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Talent Management Strategies and Innovation Climate in Isfahan University of Medical Sciences

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Abstract

Background: Talent management (TM) strategies are one of the most important factors that can change the innovation climate. The main aim of this research was to investigate the influence of TM strategies on innovation climate in Isfahan University of Medical Sciences.

Methods: This was a cross-sectional study. The target population included all faculty members. In this research, 242 faculty members were selected through accidental sampling method. Data collection instruments were TM strategies questionnaire based on Collings and Mellahi's model and innovation climate questionnaire based on Luthans et al. model. The data analysis was done using Pearson correlation, one way ANOVA, t-tests and regression model.

Results: According to the results, TM strategies and innovation climates cores were 4.29±1.17 and 4.17±1.17, respectively. The results showed that there was a statistically significant relationship with TM strategies (open communication, employee development, rewards and recognitions, managing performance and open climate/culture) and innovation climate. As a result, all research hypotheses were confirmed.

Conclusion: TM strategies are a comprehensive, department wide program designated to improve the employees' satisfaction, strengthen the workplace learning and help the employees better manage the changes and transitions. The study suggested that talent management strategies are a comprehensive, department wide program designated to improve the faculty member's satisfaction, strengthen workplace learning and help the employees better manage the changes and transitions.

Keywords: Talent management strategies, Organizational climate, Innovation climate

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Introduction

There is a lack of talent management (TM) activity in higher education. Basically, TM is related to creating a talent pool from external and internal sources, adequately deploying these resources in pivotal positions, and further, work on their work motivation, organizational commitment and extra roles behaviors that contribute to organizational performance. Such an approach indicates that talent pools should be advanced so that these situations can be filled. Recruitment is achieved based on the requirements of the role in question, and it is implemented through an arrangement of internal improvement and external recruitment (1). Organizations must aim to promote work motivation, organizational commitment, and extra-role performance between employees to attain the best from their talent and to escape turnover (2). It signals an exit from being people-oriented to being position-oriented, and from a micro-focus on certain persons to a more macro-focus on systems (3). As Cappelli (2009) argued, a strategic approach to supervising talents 'takes as its initial point organizational aims and not human resource targets' (4). McDonnell et al. (2012) take the perspective further by arguing that TM 'is not just about structures and processes, but what you do with these and how you instrument them so that you attain a talent mindset across the organization'(5). Ready and Conger (2007) state that the life of an organization's TM process is a product of three characteristics: commitment, engagement, and accountability. Fostering commitment begins with the new hire and continues through a career. Engagement reflects the amount of the organization leaders' commitment to TM. Even down to line management, engagement is vital. For confirming the strategy, specific policies and practices oriented towards management of talents are applied. As a result, all participants, including the employees themselves, are responsive to making systems and processes robust (6). A TM strategy opens communication, worker development, rewards and recognitions, managing performance and a culture that supports these aspects. With a suitable TM

strategy, human capital can be affirmed as the number one strategic resource in an organization. This strategy improves the engagement of the employee and in turn enhances the organizational success (7). "The nature of global economic growth has been changed by the speed of innovation, which has been made possible by rapidly evolving technology, shorter product lifecycles and a higher rate of new product development" (8). Organizational climate is defined as a set of shared insights regarding the policies, practices, and procedures that convey the messages regarding what is rewarded, sustained, and valued in an organization, and is often thought to arise through social interaction processes at the group level (9). Some scholars have lately focused on particular facet specific climates such as climate for innovation (10). Innovation climate is associated with organizational outcomes including improved implementation of ideas, greater organizational innovation and more general benefits such as the employee and consumer satisfaction and perceived service effectiveness by the consumers (11, 12). A study found that a climate of teamwork innovation has an important positive effect on organizational innovation (13). Another study indicated that organizational climate can be observed as the expression of underlying cultural practices that arise in answer to eventualities in the organization's internal and external environment (14). Kumar Jaiswal and Dha (2015) found that transformational leaders can substitute a climate for innovation that encourages the employees' creativity (15). In conclusion, a study indicated that innovative work behavior plays a mediating role in the relationship between organizational climate for innovation and organizational performance (16). A climate for innovation reflects the norms and practices that encourage flexibility, the appearance of ideas, and learning. It also denotes the norms and practices, supported and rewarded by the organization, that value taking charge and adjusting to changing contexts (17). Employees who make efforts in a climate for innovation are used to get empowered, think on their own, and build on their cognitive and emotional resources to subsidize in a creative manner to the organization's objectives. Innovation climate is associated with organizational outcomes including improved application of ideas (18), greater organizational innovation (11), and more general benefits such as worker and consumer satisfaction and perceived service effectiveness by consumers (19).

