EFFECT OF TALENT MANAGEMENT STRATEGIES ON EMPLOYEE RETENTION IN THE INSURANCE INDUSTY

SAMMY KAHARI KIGO

The Strategic JOURNAL of Business & Change MANAGEMENT

ISSN 2312-9492 (Online), ISSN 2414-8970 (Print)

Vol.3, Iss. 2 (45), pp 977-1004, May 31, 2016, www.strategicjournals.com, ©Strategic Journals

EFFECT OF TALENT MANAGEMENT STRATEGIES ON EMPLOYEE RETENTION IN THE INSURANCE INDUSTY

[1*] Sammy Kihari Kigo, [2] Dr. Hazel Gachunga

[1*]Student, Jomo Kenyatta University of Agriculture & Technology (JKUAT), Kenya

[2] Lecturer, Jomo Kenyatta University of Agriculture & Technology, Kenya

Accepted May 15, 2016

ABSTRACT

Success of any organization depends on the strategies put in place to ensure they retain talented employees. Today's manager's challenge is to keep the staff engaged and ensure attraction and retention of talented employees. The manager has to know the current acquisition and retention strategies employed by other organisations. The goal of most companies is to benefit from talented employee behavior and contribution in the workplace by promoting a win–win situation for both the company and workers. The purpose of this study was to evaluate effect of talent management strategies on employee retention in the insurance industry. This study was conducted within the insurance industry of which 5 Companies were sampled. The study was descriptive as the respondents only described the phenomena, but was not involved in any manipulation of the variables. The target population constituted 200 Assistant and Managers. Samples of 70 staff were selected based on simple random sampling method. Primary data was collected using a structured questionnaire. Data was analyzed using the SPSS package Version 21.0. Simple descriptive statistics was used to illustrate the various qualitative and quantitative factors that were conceptualized to influence the employee retention. The results were tabulated in form of frequency tables, pie charts and bar-graphs to capture the number of responses to a particular variable in each determination. Further, the study adopted correlation and regression analysis at 5% level of significance to determine strength and direction of the relationship of the variables under study. The analysis showed that talent acquisition had the strongest positive (Pearson correlation coefficient =.877) influence on employee retention. In addition, talent development, compensation strategies, succession planning are positively correlated to employee retention (.588, .705, .0424 respectively).The study established that the management of the organization did not properly plan and manage career path. The succession plan strategy employed by the organisation has not improved their willingness to be retained in the organization. The study also recommends that on boarding programmes should help to ensure employees retention. The study can be conducted with emphasis to Kenyan owned companies with a more diverse group of employee. Also, different variables could be chosen that are different from the ones used in this study for the generalization of the findings of this study.

Key Words: Talent Acquisition, Talent Development, Talent Compensation Strategies, Succession Planning, Employee Retention, Insurance Industry

Background Of The Study

The functioning of any organization largely depends upon several remarkable components, with the talented employee occupying the central role for the accomplishment of organizational goals (Geeta, Goel & Rastogi, 2013). Organizations are making more investment into talent development initiatives, which currently is a challenge. The purpose of this research is to examine the talent management and its effect on talent retention. Today's organisations are continuously confronted by social developments such as globalisation, technological improvements and increasing global competition. Companies have to be able to anticipate technological innovation and to compete with other companies worldwide. Besides these economic evolutions, demographic changes are also putting pressure on companies. The current society has to deal with the rapid aging of the active population while, in the meantime, fewer young people are entering the labour market. In addition, the workers of the so called baby boom generation are gradually retiring (Natalie, Kyndt, Dochy & Baert, 2011). These evolutions cause not only a shortage of workers, but also a risk of losing knowledge and experience, for which companies have to find an answer. This loss of knowledge and experience increases the importance of retaining talent, Lockwood, (2006) as quoted by Natalie et al., (2011) describes talent as the vehicle to move the organisation to where it wants to be.

Talent leads to exceptional performances and talented people are often admired and valued. Talent is perceived as something valuable, rare and hard to imitate. However, an unambiguous definition of the concept doesn't exist (Natalie et al., 2011). However, to keep a clear focus, the following definition will be adopted: Talent is any inherent capacity that enables an individual to display exceptionally high performance in a domain that requires special skills and training (Natalie et al., 2011). Previously demographic and economic evolutions prompt organisations to focus increasingly on the retaining of talented employees. This process is known as retention and is very important for the future of a company. Echols (2007) as quoted by Natalie et al., (2011), states that, when combined with selective promotion and salary action, the learning and development process is a strong retention activity. The fact that effective training, and opportunities to learn and develop, enhances employee retention is also confirmed by other researchers such as Arnold (2005) as quoted by (Natalie et al., 2011). It can therefore be concluded that learning and development can be considered as important retention enhancing strategies. Research has also shown that, as long as employees feel that they are learning and growing, they will be less inclined to leave. On the other hand, once employees feel they are no longer growing, they begin to look externally for new job opportunities (Sara, 2008).

A review of the trade and popular literature on the topic of talent management (TM) would certainly lead one to conclude it is a popular and growing field. A search on the phrase talent management hr in late 2004 using a popular internet search engine yielded over 2,700,000 hits. One year later a search on the same term yielded over 8 million hits (Lewis, & Heckman, 2006). Given the number of consulting firms engaging in talent management and the growing number of articles and books on the topic, one might also believe "talent management" to be a well-defined area of practice supported by extensive research and a core set of principles. A review of the literature focused on talent management reveals a disturbing lack of clarity regarding the definition, scope and overall goals of talent management.

Succession planning is not an issue that many organizations address in any systematic way.

Because many organizations don't consider that a major priority and because they may be facing other organizational challenges, and as such thinking about who the next executive director might be or what would happen if the director of finance suddenly left is not high on their priority list. There are a number of reasons why organizations need to be thinking about succession planning. The most important reason is that the organization relies on staff to carry out organizations missions, provide services and meet organization's goals. The organization need to think, what would happen to those services or its ability to fulfill its mission if a key staff member left. Another reason to focus on succession planning is the changing realities of workplaces. The impending retirement of the baby boomers is expected to have a major impact on workforce capacity (Lance & Dorothy, 2011).

Global perspective of talent management strategies

Trend of global integration shows organizations' standardizations in talent recruitment, development and management, to ensure their competitive position and consistency. Therefore organizations have to adapt global best practices of Talent management and at the same time adapt the local requirements and local labor market Stahl et al., (2007) as quoted by (Krishnamohan and Patel, 2010). The organizations that are very successful worldwide tend to maintain local recruitment strategies, but they combine this local strategy with a more global transfer of information and best practices Brewster et al., (2007) as quoted (Krishnamohan and Patel, 2010). While Organizations today face a major challenge of attrition, it is becoming equally important to identify, nurture and retain talent. Organizational culture primarily needs to address these issues. The systems and structure in an organization has to support and encourage the existing talented human resources. Quite often it is apparent that the longer an employee stays in an organization leads to employee loyalty where as various other factors play a major role to ensure the same (Krishnamohan and Patel, 2010).

Talent management is fast gaining a top priority for organizations across the world. Trends for talent management, talent wars, talent raids and talent shortage, talent metrics retention and concerns for talent strategy are expressed in the literature, across various countries like the USA, the UK, Australia, Japan, China, India, and across Asia (Lewis and Heckman, 2006). The various aspects of talent management are recruitment, selection, on boarding, mentoring, performance management, career development, leadership development, replacement planning, career planning, recognition and reward. Companies with highly engaged employees articulate their values and attributes through "signature experiences" visible, distinctive elements of the work environment that send powerful messages about the organization's aspirations and about the skills, stamina, and commitment employees will need in order to succeed in these organizations (Jyotsna & Gurgaon, 2007). After liberalization of the Indian economy, the impact of restructuring, economic transition to an open market, and increased competition from internal and external sources has put pressure on all functions of organizations (Jyotsna & Gurgaon, 2007).

Regional perspective of talent management strategies

Africa has a significant shortage of management and specialized skills. It is estimated there will be a 75% increase in the use of expatriate staff over the next three years, and the strategic use of these resources will be a critical success factor to help establish and grow business across Africa (Jaco, 2012). Foreign direct investment (FDI), and the projected increase in FDI into Africa, will mop up talent. The demand for talent in Africa is going to outstrip supply. As a result of the higher demand for talent, the price of talent is going to go up, and it is going to continue to go up, for as long as there is a skills shortage, Harraway, Tax Human Capital Director at Ernst & Young Africa, at the recent E&Y Strategic Growth Forum in Cape Town 2014. All three companies use a combination of local and expatriate workers in Africa. All the participants also acknowledged the importance of tapping into the African Diaspora for specialised skills. IT giant IBM has expanded significantly across Africa over the past two years. In December 2010, the company had direct operations in six African countries; a year later it had grown its footprint to 24 countries. Guillermo Miranda, HR Director Talent for IBM in Africa and the Middle East explained that in Africa, IBM sources its employees from three pools: local talent; African nationals working for IBM abroad; and Africans in the Diaspora as quoted by (Jaco, 2012).

