# ROLE OF INTEGRATED TALENT MANAGEMENT PROCESSES IN COMPETITIVE ADVANTAGE OF TELECOMMUNICATION FIRMS IN NAIROBI CITY COUNTY, KENYA

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## Role of Integrated Talent Management Processes in Competitive Advantage of Telecommunication Firms in Nairobi City County, Kenya

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#### DECLARATION

This thesis is my original work and has not been presented for a Degree in any other University.

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This thesis has been submitted for examination with our approval as University

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### DEDICATION

Dedicated this thesis to Marlyn and Mildred

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#### ACRONYMNS AND ABBREVIATIONS

AAPAM: African Association for Public Administration and Management ANOVA Analysis of Variance TMB Talent Based Theory CEOs **Chief Executive Officers** CA Competitive Advantage CAK Communications Authority of Kenya CCK: Communication Commission of Kenya DRD Descriptive Research Design ELC: Employee Early cycle GO **Global Organizations ITMP:** Integrated Talent Management Processes ITMM Integrated Talent Management Model MPO: Mobile Phone Operators MTI Mobile Telecommunication Industry NACOSTI National Council for Science and Technology

NMR	None Monetary Rewards
OCA	Organization Competitive Advantage
PE:	Performance Efficiency
PRI	Profitability Return on Investment
RBV	Resource Based View
PWC	PricewaterhouseCoopers
PBR	Performance Based Rewards
PMI	Project Management Institute
PSPIS	Public Sector Performance Improvement Strategy
SO	Successful Organizations
SPSS:	Statistical Package for Social Science
ТВТ	Talent based Theory
TI	Talented Individuals
VRIS:	Valuable, Rare, and Imperfectly Substitutes

#### **DEFINITION OF KEY TERMS**

- **Competitive Advantage:** A firm is said to have a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by its potential competitors (Lathitha, 2012)
- Integrated Talent Management: This deliberate and ongoing organizational process systematically allows an organization to attract, develop, compensate and retain talent to meet current and future needs and objectives of the organization. (Schuler 2011)
- Talent Acquisition:This is a process through which an organization<br/>obtains and keeps the human capital it needs and<br/>employs them productively (Armstrong, 2006)

Talent Compensation:This refers to what the organization reward<br/>employees in terms of monetary and non-monetary<br/>in return for the performance (Pearce, 2010).

Talent Development:This is an effort by the organization to invest in the<br/>sum of an employee's abilities, skills, knowledge,<br/>experience, intelligence, attitude, character, and<br/>drive ability to learn and to grow potential to create<br/>competitive advantage. It can also a process that<br/>help in enhancing employee's skills, knowledge and<br/>competence capable of improving employees' ability<br/>to perform more effectively (McNamara, 2010).

Talent Management:	This is a unified strategy designed to help an
	organisation make the best possible use of its human
	capital now and in the future, to use their human
	capital to help meet the organization vision, and to
	ensure the maximum return from the talent by
	creating an attractive organizational culture that
	encourages happiness and commitment. It is also the
	anticipation of required human capital for an
	organization and the planning to meet those needs
	(Mehta 2012).

Talent Retention:This is the process through which an organization<br/>keeps its required skills and competencies for its<br/>competitive advantage (Scullion 2010).

Talent:This is a natural ability to excel at a duty or action or<br/>a group of people, such as employees, who have a<br/>particular aptitude, tasks (Trique 2007)

Training Need Analysis: Training Needs Analysis is a management process of addressing skills gaps at the organizational level, the group level, and the individual level with a view to allocate resources towards to fill them and strengthen employees' abilities to perform (Armstrong, 2011).

**Transformational leadership:** This is the human ability to get other people to want to change, to improve, and to be led to meet the organization needs (Nothouse, 2001).

#### ABSTRACT

The purpose of this study was to examine the role of integrated talent management in competitive advantage of telecommunication firms in Nairobi City County, Kenya. Specifically, the study sought to analyze the roles of integrated talent acquisition, talent development, talent compensation, talent retention processes and the moderating role of transformative leadership when implemented as a bundle. The study employed a descriptive cross sectional survey design using both quantitative and qualitative approaches. Data was collected using semi-structured questionnaires and interview guide. A simple random sampling technique was used to select the sample size of 377 from the total population of 6687 from Safaricom Kenya Limited, Airtel Networks Kenya Limited and Telkom Kenya (Orange). The statistical package for Social Sciences (SPSS) Version 22 was used for data analysis. Data reliability was conducted using Cronbach's alpha. Descriptive and inferential statistics was used to analyze the variables while regression analysis, Analysis of Variance (ANOVA), and chi-square were used to compare the relationships between integrated talent management process and competitive advantage to test for the goodness of fit of the model. The correlation and the multiple linear regressions was used to analyze the relationship between the independent variables, moderating variable and dependent variable. The study found that integrated talent management processes contribute to competitive advantage in telecommunication firms. It also increases organizational effectiveness and speed in innovation. In addition, transformative leadership had a major role in the successful implementation of integrated talent management processes, which drive competitive advantage. The study recommends that telecommunication firms should invest in integrated talent management processes to enhance their competitive advantage. In addition, the study concludes that telecommunication should invest in developing transformative leadership abilities as it contributes to successful implementation of organizational polices, strategies and is critical determinants of competitive advantage.

#### **CHAPTER ONE**

#### **INTRODUCTION**

#### 1.1 Background of the Study

In today's dynamic, uncertain and highly competitive global markets, organizations require several resources to succeed and most critical is talent. (Schuler, Jackson & Tarique, 2011; Scullion, Collings, & Caligiuri, 2010; Tarique & Schuler, 2010). Talent has become a primary driver for the organizational competitive advantage. The Institute of human resource management (2013) established that integrated talent management enables an organization to recruit, develop, compensate and retain talent needed for performance, effectiveness, and efficiency, which results to competitive advantage. The integration of these processes have greatly changed the future world of work which resonates well with the changes in the demographics, the mix of skills, and emerging technology Which Porter (2004) opined that it has become central competitive advantageIntegration of talent management is driven by increasing competitive landscape that forces organizations to adopt long term view of talent management. Organizations, which have adopted integrated talent management, have been found to be ahead of the competition because of their ability to attract and retain talent they quire to meet their demands (Tymon, Strump & Doh, 2010; Vaiman, 2010).

Today the 'war for talent' is still significant, because the knowledge economy demands for talented employees to perform at high level in the vast market changes characterized by Information technology (Strack, Baier & Fahlander, 2008; Hatum, 2010). Furthermore, scholars and practitioners argue that talented employees have become an integral part of an organization sustainable competitive advantage. In addition, the shift towards the Information age emphasizes on intangible assets, such as intellectual capital and talent, which is advocated by the resource based theory of

the firm (Barney & Clark, 2007; Heinen & O'Neil, 2004). Integrated talent management has become a strategic source for organizations that wish to attract, identify, develop, deploy and retain talent that drive their competitive advantage (Mellahi, 2009). The human resource consultant's report (2014) shows that 85% of human resource executives were of the view that the single greatest challenge in work force management is creating or maintaining their ability to compete for talent. According to Kehinde (2012) for an organization to increase its competitive advantage it should focus more on its talent. This is also supported by Turcq,(2007) that neglecting talent is suicidal for an organization that is in search of competitive advantage. Additionally, Azenath (2014) noted that the demand for superior talent far outweighs the supply hence the ongoing 'war of talent'.

### 1.1.1 Global Perspectives of Integrated Talent Management Processes and Competitive Advantage

Globally, organizational success is increasingly being associated with effective implementation of integrated talent management. This involves systematic talent identification, acquiring, developing, compensating and retaining talented individuals. According to the literature review, talent had been identified as the most important organizational asset in the  $21^{st}$  century knowledge based sector economy. The study conducted by the human resource today (2009), found that 85% of Human Resource Executives were of the view that the greatest challenge in workforce management is creating and maintaining organization capability to compete and retain talent. Effective integration of talent provides one of the most critical points of organization competitive advantage today. The studies by Sparrow, *et al* (2013) found that organizations are now increasingly focusing on integrated talent management to enhance their competitive advantage. Price Waterhouse Coopers (2014), found that organizations that have right talent have the capability that allows them to execute their programs efficiently and this gives them a competitive advantage.

Organizations with integrated talent management have mechanisms that enable them to consistently attract, retain, develop and compensate talent needed for their competitive advantage (D'Annunzio-Green, 2008). Baheshtiffar (2011) opined that effective process for talent sourcing and development helps an organization to identify talented employees for future leadership roles a critical resource for competitive advantage. The talent-based theory of the firm holds that talent is an imitable resource that provides organization competitive advantage, therefore, a firm should focus primarily on talent and its competitive capabilities, Roberts (2008) as cited in Moturi, 2013); Kwamboka, 2014). In this case, integrated talent management best practices support an organization to develop its talents in the way that is consistent with its business norms. This ensure that the organization has the capability to attract diverse and sufficient talents, Stahl, Björkman, Farndale, Morris, Pauwe, Stiles, Trevor, & Wright (2007). Mobile phone sector has become one of the pillars of economic growth of many economies. Knowledge Center report (2014) indicates that global mobile subscription in Mexico increased from 3,367.8 million in 2007 to more than 6,915 million in 2014.

Asia-Pacific region, lead with 3,604 million (52.1% of the total world subscriptions). In the same year, the Americas, with 15.3% share, surpassed Europe that was 2<sup>nd</sup> in 2007. Other study found that in 2013 Sub-Saharan Africa was the fastest growing region in this market growing by 18% annually over the last five years. In other instances, studies show that mobile market makes up 6% of the region's gross domestic products, higher than any other region and it is projected to increase to 8% by 2020. This is due to easier access to mobile than other telecommunication services. The Chinese Mobile telecommunication industry contributed about 16 percent of the total Chinese Gross Domestic Product (GDP) in the year 2011. The mobile market of Latin America is dominated by Brazil, which supply more than a third of the region unique subscribers (114 million) by September 2014. Globally, Brazil ranks fifth in terms of subscribers and is expected to take Japan's place as fourth largest by the end of 2015.

In the same period, the five largest countries in the region - Brazil, Mexico, Argentina, Colombia and Venezuela - have 230 million unique subscribers that is more than 70% of the Latin American subscribers according to GSMA Intelligence (2014). Interestingly most of the studies indicate that key to the emerging growth in the mobile telecommunication firms depends on the organizations capabilities to recruit and retain talent. Mobile Economy (2014) found that mobile firms across the globe face an increasingly common set of challenges. This includes rising competitive pressures, increased shortage of talent and regulatory intervention in many markets. It is no surprise that mobile phone sector has become a cornerstone of the global knowledge based economy, both as an industry in its own right and as an enabler of opportunities in other sectors. The mobile industry both directly and indirectly contributed around 3.6% of global gross domestic product (GDP) in 2013, equivalent to over US\$ 2.4 trillion. This Figure is expected to increase to 5.1% of global GDP by 2020. In addition, there are 10.5 million jobs supported directly by the mobile ecosystem across the world. Mobile ecosystem contributed over US\$ 336 billion in public funding in 2013, even before considering regulatory and spectrum fees. The mobile industry has also played a crucial role in the global economy as an innovation platform for new services.

Kenya's mobile market has experienced rapid growth throughout the last decade and is fore casted to grow even further over the next five years due to increased competition (research and Markets Survey 2013). With increasing subscribers, the Kenyan telecommunication industry is anticipated to post healthy growth rates in the coming years. Given the operating business environment, which is characterised by prospects of high return on investment and stiff competition the sector, offered an opportunity for the study of the role of integrated talent management processes on competitive advantage? The study covered Safaricom Kenya Limited, Airtel Networks and Telcom Kenya Orange. This is because in terms of market share Safaricom Kenya Limited controlled 65%, Telcom Kenya Orange 11% while Airtel Networks 15%. Essar Telcom Mobile (Yu Mobile) was not covered although it had 9% of the market share as Safaricom and Airtel Networks subsequently acquired it. (Business Monitor International, 2013).

### 1.1.2 Africa Perspectives of Integrated Talent Management Processes and Competitive Advantage

Many Countries in Africa have lost some of their highly skilled professionals to the United States, Canada, France, the United Kingdom, Australia and the Gulf States. The African Association for Public Administration and Management (AAPAM, 2008) noted that African continent fails to retain talents due to poor compensation and an uncompetitive work environment. Elegbe (2011) observed that despite high employment rate in Africa, organizations experiences acute shortage of critical talent. The study by Chikumbi (2011) on talent retention in Zambian Banks found that successful talent retention involved planning the goals of the organization through to talent succession planning. However, workers complained that the compensation system was biased and therefore many employees felt that their career progression was jeopardized. Moreover, there was a problem of adoption of organizational culture among the respondents due to poor perception. This led to high labor turn over which affected firms 'competitive advantage in the end. According to Gara,(2007), the oil boom which began in the Gulf region, attracted Egypt's best and brightest professionals to take up more lucrative positions abroad.

The exodus of highly skilled professionals to Europe and the United States is a daily occurrence in many African countries such as Nigeria, Ghana, Kenya and Ethiopia, and is largely responsible for competition for talent attraction and retention (Gara, 2007). Kehinde (2012) carried out a study on talent management and organization performance in Nigeria and found that effective talent management, profitability and return on investment were highly correlated. Ben (2012) established that the realization of a productive human capital in public organizations to a greater or lesser extent in Nigeria depends on how a diverse array of appropriately skilled people are sourced, developed, retained, and motivated. The study also found that for

organizations in the public sector to remain productive, innovative and competitive they must meet the challenges of retaining talent.

### 1.1.3 Kenya Perspectives of Integrated Talent Management Processes and Competitive Advantage

According to the study by Kenani, (2011) there is urgent need for increasing scientific knowledge and skills of employees to drive an organization competitive advantage. Kwamboka (2012) investigated factors affecting integrated talent management in state corporations in Kenya a case study of KPLC and found that state corporations which manage to put in place some form of talent management succeed in attracting and retaining talented employees to drive their organization competitive advantage. The study by Kagwira (2014) which focussed on the effect of talent retention on organisation performance in companies listed in Nairobi securities exchange in Kenya concluded that talent retention had a positive effect on organization performance, which influence their competitiveness. This reinforces Porter (2004) argument that competitive advantage should be at the heart of a firm's performance in competitive markets. Further to the above studies Barney, (2008) opined that organization competitive advantage results in high profits and therefore, competitive advantage reside in a firm's value chain.

A study by Kehinde, (2012) reveals that for an organization to gain competitive advantage, it must adopt an integrated talent management approach focusing on five primary areas: talent sourcing, selection, development, compensation and retention. The findings are supported by that was conducted by Nana (2013) which indicates for an organization to attain competitive advantage it must also position itself to meet the challenges of the talent shortage and attraction. Other studies have also shown that there is need for organizations to show great attention on how talent processes of sourcing, retention, development and compensation should be integrated and managed (Cappelli, 2008). According to the findings of the human capital Institute (2009) the way the organization manages talent can be a game-changer as

business owners and shareholders make decision on how to retain the best talent and achieving competitive edge.

The telecommunication industry in Kenya is going through profound changes. In the early 2000s firms in the telecommunication sector major concern was shortage of technical skills to manage and maintain the business. The competitors majorly engaged in poaching of employees with technical skills from each other. According to the telecom regulator, Communication commission of Kenya (2014) competition has shifted to specific talent for specific segments of their respective business. Safaricom bulletin, (2015) reported that its talent acquisition strategy is to attract and retain staff with unique capability. This is meant to develop, implement, and deliver compelling value propositions to consumer segments with a view to sustain its competitive advantage. Airtel choice of human capability is to have talent that bring into its business fresh strategy on the fastest growing segments data and mobile money transfer. However, the telecommunication sector is experiencing rapid growth in mobile connections, subscribers and data traffic. It also plays a pivotal role in unlocking socio-economic progress across the country. Many industry sectors are increasingly digitising and mobilising their products and services. This is to reduce the costs of operation and provide compelling new frontiers and experiences for consumers. Presently key players in telecommunication sector include Safaricom Limited, Airtel Networks Kenya Limited, and Telkom Kenya (Orange) (CCK, 2013).

Essar Telecom Kenya Limited was established in 2008 and operated as YU Mobile. Safaricom limited and Airtel Network acquired it. Airtel, entered the local market in 2000, and since then it has undergone through major transformation in a bid to reposition itself and increase its market share. Safaricom limited was established in 1997 as the premier mobile service operator in the Kenyan market. It has also appeared to remain at the top of the industry. The three operators seem to offer almost similar services of voice, data, messaging, money transfer, and mobile banking which makes them key market rivals (Communications Commission of Kenya Report, 2010). These firms have continued to register different experiences in terms of growth and market share, especially among the urban population. Statistics from Communication Commission of Kenya indicates that most of the Kenyan mobile subscribers comprise of 73% in voice and message services with 15% using mobile money transfer and banking services. Over 12% of the population use internet and blackberry services. The report further indicates that Kenya's telecom market has huge growth potential. This is because of increased penetration in both fixed and mobile markets. However, the sector has also experiencing the threat of new entrant's like Equitel. This has heightened fierce competition in form of changes in entrepreneurship and innovation.

According to Lawler, (2013) competitive advantage in organizations is now anchored on intangible knowledge assets, specifically; talent. However, the key challenge is the implementation of integrated talent management. While this is a critical driver of organization, competitive advantages it is tragically overlooked component of talent management systems (Aberdeen, 2009). Lawler (2005) found that a wellimplemented approach is a source of sustainable competitive advantage. Farley (2005) also argued that while firms in the telecom industry in Africa employs a great recruitment, retention, and career management strategies they still lose their top talent through poaching which defines their competitive advantage (Aberdeen, 2009). The 'war for talent' initiated by MacKinsey, (1997) is still relevant today due to the increasing need for talented employees. Communication Commission of Kenya (2012) indicates that Essa Telecom Kenya Limited had been struggling to remain competitive while others are posting supernormal profits. Telecom Kenya and Airtel Kenya increased their growth rates by 4.5% and 1.7% respectively. Safaricom and Essar telecommunications recorded negative growth rates of 6.0% and 0.3% market share loss respectively. However, reports on the growth of the industry indicate that there are strong indicators that the country's mobile subscriber base is expected to increase further over the next few years.

It is projected that mobile subscriber base will increase to 30.58 million with a penetration rate of 68 percent by the end of 2014. Kenya's mobile market experienced rapid growth throughout the last fifteen years and is forecast to grow even further over the next five years. This is due to the expansion in its mobile data services, and mobile banking. Increased competition, entry of new players and potential of the market will be another driver of growth (CCK, 2015). A study by Aberdeen Group, (2009) found that partial implementation of the integrated talent management has significantly affected competitive advantage of many organizations. The report also found that there might be incremental benefits to firms that have integrated talent management as compared to those with no integration. This is because improvement initiatives and programmes for harnessing talent are critical for creating competitive advantage. Several studies in Kenya have different findings. Rita (2014) study found that talent management had a positive and significant influence on organization performance in companies listed in Nairobi securities exchange. Wafula, (2010) found that effectiveness of strategic talent management practices enhances performance in professional service firms in Kenya. The study by Wangari, (2009) on the linkage of critical success factors and talent management at Olivado Kenya found that it was significant with its competitiveness while the study by Moturi, (2014) on the effect of talent management processes on organization performance found that it had a positive increase on sales revenue, customer base, and profitability and market share.

A study by Wandia, (2013) found that high rate in staff retention indicates a strong organizational capability and reduces the costs of turnover. It also enables employees to learn and develop from specific tacit knowledge that helps to meet the needs and expectations of the customers, which play a major role in increasing organization performance. However, these studies did not establish how talent management correlates with competitive advantage. Wandera, (2014) study on the influence of competition on performance of firms in the mobile telecommunication sector in Kenya found that competition greatly affects performance while Study by Waiganjo,

(2013) on the linkage between human resource management practices and organization performance found that they contribute to organizational sales growth and profitability. The study appreciates findings of these studies because of their contributions to the body of knowledge in talent management. However, the study found that as businesses across the globe moves to the year 2020, essential to any organization competitive advantage is the organization ability to address talent through an integrated approach. This is likely to build a formidable competitive platform for competitive advantage, which is the focus of this study.

According to the literature review Kenya's mobile market has been experiencing rapid growth and is forecast to grow even further over the next five years through the expansion in its mobile data services, particularly mobile banking. As a result, increased competition has emerged as a driver of their survival and growth. Other significant changes in the country's telecom industry which also have major influence on their form of competition, is the regulatory framework, leadership, pricing of products and services, innovation, mergers and more recently new players entering the market and posting significant profit, Communications Commission of Kenya (2015). This environment has forced the players in the industry specifically Safaricom Kenya limited, Airtel Networks and Telecom (Orange) to employ various competitive strategies to survive. Whether these strategies facilitate them to achieve a competitive advantage is an area for further research. Porter (1985) argued that competition is at the core of the success or failure of firms.

In recent years, there has been a great increase in the level of competition in virtually all areas of business globally and that of telecommunication sector in Kenya is not an exception (Waidi, 2014). As observed by Ayoola & Azeez as cited by Kaunyangi (2014) the emerging issue of how individual firms will stay afloat in market will be based on strategies firms employ on talent management to attain their competitive edge. It may take the form of prices, differentiation or focus. However, potential sources of competitive advantage have emerged everywhere in telecommunication sector in Kenya. A number of studies have established that it resides in a firm infrastructure, operational effectiveness, technology, strategic position and competition. However, study by Sharimali, (2012) found that talent management has continued to emerge as key strategic resource in today's organization competitive environment. This is because growth is largely viewed as a product of innovation and technological advancement. Until recently telecommunication, industry in Kenya faced unprecedented increased level of unpredictability of business environment and competitiveness of market due to the globalization of business. This includes the shift from production to knowledge-based economy and the speed of innovation, customer service and information communications technology (Arasa, 2014). The study by Anwar (2014) established that banks in Pakistani rely on integrated talent management for their overall competitive advantage while Rabbi, (2015) found that talent management contributes to high-level effectiveness, operational efficiency and competitive advantage of majority of organizations in Malaysia.

#### **1.2** Statement of the Problem

The world of work has undergone changes arising from a shift from a commoditybased economy to a knowledge -based economy in which an increasing proportion of an organization resources are intangible (Nilson, 2011). The capability of the telecommunication firms to integrate or bundle the processes of talent acquisition, development, compensation and retention will help them acquire and keep talent required to drive their competitive advantage. This is a challenge the telecommunications firms will need to address in order to continuously attract and retain talent required to drive their competitive advantage. As observed from the theory of the firm, talent is the only resource a firm has which provides the basis for competitive advantage. Telecommunication firms in Nairobi City County, Kenya face challenges in implementing integrated talent acquisition processes due to emerging changes in demographics and dynamics in the labor market. The level of their capability hinders them from tapping a huge reserve of talent power, which is the backbone of their competitive advantage. Additionally they rely on talented workforce of millennial generation, who are internet-savvy, and have the abilities to make use of multiple communications, digital platforms and technologies but highly mobile. In absence of integrated talent management processes, their efforts to retain millennial workforce who are key for their competitive advantage tend to dissipate with patchy results.

On integrated talent development processes, Telecommunication firms are grappling with the dilemma of ensuring that individual roles provide adequate responsibility, challenge and autonomy required to create and sustain talent engagement. Additionally, they face challenges in ensuring that people continue to acquire and enhance their skills and competencies they need to create and generate value. This is coupled with weak policies to guide their talent development activities, which affect the contributions of talented workforce towards creating competitive advantage. Likewise, telecommunication firms have not fully managed to sustain integrated compensation processes for both financial and non-financial. This seems to be due to inadequate resources and competition for labour, which contributes to talent disengagement and labour turnover, which affects their competitive advantage. The challenge associated with integrated talent retention processes and subsequent turnover of key employees may have a disproportionate negative role in telecommunication firms business and competitive advantage. As observed by Armstrong (2006) an organization should take into account the particular retention issues they face such as unfair pay system, job design, feedback management system among others and sets out ways in which the issues may be dealt with not to disrupt attributes of competitive advantage.

Telecommunication firms in Kenya play a significant role in the growth of Kenya economy as envisaged in Vision 2030. For this reason, adoption of integrated talent management processes is critical in enabling them to be a catalyst of industrialization. Unfortunately, implementation of integrated talent management processes appears tragically overlooked, underutilized or disjointed. This tend to affects their product innovation speed, quality service, loss of market opportunities,

delayed key strategic initiatives and inability to achieve high growth forecast. In addition, their inabilities to sustain massive investment in integrated talent management processes also appear to hinder their competitive advantage. According to the findings of this study there are few research which investigated the effect of specific determinants of talent management in organization competitive advantage (Wandia,2013 Waindi; 2014 and Wandera, 2014). In view of the above, this study sought to examine the role of integrated talent management processes in competitive advantage of telecommunication firms in Nairobi City County Kenya. The study will seek to bridge this gap.

#### **1.3 Research Objectives**

#### 1.3.1 General Objective

The general objective of this study was to examine the role of integrated talent management processes in competitive advantage of telecommunication firms in Nairobi City County, Kenya.

#### **1.3.1 Specific Objectives**

Specifically, the study sought to achieve the following objectives.

- i. To determine the role of integrated talent acquisition process in competitive advantage of telecommunication firms in Nairobi City County, Kenya.
- ii. To establish the role of integrated talent development process in competitive advantage of telecommunication firms in Nairobi City County, Kenya
- iii. To determine the role of integrated talent compensation process in competitive advantage of telecommunication firms in Nairobi City County, Kenya.
- iv. To examine the role of talent integrated retention process in competitive advantage of telecommunication firms in Nairobi City County, Kenya

 v. To assess the moderating role of transformative leadership in integrated talent management and competitive advantage of telecommunication firms in Nairobi City County, Kenya.

#### 1.4. Research Hypothesis

The research was guided by the following research hypothesis.

Ho<sub>1</sub>: There is no significant relationship between integrated talent acquisition processes and competitive advantage of telecommunication firms in Nairobi City County, Kenya

Ho<sub>2</sub>: There is no significant relationship between integrated talent development processes and competitive advantage of telecommunication firms in Nairobi City County, Kenya

 $H_{o3}$ : There is no significant relationship between integrated talent compensation processes and competitive advantage of telecommunication firms in Nairobi City County, Kenya

 $H_{o4}$ : There is no significant relationship between integrated talent retention processes and competitive advantage of telecommunication firms in Nairobi City County, Kenya

 $H_{o5}$ : There is no significant moderating effect of transformative leadership in relationship between integrated talent management processes and competitive advantage of telecommunication firms in Nairobi City County, Kenya

#### **1.5 Significance of the Study**

The study will be significant to academicians and researchers who have interest in pursuing the subject further as it will form the basis for the contribution made to the

existing body of knowledge. The study will useful to telecommunication firm's talent management policies. The study will support business growth through employment of talent, which will have significant positive contributions on organization revenue, reduction in operational costs, improvement in customer satisfaction and experience, product innovation and quality improvement. The Government will find the study useful in guiding the utilization of talent to micro and macroeconomic plans to achieve the government overall economic growth and competitiveness. The study provides the contribution of each talent process and the integrated approach, which will guide the Government in terms where to invest in order and to get optimum returns. The study will benefit every type of organization on the critical role of leadership in business success. The findings established that leadership is the major contributor in the implementation of an organization policies, strategies and plans. In this case organizations will make appropriate decisions on leadership development and investment plans.

#### **1.6 Scope of the Study**

The study explored the role of integrated talent management process in competitive advantage of telecommunication firms in Nairobi City County, Kenya. The study was guided by specific objectives namely, to determine the role of integrated talent acquisition processes in competitive advantage, to establish the role of integrated talent development processes in competitive advantage, to determine the role of integrated talent compensation processes in competitive advantage, and to examine the role of integrated talent retention processes in competitive advantage. It also assessed the moderating role of transformational leadership. Nairobi City County was selected because of being the central hub of telecommunication firms, cost effectiveness and access to the key respondents with vast experience and knowledge in the industry such as the Chief Executive Officers, senior management and Managers. Descriptive cross sectional survey design was used for the study and data was collected by the use of semi-structured questionnaires and interviews. A simple

random sampling technique was used to select the sample size of 377 from the total population of 6687.

# 1.7. Limitations of the Study

Although the study was well designed, it had its own limitations. The use of questionnaires as the main tool for data collection from the respondents did not yield to adequate information. To mitigate this limitation, the study incorporated interviews and additional questions, which increased the scope and depth of data collection. The study was affected by inadequate studies in the research area because it focused on the most contemporary challenge facing management of talent in telecommunication firms in Nairobi City County Kenya. This appears to have affected the foundation for understanding the extent of the research problem. However, the limitation was addressed by adopting an exploratory research design and extensive consultation with the supervisors. This yielded to credible studies whose concept, addressed integrated talent management and competitive advantage. Additionally some firms preferred their staff to distribute the questionnaires and in some other cases, the Research Assistant distributed the questionnaires.

## **CHAPTER TWO**

# LITERATURE REVIEW

# **2.1. Introduction**

This chapter reviewed the literature related to the study overall objective, which was to explore the role of integrated talent management processes on competitive advantage of Telecommunication firms in Nairobi City County, Kenya. It captures theoretical and empirical literature on integrated talent management processes as well as competitive advantage, conceptual framework, theories and models, critique of the existing literature, and research gaps that formed the basis for the study.

#### 2.2. Theoretical Framework

According to Ngugi, (2013) a theory is a set of statements or principles devised to explain a group of facts or phenomena especially one that has been repeatedly tested or is widely accepted and can be used to make predictions about natural phenomena. This study was anchored under the following theories.

### 2.2.1 Talent Acquisition Theory

The resource-based theory which is often referred to as the resource based view blends concepts from organizational economics Penrose, (1959) and Strategic management, Barney, (1991). RBV theory focuses attention on an organization's internal resources as a means of organizing processes and obtaining a competitive advantage. Barney (1991) stated that for resources to hold potential as sources of sustainable competitive advantage, they should be valuable, rare, imperfectly imitable and not substitutable. In this case organizations must develop unique, firm-specific core competencies that will allow them to outperform competitors by doing things differently. The organization resources are bundles of tangible and intangible

assets such as a firm's management skills, its organizational processes and routines, and the information and knowledge. However talents are important to the organizations since they are valuable, rare, inimitable (costly to imitate), and non-substitutable (VRIN) and are a source of sustained competitive advantage to the extent that there are no strategically equivalent resources (Barney, 1991).