Wolverton and Gmelch (2002) established the limited amount of research related to talent management in higher education in which they advised that few institutions should embrace formal developmental programs and create growth opportunities probably instead of relying on a systematic and focused process (20). Heuer (2003) assumed that the concept of TM in higher education is an area that continues to be largely unexplored. Such comments about the lack of consideration of the talent management have been given in our industry. Beyond leadership training, very few studies have been conducted on the workers' development as a whole, particularly in managerial functions. In fact, some studies have confirmed the lack of attention to this area (21). Rosse and Levin (2003) pointed to bureaucratic and convoluted systems in the progress and retention of the staff associated with business (22). Fulmer and Conger (2004) suggested that the main decision for talent management is to provide a deep supply of valuable resources continuously through the organization (23). Furthermore, Charan (2008) believed that the ultimate competitive advantage for any organization is a deep talent pool with active leaders at every level who are organized for future challenges (24).

The present study aimed to investigate the relationship between TM strategies and innovation climate in Isfahan University of Medical Sciences. Thus, according to the above points, the conceptual model can be formulated as follows in Figure1:

Methods

This was a cross-sectional study on faculty members in Isfahan University of Medical Sciences, Of 652 individuals, 232 were chosen as the sample using Cochran's formula.

$$n = \frac{\frac{z^2 pq}{d^2}}{1 + \frac{1}{N}\left(\frac{z^2 pq}{d^2} - 1\right)}$$

To collect the data, the samples were chosen through accidental sampling method. The required data were collected using two questionnaires: TM strategies and innovation climate. The preliminary questionnaire of TM strategies consists of five variables including open communication, employee development, rewards and recognitions, managing performance, and open climate/culture, based on Collings and Mellahi (1). The questionnaire contains 30 questions using ten-point Likert scale. In the questionnaire, 1 represents completely disagree and 10 represents completely agree. Among the 30 questions, five (9, 17, 21, 24, 25) were reverse. For innovation

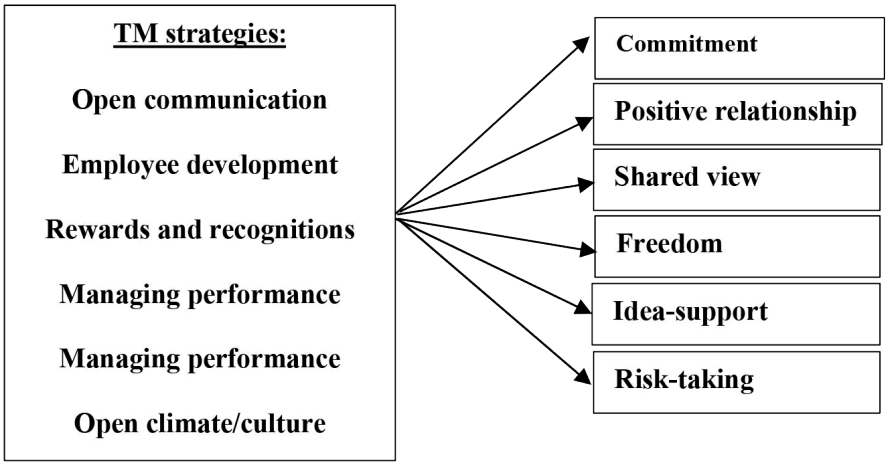

Figure 1: The conceptual model used in the study.

climate, Luthans et al.'s questionnaire consisting of 23 questions with Likert scale (1=very little, 10=very much) was used (25). It covers six dimensions of innovation climate including commitment, positive relationship, shared view, freedom, idea-support, and risk-taking. To verify the questionnaires' validity, face and content method and expert opinions were utilized. Reliability coefficient of the questionnaires was estimated through Cranach's alpha coefficient (Table 1). The questionnaires were distributed among the participants by the researcher who tried to attend for clarification if needed; after two weeks, the questionnaires were collected by the researcher. According to the researchers' follow–up and participants' cooperation, 95% of the questionnaires were returned to the researchers.