Seshni Samuel, People Leader at E&Y as quoted by Jaco, (2012), said that when the firm decided to open an office in Cameroon, it couldn't find any suitable local candidates. E&Y therefore brought in a Cameroonian working in its London office to head-up the business. It also hired a global headhunting firm to find a second person. Those people had the on-the-ground understanding to operate in Cameroon. They also knew exactly what they were expecting from an emerging market point-of-view. Miranda said that even when IBM brings in foreign staff for a specific project in Africa, it will make sure that there is a skills transfer to local workers. It is important to have a transfer of knowledge so when you finish the installation of this sophisticated software, the time that there is a malfunction in the system; you don't have to go to the UK, and fly somebody to Luanda to fix it. Education is central to the creation of human capital. However, an analysis of measures looking at the provision of educational services shows that African countries continue to be characterised by low educational attainment (Mercy, 2011). A look at gross enrolment ratios (GER) shows that Sub Saharan Africa has the lowest GER at primary, secondary and tertiary levels of all the major regions of the world UNESCO, 2009. Compounding this problem are the high levels of brain drain experienced by the continent. The Economic Commission on Africa estimates that some 127,000 highly qualified professionals left Africa between 1960 and 1989 and according to the International Organisation for Migration, Africa has been losing 20,000 professionals each year since 1990 Tebeje, (2005) as quoted by (Mercy, 2011). A study by (Seth, 2000) as quoted by (Mercy, 2011) found that almost half of those who leave Africa do so initially to study abroad, 30 percent seek professional development and less than 7 percent leave for political reasons.

According to Mercy, (2011), the Australian Government (2005), most major international students host countries of the world such as the USA, Canada, Australia and the UK have in place deliberate policies aimed at attracting international postgraduate students to remain in their countries on successful completion of their studies as they view export of postgraduate studies as a form of skilled migration aimed at strengthening competitiveness in key industries by addressing among other things the problems of ageing populations and skill shortages. There is thus an important role that the educational sector in Africa can play in addressing the problem of brain drain especially through an increase in its ability to provide more of the service within the continent as quoted by (Mercy, 2011). The Universal Declaration of Human Rights states that "higher education shall be accessible to all, on the basis of merit". To many African students, higher education is far from being a right. Statistics shows that only 5 percent of tertiary level students in Sub Saharan Africa are able to access higher education services compared to 70 percent in Western Europe and North America and a global average of 24 percent UNESCO, 2009. The problem of Africa's higher education began to attract serious attention both within Africa and the donor community in the 1990s. Brock, (2003) as quoted by Mercy, (2011) noted that external agencies including The World Bank have done some rethinking and now recognise that the rate of return analysis that was partly responsible for emphasis on primary education was inappropriately used and acknowledge the importance of higher education within the education sector as a whole. Efforts to revitalise higher education in Africa have since been gaining momentum (Karien, 2011).

Statement Of The Problem

In today's competitive and ever-changing business environment, retaining and developing talent is central concern of organizations. Workforce mobility has become a frequent phenomenon. One of the reasons is atypical characteristics of present workforce, comprising of Baby boomers 1946-1960, Gen X 1961-1980 and Gen Y 1981-2000. Baby boomers are nearing retirement and Gen X would be retiring in another few years. By 2030, 75 percent of the global workforce will comprise of Gen Y. They are future workforce around the globe with inherently different personality, attitude, behavior, and work values from baby boomers and Gen X (Mohammad & Lenkla, 2016).

According to (Mohammad & Lenkla, 2016), a group of 91 focus group interviewed in hospitality industry employee's reports show that Gen Y employees are optimistic, prefer teamwork, and trust their colleagues. While boomers respect authority and are patient with career advancement, Gen X challenges the authority and is less patient with recognition and promotion. Likewise, another study reveals significant differences in personality traits and motivational needs of Gen Y from its predecessors. They are achievement oriented and motivated by growth needs, than that of power as desired by Gen X and baby boomers Wong et al., 2008 as quoted by (Naim, 2014). The catalysts behind these differences are varied life events witnessed by Gen Y during their socio-cognitive development. Raised in a technologically advanced era, they are attuned to using technology. They have affinity for social media for instant information and updating themselves. They seek meaningful and challenging assignments to develop their professional competencies (Kim, Knight and Crutsinger, 2009).

A study conducted at the American Institute of Management showed that nearly three quarters of respondents have the highest priority of the issues related to human resources, talent management (Mehrdad, Hadi & Reza, 2014). Though talent management is not a new concept to Kenyan corporate world, there are still many problems to overcome. Organisations are in a global competition for talent. It is apparent in the labour market that large organisations are continually competing against each other for talent globally; this dilemma is most prevalent at senior management level (Michael, 2009).

They are entrepreneurial by nature and exhibit risk taking, independent decision making, and out-of-the-box thinking. They are called as "High maintenance generation" as they seek autonomy, rewards and variety in work, and scope for learning and development to meet their growth needs of self-esteem and self-actualization. Their quest is for continuous learning by acquiring competencies and stays self-marketable. Therefore, recognizing developmental needs of Gen Y and designing interventions to maintain their efficiency is vital for organizations. Gen Y display relationship ethics and prefer to work in collaborative environment because of the grooming to work in team projects at school/college level (Kim et al., 2009).

They seek employment that offers opportunities for learning and career progression. Their differences in personality and motivators leave no craze for job security hence they switch jobs frequently to satisfy their higher order needs (Kim et al., 2009). To address this challenge, organizations emphasize on learning and development of Gen Y employees.

Talent management is fast gaining a top priority for organizations across the world. Trends for talent management, talent wars, talent raids and talent shortage, talent metrics retention and concerns for talent strategy are expressed in the literature, across various countries like the USA, the UK, Australia, Japan, China, India, and across Asia (Bhatnagar, 2007). Competition and the lack of availability of highly talented and skilled employees make finding and retaining talented employees' major priorities for organizations. In order to attract and retain the best talent anywhere in the world, an organization must have a strong and positive employer brand. Employer brand interventions in recent research indicate talent management as a key driver for this strategy, and are on the agenda for HR executives (HR Focus, 2007). Talent has become the key differentiator for human capital management and for leveraging competitive advantage. Grounded within strategic HRM the management of talent seems to be one of the key functions that HRM is playing strategically in organizations (Bhatnagar, 2007). According to, (Bhatnagar) Recent research indicates that the war for talent is intense due to labour market shortages yet very little research attention has been aimed at competitive talent management strategies.

The Insurance industry is not immune to this; the current demand in the labour market has become so complex that by simply concentrating on traditional aspects like compensation, career path, and training efforts as well as investing heavily on employee development, is not enough. According to Insurance Regulatory Authority (IRA) reports the insurance industry has lost 34% of its workforce. From the exit interview reports that are normally conducted by the organisations at the exit point one of the major reason cited for leaving, is lack of defined career path within the organisation (IRA, 2014). This leads to the following research question. How successfully has Talent Management and Employee Retention strategies been implemented within the insurance industry?

General Objective

To explore the effects of talent management strategies on employee retention in the insurance industry

Specific Objective

- To examine the effect of talent acquisition strategies on employee retention in the insurance industry
- To find out whether talent development strategies influences employee retention in the insurance industry
- To find out how compensation strategies adopted within the insurance effect employee retention in the insurance industry
- To explore the succession planning strategies on employee retention in the insurance industry.

LITERATURE REVIEW

This Chapter deals with an overview talent management & Employee retention and the Theoretical Framework. It is followed by review the empirical literature relevant on the talent management and Employee retention.

Theoretical Framework

In this part the researcher will give an understanding about what talent management is, which is a relatively new concept is but its components have been in Human Resources and Management literature for a long time.

Scientific Management Theory

Frederick Taylor is recognized as the leading advocate of scientific management. He is considered one of the first major management theorists. Taylor's major contribution consisted of three papers, which were originally published at different times for different audiences: Shop Management; The Principles of Scientific Management; and Testimony before the Special House Committee. The three papers were later compiled together and published well after Taylor's 1947 death in 1915 in Scientific Management. Taylor proposed a scientific system for breaking down each activity into its components parts and determining the most efficient means by which to perform each task. Stopwatches would then be used to establish an optimum daily production rate, and workers would be trained to perform in the manner desired by management (Mark, 2007). F. Taylor an imaginative thinker and energetic practitioner was far ahead of his contemporaries in accomplishing a phenomenal intellectual agenda. Taylor advance work organization at the shop-floor level and enterprise management to a higher level of aggregation, but he also laid the foundation for the science of managing production systems in the industrial age at large (Rakitski, 2005).

F. Taylor designed a theoretical system of organization of work, production, and management; he explained that scientific management, in its essence, consists of a certain philosophy, which results in a combination of the four great underlying principles of management starting with the development of true science. He clearly defined the basic goals of his theory, prioritizing the combination of the following elements: science, not rule of thumb, harmony, not discord, cooperation, not individualism, maximum output, in place of restricted output, and the development of each man to his greatest efficiency and prosperity (Mikhail & Rakitsky, 2013).

As one of the early management practitioners who established theories and principles of management, Fayol should be of interest to students, teachers, and practitioners of management. This is especially true since many management authors (Brunsson, 2008;Parker and Ritson, 2005) believe that his work established the basic principles and framework for management theory and that it is the foundation of management theory as we know it recently. Fayol was the first to distinguish between technical and managerial skills, According to Fayol employees need to be proficient in all the skills at each level, but technical skills would be essential not only at the worker level, but in management positions. Of course, managerial skills would become increasingly important as employees assume higher levels of management responsibility in the hierarchy of command (Mildred & Sonia, 2010).