The RBV theory point out that organization unique resource specifically talent should be retained because they are the source of the competitive advantage including growth of the organization. The competitive advantage of an organization improves, if resources are cared, nurtured and protected. When an organization identifies the talents, which will drive its competitive advantage it is sure of achieving its corporate objectives, satisfy and even delight customers. The theory reinforces the need to nurture talents and protect them from competitors. Nurturing will help improve the capabilities of the talents and even enable them exceed their performance and the outcome of this will be high productivity, growth and competitive advantage. (Armstrong & Shimizu, 2010). The talent-based theory envisages that talent is the only resource, which may help in gaining and maintaining the organization competitive advantage and therefore an organization should focus more on its talent acquisition processes to ensure it attracts the talent it requires (Rabii, 2015).

The theory was used to explain the concept of talent acquisition processes in a firm and its influence in organization competitive advantage. Accordingly, talent-based theory of the firm illustrates that talent is a unique resource which telecommunication firms should rely on to drive their competitive advantage. According to Roberts, (2008) as cited in Moturi, (2013) the firm was considered as a talent integrating institution, which integrates the individual owned talent by providing structural arrangements of co-ordination and co-operation of specialized talent workers. In this case Telecommunication firms should focus on their processes flowing through these structural arrangements, through which individuals engage in talent creation, storage, and deployment. The study established that telecommunication firms should embrace integrated talent management processes to be able to acquire talented workforce for all positions to drive completive advantage as supported by Sijjad *et al* (2012). This will also informs telecommunication firms integrated talent development processes to ensure they retain talent pool of high potential and high performing incumbents required for future planning. The study also noted that competitive advantage in telecommunication firms is no longer rooted in their physical assets and financial capital but in effective channeling of intellectual capital, as opined by (Seubet, Balaji & Makhija, 2001) as cited in Halawi, (2005). Hence, for the telecommunication firms to experience competitive advantage they must invest in talent acquisition processes and more so ensure they are integrated with the business strategy.

This theory was also used to demonstrate that acquisition of talented workers forms a critical resource for telecommunication firms in Nairobi City County competitive advantage. It reinforces the need for telecommunication firms to invest in talent acquisition to remain competitive. They should also continue to transform and organise their talent resources into capabilities, which are selectively employed to build competitive advantage that protects their market share, their customer base, and their profit margins as opined by (Grant, 1998). Based on the resource-based view of the firms telecommunication firms should remain focussed in building unique, hard to imitate and valuable resources as well as explore dynamic ways to integrate those resources to get drive their competitive advantage. Additionally telecommunication firms need to continuously develop and enhance the competency of employees through a systematic process of talent acquisition, talent transfer and talent sharing to improve their competitive advantage.

The study found that talent enable these firms to conceive and implement strategies that improve their efficiency (doing things right) and effectiveness (doing the right things) which contributes to their competitive advantage. Bersin integrated talent management model shows that talent is composed of skills, competencies, capabilities, experience, judgment, intelligence, relationships and insight of individual managers and workers in a firm. In reference to the telecommunication firms, this theory posits that these firms will achieve their competitive advantage once they invest in resources, which add unique or rare value, and which cannot be copied by competitors. Wright, *et al.* (1994) argued that talent is a source of competitive advantage because the resource meets the criteria for being a source of sustainable competitive advantage. Gratton, (1997) found that most companies believe that human talent rather than financial or technological resources offer a competitive advantage that can best be achieved through better talent utilization. Likewise Newbert, (2008) opined that there is a strong linkage between talent and organization competitive advantage.

According to Barney, (1991) competitive advantage is recognized as the level of exceptional performance that a firm attains when it devises and implements valueenhancing strategy than its competitors. In this case telecommunication firms should invest in talent benefits as noted by Rabii, (2015) that talent is the only resource basis for sustainable competitive advantage. which provide Therefore, telecommunication firms in Nairobi County should focus on talent and the capabilities derived from it because this enhances their competitiveness. This was achieved through effective integration of talent attraction, development, motivation, compensation management and retention.

This is in line with the resource-based view (RBV) of Barney (1991) which suggests that organization competitive advantage is attainable when firms have a human resource pool, which cannot be imitated or substituted by rivals. In this case, telecommunication firms should constantly evaluate their workforce to ensure that they have the right people with the right skills and competencies and in the right places to drive their competitive advantage (Barney, 2001). The study found that the strength of telecommunication firms stems from the caliber of the talent they employ. The influence of resource-based theory is significant in explaining why some telecommunication firms outperform others in the same sector. The theory addresses a number of other core issues, such as firm heterogeneity, growth, and

diversification. However, talent play a major role in their competitive advantage because it is valuable, rare, and inimitable and have no substitute than other resources. As depicted in the conceptual model development of unique capabilities is prerequisite for unlocking employee potential to deliver superior returns, which have a positive influence on telecommunication firms competitive advantage.

#### **2.2.2** Talent Development Theory

The study used human capital theory to explain the concept of talent development processes and its contribution to an organization competitive advantage. According to Adam Smith as cited by Schultz, (1981) who originated the idea of human capital when he observed that the required wealth of nations is derived from the acquired abilities of people, their education, skills, and experience. Additionally, Silver, (2010) also formulated the basis of what was later to become the science of human capital. The first school of thought distinguished between the acquired capacities and classified them as capital and the human beings themselves, while the second school of thought envisaged that human beings themselves were capital. According to the theory, human behavior is based on the economic self-interest of individuals operating within freely competitive markets. In the context of this study human capital is a valuable form of resource which telecommunication firms can invest in to attain their competitive advantage. According to Becker, (1964) as cited in Tarique & Schuler (2012), the theory is used to examine individuals with high levels of human capital which can further the understanding and development of talent management. The study found that the theory is significant as it envisages that the independent variable of integrated talent acquisition when supported by the good policies supports telecommunication firms to attract and acquires the best talent from the market.

According to Armstrong & Baron, (2002) people and their collective skills, abilities and experience, coupled with their ability to deploy them are in a position to contribute to organizational competitive advantage. Further studies by Cappelli & Singh, (1992) opine that competitive advantage arises from firm specific, valuable resources that are difficult to imitate. In this case, it is the knowledge, skills and abilities of individuals that create value, which is why telecommunication firms should focus on integrated talent development processes. Other observation by Armstrong (2009) indicates that human capital theory regards people as assets. In the context of this study telecommunication firms should invest in talent development to generate and harness worthwhile returns. In addition, the human capital theory suggests that people in an organization contribute their skills, knowledge, and abilities to enhance organizational capabilities and the significance of that contribution is actualized in the organization competitive advantage. The theory is also associated with the resource-based view of the firm developed by Barney, (1991) in the sense that both theories indicate that talent is key driver of competitive advantage. An organization should therefore sustain human resource pool that may not be imitated or substituted competitors. From the perspective of this study telecommunication firms should invest more in talent development as this will enhance their capacity to acquire and retain talent required to drive their competitive advantage. Additionally they will be able to attract knowledge workers who regard themselves as free agents capable of choosing how and where they invest their talents, time and energy.

The study found that human capital theory as reinforced by (Armstrong, 2011) talented workers contribute their knowledge, skills and abilities, to drive competitive advantage in telecommunication firms. In this case human capital represent the human factor in telecommunication firms, which is the combined intelligence, skills and expertise, that gives them distinctive character and competitive advantage Bontis *et al* (1999). The human capital theory supports talent development as key investment for telecommunication firms and demonstrates that they will experience high returns in form of value for money derived from their competitive advantage.

## **2.2.3 Talent Compensation theory**

The study adopted equity theory, which recognizes that individuals are concerned not only with the absolute amount of rewards that they receive for their efforts but also with the relationship of this amount to what others receive. Adams (1965) relates this theory to potential rewards that are promised to an individual during the period of employment contracting. The theory indicates that members of any workforce support equity. In addition, the theory emphasizes that employees are in constant process of comparing their pay packages, their working conditions to those of colleagues within and outside the organization. In this regard, should they observe instances unfairness, their efforts and contributions get affected negatively, and they become dissatisfied and to exit. This is also manifested in high labor turn over which affect the organization competitive advantage.

Equity theory rests upon three assumptions: First, that people develop beliefs about what constitutes a fair and equitable return for their contribution to their jobs. Secondly, people tend to compare what they perceive to be the exchange or value for their labor with their employers and thirdly that when people believe that their own treatment is not equitable, relative to the exchange they perceive others to be making, they will be motivated to take actions they deem appropriate including the intention to leave or stay. This theory challenges organizations to develop reward systems that are fair and equitable if they care about employee retention. In the context of this study, equity theory is important for talent acquisition and retention. Talent compensation influence the perception of employees working with telecommunication firms which is translated to their productivity. According to Drafke & Kossen, (2002), employees compare their inputs to the work with the outputs they receive from the organization. Once they feel they get less output for their contributions, they perceive this to be unfair treatment, become dissatisfied and even demoralized. On the flipside, when employees perceive there is fairness and equity they are unlikely to leave. In the context of the current study, it can be inferred that telecommunication firms could retain their employees by having in placeintegrated compensation processes that has both internal and external equity.

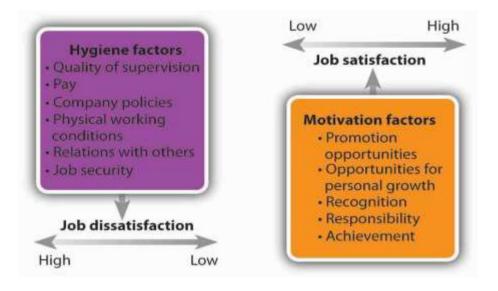
The study found that equity theory emphasize the role of compensation of employees and the implications on their contribution to competitive advantage of telecommunication firms as reinforced by Rita, (2014). The equity theory of motivation as advanced by Adams, (1965) relates to the potential compensation and rewards that are used to compensate an individual for work done. Additionally and as opined by Nzuve, (2007) an individual motivation level is determined by how one perceives equity, fairness and justice practiced by the management. The implication is that the higher the degree of employees perceives fairness, the more they are likely to be motivated to perform. The theory also assumes that the higher the compensation the more it is likely to increase employee commitment and loyalty to the organizations, and in the event the higher the retention rate. Additionally, the theory assumes that individuals are concerned both with their own rewards and with the reward of others in the same rank that is the level of the perceived equity. In the context of this study, telecommunication firms should put in place equitable compensation processes, as it is a significant determinant for both employees performance and organization competitive advantage. When equilibrium is achieved there is likelihood that talent will stay and contribute to drive the firm competitive advantage.

According to Adam, (1965) employees who perceive that their job input does not match the reward they get will seek to address this perception by either low performance or exit the organization. According to the study, telecommunication firms should therefore consider compensation as a driver of their competitive advantage or disadvantage. Drafke & Kossen, (2002), support this assumption. The idea is to position the organization to be able to attract, acquire and retain the talent required to drive their competitive advantage.

#### **2.2.4.** Talent Retention Theory

The study used the Maslow Hierarchy of Needs Theory (1908-1970) to explain the human needs hierarchy and to expound on the role of integrated talent retention processes in competitive advantage of telecommunication firms. The theory assumes that, human needs may be classified into five categories. Saleemi, (2006) opines that an organization can help employees satisfy their needs by providing good pay, proper working conditions and other benefits. This is followed by physical safety and economic against unemployment Nzuve, (2009). The study assumes that employees may be attracted to organizations which they perceive are in a position to that satisfy their safety needs, social benefits and safe working conditions. This is idea is supported by the studies conducted by (Saleemi, 2006 and Kelly, 2013). In this context, the study used this theory to explain that, employees would be attracted to work for telecommunication firms that give them room to develop their full potential thus realizing self-actualization as observed by (Mwangi, 2009).

The Maslow hierarchy of needs theory is in line with Herzberg (1968) in his twofactor theory, which opined that there, are set of factors which if absent from employment lead to employee dissatisfaction as shown in Figure 2.1.



**Figure 2.1: Herzberg Theory** 

In the context of this study the study, assume that when employees of telecommunication firms are dissatisfied; they become less motivated and exit to join organizations that are perceived as friendlier to their psychosocial states, and this affects their competitive advantage. In this regard telecommunication firms should strive to enhance their employee's motivation by focusing on retention initiatives such as job rotation (Improving the variety of tasks and responsibilities), job enlargement (making a person capable of handling more) and effective feedback. These initiatives are more likely to increase the level of employee's retention, which is key attribute of competitive advantage. The study was also found that hygiene factors such as competitive compensation and company policies on flexible working hours, employee's insurance, providing opportunities for growth, and promotion contribute to high levels of talent retention which lead to improved organization performance and competitive advantage.,

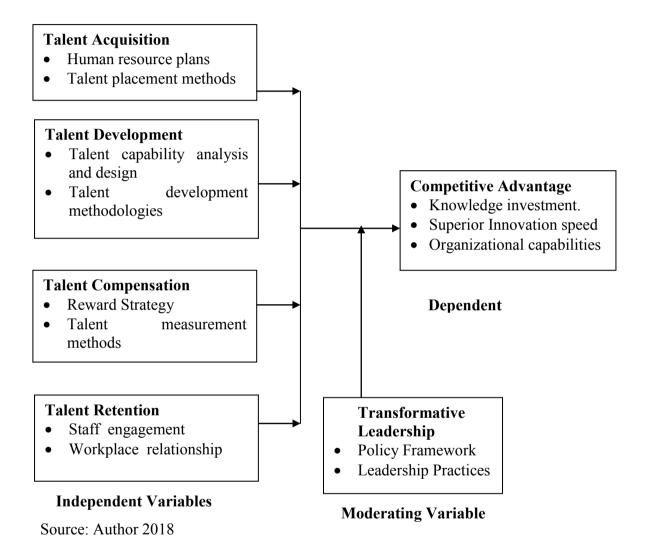
## 2.2.5 Transformative Leadership Theory

The study used Burns Transformational Leadership theory, which was propounded by Burns, (1978) to explain the moderating role of transformational leadership in integrated talent management processes and competitive advantage in telecommunication firms in Nairobi City County, Kenya. The theory envisaged that the leader's ability to lead is based on the social value and individual purpose. The theory focuses on motivations and values in assessing how a leader approaches power. This aspect of having that basic ethical system sets transformational leaders apart from those merely aspiring to be in power and therefore they are in a position to drive performance and organization competitive advantage.

Transformational leadership is people-centric as well as egocentric. However, it is viewed to embrace ethical behavior and guides people with the existing values, goals, capabilities and other resources the followers have through these stages of development. In line the context of this study, telecommunication firms are in a better position to implement integrated talent management processes to achieve competitive advantage by embracing this type of leadership style, which is people, oriented. The study found that this type of leadership is able visionary and inspire followers to change expectations, perceptions and motivation to work towards common business objectives.

# 2.3 Conceptual Framework

A study by Bowling, (2014) argued that the major aim of research is to relate data to theory or generate theories from data. In order to hold existing and new knowledge, theory should provide a conceptual framework so that knowledge can be interpreted for empirical application in a comprehensive manner. This section explains the conceptual framework on the role of integrated talent management on competitive advantage of telecommunication firms in Nairobi city County, Kenya in order to form the basis of operationalizing variables in this study. The general objective of this study was to explore the role of integrated talent management on competitive advantage of telecommunication firms in Nairobi City County, Kenya. The conceptual framework is represented in Figure 2.2.



## **Figure 2.2: Conceptual Framework**

The conceptual framework figure 2.2 shows the link between the independent variable, which is integrated talent management processes, and dependent variable, competitive advantage. The dependent variables contribute to the attributes of competitive advantage that is knowledge capital investment, superior innovation speed and organizational capabilities. In this study, the independent variables are

talent acquisition, talent development, talent compensation and talent retention while the moderating variable is transformative leadership. For the purpose of the study, sub variables of the moderating variable are policy frameworks, leadership style and practices.

#### 2.3.1. Integrated Talent Management Model

The concept of Integrated Talent Management became popular around five years ago and since then organizations have used it to employ integrated approach to talent sourcing, development, performance management, compensation, development planning, learning and retention (Rita et al, 2014). Bersin, Kim, Mallon, Laurano& Harris, (2010) argued that integrated talent management model identifies the processes of talent management that contributes to competitive advantage. They also opined that is not only restricted to recruiting the right candidate at the right time but it extends to exploring the hidden and unusual qualities of employees, developing and nurturing them to get the desired results. The same view is corroborated by Deros*et al (*2009) who found that it is a continuous process tied to sourcing, compensation, development, retention and promoting talent while meeting the organization requirements. For an organization to derive optimum performance, it must fuse these processes.

An organization that wants the best talent of its competitor to work with it must attract that person and offer better terms to join and then stay with the organization. Only hiring him does not solve the purpose but getting the things done from him is the main task. Therefore, integrated talent management is a full-fledged process that not only controls the entry of a talent but also its stay and exit. It creates the fast forward to a future where human capital defines business success. It is about managing the supply, demand and flow of talent through the human capital engine. According to Rothwell (2005) it is a seamlessly integrated efforts aimed at attracting, developing, compensating and retaining the best people. Other studies hold that it's an efforts designed to integrate all components of an organization human resource system to attract, select, develop, compensate and retain the best people who can drive the competitive advantage for an organization. In the broadest sense, a deliberate and ongoing process systematically identifies, assesses, develops and retains talent to meet current and future business needs and objectives. Stated in another way, it is about putting the right people with the right skills in the right position at the right time. This is because it begins as soon as recruiters identify potential talent and continues throughout a person's tenure as an employee of the hiring organization (Earnest &Young 2009).

Much like a company's commitment to provide excellent service to its clients, integrated talent management is far more than a business goal or objective with a beginning, middle, and end. It is a perpetual journey toward consistently delivering higher levels of performance, and efficiency. It is a process that helps employers succeeds by staying ahead of the curve of an ever-changing business environment. There is significant number of organizations where the emphasis on human resources has made a difference in the performance of the organization. These organizations acknowledge the immense contribution of their employees in making a difference in the company and providing the essential ingredient for its competitive advantage. Successful organizations do not isolate their "people programs". They consider them an integral part of their business strategy (Finigan, 1998).

Pam (2012), competitive advantage is for organizations that hinge their ability to attract, develop, compensate, retain, motivate and lead diverse array of appropriately skilled people. The consulting agency PricewaterhouseCoopers (PWC) in its 14<sup>th</sup> Annual Global Chief Executive Officers Survey reveals that a majority of Chief Executive Officers (66 per cent) are fearful that a shortage of talent will impede the growth of their companies. This is because use of integrated talent management meets the demands that are associated with increased business complexity and uncertainty. Therefore, to achieve sustainable competitive advantage, an organization should align these processes with its business strategies. This is supported by Bersin& Associates research, (2012) that it is important because it provides the organization with a clearer understanding of its talent pipeline and the ability to adjust their current approach given that understanding, and the information is

necessary to plan. After all, globalization of the workplace has increased the need for connectivity between other processes such as career management, learning and development.

According to the model when talent is integrated at the right places, it leads to tangible benefits for the organization. An investment in this model pays off, as the organization with the most mature processes achieve the needed competitive advantage over its rivals. Whilst each of the functions of talent process has value in its own right, their integration multiplies the value to the business. This is because it shifts talent processes from a disparate set of specialized functions to a coordinated and interdependent series of connected activities that provide additional advantage at each stage. The model as shown in Figure 2.1 indicates that integration of talent management processes means that these processes do not run as independent and isolated processes, but as interconnected and related processes. The output of one process is the input of the other one. This approach develops the capacity of an organization to drive its competitive advantage. The ITMP model is shown in Figure 2.3.



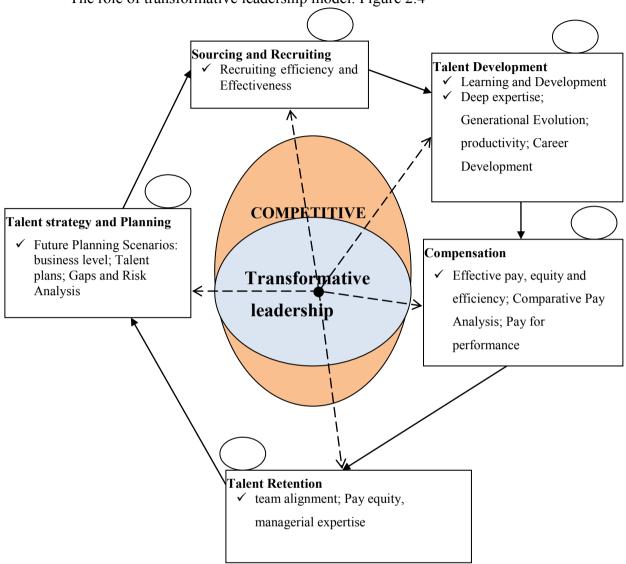
Figure 2.3: Bersin & Associates Talent Management Framework

According to Garr, (2012) as cited in Makworo, (2014) observed that integrated talent management is composed of three or more connected talent management processes designed to attract, manage, develop, motivate and retain key talent. An end-to-end holistic system connects all components of talent management. The involvement of an array of interdependent policies, procedures and practices means that there is need for means by which they hang together and interconnect to be more than just the sum of their individual parts. The study found that an organization will not achieve the desired level of competitive advantage if talent management processes do not operate as a cohesive whole (Heinen & O'Neill, 2004). A truly effective integrated talent management system should be aligned with the Employee Life Cycle. In this manner, it should also be built on a consistent capability platform. Talent sourcing, development, compensation and retention, processes must be defined and clearly linked through both the experience of the individual, the human resource processes and systems that support these four elements of talent management. This is the reason why today's global economy workforce trends such as shifting demographics, global supply chains, and increasing global mobility, forward-looking organizations are abandoning their soiled talent management models and replacing them with integrated talent management processes. This is because ITMP has become a critical model in developing competitive advantage and is a strategic priority for businesses.

According to Aberden Group, Integrated talent management approach is ideal for organizations in competitive markets and, which are expanding their talent management scope. The real time integration optimizes all aspects of talent management; align the processes, practices and strategies with business objectives. Integrated talent management equips an organization with a broad range of functional and decision making capabilities. It supports organizations to survive today and tomorrow's business challenges with consistent end-to-end framework. The system empowers the organization with insight, agility, efficiency and consistency in talent management thus creating a competitive advantage. This is the reason why a tightly organizations are able to thrive. Again, globalization of work increases the need for connectivity between talent management processes. According to Waters (2009); Martin and Bourke, (2009) as cited in Makworo, (2014) asserted that integrated talent management processes involve a horizontal approach versus a vertical silo approach to managing talent. This is both in terms of working across human resources functional areas to support key talent management processes and in cross coordination with the business. Hence, leaders should ensure there exists critical linkage with the right strategic talent capability priorities.

Talent acquisition, development, compensation and retention ought to be integrated through a common interface, data platform, workflow and cross-process reporting and analytics in order to drive organization competitive advantage. Goleman, (2006) opined that it is the systematic sourcing, identification, development, compensation, engagement, retention and deployment of talented employees that organizations attain competitive advantage. According to Aberdeen human capital Summit study (2009), 56% of more than 250 executives surveyed agreed that they preferred this approach to drive their competitive advantage of their organizations. However, 47% indicated that, their organization budget increased in 2010 to go to talent management. In pursuit of the strategy participants agreed that the key to achieving integration is through leveraging the organizations strategic business plan as the primary source for identifying and executing the talent agenda. This means that human resource management systems and processes of talent management should be aligned with one another, and be tied to the goals of the organization. According to Sajjad, (2012) talent sourcing, development, compensation and retention of talented people have become more important in today's vibrant knowledge economy. This is because it drives value creation by attracting, developing and retaining talent that help to improve the company's competitive advantage (Collings & Mellahi, 2009; Uren, 2007; Hatum, 2010). Secondly, rarity and inimitability must be created through an integration of the company culture and the talent management strategies. In this case, they derive a differentiated approach to talent management that matches the company culture. Every organization should ensure that talent policies and practices are consistent and integrated (Barney & Clark, 2007).

According to Figure 2.4 leadership plays a central role in the whole process of managing organizational capabilities and driving the entire business. It provides the vision, motivation, systems, policies, practices and structures at all levels of the business that facilitates the conversion of talent (input) into competitive advantage (output) (Bryant, 2003). Shahzad,& Muhammad, (2013) found that there is positive influence of leadership on the organization competitive advantage. They opined that transformational leadership is a vital role for effective managers because leader effectiveness determines the ultimate success of talent acquisition, development, compensation and retention. According to Hesselbein & Cohen, (1999), organizations that take the time to develop leadership are far ahead of the competition. Every company needs transformational leadership to spearhead changes that elevate profitability, expand market share and change the rules of the game in their industry (Ekuma, 2014). The model indicates that the survival of any organisation is largely dependent on the effectiveness and efficiency of its leadership specifically in ensuring there is conducive climate for policy formulation and implementation. The model further illustrates the significance of transformational leadership to organisational effectiveness and competitive advantage. All business public or private strive to achieve competitive advantage by maximizing the utility of available resources. According to Jones & George, (2006) as cited by Ekima, (2014) at its most basic level, competitive advantage centres on the ability of the organization to outperform competition. This may be achieved through efficient production of goods and services.



The role of transformative leadership model. Figure 2.4

Figure 2.4: Adopted and Modified from Bersin ITM Model

## 2.3.2 Competitive Advantage

Competitive advantage is achieved when the organization has gained advantage over its competitors by offering more value to customers either through lower prices or through the provision of additional benefits and services to its services and products (Golob & Podnar, 2007). According to Grønhaug & Ottesen, (2007) when an organization improves its leadership it may also yield competitive advantage. Shenawy, Baker & Lemak (2007) observed that talent acquisition, development, compensation and retention, when implemented through an integrated approach provides an organization with critical capability for competitive advantage. Studies by Mathur, Jugdev & Fung, (2007) argued that companies attempting to leverage their project management process as a source of competitive advantage need to invest intangible assets which is not readily transferable or copied like tangible project management such as project management tools and techniques, and methodologies. Leadership in global organizations have become increasingly aware that competitive market requires organizations to go beyond the traditional methods of talent management to achieve competitive advantage (Deros, Rahman, Rahman, Ismail & Said, 2009). According to the 2014 annual survey carried out by Price water-house coopers, chief Executives acknowledged that human talent is the key source of value creation in organization.

Other studies have also shown that there is need to address the current human resource challenge by employing integrated talent management as a source of competitive advantage, Institute of Business Management, (2012). Vaimen, Hugh& David, (2012) opined that there is need to develop more comprehensive framework through integrated approach in global talent management practices support these findings. This is because other processes such as performance management, succession planning, talent reviews, career growth and workforce planning (Heinen& O'Neill, 2004), support integrated talent management. They are connected to managing the human ability, competency and power of employees within an organization Poorhos; Seinzadeh & Subramaniam, (2012) found that every organization has its talent management strategies. The study found that 67.3% of Malaysian multinational companies had implemented integrated talent management in their organizations. Those that have implemented reported significant relationship between developing talents, talent sourcing, and talent retention with their competitive advantage. According to Mihyo, (2007) the most critical element to be given utmost attention in academic institutions is human capital in academic,

administrative and technical field. However, all developed countries are engaged in a struggle to attract talent and reduce the migration of their skilled professionals to other countries. This can only be done through integrated talent management approach.

### 2.3.3 Integrated Talent Acquisition Processes

Integrated talent acquisition processes aims at supporting an organization to obtain the human capital it needs from the market and employs them productively (Armstrong, 2006). This is a critical process because the survival and growth of telecommunication firms relies on the caliber of human capital and how well its aligned with the business strategy. In telecommunication firms, human talent is not just another input into the production of goods or services, but is indeed the most valuable resource that has stood the test of time even before the inception of machines and advancement of technology. Jamal & Saif (2011) observed that nothing happens unless human being is involved and makes a concise decision to act. For example, in production process or behind any technology, ideas, creativity and innovation human talent is critical. Talent acquisition is a long process that is supposed to be seamless. It comprises of consideration in talent attraction, sourcing, recruitment and selection, placement, performance management, employer branding, employee value proposition and employer of choice (Armstrong, 2009). It also includes searching for and obtaining applicants for jobs from among whom the right people are selected.

Recruitment and selection requires that the organization use various methods or techniques of selecting the right talent that reflects the culture and value of that particular organization (Armstrong, 2006). In the context of this study telecommunication firms should have well thought out human resource plans to acquire talent acquisition. This is critical because it enables an organization to put in place plan that is aligned with the strategic plans. This ensures that the organization is able to recruit the right talent at the right time. The recruitment of talent pool is considered as the first task of talent sourcing. This is a group of employees with special traits and act as the source of future recruitment even for senior executives (Ballesteros *et al*, 2010). The sources of talented employees can be internal or external. The best way to create a talent pool is the internal sourcing since the employees already have the knowledge of how business processes work. Internally sourced employees can be incorporated directly into the new position and uplift the morale of the workers (David *et al* 2007). However, if the organizations intend to introduce radical changes or to renew its culture external sources are considered the best sources of recruitment (Ballesteros *et al*, 2010).

Employer branding includes development of an organization's image, good enough to attract employees. In order to attract the best, organizational branding talent management is a useful strategy. The organizations that manages its corporate brands effectively, gains advantage in the highly competitive global market place. Lack of good brand image makes it difficult to attract the right talents (Ana, 2009). The researcher found that top rated companies have one characteristic in common, that is they give clear and consistent messages about themselves and that translates into a strong pull on talent attraction (Tanuja, 2007).

Employee value proposition is characterized by the potential employee's perception of the value of an organization seeking to recruit him. According to World at work (2009) study examined the relative influence of five reward elements on individual attraction, motivation and retention in an organization. Using policy-capturing analysis, the study tested these propositions by surveying three cohorts of professional accounting college students at stages ranging from pre-consulting to post-hire. The findings revealed that talent development and provision of career opportunities were most important to attracting talented employees to all the big certified public accounting firms in the United States. According to Tarique & Schuler, (2010) companies realize that if they can attract and hire top talent, they will have a competitive advantage over their competitors. In the context of this study telecommunication firms are competitive advantage is more based on their intellectual capital base. Their ability to acquire top talent defines their competitiveness. Indeed, the "war for talent," in telecommunication firms defines where they acquire the "best and the brightest".

