Impact of Talent Management on Tourist Satisfaction

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Talent management is gaining popularity due to its importance to improve business performance and received considerable attention in recent researches. There is limited academic research on talent management in Tourism and hospitality sector. The research question is how employees of Hotels perceive talent management. The proposed model and hypotheses were tested by using data collected from all hotel employees of Katra. The results of the model support the proposed hypotheses. Study concludes that Talent management of employees affects tourist satisfaction significantly. The implications of research findings for researchers and practitioners are discussed.

Introduction

Talent management (TM) refers to the process of integrating new workers, developing and retaining current workers and attracting highly skilled personnel to work for your company (Chugh and Bhatnagar, 2006). TM has become an important business issue because the knowledge and talents of workforces represent a singular competitive advantage (Pizam, 2006). Baum (2008) comments that 'talent management is an organisational mindset that seeks to assure that the supply of talent is available to align the right people with the right jobs at the right time, based on strategic business objectives'. This view is endorsed by Foss (1997) who present TM as 'both a philosophy and a practice. It is both an espoused and enacted commitment to implementing an integrated, strategic and technology enabled approach to HRM. In essence this requires an 'organizational mindset or culture in which employees are truly valued.'

It is indispensable for survival and sustainable development of any business organisation. Neglect of talent management is suicidal for the organisation particularly in the current business scenario of high competition. Opportunities to qualified and talented employees abound in India due to expansion of higher education and coming up of a large number of institutes promoting professional courses in various streams (Joerres and Turcq, 2007).

The presence of talented people in Hospitality service sector having commitment, will power and team spirit motivates other employees and brings improvement in their performance and they provide better services to tourists (Pizam, 2008). Their effectiveness that lies in their dedication, influencing the work culture of the organisation, results in the growth of the whole sector.

Research Gap and Study Objectives

Review of the literature suggests that there is a distinct need to understand Talent Management in the context of the hospitality and industry. The study aimed to analyse the impact of talent management on the tourists' satisfaction through employee effectiveness.

Dimensions of Talent Management

TM is also defined as a new technique of managing succession planning, focusing on fast track career opportunities, and it implies that it is primarily concerned with high potential employees. Talent management is properly studied with the help if several dimensions.

According to Uren (2007) Talent management have five dimensions namely attracting, identifying, developing, deploying and engaging the right person in business. On the other hand, Chartered Institute of Personnel and Development (CIPD) 2006 takes three dimensions of talent management like identification, management and development of talented people in an organisation. In general the six dimensions of talent Management are discussed as under:

Human Resource Management

HRM is a system that utilizes the available manpower in the organisation effectively for improving the whole system. Many organisations tend to become more eager for economic development to the extent that they put great emphasis on technology

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and completely ignore the fact that it is the human resources that activate the other factors of production. Schneider and Bowen (1992) viewed that if the employees are treated as valuable resources it will have significant effect on customer satisfaction. Thus the success of quality services program will depends on the collaboration and coordination among firm's workforce. Quality of HRM system depends on the manner in which employees are recruited, selected, trained, developed and empowered in an organisation. Use of quality criteria in these processes ensure right person at right place (Schneider and Bowen, 1993) which enhances employee satisfaction and performance.

Benchmarking: Benchmarking involves comparing current activities and outcomes against the best. The competition, the idea to develop a product or process that is better than that of the competitors. The issue is not how well the agency performs a service compared with relevant organizations, but how the service is provided within other standards, compared with a given agency (James, 1989). In other words, Benchmarking is a continuous systematic process of measuring the products, services and practices against those of industry leaders.

Social Responsibility: Social responsibility refers to the responsibility of the organisation to perform with social considerations for the improvement of the society. All customers should be given equal importance irrespective of their status in the society. It will further improve its image, goodwill and performance in the long run (Sureshchandar et al., 2001).

Customer/ tourists Focus and Satisfaction: Customer focus and satisfaction is the significant driving force to establish the quality goals which basically originates from customer's needs. It is the important component of quality movement because organisation can outscore their competitors by effectively addressing customer's needs and demands. Generally speaking, customer needs identify the operational goals for firms to meet. Oakland (2005) mentioned that quality starts with the understanding of customer' needs and ends when those needs are satisfied. In order to meet the requirements of customers, top management should satisfy the expectations of its customers

Employee Satisfaction: Employee satisfaction is the extent to which the employees of a firm feel that their interests are being looked after by the management. If employees are satisfied with the organisation they in turn will satisfy the need of customers in a better and efficient manner. Intrinsic satisfaction accompanied by extrinsic satisfaction makes employees fully satisfied with their job (Herzberg, 1957).