Fayol's principles were a guide to theory and practice in the early days of management theory. However, many of his principles are represented in contemporary management theories which describe what today's managers should do to be effective and efficient. Still there is a debate among various authors about the relevance of Fayol's theories for contemporary managers (Mildred & Sonia , 2010). Management principles and theories, such as Fayol's theories, should be compatible with, and supportive of strategic management theories. According to (Yoo et al., 2006), a relationship exists between Fayol's 14 principles and Porter's strategic management theories, particularly theories about cost leadership and differentiation strategies. We find that Fayol's theories are even more compatible with the 5P's Strategic Leadership Model. Purpose includes mission vision, goals and strategies that are very compatible with Fayol's planning function. While Fayol does not address principles per se, he does address equity, morality, and courage. In the 5P's model, people and processes are leaders and systems. Fayol's organizing and coordination functions are quite similar. The final element in the 5P's model is performance which includes measurements, key performance indicators, and results. This is very compatible with Fayol's command and control functions (Pryor et al., 2007). The proper personal relations should always be maintained between the employers and men; and even the prejudices of the workmen should be considered in dealing with them. The employer, who talks to employees in a condescending or patronizing way, or else not at all, has no chance whatever of ascertaining their real thoughts or feelings. Each man should be encouraged to discuss any trouble which he may have, either in the works or outside, with those over him (Royle, 2005).

Acceptance Theory

The Functions of the Executive, focused on formal organizations as cooperative systems. His main contribution to management theory was his attempt to bridge the requirements of the formal organization with the needs of the socio human system. His work has been considered a landmark in management thought which persists to this day (Mark, 2007). Further (Mark, 2007) recognized that individuals in an organization have their own motives which can be modified through the executive function to match the goals of the organization. If the individual and organizational goals match and cooperation is achieved, the system is considered effective. Barnard also developed the acceptance theory of authority by which a zone of indifference was created if four conditions were met: understanding of order; consistency with purpose of organization; compatibility with personal interests; and mental and physical ability to comply.

A large body of research has addressed the psychological variables that influence technology use or nonuse. Two frequently investigated models in this area are the theory of planned behavior and the technology acceptance model (TAM). The theory of planned behavior posits that behavioral intention to perform an activity is determined by: attitude; perceived behavioural control, defined as the perception of how easy or difficult it is to perform behavior; and subjective norm, defined as one's beliefs about whether significant others think that one should engage in the activity. TAM states that behavioural intention to use a technology derives from two beliefs: perceived usefulness, defined as the expectation that the technology will enhance one's job performance; and perceived ease of use, defined as the belief that using the technology will be free of effort (Marcelline & Subhash, 2005). The continuing quest to ensure user acceptance of technology is an ongoing management challenge (Schwarz and Chin, 2007), and one that has occupied IS/IT researchers to such an extent that technology adoption and diffusion research is now considered to be among the more mature areas of exploration. It is argued that by examining the presence of each of these constructs in a "real world" environment, researchers and practitioners will be able to asses an individual's intention to use a specific system, thus allowing for the identification of the key influences on acceptance in any given context (Michael, Rana & Yogesh, 2015).

Numerous studies show that HR practices enhance organizational performance by positively influencing employee attitudes and behaviors. However, research has begun to acknowledge that employee reaction to HR practices is an important antecedent of the effectiveness of such practices, for they cannot deliver the desired organizational outcomes without employee positive response (Nishii et al., 2008). Moreover, although there is no strong evidence showing the extent to which employees view HR practices favorably, some recent data suggest caution in that respect. For example, Cantrell and Smith (2010) found that barely one-third of the employees in a wide sample of American firms held a favorable opinion of HR practices in their respective workplaces.

Acceptance is especially key when it comes to newly introduced HR practices (NHRPs) – HR practices with which employees are not familiar. NHRPs, like other kinds of workplace innovations, can sometimes disrupt existing procedures and work habits. Such disruptions may engender ambivalent or even negative feelings as employees wonder how the NHRP will affect them personally (Luigi, Bonache & Trullen, 2015). As mentioned in the Introduction, negative employee perceptions of NHRPs are not uncommon; indeed, (Cantrell and Smith, 2010) suggested that they are sometimes seen "more as a barrier to performance improvement than as an enabler. Such negative feelings toward NHRPs may be counterproductive for the organization in terms of lower productivity resulting from employee stress Nishii et al., 2008) and even turnover costs resulting from reduced employee commitment expressed through withdrawal behaviors.

While there is scant literature on the role of top management in HR implementation (Guest and Bos-Nehles, 2013), the role of top management in successful HR changes has been acknowledged (Tanure and Gonzalez-Duarte, 2007). Because of their elite status, top management behavior sends powerful messages to the workforce about the importance to the organization of the HR practice in question (Choi et al., 2011). In a case study, (Stanton et al. 2010) observed that CEO commitment to HR provided links between organizational strategy and HR strategy, allowing employees to form positive associations with HRM and its outcomes. They concluded that top management behavior is a clear differentiator in the success of any HR activity.

Management by Objective content of Talent Management Theory

Drucker wrote two influential texts on management theory, Concept of the Corporation and The Practice of Management. A careful examination of these two texts reveals numerous talent management considerations by Drucker in his theory. Drucker is often considered the founder of modern American management (Romar, 2004). Drucker arguably provided two major contributions to management theory: advocacy of the federally decentralized organization; and the concept of management by objectives (MBO). Following two years of consulting for General Motors in the mid-1940s, Drucker, concluded that a decentralized organization best integrated control or economic efficiencies with freedom or individual employee fulfillment (Mark, 2007). A decentralized organization consists of autonomous profit/loss centers each with its own product and market. The advantages of such a structure were: focus on performance and results; avoidance of profitable product lines subsidizing unprofitable lines; better assessment of managers' performance; and early and reasonable testing of employees in independent command.

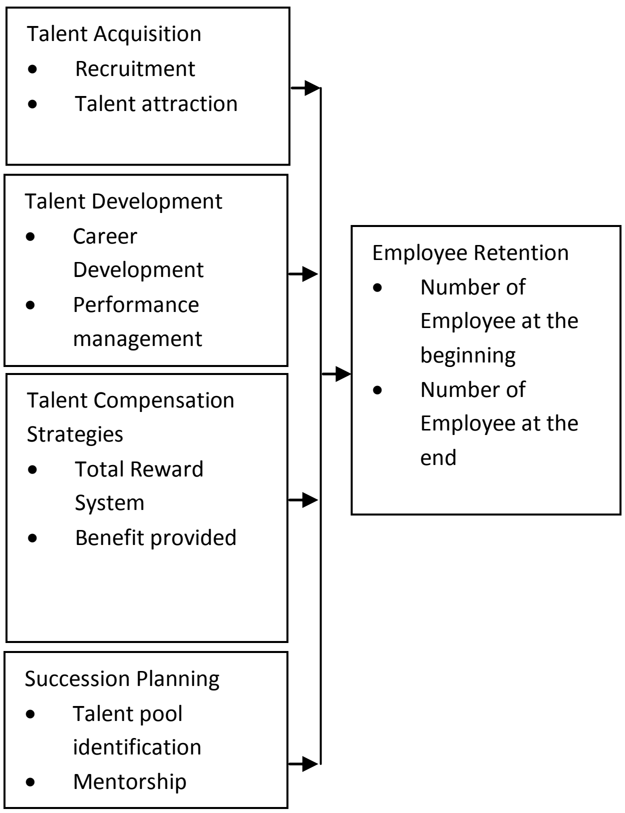
Drucker's second major contribution was the introduction of the concept of MBO as a solution to combining managerial autonomy and control in a decentralized organization. Essentially MBO is a process whereby decentralized superiors and subordinates set goals and objectives, performance is then measured against these objectives, and rewards and punishments are assessed based on the results (Mark, 2007). Drucker's management theory generates several talent implications. His support of decentralization raises several talent concerns such as increased reliance on the experience of autonomous managers.

Large organizations are complex. In order to coordinate the activities of complex organizations, top management make use of long term objectives and strategic intents in order to integrate what is differentiated and disperse. In large organizations, such objectives serve as integrating mechanisms that creates sense, meaning and coherence in what is cognitively complicated to capture by individuals. The use of longterm objectives can also affect another sense in an organisation that of frustration and fatigue, leading to reduced effectiveness (Fredrik , Alexander & Williander, 2005)

Drucker

introduced management by objectives (MBO) in the late 1950s. Kaplan and Norton introduced the Balanced Scorecard in the early 1990s. MBO and the Balanced Scorecard are management systems that align tangible objectives with an organisation's vision. This article compares and contrasts the two management systems. The examination concludes that the philosophical intents and practical application of MBO and the Balanced Scorecard stem from similar precepts (David, Elaine & Palmer, 1998). The examination of patterns of MBO implementation also illuminates possible problems in the application of the Balanced Scorecard. Implementation of MBO suffers from two main problems. Partial implementation: taking a portion of a prescription does not provide the cure. Second, a patent disregard for MBO's core philosophy that calls for goal congruence through collaboration.

Conceptual Framework



Independent Variable **Dependent Variable**

Figure 1 Conceptual Framework

Talent Acquisition

Talent Acquisition is the process of finding and engaging the people the organization needs. Selection is that part of the recruitment process concerned with deciding which applicants or candidates should be appointed to jobs (Thorne & Pellant, 2007). Further Thorne & Pellant, state that the concept of sourcing and recruiting has been expanded to use the term talent acquisition. This enormous area has become very complex and highly interconnected. Organizations must assess critical talent needs, determine performance profiles, source and screen candidates, and then hire and onboard people. The organizations must acquire the required talents internally as well as externally. New employees must go through a well-developed on boarding process.