Table 1: Variables' alpha coefficients

Variables	Cranach's alpha coefficient
TM strategies	0.88
Open communication	o.85
Employee development	0.71
Rewards and recognitions	0.82
Managing performance	0.91
Open climate/culture	0.83
Innovation climate	0.80
Commitment	0.72
Positive relationship	0.83
Shared view	0.75
Freedom	0.90
Idea-support	0.78
Risk-taking	0.71

Ethical Considerations

For ethical considerations in research, the participants' agreement to participate was acquired. Impartiality and avoiding bias by the researcher, utilizing the newest informative and scientific resources, observing objectivity while analyzing data, avoiding distortion of the data, and keeping the information confidential were also considered.

Data Analysis

Mean scores of the TM strategies and innovation climate were calculated through descriptive statistics. Also, inferential statistics (Pearson correlation 2-tailed, one way ANOVA, T-tests and regression model) were used to determine the relationship between the two key elements and differences among them with demographic variables. In the study, we used SPSS, version 21, and the level of significance was considered 0.05.

Results

78% of the faculty members who participated in the research were male, and 22% female. 33% of the members were 35-50 years old. 83% of the members were associate professor, 86% were married and 78% of them had 10-20 year working experience.

According to the result, in Table 2, the means score of the TM strategies was less than average level, with rewards and recognitions having the highest (4.39±1.56) and open climate/culture having the lowest mean score (3.30±1.73). Moreover, the mean score of innovation climate dimensions was less than average level with the highest mean score belonging to commitment (4.60±1.49), while the lowest mean score was related to risk-taking (3.11±1.61) (Table 2).

As shown in Table 3, open communication, employee development, rewards and recognitions, managing performance and open climate/culture of the faculty members had a statistically significant relationship with the six dimensions of the innovation

Table 2: Mean of TM strategies and Innovation Climate dimensions

Variables	Mean±SD	t	P value
TM strategies	4.29±1.17	-22.5	<0.001
Open communication	3.57±1.28	-29	<0.001
Employee development	4.10±1.49	-20	<0.001
Rewards and recognitions	4.39±1.56	-12.7	<0.001
Managing performance	4.31±1.52	-14.9	<0.001
Open climate/culture	3.30±1.73	-13.35	0.002
Innovation Climate	4.17±1.17	-22.4	<0.001
Commitment	4.60±1.49	-19	<0.001
Positive relationship	4.51±1.18	-13	<0.001
Shared view	4.49±1.46	-25.7	<0.001
Freedom	3.23±1.62	-15.34	0.007
Idea-support	4.33±1.73	-20.65	<0.001
Risk-taking	3.11±1.61	-16.33	0.006

Table 3: The relationship between TM strategies and Innovation Climate dimensions

TM strategies / IC dimensions	Commitment		Positive relationship		Shared view		Freedom		Idea-support		Risk-taking	
	P value*	r	P value*	r	P value*	r	P value*	r	P value*	r	P value*	r
Open communication	0.004	0.318	0.000	0.423	0.005	0.315	0.000	0.511	0.003	0.348	0.002	0.413
Employee development	0.000	0.410	0.001	0.443	0.009	0.281	0.000	0.333	0.005	0.285	0.004	0.415
Rewards and recognitions	0.001	0.523	0.00	0.416	0.008	0.247	0.003	0.420	0.007	0.356	0.009	0.287
Managing performance	0.006	0.361	0.000	0.403	0.007	0.283	0.000	0.541	0.003	0.438	0.005	0.213
Open climate/ culture	0.000	0.545	0.006	0.271	0.002	0.435	0.006	0.399	0.008	0.279	0.007	0.413

climate. (P<0.001) (Table 3).

Moreover, there was a significant correlation between TM strategies and innovation climate dimensions (correlation coefficients=0.417) and modified determination coefficient was 0.174. Therefore, 17.4% of changes related to variance of innovation climate dimensions can be explained by a combination of TM strategies (P<0.001).

According to the finding shown in Table 4, Beta coefficients of open communication, employee development, rewards and recognitions, managing performance, climate/culture and innovation climate were all statistically significant and the open climate/ culture was effective on the innovation climate (P<0.01).

