship between talent attraction and organization performance (r=0.543 α=0.000, p-value<0.05). Lyria R.K (2014) cross-sectional study on “Effects of Talent Management on Organizational Performance in Companies Listed in Nairobi Security Exchange in Kenya” found out that talent attraction is positively and significantly related to organizational performance (Correlational coefficient, r=0.275, α=0.000, p-value=0.01). Talent attraction regression results on organizational performance were as follows; Talent attraction model summary (Correlation coefficient, R=0.275, coefficient of determination, R²=0.076), ANOVA results (F=13.101, α=0.000, p-value=0.05), and Coefficients of regression results (β=0.349 α=0.000, p-value=0.05). Constant, β₀=12.96 α=0.000, p-value=0.05.

3. Research Methodology

3.1 Research design

The researcher adopted cross-sectional survey design using both qualitative and quantitative approaches. Cross-sectional survey design is suitable because it gathers information on a population at a single point in time.

3.2 Target population

The target population was drawn from two private sugar companies in Kakamega County, that is, West Kenya and Butali sugar companies. The target population comprised of 70 managers and 250 operational level employees’ summing up to 320 respondents. Managers were chosen for the study because they are instrumental in formulating, developing and implementing talent management strategies for effective organization performance. Operative employees were also relevance because they are the one directly affected with talent management strategies and thus are able to relate it with their productivity.

3.4 Sampling design and sample size

Purposive sampling was employed to select the two private sugar companies within Kakamega Company. The study adopted stratified sampling technique to categorize employees in two strata as managers and operatives and then used simple random sampling to select employees among these two categories.

Since the target population, N, is known, the study used Yamane (1967) formula to determine the sample
size, n from the study population, N and E, is the probability of error (within the desired precision of 0.05 for 95% confidence level). For example, Target population of 320 employees, implying n will be approximately 178.

\[
n = \frac{N}{1 + N(E)^2} = 177.78 \sim 178
\]

<table>
<thead>
<tr>
<th>Company</th>
<th>Target Group</th>
<th>Target Population</th>
<th>Sample Size</th>
<th>Percentage from target population</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Kenya</td>
<td>Managers</td>
<td>48</td>
<td>27</td>
<td>56.3%</td>
</tr>
<tr>
<td></td>
<td>Operatives</td>
<td>140</td>
<td>78</td>
<td>55.7%</td>
</tr>
<tr>
<td>Butali</td>
<td>Managers</td>
<td>22</td>
<td>12</td>
<td>54.5%</td>
</tr>
<tr>
<td></td>
<td>Operatives</td>
<td>110</td>
<td>61</td>
<td>55.5%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>320</td>
<td>178</td>
<td>55.6%</td>
</tr>
</tbody>
</table>

Source of target population: HRM departments: West Kenya and Butali Sugar companies (2016)

### 3.6 Data collection tools

The study used questionnaires for management and operational level employees and interview schedule for top management to collect data.

### 3.7 Pilot study

According to Cooper and Schilder (2011), researchers should apply thumb rule of 10% of the sample size in order to calculate the number of respondents to be used for pilot study. The pilot testing was conducted in Kibos Sugar Company Limited which is a private sugar company located in Kisumu County, Kenya. The study sampled 18 respondents for the study which is approximately 10% of the sample size, 178 respondents. 18 respondents composed of 14 operative level employees’ and 4 managers. Validity and reliability of the research instruments was realized through pilot testing.

### 3.8 Data analysis and presentation

After data collection, data was edited, coded and entered in SPSS. Descriptive and inferential statistic was used to analyze qualitative and quantitative data respectively (Oso&Onen 2008). Descriptive statistics was aided by use of frequency tables showing the mean, standard variation and variances. Quantitative data was analyzed using Spearman’s rank-order correlation to test the strength of relationship between talent management strategies and employees productivity. The research also used Simple Regression Analysis that generated ANOVA, Coefficient of Determination (R²) and Correlation Coefficient (R).