In the case of the selection process, key competencies that are the biggest predictors of job success need to be identified and validated by the managers seeking the applicants. It is important to note that instead of having only one interview with the candidate, multiple interviews will be done. This will ensure that the candidate actually possesses the competencies required. Although time consuming and costly, it will be worth the effort if top performers are ultimately selected. Once a candidate has been appointed, a training plan can be written and executed. This will help employees to perform their current jobs more effectively, prepare them for the next job on the career ladder, and prepare them for a job in a different discipline (Paul, 2005).

The process of acquiring talents is executed by both internal and external recruitment. According to (Zsuzsanna, 2013) Carlsberg ASC focuses mostly on internal talent acquisition. The basis for talent identification is annual workers' appraisal which is conducted on the basis of two groups of criteria. The first group is connected with work effectiveness and refers to the extent to which a particular worker achieved a goal that had been set and also to the way in which this goal had been achieved. The second group is concerned with the worker's potential understood as the potential to exercise managerial functions. The appraisal is performed by both the worker himself or herself and also by his or her line manager. Further (Zsuzsanna, 2013) state that the essential stage of this appraisal is so called

People Board which is the meeting of all the Department Managers and Human Resource Department workers, during which each worker's performance is discussed.

According to Paul, Martin & Balain, (2011) the notion of The War for Talent was first expressed by Hankin of McKinsey and Company in 1997 and further reinforced by the book of the same name published in 2001 and authored by Ed-Michaels. The book focuses upon the increasingly competitive environment for recruiting and retaining talented employees. Paul et al (2011) further advocated for organisation to adopting a talent mindset as these are employees with unique skill sets skills that are rare and much sought after by competing organisations. These talented individuals are hard to find and therefore difficult to replace and add a disproportionate amount of value to the organisation compared to other employees. A talent management strategy starts with identifying these individual star performers who are a source of competitive advantage and advocate strategies that attract, retain, and develop these high performance and high potential employees.

These policies and programmes describe the approach to ensuring that the organization both gets and keeps the talent it needs for its current and future business needs. Attraction policies lead to programmes for external resourcing recruitment and selection of people from outside the organization so as to add value to the organisation Holland, Cathy & De Cieri, (2007). Retention policies are designed to ensure that people remain as committed members of the organization.

Talent Development

Organizations are increasingly saying that they want to manage talent and to develop it. Talent management has become a common phrase in many companies. Most organizations imply that talent management is about the recruitment, retention and development of an élite band of people. What many organizations do suggest is that they are interested in succession planning and therefore talent management is needed in order to plan for the succession of senior leaders (Liz, 2006). It will be difficult for organizations to retain employees if there are no prospects for growth. Career development prospects will not only provide an opportunity to employees for growth, but will also inspire them to perform better. An atmosphere for growth will motivate the employees to make the most of their skills and capabilities. For survival of the organization knowledge sharing is considered as a constructive force. However, it becomes the prime responsibility of the organization to discover those factors which influence individuals to share knowledge for the advantage of other individuals in the organization Hall, (2001) as quoted by (Sunita, & Chandan, 2015). Talent development focuses on the planning, selection and implementation of development strategies for the entire talent pool to ensure that the organisation has both the current and future supply of talent to meet strategic objectives and that development activities are aligned with organisational talent management processes (Thomas, Ronan & Andrew, 2012).

Talent seeking organizations recruit potential talent for their survival in this rapidly changing and competitive environment. The typical process is to attract the talent through a variety of recruitment methods and select the best for the organization. Nonetheless, talent, if not guided and nurtured well, may not be able to grow and reach its fullest potential. While companies can recruit potential talent with much difficulty, developing their skills and getting the best out of them is a difficult task. Talent development plays a very important role in making the foundation of the company even stronger by not only developing the employees, but also helping them in achieving their career goal. Normally, it is believed, that training and development – both classroom and outbound coupled with on-the-job training, mentoring and coaching could help develop talent (Sunita, & Chandan, 2015).

The model here is one of self-management. Whether companies like it or not people increasingly want to take charge of their own lives they want to self-manage. Developing future leaders has to fit with this real world and not with some abstract plans drawn up by a committee or an HR director. If organizations are serious about developing their talent then they have to respond to these individual as well as organizational needs. This requires talent development that is personalized (Liz, 2006). Talent management is increasingly discussed in the HRM and HRD literature, it is a set of practices that are implemented in organisations CIPD, (2011) and refers to how organisations attract, select, develop and manage employees in an integrated and strategic way. Talent development represents an important component of the overall talent management process (Thomas, Ronan & Andrew, 2012). While it is possible for organisations to pursue a strategy that focuses on talent acquisition from the external labour market, such a strategy is unlikely to be successful in the long term. It is well established that there are significant advantages to be gained from an internal development approach and that organisations need to acquire and develop industry and firm specific knowledge and skills Lepak and Snell, (1999) as quoted by Thomas et al (2012) in order to be competitive.

A reading of the talent management literature suggests that, at an individual level, talent is something exemplary that certain people possess. Gladwell (2010) as quoted by (Thomas et al (2012) proposed that "talent is equal to ten years or 10,000 hours invested in a specific field". However, when one considers organisational level definitions, a narrower view of talent emerges. A code for the most effective leaders and managers at all levels, who can help a company fulfill its aspirations and drive its performance. Managerial talent is some combination of a sharp strategic mind, leadership ability, emotional maturity, communications skills, the ability to attract and inspire other talented people, entrepreneurial instincts, fundamental skills and the ability to deliver results Michaels et al., (2001) as quoted by (Thomas et al, 2012).

Talent Compensation Strategies

Compensation represents a potent tool for organizations to recruit and retain employees, to motivate employee behavior in organizationally beneficial directions and build strategic competitive advantage that is difficult to imitate Milkovich and Newman, (2005) as quoted by James, Beekun, Daly & Vanka, (2009). Many organizations make decisions on purely short-term financial considerations without guidance from management research that addresses the potential individual level behavioral and performance consequences of changes in compensation strategies. For example, in the USA, variable forms of compensation have become an increasing portion of an employee's overall compensation, whereas the guaranteed portion of income is on the decline (James et al, 2009). On the benefits side, many firms are significantly transitioning their pension plans from defined benefit to defined contribution plans with a focus towards reducing costs but with little consideration of the potential impact on employee motivation and retention. Compensation systems have been described as functioning as a signaling device to job seekers, affecting job and organizational attractiveness by providing information about a firm's less visible cultural characteristics (Westerman, Beekun, Daly & Vanka, 2009). Further, pay systems are relatively observable and malleable and this feature enables organizations to align their compensation systems with their organizational goals. However, little is known about the relative importance of individual preferences for different compensation packages to enable employers to take full advantage of this potentially powerful tool.

There is widespread evidence that national cultures vary and that HR practices differ depending on the national culture. An implicit notion in literature is that a multinational corporation (MNC) can improve its competitive position by adjusting its HR compensation practices to match the cultural preferences of the employees in a host country, following the general approach of “think globally and act locally (Westerman et al., 2009). The cultural influence in compensation preferences is important because the norms of high power distance and collectivistic behavior in India will operate to exert a combined effect of conformity and suppression of individual differences in compensation preferences. This serves to reduce or remove the relationship between individual personality attributes and workplace outcomes because of a lack of diversity.

It is worth considering briefly the component issues facing executive compensation; more specifically, executive compensation is argued to suffer from: Company directors being paid too much as compared to the rest of the work force; quite a lot of their compensation being linked to performance but the performance measures being open to manipulation and short term in outlook; and, directors not seeming to suffer if they perform badly, or it taking a long time for them to suffer consequences (Keasey, 2006). Further Keasey, state that in contrast to the narrow focus of the US dominated principal agent view of executive compensation, the following framework stresses the importance of fully understanding three key components: Domain; there is a need to identify the domain of the topic at hand. For example, is executive compensation to be viewed from the perspective of local, regional, national or global labour markets? Part of the gains made by large plc directors in recent years has been achieved by the argument that the market for such talent is global and salaries have to be guided by this context if the UK is itself to be competitive. Agents; there needs to be more discussion of who are the key agents in determining executive compensation. For example, what are the relative roles of chairman, non-executive directors, compensation committees, HR consultants, regulators, etc? Interactions; Finally, the objectives and the interactions of the various agents need to be defined. Anybody who has been involved with setting executive compensation knows that the eventual outcome results from the above forces coming together; the outcome being a result of complex dynamics with a range of agents involved, (Keasey, 2006).

Employee retention

Retention of key talent that employee who is a strong performers, have high potential or are in critical jobs is even more important during economic recoveries when organizations compete aggressively for market share and talent. Key talent disproportionally contributes to current organization performance and to future performance since key employees often become organization leaders. Losing key talent costs considerably more since these employees’ impact and contribution are greater than that of typical employees (McMullen & Mark, 2012). The U.S. Bureau of Labor Statistics (BLS) reports an increasing trend in voluntary terminations, and the rate of unemployment for people with college degrees is about half of the national unemployment rate and is decreasing BLS, 2011. Finally, even when there are high unemployment rates, key talent is always in demand, and an improving economy will exacerbate the challenge of holding the most capable employees who have unique or critical skills. Eoin, (2009) predicts that talent shortages are going to increase well into the next decade, limiting the ability of companies to expand and, in fact, jeopardizing their chances of survival as global competition becomes more intense. These long-term shortages are the result of Baby Boomers retiring, the increasing specialization and technical demands of jobs, global competition for talent and education systems not keeping up with the demands of businesses.

