

The Mediating Effect of Talent Retention on Resilience, Proactive Personality, Employee Empowerment and Business Performance: A Conceptual Framework and Review

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Abstract

The aim of this study is to examine the relationship between each component of resilience, proactive personality, employee empowerment and talent retention for sustaining the talent in an organisation. Currently, situation has been changed within the organisations from only focusing on increasing their productivity and segregating their products and services to focusing on their inimitable resources namely, their talent, human resource as employees are the most important measure and asset in any organization. Organizations that retain their talent more effectively and efficiently are more likely to achieve their organizational goals and objectives, and have a sustainable business performance. Higher employee turnover leads a serious cause for any business. This study provides a conceptual framework integrating resilience, proactive personality, employee empowerment, talent retention & business performance. Proposed framework provides a flexibility in the organisations.

Keywords : Resilience; Talent Retention; Proactive Personality; Employee Empowerment; Business Performance.

I. INTRODUCTION

Currently, organizations are continuously stressed in contradiction of innovative trends, fast-tracking technological and merchandise fluctuations, demographic changes, worldwide competition and at the same time, compete to deal with trends in the public where knowledge is of utmost concern. Organizations bank on that information and human resource is considered as vital resource for the better administration of companies and also compete for best-talented employees. These trends have increased dramatically with the degree of competition in industries, it is imperative that industries create talent retention practices and adopt them to increase business performance (Gayathri, et al., 2012). But on the other hand,

due to high turnover of employees, organizations are facing many problems. A significant loss of key people decreases the level of **business performance**.

Talent retention policies must be developed in the organisations (Caniels, et.al,2019). Many executives understand that having the right people in the right place at the right time to maximize business opportunities has improved the quality of ensuring the continued success of an organization. (Ukil, 2016). McKinsey first introduced “War for Talent” in 1998 (Chambers et al., 1998), the definite management for talent retention is broadly seen as a mark for Human Resource challenges rise in current business world. (Beechler and Woodward, 2009;

Scullion and Collings, 2011; Schuler et al., 1987).

The current research integrates extant literature on resilience, proactive personality, employee empowerment and talent retention. This paper proposes a conceptual framework that explains the impact of resilience, proactive personality and employee empowerment on talent retention which leads to business performance and develops a mechanism for the same. This study first portrays the methodology of the research, followed by a conceptual framework and a review of the relevant literature. Subsequently, the discussion part enumerates proposed linkages with theoretical and future implications of the study.

II. RESEARCH METHODOLOGY

Literature for this study is a secondary data was predominantly sourced from internet searches and use of management journal databases such as SAGE, Elsevier, Taylor & Francis and Scopus. A detailed enumeration of literature on resilience, proactive personality, employee empowerment and talent retention bring clarity on the area of business performance.

III. CONSTRUCT CONCEPTUALIZATION

Employees are able to operate every day challenges in the workplace, and participate in strong behaviours that promotes organizational performance, flexibility and sustainability. Strength in organizations defined as the human ability to recover from adversity (Richardson, 2002), currently **resilience** research has presented various constructive definitions across all sectors (Fletcher and Sarkar, 2013; Pangallo et al., 2015). Employee resilience defines theoretical theories of corporate resilience and defines it as a dynamic ethical force to participate and use organizational resources (Lengnick-Hall et al., 2011). However, there is still a need to identify tangible behaviours that define how individual strengths bring positive organizational outcomes.

A **Proactive personality** is closely related to behaviours that can improve mobility, such as

job search, self-esteem, self-efficacy, adherence to a learning goal, and business acumen (Fuller and Marler (2009). Frese et al., 1997), which is a form of active work ethic and it is least effected by external environment which leads to talent retention (Claes and Ruiz-Quintanilla, 1998; De Vos et al., 2009).

Employee Empowerment defined as a shifting of power to the employees within the organizations (Ukil, 2016). Major issues faced by the organisations are increasing competition worldwide which boost productivity and answer to customer rapid while sustaining satisfaction (Ghosh, 2013). Lack of giving decision -making power and authority to the employees slow down the speed of employees working efficiency as compared to give them flexible working conditions.

If the employees have the authority of taking decision or empower them through the organisation then it will increase the productivity of employees as well as the business itself (Ghosh, 2013). Those who stay in any organisation for a long duration automatically they will be aware all the rules and regulations of the system which enhance the working capacity (Ukil, 2016, Sergio, et al., 2017). Employee empowerment or positive empowerment make an employee more innovative and creative as they feel that their decisions also valuable in the organisations and they are the part of the organisation so they works with more dedication. It creates a friendlier business environment (Ukil, 2016; Ghosh, 2013).