The study utilized the following multiple linear regression models;

\[
Y = \alpha_0 + \alpha_1 X_1 + \epsilon
\]

Where;

\[
\alpha_0 = \text{constant which is the value of the dependent variable when all the independent variables are 0;}\; \alpha_1; i = 1, 2, 3, 4 \text{ is the regression coefficients which measures the change induced by } X_i; i = 1, 2, 3, 4 \text{ on } Y. X_i = \text{Talent attraction Strategy; } Y = \text{Employees’ Productivity and } \epsilon = \text{error term.}
\]

### 4. Data Analysis and Discussions

#### 4.1 Response rate

The researcher administered 178 questionnaires out of which 133 questionnaires were completely filled and collected back as shown on Table 4.1. This represents a 74.72% response rate which is very good as asserted by Bebbie (2004) that a response rate of above 70% is good.

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Successful</td>
<td>133</td>
<td>74.72%</td>
</tr>
<tr>
<td>Unsuccessful</td>
<td>45</td>
<td>25.28%</td>
</tr>
<tr>
<td>Total</td>
<td>178</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Field data (2016)

#### 4.2 Descriptive statistical analysis

The study sought to determine the effect of talent attraction strategy on employees’ productivity in private sugar companies in Kakamega County. The respondents responses were rated on a five point Likert Scale showing to what extent the respondents agree or disagree to the researcher statements on talent attraction strategy, where: 1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree and 5-Strongly Agree. The researcher interpreted the data using mean (where <1=no variation, >1=no consensus). The researcher generated the mean and standard deviation from SPSS as tabulated in Table 4.3.

<table>
<thead>
<tr>
<th>Minimum, maximum, mean and standard deviation of talent attraction strategies</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective internal and external recruitment attracts best talent</td>
<td>133</td>
<td>1.00</td>
<td>5.00</td>
<td>3.7293</td>
<td>1.06691</td>
</tr>
<tr>
<td>Positive corporate brand name attracts best talent</td>
<td>133</td>
<td>1.00</td>
<td>5.00</td>
<td>3.6165</td>
<td>1.19799</td>
</tr>
<tr>
<td>Companies with unbiased selection and placement processes attract best talents</td>
<td>133</td>
<td>1.00</td>
<td>5.00</td>
<td>3.5714</td>
<td>1.20155</td>
</tr>
<tr>
<td>Our company recruitment and selecting strategies attract best talent</td>
<td>133</td>
<td>1.00</td>
<td>5.00</td>
<td>3.4436</td>
<td>1.10381</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>133</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field data (2016)
Results in Table 4.2 show that there was no outlier in respondents' response because the minimum and maximum values are within strongly disagree and strongly agree responses of 1 and 5 respectively. Mean and standard deviation calculations were therefore not affected by the extreme values. According to the study findings, majority of respondents agreed that effective recruitment and selection of employees, positive corporate brand name and unbiased selection process attracts best talents to work in sugar companies having a mean of 3.73, 3.62 and 3.57 respectively. However, the respondents were not sure if their company had effective recruitment and selection strategies for talent attraction by a mean of 3.44. The results of standard deviation which is more than 1 show that there was no consensus on the outcome of talent attraction strategy and whether the company had effective recruitment and selection in place.

Overall, companies with effective recruitment strategies that involves; souring for internal and external talents, positive company brand name and unbiased selection process attracts best talents. The results show that sugar companies should embrace talent attraction strategy so as to attract the best talent. The study also found out that talent attraction strategy is lacking because most respondents were not aware of the existence of talent attraction strategy in their company. The study findings are consisted with findings of Davis (2007); Ballestros (2011); Ana (2009); Dehley (2007) and Tanuja (2007) studies that observed that organizations with effective recruitment and selection strategies and with a positive corporate image attract talented workforce.

4.3 Inferential statistical analysis

Table 4.3: Relationship between talent attraction strategy and employees' productivity

<table>
<thead>
<tr>
<th>Employees productivity</th>
<th>Talent attraction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Correlation</td>
<td>.512**</td>
</tr>
<tr>
<td>(Sig. (2-tailed))</td>
<td>.000</td>
</tr>
</tbody>
</table>

Spearman’s rho

The findings in Table 4.3 show that there is a positive and significant relationship between talent attraction strategy and employees’ productivity in sampled sugar companies at 99% confidence level (r=0.512, α=0.000 and p-value=0.01 thus α>p-value). The results in Table 4.3 reveal that sugar companies that embrace talent attraction strategies reports improvements in their employees’ productivity. These results are in agreement with past studies conducted by Paul (2005); Poorhosseinizadeh and Subramaniam (2012) which found out that talent attraction strategies results to a positive and significant relationship with employees performance.