One question that is commonly asked is how context influences the degree to which key talent retention is considered a problem or what methods are more effective in retaining key employees. Organization size, industry and sector had little impact on the retention of key employees. The only systematic impact was is across economic sectors. The private-sector respondents were more likely to identify and provide a definition of key talent than respondents in the public sector or nonprofit sector. The public-sector respondents also were less confident that they could retain key employees during an economic recovery than respondents from other sectors (McMullen & Mark 2012). According to Armstrong, (2009), People are the best assets of each company. In case of the talented people it is even more important. Company should have programs for employees´ retention, especially for the talented people. There are many reasons for talent retention (Egerová, 2013). Egerová (2013) further state that, talented employees are the competitive advantage against competitors, if a company invests money in recruitment, training and development, the money is lost if they leave. Talented people represent the knowledge, especially the tacit knowledge which is difficult to share or to retain in a codified way.

Succession Planning

Succession planning is the process of pinpointing the key need for intellectual talent and leadership throughout the organization over time and preparing individuals for present and future work responsibilities needed by the organization (Rothwell, 2005). It has been defined as a means of identifying critical management positions, starting at the level of project manager and supervisor and extending upward to the highest positions in the organization. Succession planning also describes management positions to provide maximum flexibility in lateral management moves and to ensure that as individuals achieve greater seniority, their management skills will broaden and become more generalized in relation to total organizational objectives rather than purely departmental objectives. Succession language seems to become an important issue due to the fact that organisation activities have been rapidly increasing, largely fuelled by increasing merger & acquisitions (M & A) and leverage buyout (LBO) activities.

While numerous ways of structuring of these events exist, management of the companies participating in these activities has little concerns about the consequences (Halit, Schorer & Appel, 2007). Corporate activities such as mergers, acquisitions, spin off and disposals can cause succession events. A succession event is not a credit event. A restructuring of a bond itself causes a credit event, but the restructuring of a company or its capital structure possibly causes a succession event that will not trigger a settlement. Succession is a two-step process. The first step involves establishing whether or not an actual succession event occurred according to ISDA definitions. The second step, after the agreement on a succession event, consists of determining one or more of the successor entities that will become the new reference entities in the contracts (Halit et al., 2007).

According to (Halit et al., (2007), they are three drivers that show how company characteristics cause succession issues through corporate activities. The model determines three corporate event categories that lead to succession issues. The three categories are. A restructuring relates to the organization of a company and a refinancing includes besides the replacement of debt also the addition of extra debt. Restructuring the driver for this corporate event category is corporate structure.

Empirical Review

More and more, the leaders of business functions are turning for competitive insights to the massive data they can now capture. The goal is no longer mere efficiency, as welcome as that is. Instead, executives and teams in charge of marketing, finance, information technology, supply chain management and customer relationship management are recognizing how data driven insights can be used to generate impressive business results (Davenport and Harris, 2007). The human resources departments collect a good deal of data on employee turnover, cost per hire and even the return on investment of their programs. But while HR departments can become more efficient by tracking such numbers, they have a much harder time relating that data to better business performance. The urgent need for HR to absorb this message, and to begin to apply it, is clear. HR executives must do more than use data to report on past performance, generate compliance reports and process administrative tasks. They need to start using data to ask some questions that are at the heart of how employees contribute to business performance (Jeanne, Craig & Light, 2011).

The world has changed and so has the workplace, in the new organization, a person's technical competence is a necessary but insufficient creator of organizational success. Unless your competence is visible to those in the organization who are able to reward your efforts and to those on whom your work depends, it is of no use to anyone not to you as an individual, and not to your company (Donald & Ireland, 2005).

Whether talent development processes should focus on the development of technical or generic competencies or both represents a significant debating point within the literature. Traditionally authors posited that the overriding factors leading to effective performance included technical credibility and the ability to use systems and processes to meet performance standards. Managers in the initial stages of their careers often place more focus on technical competencies while giving generic competencies less credence. As a consequence, they frequently fell short on the performance expectations required of the role. Traditional talent development processes such as training are extremely effective at imparting technical competencies. They can in many cases be developed in isolation from the workplace (Thomas et al, 2012).

A challenge with much talent management literature is that it invariably starts with a discussion on how talent can be defined. Whilst this is a logical place to start as it defines the “target audience” for our talent management strategy, the definitions themselves often lack clarity and become entangled with references to what makes a great leader, leadership success, high potential, high performance or, the authors own terminology as a differentiator of talent. As a result, it becomes difficult to understand who or what we are actually hoping to identify. At some point the discussion generally shifts to include a debate on whether talent is innate or if it can be developed; if everyone is talented or if it is the reserve of the leadership successors and culminates in a reminder to everyone that the War for Talent has not abated (Suzanne, 2013).

According to (Lance & Dorothy, 2011), there are those who believe that compensation is of secondary importance to most people in their decisions to stay at or leave organizations. These people conclude that to retain top talent, pay only needs to be fair and competitive. In fact, they believe that pay really operates only as a dissatisfies: if it’s viewed as competitive and fair, it’s a nonissue, whereas if it is perceived lacking on either factor, it is a source for discontent Compensation plans need to be tailored to the specific needs and unique characteristics of the organization. It’s always important to understand the best practices among your top competitors, but if the organization only mirrors other organizations, it will fail to create a competitive advantage.

Datta (2012), an effective reward distribution mechanism is defined as a system that is data driven, equitable, and objective rather than built on biases, prejudices, stereotypes, and conjecture. A reward system should, for purposes of equity, clearly relate to a performance measure or measures. The issue of the reward system, therefore, hinges on the essence of clarity. A common example is GE's “forced ranking” 20/70/10 rewards distribution rule that fell into disfavor because of its efficient yet ineffective demeanor. While the efficiency overemphasized rewarding the most deserving, it was ineffectual because it undermined employee morale and created a zero sum game that discouraged cooperation and teamwork, Elaine, (2005) including being subject to million dollar lawsuits that forced the termination of the once popular yet ineffective forced rewards” distribution rule.

William, (2005) define a succession plan as an intentional and organised effort by an organisation to ensure management stability in key positions, and to keep and develop knowledge based organisation. Strategies such as succession planning have become a necessity. William further states that to ensure long range stability in the management positions of an organisation, a succession planning module is required. Human resource planning helps estimate future labour supply and demand studying and future needs and seeking where in the organisation or outside of it to source them. Through the application of succession planning, an organisation can identify talented employees and enroll them on a succession training programme. This plan provides a scheme to develop a pool of employees from where future talent mangers can be selected. If development of managers is to be successful, there is need to ensure that they are empowered to take on the new challenges.

According to Lance & Dorothy, (2011), succession planning is often viewed in terms of passing the baton at the top or similar metaphors, such as anointing the heir apparent, in reality, the organizations that develop leadership best are those that work continually at all levels of the organization, developing successors throughout the corporate matrix and thereby strengthening the entire entity. Sudden departures of a CEO or other key executives who often have no immediately apparent successor are continually in the news. And while it is not unusual or necessarily a bad thing to look outside the organization and even the industry for leaders, it should be done as part of a reliable process, one that does not create havoc within the company or among investors.

RESEARCH METHODOLOGY

This chapter describes the research procedures in terms of the research design, target population, data collection instruments, and data analysis techniques.

Research Design

A 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 procedure. The researcher adopted a descriptive research design.

Target Population

The researcher was targeting five Insurance companies within the insurance industry the companies are CIC General Insurance, Kenya Orient Insurance, Madison Insurance, CIC Life Assured and Prudential Insurance. The targeted population was managers and assistant managers in the respective companies the total population is 200.

Sampling Frame

The study utilized stratified sampling in the selection of the sample. Employees within the sampled five Insurance companies were clustered into 5 strata.

Research Instruments

Data was collected targeting 200 respondents within the 5 sampled insurance companies. The main tool of data collection was the questionnaire and review of relevant documents. Survey method was used in data collection the study utilized stratified random sampling. Employees were clustered into ten strata. The stratum was based on companies sampled and the management levels either a manager or an assistant manager.

Data Analysis And Presentation

The collected data was examined and checked for completeness and comprehensibility. The data was then be summarized, coded and tabulated.

DATA ANALYSIS, PRESENTATION AND DISCUSSION

This chapter seeks to present, interpret and discuss the findings of the study.

Response Rate

A total of 70 questionnaires were issued to the respondents for filling out of which 70 questionnaires were received.

Gender of the Respondents

The study results on the gender revealed that majority (59.7%) were male while a few (40.3%) of the members were female.

Age Brackets of the Respondents

The study findings on the age of the respondents revealed that majority (34.7%) were aged between 36-40 years, 25.0% were aged between 31-35 years, 19.4% were aged between 41-45 years, 8.9% were aged between 25-30 years, 6.5% were above 45 years while a few 5.6% of the respondents were below 25 years. This gives the implication that the study collected data from all the age brackets represented and targeted by the study thus data was considered as representative of all age brackets.