Talented individuals tend to have several choices as to where they can work because they are in high demand. Knowing that they can no longer rely on lifetime employment, talented individuals are seeking something else: lifetime employability. These increased capabilities confirm their employability throughout their career, thus giving them even more job choices, which they define for themselves. Today's talented candidate, lifetime employability is the mantra. Companies with poor human resource and placement plans have created their own disadvantage when it comes to attracting star employees. Candidates also see lack of learning opportunities and growth, as a sign that the organization is not truly committed to employee growth, making job offers from such firms less attractive. According to Iles & Preece, (2010) argue that employers have no choice but to brand themselves as employers of choice. This implies that companies must have a good image in terms of employee working conditions and rewards. Glen, (2007) relates talent acquisition to successful talent management hence good organization competitive advantage. In telecommunication firms, for talent management to be successful, then they have to ensure that they have a 'talent pool' where they can draw their workforce when need arises. According to Botha & Sward, (2011) the study found that an employer brand model that would enhance talent acquisition is the one that first establish target group needs. Further findings indicated that communication of employer brand message was also an important determinant of whether the right job seekers would be attracted to the organization. Kelly, (2013) survey of 100 businesses involved in engineering, finance, government, IT, manufacturing and telecommunication sector, established that the major components of talent acquisition clear plans on compensation and development, retention, company culture, recruitment styles, staff turnover, work life balance, and social networking.

According to the literature review, talent acquisition is significant in telecommunication firms because it is the means of acquiring precious talent resource. When talent acquisition is carried out hastily it is fraught with dangers of recruiting the wrong employees who end up to be costly to the organization but when carried out through effective planning and placement methods it is one of the most important investments an organization can make. In this study, telecommunication firms can identify and match applicant's inherent talents with their jobs and culture and end up in enjoying a competitive advantage. Integrated Talent acquisition process should help telecommunication firms in finding and attracting the talent they require for employment. Hence, it is critical to determine the role of talent acquisition in competitive advantage of telecommunication firms.

## 2.3.4 Integrated Talent Development Processes

Integrated talent development processes comprises of the activities and programs that focus on developing superior and unique skills and competencies to enable employees to accomplish high-level institutional and divisional goals. They also help staff to grow personally and professionally and prepare them for career growth in the firms or beyond it. Talent development is one of the major attribute of competitive advantage, which focuses on analyzing employee's capabilities and planning for their development strategies to ensure the organization has the required talents to achieve its competitive advantage Garval et al (2012) as quoted by Rahimi, (2016). In analyzing talent development, the study focused on capabilities analysis and design and development methods. The study found that telecommunication firms have a systematic forecast on their talent demand and supply. They conduct talent need analysis, which is aligned with their strategy, culture, inventory of HR capabilities, competitive environment and labor market. To recruit sufficient and talented workforce they conduct human resource planning which is concerned with labor statistics, quality of the personnel and with their deployment throughout the organization as established by (Cole, 2011).

According to the literature review, talent capability development is a learning experience, which seeks a relatively permanent change in an individual that will improve his or her ability to perform on the job. Learning is the process by which a person acquires new knowledge, skills, and capabilities. This process encompasses all activities required to increase employee's competency to fulfill business demand has a direct influence on competitive advantage. The significance of talent development in telecom firms is reinforced by the fact that high quality leadership development programs and formal succession management programs results in superior business results as noted by (Bernthal & Wellins, 2006). There have been arguments that effective career development programs are not only important in improving talent "skills and preparing them to emerging organizational challenges but also in gaining talent" commitment to the organization. However, career development programs enhance talent's ability to manage current and future responsibilities. In addition, increasingly tight labor markets make succession management a business imperative and put pressure on organizations to identify and accelerate the development of future leaders from within (Busine & Watt, 2005)

Accordingly, the enduring organization needs to have an effective succession management policy in place, with a particular focus on the continuity of key specialists and leaders (Stone, 2002). According to Chapman, (2009), the most effective way to develop people is to enable learning and personal development to take place. To identify learning and training needs of the organisation, a learning needs analysis should be carried out. The areas and methods include analysis of business and human capital plans; surveys, performance and development reviews, job role and competency analysis. In addition, describing the content of jobs and roles by reference to key activities and outcomes, defining the performance standards required in terms of quantity and output, and defining the knowledge, skills and competencies needed to perform the job in order to meet the performance standards. Firms can develop and enhance the quality of the current employees by providing comprehensive training and development. Research indicates that investment in staff capacity building ,problem solving, decision making, teamwork, and interpersonal relations result to beneficial firm level outcomes (Rohan Singh, 2012). It also has a significant effect on employee performance and competitiveness. Organizations can develop and enhance the quality of the current employees by providing comprehensive career development programs and career path. Russel, (2012) found out that training was correlated with sales volumes per employee and store image in a sample of retail outlet stores. Effective career training programs are systematic and continuous. In other words, staff development must be viewed as a long-term process not just an infrequent and/or haphazard event . Assessments of employee and organizational needs as well as business strategies should be conducted and then be used in selecting development methods and participants (Kadian, 2010). Development programs that are consistent with employee and organizational goals and needs and fit with the business strategy will deliver the firm competitive advantage. (Rohan, 2012).

The study by Brandy & Spence, (2009) established that defining characteristic of globalization is the rapid development and use of technology, to not only speed up and reduce cost of production and services, but also to speed up and reduce the cost of business and trade. It is therefore important for firms to emphasize on career training and development at all levels of management and at the shop floor (Ivancevich, 2010). According to Waweru, (2007) new employees almost invariably need clear development plans before taking on their new jobs. However, older employees need development to keep them abreast with technological development and ethics. For example, the Federation of Kenya Employers Report & Financial Statements (2010) while backing this assertion calls for productivity training which it defines as a standard program on improvements on labour efficiency, work methods, cost income ratio, and assets utilization among other areas. The foregoing concern echoes the need to realign the skills of the employees with the immediate objectives and goals of the organization. Organizational factors such as organizational policy, management style and levels of technology may be crucial in determining the efforts

employees put forth to enhance productivity. In this case a balance should be struck since extremes on either side may lead to dissatisfaction and result to employee turnover (Luthans, 2008) which resultant effects is lack of competitiveness.

According to Garavan, Carbery & Rock, (2012), talent development is a significantly under-developed and under-researched concept. However, many researchers seem to agree that it is better to develop talents in-house rather than trying to acquire them from outside the organization. This is because talent or high potential in one organization need not be a talent/high potential in another organization (Burkus & Osula, 2011). They also contend that an organization should create deliberate practice opportunities, and that training programs should be open to all employees. This is why this study focuses on clear undertaking of capabilities (skills and competencies) analysis and effective talent development methodologies. Studies by Garavan, Carbery, & Rock (2012) presented four important areas in the field of talent development. In their study, the new focus on integrated talent management emphasized on the need for talent development to be integrated with the business strategy. The trend of differentiation of talent developments shifts the responsibility and control over talent development from the organization to the individual due to their influence on performance. Armstrong, (2010) opines that the fundamental aim of talent development is to enhance resource capability in accordance with the belief that the human capital of an organization is the major source of competitive advantage. It is therefore focuses more on ensuring that the right quality people are available to meet present and future needs of the organization. This is achieved by producing a coherent and comprehensive framework for developing people. Indeed, some objectives of talent development are to develop intellectual capital and promote organizational teams and individual learning by creating a learning culture in which employees are encouraged to learn and develop.

## 2.3.5 Integrated Talent Compensation Processes

Integrated talent compensation processes represent organization belief about how employees should be compensated or how and why people choose to work at one organisation over others. It is a total package of wages/salaries, allowances and other benefits against the background of the devices for measuring and rewarding productivity and the sanction, which are applied when performance falls below expectations (Mutua, 2011). According to Armstrong, (2009) compensation help create a work experience that meets the needs of employees and encourages them to contribute extra effort, by developing a deal that addresses a broad range of issues and by spending reward dollars where they will be most effective in addressing workers' shifting values. Dash et al (2008) argue that because of these transformations requirements of working practice, there is need for the employee to be satisfied with the work and all practices should be put in place that will encourage them to work towards the attainment of the organizational objective. In reference to this study telecommunication firms encourage compensation programs that support staff motivation such as chances of promotion, professional growth, incentive schemes and benfits. These behaviors support performance, which have positive influence on the organization competitive advantage

As opined by Anderfuhren-Biget *et al.* (2010) equity in an organization showed a strong correlation with talent intention. However, financial reward was found to be the primary factor in retention. The study found out that Employees want to understand how the pay system works, and want to know how they can earn pay increases. Once they are satisfied, the labor turn over tend to reduce with time. According to Mutua (2011) study found that the National Hospital Insurance Fund compensation management is well aligned with its strategic plan. The findings also showed that compensation management enhances staff performance and had a correlation with its competitiveness. The remuneration policies in the firm also advocates for equity. According to Echakara, (2011) study on the influence of compensation strategies on employees' motivation and performance in Kenya

Commercial Bank Kisumu Kenya established that it influences staff motivation, performance and competitive advantage. According to this study telecommunication sector has witnessed high competition, which requires among other strategies to have an appropriate reward management system capable of influencing talent attraction and retention. Mathis& Jackson (2003) point out that competitive compensation can be both intrinsic and extrinsic. Intrinsic rewards comprise of practices such as recognition of staff for completing project or meeting performance objectives. Other psychological and social effects of compensation according to Mulvey, (2006) reflect the intrinsic type of rewards.

According to this study, extrinsic rewards in telecommunication firms are both monetary and non-monetary. Include those with additionally compensation process are based on effective formulation and implementation of strategies and policies, which are to reward their employees fairly, equitably and consistently in accordance with their value to the organization and thus help the organization to achieve their competitive advantage as supported by (Mellahi, 2009). The philosophy of reward management recognizes that it must be strategic in the sense that it addresses longerterm issues relating to how people should be valued for what they do and what they achieve. Hence, in telecommunication firms for compensation processes to be effective and deliver their competitive advantage they are integrated with the other processes of talent management that is talent acquisition, development and retention. O'Neal (2004), postulate that compensation is critical to addressing the issues created by talent development, recruitment and retention, motivation, performance as well as providing a means of influencing behavior. It also helps to create work experience that meet the needs of employees and encourages them to contribute extra effort. The linkage to competitive advantage, compensation and benefits, not to mention rewards and recognition, is fundamental to an organization's record of accomplishment in recruiting and retaining top talent.

In other words, compensation, benefits, rewards and recognition are the mainstay of the competitive advantage of the 21st century workplace. Compensation both financial and otherwise send a powerful message to employees of an organization as to what kind of organization management seeks to create, maintain, and what kind of behavior and attitudes management seeks from its employees (Beer, Spector, Lawrence, Quinn & Walton, 1988). Therefore, compensation process cannot be ignored as it creates a situation in which the expectation or the actual goal-directed behavior of one person or group are blocked or are about to be blocked (Steers & Black 1994). Furthermore, report by the American Compensation Associations, August (1996) reveals that when it comes to reinforcing team positive behavior, the reward system is one of the most effective and influential tools available to the organization" (IRS 1996). This study will therefore seek to determine the role of compensation on competitive advantage of telecommunication firms in Nairobi City County, Kenya. Key determinants of compensation that was measured are reward strategy and performance measurement methods.

## 2.3.6 Integrated Talent Retention Processes

This process encompasses all activities that support talent retention of existing or potential talented employees and building their commitment to contribute in achieving organizational competitive advantage. There are several activities in this process but this study will focus on the key attributes namely staff engagement and workplace relationship management. Engaged employees are satisfied with their jobs, enjoy their work and are committed to achieve high levels of performance, which has a positive influence in organizational performance. Employees believe that their jobs are important, take pride in the company, and believe that their employer values their contributions Schiemann, (2011). In the context of this study, talent retention rides on high level of staff engagement and relationships at the workplace. Again talent engagement at telecommunication firms is boosted by the work environment that does not only demand more from staff but also promotes

information sharing, provides learning opportunities, and fosters a balance in people's life's thereby creating the bases for sustained energy, and personal initiate. This is reinforced by Macey *et a*,*l* (2009). As opined by Stairs & Galpin, (2010) talent engagement has a direct influence on, lower absenteeism and high-level retention, increased employee's effort and productivity, high profitability and higher likelihood of increasing business success and competitive advantage.

A study by Finnegan, (2010), noted that the expenses of recruitment involve advertisements for the job vacancies, paying recruiters, time and effort spent for interviews, selection and so on. Retaining talented workforce is one of the biggest challenge that plague companies in the competitive marketplace regardless of the business cycle or economic condition today (Terera &Ngirande, 2014). Employee retention is a very important aspect of HRM (Human resource management). This is because it needs to be implemented in order to ensure growth in the organizations, irrespective of its e type either capital or labour intensive. The importance of employees cannot be over emphasized regardless of the type of product being produced be it a tangible product or an intangible product (services).

As analyzed by Van, (2014), the rate of retention has an inverse relationship to staff turnover and it is expected that if a high number of staff stay in an organization for a specified period then the retention rate is high and the turnover rate is low i.e. (retention rate =1/turnover rate). Holding on to employees is an essential objective of telecommunication firms. It aids in diminishing wastage as far as the time, effort and cash spent in contracting and training new workers and incorporating them into the organization is concerned. Cardy &Lengnick, (2011) opines that retaining the best employees can be critical to whether operations in the organization run smoothly and efficiently and whether an organization can maintain a competitive advantage. For these reasons, turnover is something, which telecommunication businesses would very much like to avoid

According to Goranson & Brundenius, (2011) more than 80 percent of employees exit an organization because of the push factors related to poor work place relationships. A study by Mendez et al. (2011) shows that a company need to invest in work place relationships in order to be successful. Again, a good compensation package is important in retaining employees but can also be a source of labor turnover. According to Ram (2003); (Abbasi & Hollman (2000) study on the influence of employee turnover on organizations they found that excessive employee turnover often engenders far-reaching consequences and, at the extreme, may jeopardize efforts to attain organizational competitive advantage. Fitz-enz, (1997) established that the average company loses approximately \$1 million with every 10 managerial and professional employees who exit the organization. As mentioned previously, the combined direct and indirect costs associated with one-employee ranges from a minimum of one year's pay and benefits. There is also significant economic influence when an organization loses any of its critical employees especially given the knowledge lost. In respect to this study, the researcher observed that majority of these studies did not cover the effect of employee retention in relation to its role to organization competitive advantage but focused more on the performance. The researcher therefore concludes that this is a research gap that needs to be addressed and that is why this study seeks to establish the role of integrated talent management on competitive advantage of telecommunication firms in Nairobi City County, Kenya and talent retention being one of the variables.

# 2.3.7 Transformational Leadership

In the context of this study, transformational leadership is regarded as an important variable affecting organizational competitive advantage. While the concept of leadership has been extensively studied, there is still much to be discovered regarding how transformative leadership affects variables in this study that is talent acquisition, development, compensation, and retention, which is the focus of the study. According to Northouse's (2004) transformative leadership is defined as a process or behaviour by which an individual influences a group of individuals to

achieve common goals. As per the conceptual model leadership, has a role in enhancing management capacity and organizational capabilities and competitive advantage. In reference to telecommunication firms, leadership has a direct influence on their design, policies, style, and practices. This has a short and long terms effect on how they conduct talent acquisition, development, compensation and retention. This is because leadership influences their vision, change management, strategy development, and community collaboration. It also provides direct influence on program design, financial management, information systems, human resource management, program evaluation, and project management.

A study by Diane, (2011) underscores the importance of leadership in talent retention. She observes that, talent acquisition practices, compensation and performance management play an important role in retention but it is the leader who makes the difference. According to Rawat, (2013) organizations face many challenges when talented workers exit the organization for reasons such as job dissatisfaction, poor working conditions, poor leadership and compensation or due to lack of career growth. As observed by Roberts-DeGennaro & Packard, (2002) effective execution of management functions requires leadership while Gwavuya, (2011) affirms that incompetent leadership results in poor employee performance, high work place stress, low job commitment, low job satisfaction and turnover, which directly affect an organization competitive advantage. A study by Riccio, (2010) asserts that the key differentiators identified as the talent management practices believed to be successful in the work environment include the incorporation of organizational and leadership competencies. Telephony firms in Kenya like any other in the world are operating in highly competitive environment and this call for transformational leadership capable of influencing both the implementation of integrated talent management, which positively influences their competitive advantage (Yukul, 2006).

## 2.4. Empirical Review

This section reviews scholarly work related literature in the area of integrated talent management and competitive advantage. Variables reviewed are talent acquisition, talent development, talent compensation and retention processes. The dependent variable which is the competitive advantage and the integrated talent management approach are also reviewed.

Studies conducted in the United States showed that 75 % of companies focus on talent management as one of their top priorities. In the United Kingdom, studies found that 90 % of all corporations' talent management is a driver of the bottom line, where above 50 % of the state firms have implemented talent management (Larsen 2012). Study by Rabii (2015) found that talent management is a key source of organization competitive advantage in Malaysia. The study considered talent attraction, retention and development as independent variables with talent management as the moderating variable. A study by Anwar (2014) on talent management: strategic priority of organizations in banking sector in Pakistan concluded that talent management has a positive and strong association with competitive advantage. The study was descriptive and qualitative in nature. Its independent variables were talent attraction, employee engagement, retention and the moderating variable was talent management. According to Khurshid & Dazi, (2016) integrated talent management has become a key component of business success for many organization across the globe because of the fact that the major resources of an organization are its high worth individuals.

The study also found that organizations which plan and implement integrated talent management practices and processes are more likely to be prepared than their competitors in the highly dynamic business environment. They also found that talent management play a leading role in rescuing the organization from the competitive struggles. In this regard, telecommunication firms should plan for integrated talent management because it is ultimately, the critical knowledge and skills of talented workers which drive greater value for competitive settings. This may be the reason why Porter, (2004) emphasized that that competitive advantage should be at the heart of a firm's performance in competitive markets. The study by Barney (2008) also corroborated these findings. The study found that competitive advantage results in high profits and that, competitive advantage must reside in a firm's value chain specifically in its talent.

According to a study by Kaptoo, (2014) which focused on the strategies adopted by mobile phone companies in Kenya to gain competitive advantage, leadership has a significant role on cost leadership, differentiation strategy, and focus strategy which determine competitive advantage. A study by Michieka, (2008) as cited by Kaptoo, (2014) found that leadership play a bigger role in expansion, diversification, corporate social responsibilities, and joint ventures, which influence their competitive advantage. Again, study by Okwoba, (2015) on the influence of talent acquisition on performance of Fidelity Bank Plc, Lagos Nigeria that analysed 130 valid responses found that talent acquisition has significant effect on both the organization's performance and competitive advantage. The study adopted survey research design and structured questionnaire to collect data. The research population covered the six (6) main business divisions of Fidelity Bank Plc in Lagos State. Data was analyzed using descriptive and inferential statistics while Chi-square was used to test the relatedness of the hypothesis.

A study by Omollo, (2012) observed that there is a significant positive correlation between talent acquisition and competitive advantage of SMEs at  $\alpha = .01$  of SMEs in Kisumu Municipality, Kenya. Data was collected using semi-structured questionnaires of ranking and Likert scale type, and Focus Group Interviews. Quantitative data was analyzed using percentages and multiple regression techniques. Makwaro & Abok, (2014) investigated factors affecting talent management in state corporations. The study used stratified random sampling to select 224 staff doctors and nurses in Kenyatta National hospital in Kenya. These findings concur with Kenya Power Company Limited. The regression coefficients of the study indicated that talent acquisition have positive and statistically significant effect in integrated talent management at Kenya power and lighting company in Kenya. The study found out that factor such as organizational culture, reward, career development and workforce environment significantly affect implementation of talent management. A study by Kenani, (2011) established that there seem to be an urgent need for increasing scientific knowledge and skills of the employees at geothermal companies in Kenya. Human resource management needs to put more emphasis on the productive development and use of people in the company to collectively achieve the organization's strategic business objectives. The study found that geothermal companies were challenged to strive to work towards improved balance between labour supply and demand, a better-trained workforce and increased employability of the workforce (Kenani, 2011).

According to Azara & Syed, (2013) study on staff development and the organization competitive advantage revealed a significant and positive association between capability development and the organization competitiveness. The study used both qualitative and quantitative research designs. In addition, questionnaires were the main data collection instruments. Poorhosseinzader, *et al* (2012) cross sectional study done on Malaysian Multinational companies found a positive and significant relationship between developing talents and the success of the companies with correlation of 0.728 and p value of 0.000 at 0.05 level of significance level. The study by Njoroge, (2015) concluded that there is a strong relationship between compensation and reward on employee performance in the county government of Nakuru. The study adapted a descriptive research design. Stratified random sampling technique was employed on a target population of 6,400 respondents from the same geographical area of the study. Simple random sampling was used to select the respondents that formed a sample size of 98 respondents.

Primary data was collected using questionnaires and interview schedules with a combination of open and closed questions. Statistical Package for Social Sciences was used to analyze the data. However, the study recommends that other

nonmonetary rewards and practices should be identified and brought on board.Njanja,(2013) sought to establish the effect of cash bonuses on employee performance of Kenya Power and lighting company. Inferential statistics (chi-square) was used to analyse the relationship between cash bonuses and employee performance. Data was analysed with the help of the Statistical Package for Social Sciences (SPSS) computer programme. The findings of the study show that cash bonus have no effect on employee performance (p=0.8). However, the study did not focus on all the rewards, it only focused on cash bonuses. The study recommended for further research to find out influence of other rewards on performance.

According to Mutuku, (2012) study on employee perception of competitiveness of performance-based rewards in Kenya Electricity Generating Company Limited Kenya established that the company was using performance-based rewards in order to satisfy its employees with the work and encourage employees to work towards the attainment of the organizational objective. Studies by Poorhosseinzadeh & Subramanian, (2012) conducted in Malaysia involving Multinational companies found a positive and significant relationship between talent retention and the success of the Multinational Companies in Malaysia. A study by Kimani & Waithaka, (2014) on talent retention found that growth from within and development are key elements of business strategy. Today's employees are more career conscious than ever. They are demanding more in terms of personal growth and development. Developing high potential individuals presents one of the means by which organizations can face its competitive pressures. The fact that high-potential employees are career-minded is important for organizations to create an employee value proposition that supports career development. Study by Blass, (2007) centered on talent management and business performance. The study objective was on the provision of better understanding of the different ways through which organizations organize talent retention. Research were conducted using 20 case studies involving mix of (private, public and voluntary) organizations of different sizes and sectors and survey questions were administered to representatives of senior managers and middle

managers. About 1,500 responses were recorded from the population of the study. Statistical tool used in the survey involved correlation, regression and ANOVA, due to the nature of the variables being analyzed. The findings reveal that organizations managed talent through rotational system involving various career stages of employees to avoid the danger of setting high expectations for early developers or disregarding later developers. In conclusion, the study established that organization manage talent through transparent talent system which is embedded within organization or integrated talent management. This is critical foundation for organization competitive advantage.

A study by Kibui, (2015) focused on the effect of talent management on employees' retention in Kenya's state corporations. To analyze the collected data, descriptive and inferential statistics were used. The study found there is correlation between talent retention and organization competitive edge. Rita, (2014) study on the effect of talent retention on organisation performance in companies listed in Nairobi securities exchange in Kenya concluded that talent retention has a positive and significant effect on organization performance. The study used cross sectional descriptive survey design. According to Egerova, (2013) Integrating talent management with the strategy of an organization is one of the prerequisites of the effective talent management and the initial step in formulating the talent management strategy. The interconnection of the business strategy with the talent management strategy make it possible to identify talent management processes that are crucial for achieving competitive advantage of organizations in Czech Republic. The findings of the study by Ratir, (2015) in organizations in Indonesia concluded that there is need for firms to implement integrated talent management in order to create competitive advantage. The study focused on talent attraction, development and retention processes. A study by Aberdeen, (2009) found that 67% of high performing organizations could measure the correlation between their integrated talent management efforts and both the performance and competitive edge. Research covered more than 340 enterprises. Data was collected through online survey and interview of selected respondents.

According to Alma'aitah, (2013) examined the effect of talent management on competitive advantage and analysed the role of knowledge integration, as a moderator, in the correlation between talent management and competitive advantage. Data was collected through questionnaires from a sample of 235 employees working in top 10 firms in Jordan. Descriptive statistics, correlations and hierarchical regression analyses were used to test the hypotheses. Findings showed that competitive advantage was significantly related to talent management and knowledge integration. Furthermore, the study revealed that knowledge integration was a significant moderator in the correlation between talent management and competitive advantage. Competitive advantage was measured through speed, response to market, product service quality, and innovation speed. A 5-point likert scale by Makworo, (2014) recommended that state corporations in Kenya should adopt recruitment and selection, learning and development, performance management and compensation management processes as a way of ensuring that integrated talent management is maintained and for them to attain competitive advantage over their competitors, retention of their employees and deliver quality services to their customers. The study adopted descriptive research design to understand the characteristic of the group and make simple decisions. A stratified random sampling approach was used to collect primary data from 224 respondents through structured questionnaires. Cronbach's alpha co-efficient was used in the reliability test. Descriptive and inferential statistics was used to analyze the gathered data using a Statistical Package for Social Scientists (SPSS) version 21.

A study by Rita, (2014) on the effect of talent management on organizational performance in companies listed in the Nairobi Security Exchange in Kenya found that talent management has a positive and significance influence on organizational performance. The study attributes of talent management were talent attraction, talent retention, Learning, development, and career management. The study was on their effect on performance management and not competitive advantage. The study did not use moderating or control variables and did not exhaust other factors that may

contribute to organizational competitive advantage. On talent management, Lyria (2013) examined its role on organizational performance in Kenya. The study was conducted using an empirical review of previous studies related to main study, which found a gap in literature. The study shows that previous research did not focus on integrated talent management and organizational competitive advantage. Iqbal*et al* (2013) also studied the relationship between talent management practices and employee's emotional stability in Pakistan. Again, the study was conducted using quantitative approach and survey questionnaire were distributed to 150 management employees working in 25 listed companies in Pakistan. Findings show that talent management practices have positive influence on performance of organizations. And not competitiveness

A study by Wurim, (2012) on talent management and organizational productivity in a public sector enterprise, in which survey investigation method was used in collecting data and Krusked-Wallie test statistics to analyze the data it was established implementation of talent management policies, processes and programs significantly affected employees 'productivity. Study by Project Management Institute (PM1, 2013) on the competitive advantage of effective talent management found that aligning talent management to organizational strategy created enabling competitive advantage required for sustainability and growth of an organization. Similarly, Sakineh, Mehrdad & Hasan, (2012) examined the relationship between talent management and organizational success. The study was conducted using descriptivecorrelation approach. The population of study was drawn from the department of Youth and Sport in West Azerbaijan Province of Iran. Pearson correlation test was used to determine the relationship between the elements of talent management and organizational success at 5% significant level and SPSS (version 16) statistical tool was used to analyze data. The study concluded that talent management has significant relationship with organizational success.

### 2.5 Critique of Existing Literature Relevant to the Study

The reviewed literature indicates that in the developed countries majority of organizations have implemented integrated talent management approaches while in developing countries like in Africa only few organizations have, at least partially integrated their talent management. The studies carried out by Anwar (2014), Rabii (2015) and Khurshid & Dazi, (2016) and Alma'aitah, (2013) appear to agree that integrated talent management influences organization competitive advantage. According to Makworo, (2014) there are no studies conducted on integrated talent management and competitive advantage in Kenya. Available studies in Africa including Kenya have largely focused on the contributions of talent management on employee performance or organization performance. The researcher view is that integrated talent management approach is critical towards driving organization competitive advantage and its logical that a comprehensive study should be taken. This is because it brings to the organization the human resource management practices that add optimal value to any business success. The study by Kahinde,, (2012) sought to establish the effect of talent management on the organization performance, and found that there is positively correlated to organizational profitability and return on investment. However, the study had a small sample of 16 respondents, which the researcher faulted for not being representative enough. The study omitted the link between integrated talent management processes on competitive advantage.

A study by Kaptoo, (2014) focussed on establishing the root of competition among mobile firms in Kenya. The study concluded that there exist strong relationships between cost leadership, differentiation and competitive advantage. Unfortunately, the study sample size was 80 top managers and did not include aspect of talent contribution in the equation, which is the most resourceful resource. Michieka, (2008) as cited by Kaptoo, (2014) studied the application of competitive strategies to the challenges of increased competition faced by telephony firms in Nairobi Central Business district. Again, the study focussed on expansion, diversification, corporate social responsibilities, and joint ventures as key attributes to their competitive advantage. According to Moturi, (2013) study which sought to establish the role of talent management as a source of competitive advantage focused on one organization, namely Kenya Data Networks which was also a case study while study by Kaptoo, (2014) focused on the strategies adopted by mobile phone companies in Kenya to gain competitive advantage. The findings are that cost leadership, differentiation strategy and focus strategy determine competitive advantage. However, the researcher observes that the study had a small sample size of 80 top managers only.

A study by Arasa, (2014) found that there is positive relationship between talent management and competitive strategies in telecommunications industry in Kenya. The study employed a descriptive survey design and collected data from 63 respondents out of a sample size of 72. The study found that product differentiation, low cost leadership, strategic alliance and specific market focus are the commonly used strategies. They did not explore the correlation between integrated talent management and organization competitive advantage. On talent acquisition Okomaba, (2015) and Omollo, (2012) study concentrated only on its contributions to organization performance but its influence to organization competitive advantage was given a wide berth. On talent development, a study by Kenani, (2011) and Azara & Syed, (2013) did not delve into other contributions of talent development in an organization competitive advantage. On talent compensation and benefits, a study by Njoroge (2015) which focussed on its influence on employee performance in the county government of Nakuru and one conducted by Njanja (2013) on the role of cash bonuses, did not consider the role of integrated talent compensation processes in an organization competitive advantage which literature has shown that its critical significant.

Studies by Poorhosseinzadeh & Subramanian, (2012), Rita (2014), Kimani & Waithaka, (2014) and Kibui, (2015) found that talent retention has a positive influence on organization performance. Again the study did not focus on Talent

contributions to competitive advantage of an organization. Additionally majority of studies in Kenya focused on the influence of talent management in organization performance. Studies by Egerova, (2013), and Rita, (2015) found that integrated talent management plays a significant role in organization performance. Other literature reviewed indicates that an integrated talent management process significantly defines competitive advantage in many organizations globally.

It is in view of this observation that this study sought to carry out the research. This study targeted the strategic key players in the telecommunication sector Kenya namely Safaricom Kenya limited, Airtel Networks and Telecom Kenya Limited (Orange) with over 5000 employees. This study benefited from a sample size of 377 employees. The theoretical literature reviewed covered talent based theory, which also explained the Bersin Model of talent retention and development processes. Roberts (2008) illustrated that talent is the only resource that provide sustainable competitive advantage. The study was supported by the Resource-Based Theory, which argued that a firm achieves sustainable competitive advantage by developing its resources, particularly human talent which add unique or rare value, and which could easily be copied by others. As pointed out by Wright, et al. (1994) human resource is key source of competitive advantage because they meet the criteria for being a source of sustainable competitive advantage. Tarique & Schuler, (2012) also pointed out that human capital theory has been used to understand the decisions organizations make about how to recruit, develop, compensate and retain talent, their most valuable resource.