Table 4.4: Regression results on talent attraction strategy and employees’ productivity

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.480*</td>
<td>.231</td>
<td>.225</td>
<td>.59902</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Talent attraction

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>14.088</td>
<td>1</td>
<td>14.088</td>
<td>39.260</td>
<td>.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>47.006</td>
<td>131</td>
<td>.359</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>61.093</td>
<td>132</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employees productivity
b. Predictors: (Constant), Talent attraction

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant) 2.373 .203</td>
<td>11.688 .000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talent attraction</td>
<td>.343 .055</td>
<td>.480 6.266 .000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employees productivity

Table 4.4 results on model summary show R-Square is 0.231 indicating that talent attraction strategy accounts for 23.1% of the variability in employees’ productivity in private sugar companies. The results also show that there is a positive influence of talent attraction strategy on employees’ productivity (r=0.480) thus concur with Poorhosseinizadeh and Subramaniam (2012) findings that found out that there is a positive relationship between talent attraction and employees performance. Results on ANOVA show that F=39.26, α=0.000 which is less that p-value of 0.05 (F=39.260, α=0.000 and p-value=0.05 thus α>p-value). The results reveal that the overall regression model was significant in determining the applicability of the model to measure the study variables. This means that there is a satisfactory goodness of fit between talent attraction strategy and employees’ productivity. The use of regression model to either accept or reject the researcher hypothesis is thus justified.

Study regression coefficient results reveal to what extent talent attraction strategy predict employees’ productivity. Based on the results, the equation for linear regression model can be written as: Y=2.373+0.343X₁+e. Where Y represents employees’ productivity and X₁ represents talent attraction strategy and e represents error term. Beta of 0.343 means that every 0.343 units of use of talent attraction strategy contribute to a corresponding 1 unit in employees’ productivity. The results show that talent attraction strategy is statistically significant (α=0.000 and p-value=0.05 thus...
The study agrees with Poorhosseinizadhe and Subramaniam (2012) and Paul (2005) findings on the positive and significant relationship between talent attraction strategy and employees performance.

The results of the regression in Table 4.4 used regression coefficient to test the first research hypothesis, “Ho: There is no significant effect of talent attraction strategy on employees' productivity in private sugar companies in Kakamega County, Kenya”. The null hypothesis of the study was therefore rejected at 0.05 significant level since the beta value was not equal to 0 (β≠0, 0.343≠0) hence the study concluded that there is a positive and significant relationship between talent attraction strategy and employees' productivity in private sugar companies in Kakamega County.

Conclusion

The study found out that private sugar companies in Kakamega County have no elaborate policies on talent attraction strategies and adoption of talent attraction strategies leads to employees' productivity. Talent attraction strategy identified entails: effective recruitment and selection of employees, positive corporate brand name and unbiased selection process which is attributed to high employees' productivity.

The correlation results reveal that there is a positive and significant relationship between talent attraction strategy and employees' productivity at 99% confidence level thus sugar companies that embrace talent attraction strategy reports improvements in their employees' productivity. ANOVA results of the study reveal that the overall regression model was feasible in measuring talent attraction strategy and employees' productivity. Regression analysis results on regression coefficient reveal that talent attraction strategy predict employees' productivity thus null hypothesis was rejected. The study thus concluded that there is a significant and positive relationship between talent attraction strategy and employees' productivity at 95% confidence level.

6.0 Recommendations

The study recommends that sugar companies should put in place elaborate recruitment, selection and placement programmes through building of a corporate brand name in order to attract prospective talented workforce. It is also recommends that these policies should be well communicated to the employees. Finally, the study recommends that organization top management should carry out close monitoring and evaluation of effectiveness of talent attraction strategy.

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