Level of Education of the Respondents

The study results on the level of education of the respondents revealed that majority (37.1%) were diploma holders, (34.7%) were certificate holders, (16.9%) were degree holders, (8.1%) were O' level, while a few (1.6%) were master's degree holders. This gives the implication that the study collected data from knowledgeable respondents and therefore understood the intention of the study and information they provided.

Number of Years in Current Position

The study results on the current position in years revealed that majority (45.2%) had worked for between 5-10 years, (17.7%) for between 16-20 years while, (14.5%) for less than 5 years, (13.7%) for between 11-15 years while a few (8.9%) had worked for over 20 years. This implies that the study collected data from the respondents who understood the ongoing in the organization therefore could give a fair view of the purpose of the study.

Talent Acquisition

The study sought to establish various talent acquisition strategies effect on employee retention within the insurance industry.

Talent Acquisition on Employee Retention

The study results indicate that 62.0% of the respondents were of the opinion various talent acquisition strategies affect employee retention within the insurance industry while 38.0% were of the opinion that various talent acquisition strategies didn't affect employee retention within the insurance industry.

Talent Attraction Strategies adopted by Organization

The study findings revealed that majority (34.7%) noted Offering of subsidized loan facilities, (32.3%) noted well developed and published training programmes, (19.4%) noted well developed career path, while a few (5.6%) noted Flexible work arrangement. These findings reveals that majority of the respondents were of the opinion that their organizations adopted the strategy of offering of subsidized loan facilities. This gives the implication that the loan facilities provided could have made the employees feel that the organization cared for them and the organization could have taken this as a strategy to retain the employees.

Talent Acquisition Strategies on Employee Retention

The study finding indicate that majority of the respondents were of the opinion that organization attracted offering of subsidized loan facilities as talent attraction strategy this implies that the plan would or has a positive output and attract more talent acquit members. The findings of the study also revealed that majority of the respondents were of the opinion that the organization has set in place proper talent acquisition strategies that have a direct impact on retention.

Talent Development

The study sought to establish extent to which organization has adopted the talent development strategies to enhance talent management & employee retention. The study findings indicated that majority of the respondents were of the opinion that talent development was adopted by the organization as talent retention strategies within the insurance industry.

Organizations Management Development Workshops

The study implied that majority of the organizations normally organizes for Management Development Workshops to assist in talent retention. It also implied that majority of the respondents agreed that their the organization had well developed and frequently organized new leader workshops to assist the individuals to be well prepared to take up new roles.

The study findings revealed that majority of the respondents were of the view of job rotation. This implied that most of the organizations adopted job rotation with a view of career development programs to enhance talent and employee retention. Based on whether the respondents agreed to the statement that organization had implemented leadership programs that enhance talent management and employee retention, the study findings revealed that majority of the respondents agreed that organization has implemented leadership. This gives the implication most of the organizations had implemented leadership programs that enhance talent management and employee retention.

Talent Compensation Strategies

The study sought to determine whether the organization has to a great extent adopted below strategies to enhance talent management and employee retention.

Strategies to Enhance Talent Management and Employee Retention

The study findings revealed that majority of the respondents were of the opinion that Quantify pay for performance and budget compensation. Based on whether the organization benchmark with other similar organizations to establish appropriate pay range, the study results revealed that 89.2% of the respondents agreed that organization benchmark with other similar organizations to establish appropriate pay range while 10.8% of the respondents disagreed. On whether the rewards provided by this organization are commensurate with the level of effort they have put into their work, the study results revealed that 3.0% of the respondents strongly disagreed that the rewards provided by this organization are commensurate with the level of effort they have put into their work, 12.0% of the respondents disagreed that the rewards provided by this organization are commensurate with the level of effort they have put into their work, 5.0% of the respondents not sure that the rewards provided by this organization are commensurate with the level of effort they have put into their work, 60.0% of the respondents agreed that the rewards provided by this organization are commensurate with the level of effort they have put into their work while 20.0% of the respondents strongly agreed that the rewards provided by this organization are commensurate with the level of effort they have put into their work.

Based on rewards and level of performance, the study findings revealed that majority of the respondents agreed that their rewards and benefits are justified given their level of performance.

Succession Planning

The study sought to establish whether succession planning strategies adopted effect employee retention within the insurance industry.

Succession Planning Strategies Adopted on Employee Retention

Based on the findings majority of the respondents were of the opinion that succession planning strategies adopted effect employee retention within the insurance industry at a great extent. The study sought to examine the relationship between succession planning and employee retention. The study findings indicated the majority of the respondents were of the opinion that each monitor and evaluate the progress this implies that every employee is at the spot to perform at his/her individual capability since they all have individual deals and that they will strive with the notion that they themselves will benefit.

Employee Retention

The study findings indicated the majority of the respondents were of the opinion that the company has a well-developed on boarding programmes for new employees this implies that for every new employee they are at ease since they the onboard program prepares them for the duties to come and that they will have a smooth transition into the organization. Also the programmes enables the new employees be on the spot light for assistants when in need therefore them being able with time.

Regression Analysis On Talent Management Strategies

The researcher conducted a multiple regression analysis so as to determine the effects of talent management strategies on employee retention in the insurance industry. The researcher applied the statistical package for social sciences (SPSS) to code, enter and compute the measurements of the multiple regressions for the study.

Table 1 Model Summary on Employee Retention

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.897	0.806	0.233	0.2764

Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (employee retention) that is explained by all the three independent variables (talent acquisition, talent development, compensation strategies and succession planning). The three independent variables that were studied, explain only 80.6% of the factors employee retention as represented by the R^2. This therefore means that other factors not studied in this research contribute 19.4% of the factors influencing employee retention. Therefore, further research should be conducted to investigate the other factor (19.4%) that influences the employee retention.

ANOVA

a. Predictors: (Constant), variables (talent acquisition, talent development, compensation strategies and succession planning).

b. employee retention

The significance value is .0000 which is less that 0.05 thus the model is statistically significant in predicting variables (talent acquisition, talent development, compensation strategies and succession planning). The F critical at 5% level of significance was 7.9. Since F calculated is greater than the F critical (value = 53.1233), this shows that the overall model was significant.

Table 2 ANOVA (Analysis of Variance) on Employee Retention

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.342	10	.254	53.1233	.0000
	Residual	99.970	59	1.244		
	Total	**109.685**	**69**			

Coefficient of determination

a. Predictors: (Constant), variables talent acquisition, talent development, compensation strategies and succession planning.

b. employee retention

The researcher conducted a multiple regression analysis so as to determine the relationship between Y and the three variables. As per the SPSS generated, the equation (**$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4\ \varepsilon$**) becomes:

$Y= 2.976 + 0.877X_1+ 0.588X_2+ 0.705X_3+ \varepsilon$

Where Y is the dependent variable employee retention), X_1 is the talent acquisition, X_2 is talent development, X_3 is compensation strategies and X_4 is succession planning variable.

According to the regression equation established, taking all factors into account (talent acquisition, talent development, compensation strategies and succession planning.) constant at zero, employee retention will be 2.976 .The data findings analyzed also show that taking all other independent variables at zero, a unit increase in talent acquisition strategies influences will lead to a 0.877 increase in employee retention; a unit increase in talent development variable will lead to a 0.588 increase in employee retention, and a unit increase in compensation strategies variable will lead to a 0.705 increase in employee retention. This concludes that talent acquisition strategies contribute more to the employee retention followed by compensation strategies.

At 5% level of significance and 95% level of confidence, employee retention had a 0.000 level of significance; Operation Cost influences showed a 0.005 level of significant, and talent development showed a 0.002 level of significant; hence the most significant factor is employee retention.

Table 3 : Coefficient of determination

Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.976	1.384		0.978	0.003
talent acquisition	0.877	0.159	0.897	0.997	0.000
talent development	0.588	0.085	0.455	0.707	0.005
compensation strategies	0.705	0.145	0.326	0.769	0.002
succession planning	0.424	0.057	0.401	0.761	0.001

Coefficient of determination explains how the dependent variable were ranked after the study according to the outcome Talent Acquisition Strategies was ranked at 0.897 meaning it had the greatest influence on employee retention followed by, Talent development at 0.455, Succession planning at 0.401 and finally compensation strategies at 0.326.

SUMMARY, CONCLUSION AND RECOMMENDATIONS

The researcher sought to evaluate the effect of talent management strategies on employees retention with the insurance industry. This chapter strives to present the summary of the findings, conclusions and the recommendations of the study. The summary of the findings and the conclusions are organized in terms of the objectives that were formulated in chapter one of the study.

Summary Of Findings

The section summaries the finding of the set objectives

Talent Acquisition

The first objective of the study was to examine the various talent acquisition strategies and their effect on employee retention in the insurance industry. The findings revealed that majority of the respondents were of the opinion that talent acquisition strategies affect employee retention within the insurance industry, the organization talent acquisition strategies greatly affects employee retention within the insurance industry. The study findings revealed that their organization used headhunting; while others used professional bodies, search engines was also identified as a source.

The study findings revealed that majority of the organisation in the insurance industry adopted the strategy of offering of subsidized loan facilities, Insurances**.** This gives the implication that the loan facilities provided could have made the employees feel that the organization cared for them and the organization could have taken this as a strategy to retain the employees. The study results indicate that the respondents were of the opinion that organization attracted well developed career path as talent attraction strategy, other respondents were of the opinion that organization attracted offering of subsidized loan facilities as talent attraction strategy while other respondents were of the opinion that that organization attracted flexible work arrangement as talent attraction strategy.