# 2.6 Research gaps

Literature under review indicates that majority of studies conducted locally focused on the relationship between some aspects of talent management and their contributions in organization performance Wurin, (2012), Lyria (2013), Iqbal *et al* (2013), Rita (2014), and Makwaro (2014). A study by Ratri, (2015) focused on talent attraction, talent development and talent retention as key attributes to competitive advantage. A study by Aberdeen (2009) focussed on the role of talent acquisition, talent development and talent retention while Egerova, (2013) focused on the relationship between integrated talent management and its relationship with an organization strategy. Additionally, available studies on the relationship between integrated talent management and competitive advantage are conducted in Asia and Europe. There is no study conducted in Kenya, which focused on the role of integrated talent management processes in competitive advantage of telecommunication firms. Additionally the study sought to find out the moderating role of transformative leadership on relationship between integrated talent management and competitive advantage a variable that has not been studied in Kenya. This study therefore sought to fill this gap. The study used descriptive cross sectional survey design and data was collected by use of structured and semistructured questionnaires and interviews.

#### 2.7 Summary

The study adopted various theories to explain the application of the variables, make assumptions and support the study findings. The resource-based theory propounded by Penrose, (1959) and, Barney (1991) were used to support the role of talent acquisition in telecommunication competitive advantage. The RBV theory focuses attention on an organization's internal resources as a means of organizing processes and obtaining a competitive advantage. According to this study telecommunication will benefit on investment in attracting and acquiring talent required in the business in order to achieve the competitive advantage. Additionally they should develop unique, firm-specific core competencies that will allow them to outperform competitors by doing things differently. The study also used human capital theory to explain the concept of talent development processes and its contribution to an organization competitive advantage. According to Adam Smith as cited by Schultz, (1981) telecommunication firms are in a better positions to attain competitive advantage if they invest in enhancing their staff skills, competencies and experiences.

Human talent is a valuable form of resource, which telecommunication firms can invest as it has high return on investment.

The study adopted equity theory, which recognizes that individuals are concerned not only with the absolute amount of rewards that they receive for their efforts but also with the relationship of this amount to what others receive. According to Adams (1965) this theory reinforces the need for telecommunication firms to invest in both monetary and non-monetary payments as they are considered vital to employees performance, retention and retention. The Maslow Hierarchy of Needs Theory (1908-1970) was also used to explain the human needs hierarchy and to expound on the role of integrated talent retention processes in competitive advantage of telecommunication firms. The theory assumes that when employees are not satisfied with their retention program they exit organizations. Telecommunication firms should therefore adopt initiatives meant to retain talented workers critical for their competitive advantage. As pointed out by David et al (1991) competitive advantage is the process by which a firm assesses its position in its niche, compares itself to competitors and enhances its position by adding more value to suppliers and customers than do to its competitors. This can only be achieved through integrated talent management.

The study focused on the role of integrated talented management and shows that when talent processes are integrated and implemented as a buddle they are more likely to give high returns on investment by making the organization competitive. The role of transformational leadership was also studied because leadership was found to be critical in the drive for competitive advantage. In the context of this study, transformational leadership is significant in providing direction to the utilization of an organization critical resources and its contribution to competitive advantage. This assumption is supported by Burns Transformational Leadership theory (1978) which indicates leader's ability to lead is based on the social value and individual purpose.

#### **CHAPTER THREE**

## **RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter sets out the methodology that was used to achieve the objectives of the study. The methodology includes, research design, the target population, the type of data collected, sampling frame, sample and sampling techniques, data collection instrument and procedure, data analysis and presentation.

# **3.2 Study Philosophy**

According to Galliers, (1991) a research philosophy is a belief about the way in which data should be gathered, analysed and used. The study used interpretive philosophy since the study was an enquiry into what was the role of the independent variables across the telecommunication firms in Nairobi City County with respect to competitive advantage (Hatch *et al*, 2006). Interpretivists contend that only through the subjective interpretation and intervention in reality that reality will be understood. The study of phenomena in their natural environment is key to the interpretive philosophy, together with the acknowledgement that scientists cannot avoid affecting those phenomena they study. They admit that there may be many interpretations of reality, but maintain that these interpretations are in themselves a part of the scientific knowledge they are pursuing. The philosophy therefore enabled the study to produce the required results from the collected data.

### 3.3. Research Design

The study employed a descriptive cross sectional survey design using both quantitative and qualitative approaches. The purpose of the study was to examine specific testable phenomenon. According to Kothari, (2004) research design is the

arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in the procedure. Likewise, Lavrakas, (2008), indicated that research design is a general plan or strategy for conducting a research study to examine specific testable research questions of interest Similarly Cooper and Schindler, (2003) opined that if the research is concerned with finding out what, when, where and how much of phenomena, descriptive research design is the most appropriate. The study assessed the variables based on the current state as reported by the respondents, which is what descriptive research entails (Sekaran, 2003). Open-ended questions and content analysis were used in accordance with criteria advocated by Cooper et al (2006) on qualitative research design. This design supported the desired objectivity and allowed logistical flexibility for data collection and data analysis, for hypothesis testing to come up with objective conclusion. Studies by Aosa (1992), Awino, (2011) and Munyoki, (2007) used descriptive research design in their studies which they observed as reliable in studying the human resource and business fields. The quantitative method was used to quantify the relationship between dependent variable, which was the competitive advantage and the independent variables comprising of talent acquisition, talent development, talent compensation and talent retention.

### **3.4. Target Population**

According to Beck & Poliit, (2003) the term target population refers to the aggregate or totality of those conforming to a set of specifications while Zikmund, *et al* (2010) population (universe) refer to it as any complete group. Mugenda & Mugenda, (2003) define a target population as that population to which a researcher wants to generalize the findings of a study. The target population in this study was Safaricom Kenya Limited, Airtel Networks limited and Telecom Kenya (Orange) limited with approximately 6687 employees, CCK (2015). The study targeted the Telecommunication sector because it is where the study observed there was high competition for telecommunication services. In this regard, the demand for talented workers was largely significant.

# 3.5. Sampling Frame

According to Mugenda & Mugenda, (2003) sampling frame is the actual set of units from which a sample is drawnwhile Kothari (2004) it is the list containing all sampling units. Beck & Polit, (2003) refers to it as the list of the elements from which the sample is chosen. The study employed purposive sampling to achieve the desired sample frame. The sample frame consists of Safaricom Kenya limited, Airtel Network and Telecom Kenya-Orange located in Nairobi City County Kenya with approximately 6687 employees. The list was drawn from the firm's reports, website and oral interviews. The rationale for choosing these firms was because they play a significant role in the economic development of this country. Secondly, the researcher observed that they operate in competitive market, which requires them to compete for talent to survive and to drive their competitive advantage. According to the Business Monitor (2013)Safaricom Kenya Limited controlled 65%, Telcom Kenya Orange 11% while Airtel Networks 15% market share which is significant for the study. In this regard, competition in this sector justified the study, which explored the role of integrated talent management on their competitive advantage.

#### 3.6 Sampling Technique

The sampled respondents were 377 and comprised of the CEOs, Directors, Divisional and heads of departments, section head/supervisors. This critical group was believed to be knowledgeable about the policy infrastructure and was aware of the role of talent on competitive advantage in telecommunication firms. They were also aware of the strategic direction of their respective firms hence added the needed value to the study. The study comprised of two types of population, the target population and accessible population. According to Dawson, (2009) accessible population is the population in the research to which the researcher applies the conclusions. The accessible populations were staff in strategic units who were easily

included in the sample on the day of determining the final study sample of the sampled firms. The logic for choosing this target was because they were aware of strategic direction and significance of talent management on competitive advantage. The target population comprised of the Chief Executive Officers, Directors, Divisions and Heads of Departments, Section head from telecommunications firms under study in Nairobi City County Kenya.

The study applied simple random technique to ensure the firms were represented. Subjects were selected in a way that the existing subgroups in the population were more or less reproduced in the sample. According to Coopers *et al* (2006) each spectrum is homogeneous internally and heterogonous with other stratum. Stratification is also important when the researcher wants to study the characteristics of each certain population subgroups and reduce standard error by providing some control over variance. The study design utilized a mathematically derived sample out of the population size of the various telecommunication companies. Since the population of the study was heterogeneous, the researcher used Slovin'sformula to calculate the sample size (n) given the population size (N) and a margin of error (e) as follows:

$$n = \frac{N}{1 + N(e^2)}$$

Where: n = the sample size

N = Target population

e = Error of tolerance

The study population (N) is 6,687 at 95% confidence level; hence, the margin of error was 0.05.

The sample size  $n = \frac{6687}{1+6687(0.05)^2} = 378$  will therefore be as shown below:

Company	Population	Sample size	Sample percentage (%)
SafaricomKenya Ltd	4500	253	67
Airtel Networks Kenya	564	32	9
TelcomKenya (Orange)	1623	92	24
Total	6687	377	100

# Table 3.1: Sample size

Source: HR Payroll 2017.

# 3.7 Data Collection Instruments

According to Zikmud, (2003) data collection tools are instruments used to collect information in research or the methods employed to collect data. The choice of the methods is however, influenced by the nature of the research problem and availability of time and money (Cooper & Schindler, 2006). According to Kothari, (2004) primary data is fresh and original. In this study, data was collected through administration of semi-structured questionnaires to the identified sample. The questionnaires comprised of closed and open-ended questions. These questions were intended to seek for more information required for the study. Questionnaires were considered as relatively easy to administer since no prior complex arrangements were involved before administering. The use of questionnaires was to obtain qualitative data for analysis to support or refute the hypothesis and to confirm the evidence obtained from the quantitative data analysis. In addition, it was possible for descriptive, correlation and inferential statistical analysis (Saunders et al., 2007). Secondly, data on the identified variables was obtained from organization official websites, reports and interviews. It was used to validate the findings from analysis of

primary data, which was collected using questionnaires. Zikmund, (2003) defines secondary data as data collected by others and found by the comparative researcher in ethnographies, census and histories. The strategy of using both primary and secondary data was to address the study specific objectives and to improve the interpretive coherence and improve both communicative and pragmatic validity of the study results. The secondary data collected was collected from the companies publications, memos and performance reviews. The secondary data was used to support the primary data collected.

# **3.8. Data Collection Procedure**

Data collection is the process by which information is obtained from the selected subject of an investigation (Creswell, 2002) as cited in Njuguna, (2016). Prior to data collection the study obtained letters of approval from the University REF/JKU/2/11/HD412-3226/2013 and National Commission of Science, Technology and Innovation (NACOSTI) permit number NACOSTI/P/16/55048/13710. The letters were delivered to the respondent's offices accompanied with a self-written request, which was a requirement. This process facilitated early interaction with the respondents, which was healthy as it enabled the researcher or the research assistant to explain the specific objective of the study. It also strengthened cooperation largely. After submission of the application, the researcher was given formal, oral and in some other instances phone call consent albeit after lengthy persuasion.

According to Kothari, (2004) primary data is the data collected afresh and for the first time, and thus happen to be original in character. According to Morrison & Louis, (2007) primary data consist of those items that are original to the problem under study. In this study, primary data was collected through the administration of questionnaires, which contained closed-ended questions and open-ended questions. The Open-ended questions allowed the respondents to provide information that was beyond the researcher scope of knowledge. This information significantly enriched the study as it introduced new dimensions of attributes of integrated talent

management and their relationship with competitive advantage. The choice of using questionnaires was because it was simple and helped to cover majority of the targeted respondents, which resulted to high response rate. In addition, they also allowed possible anonymity. The dully-filled questionnaires were latter collected, coded and responses analyzed using SPSS Version 22.

A study by Dawson, (2009) pointed out that secondary data is the data collected using information from related studies that other researchers have conducted, while Schwab (2005) argued that secondary data refers to information used for research purposes but that which have been collected for other purposes. In reference to this study the collection of secondary data was guided by the research objectives on the independent, dependent, and moderating variables. Specifically, the researcher reviewed authorized studies, journals, organization reports, and information accessible on the official websites. This information added more value in refining the research problem and clarifying issues based on the study.

#### 3.9. Pilot Study

According to Ferber & Verdoorn, (1962), Kothari (2004) a pilot test is a replica and rehearsal of the main survey. Beck & Polit, (2003), Punch (2003) & Paroush, (1994) observed that the purpose of a pilot study is not so much to test research hypotheses, but rather to test protocols, data collection instruments, reliability of instruments and validity of the questionnaires in preparation for the main study. For the purpose of this study the researcher conducted a pilot test by randomly administering questionnaires to 10% of 377 targeted sample which was 38 respondents from telecommunications firms outside Nairobi City County because they were not part of the study before the final study was undertaken. According to Cooper & Schilder, (2011), 10% of the sample constitute the pilot test. The survey was critical as it helped to identify gaps, review and modify questions, techniques and strategies, which enhanced the validity and reliability of the research instruments.

#### 3.9.1 Validity

According to Robinson, (2002), validity is the degree to which result obtained from the analysis of the data actually represents the phenomenon under study. Kothari, (2004), refers to it as the extent to which a scale encoded into a set of questions actually measures the variable it is supposed to measure. According to & Mugenda, (2003) validity is the accuracy and meaningfulness of inferences, which are based on the research results. Therefore, results obtained from the analysis of the data actually represent the phenomenon under study to the degree. In this case the researcher conducted various validity checks during questionnaire development which ensured that the instrument measured what they were expected to measure. The research discussed the instruments with supervisors who are experts in the area and they advised on appearance and content of the tools. After the pilot study, the instruments were again reviewed based on pilot results.

#### 3.9.2 Reliability

Reliability is the degree to which a test consistently measures the study variables (Gay, 1987). It is a measure of the degree to which research instruments yields consistent results after repeated trials (Mugenda & Mugenda, 2003). Cronbach's Alpha Coefficient was used to test the reliability of the measures in the questionnaires (Cronbach, 1951). It represents function of the number of test items and the average inter-correlation among the items. Here N is equal to the number of items, c-bar is the average inter-item covariance among the items and v-bar equals the average variance.

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Variable	Cronbach's alpha	No of items
Talent acquisition	.950	15
Talent development	.866	15
Talent compensation	.789	20
Talent retention	.867	15
Competitive advantage	.844	14

The study adopted a Cronbach alpha of 0.7, as shown in Table 3.2 because all the variables were reliable for data collection.

For purposes of conceptual presentation below is the formula for the standardized Cronbach's alpha:

 $\alpha \!=\! \frac{N \!\cdot\! \bar{c}}{\bar{v} \!+\! (N \!-\! 1) \!\cdot\! \bar{c}}$ 

The alpha coefficient ranges in value from zero to one and a high coefficient implied there is consistency among items in measuring the concept of interest. Nunnally (1978) argued that an alpha coefficient of 0.50 or greater is adequate to accept presence of internal consistency. For the purpose of this study, the alpha coefficient of the samples was assumed reliable at 0.70, which according to Cronbach's Alpha Coefficient a reliability of 0.70 or higher is considered "acceptable". The estimates of reliability should be based on the average inter correlations among all the single items in the test (Drost, 2011). The Cronbach's alpha ( $\alpha$ ) coefficient when used for reliability test the value should be 0.8 although 0.7 was adopted as a satisfactory level (Bryman, 2012).

#### 3.10. Data Analysis and Presentation

According to Smith, (2001) data analysis is the procedure in which raw data is arranged to extract critical information to the study. In reference to Mugenda & Mugenda, (1999) data was coded, cleaned, analyzed and summarized using descriptive statistics. Quantitative data obtained from the questionnaire was analysed using Statistical Package for Social Sciences (SPSS) software version 22 to generate Tables, graphs and statistical parameter estimates. Content analysis was used to analyse qualitative data while statements were studied, organized and presented in prose form in order to draw meaningful conclusions from the data. Descriptive statistics such as measures of central tendency was used to describe data. The relationship between factors influencing competitive advantage in telecommunication firms and the variables (talent acquisition, talent development, talent compensation and talent retention) were determined based on regression analysis.

Factor analysis was conducted for all the items of each variable and items, which did not meet the threshold of 0.3, were dropped. Descriptions of the dependent and independent variables were established and test for normality of the dependent variable was done. The study used descriptive statistics, which include percentages, means, variances and standard deviations for data presentation while inferential statistics, which include Correlation analysis, was used to test the relationship between the variables (Jackson, 2009). Regression Analysis, Analysis of variance (ANOVA), and chi-square was used to compare the relationships between integrated talent management process and competitive advantage. They were also used to test for the goodness of fit of the model. The correlation and the multiple linear regressions were used to analyze the relationship between the independent variables, moderating variable and dependent variable. Finally, the study adopted a stepwise regression analysis to establish the relationship between dependent and the independent variables. The empirical analysis was based on the standard regression model below:

$$Y = \alpha + \beta_1 X_1 + \dots + \beta_n X_n + \mathcal{E}$$

Where

Y = Competitive advantage (dependent variable)

 $X_1$  = the first independent variable (talent acquisition)

 $\beta_1$  = the coefficient of the first independent variable.

 $\epsilon = error term$ 

Bn= the coefficient of the n<sup>th</sup> independent variable

 $X_n = n^{th}$  independent variable.

1. To determine the role of talent acquisition process on competitive advantage;

$$Y_1 = \alpha + \beta_1 X_1 + \mathcal{E}$$

Where

 $Y_1$  = Competitive advantage (dependent variable)

 $X_1$  = the first independent variable (talent acquisition)

 $\beta_1$  = the coefficient of the first independent variable.

 $\varepsilon_1 = \text{error term.}$ 

2. To establish the role of talent development process on competitive advantage;

 $Y_2 = \alpha + \beta_2 X_2 + \mathcal{E}$ 

Where

 $Y_1$  = Competitive advantage (dependent variable)

 $X_2$  = the second independent variable (talent development)

 $\beta_2$  = the coefficient of the second independent variable.

 $\varepsilon_2 = error term$ 

3. To determine the role of talent compensation process on competitive advantage;

$$Y_3 = \alpha + \beta_3 X_3 + \mathcal{E}$$

Where

 $Y_1$  = Competitive advantage (dependent variable)

 $X_3$  = the third independent variable (talent compensation)

 $\beta_1$  = the coefficient of the first independent variable.

 $\epsilon_3 = \text{error term.}$ 

4. To examine the role of talent retention process on competitive advantage:

 $Y_4 = \alpha + \beta_4 X_4 + \mathcal{E}$ 

Where

 $Y_1$  = Competitive advantage (dependent variable)

 $X_2$ = the fourth independent variable (talent retention)

 $\beta_2$  = the coefficient of the second independent variable.

 $\epsilon_2 = error term$ 

5. To assess the moderating role of transformative leadership between independent variable(integrated talent management processes) and dependent variable (competitive advantage)

The regression analysis which was used yielded to an equation of the following nature;  $Y=\alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 XZ + \mathcal{E}$ 

Y is the summation/ overall (integrated talent management processes) Dependent Variable,

 $\alpha$  is a constant,

 $\beta_n$  are coefficients of the independent variables

x<sub>1</sub>.....x<sub>n</sub>are independent variables

Z is moderating variable

 $\epsilon$  is a stochastic [random] error.

A moderator variable, commonly denoted as Z, was a third variable that affects the strength of the relationship between a dependent and independent variable. In a causal relationship, if x is the predictor variable and y is an outcome variable, then z is the moderator variable that affects the casual relationship of x and y. Most of the moderator variables measure causal relationship using regression coefficient. The moderator variable, causes an amplifying or weakening influence between x and y. In this equation, if (the interaction between the independent variable and moderator variable) is statistically significant, then Z was a moderator variable, and thus moderation was supported.

### 3.9.1. Operationalization of Variables

This is the process of creating a definition for a concept that was observed and measured. It enabled the researcher to measure variables quantitatively as it defined the concept to make the theoretical concept clearly distinguishable or measurable and to understand it in terms of empirical observations (Zikmund, 2003). The study had five variables which comprised of the dependent variable competitive advantage and the independent variables namely; talent acquisition, talent development, talent compensation and talent retention. In addition, transformational leadership was used as the moderating variable. According to Dillman, (2000) a study must be operationalized to test the relationships. In this case, the operationalization method that was used by the researcher is the Likert scale. In licker scale, the respondents were asked to indicate the extent of agreement with the specific statements. The levels of agreement were represented by (5) Strongly Agree (4) Agree (3) Neutral (2), Disagree (1) Strongly Disagree. The researcher assigned each response a scale value indicating the extent, and the score were then summed.

The first independent variable was integrated talent acquisition processes. In the 'war for talent', a firm competitive advantage depends on successful acquisition of the talented workers required by the business. Talent acquisition comprised of processes such as systematic identification of key positions and the subsequent plan for filling them with the right talent to drive competitive advantage, Beckar & Husselid as cited in Kollings and Mellahi, (2009). This variable was measured by use of human resource plans and talent placement methods. The second independent variable was an integrated talent development process that was measured by use of processes such as capability need assessment and design and training development methods. According to Chapman (2009) as cited in Wurim, (2012), the most effective way to develop talent is to enable learning and personal development to take place. Key processes observed in talent development include career growth, succession plans, performance measurement, and exposure and on job training. In addition, Identification of skills, capabilities gap and development methods were considered critical. Others include talent development processes, talent surveys; performance and development reviews; job analysis, role and competency analysis; content of jobs and roles by reference to key activities and outcomes; performance standards

required in terms of quantity and output; and defining the knowledge, skills and competencies needed to perform the job in order to meet the performance standards.

The third independent variable was integrated talent compensation processes, which was concerned with the processes of formulation and implementation of compensation and benefits policies, strategies and practices. It also provided the link between compensation and performance measurement methods. The aim of compensation in telecommunication firms is to compensate talent fairly, equitably and consistently in accordance with their value additions pointed out by Armstrong (2005), effective implementation of favorable compensation management does not only aid in stabilizing and retaining talent but also helps in reducing labor turnover, which would negatively affect competitive advantage of the organization. This variable was measured by processes such reward policy and performance measurement in place. The fourth independent variable of the study was integrated talent retention process, which was viewed as a strategic opportunity for the telecommunication firms to retain talent workers capable of creating competitive advantage (De Long & Davenport, 2003; Schramm, 2006) as cited in Oladipo, (2014). The existing talent engagement and workplace relationship management processes measured the variable. A questionnaire was used to measure the level of all variables using a five point Likert scale where (5) strongly agree (4) Agree (3), Neutral (2) Disagree (1) strongly agree. The information collected was analyzed using Statistical Package for Social Sciences (SSPS) 22 version to generate frequency distributions, graphs, pie charts, Tables and means.

The study's dependent variable was the competitive advantage. According to Burney (1991) a firm is said to have a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by current or potential competitors. Porter (1985) opined that competitive advantage grows fundamentally out of value a firm is able to create for its buyers that exceeds the firm cost of creating it. The variable attributes in this study were knowledge capital investment, superior innovation speed and organizational capability. David & Lake, (1990)

observed that organizational capability helps a firm to realize its strategic goals, and competitive advantage. A good example is achievement of competitive human resource practices, excellence customer services and effective management of organization transformation, which is significant in the telecommunication firms. This was measured from primary data using 5-point Likert scale.

The moderating variable in this study was transformative leadership. According to Northouse, (2001) transformational leadership is a process that changes and transforms individuals to want to do things differently. It is the ability of an individual to get people to want to change, to improve, and to be led in different direction. Transformational leadership wasmeasured by existing business policies and leadership practices and the researcher used both open and closed ended type of questionnaire. Key consideration was on the role of transformational leadership on independent variables and competitive advantage. Again assessment was done on the level of agreement based on a five point Likert scale where (5) Strongly Agree,(4) Agree(3),Neutral(2)Disagree(1)StronglyAgree.

# Table 3.3: Summary of Data Analysis

Objectives	Hypotheses	Hypothesis Test	Regression Model
Research Objective 1	Research hypothesis 1	Logit [p] = $\beta_0 + \beta_1 PP +$	At 95% confidence level;
To determine the role of integrated talent	$H_{01}$ – There is no significant relationship between	$\beta_2 FP + \beta_3 PHP + u_i$	Reject $H_0$ if $P \le 0.05$
acquisition processes in competitive advantage of	integrated talent acquisition processes and	H <sub>0</sub> : $\beta_1$ , $\beta_2$ , $\beta_3$ , $\beta_4 \neq 0$	Do not reject H <sub>0</sub> if
telecommunication firms in Nairobi City County,	competitive advantage of telecommunication firms	$H_a: \beta_1, \beta_2, \beta_3, \beta_4 = 0$	$\mathbf{p} \ge 0.05$
Kenya	in Nairobi City County, Kenya	$p \le 0.05$	
Research Objective 2	Research hypothesis 2		
To establish the role of integrated talent			
development processes in competitive advantage	integrated talent development processes and		
of telecommunication firms in Nairobi City	competitive advantage of telecommunication firms		
County, Kenya	in Nairobi City County, Kenya		
Research Objective 3	Research hypothesis 3		
To determine the role of integrated talent			
compensation process in competitive advantage	integrated talent compensation processes and		
of telecommunication firms in Nairobi City	competitive advantage of telecommunication firms		
County, Kenya.	in Nairobi City County, Kenya		
Research Objective 4	Research hypothesis 4		
To examine the role of integrated talent retention	$H_{04}$ – There is no significant relationship between		
processes in competitive advantage of	integrated talent retention processes and		
telecommunication firms in Nairobi City County,	competitive advantage of telecommunication firms		
Kenya	in Nairobi City County, Kenya		
Research Objective 5	Research hypothesis 5	$=\alpha+\beta_1X_1+\ldots+\beta_nX_n$	At 95% confidence level;
To assess the moderating role of transformative	$H_{05}$ – There is no significant moderating effect of	+8	Reject $H_0$ if $P \le 0.05$
leadership on integrated talent management and	transformative leadership on integrated talent		Do not reject H <sub>0</sub> if
competitive advantage of telecommunication	management and competitive advantage of	$H_{0}: \beta_{1}, \beta_{2}, \beta_{3}, \beta_{4}, \beta_{5} \neq 0 H_{a}: \beta_{1}, \beta_{2}, \beta_{3}, \beta_{4}, \beta_{5} = 0$	p ≥ 0.05
firms in Nairobi City County, Kenya.	telecommunication firms in Nairobi City County,	$\mu_{a}, \rho_{1}, \rho_{2}, \rho_{3}, \rho_{4}, \rho_{5} = 0$ $p \le 0.05$	If testing for $\beta_1$ , $\beta_2$ , $\beta_3$ , $\beta_4$ (hypothesis 1
	Kenya	$p \ge 0.03$ Moderation effect occurs if	to 4) is significant, then there is
		$\beta_5$ is significant	partial moderation; if not significant,
		p <sub>5</sub> is significant	there is complete moderation

Source: Author (2018)

#### **CHAPTER FOUR**

# **RESEARCH FINDINGS AND DISCUSSION**

### 4.1. Introduction.

The chapter present research findings followed by discussion based on the study objectives; role of the integrated talent acquisition, talent development, talent compensation and talent retention in competitive advantage of telecommunication firms in Nairobi City County, Kenya. It also presents research findings on the moderating role of transformational leadership. The overall results are presented by use of descriptive, qualitative and inferential analysis of the research variables.

# 4.2 Response Rate

The researcher distributed 377 questionnaires out of which 371 were filled and returned. This represented 98.4 percent overall successful response rate which was attributed to personal involvement, support by a research assistant and use of simple self-administered questionnaires. According to Babbie, (1990) response rates of 50% is considered as adequate, while 60% is viewed as good and 70% as very good. Morrison &Louis, (2007) pointed that for a social study, anything above 60% response rate is adequate for making significant conclusion in social sciences. The response rate at 98.4% in reference to this study was very good for data analysis, recommendation and conclusion. The response rate is also useful to the firms as it reflect the reliability of the findings and eventual implementation

### Table 4.1: Response Rate

Issued Questionnaires	Frequency	Percentage
Successful	371	98.4
Unsuccessful	6	1.6
Total	377	100

#### 4.3 Background Information

#### 4.3.1 Gender of Respondents

Data was collected from three organizations, which control the telecommunication market in Nairobi City County, Kenya namely Safaricom Kenya limited, Airtel Networks and Telcom Kenya Orange. The findings indicated that 54.7% of the respondents were male while 45.3% were female. These findings confirmed that telecommunication firms do practice gender balance in their employment. Although male respondents were slightly higher than female, the findings indicates that there is diversity hence the data was balanced. In addition, the findings show that telecommunication firms in Nairobi City County Kenya are gender sensitive and therefore do provide equal opportunities to all. This is important for them to align their employment practices with the Kenya Constitution, (2010). It is also viewed to be a better employment practice, which promotes employee performance. According to Acker (2006) as quoted in (Kireru, 2013) observed that gender balance is of great value to the improvement of talent management. He argued that it fosters teamwork and creates a sense of unity as it is viewed as an aspect of working together for a

common goal with every individual effort being important to the attainment of the overall objectives. Given the difference was very small, it can be inferred that telecommunication firms in Kenya are gender sensitive institutions that provide equal opportunities to both male and female employees. The study sought to establish the respondent's gender and results are presented in Figure 4.1.

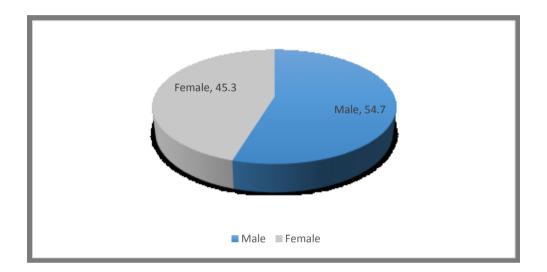
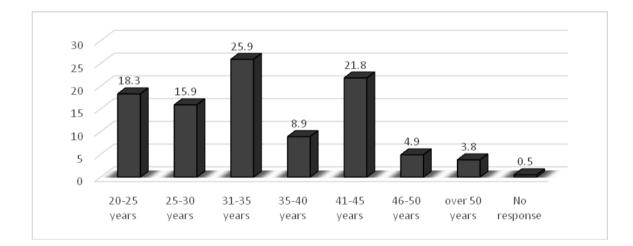


Figure 4.1: Respondents Gender.