Talent retention is the responsibility of every organisation to retain or sustain their best performers or risk of losing them. Employee turnover costs are increasing due to poor retention policies in organisations which impact the employee performance. Many of organisations have daily expenses on the employees on their basic things for development purposes also on their training and development programs (Frank, 2015; Paillé, 2013). For retaining the talent new technologies comes in the market and it helps them both in attracting and sustaining which is beneficial for

effective business performance. Talent retention is the key of effective organisational performance and retaining them is the biggest challenge (Sandhya & Kumar, 2014).

The globalisation of the Indian industrial sector increase the business opportunities for people as well as the organisations also which need human resource for effective business performance (Schweyer, 2004). Talent management is the biggest challenge for organisations because external opportunities are increased in the market for employees. Effective business performance leads the best talent (Gebelein, 2006). Industrial development and commercialization is the most developing sector; and all the organisations is in the

mission of efficiency and effectiveness that could lead to business performance.

IV. CONCEPTUAL FRAMEWORK:

The proposed framework is shown in Figure 1.1. It implies that resilience, proactive personality and employee empowerment these in turn enhances a talent retention in an organisation which acquire and transform the knowledge into new one in order to produce new products and services (Cohen, et al., 2001). This paper proposes that talent retention acting as a mediating variable for effective business performance in an organisation with the help of resilience; proactive personality and employee empowerment.

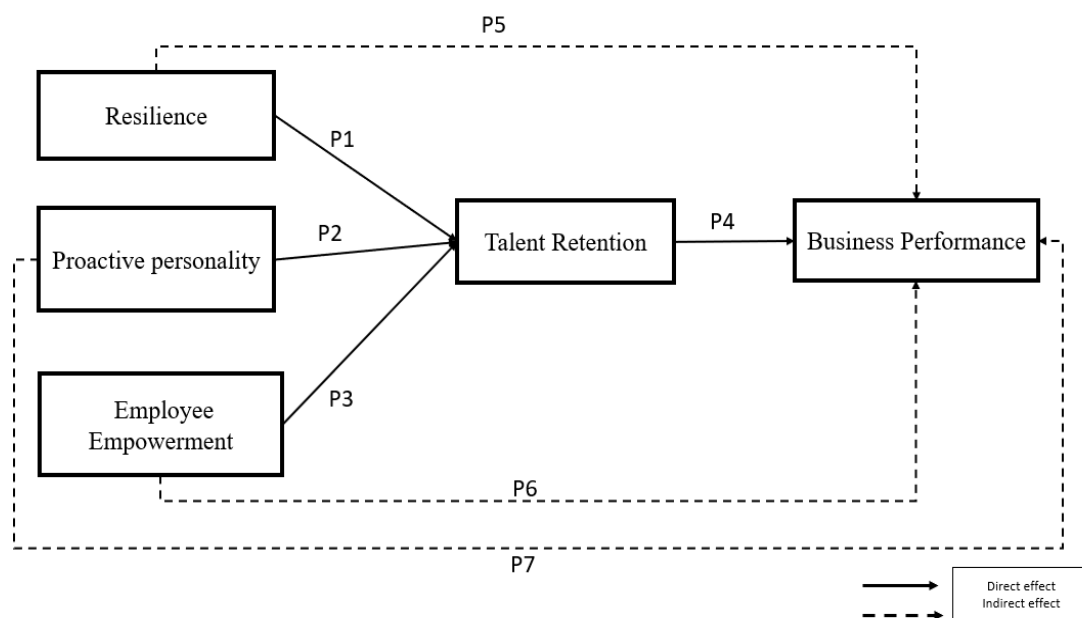


Fig. 1.1

V. THEORETICAL FOUNDATION FOR THE FRAMEWORK:

Preposition Development

P1: Resilience have significant impact on Talent Retention.

Employee resilience is a key skill empowering employee to manage and regulate to continually changing circumstances. Traditionally, employee resilience has been conceptualized as a personal ability to bounce back after facing

adversity (Bonanno, 2004) but this conceptualization fails to account for ways in which the workplace context promotes or hinders resilience (Stokes et al., 2019; Vera et al., 2017).