Talent Development

In the second objective the study sought to find out whether talent development strategies influence employee retention in the insurance industry. The study results indicated that the respondents were of the opinion that Learning Needs Assessment was adopted by the organization as talent development strategies to enhance talent management & employee retention, the respondents were of the opinion that Development Programs was adopted by the organization as talent development strategies to enhance talent management & employee retention, most of the respondents were of the opinion that Peer Learning & Mentoring was adopted by the organization as talent development strategies to enhance talent management & employee retention. The study findings revealed that majority were of the opinion that their organization normally organizes for Management Development Workshops to assist in talent retention while the least did not agree with the statement that their organization normally organized for Management Development Workshops to assist in talent retention. This implies that majority of the organizations normally organizes for management development workshops to assist in talent retention.

The study findings on whether the organization has well developed and frequently organized new leader workshops to assist the individuals to be well prepared to take up new roles indicated that most of the respondents agreed that the organization has well developed and frequently organized new leader workshops to assist the individuals to be well prepared to take up new roles. The study results revealed that majority of the responses were of the opinion of Alternative Career Paths, other respondents were of the view of Career Path, some were of the opinion of Dual Career Tracks, others were of the opinion of Career Coaching/Counselling while only a few were of the opinion of Cross-Training. The results further revealed that the responses were of the opinion of Flex time, others were of the view of Job Rotation, while the rest were of the opinion of Job Enlargement and Job Sharing.

The study findings revealed that majority of the respondents were of the opinion that it define the purpose, duties, and responsibilities of the job, some respondents were of the opinion that define performance goals and standards for key components of the job, others were of the opinion that it define performance standards for key components of the job, the respondents were of the opinion that hold discussions and provide feedback about employee performance, at least, quarterly, and that Provide the opportunity for feedback that incorporates feedback from the employee's peers, customers, and staff while some the respondents were of the opinion that develop and administer a coaching and improvement plan if the employee is not meeting expectations.

Compensation Strategies

In the third objective the study sought to find out how compensation strategies adopted within the insurance affect employee retention. The study findings revealed that most of the respondents were of the opinion that Bonuses and stock ownership plans, some were of the opinion that Match the market/Industry Competition, most of the respondents were of the opinion that Quantify pay for performance and budget compensation, Employees are paid for target achievement, Pay is competitive and rewards are based on business success, and that Each employee gets an individual deal.

The study results revealed that the respondents strongly disagreed that the rewards provided by this organization are commensurate with the level of effort they have put into their work, other respondents disagreed that the rewards provided by this organization are commensurate with the level of effort they have put into their work, some the respondents not sure that the rewards provided by this organization are commensurate with the level of effort they have put into their work, the respondents agreed that the rewards provided by this organization are commensurate with the level of effort they have put into their work while the rest respondents strongly agreed that the rewards provided by this organization are commensurate with the level of effort they have put into their work.

The study findings on the rank of benefits provided by the organization, the study finding revealed that most of the respondents noted overtime, others noted Annual Salary increments, Pension Plan, subsidized insurance, Bonuses and Incentives and Health Insurance. This implies that majority of the organizations provided overtime to its employees.

Succession Planning

In the fourth objective the study sought to explore the succession planning strategies adopted and their effect on employee retention in the insurance industry. The study results revealed that majority of the responses were of the opinion Link Strategic and workforce planning decisions, others respondents were of the view Analyze gaps within groups, Develop succession strategies, that Implement succession strategies while some were of the opinion that Monitor and evaluate the progress. The study results revealed that most of the responses were of the opinion that from other organizations for exceptional employees, that Volunteers within your organizations, and Check current staff profiles.

Conclusion Of The Study

The study concluded that organization attracted offering of subsidized loan facilities as talent attraction strategy this implies that the plan would or has a positive output and attract more talent acquit members. The study concluded that the organization conducts background checks for the individuals this implies that the organization ensures they hire or bring on board members who are well equipped in all aspects to meet the standard and that they are or have the capability to perform

The study concluded that Talent Management & Workforce Planning was adopted by the organization as talent development strategies to enhance talent management & employee retention this implies that the organization ensured that the talent are put to the most effective use and that workforce planning ensures all the respective talent are ate advantaged use. The concluded that each employee gets an individual deal this implies that every employee is at the spot to perform at his/her individual capability since they all have individual deals and that they will strive with the notion that they themselves will benefit

The study concluded that the company has a well-developed on boarding programmes for new employees this implies that for every new employee they are at ease since they the onboard program prepares them for the duties to come and that they will have a smooth transition into the organization. Also the programme enables the new employees be on the spot light for assistants when in need therefore them being able with time.

Recommendation Of The Study

From the study finding it's recommended that;

The organization should develop a well on boarding process for the new employee for the enablement of transition uptake of relevant and competent employees. The organization should improve the Learning Needs Assessment for the employees. Also since Pay is competitive and rewards are based on business success therefore there should structures in place to ensure the competitiveness of employees are identified and well compensated. The organisation should provide the employees with welfare benefit for motivation and also to enable them benefit in different ways since they may cover and protect them in certain aspects.

Recommendations for Future Research

The study suggests a framework for evaluating succession planning and management programs, and investigates succession planning and management practices in Kenyan-owned companies in the country. Hence, the recommendation is that companies look at succession planning and management from different angles, such as technical succession planning. Especially with organizations that have a greater need for technical talent than leadership talent, an alternative approach can lend a new method to win the wars.

Further research with more general business organizations and other types of organizations will provide a better understanding of the practices of evaluating succession planning and retention.

While this study uses grounded theory, based on information provided by managers and assistant managers from organizations, further studies with different data sources, such as documentation, observation, and surveys, can generate results that are more inclusive.

At the same time, some of the findings are worth future in-depth study. In-depth case studies could be conducted to determine answers to several questions raised in this study. For instance, the study only included between 6 to 10 interviewees from each company with a population of above 200 employees. Most of the companies' interviewees were interested in succession planning and retention program. Hence, there was a possible bias, such as the tendency to support such an initiative. Therefore, a more comprehensive look at this question requires an in-depth case study that encompasses all or at least major stakeholders and customer groups along with investigations of their documentation.

REFERENCES

AAPOR (2011), *America Association for Public Opinion Research*, 111 Deer Lake Road, Suite 100, Deerfield USA

Aberdeen Group (2006), *Succession Planning Strategies.* The Right People, for the Right Jobs, at the Right Time, November 2006

Abhilasha Singh Jyoti Sharma, (2015), *Strategies for talent management*, a study of select organizations in the UAE", International Journal of Organizational Analysis,

An Oracle White Paper (2012), *The Future of Talent Management*, Four Stages of Evolution. Oracle.

Ans De Vos, Annelies M. (2009), *What HR managers do versus what employees value*, Exploring both parties' views on retention management from a psychological contract perspective", Personnel Review, Vol. 38 Iss: 1, pp.45 – 50.

Bones, C. (2006), *The talent paradox in Reflections on the 2006 learning and development survey,* London: CIPD

Bhatnagar, J. (2007), Predictors of organizational commitment in India: strategic HR roles, *organizational learning capability and psychological empowerment*, International Journal of Human Resource Management, forthcoming

Brittain, S. (2006), *Talent Management Selection and Development Review*, Vol. 22 , No. 3, June

Chris Ashton and Lynne Morton (2005), *Managing Talent for Competitive Advantage,* CRF Publishing Volume 4 Issue

CIPD, (2014), *Employee turnover and retention Factsheet,* http://www.paydata.co.uk/sites/default/files/

Collings, D.G. and Mellahi, K. (2009), *Strategic Talent Management*, A review and research agenda, Human Resource Management Review, 19: 4, 304–313

Dana Egerová, Josef Malach, Iveta Ubrežiov (2013), *Integrated Talent Management*,Challenge and Future for Organisations in the Visegrad Countries Published In The Czech Republic

Dawson C. (2002), *Practical Research Methods*, published by 3 Newtec Place, Magdalen Road, Oxford OX4 1RE, United Kingdom

Donald J. M., Duane I. R. , (2005), *Inside the new organization*, A blueprint for surviving restructuring, downsizing, acquisitions and outsourcing", Journal of Business Strategy,

Eoin W.& Carcary M, (2011), *Integrating talent and knowledge management*, where are the benefits?" Journal of Knowledge Management, Vol. 15 Iss: 4, pp.675 – 687

Eliane Colepicolo, (2015), *Information reliability for academic research*, review and recommendations", New Library World,

Gry Agnete Alsos Elisabet Ljunggren Ulla Hytti , (2013), *Gender and innovation state of the art and a research agenda*, International Journal of Gender and Entrepreneurship,

Gonenc H. Schorer F., & Appel W.P.F. (2007), *Credit default swap spread and succession events*, Journal of Financial Regulation and Compliance, Vol. 15 Iss: 4, pp.450 – 463.