## 4.3.2 Respondent's Age

The findings show that 90.8% of the respondents are between 20-45 years old and 18.3% are of the age between 20-25 and 31-35 years old are 25.9%. This implies that majority of employees in telecommunication firms in their productive age and belongs to millennium generation. This is key findings because it indicates the need for telecommunication firms to determine the largest workforce and the type of investment that should be directed to them to drive competitive advantage. Additionally it is a pointer toward the "war of talent" within telecommunication sector, which is significant in driving their competitive advantage. According to a study by Tiwari & Shrivastara, (2013) talent retention is critical to an organization competitive advantage. In this case the capability of telecommunication firms to retain talent is critical. A study by Berry, (2010) found that age is a critical factor in

determining employees' productivity and their ability to drive an organization competitive. Young workers have high expectations from the work place and hence at risk of turnover. According to Kipkebut, (2010) younger employees are likely to leave than older ones. Older workers on the other hand prefer to retain their status quo, since they do not want to disrupt their benefits such as pension. This is significant findings to telecommunication firms. Their capabilities to acquire and retain the largest group of workers who are between the age of 20-35 years old is critical to their competitive advantage.

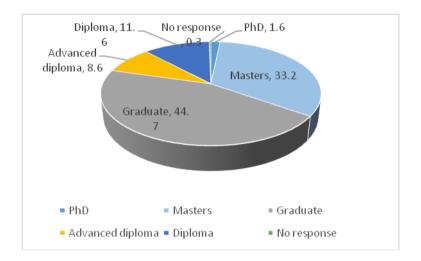


#### Figure 4.2: Respondent's Age

#### 4.3.3 Education Level

The findings confirmed that majority of the respondents 44.7% are graduates while 33.2% possess Master Degrees, while 8.6% and 11.6% hold Diploma and Advanced Diploma respectively. This is important to the telecommunication firms because it ensures that they have skills and competencies that are current. This is key to enabling telecommunication firms stay competitive. The finding established that respondents were qualified to interpret the role of integrated talent management processes in competitive advantage of their firms. The findings agreed with those of Malachi & Wario (2013) in a related study done at KPLC, which found out that 50%

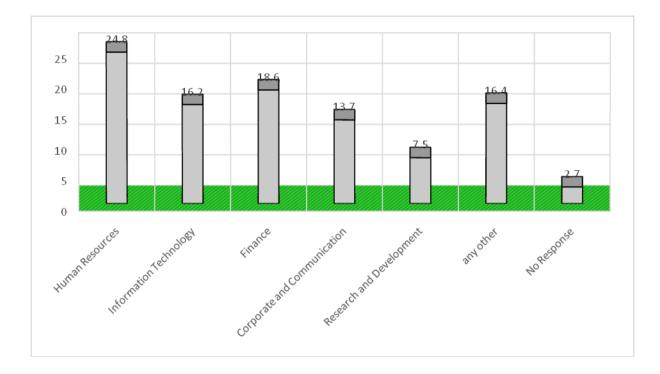
of the employees, had university degrees while the rest had diplomas. The findings also indicated that majority of employees were aware of the competitive business environment their firms were operating in and how this influenced their talent acquisition processes. The findings are presented in Figure 4.3.



### **Figure 4.3: Education Level**

### 4.3.4 Functions at Workplace

The study sought to establish the functions or structure in telecommunication firms. This is important in ensuring that there is proper utilization of talent, which directly relate with competitive advantage. The findings showed that 24.8% are in human resource, 16.2% in information technology, 13.7% in corporate and communication, 7.5% in research and development with 16.4% from other departments The findings therefore confirmed that majority of the departments were represented in the study and that the findings represented the nature of the operations of the firms. It also implies that every department had a chance to contribute in the study, which sought to find out the role of integrated talent management processes in their competitive advantage. Additionally the distribution of the workforce indicates that telecommunication firms are in a position to harness the abilities of talent from all the critical departments. The findings are shown in Figure 4.5.

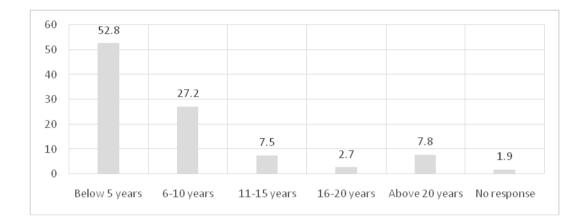


### **Figure 4.4: Functions at Workplace**

# 4.3.5. Number of Years in Service

The study sought to find out the number of years the respondents had been employed with the telecommunication firms and appreciate their experience with the business. The findings confirmed that 52.8% of the respondents had worked for less than five years, and 27.2% for six to ten years. Overall majority of the respondents at 71% had been with the telecommunication firms for ten years. The findings therefore indicated that majority of the respondents were aware of the role of integrated talent management processes in competitive advantage of telecommunication firms. They were also aware of the functioning and effectiveness of talent acquisition, development, compensation and retention. In this regards they were able to provide reliable information relevant for this study. In the context of this study telecommunications firms should consider implementing retention programs to keep

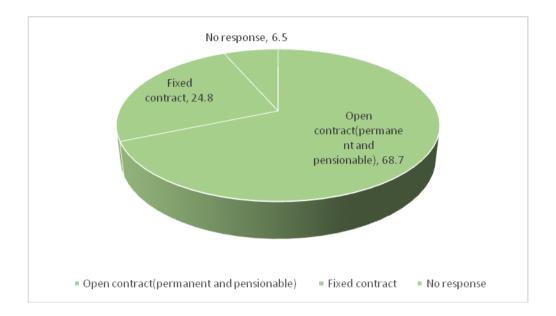
talent in their fold. This category keeps institutional memory useful for the firms reference. The findings are illustrated in Figure 4.5



### **Figure 4.5: Number of Years in Service**

### 4.3.6. Nature of Employment

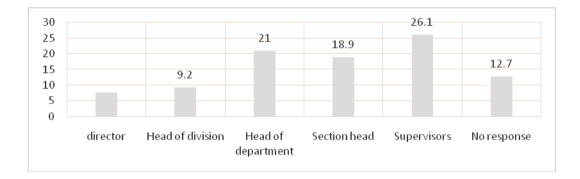
The study sought to find out the type of employment contract employees are offered by the telecommunication firms. Employment contract is useful in employee's morale, motivation and productivity. According to the findings, 68.7% of the respondents are on open contract, 24.8% on fixed contract while 6.5% did not respond on the status of their employment. This implied that most of the employees of telecommunication firms in Nairobi City County Kenya are employed on open contracts. The findings confirmed that majority of the respondents were on long term employment hence they were assumed to be in a position to respond to statement put to them on the role of integrated talent manage in competitive advantage of their organizations. In the context of this study telecommunication firms may consider engaging employees on open contract. The findings are illustrated in Figure 4.6.



# Figure 4.6: Nature of Employment

# 4.3.7 **Position at Workplace**

The study sought to establish the position of the respondents in the telecommunication firms. The information is important to understanding the contributions of the respondents on policy issues like talent management. The study found that 9.2% are head of divisions, 21% head of department, 18.9% section heads, and 26.1% supervisors. The findings also indicated that 30.2% by the virtue of their positions interacted with integrated talent management processes and were in a position to provide reliable findings related to the study. In addition, the respondents were aware of the attributes of competitive advantage hence they were in a position to the questionnaires adequately. The findings are as shown in Figure 4.7.



#### **Figure 4.7: Position at Workplace**

#### 4.4 Descriptive and Qualitative Analysis of Study Variables

The overall objective of the study was to explore the role of integrated talent management processes in competitive advanatge of telecommunication firms in Nairobi City County, Kenya. This section present the analysis of descriptive statistics on the findings of the independent, dependent and moderating variables. Specifically, the study variables were, integrated talent acquisition process, integrated talent development process, integrated talent compensation process, and integrated talent retention process and transformative leadership. The dependant variable was the competitive advantage.

# 4.4.1 Role of Integrated Talent Acquisition processes in Competitive Advantage

The first objective of the study was to determine the role of integrated talent acquisition processes in competitive advantage of telecommunication firms. The survival and growth of an organization relies on its capability to acquire talented workers, which was regarded as its prime resource (Armstrong, 2009). The respondents were therefore supposed to respond to questions put to them on the role of talent acquisition determines organization competitive advantage. The study found that 84.1% of the respondents agreed that talent acquisition process positively determine competitive advantage. According to Table 4.1 most of the respondents at

68.7% agreed that integrated talent acquisition processes positively determine competitive advantage of telecom firms. This clearly confirmed that telecom firms invest on talent acquisition processes to ensure they attract talented employees required by their businesses. According to the findings, only a small proportion of the respondents at 24.8% disagreed while there was no response from a meager 6.5%. The study also found that 77.6% of the respondents agreed that talent acquisition plan significantly determines competitive advantage of telecommunication firms while 16.4% disagreed as shown in Table 4.2.

 Table 4.2: Perception on the Role of Integrated Talent Acquisition process in

 Organization competitive Advantage

	Yes		No		onse	
Statement	Freq	%	Freq	%	Freq	<sup>0</sup> ⁄0
Does integrated talent acquisition process have a role in your organization competitive advantage	312	84.1	47	12.7	12	3.2
Please state if there is a positive relationship between the role of integrated talent acquisition and your processes in your organization competitive advantage	326	87.9	33	8.9	12	3.2
What is the overall role of integrated talent acquisition processes	288	77.6	61	16.4	22	5.9

The findings indicate that integrated talent acquisition processes contribute to the organization competitive advantage. A study by Kehinde, (2012) concurs that for an organization to have a competitive advantage human capital is very essential especially when the right talent is acquired in time. The study also found that there is positive relationship between the role of integrated talent acquisition processes and when well planned and competitive advantage. Additionally the study also found that overall talent acquisition is an key strategy of ensuring telecommunication firms acquire the right skills, competencies and abilities to drive their competitive advantage as, indicated in Table 4.3.

		Stron gly disag	disag	Unde cided	Agre e	Stron gly agree	NR	Mean	Stdv	Sig. (2- tailed)
Role of integrated talent acquisition processes is key driver in	F	42	25	55	101	144	4	3.763	1.339	.000
competitive advantage in my organization	%	11.3	6.7	14.8	27.2	38.8	1.1			
The role of integrated talent acquisition processes in the	F	38	35	56	114	118	10	3.662	1.307	.000
organization is supported by talent plan.	%	10.2	9.4	15.1	30.7	31.8	2.7			
The effectiveness of the role of the integrated talent	F	35	44	51	114	122	5	3.667	1.307	.000
acquisition is based on the talent placement strategy that guides appropriate talent placement in their respective roles.	%	9.4	11.9	13.7	30.7	32.9	1.3			
There is a relationship between the role of the integrated	F	28	32	58	97	151	5	3.850	1.261	.000
talent acquisition processes and competitive advantage in my organization	%	7.5	8.6	15.6	26.1	40.7	1.3			
The role of talent acquisition is fully supported by the talent	F	33	44	47	113	125	9	3.699	1.302	.000
management policy	%	8.9	11.9	12.7	30.5	33.7	2.4			
There is integrated talent acquisition policy framework that	F	34	40	71	93	122	11	3.636	1.305	.000
guides decision making on the role of talent acquisition	%	9.2	10.8	19.1	25.1	32.9	3.0			
The role of integrated talent acquisition is implemented	F	28	33	63	101	140	6	3.800	1.254	.000
through careful talent selection.	%	7.5	8.9	17.0	27.2	37.7	1.6			
Integrated Talent acquisition processes have a positive	F	29	34	39	122	137	10	3.848	1.255	.000
relationship with superior innovation speed in the company	%	7.8	9.2	10.5	32.9	36.9	2.7			
The role of integrated talent acquisition is enhanced by	F	29	31	41	123	136	11	3.850	1.242	.000
effective knowledge management, which positively affects	%	7.8	8.4	11.1	33.2	36.7	3.0			
competitive advantage.										
The role of integrated talent acquisition drives the	F	34	31	39	123	132	12	3.802	1.280	.000
organization capabilities and competitive advantage	%	9.2	8.4	10.5	33.2	35.6	3.2			
We have a department that specifically deals with the role of	F	45	32	48	98	129	19	3.665	1.382	.000
integrated talent acquisition because it is key in competitive advantage.	%	12.1	8.6	12.9	26.4	34.8	5.1			

 Table 4.3: Role of Integrated Talent Acquisition Processes in Competitive Advantage of telecommunication Firms.

*Test-value=3* 

According to the findings integrated talent acquisition processes has a role in competitive advantage of telecommunication firms. Majority of the respondents who were at 60% with a Mean>3.5, p=0.000 were in agreement with the statements. In addition the findings agreed with Burns, (1991) that resources that are valuable, rare, inimitable have the potential to provide an organization with a competitive advantage.

The findings indicate that telecommunication firms have talent plans, which guides management of talent. The study also found that 62.5% of the respondents agreed that telecommunication firms have talent plans to guide the effective implementation of talent acquisition. The findings concurred with the study by Chikumbi, (2011) which found that Zambian Banks have talent plans to support their talent acquisition, retention, development and compensation plans since they positively relate with competitive advantage.

The findings also shows that 63.5% of the respondents agreed that telecommunication firms have talent placement strategy which support talent acquisition processes. The findings agreed with those of Armstrong, (2011) who noted that other factors that influence the role of integrated talent acquisition are company image, selection and deployment, leadership (employees join companies and leave managers), learning opportunities as well as performance recognition and rewards. This implied that company image should be maintained to attract and retain talented employees. When an organization acquire talented workforce they contribute positively to the organization competitive advantage. It also positively affects competitive advantage since telecommunication firms are able to attract and retain the talent they require to deliver their strategic objectives. According to Armstrong, (2014) when the organization deploys its people in ways that maximize the benefit they supply and develops their talents and skills.

The findings indicate that 66.8% of the respondents agreed that there is a relationship between talent acquisition processes and competitive advantage in telecommunication firms. This findings supports Safaricom bulletin, (2015) report that shows that its talent acquisition strategy focuses on talent attraction and retention of staff with unique capability and who are in a position to deliver unique performance associated with competiveness. This is because when talent is acquired, developed and compensated it helps to implement, and deliver compelling value propositions to consumer segments, which sustain the firm competitive advantage. According to Airtel Networks limited the role of talent acquisition is based on its business strategy of competitiveness. The findings also concurred with Armstrong, (2014) that the overall objective of talent acquisition is to ensure that a firm achieves competitive advantage.

Majority of the respondents at 64.2% agreed that telecommunication firms have effective talent management policy, which supported the role of talent acquisition and guides decision making on talent management process such as talent identification, acquisition, retention and development. As opined by Armstrong, (2014) talent management policy ensures that the organization has the right talent it needs to attain its business needs. The management of talented workers were found to be significant even for the global organizations. The demand for talented employees at key positions was found to be critical in telecommunication firms. This is because the policy focuses on persons who are expected to steer the organization and will be responsible to take the organization towards the peak of its success. In addition, telecommunication firms were found to be in a state of fight for the best talent, which is dictated by the competitive nature of the market.

Talented workers make a difference to their organizations performance through their immediate efforts and they have the potential to make an important contribution in future. According to the study by Project Management Institute, (2013) it was found that talent management practices benefits both the individual and the organization. The study also found that when talent management is aligned to the organizational

strategy it has a positive influence on the success of projects meeting their original goals and business intent. This is also evident to organizations in which talent management is aligned to their strategy because they tend to have an average project success rate of 72 percent, while organizations in which talent management is not effectively aligned to organizational strategy had an average project success rate of 58 percent. The difference of 14 percentage points in project success rates equates to risking 50 percent more project dollars when talent management was not effectively aligned with strategy (Project Management Institute, 2013). As indicated by Armstrong, (2014) organizations with the best people win. The study found that 58% of the respondents concurred that telecommunication firms have talent acquisition policy framework that guides management decision making on all talent acquisition processes. The findings concurred with findings by Oladipo, (2014) which measured by talent acquisition and performance measurement processes in place.

According to the findings majority of the respondents 64.9% agreed that the role of talent acquisition is implemented through careful talent selection process in place to guide filling for vacant positions. In addition, talent selection is a key activity that determines how vacant positions are advertised and filled. The results are congruent with findings by Kehinde, (2012) who found that for an organization to gain competitive advantage, it must adopt integrated talent management approach focusing on sound talent selection and placement. In addition, the findings established that 69.9% of the respondents agreed that talent acquisition has a significant relationship with superior innovation and speed which were key determinants of telecommunication competitive advantage. From interviews talent acquisition was found to be the basis for the development of organization capabilities, which is an attribute of competitive advantage. The findings concurred with studies by Tarique & Schuler, (2010) which found that when an organization acquire top talent, its enhances its chances for growing its competitive advantage over their competitors. Other studies cited in this study found that companies that were able to identify and match an applicant's inherent talents with their jobs and

culture enjoyed a competitive advantage by building a much more solid foundation for their existence.

According to the findings 68.8% of the respondents agreed that the role of talent acquisition is enhanced through effective knowledge management plans while, 61.2% confirmed that the firms have departments that specifically deals with the role of talent acquisition processes as shown in Table 4.3. Iqbal *et al* (2013) opined that the relationship between talent acquisition practices and employee's emotional stability in Pakistan supported that talent management practices have positive role in performance of organizations, organization competitiveness and employee's emotional stability. From interviews the study also found out that there was a strong positive relationship between integrated talent acquisition and employee retention. However, telecommunication firms in Kenya have partially embraced integrated talent management as a strategy to retain employee hence retention remains a significant challenge. The findings concurred with the findings of a study conducted by Njoroge, (2012) on talent management in commercial state corporations in Kenya, which found that most of the commercial state corporations in Kenya lacked a well-formalized and clearly communicated talent strategy

### Table 4.4: Factor Analysis on the Role of Integrated Talent Acquisition Process

#### in competitive advantage

Factor Analysis Component Matrix	Component
Role of integrated talent acquisition processes is key driver in competitive advantage in my organization	.787
The role of integrated talent acquisition processes in the organization is supported by talent plan.	.871
The effectiveness of the role of the integrated talent acquisition is based on the talent placement strategy that guides appropriate talent placement in their respective roles.	
There is a relationship between the role of the integrated talent acquisition processes and competitive advantage in my organization	.880
The role of talent acquisition is fully supported by the talent management policy	.859
There is integrated talent acquisition policy framework that guides decision making on the role of talent acquisition	.883
The role of integrated talent acquisition is implemented through careful talent selection.	.819
Integrated Talent acquisition processes have a positive relationship with superior innovation speed in the company	.853
The role of integrated talent acquisition is enhanced by effective knowledge management, which positively affects competitive advantage.	
The role of integrated talent acquisition drives the organization capabilities and competitive advantage	.864
We have a department that specifically deals with the role of integrated talent acquisition because it is key in competitive advantage.	.855

The findings in Table 4.4 confirmed that the factor analysis results for statements regarding the role of talent acquisition in competitive advantage of telecommunication firms had a coefficient of more than 0.4 hence they were retained for further analysis.

### 4.4.2 Role of Integrated Talent Development Process in Competitive

## Advantage of Telecommunication Firms

The second objective of the study was to establish the role of integrated talent development processes in competitive advantage of telecommunication firms in Nairobi City County, Kenya. According to the study talent, development is considered as the activities and programs that help staff develop superior and unique skills and competencies to accomplish high-level institutional performance and divisional goals. This study sought to establish the role of talent development processes in competitive advantage of telecommunication firms.

	Yes		No		No response			
Statement	Freq	%	Freq	%	Freq	%		
Talent development process have a role in your organization competitive advantage?	330	88.9	37	10.0	4	1.1		
Talent development play a role in talent retention, which drives your organization competitive advantage?	331	89.2	32	8.6	8	2.2		
Your organization have a talent development plan to guide its implementation	281	75.7	71	19.1	19	5.1		

Table 4.5: Role of integrated	Talent Development	Processes	in Ccompetitive
Aadvantage			

The findings indicated that 88.9% of respondents agreed that talent development processes has a role in driving competitive advantage of the telecommunication firms in Nairobi City County, Kenya. A study by Certified Institute (2010) of personal development supports this view. The study shows that learning and talent development contributes 56% while coaching by line managers contributes 51% in competitive advantage. The findings in Table 4.5 show that 89.2% of the respondents agreed that talent development processes contributes to talent retention which drive competitive advantage in telecommunication firms. Gorvaerts, *et,al*, (2010), in an exploratory study to identify ways to retain talent conducted in professional organizations found that to retain employees, it was important to pay attention to

their learning and development needs. The study supports the current study whose findings indicated that talent development of employees is crucial in talent management and retention of talented workers who play a significant role toward competitive advantage of the organization.

Additionally, Table 4.5, show that 75.7% of the respondents agreed that telecommunication firms have talent development plans which guide decision making on implementation of the processes. In this case the findings confirmed that talent plans are critical aspects for facilitating talent development which drive competitive advantage. They also ensure that the right training is given to the right employees at the right time. Workforce planning and talent management practices were also seen to be embraced but only to a moderate extent. The findings also concur with findings in a study by Karemu, et, al (2014), which studied talent management strategies on medical staff retention in Kenyatta National hospital in Kenya and found out that there was a role between talent management and employee development. In the context of this study telecommunication firms should focus in talent development as a way of positioning their skills, abilities and competencies to be more productive. In this competitive and dynamic market, the findings show that learning and development should be the backbone of telecommunication competitive advantage. Additionally telecommunication firms should continuously upgrade the skills and competencies of their staff to remain relevant.

		Stro ngly Aica	Disa gree	Und ecide	Agre e	Stro ngly		NR	Mean	Stdv	Sig. (2- tailed)
Talent development play a role in competitive advantage	F %	26 7.0	38 10.2	39 10.5	109 29.4	157 42.3	266 71.7	2 .5	3.902	1.254	.000
The role of talent development is implemented through talent development assessment need to determine the gaps identified in staff capabilities in order to	F %	35 9.4	38 10.2	66 17.8	117 31.5	109 29.4	226 60.9	6 1.6	3.622	1.273	.000
develop them. The role of talent development is driven by talent development design for guiding talent development.	F %	29 7.8	42 11.3	61 16.4	94 25.3	130 35.0	224 60.3	15 4.0	3.714	1.290	.000
There is different types of talent development methods that guides the role of talent development	F %	30 8.1	27 7.3	74 19.9	101 27.2	130 35.0	<ul><li>231</li><li>62.2</li></ul>	9 2.4	3.757	1.246	.000
Talent development contributes to the development of the organization capabilities in our organization	F %	17 4.6	32 8.6	56 15.1	126 34.0	131 35.3	257 69.3	9 2.5	4.000	2.390	.000
Talent development contributes to the development of superior innovation	F %	22 5.9	24 6.5	67 18.1	102 27.5	147 39.6	249 67.1	9 2.4	3.906	1.183	.000
Talent development contributes to investment in knowledge capita in the organization	F %	30 8.1	27 7.3	50 13.5	120 32.3	136 36.7	256 69	8 2.2	3.840	1.238	.000
Role of talent development is implemented through strategy and policy framework in place in our organization.	F %	37 10.0	27 7.3	73 19.7	101 27.2	124 33.4	225 60.6	9 2.4	3.685	1.291	.000

Table 4.6: Role of Integrated Talent Development Processes in CompetitiveAdvantage of Telecommunication Firms in Nairobi City County

The study sought to establish the role of integrated talent development processes in competitive advantage of the telecommunication firms. The statements asked were rated according to respondent's perceptions as shown in Table 4.6. The findings show that most of the respondents mean>3.5 agreed on the statements related to the role of talent development process in competitive advantage. According to the findings 71.1% of the respondents agreed that talent development processes have a role in competitive advantage in the telecommunication firms in Nairobi City County Kenya. Kibui, (2013) concurred that talent development increases employee's retention, which drives competitive advantage. According to the study 61.8% of the respondents strongly agreed that encouraging employees to develop their skills increased the chances of their retention. Half of the respondents 50% agreed that Telecommunication firms emphasize the importance of acquisition and retention of different competencies. As shown in Table 4.6, the study found out that 60.9% of the respondents agreed that talent development assessment and need analysis was conducted to determine the gaps identified in staff capabilities because this is key in staff contributions to the competitive advantage of the organization. These findings were found to be in line with study by (Jain, 2013), on competency mapping in Indian industries and recommended that organizations should constantly assess competency requirements of different individuals to enable them perform the jobs assigned to them effectively. The study also found that organizations provide opportunities for developing their employees' competencies.

According to the findings 60.3% of the respondents indicated that the role of integrated talent development processes is driven by talent development design to guide talent development programmes as shown in Table 4.6. A study by Patti, (2011) on why employees leave organizations, also supported the importance of talent development in employee retention. The study found that 62.2% of the respondents agreed that different types of talent development methods also guide talent development processes. This is to ensure that organizations have the skills and competencies required to drive their competitive advantage. This study concurs with

a study by Chitalu, (2011) who concluded that one of the key factors of the retention of skilled employees is the provision of training and development opportunities.

The study found that 69.3% of the respondents agreed that talent development processes contributes to the development of the organization capabilities, which is an attributes of their competitive advantage. Study by Waleed (2011) concluded that appropriate training and career development contributes positively to talent retention as it makes employees feel recognized for their strengths and creates possibilities to develop their qualities. According to the findings 67.1% of the respondents agreed that there was a significant relationship between the role of talent development and superior innovation speed which was a measure of competitive advantage. Tiwari, (2013) found that talent management innovation; practices and process were major concerns of Telecom companies in India. The findings confirmed that effective management of talent pool lead to enhanced employee engagement and reduced talent attrition. This proportionately increased the average tenure of employees a critical aspect for organization competitive advantage. The study also found that organization should have defined capabilities in terms of skills, knowledge, ability and behavior because they have a direct and positive influence on innovation.

The study also found that 69% of the respondents agreed that the role of talent development is linked to the organization investment in knowledge capital, which is an attribute of competitive advantage. The findings agreed with those of Ballesteros *et al* (2010) who found that human resource department was involved in attraction and evaluation of talented people with high potential in the organization. The study also found that organizations invest in talent pool to manage skills that the company needs to improve their competitive advantage. In addition, the findings shows that 60.6% of the respondents agreed that the role of talent development processes were implemented through strategy and policy framework to ensure they are well aligned to develop and drive competitive advantage.

In summary, the findings concluded that talent development processes contributed significantly to the firms' competitive advantage at p=0.000 for the means. This shows that talent development processes have a significant contribution in driving competitive advantage. In addition, the study found that telecommunication firms undertake talent development assessment needs as a process of identifying the required skills and competency gaps that exist in their talent pipelines. This was in addition to talent development design, which was used for guiding talent development approaches for different talents. The study also found that there are different types of talent development methods that guide talent management and placement. According to the findings organization capabilities correlates with the development of superior innovation speed, which is an attribute of competitive advantage. The results also indicate that telecommunication firms invest in knowledge capital, talent development strategy and policy framework to ensure talent development were enhanced to drive the organization competitive advantage.

### i. Qualitative Results

According to interviewed division and section heads seven of them agreed that integrated talent development processes play key role in competitive advantage of telecommunication firms. The study findings were consistent with those of Azara & Syed (2013) who found a significant and positive association between learning and growth and the organization competitive advantage. The study agreed with those of Poorhosseinzader & Subramaniam, (2012) cross sectional study done on Malaysian Multinational companies, which found a positive relationship between talent development and the success of the organizations. The findings also agreed with those in Johnson *et al* (2012) research carried out through literature review that showed how poor learning and development of employees can hamper effective performance and competitiveness of an organization. The study indicated that appropriate learning and development strategies should be put in place to ensure that learning and development drive competitive advantage of telecommunication firms as supported by a study by CIPD, (2010)

Table4.7:	Factor	Analysis	on	the	Role	of	Integrated	Talent	Development
Processes in	Compe	etitive Adv	ant	age (	of Tele	cor	nmunication	ı Firms.	

Factor Analysis Component Matrix	Compon ent
Talent development play a role in competitive advantage	.739
The role of talent development is implemented through talent development assessment need to determine the gaps identified in staff capabilities in order to develop them. The role of talent development is driven by talent development	f .787
design for guiding talent development.	./31
There is different types of talent development methods that guides the role of talent development	.782
Talent development contributes to the development of the organization capabilities in our organization	.804
Talent development contributes to the development of superior innovation	.734
Talent development contributes to investment in knowledge capita in the organization	.679
Role of talent development is implemented through strategy and policy framework in place in our organization.	.753

Table 4.7 shows that the factor analysis results for statements regarding the role of integrated talent development processes in competitive advantage and all the statements attracted a coefficient of more than 0.6 hence they were retained for further analysis.

# 4.4.3 Role of Integrated Talent Compensation processes in Competitive Advantage

The study third objective was to determine the role of integrated talent compensation processes in competitive advantage of telecommunication firms in Nairobi City County, Kenya. Compensation is an important factor affecting how and why people choose to work at one organisation over others. It is a total package of wages/salaries, allowances and other fringe benefits against the background of the devices for measuring and rewarding high productivity and the sanction, which were applied when performance falls below expectations. The descriptive analysis of the study findings is as shown in Table4.8.

	Yes No				No response			
Statement	Freq	%	Freq	%	Freq	%		
Talent compensation have a role in competitive advantage of your organization?	300	80.9	38	10.2	33	8.9		
Talent compensation has a role in talent retention, which drive your organization competitive advantage?	299	80.6	41	11.1	31	8.4		
Your organization talent development is linked with compensation, which affect your organization competitive advantage	282	76.0	41	11.1	48	12.9		

**Table 4.8: Perception on the Role of Integrated Talent Compensation Processes** 

The findings indicate that 80.9% of the respondents agreed that talent compensation have a role in competitive advantage. In addition, the findings show that talent compensation processes determine competitive advantage. The finding agreed with those of O'Callaghan (2008) who emphasizes that the only way for organizations to retain talented employees is through making sure that employees are competitively compensated. The findings also agree that the monetary reward is an essential tool to retaining talent. This implied that competitive compensation system should be retained to attract and retain talented employees who are critical in ensuring the organization has a competitive advantage. Further analysis of the findings indicated that 80.6% of the respondents agreed that there is a positive relationship between talent compensation firms in Nairobi City County Kenya do invest in compensation as a component of attracting the right talent capable of driving their competitive advantage. The findings were supported by the study conducted by Nana (2013)

which found that the organizations should ensure that they are better positioned to meet the problems of the talent shortage such as talent compensation for competitive advantage.