Discussion

Higher education has historically been slow to accept many corporate management processes. TM is a widely-used strategy in business and industry and occurs in many forms from the highly structured to the informal ones. With the implementation of this process, the purpose of TM in these environments is quite clear. Research results showed that the mean of TM strategies such as, open communication, employee development, rewards and recognitions, managing performance and open climate/culture was lower than the mid-level. The results of this

Table 4: Regression between TM strategies and innovation climate

Variables	B	Beta	SE	t	P value
Constant	2.801	-	1.607	152.8	<0.001
Open communication	0.131	0.250	0.109	492.3	0.002
Employee development	0.141	0.287	0.894	078.1	<0.001
Rewards and recognitions	0.149	0.121	0.890	610.1	0.003
Managing performance	0.134	0.165	0.125	847.1	<0.001
Open climate/culture	0.161	0.230	0.954	130.3	<0.001

study are almost compatible with those of a study that highlighted the limited research related to TM in higher education; they suggested that few institutions embrace formal progressive programs and leave the development opportunities to accidental ones instead of relying on a systematic and focused process (20). A study indicated that the concept of TM in higher education is an area that continues to remain largely unexplored (21). Outside leadership training, very few studies have been conducted on people development as a whole, particularly in managerial functions. In fact, some studies conducted confirmed the absence of attention paid in this area. Rosse and Levin (2003) pointed to bureaucratic and convoluted systems in the development and maintenance of the staff compared to the business environment (22). Fulmer and Conger (2004) advocated that the main purpose for TM was to provide a deep source of valuable resources continuously throughout the organization (23).Therefore, the faculty members feel that the TM does not make any attempts to eliminate open communication, employee development, rewards and recognitions, managing performance and open climate/culture in the organization. However, this perception exists and the manager should take some measures to persuade the faculty members to express their beliefs where they feel that the senior manager values their beliefs and managers should pay attention to it to increase the TM strategies.

The results of this research showed that indicators of innovation climate such as commitment, positive relationship, shared view, freedom, idea-support, risk-taking were less than the average level. Results of this study are almost in the same line with a study that has shown that a climate of teamwork innovation has a significant positive influence on organizational innovation (13, 14). Therefore, the faculty members feel that the innovation climate does not make any attempt to improvement open communication, employee development, rewards and recognitions, managing performance and open climate/culture in the organization. However, supervisors should still make an attempt to improvement the perception of commitment, positive relationship, shared view, freedom, idea-support, and risk-taking among the faculty members and take effective measures so that the employees are not afraid of expressing their ideas and beliefs. In general, there is a significant multiple relationship between TM strategies including open communication, employee development, rewards and recognitions, managing performance and open climate/culture, and the innovation climate in the studied universities. The beta coefficients were 0.250 between open communication and innovation climate, 0.287 between employee development and innovation climate, 0.121 between rewards and recognitions and innovation climate, 0.165 between managing performance and innovation climate, 0.230 between open climate/culture and innovation climate, all of which being statistically significant. The variance inflation factor for explanatory variables has been at least 1.21- 2.66, which shows that there is no conformity between them. The results of this study are almost consistent with those of a study that examined how the final competitive advantage for any organization is a deep talent pool with effective leaders at each level who are prepared for future challenges (24). Several authors have similar opinions on how TM must be incorporated to establish and maintain a strong assembly of human resources through an organization. Finally, Babcock (2006) stated the goal for an organization is to build continuous strength in the area of human capital that will ultimately link the talent with the future direction of the institution (26). Boudreau and Ramstad (2005) debated for an increased focus on key positions instead of talented individuals; this view of TM focuses on organizational processes and systems for identifying the key positions and talent ship has many implications for HR strategy, organizational design, service delivery and competencies (27). Therefore, with an increase in the strategies of TM in the organization, i.e. increase in the open communication, employee development, rewards and recognitions, managing performance and open climate/culture, one can improve the innovation climate phenomenon. In order to justify this finding, we can say that if senior managers encourage the faculty members to freely express their opinions, they have to create the ground for their more participation in the organizational duties. These key positions are not confined to managerial roles, and may take functional and technical positions, which may have a significant influence on the organizational performance.

There were some limitations in this study. It should be noted that the generalizability of the research results may be limited to the university faculty members. This study was conducted in Isfahan University of Medical Sciences in the city of Isfahan, so these results cannot be generalized to all universities in other cities. Second, the data was collected using a questionnaire; thus, a common method bias may be present.

Conclusion

According to the study results, TM strategies could

increase the innovation climate in Isfahan University of Medical Sciences. Our findings have two important implications: A higher level of TM strategies is often associated with greater productivity and higher effectiveness. Human resource managers recruit and develop the best and brightest employees as a means of attaining competitive advantage. Thus to improve TM strategies, we need the knowledge of how the concept is related to and affected by other organizational variables. It is recommended that the authorities should use TM strategies in medical science universities. Moreover, managers should increase the TM strategies among them through sharing learning and education and more communication to increase the innovation climate in the system. Further studies are recommended to be done in other medical universities, in other organizations, and in different cultures and their results should be compared with the findings of this study.

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Conflict of Interest: None declared.

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