Harris, J. G., Craig, E. & . Light, D. A (2011), *Talent and analytics new approaches*, higher Return On Investment", Journal of Business Strategy, Vol. 32 Iss: 6, pp.4 – 13

HR Focus (2007), *Talent management is on HR agenda for 2007 and beyond*, HR Focus, Vol. 84

Hirsh W. (2014), *Four Steps to Effective Talent Management*, Strategic HR Review, Vol. 13 Iss: 3 http://dx.doi.org/10.1108/SHR-01-2014-0009

Hilligoss, B. and Rieh, S.Y. (2008), *Developing a unifying framework of credibility assessment*, construct, heuristics, and interaction in context", Holland, Peter; Sheehan, Cathy; De Cieri, & Helen, (2007), *Attracting and retaining talent*, Exploring human resources development trends in Australia Volume 10, Publisher: Routledge,

Ingram T. (2015), *Talent management of employees 50+,* Literature review and methodological implications for study design, The Karol Adamiecki University of Economics in Katowice, Poland.

Insurance Regulatory Authority, (2014) *Insurance Industry Report for the Year Ended 31st December*,

Jaco Maritz (2012) Talent grab: *How Top Companies Are Managing Africa's Skills Shortage*; http://www.howwemadeitinafrica.com/talent-grab-how-top-companies-are-managing-africas-skills

James A. McGee C. R. (2011), 2nd Edition, *Talent Management & Succession Planning,* Chartered Institute of Personnel and development 151 The Broadway, London SW19 1JQ,

Jane Lu Hsu Roxy Hsien-Chen Mo, (2009), *Consumer responses to incomplete information in print apparel advertising*", Journal of Fashion Marketing and Management: An International Journal,

Jyotsna B. & Gurgaon S. (2007), *Talent Management Strategy of Employee Engagement in India*, Ites Employees: Key To Retention Vol. 29 No. 6, 2007 pp. 640-

Kearney A.T. (2012), *Quantitative Talent Management A Money ball Perspective*, Inc. 222 West Adams Street Chicago, Illinois 60606 www.atkearney.com

Keasey K. (2006), *Executive compensation in the UK*, Journal of Financial Regulation and Compliance, Vol. 14 Iss: 3, pp.235 – 241

Kothari C.R., (2010), *Research Methodology Methods & Techniques 2nd Edition*, Published by New Age International (P) Ltd., Publishers

Krishnamohan K.V.S. and Patel P, (2010), *Talent Maze Management and Labour Studies*

Kim, S. (2010), *Questioners credibility judgments of answers in a social question and answer site*, Information Research,

Lance A. B. & Dorothy R. B. (2011), *The Talent Management Handbook*, published by McGraw-Hill New York Chicago

Lena S. (2012), *Information pathways for the competence foresight mechanism in talent management framework,* European Journal of Training and Development, Vol. 36 Iss: 1, pp.46 – 65

Lewis, R.E & Heckman R. J. (2006), *Talent management a critical review Personnel Decisions International*, USA Human Resource Management Review 16 (2006) 139–154

Ling Suan Choo, Norslah Mat, Mohammed Al-Omari, (2013), *Organizational practices and employee engagement*, a case of Malaysia electronics manufacturing firms", Business Strategy Series,

Liz B. (2006), *Talent development the new imperative, Development and Learning in Organizations*: An International Journal, Vol. 20 Iss: 3, pp.6 – 9

Louis C., Lawrence M. and Keith M. (2007), *Research Methods in Education 6th edition*, published by Routledge, 2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

Maertz, C.P. Jr and Griffeth, R.W. (2004), *Eight motivational forces and voluntary turnover*, a theoretical synthesis with implications for research", Journal of Management, Vol. 30, pp. 667-83.

Mark E. H. & George R. S. (2010), *A talent development framework: Tackling the puzzle*, Development and Learning in Organizations: An International Journal, Vol. 24 Iss: 1, pp.13-16

Mai, J.E. (2013), *The quality and qualities of informatio*, Journal of the American Society for Information Science and Technology,

Margaret Deery Leo Jago , (2015), *Revisiting talent management, work-life balance and retention strategies*, International Journal of Contemporary Hospitality Management

McGee, L. (2006), *CEO's Influence on Talent Management*, Strategic Hr Review; Nov/Dec, vol. 6 no. 1, p. 3
Mehrdad B. D. , Hadi B. B. H. & Reza M. , (2014), *Study Of Factors Affecting On Talent Management Among Bank's Employees*, International Journal of Scientific Research Vol.08, Issue.021
Michael A. (2009), *11th Edition A Handbook of Human Resource Management Practice*, published by Kogan Page London and Philadelphia
Mashael AL-Omar Andrew Martin Cox, (2016), *Scholars' research-related personal information collections*, Aslib Journal of Information Management,
Mohammad Faraz Naim,Usha Lenkla, (2016), *Knowledge sharing as an intervention for Gen Y employees intention to stay*, Industrial and Commercial Training, Vol. 48 Iss: 3, pp.142 – 148
Mpinganjira M. (2011), *Retaining Africa's talent*, The role of Africa's higher education", International Journal of Emerging Markets, Vol. 6 Iss: 2, pp.168 – 179,
Mugenda, O. M. and Abel G. M., (2008), *Research Methods, Quantitative & Qualitative Approaches*. Published by Nairobi, African Centre for Technology Studies
Natalie G., Eva K., Filip D., Herman B. (2011), *Influence Of Learning And Working Climate On The Retention Of Talented Employees*, Journal of Workplace Learning, Vol. 23 Iss: 1, pp.35 – 55.
Naim, M.F. (2014), *Leveraging social media for Generation Y retention*, European Journal of Business and Management, Vol. 6 No. 23, pp. 173-9
Newfoundland and Labrador, (2008), *Succession planning and Management guide*, http://www.exec.gov.nl.ca/exec/hrs/publications/succession_planning_and_management_guide.pdf
Poul S., Martin H. and Balain S. (2011), *Talent Management: Time to Question the Tablets of Stone*, White Paper 11/01 October
PricewaterhouseCoopers Gartner whitepaper (2005), *Creating an agile workforce Leading practices in transforming talent management*,
Pradeep Sahay, (2014), *Design thinking in talent acquisition: a practitioner's perspective*, Strategic HR
Rana G , Goel A. K., & Rastogi R. (2013), Talent *Management: A Paradigm Shift In Indian Public Sector,* Strategic HR Review, Vol. 12 Iss: 4, pp.197 – 202.
Robinson E. (2009) Is your Talent Latent? *Staying Ahead With Talent Management*", Strategic Human Resources Review, Vol. 8 Iss: 4
Ritter, N. (2010). *Understanding a widely misunderstood statistic*: Cronbach's alpha. Paper presented at *Southwestern Educational Research Association (SERA) Conference* 2010: New Orleans, LA
Romar, E.J. (2004), "*Managerial harmony: the Confucian ethics of Peter F. Drucker*", Journal of Business Ethics, Vol. 51 No. 2, pp. 199-210.
Sara Ballesteros Rodríguez, (2010), *Talents: The Key for Successful Organizations*, Kalmar, Sweden, Linnaeus University
Sally J. Zepeda Ed Bengtson Oksana Parylo, (2012),"*Examining the planning and management of principal succession*", Journal of Educational Administration
Schwartz M. (2007) "*The "business ethics" of management theory*", Journal of Management History, Vol. 13 Iss: 1, pp.43 – 54,
Stadler K, (2011), *Talent reviews: the key to effective succession management*", Business Strategy Series, Vol. 12 Iss: 5, pp. 264–271,
Stuart Jones, (2013), *Talent Management Where to Start*", Strategic HR Review, Vol. 12 Iss: 4
Sue Greener, (2008), *Business Research Methods*, Ventus Publishing ISBN 978-87-7681-421-2

Sunita Panda , Chandan Kumar Sahoo , (2015), *Strategic talent development interventions*: An analysis, Industrial and Commercial Training, Vol. 47 Iss: 1, pp.15 – 22

Suzanne Ross, (2013), *How definitions of talent suppress talent management*", Industrial and Commercial Training, Vol. 45 Iss: 3, pp.166–170

Tansley C. (2011), *What do we mean by the term "talent" in talent management*?" Industrial and Commercial Training, Vol. 43 Iss: 5, pp.266 – 274,

Thomas N. Garavan, R. C., Andrew R. (2012), *Mapping talent development*: definition, scope and architecture", European Journal of Training and Development, Vol. 36

Thorne K. & Pellant A. (2007), *The Essential Guide to Managing Talent*: How Top Companies Recruit, Train & Retain the Best Employees Published by Kogan Page

Train L., (2006), Staffing for high tech in China: *Finding the right leaders for global initiatives*", Journal of Business Strategy, Vol. 27 Iss: 2, pp.54 – 58

Vlad V., Hugh S., David C. (2012), *Talent management decision making*, Management Decision, Vol. 50 Iss: 5, pp.925 – 941,

Westerman J W., . Beekun R I, Daly J., & Vanka S. (2009) "Personality and national culture: *Predictors of compensation strategy preferences in the United States of America and India*", Management Research News, Vol. 32 Iss: 8, pp.767 – 781,

William J. R., (2008), *Introducing Talent Management* A Dale Carnegie® White Paper, SPHR the Pennsylvania State University Park, PA

Yvonne Mery Jill Newby Ke Peng, (2011),"*Assessing the reliability and validity of locally developed information literacy test items*",

Zikmund, G.W., Babin, B.J., Carr, C.J., & Griffin, M. (2010).*Business Research Methods 8th Ed,* South-Western, Cengage Learning.