The findings as shown in Table 4.8 indicate that most of the respondents at 76% agreed that telecommunication firms in Nairobi City County Kenya have competitive compensation and reward plan in place. This concurs with study by Yona, Kipkoech & Nelima, (2015) which found that most of the respondents at 51% agreed that their salary and other variable payments compare well with the rest of the market. The findings revealed that most respondents agreed that the remuneration package was attractive. On the contribution of remuneration to their retention, most respondents agreed that remuneration package contributed greatly to their retention in the organization (mean score 3.16). The findings support the findings of other researchers that compensation is an important factor affecting how and why people choose to work at one organisation over others. According to Armstrong, (2009) reward can help create a work experience that meets the needs of employees and encourages them to contribute extra effort, by developing a deal that addresses a broad range of issues and by spending reward dollars where they will be most effective in addressing workers' shifting values.

		Stron gly	dısag Disag ree	<b>Unde</b> cided	Agre e	Stron gly	NR agree	Mean	Stdv	Sig. (2- tailed)
Talent compensation have a role in your	F	35	31	37	101	131	36	3.782	1.330	.000
firm competitive advantage	%	9.4	8.4	10.0	27.2	35.3	9.7			
Talent compensation have a role in staff	F	19	23	42	117	158	12	4.036	1.137	.000
performance who drive competitive advantage.	%	5.1	6.2	11.3	31.5	42.6	3.2			
Talent compensation motivates staff to	F	30	31	46	111	137	16	3.828	1.265	.000
develop superior innovations within the shortest time possible	%	8.1	8.4	12.4	29.9	36.9	4.3			
The role of talent compensation is	F	24	37	58	112	124	16	3.775	1.221	.000
aligned with knowledge capital	%	6.5	10.0	15.6	30.2	33.4	4.3			
The role of talent compensation is	F	30	23	72	122	110	14	3.726	1.205	.000
based on a policy frame work	%	8.1	6.2	19.4	32.9	29.6	3.8			
Talent ompensation has a role in	F	26	32	69	110	120	14	3.745	1.218	.000
supporting talent attraction	%	7.0	8.6	18.6	29.6	32.3	3.8			
The role of talent compensation is	F	33	32	51	145	92	18	3.654	1.222	.000
designed to address all forms of talent retention	%	8.9	8.6	13.7	39.1	24.8	4.9			
Our company has invested in the role of talent compensation as a strategy for	F	48	43	52	117	95	16	3.473	1.358	.000
driving the competitive advantage	%	12.9	11.6	14.0	31.5	25.6	4.3			

 Table 4.9: Role of Integrated Talent Compensation processes in competitive Advantage of Telecommunication Firms.

The study findings show that 62.5% of the respondents agreed that telecommunication firms in Nairobi City County, Kenya have compensation policy which guide compensation management as indicated in Table 4.9. This supports Chartered Institute of Personnel Development (2009) findings that integrated talent management focuses on embedded talent compensation and retention which have become key driver of businesses today for competitive advantage. A study by Sajjad, (2012) also found that talent compensation policy has become more important in today's volatile knowledge economy particularly in attracting talent required by organizations. Armstrong (2014) observed that reward strategy provides the impetus for reward system design and operation in order to achieve competitive advantage. These observations are supported by Trevor, (2011) as cited in Armstrong, (2014) that reward and compensation provides a means of enhancing company performance and securing competitive advantage

Majority of the respondents at 74.1% indicated that talent compensation positively influence staff performance and competitive advantage as indicated in Table 4.9. Heinmen & Collen, (2011) concurs that it is only talent management practice, which gives an organization sustained competitive advantage in the market. This is achieved through talent attraction, development, motivation, compensation management and retention for better performance. According to the findings 66.8% of the respondents agreed that there is significant correlation between compensation, staff motivation, and development of superior innovations speed as indicated in Table 4.9. This concurs with Heinmen & Collen, (2011) findings, which found that competitive advantage in the market could be achieved through talent attraction, development, motivation, compensation management, motivation, compensation management and retention.

Majority of 63.6% of the respondents agreed that compensation has a significant relationship with investment in knowledge capital which is a component of

competitive advantage as indicated in Table 4.9. A study by Kaptoo, (2014) which focused on the strategies adopted by mobile phone companies in Kenya to gain competitive advantage found that knowledge determines competitive advantage in organizations. The findings confirmed that 62.5% of the respondents agreed that telecommunications have elaborate performance management in place while61.9% of the respondents agreed that performance management and measurement is well linked to compensation and reward in the telecommunication firms in Nairobi City County Kenya as indicated in Table 4.9. The findings indicate that 63.9% of the respondents agreed that there were different performance methods, which influence performance, and determines competitive advantage as indicated in Table 4.9. The findings were in concurrence with Kimani & Waithaka, (2014) study on talent retention that found out that growth from within and development are key elements of business strategy (method). Today's employees are more career conscious than ever and performance management is one of the strategies that drive Organization competitive advantage.

According to the study 57.1% agreed that telecommunication firms invest heavily in talent compensation since it is a determinant of competitive advantage as indicated in Table 4.9 According to the study, telecommunication firms in Nairobi County Kenya invest in talent compensation because it has a role in competitive advantage. The results also confirmed that compensation directly influences staff morale, which manifests itself in performance, and development of superior innovations, which is a critical determinant of competitive advantage. All these attributes determine competitive advantage. In addition, the findings indicate that telecommunication firms invest in Knowledge capital as a way of strengthening talent abilities to deliver superior results, which is an attribute of competitive advantage. The results also show that majority of employees are aware of the elaborate performance management system in place which is linked with performance measurement and reward. In addition, telecommunication firms have different performance methods for different talent. Armstrong, (2009) concurred that human capital theory regards

people as assets and stresses that investment by organizations in people will generate worthwhile returns including competitive advantage.

# Table 4.10: Factor Analysis on the Role of Integrated Talent compensation process

Factor Analysis Component Matrix	Component
Talent compensation have a role in your firm competitive advantage	.853
Talent compensation have a role in staff performance who drive competitive advantage.	.886
Talent compensation motivates staff to develop superior innovations within the shortest time possible	.891
The role of talent compensation aligned with knowledge capital	.883
Is the role of talent compensation is based on a policy frame work	.814
Talent compensation has a role in supporting talent attraction	.841
The role of talent compensation is designed to address all forms of talent retention	.850
Our company has invested in the role of talent compensation as a strategy for driving the competitive advantage	.817

Table 4.10 shows the factor analysis results for the study results on the statements regarding talent compensation processes and competitive advantage. According to the findings, all the statements attracted a coefficient of more than 0.8 hence they were retained for further analysis.

### 4.4.4 Role of Integrated Talent Retention Processes and competitive advantage

The fourth objective of the study was to examine the role of integrated talent retention in competitive advantage of telecommunication firms in Nairobi City County, Kenya. The survey descriptive results are analyzed and presented in Table 4.11.

	Yes	No			No response		
Statement	Freq	%	Freq	%	Freq	%	
In your opinion talent retention has a positive role in your organization competitive advantage	301	81.1	46	12.4	24	6.5	
In your opinion your organization invest in talent retention programmes	265	71.4	78	21.0	28	7.5	
In your opinion your organization have a talent strategy in place	234	63.1	82	22.1	55	14.8	

 Table 4.11: Perception on the Role of Talent Retention in Competitive Advantage

The study sought to examine the role of integrated talent retention processes in competitive advantage of the telecommunication firms. The findings indicated that 81.1% of the respondents were of the view that talent retention has a positive role in the competitive advantage of telecommunication firms as shown in Table 4.11. In support of the findings Mendez et al (2011) emphasized that a company needs to invest in employee retention in order to be successful. In the context of the study telecommunication firms should direct their investment in talented workers since there might greater return on investment, and more enduring competitive advantage. As shown in Table 4.11; 71.4% of the respondents agreed that telecommunication firms invest in talent retention programs. According to the study this was to ensure they retain the talent required to drive their competitive advantage. Armstrong (2009) concurred investment in training and developing is a means of attracting and retaining talented workers as well as getting better returns from those investments. Hence, knowledge workers may regard themselves as free agents who can choose how and where they invest their talents, time and energy and this affect organization competitive advantage. Additionally, 63.1% of the respondents agreed that telecommunication firms have talent retention strategy to guide decision making. A study by Poorhosseinzadeh et al. (2012) found that there is positive and significant relationship between talent retention and success with correlation of 0.684 and p value of 0.000 at 0.05 of significance level.

 Table 4.12: Role of integrated talent retention processes in competitive advantage.

							ND	<u></u>	641	<b>C</b> '
		Strongl y	disagre e	Undeci ded	Agree	Strongl y agree	NR	Mean	Stdv	Sig. (2- tailed)
Talentretentionprocesses has a role incompetitiveadvantagein our organization.	F %	43 11.6	31 8.4	30 8.1	94 25.3	158 42.6	15 4.0	3.823	1.392	.000
This company has staff engagement policy and programmes	F %	28 7.5	44 11.9	42 11.3	91 24.5	152 41.0	14 3.8	3.826	1.310	.000
There is good workplace relationships guided by the company policies.	F %	25 6.7	23 6.2	56 15.1	99 26.7	152 41.0	16 4.3	4.154	3.231	.000
Retention of key talent has a role in development of superior innovation in our company	F %	28 7.5	23 6.2	47 12.7	108 29.1	145 39.1	20 5.4	3.909	1.234	.000
Management feedback systems promote high level of employee's commitment.	F %	29 7.8	36 9.7	43 11.6	110 29.6	135 36.4	18 4.9	3.810	1.273	.000
The company invests on talent retention as an investment in knowledge capital.	F %	36 9.7	43 11.6	54 14.6	110 29.6	110 29.6	18 4.9	3.609	1.312	.000
Talent retention has a role in the development of our company capabilities.	F %	28 7.5	28 7.5	46 12.4	125 33.7	122 32.9	22 5.9	3.817	1.223	.000
There is very low labour turnover of talent, which contributes to our organization competitive advantage.	F %	29 7.8	54 14.6	61 16.4	83 22.4	117 31.5	27 7.3	3.596	1.321	.000
Talent retention is supported by career progression which enhances talent productivity	F %	37 10.0	37 10.0	55 14.8	115 31.0	111 29.9	16 4.3	3.637	1.302	.000
There is involvement of talent in business decision making which enhances competitive advantage	F %	31 8.4	28 7.5	53 14.3	118 31.8	122 32.9	19 5.1	3.773	1.249	.000

As shown in Table 4.12, majority of the respondents had a mean>.3.5 which indicated that they agreed with statements asked on talent retention. According to

67.9% of the respondents agreed that there is a relationship between talent retention and competitive advantage. This view is also supported by a study by Karemu, et al (2014), on critical analysis of talent management on medical employee's retention in public hospitals in Kenya, which found that talent management strategies influences positively on the retention of doctors and nurses at Kenyatta National hospital in Kenya. According to the findings, 65.5% of the respondents agreed that telecommunication firms have effective staff engagement policy and programs, which were critical in retention of critical talent required for driving organization competitive advantage. According to a research done by Towers (2012), there was a linkage between employee engagement, retention and competitive advantage. The research was conducted among 50 multinational companies over a period of 12 months. The companies with high level of engagement outperformed the ones with low engagement level. They also experienced higher levels of talent retention. However, the study also found that even though talent engagement had an influence on retention that alone did not retain employees. This study concurs with the findings of the current study. Employee engagement has also been cited by a number of researchers as a having an effect in the relationship between its antecedents, job satisfaction, and intention to leave or stay with an organization. Becker (2011), attests that lower retention, high absenteeism and poor productivity are attributed by weak employee engagement.

The findings confirmed that 67.7% of the respondents agreed that there are good workplace relationships in the Telecommunications firms which is guided and supported by the company policies. A study by Drafke & Kossen, (2002) concurs that relationship between employees enable workers to perform which increases the organization and competitive advantage simultaneously. Majority of the respondents at 68.2% agreed that talent retention has a positive role to superior innovation, which was a critical attribute of the organization competitive advantage. Jamal & Saif, (2011) concurred that nothing happens unless a human being makes a concise decision to act, for behind technology, ideas, creativity and innovation lies the human talent. In addition, the findings established that 66% of the respondents agreed that

the existence of management feedback systems promoted high level of employee's commitment, which play a major role in driving competitive advantage. Morabito, Themistocles's & Serrano, (2010) concurred that senior managers and project management practitioners need to recognize and promote the importance of processes and practices for facilitating the development and sharing of tacit project management knowledge – intangible assets which provide competitive advantage

The study established that 59.2% of the respondents concurred that telecommunication firms invests heavily in talent retention and knowledge capital to drive their competitive advantage. The findings concur with the Communications Authority of Kenya (2014) report that indicate that telecommunication firms invest in specific talent for specific segments for purposes of driving their competitive advantage. Additionally, PriceWaterhouseCoopers report, (2012) established that leadership should invest in talent strategies that align with and support the foundation of their company success, its capabilities system, the few things that the company does exceptionally well to distinguish it from its competitors.

According to the study findings 66.6% of the respondents agreed that talent retention has a significant effect on development of company capabilities, which is an attribute of the telecommunications firms' competitive advantage. Studies by Kimani & Waithaka, (2014) on talent retention found out that organization capabilities are key elements of business strategy, and competitive advantage. Additionally, telecommunication firms invest in people would result in a greater and more enduring competitive advantage, and a more positive return on investment, when these initiatives are based upon the strategic goals of the organization, and enable employees to align themselves with these goals. The findings also established that 53.9% of the respondents agreed that there is low labor turnover of talent in telecommunication firms because of effective talent retention programs. The findings concur with a study by Wandia, (2013) which established that staff retention was an indication of a strong organizational capability, which also reduces the costs of labor turnover. According to Wandia, (2013) further argued that this enabled employee to

learn and develop from specific tacit knowledge that helps to meet the needs and expectations of the customers, which play a major role in increasing organization performance and competitiveness.

According to 60.9% of the respondent's telecommunications firms have career plans that support talent retention, performance and competitive advantage. As observed an organization which show interest in their employees' career development are more likely to engage, motivate, and retain their employees. A study by Cole, (2011) also found that to recruit sufficient talented workers an organization must conduct human resource planning which is concerned with labor statistics, quality of the personnel and their deployment throughout the organization. According to the findings 64.7% of the respondents indicated that employees working with telecommunications firms are fully involved in the organization activities which enhanced their performance.

According to the findings in table 4.12 the study established that talent retention strategy supports the organization ability to retain talent and engage staff who drive competitive advantage. These findings are supported by most of the statements mean>.3.5; having p=. 000. The respondents agreed that there was a significant relationship between talent retention and competitive advantage. Staff engagement policy, programs, and good workplace relationships supported this observation, which was guided by the existing company policies. In addition, the researcher concluded that talent retention had a positive influence on development of superior innovation, and effective feedback systems, which promoted high level of employee's commitment. These findings therefore indicated that talent attributes positively contribute to competitive advantage of the telecommunication firms in Nairobi City County, Nairobi. The findings also show that telecommunications firms do focus on talent retention and knowledge capital. This was meant to retain and consistently continue building superior capabilities to sustain competitive advantage. The study also confirmed that the ability of the telecommunication firms to retain talent has a positive influence on development of company capabilities and

low labor turnover. This strategy enables telecommunication firms to sustain their competitive advantage. In addition, it is also evident that career plans support talent retention and performance which in turn lead to employees being fully involved in organization activities which directly influences competitive advantage of telecommunication firms in Nairobi City County, Kenya.

## Table 4.13: Factor Analysis on the Role of Integrated Talent RetentionProcesses in Competitive Advantage.

Factor Analysis Component Matrix	Component
Talent retention processes has a role in competitive advantage in our organization.	.811
This company has staff engagement policy and programmes	.904
There is good workplace relationships guided by the company policies.	.861
Retention of key talent has a role in development of superior innovation in our company	.884
Management feedback systems promote high level of employee's commitment.	.882
The company invests on talent retention as an investment in knowledge capital.	.894
Talent retention has a role in the development of our company capabilities.	.883
There is very low labour turnover of talent, which contributes to our organization competitive advantage	.897
Talent retention is supported by career progression which enhances talent productivity	.891
There is involvement of talent in business decision making which enhances competitive advantage	.894

Table 4.13 shows the factor analysis results on the statements on integrated talent retention processes. According to the study all the statements attracted a coefficient of more than 0.8 hence they were retained for further analysis.

## 4.4.5 Moderating Role of Transformational Leadership in Integrated talent Management Processes and Competitive Advantage

This section presents findings of the fifth objective, which was to assess the moderating role of transformational leadership on integrated talent management processes and competitive advantage of telecommunication firms in Nairobi City County, Kenya.

Table 4.14	: Role o	of	Transformational	Leadership	processes	in	competitive
advantage o	of Teleco	m	munication firms				

	Yes		No		No res	ponse
Statement	Freq	%	Freq	%	Freq	%
In your opinion, your organization leadership has moderating role in integrated talent management processes and competitive advantage?	295	79.5	52	14.0	24	6.5
Transformational leadership has a role in the development of policy frameworks, which supports the organization competitive advantage.	279	75.2	70	18.9	22	5.9
Transformational leadership practices helps to drive competitive advantage.	264	71.2	73	19.7	34	9.2

The findings indicate that 79.5% of the respondents agreed that transformational leadership has a moderating role on integrated talent management processes and competitive advantage of the telecommunication firms in Nairobi City County Kenya. The findings are supported by Lyria, (2013) who found that the skills the employer said they needed to focus on in order to meet their business objectives were mainly leadership skills at 65%, frontline people management skills at 55% and business awareness at 51%. As shown in Table 4.14; 75.2% of the respondents agreed that leadership is necessary as it help in the formulation of the relevant policy frameworks you support decisions and activities, which drives competitive

advantage. It also increases staff empowerment and enhances decision-making. According to studies by Khan, *et al* (2013) leadership was found the backbone of an organization competitive advantage

		Strongly disagree	disagree	Undecide d	Agree	Strongly agree	NR	Mean	Stdv	Sig. (2- tailed)
Transformational Leadership drives organizational profitability and competitiveness	F %	30 8.1	26 7.0	36 9.7	81 21.8	178 48.0	20 5.4	4.000	1.296	.000
Leadership provides conducive environment for employee to perform their work	F %	27 7.3	21 5.7	45 12.1	76 20.5	178 48.0	24 6.5	4.029	1.260	.000
Leadership drives formulation of policies to direct decision making	F % F	30 8.1 26	22 5.9 34	46 12.4 58	88 23.7 87	159 42.9 144	26 7.0 22	4.210 3.828	3.788 1.270	.000 .000
Transformative leadership practices like feedback system management are encouraged	1 %	7.0	9.2	15.6	23.5	38.8	5.9	3.626	1.270	.000
Leadership drives organizational change in our organization	F %	20 5.4	38 10.2	56 15.1	93 25.1	142 38.3	22 5.9	3.857	1.226	.000
Leadership drives investment in organization knowledge which influences our competitiveness	F %	20 5.4	45 12.1	33 8.9	96 25.9	157 42.3	20 5.4	3.926	1.251	.000
Leadership encourages staff innovation Leadership encourages staff recognition programs	F % F %	18 4.9 29 7.8	32 8.6 36 9.7	34 9.2 38 10.2	111 29.9 91 24.5	154 41.5 157 42.3	22 5.9 20 5.4	4.006 3.886	1.172 1.304	.000 .000

Table 4.15: Moderating Role of Transformational Leadership in IntegratedTalent Management Processes and Competitive Advantage.

As shown in Table 4.15, 69.8% of the respondents agreed that transformational leadership drives organizational profitability and competitiveness. Boudreau and Ramstad, (2007) posits that 73% of the executives in United States of America

agreed that there is positive relationship between talent management process and business strategy to obtain the success of the organizations. From the analysis there is positive influence of leadership on competitive advantage. That mean leadership is directly proportion to competitive advantage. According to Shchzad & Muhammad, (2013) leadership always influence in the gaining of the competitive advantage of the organization. The study found that the value of Pearson correlation between transformational leadership and competitive advantage was 66%, which showed that the relationship was liable between the two variables. The value was significant at 99% confidence level. The study concluded that there was durable relationship between transformational leadership and competitive advantage. According to the findings 68.5% of the respondents concurred that leadership in telecom firms provides conducive environment for talented workers to perform. Study by Riccio, (2010) asserted that the key differentiators identified as the talent management practices believed to be successful in the work environment include the incorporation of organizational and leadership competencies.

Policy determines the way the organization organizes its resources, conducts its business and expresses its values. This observation was supported by the findings that 66.6% of the respondents agreed that transformational leadership at all levels supports policy development to guide decision-making. A study by Ashim, (2008) opined that it is the duty of leadership to make right decisions for the organization sake because its success depends upon effective policy formulation and decision-making. The study found out that 62.3% of the respondents concurred that transformational leadership practices supports competitive advantage of telecom firms. According to a study by Muindi, (2011) established that leadership style, specifically lack of involvement in decision making and inadequate communication were some of the issues that caused dissatisfaction of academic staff in the University of Nairobi.

The study found that 63.4% of the respondents agreed that transformational leadership drives organizational change in the telecommunication firms. Studies by

Achua & Lussier, (2013) found that transformational leadership seeks to change the status quo by articulating to followers the problems in the current system and a compelling vision of what new organizations could be. According to the findings, 68.2% of the respondents were of the view that transformational leadership drives continuous investment in knowledge capital which had a positive influence on talent performance and competitive advantage. According to Farooq & Aslam, (2011), leaders try their best to develop employee's capabilities, ultimately creating good working environment favorable for their performance and competitive advantage. For the sake of capacity, building managers were found to be involved in developing the effective training programs for their employees to equip them with the desired abilities, knowledge, and skills, which were critical to achieve the organizational competitive advantage. This struggle by the top management not only improves the employee performance but also creates positive image of the firm worldwide (Jia-Fang, 2010).

The study found that 71.4% of the respondents agreed that transformational leadership creates opportunities for staff to utilize their capabilities specifically innovation which was key in shaping the organization competitive advantage. A study by Nderu, (2013), supported findings by Koech & Namusonge, (2012) that managers should strive to adopt leadership style inspires and stimulates subordinates to become more innovative & creative; and adopt style that helps them to pay greater attention to each individual's need for achievement and growth. The study found that leadership in telecommunication firms positively inspires organizational creativeness and invention by enabling the organization to stand in atmosphere that is conducive or favourable for creativeness. The study found that 66.8% of the respondents agreed that transformational Leadership practices invest in talent recognition programs to boost staff morale and enhances their commitment to performance. This was found to have a positive influence on competitive advantage. Additionally, the researcher concluded that transformational leadership had a significant moderating effect on integrated talent management processes and competitive advantage. This is because the respondents mean>3.5 and p=.000. In addition, the findings indicated that transformational leadership plays a key role in ensuring there was favorable working environment, and effective policies to spur optimal performance, which influenced the competitive advantage. The findings also showed that transformational leadership directs organizational change, investment in knowledge capital, recognition programs and create work environment, which positively influence competitive advantage.

Table 4.16: Factor Analysis on T	<b>Transformational Leadership</b>
----------------------------------	------------------------------------

Component Matrix	Component
Transformational Leadership drives organizational profitability and	.859
competitiveness	
Leadership provides conducive environment for employee to perform	917
their work	.917
Leadership drives formulation of policies to direct decision making	.922
Transformative leadership practices like	.862
feedback system management are encouraged	.802
Leadership drives organizational change in our organization	.910
Leadership drives investment in organization knowledge which	.904
influences our competitiveness	.904
Leadership encourages staff innovation	.925
Leadership encourages staff recognition programs	.903

Table 4.16 shows the factor analysis results for the survey results on the statements regarding moderating role of transformational leadership in integrated talent management processes and competitive advantage. The findings indicated that all **the** statements attracted a coefficient of more than 0.8 hence they were retained for further analysis.

### Table 4.17: Perception on Competitive Advantage

	Yes		No		No resp	onse
Statement	Freq	%	Freq	%	Freq	%
In your opinion integrated talent management processes have a role in competitive advantage of your organization	300	80.9	45	12.1	26	7.0
In your opinion your organization competitive advantage driven by integrated talent management processes	283	76.3	62	16.7	26	7.0
In your opinion your organization will remain competitive in the next five years based on its integrated talent management approach	301	81.1	46	12.4	24	6.5

### 4.4.6 Competitive Advantage

This section of the study presents findings on the dependent variable, competitive advantage. Specifically, the study sought to correlate whether the independent variables; talent acquisition processes, talent development processes, talent compensation processes, talent retention processes and moderating variable which is the transformational leadership have any role in it.

As shown in Table 4.17, the respondents were asked if integrated talent management processes has any role in competitive advantage of telecommunication firms. The findings indicated that 80.9% of the respondents agreed that integrated talent management has a role in the organization competitive advantage. Kenya. The respondents were also asked to state if in their opinion organizational competitive advantage is driven by integrated talent management processes and 76.3% of the respondents were in agreement. The study found that integrated talent management processes drive organization competitive advantage. Additionally, respondents were asked if they think their organization will remain competitive in the next five years

and majority of them 81.1% responded positively. According to the findings, the researcher study found that integrated talent management processes play a major role in competitive advantage of telecommunication firms in Nairobi City County, Kenya. These findings were corroborated by the study by Moturi, (2013) that competitive advantage of companies stems not from the market positions but difficult to replicate knowledge asset and the manner in which they are deployed.

								NR	Mean	Stdv	Sig.
		Strongly disagree	Disagree	Undecided	Agree	Strongly agree					(2- tailed)
My organization competitive	F	45	32	37	79	160	239	18	3.785	1.424	.000
advantage is driven by integrated talent management processes	%	12.1	8.6	10.0	21.3	43.1	64.4	4.9			
Competitive advantage is	F	35	32	37	95	150	245	22	3.840	1.336	.000
measured through the speed in the innovation of products and services.	%	9.4	8.6	10.0	25.6	40.4	66	5.9			
My organization investment in	F	20	32	52	98	149	247	20	3.923	1.203	.000
knowledge capital determines our organization competitive advantage.	%	5.4	8.6	14.0	26.4	40.2	66.6	5.4			
Talent acquisition processes	F	54	44	64	88	103	191	18	3.402	1.413	.000
contributes to organizational competitive advantage.	%	14.6	11.9	17.3	23.7	27.8	51.5	4.9			
Talent development processes	F	26	24	42	132	127	259	20	3.883	1.188	.000
contributes to the organizational competitive advantage.	%	7.0	6.5	11.3	35.6	34.2	69.8	5.4			
Talent Compensation has a role in	F	24	30	35	105	159	264	18	3.977	1.227	.000
competitive advantage	%	6.5	8.1	9.4	28.3	42.9	71.2	4.9			
Talent retention is a contributor	F	26	48	83	103	89	192	22	3.519	1.219	.000
to the organizational competitive advantage	%	7.0	12.9	22.4	27.8	24.0	51.8	5.9			
Transformative leadership style	F	27	25	53	92	152	244	22	3.920	1.258	.000
has a role in driving our organization competitive advantage.	%	7.3	6.7	14.3	24.8	41.0	65.8	5.9			
Our organizational capability has	F	24	27	44	107	151	258	18	3.946	1.213	.000
a role in driving competitive advantage.	%	6.5	7.3	11.9	28.8	40.7	69.5	4.9			
Our organization competitive	F	23	31	52	112	133	245	20	3.858	1.206	.000
advantage motivates employee performance.	%	6.2	8.4	14.0	30.2	35.8	66	5.4			
People management practices	F	30	20	47	100	156	256	18	3.941	1.252	.000
influences our organization competitiveness.	%	8.1	5.4	12.7	27.0	42.0	69	4.9			

 Table 4.18: Competitive Advantage

According to Table 4.18 findings shows that majority of the respondents agreed with the statements as supported by average means of 3.5. The study found that 64.4% of the respondents agreed that competitive advantage is majorly driven by integrated

talent management processes. The findings are supported by the Study by Rabii (2015) which found that talent management is key source of organization competitive advantage in Malaysia companies. According to the findings 66% of the respondents indicated that superior innovation speed was a key component that defines their organization competitive advantage. A study by Sharimali, (2012) concurs that talent management is a key strategic resource in today's competitive environment where growth is largely a product of innovation and technological advancement. According to Helfat *et al* (2007) findings confirmed that dynamic environments call for the organization to invest in dynamic capabilities, which are key, attributes of competitive advantage of telecommunication firms. According to innovative behaviors through strategic practices (Siguaw, 2006) increases overall organization competitiveness. Hence innovativeness, undoubtedly contributes to a firm positional advantage and its subsequence competitive stance (Hult& Ketchen, 2001)

According to 66.6% of the respondents agreed that organizational investment in knowledge capital positively contributes to competitive advantage. Studies by Koech & Namusonge, (2012) concurred that investments related to acquisition, development, and mobilization of talent can be viewed as investments in the human capital of the firm that generates income for competitive advantage through better performance. According to the findings 51.5% of the respondents agreed that talent acquisition had a significant contribution to the organization competitive advantage. A study by Okwoba, (2015) on the influence of talent acquisition on performance using Fidelity Bank Plc, Lagos Nigeria as focal point established that talent acquisition processes is key for competitive advantage. The study established that 69.8% of the respondents concurred that human resource development is critical for organization competitiveness. This is corroborated by a study by Kenani, (2011) that showed that there is urgent need for the organization to increase scientific knowledge and skills of the employees at geothermal companies in Kenya. Human resource management needs to put more emphasis on the productive development and use of

people in the company to collectively achieve the organization's strategic business objective.

The study established that a growing body of research-based evidence indicates that a firm human resource development practices have a rather strong influence on the organization competitive advantage. A study conducted among 293 publicly held USA firms yielded virtually the same result: improving human resource development initiatives from average to highly effective leads to a five percent productivity increase According to the study 71.2% of the respondents indicated, that talent compensation have a role in competitive advantage. A study by Njoroge, (2015) concurs with the findings in his study that established that there is a strong relationship between compensation and reward on employee performance and competitive advantage in the county government of Nakuru. The findings by Mehta, (2011) fully concurred with these finding that unless the organization develops employees who are capable and motivated and are committed to human resource development and performance the organization will not be able to create a competitive advantage. According to the respondents 51.8% agreed that talent retention contributed to the competitive advantage of telecommunications firms. A study by Oladapo, (2012), also found that the war of talent has become intense due to labor market shortages and growing competition. Any employer's foremost responsibility is retention of the best employees and this can be achieved by managing employee talent; keep them satisfied and motivated. The study recommended that to attract and retain the best talent anywhere in the world, the organization must have strategies for managing those talents to create competitive advantage.