P2: Proactive Personality have significant impact on Talent Retention.

Proactive employees are very valuable to organizations (Crant, 2000; Fuller & Marler, 2009). They are characterized as being unrestricted by situational confines and likely to seek out prospects to shape one's situation by

bringing about expressive changes (Bateman & Crant, 1993). Proactive personality is a unique dispositional characteristic defined as a behavioural tendency toward taking personal initiative in creating a favourable environment which leads talent retention (Bateman & Crant, 1993; Crant, 2000). Creativity (Kim, Hon, & Crant, 2009), positive work attitudes and perceptions (Chan, 2006), and new arrival discrepancy (Chan & Schmitt, 2000; Kim et al., 2009).

P3: Employee Empowerment have significant impact on Talent Retention.

If the employees have the authority of taking decision or empower them through the organisation then it will increase the productivity of employees as well as the business itself (Ghosh, 2013). Those who stay in any organisation for a long duration automatically they will be aware all the rules and regulations of the system which enhance the working capacity (Ukil, 2016, Sergio, et al., 2017). Later, It is conditional on the level in the hierarchy of the employees, allow them for taking participation in the decision-making process of the system.

P4: Talent Retention have positive impact on Business Performance.

“Talent Retention” is a practice for employees to sustain in the organization for a longer duration (Financ.,2015) which is considered a strategic procedure to sustain talented employees. Motivation programs, training and development sessions, career succession, incentives, fringe benefits, and compensation are the measures for retaining the talent (Hauskenckt et al. 2009), talent retention and best performing employees has a significant impact on business performance in the organizations, due to the possessed knowledge and qualifications.

P5: Talent Retention mediating the relationship between resilience and Business Performance.

Talent retention is a systematic approach used by media organizations to encourage highly skilled and energetic employees to stay with the organization for the maximum number of years. It includes human resource development, care, motivation, integration and compensation activities. Talent storage strategies are essential components of the survival and growth of any organization. (Lockwood, 2006) presents a talent development program as a strategic application or integrated workplace product development program by developing advanced processes for managing, maintaining, retaining, training and sequencing people with the necessary skills and tendencies to meet the future business needs.

P6: Talent Retention mediating the relationship between proactive personality and Business performance.

Proactive personality structure as go-between the relationship between individual proactive personality and work engagement. Talent who stayed in the organization for a longer duration even now have knowledge of the system and have the ability required to complete the responsibilities (Ukil, 2016), (Sergio, et al., 2017). The stress of work tasks will be divided, creating a positive environment and increasing efficiency and effectiveness levels of the organization which results proactive personality was positively related to business performance and talent retention mediates both the variables. (Ukil, 2016; Ghosh, 2013).

P7: Talent Retention mediating the relationship between employee empowerment and business performance.

It is not enough to hire individuals to be successful and competitive in today's world. Labour is indeed an important part as it is given great importance by the many existing companies, as well as various other workplace development programs.

Employee empowerment used as a tool in the organizational turnover for cost cutting, and retaining the experts in the organization (Prerana, 2017).

The researchers were able to analyse that there is a significant relationship between talent retention, business performance and employee empowerment (Ukil, 2016).

VI. DISCUSSION:

The objectives of this study are to investigate the impact of resilience, proactive personality, employee empowerment & talent retention on business performance by building the conceptual framework. Through a systematic review of literature, current study tries to answer the question that “how organizations can retain talent in the organisations?”. Continuation to that resilience and business performance are likely to be stronger under some conditions. Extant review of literature implies that the people with High resilience, stronger organizational identification, level of trust and political skills are more satisfied in their career aspect than the people with lower resilience thereby same is reciprocated from the side of organization by providing them various opportunities.

Talent retention strategies are critical factors for the survival and growth of any organization. By giving all these preconditions, managers can build a strong foundation enriched with talent retention and so lead to the generation of business performance.

VII. CONCLUSIONS

Concluding remarks for current study is that it discloses “why talent retention is worthwhile for the effective business performance”. This paper also revealed that resilience, proactive personality and employee empowerment have positive impact on talent retention; an impact that exceeds any other focuses of business performance. It helps to companies which believe in the increment rate of retention of employees to obtain positive outcomes and effective business performance. (Gardner et al., 2005). The proposed conceptual framework serves a way through which managers can enhance talent retention of the organisation by focusing on resilience, proactive behaviour and employee empowerment, which holds the power to accelerate the business performance.

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