The study found that 65.8% of the respondents agreed that transformative leadership style plays positively influence to create competitive advantage. Studies by Machuki (2012) and Nderu, 2013) concurs with the findings. Their study found that transformative leadership ensures that there is more responsive to both their internal and external environments with the goal of performing better and gaining

competitive advantage within their industries. According to the findings, 69.5% of the respondents concurred that the organizational capabilities and development creates competitive advantage. According to the Mobile Economy, (2014) key to the emerging growth in the mobile telecommunication firms, depends on the organization capabilities to recruit and retain talent required to create competitive advantage. These findings are supported by Teece, *et al*, (1997) findings that organizational capability is the driver of a firm competitive advantage. This was achieved through converting and reconfiguring organizational strategic resources and competencies in response to changing market conditions and environmental turbulence and instability. Eisenherdt & Martin, (2007) also found that organizational capabilities comprises of processes that use resources to match and even create market change. In additon the study found that capabilities are distinctive, unique and intangible dimensions of an organization.

In addition, 66% of the respondents agreed that employees are motivated by organization competitive advantage. A study by Echakara, (2011) concurs that motivation and task performance in Kenya Commercial Bank, Kisumu Kenya established that reward strategies chosen by management influenced motivation and task performance of the staff. The study found that 69% of the respondents were of the view that management practices create competitive advantage among the telecommunication firms. Goranson & Brundenius, (2011) concurs with above findings. The study found that more than 80 percent of employees leave because of the push factors related to poor management practices or toxic cultures, a sense of professional isolation, including lack of supportive and friendly colleagues. According to the findings as shown in Table 4.18 successful implementation of integrated talent management process is critical for driving competitive advantage of the telecommunication firms in Nairobi City County Kenya. The findings also conclude that transformational leadership plays a significant moderating role in successful implementation of this approach, which translates to competitive advantage.

**Table 4.19: Factor Analysis on Competitive Advantage** 

Component Matrix	Component
My organization competitive advantage is driven by integrated talent	.825
management processes	
Competitive advantage is measured through the speed in the innovation	.847
of products and services.	
My organization investment in knowledge capital determines our organization competitive advantage.	.867
Talent acquisition processes contributes to organizational competitive advantage.	.609
Talent development processes contributes to the organizational competitive advantage.	.869
Talent Compensation has a role in competitive advantage	.857
Talent retention is a contributor to the organizational competitive	
advantage	.736
Transformative leadership style has a role in driving our organization competitive advantage.	.873
Our organizational capability has a role in driving competitive advantage.	.904
Our organization competitive advantage motivates employee	.877
performance.	.077
People management practices influences our organization competitiveness.	.874

Table 4.19 shows the factor analysis results for the survey results on the statements regarding organization competitive advantage. The study found that all the statements attracted a coefficient of more than 0.6 hence they were retained for further analysis.

### 4.5 Test of Assumptions of the Study Variables

The following assumptions of study variables were tested that is, Normality, Linearity, Homoscedasticity and Multicollinearity. This is because when these assumptions are violated, the study results would likely give biased estimates of the parameters (Saunders, Lewis and Thornhill), 2007

### 4.5.1 Results of Outliers

According to Crewel, (2003) an outlier is any observation that is long away from the general pattern of distribution of variables and from the fitted line. Presences of outliers were detected by use Mahalanobis d-square test. The detected outliers were dropped after which reasonable boxplots were used to show that variables were normally distributed before the analysis as shown in Figure 4.8. The Figure shows that all boxplots were symmetrical with no outliers identified (Tabachnick and Fidell, 2007).

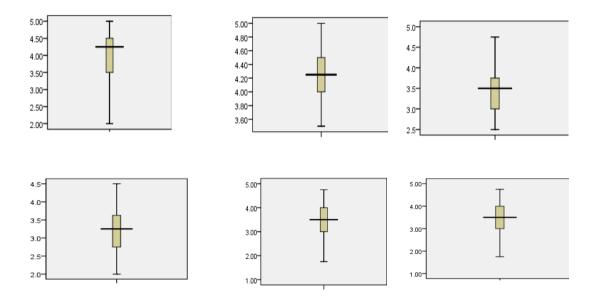


Figure 4.8: Plots after Outliers were dropped

### 4.5.2 Normality Test Results of Dependent Variable

To test for the normality of the dependent variable (Competitive Advantage), Kolmogorov-Smirnova and Shapiro-Wilk tests was conducted. This was done to determine appropriate tests to be conducted and to ensure that assumptions of a normal distribution were not violated (Math-Statistics-Tutor, 2010). Kolmogorov-Sminov and Shapiro-Wilktest for normality test was used to detect all departures from normality (Math-Statistics-Tutor, 2010). According to Sharpiro and Wilk, (1965) the tests reject the hypothesis of normality when the p-value is less than or equal to 0.05.

Table 4.20 indicates that the Kolmogorov-Smirnova and Shapiro-Wilk statistics were .041 and .990 respectively. The associated p-value was .200 and .485 for Kolmogorov-Smirnova and Shapiro-Wilk statistics respectively. Since the p-values were greater than the significance level (0.05) (not significant at p<.05), this implied that the variables were normally distributed.

 Table 4.20: Normality Test Results (Kolmogorov-Smirnov<sup>a</sup>) for Dependent

 Variable

Factors		Kolmogor	rov-Smirnov <sup>a</sup>	<sup>a</sup> Sha	Shapiro-Wilk		
Significance		Statistics	df Sig	g Statistics	s df	P-value	
Competitive Advantage	.041	133	.200	.990	133	.485	

a. Lilliefors Significance Correction

The visualized distribution of random variables of different between expected distribution and the observed distribution of integrated talent management on competitive advantage are presented in Figure 4.9. The Figures shows minimal deviation from normality. Hence, overall, the distribution appeared normally distributed. According to the computed significant test statistics, for Kolmogrov-

Smirnov and Shapiro Wilk tests, normality of dependent variable was maintained. This means that the significance test conducted on the data were accurate (Shlin and Miles, 2010).

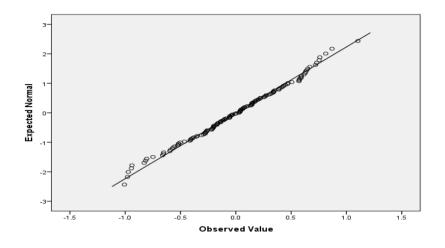


Figure 4.9: Normal Q-Q Plot for Competitive Advantage

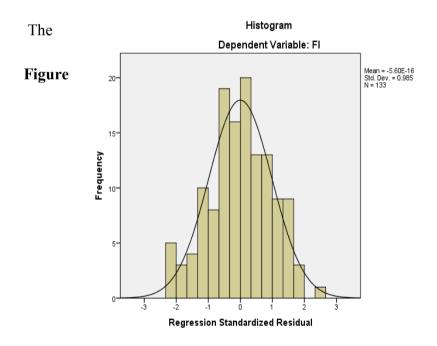


Figure 4.10: Histogram for Competitive Advantage

The histogram figure 4.10 illustrates balanced representation of distribution and which is not skewed to left or right side and therefore indicating normality of the data.

### 4.5.3 Linearity Results

According to Bai & Perron, (2008) linearity is the amount of change or rate of change, between scores on two sets of variables is constant for the entire range of scores for the variables. It is consistent slope of change that represents the relationship between an independent variable and a dependent variable (Granger and Tera, 2007). If a linear model is fit for data which are nonlinearly related (violations of linearity), predictions are likely to be seriously in error (Hansen, 2009). The problem of linearity is fixed by removing outliers (Hansen, 2009). The study assumed linearity of the variables because outliers had been dropped (Hansen, 2009).

### 4.5.4 Homoscedasticity of the Residuals of Dependent Variable

Assessment of homoscedasticity of the residuals competitive advantage was computed. OLSassumed that the variance of the error term is constant (Homoscedastic). If the error terms do not have constant variance or having differing variance, they are said to be heteroscedastic. Violation of this assumption leads to bias in test statistics and confidence intervals. In addition Levene Statistics was used to test the hypothesis for the homogeneity of variance that is, the error variances are all equal orhomoscedastic.

Table 4.21 shows Levene Statistic of 4.642 with an associated p-value of.000. Since the probability associated with the Levene Statistic is 0.000, which is less than 0.05 level of significance, then the hypothesis was not rejected and the conclusion was that the variance of the dependent variable was homogeneous.

Levene Statistic	df1	df2	P-value
4.642	11	136	.000

#### **Table 4.21: Test of Homogeneity of Variances**

Similarly, Breusch-Pagan and Koenker test statistics was also used to test the null hypothesis that heteroscedasticity was not present (homoskedasticity) if significant-value is less than 0.05, reject the null hypothesis. Breusch-Pagan test assumes that the residuals are normally distributed.

Table 4.22 shows that Breusch-Pagan and Koenker test statistics of 12.757 with an associated p-value of.000. Since the probability associated with the Breusch-Pagan and Koenker test was 0.000, which is less than 0.05 level of significance, the null hypothesis was rejected and the conclusion was that the variance of the dependent variable was homogeneous.

<b>Table 4.22:</b>	<b>Breusch-Pagan</b>	and Koenker	Test for	Heteroskedasticity

SS	df	MS	F	Sig	
Model	12.757	4.000	3.189	1.088	.000
Residual	416.364	142.000	2.932	-999.000	-999.000

### 4.5.5 Multicollinearity Results

In order to test the correlation between variables, multicollinearity test was conducted. Multicollinearity is a statistical phenomenon in which two or more predictor variables in a multiple regression model are highly correlated (Gujarat and Porter, 2009). It arises when there is a linear relationship between two or more independent variables in a single equation model (Gujarat and Porter, 2009). In a

multiple regression analysis, the estimated regression coefficients fluctuate widely and become less reliable as the degree of correlation between independent variables increases (Kothari, 2004). This result in the sample coefficient being far from the actual population parameter and when the coefficients are tested, the t – statistics becomes small, which leads to the inference that there is no linear relationship between the affected independent variables and the dependent variable (Cooper & Schindler, 2011). Multicollinearity also increases the standard errors of the  $\beta$ coefficients, meaning that the  $\beta$ s have relatively higher variability across samples making it difficult to assess the individual importance of a predictor. Detection Tolerance and Variance Inflation Factor (VIF) method was used to test for multicollinearity (Cooper & Schindler, 2011). O'Brien (2007) suggested that a tolerance of less than 0.20 and a VIF of 5 or 10 and above indicates a multicollinearity problem. Multicollinearity is reflected by lower tolerance values and higher VIF values (Hair, Anderson, Tatham & Black's, 1998).

Table 4.23 indicates that Variance Inflation Factor (VIF) results for the study variables was less than 5 while Tolerance was greater than 0.2 which shows no multicollinearity between predictor variables.

	<b>Collinearity Statistic</b>			
Variables	Tolerance	VIF		
Integrated Talent Acquisition Processes	.707	1.414		
Integrated Talent Development Processes	.647	1.545		
Integrated Talent Compensation Processes	.862	1.161		
Integrated Talent Retention Processes	.877	1.140		
Transformative leadership	.861	1.160		
Mean VIF and Tolerance	.773	1.315		

# Table 4.23: Coefficient on tolerance and variance inflation factor Tests

a. Dependent Variables: Competitive Advantage

# 4.6 Regression Results

This section of the study presents the inferential statistics done to show the relationship between independent and dependent variables.

Table 4.24: Model Summary on Role of integrated talent acquisition processes incompetitive advantageModel Summary<sup>b</sup>

Model R			U	Std. Error of	Change St	atistics				Durbin -
		_	Square	the Estimate	R Square Change	F Change	df1	df2	Sig. Chang	F Watson e
1	.369 <sup>a</sup>	.136	.134	.217171	.136	58.201	1	369	.000	1.667

a. Predictors: (Constant), Integrated Talent Acquisition Processes

b. Dependent Variable: Competitive Advantage

### 4.6.1 Role of Integrated talent acquisition Processes on competitive advantage

The results show that the variation of variables used in the analysis. R-square, which was the coefficient of determinant, indicated how much the variation took place in competitive advantage (dependent variable) when there is a change in the integrated talent acquisition processes (independent variable). The analysis showed that 13.6% change in competitive advantage that took place was because change in the integrated talent acquisition processes. The value of F-statistic is 58.201, which is more than 4. This indicated that the model was overall good fit. The regression results showed the effect of style 1 on dimension 1 in Figure 4.11.

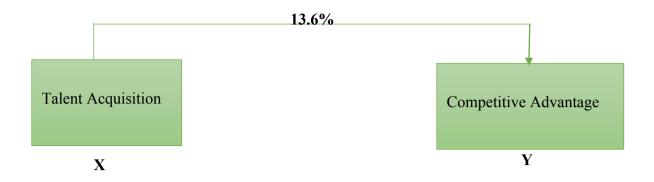


Figure 4.11: Integrated talent acquisition Processes in competitive advantage

 Table 4.25: ANOVA on the role of integrated talent acquisition processes in competitive advantage

Model		Sum o Squares	f Df	Mean Square	F	Sig.
	Regression	2.745	1	2.745	58.201	.000 <sup>b</sup>
1	Residual	17.403	369	.047		
	Total	20.148	370			
a. Dep	endent Variab	ole: Competitive	e Advantag	e		

**ANOVA**<sup>a</sup>

b. Predictors: (Constant), Talent Acquisition Process

According to Table 4.25 and Figure 4.11 shows that integrated talent acquisition processes had a positive significant role in the competitive advantage. In this case, telecommunication firms should invest in integrated talent acquisition processes to achieve their business goals. The Coefficient values of integrated talent acquisition process indicate that it had a positive role in competitive advantage. At  $\alpha$ =0.05

significance level the study p=0.000 implied that there was significant relationship between the role of talent acquisition and competitive advantage. According to Table 4.26,  $\beta$ , change in integrated talent acquisition process by one unit affect competitive advantage by 0.369 while the value of *t* shows the significance or insignificance of independent variable on dependent variable. If the value of t > 2, then the results are significant. In this case the value of *t* was 7.269 which show the significance of transformational leadership in competitive advantage. Thus, the null hypothesis was rejected and alternative hypothesis accepted which means that there was a significant relationship between integrated talent acquisition processes and competitive advantage.

 Table 4.26: Coefficients on the role of talent development on competitive advantage

Model			Unstandardized Standardized Coefficients Coefficients		Т	Sig.
		В	Std. Error	Beta		
	(Constant)	.405	.041		9.887	.000
1	Talent Acquisition	.418	.055	.369	7.629	.000

**Coefficients**<sup>a</sup>

a. Dependent Variable: Competitive Advantage

### 4.6.2 Role of integrated talent development processes in competitive advantage

The overall model for the construct integrated talent development processes was tested. The findings as shown in Table 4.27 shows the coefficient of determination R Square= 0.498 and R=.706 at 0.05 at significance level. The coefficient of determination indicates that integrated talent development processes role was 49.8%

of the variation in competitive advantage. This shows that there is a strong positive correlation coefficient between integrated talent development processes and competitive advantage in telecommunication firms. According to the findings, telecommunications firms should invest in capability development to ensure their employees have the appropriate levels of knowledge, skills and abilities. The tests of Beta coefficient indicated that there was significant relationship between integrated talent developments processes in competitive advantage, which is positive. The significance coefficient of 0.00 is significantly greater than zero since the t-statistics 3.326 is greater than 2. This demonstrates that integrated talent development processes had a positive effect in competitive advantage of telecommunication firms in Nairobi City County, Kenya.

# Table 4.27: Model summary on the role of integrated talent development on competitive advantage

Model	Summa	ry <sup>b</sup>									
Model	R	R Squ	•	Std. Error of	Change Statistics				Durbin- Watson		
		are	Square	the Estimate	R Square Chang e	Chang	df 1	df 2	Sig. F Chan ge		
1	.706 <sup>a</sup>	.498	.497	.165524	.498	366.38 2	1	36 9	.000	1.877	

a. Predictors: (Constant), Talent Development process

b. Dependent Variable: Competitive Advantage

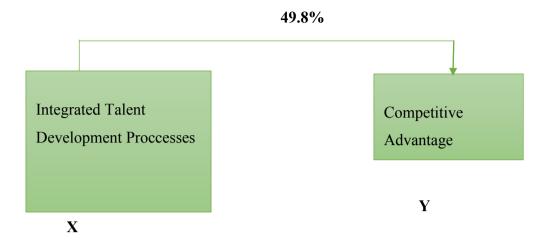


Figure 4.12: Role of integrated talent development processes in competitive advantage

 Table 4.28: ANOVA on the role of integrated talent development processes in competitive advantage

**ANOVA**<sup>a</sup>

Model		Sum	of df	Mean	F	Sig.
		Squares		Square		
	Regression	10.038	1	10.038	366.382	.000 <sup>b</sup>
1	Residual	10.110	369	.027		
	Total	20.148	370			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), integrated Talent Development

The results of Analysis of variance (ANOVA) for regression coefficients are as shown in Table 4.29. The analysis of the results indicated that the significance of F statistics was 366.382, which is less than 0.05. This implied that there was a significant relationship between talent development and competitive advantage of telecommunication firms in Nairobi City County, Kenya. Poorhosseinzader *et al.* (2012) cross sectional study done on Malaysian multinational companies found that there was a positive and significant relationship between developing talents and the

success of the companies with correlation of 0.728 and p value of 0.000 at 0.05 level of significance. The finding concurs with the findings of this study.

 Table 4.29: Coefficients on the role of integrated talent development processes

 in competitive advantage

Model		Unstandardized Coefficients		Standardized Coefficients	Т	Sig.	Collineari Statistics	ty
		В	Std. Error	Beta			Toleranc	VIF
							e	
	(Constant)	.108	.032		3.326	.00 1		
1	Talent Developmen t	.834	.044	.706	19.141	.00 0	1.000	1.000

a. Dependent Variable: Competitive Advantage

ccording to Table 4.29,  $\beta$  a change of one unit in integrated talent development processes changed competitive advantage by 0.706. The value of *t* shows the significance or insignificance of independent variable upon dependent variable. If the value of t > 2, then it means results were significant. Here the value of *t* is 19.141which shows the significance of talent development on competitive advantage was positive. In this case the null hypothesis was accepted.

# 4.6.3 Role of integrated talent compensation processes in competitive advantage

The overall model for the construct talent compensation was tested.  $Y_2=b_0 + b_1X_1 + \mathcal{E}$  where; Y= Competitive advantage. The findings in Table 4.30 shows the coefficient of determination R Square= 0.092 and R=.303 at 0.05 at significance level. The coefficient of determination shows that a change in integrated talent compensation processes explained 9.2% of the variation on competitive advantage. This shows that there exists a positive correlation coefficient between talent compensation processes and competitive advantage. The tests of Beta coefficient

show that there is significant relationship between talent compensation processes on competitive advantage that is positive.

# Table 4.30: Model Summary on the role of talent compensation processes in competitive advantage

Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change	Statistic	:5			Durbin- Watson
					R Square Change		df1	df2	Sig. F Chang e	
1	.303 <sup>a</sup>	.092	.089	.222708	.092	37.1 54	1	368	.000	1.772

a. Predictors: (Constant), Talent Compensation

b. Dependent Variable: Competitive Advantage

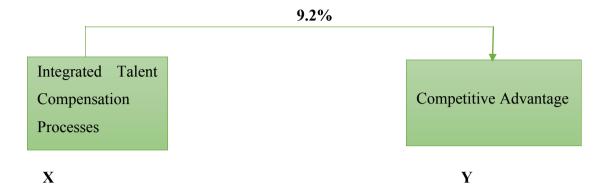


Figure 4.13: Role of integrated talent compensation Processes in competitive advantage

# Table 4.31: ANOVA on the role of talent compensation processes in competitive advantage

The results of Analysis of variance (ANOVA) for regression coefficients are shown

# **ANOVA**<sup>a</sup>

Mode	l	Sum Squares	of df	Mean Square	F	Sig.
	Regression	1.843	1	1.843	37.154	.000 <sup>b</sup>
1	Residual Total	18.252 20.095	368 369	.050		

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Integrated Talent Compensation Processes

in in Table 4.32. The analysis results indicated that the significance of F statistics is 37.154, which is less than 4. This implies that there is a significant relationship between talent compensation processes and competitive advantage.

Coeff	icients <sup>a</sup>							
Mode	1		tandardize oefficients	Standardi zed Coefficien ts	Т	Sig.	Collinear Statistics	ity
		В	Std.	Beta			Toleranc	VIF
			Error				e	
	(Constant)	.48 2	.038		12.5 53	.000		
1	Talent Compensati on	.32 4	.053	.303	6.09 5	.000	1.000	1.000

 Table 4.32: Coefficients on Role of Integrated talent compensation processes in competitive advantage

a. Dependent Variable: Competitive Advantage

The significance coefficient at 0.00 is significantly less than zero since the t-statistics 6.095 is greater than 2. This demonstrates that talent compensation processes has a positive effect on competitive advantage. In the Table 4.32,  $\beta$ shows that change in talent compensation processes by one unit affect competitive advantage by 0.303. After that, the value of *t* shows the significance or insignificance of independent variable upon dependent variable. If the value of t > 2, then it means results are significant. Here the value of *t* is 6.095, which shows the significance of talent compensation processes on competitive advantage. In this case, the null hypothesis is accepted. From the findings, regression equation  $Y_2=b_0 + b_1X_1 + \mathcal{E}$ , is explained as  $\gamma_2=0.482 \ 1 + 0.303x_1 + 0.038$ . This implies that the role of talent compensation processes influences competitive advantage but the influence though positive the percentage influence is minimal compared to other factors such as talent development processes.

### 4.6.4. Role of Integrated talent retention processes in competitive advantage

The results in Table 4.33 show the variation of variables used in the analysis. R-square, which is the coefficient of determinant, indicates how much variation took place in integrated talent retention processes (independent variable) due to change in

competitive advantage (dependent variable). When the results are analyzed they indicates that 64.5% change that took place in competitive advantage was due to the change in talent retention processes. The value of F-statistic is 673.266, which is more than 4. This indicates that the model is overall good fit.

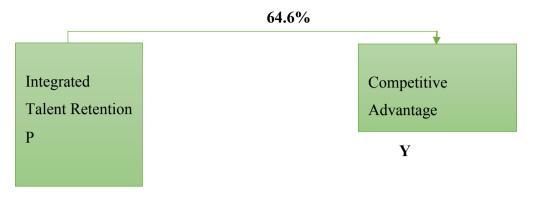
# Table 4.33: Model summary of the role of talent retention processes in competitive advantage

Mod el	R	R Squar e	•	Std. Error of the Estimat e	Change R Square Chang e	F Chan	s df1	df2	Sig. F Chang e	Durbin- Watson
1	.804 <sup>a</sup>	.646	.645	.139037	.646	673.26 6	1	36 9	.000	1.877

Model Summary<sup>b</sup>

a. Predictors: (Constant), Talent Retention

b. Dependent Variable: Competitive Advantage





# Figure 4.14: Role of Integrated talent retention Processes on competitive advantage

The results of Analysis of variance (ANOVA) for regression coefficients are shown in Table 4.34. The results indicate that the significance of F statistics is 673.266, which is less than 4. This implies that there is a significant relationship between integrated talent retention processes and competitive advantage.

# Table 4.34: ANOVA on the Role of Integrated talent retention Processes in competitive advantage

ANO	<b>V</b> A <sup>a</sup>					
Mode	el	Sum	of df	Mean Square	F	Sig.
		Squares				
	Regression	13.015	1	13.015	673.266	.000 <sup>b</sup>
1	Residual	7.133	369	.019		
	Total	20.148	370			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Talent Retention

The study p-value was p=0.000 at  $\alpha$ =0.05 significance level. This indicate that there is significant relationship between the study p=0.005. It also implies that there is significant relationship between talent retention processes and competitive advantage. The null hypothesis was rejected and the final model of this study is as shown below; Y=0.152 + 0.804X<sub>1</sub> +0.152 which indicate that talent retention

processes has a strong positive role on the competitive advantage of telecommunication firms in Nairobi City County, Kenya.

# Table 4.35: Coefficients on the role of talent retention processes in competitive advantage

**Coefficients**<sup>a</sup>

Model		Unstar Coeffi	ndardized cients	Standardized Coefficients	Τ	Sig.	Collinearity	y Statistics
		В	Std. Error	Beta			Tolerance	VIF
	(Constant)	.152	.022		6.767	.000		
1	Talent Retention	.791	.030	.804	25.947	.000	1.000	1.000

a. Dependent Variable: Competitive Advantage

# 4.6.5 Role of transformational leadership in integrated talent management processes and competitive advantage

In this model, a multiple regression was used to establish the relationship between one dependent variable with several variables. Table 4.36 provides information about the relationship of the dependent and independent variables along with the moderating variable. In this study three basic conditions of the significance of variables were tested, independent on dependent, independent on moderator and moderator on dependent

The analysis indicated that 72.5% variation in competitive advantage took place as result of the change in the four independent variables. Additionally there was 79.9% change in competitive advantage, which took place after the introduction of the moderating, role of transformational leadership. The value of F-statistic was 971.669 and 731.314 which was more than 4. This indicated that the model was overall good fit. The relationship of independent, dependent and moderating variables according to the above regression analysis is presented in the Figure 4.15.

The model summary results indicate that integrated talent management processes had a role in competitive advantage of telecommunication firms. The findings are in agreement with Poorhosseinzadeh *et al.* (2012) study on attracting talents, developing talents, retaining talents and succession planning in MNCs in Malaysia.

Table 4.36: Model Summary of role of transformational leadership onintegrated talent management and competitive advantage

**Model Summary**<sup>c</sup>

Model	R	R ĩ	Adjusted	Std. Error	0	Statistics				Durbin-
		Square	R Square	of the Estimate	R Square Change	F Change	df1	df2	Sig. F Chan ge	Watson
1	.851ª	.725	.724	.122591	.725	971.669	1	369	.000	
2	.894 <sup>b</sup>	.799	.798	.104910	.074	135.854	1	368	.000	1.897

a. Predictors: (Constant), Moderating

b. Predictors: (Constant), Moderating, Transformative Leadership

c. Dependent Variable: Competitive Advantage

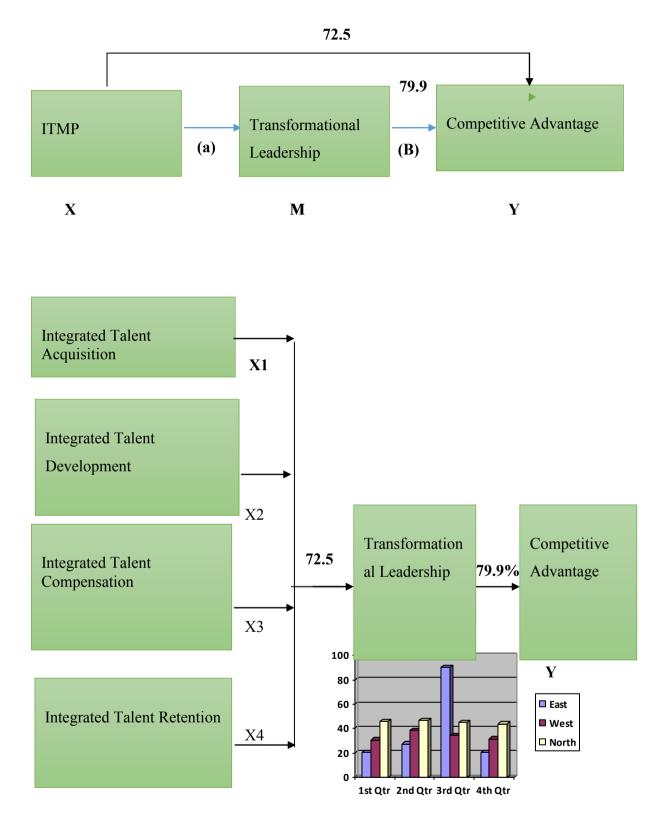


Figure 4.15:Role of Transformational Leadership on integrated talent management and competitive advantage

ANC	<b>DVA<sup>a</sup></b>					
Mod	lel	Sum Squares	of Df	Mean Square	F	Sig.
	Regression	14.603	1	14.603	971.669	.000 <sup>b</sup>
1	Residual	5.546	369	.015		
	Total	20.148	370			
	Regression	16.098	2	8.049	731.314	$.000^{\circ}$
2	Residual	4.050	368	.011		
	Total	20.148	370			

 Table 4.37: ANOVA on the Role of Transformational Leadership in integrated

 talent management processes and competitive advantage

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Moderating

c. Predictors: (Constant), Moderating, Transformative Leadership

According to Table 4.38 and Figure 4.15, it is evident that transformational leadership had a positive moderating role in the competitive advantage of telecommunication firms. Coefficient values of transformational leadership indicate that it had a worthwhile effect in competitive advantage. In Table 4.38,  $\beta$  indicates that the change in transformational leadership by one-unit influence the competitive advantage by 0.469 after that value of *t* shows the significance or insignificance of independent variable upon dependent variable. If the value of t > 2, then it means results were significant. According to the study the value of *t* was 11.656, which shows the significance of transformational leadership in competitive advantage. According to the findings of the study, the hypothesis was accepted.

 Table 4.38: Coefficients on the Role of transformational leadership on

 integrated talent management and competitive advantage

## **Coefficients**<sup>a</sup>

Model		Unstan Coeffici	dardized ients	Standard ized Coefficie	Т	Sig.	Collinear Statistics	·
		В	Std. Error	nts Beta			Toleran ce	VIF
1	(Constant) Moderating (Constant)	138 1.196 076	.028 .038 .024	.851	-4.976 31.172 -3.098	.000 .000 .002	1.000	1.000
2	Moderating Transformati	.660	.057	.470	11.668	.000	.337	2.964
	ve Leadership	.440	.038	.469	11.656	.000	.337	2.964

a. Dependent Variable: Competitive Advantage

# 4.6.6 Optimal Model of the Role of integrated talent management in competitive advantage of telecommunication firms

The general objective of the study was to explore the role of integrated talent management processes in competitive advantage of telecommunication firms in Nairobi City County, Kenya

$$Y=\alpha + + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5XZ + \varepsilon$$

The overall model for the construct integrated talent management processes in competitive advantage was tested. The findings in Table 4.39 shows that the coefficient of determination R Square= 0.776 and R=.881 at 0.05 at significance level. The coefficient of determination indicated that 77.6% of the variation in competitive advantage was explained by the five variables. This shows the existence of a strong positive correlation coefficient between integrated talent management processes and competitive advantage of telecommunication firms in Nairobi City County Kenya.

 Table 4.39: Model Summary of the Role of integrated talent management on

 competitive advantage

Mode	R	R	Adjust	Std.	Change	Statistics	5			Durbin-
1		Squar	ed R	Error of						Watson
		e	Square	the	R	F	df1	df2	Sig. F	
				Estimat	Square	Change			Chan	
				e	Change				ge	
1	.881 <sup>a</sup>	.776	.773	.111091	.776	252.858	5	364	.000	1.894

Model S	Summary <sup>b</sup>
---------	----------------------

a. Predictors: (Constant), Transformative Leadership, Talent Compensation, Talent Acquisition, Talent Development, Talent Retention

### c. Dependent Variable: Competitive Advantage

The results of Analysis of variance (ANOVA) for regression coefficients are shown in Figure 4.16. The finding indicates that the significance of F statistics is 252.858, which was greater than 4. This implied that there was a significant relationship between integrated talent management processes and competitive advantage.

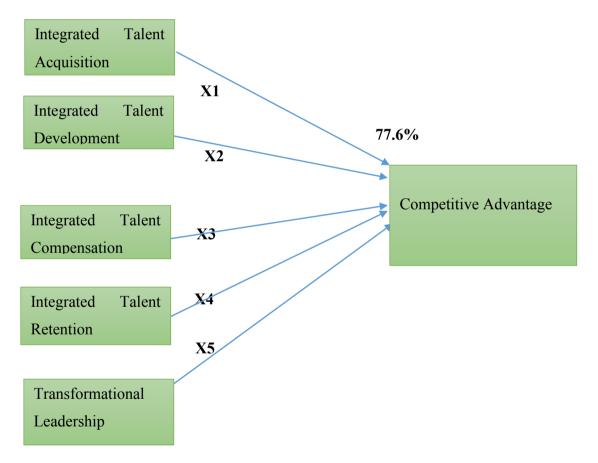


Figure 4.16: Role of integrated talent management processes in competitive advantage

Model		Sum	of Df	Mean Square	F	Sig.
		Squares				
	Regression	15.603	5	3.121	252.858	.000 <sup>b</sup>
1	Residual	4.492	364	.012		
	Total	20.095	369			

 Table 4.40: ANOVA ON The role of integrated talent management processes in competitive advantage

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Transformative Leadership, Talent Compensation, Talent Acquisition, Talent Development, Talent Retention

# Table 4.41: Coefficients on the Role of integrated talent management processes in competitive advantage

Model		Unstandardized Coefficients		Stand ardize d Coeffi cients	Τ	Sig.	Collinearity Statistics	
		В	Std. Error	Beta			Tolerance	VIF
	(Constant)	.058	.028		2.121	.035		
	Talent Acquisition	.003	.032	.002	.085	.933	.792	1.263
	Talent Development	011	.052	009	207	.836	.317	3.155
1	Talent Compensation	.032	.028	.029	1.107	.269	.867	1.154
	Talent Retention	.350	.046	.356	7.558	.000	.277	3.607
	Transformative Leadership	.539	.039	.573	13.656	.000	.349	2.865

# **Coefficients**<sup>a</sup>

**ANOVA**<sup>a</sup>

a. Dependent Variable: Competitive Advantage

The analysis evaluated and interpreted the standardized coefficients of correlation (Beta). In estimating the contribution of each independent variable of the study, it was established that all independent variables significantly contributed to a significant variance of competitive advantage at significant level of 0.05. However, the relative importance of each independent variable(s) was different. In addition,

since the significant values are less than 0.01, the coefficients were significant. The regression equation was as here:

A study by Makwaro & Abok (2014) on factors affecting talent management in state corporations used stratified random sampling to select 224 staff doctors and nurses in Kenyatta National hospital in Kenya. The regression coefficients of the study indicated that recruitment and selection, development and compensation have positive and statistically significant effect at Kenya power and lighting company in Kenya.

 Table 4.42: Respondents Views on Integrated Talent Management Processes

Statement	Freq	Percentage
Staff should be engaged more in process of talent		
management	123	33.2
There should coaching and mentoring	72	19.4
The company should establish succession planning	56	15.1
The management should have talent counselors	41	11.1

The study further sought to establish the views of the respondents regarding the role of integrated talent management processes in competitive advantage of telecommunication firms based on their experiences. According to the study 33.2% of the respondents agreed that telecommunication firms should manage talent as it had a positive role in the growth of the business. However 19.4% indicated that the organization should have coaching and mentoring services in place while 15.1% agreed that their companies need to establish succession planning to ensure that they have continuous flow of talent. In addition, 11.1% agreed that management need to have talent counselors to help the employees with cope with challenges they experience at the place of work. This study shows that telecommunication firms should consider succession plans, mentorship and coaching as well as have talent counselors to support maximum utilization of talent.

#### **CHAPTER FIVE**

### SUMMARY, CONCLUSSIONS AND RECOMMENDATIONS

### **5.1 Introduction**

The chapter presents the summary, conclusions and recommendations on the role of integrated talent management processes in competitive advantage of telecommunications firms in Nairobi City County, Kenya. The summary were based on the data analyzed in chapter four as well as making inferences and deductions from the data. It contains the key findings of the study guided by research objectives. The conclusions were derived from the summary while the recommendations were drawn from the conclusions. The chapter concludes with specific suggestions for further research.

### 5.2 Summary of the findings.

# 5.2.1 Role of integrated talent acquisition processes in competitive advantage

The first objective sought to determine the role of integrated talent acquisition processes in competitive advantage of telecommunication firms in Nairobi City County Kenya. The attributes of integrated talent acquisition processes that were taken into consideration were human resource plans and talent placement methods. Integrated Talent acquisition process ensures that the telecommunication firms obtained the talent they needed and employs them productively to create competitive advantage. The study found that integrated talent acquisition processes had a positive relationship with competitive advantage in telecommunication firms. The findings showed that telecommunication firms should consider investing in human resource plans to ensure that they get the right talent at the right time and right place. As observed in the study the quality of human resource plans decided the overall human resources in telecommunication firms. The study also found that this is vital for telecommunication firms to maintain a competitive advantage and even reduce labor turnover. In addition, the study found that telecommunication firms should also

focus in talent placement methods. This aspect guide telecommunication firms in assigning or matching the requirement of each job with talent. The findings support the resource-based theory, which envisages that competitive advantage is achieved if the firm resources are valuable, rare and costly to imitate. The results of inferential statistics such as ANOVA shows that a unit change in integrated talent acquisition processes causes a positive change of 13.6% in competitive advantage of telecommunication firms. Consequently, the null hypothesis that there was no significant relationship between integrated talent acquisition processes and competitive advantage was rejected and alternate hypothesis accepted.

# 5.2.2 Role of integrated talent development processes in competitive advantage.

The second objective was to establish the role of integrated talent development processes in competitive advantage of telecommunication firms. The key determinants of integrated talent development processes used in the study were capability analysis, which helped telecommunication firms to analyse the discrepancy between their talent and skills available and their needs. The study also found that job design would support telecommunication firms to raise employee productivity levels through overcoming job dissatisfaction and alienation. Additionally the study found that talent development methodologies would enhance employees' abilities to perform and raise their motivation. According to the studyintegrated talent, development processes enhance employee's skills, knowledge, and competences to enable them to exceedingly perform efficiently and effectively. The study found that majority of the respondents at 88.9% agreed that integrated talent development processes had a positive role in competitive advantage of telecommunication firms. Additionally, the finding showed that telecommunication firms invest in talent development plans and methodologies, capability analysis and design to support talent development. Further analysis found that most of the statements related to integrated talent development processes were supported by the respondents. The tests of Beta coefficient found that there was significant relationship between integrated talent development processes in competitive

advantage, which is positive. A unit change in talent development had a 49.8% change in competitive advantage. Consequently, the null hypothesis that there was no significant relationship between integrated talent development processes and competitive advantage was rejected.

#### 5.2.3 Role of integrated talent compensation processes in competitive advantage

The third objective was to determine the role of integrated talent compensation processes in competitive advantage of telecommunication firms. The measures of talent compensation were reward strategy which comprises of the remuneration and benefits offered in telecommunication firms. According to the study, the nature of rewards and benefits help an organization in talent attraction and retention. On talent measurement methods the study found that it was useful in monitoring employee's performance and effectiveness in fulfilling their business expectations. Integrated talent compensation processes provide means of ensuring pay strategies, systems, and practices supports talent acquisition required by the organization. The findings showed that 80.9% of the respondents agreed that integrated talent compensation processes had a positive relationship with competitive advantage. The coefficient of determination revealed that a unit change in talent retention had a positive influence of 9.2% in competitive advantage. The results of Analysis of Variance (ANOVA) for regression coefficients established that while integrated talent compensation processes had a positive role in competitive advantage by 0.303 this was minimal compared to other independent variables.

# 5.2.4 Role of integrated talent retention processes in competitive advantage

The fourth objective examined the role of integrated talent retention processes in competitive advantage of telecommunication firms in Nairobi City County. The key determinants of integrated talent retention processes used in the study were staff engagement, which indicates the extent to which employees feel a sense of commitment to their organization and consciously work towards achieving the organization goals and work place relationship which is an important contributor to employees well being at work. According to the study-integrated talent retention processes supports employees to remain in the organization for the maximum period. The findings revealed that 81.1% of the respondents agreed that integrated talent retention processes had a positive role in competitive advantage of telecommunication firms. After analyzing the coefficient of determinants, it revealed that a unit change in integrated talent retention resulted to 64.5% positive change in competitive advantage. The results of Analysis of variance (ANOVA) for regression coefficients indicated that the significance of F statistics was 673.266 which was less than 4. This implied that there is a significant relationship between integrated talent retention process and competitive advantage

# 5.2.5 Role of transformational leadership in integrated talent Management and competitive Advantage

The study sought to assess the moderating role of transformational leadership in integrated talent management processes and competitive advantage. The determinants of the moderating variable were policy frameworks which serve as a vital purpose in strengthening, and supporting decision making, while leadership style which is a major source for gaining the competitive advantage. The study established that 79.5% of the respondents supported the statements that transformational leadership had a positive role in integrated talent management and competitive advantage. The use of multiple regression analysis established that there was 72.5% variation in competitive advantage because of unit change in the four variables. In addition, there was 79.9% change in competitive advantage, which resulted from the introduction of moderating variable (transformative leadership). According to the results of Analysis of Variance (ANOVA), there was a significant relationship between transformational leadership and competitive advantage. In this case, the hypothesis that there was no significant effect of transformational leadership in integrated talent management and competitive advantage was rejected.

### 5.3 Conclusions

### 5.3.1 Role of integrated talent acquisition processes in competitive advantage

The study concluded that integrated talent acquisition determinant such as human resource plans and talent placement methods have a significant contribution to the competitive advantage of telecommunication firms in Nairobi City County Kenya. Integrated talent acquisition process would ensure that telecommunication firms obtains and retains the talent they need and employs them productively to create competitive advantage. The results of inferential statistics such as ANOVA concluded that a unit change in the implementation of integrated talent acquisition processes causes a positive change of 13.6% in competitive advantage of telecommunication firms. Consequently, the alternative hypothesis that there was a statistically significant relationship between integrated talent acquisition processes and competitive advantage was accepted.

### 5.3.2 Role of integrated talent development processes in competitive advantage

The study concluded that integrated talent development processes which comprises of talent capability analysis and design, and talent development methodologies enhance employee's skills, knowledge, and competences to enable them to exceedingly perform efficiently and effectively. Additionally, the study concluded that telecommunication firms should invest in these processes to support talent development as it has a positive role in competitive advantage. Further analysis of the data concluded that most of the statements related to talent development were supported. The tests of Beta coefficient concluded that there was significant relationship between talent development processes and competitive advantage, which is positive. This is because a unit change in talent development had a positive change of 49.8% in competitive advantage. Consequently, the alternative hypothesis that there was significant relationship between integrated talent development processes and competitive advantage was accepted.

# 5.3.3 Role of integrated talent compensation processes in competitive advantage

The study concluded that the determinants of integrated talent compensation namely reward strategy and performance measurement play a major role in talent retention, which drive competitive advantage. Talent compensation provides means of ensuring that employees are provided with monetary and non-monetary value in exchange for work performed. The study established that this boost the performance of employee and create a more engaged workforce willing to go an extra mile for the organization which is actualized in competitive advantage. The findings concluded that talent compensation had a positive correlation with competitive advantage. This was supported by the coefficient of determination which concluded that a unit change in talent compensation had a positive change of 9.2% in competitive advantage while the results of Analysis of variance (ANOVA) for regression coefficients concluded that while talent compensation had a positive role in competitive advantage by 0.303 this was minimal compared to other independent variables. Consequently, the alternative hypothesis that there was significant relationship between integrated talent compensation processes and competitive advantage was positive.

### 5.3.4 Role of integrated talent retention processes in competitive advantage

Study findings on the role of integrated talent retention processes in competitive advantage of telecommunication firms in Nairobi City County concluded that integrated talent retention processes was gauged by staff engagement and work place relationship processes. The study found that staff engagement promotes retention of talent, royalty and improves telecommunication firms' competitive advantage. In addition workplace relationships forms the basis for health relationships and teams which play significant role in performance. According to the study these processes supports talent to remain in the organization for the maximum period. The findings therefore concluded that majority of the statements on integrated talent retention

processes had a positive role in competitive advantage of telecommunication firms. The coefficient of determinants when analyzed concluded that a unit change in integrated talent retention processes had 64.5% positive change in competitive advantage. The results of Analysis of variance (ANOVA) for regression coefficients also concluded that the significance of F statistics was 673.266 which was less than 4. The conclusion was that there exist a significant relationship between integrated talent retention process and competitive advantage. The Factor Analysis results also concluded that integrated talent retention processes had a significant positive relationship with competitive advantage. This being the case the alternative hypothesis that there was a significant relationship between integrated talent retention processes and competitive advantage.

# 5.3.5 Role of transformational leadership on integrated talent management processes and competitive advantage

The study concluded that transformational leadership is critical in the successful implementation of integrated talent management processes and has a positive role in the competitive advantage of telecommunication firms. In addition, the study concluded that measures of transformational leadership namely policy frameworks, leadership style and practices played a positive role in the successful implementation of integrated talent management processes. The study finding established that 79.5% of the statements on transformational leadership had a positive role in integrated talent management and competitive advantage. The use of multiple regression analysis also concluded that a unit change on transformational leadership resulted to 72.5% positive variation on the four variables and 79.9% in competitive advantage. According to the results of Analysis of Variance (ANOVA), it was concluded that there was a significant relationship between transformational leadership and competitive advantage. In this case, the alternative hypothesis that there was a significant role of transformational leadership in integrated talent management and competitive advantage.

# 5.3.6 Overall role of integrated talent management processes in Competitive Advantage

The study concluded that the overall role of the model of the role of integrated talent management process, which consisted of talent acquisition, talent development, talent compensation, talent retention and transformational leadership, had a role in driving competitive advantage of telecommunication firms. This was statistically supported by the results of Analysis of variance (ANOVA) for regression coefficients.

#### 5.4 Study Contribution to Theory

The study contributes to the development of theory and adds new knowledge and understanding in the changing role of talent management that when processes of talent acquisition, development, compensation and retention are integrated they have a significant contribution to competitive advantage of an organization, sector and national level. The study found that the existing literature have not investigated the contributions of the five talent management processes when implemented as a bundle. Studies by (Jamal & Saif, 2011; Ballesteros et al, 2010; David et al 2007; Tarique & Schuler, 2010 & Iles & Preece (2010) focused on the empirical review on the role of integrated talent management but not related to the telecommunication firms. The study also provides empirical evidence that integrated talent development processes is a major attribute in harnessing talent for competitive advantage of telecommunication firms in Kenya. I addition the study results provide evidence that integrated talent compensation process does not play a significant role in talent management and therefore is not a major contributor in competitive advantage of telecommunication firms. However, available research have also not fully related the role of integrated talent compensation processes in competitive advantage of telecommunication firms (Mutua, 2011; Dash et al, 2008; Anderfuhren-Biget et al., 2010; Mutua (2011& Echakara, 2011)

The study also found that transformative leadership had a significant contribution in ensuring that integrated talent management processes support the growth of competitive advantage in telecommunication firms in Nairobi City County, Kenya. Past researchers have not fully demonstrated this relationship (Northouse's, 2004; Diane, 2011; Rawat, 2013; Gwavuya, 2011 & Riccio, 2010). The study also contributes to the growth of human resource practice as it can be used to develop new polices by individual firms, sectors and government to tap on talent to steer their competitive edge.

#### **5.5 Recommendations**

The study recommends that telecommunication firms should implement integrated talent management processes to drive their competitive advantage. All processes of talent acquisition, development, compensation and retention should be integrated for the firms to achieve optimal contribution. The study also recommends that telecommunication firms that intend to implement talent management processes separately should not consider allocating huge investment in talent compensation processes. Based on the coefficient analysis, the role of talent compensation process was not a major determinant in talent management and competitive advantage.

Additionally, the study recommends that telecommunication firms may consider investing in developing transformational leadership capabilities because it play a significant role in the implementation of polices, strategies and plans geared towards driving competitive advantage. This is supported by Multiple Regression Analysis which established that transformational leadership had a significant contribution contributed to the organizational competitive advantage hence its worth investment.

#### 5.6 Areas for Further research

The study found that staff engagement processes had a positive relationship with competitive advantage. While this was not a key variable for the study, it provokes then need for further research to determine its relationship with talent management and organization competitive advantage. Additionally, succession planning, mentoring and couching are other insightful areas that may attract keen interest for researchers. The study found that they had a role in talent management and competitive advantage of telecommunication firms in Nairobi City County Kenya.

The study in its conceptual model used transformational leadership as a moderating variable between integrated talent management processes and competitive advantage. The findings indicate that transformational leadership plays a significant role in driving policy frameworks, which support competitive advantage. This is an area, which other keen researchers on leadership may; further examine on its role in integrated talent management and competitive advantage of other organizations.

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# APPENDICES

# Appendix I: Introduction Letter from University-Jkuat

	TERMINOLI FLA DEVELOPMENT
JOMO KENYATTA UNIVERSITY	
	OF
	GRICULTURE AND TECHNOLOGY
DIRECTOR D. BOX 62000	R, BOARD OF POSTGRADUATE STUDIES
AIROBI - 00200	
	FAX: 254-067-52164/52030
KU/2/11/ HD412- 3226/2013	30 <sup>TH</sup> SEPTEMBER, 2016
(0) 2) 22) 110 122 0220, 2020	
O WHOM IT MAY CON	CERN
Dear Sir/Madam,	
RE: CHARLES KIRERU - HD412	2 2226/2012
Entrepreneurship Procurement	t and Management (SEPM) undertaking a Doctor of Philoso
Entrepreneurship Procurement Degree (PhD) in Human Resour	t and Management (SEPM) undertaking a Doctor of Philoso ce Management.
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### **Appendix Ii: Field Introduction Letter From Researcher**

### **RE: Field Introduction Letter**

Date 20<sup>th</sup> September 2016

Dear Sir/Madam,

## **RE: COLLECTION OF RESEARCH DATA**

I am a PhD student in Human Resource Management at Jomo Kenyatta University of Agriculture and Technology. I am carrying out a research on the "*Role of Integrated Talent Management processes In Competitive Advantage of Telecommunication firms' in-Nairobi City County, Kenya*". I am currently gathering relevant data for this study and wish to request you to be one of my respondent. In therefore request you to spare some few minutes of your time to respond to the attached short questionnaire and allow me to collect it within the next three days. This will enable me to finalize the study on time. Please be assured that your responses will be treated with confidentiality, and will not be used for reference for business competition. It will be used solely for the purpose of this study.

I thank you in advance for your time and responses.

Regards

**Charles Kireru** 

## HD412/3226/2013

## Appendix III: National Commission For Science, Technology And Innovation Letter



#### NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-2213471, 2241349, 3310571, 2219420 Fax: +254-20-318245, 318249 Email: dg@nacosti.go.ke Website: www.nacosti.go.ke When replying Please quote

Ref: No

9th Floor, Utalii House Uhuru Highway P. O. Box 30623-00100 NAIROBI-KENYA

Date:

16th September, 2016

Charles Kireru Mwangi Jomo Kenyatta University of Agriculture And Technology P.O. Box 62000-00200 NAIROBI.

NACOSTI/P/16/55048/13710

#### RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on "Role of integrated talent management processes on competitive advantage of telecommunication firms In Nairobi City County, Kenya," I am pleased to inform you that you have been authorized to undertake research in Nairobi County for the period ending 15<sup>th</sup> September, 2017.

You are advised to report to The Chief Executive Officers of selected telecommunication firms, the County Commissioner and the County Director of Education, Nairobi County before embarking on the research project.

On completion of the research, you are expected to submit two hard copies and one soft copy in pdf of the research report/thesis to our office.



Copy to:

The Chief Executive Officers Selected Telecommunication Firms.

National Commission for Science, Technology And Innovation Is ISO 9001:2008 Certified

THIS IS TO CERTIFY THAT: MR. CHARLES KIRERU MWANGI of JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY, 660-232 RUIRU,has been permitted to conduct research in Nairobi County

on the topic: ROLE OF INTEGRATED TALENT MANAGEMENT PROCESSES ON COMPETITIVE ADVANTAGE OF TELECOMMUNICATION FIRMS IN NAIROBI CITY COUNTY, KENYA

for the period ending: 15th September,2017

Nº 4 Applicant's Signature

Permit No : NACOSTI/P/16/55048/13710 Date Of Issue : 16th September,2016 Fee Recieved :ksh 2000



Director General National Commission for Science, Technology & Innovation

#### **Appendix Iv : Questionnaire**

#### **Section A: Questionnaire**

This questionnaire is for collecting information regarding the role of integrated talent management processes (talent acquisition, development, compensation and retention) on organization competitive advantage.

Each section of the questionnaire has statements which i kindly request you to tick the statement which describes your opinion on each statement.

Part A

### **Background information**

Kindly provide information below about yourself

#### A.1 Gender

Male	[]
Female	[]

#### A.2 Ages in Years

20-25 years	[]
26-30 years	[]
31-35 years	[]
36-40 years	[]
41-45 years	[]
46-50 years	[]
Over 50 years	[]

## A.3. Level of Education

PhD	[]
Masters	[]
Graduate	[]
Advanced diploma	[]
Diploma	[]

Kindly specify any other professional qualifications

1	
2	

## A.4 Division you are placed

Human Resources		[	]
Information Technology		[	]
Finance		[	]
Corporate and Communication		[	]
Research and Development		[	]
Any other		[	]
Kindly specify the division			
i			
A.5 Years in service			
Below 5years	[]		

6-10years	[]
11-15years	[]
16-20years	[]
Above 20 years	[]

### A.6 Nature of Employment

Open contract (Permanent and pensionable )	()
Fixed contract	0

### A.7 Category of Employment

Chief Executive Officer	()
Head of Division	()
Head of department	()
Section Head	()

### PART B

## Section 1: Role of Integrated Talent acquisition Process in competitive advantage

This section has statements on the role of talent acquisition process on competitive advantage. Please tick the appropriate answer according to your opinion. Please tick the answer that is appropriate to your opinion on each question

- 1. Does integrated talent acquisition process have a role in your organization competitive advantage? YES/NO
- Please state if there is a positive relationship between the role of integrated talent acquisition and your processes in your organization competitive advantage? YES/NO
- 3. What is the overall role of integrated talent acquisition processes? YES/NO

Please tick the box that is appropriate to your opinion on each statement.

Please tick only one box per statement

Statement on the role of talent acquisition processes in	01	Disagree	Neutral	Agree	Strongly Agree
competitive advantage	1	2	3	4	5
Role of integrated talent acquisition processes is key driver in competitive advantage in my organization					
The role of integrated talent acquisition processes in the organization is supported by talent plan.					

	 0		
The effectiveness of the role of the integrated talent acquisition is based on the talent placement strategy that guides appropriate talent placement in their respective roles.			
There is a relationship between the role of the integrated talent acquisition processes and competitive advantage in my organization			
The role of talent acquisition is fully supported by the talent management policy			
There is integrated talent acquisition policy framework that guides decision making on the role of talent acquisition			
The role of integrated talent acquisition is implemented through careful talent selection.			
Integrated Talent acquisition processes have a positive			

relationship with superior			
innovation speed in the company			
The role of integrated talent acquisition is enhanced by effective knowledge management, which positively affects competitive advantage.			
The role of integrated talent acquisition drives the organization capabilities and competitive advantage			
We have a department that specifically deals with the role of integrated talent acquisition because it is key in competitive advantage.			

# Section 2: Role of Integrated Talent development Processes in competitive advantage

This section intends to collect information regarding the role of talent development process on competitive advantage.

### Please tick the answer that is appropriate to your opinion on each question.

1. Does talent development process have a role in your organization competitive advantage? YES/NO

- Does talent development play a role in talent retention, which drives your organization competitive advantage? YES/NO
- Does your organization have a talent development plan to guide its implementation? YES/NO

Please tick the box that is appropriate to your opinion on each statement. Please tick only one box per statement

Statement on the role of integrated talent development	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
processes in competitive advantage.	1	2	3	4	5
Talent development play a role in competitive advantage					
The role of talent development is implemented through talent development assessment need to determine the gaps identified in staff capabilitis in order to develop them.					
The role of talent development is driven by talent development design for guiding talent development.					

There is different types of talent development methods that guides the role of talent development			
Talent development contributes to the development of the organization capabilities in our organization			
Talent development contributes to the development of superior innovation			
Talent development contributes to investment in knowledge capita in the organization			
Role of talent development is implemented through strategy and policy framework in place in our organization.			

Apart from the above observations kindly mention how else does talent development influence competitive advantage in your organization

i	 	 	 	 
ii	 	 	 	 
iii	 	 	 	 

# Section 3: Role of Integrated Talent compensation processes in competitive advantage

This section intends to collect information regarding the role of talent development on competitive advantage. Please tick the answer that is appropriate to your opinion on each question.

- 1. Do you think compensation have a role in competitive advantage of your organization?: YES/NO
- Does compensation has a role in talent retention, which drive your organization competitive advantage? YES/NO
- 3. Does your organization talent development linked with compensation, which affect your organization competitive advantage? YES/NO

Kindly tick the box that is appropriate to your opinion on each statement. Please tick only one box per statement

Statement on the role of integrated talent	01	Disagree	Neutral	Agree	Strongly Agree
development processes in competitive advantage.	1	2	3	4	5
Talent compensation have a role in your firm competitive advantage					
Talent compensation have a role in staff performance who drive competitive					

advantage.			
Talent compensation motivates staff to develop superior innovations within the shortest time possible			
The role of talent compensation is well aligned with knowledge capital			
The role of talent compensation is driven by a policy frame work			
Talent compensation has a role in supporting talent attraction			
The role of talent compensation is designed to address all forms of talent retention			
Our company has invested in the role of talent compensation as a strategy for driving the competitive advantage			

In your opinion kindly mention how else does talent development influence competitive advantage

i.....

iii.....

# Section 4: Role of Integrated Talent retention Processes in competitive advantage

This section intends to collect information to examine the role of talent retention and competitive advantage.

### Please tick the answer that is appropriate to your opinion on each question.

- 1. In your opinion do you think talent retention has a positive role in your organization competitive advantage?: YES/NO
- 2. In your opinion does your organization invest in talent retention programmes? YES/NO
- 3. In your opinion does your organization have a talent strategy in place? YES/NO

### Kindly tick the box that is appropriate to your opinion on each statement.

Statement on the role of	Strongly	Disagree	Neutral	Agree	Strongly

### Please tick only one box per statement

integrated talent retention	Disagree				Agree
processes in competitive					
advantage.	1	2	3	4	5
Talent retention processes has a role in competitive advantage in our organization.					
This company has staff engagement policy and programmes					
There is good workplace relationships guided by the company policies.					
Retention of key talent has a role in development of superior innovation in our company					
Management feedback systems promote high level of employee's commitment.					
The company invests on talent retention as an investment in knowledge capital.					

Talent retention has a role in the development of our company capabilities.			
There is very low labour turnover of talent, which contributes to our organization competitive advantage			
Talent retention is supported by career progression which enhances talent productivity			
There is involvement of talent in business decision making which enhances competitive advantage			

In your observation kindly, mention how else talent retention influences your organization competitive advantage.

i.....ii.....

# Part 5: Role of Transformational Leadership on integrated talent management and competitive advantage.

This section intends to collect information to examine the moderating effect of transformation leadership on integrated talent management processes and competitive advantage.

### Please tick the answer that is appropriate to your opinion on each question.

- 1. In your opinion, do you think your organization leadership has moderating role in integrated talent management processes and competitive advantage? : YES/NO
- 2. Transformational leadership has a role in the development of policy frameworks which supports the organization competitive advantage? YES/NO
- Transformational leadership practices helps to drive competitive advantage.? YES/NO

### Please tick the box that is appropriate to your opinion on each statement.

Statement on the moderating role of	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
transformational leadership on talent	1	2	3	4	5
management processes and competitive					
advantage					

Kindly tick only one box per statement

Transformational Leadership drives organizational profitability and competitiveness			
Leadership provides conducive environment for employee to perform their work			
Leadership drives formulation of policies to direct decision making			
Transformative leadership practices like feedback system			
management are encouraged			
Leadership drives organizational change in our organization			
Leadership drives investment in			

organization			
knowledge which			
influences our			
competitiveness			
Leadership encourages staff innovation			
Leadership encourages staff recognition programs			

In your observation kindly, mention how else does transformative leadership influences your organization competitive advantage.

i..... ii.....

### Part 6:Organization competitive advantage

This section intends to collect information to examine organization competitive advantage.

### Please tick the answer that is appropriate to your opinion on each question

 In your opinion does integrated talent management processes have a role in competitive advantage of your organization? YES/NO

- 2. In your opinion is your organization competitive advantage driven by integrated talent management processes? YES/NO
- 3. In your opinion do you think that your organization will remain competitive in the next five years based on its integrated talent management approach? YES/NO

### Please tick the box that is appropriate to your opinion on each statement.

Statement on organization competitive advantage	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
My organization competitive advantage is driven by integrated talent management processes					
Competitive advantage is measured through the speed in the innovation of products and services.					
My organization investment in knowledge capital determines our organization competitive advantage.					
Talent acquisition processes contributes to organizational competitive advantage.					

## Kindly tick only one box per statement

Talent development processes contributes to the organizational competitive advantage.			
Talent Compensation has a role in competitive advantage			
Talent retention is a contributor to the organizational competitive advantage			
Transformative leadership style has a role in driving our organization competitive advantage.			
Our organizational capability has a role in driving competitive advantage.			
Our organization competitive advantage motivates employee performance.			
People management practices influences our			

organization			
competitiveness.			

Kindly mention other talent management attributes that in your opinion influence competitive advantage but has not been captured above.

I	 	 	
ii	 	 	
iii	 	 	