Continuous Improvement: Continuous improvement refers to improving the quality of products and services to achieve customer satisfaction, costs reduction and effective performance. Milakovich (1995) noted that the overall performance of the organisation will increase through effective implementation of quality management programmes. The continuous improvement in all activities of the organisation will help to achieve the global standards that in turn will enhance the performance.

Hypothesis of the Study

Based on the literature review and dimensions of talent management the following hypothesis was proposed:

H1: Talent management is low in hospitality and tourism sector.

Objective: The objective of the hypothesis is to study the level of talent management in hospitality and tourism sector.

H2: All dimensions of talent management equally affect the tourist's satisfaction.

Objective: The objective of the hypothesis is to study the affect of talent management on tourist's satisfaction.

Research Design and Methodology

The study is explorative and evaluative in nature and in order to increase its accuracy following methodology was undertaken.

Generation of scale items

The data was collected through questionnaire specifically developed for the study. The questionnaire contained 28 statements on 7 point Likert scale covering 6 dimensions The questionnaire

used in the study for talent management was designed with the help of studies by Corbin and Strauss, (2008)

Data Collection and Sample Selection

The study has been confined to 50 hotels of Katra of Jammu. All employees of these hotels were contacted for primary data collection. Census method was used for it. The total number of employees contacted is 180. Out of 180, 152 employees responded properly. The secondary data was collected from varied sources i.e. journals, books, magazines and from internet.

Data Analysis

Before testing the model/ hypothesis by using structural equation modeling (SEM), exploratory factor analysis using SPSS 15.0 version was conducted for data purification, data reduction and to assess the validity of the data.

Data Purification

The multivariate data reduction technique of factor analysis has been used for the study. It involved examination of inter-relationship among variables and reduction of large number of variables into few manageable and meaningful sets. Factor analysis was carried to simplify and reduce the data. It was carried with Principal Component Analysis along with orthogonal rotation procedure of varimax for summarising the original information with minimum factors and optimal coverage. The statements with factor loading less than 0.5 and Eigen value less than 1.0 were ignored for the subsequent analysis. The data reduction was performed in three steps-Ist in the anti-image correlation the items with value less than 0.5 on the diagonal axis were deleted. In the second step, the extracted communalities were checked (amount of variance in each variable) and items with values less than 0.5 were ignored for the subsequent analysis. In the third step, in rotated component matrix statements with multiple loadings and values less than 0.5 were ignored. Factor analysis reduced 28 statements of Talent Management to 17 under 6 factors namely Human Resource Management, benchmarking, social responsibility, Tourists

focus and satisfaction, Employee satisfaction and Continues improvement.

Results and Findings

The demographic information included position, gender, age, academic qualification, professional qualification and job experience The descriptive statistics tool of SPSS indicates that out of 180 respondents, 87% were male and 13% female.

Measurement of Talent Management

The data analysis was done on the basis of factors that emerged after data purification through factor analysis. The Factor wise analysis is as under:

HRM (F1): Human Resource management establishes long term strategy for attracting, developing connecting and deploying the work force properly. The overall mean score come to 6.11 (Table 1). Hotels gave priority to experienced persons at the time of recruitment (M=5.82), which enhances their awareness about the business goals (M=6.42, r = 0.520, sig.0.05). The delegation of authority among employees is also satisfactory (M=6.07). The analysis of the factor HR policies concludes that hotel authorities in Katra gave priority to experienced employees and on their empowerment.

Benchmarking (F2)

Benchmarking involves comparing current activities and outcomes against the best. The overall mean scored by Benchmarking come to 6.03 (Table 1). Employees stated that organisation emphasized on benchmarking (M=6.00) as well as they stress on quality services oriented work culture (M=6.07) Analysis confirmed that hoteliers adopt the systematic process of measuring the products, services and practices against their competitors by setting up benchmarks.

Social Responsibility (F3)

The factor social responsibility generates the factorial mean 6.03 (Table 1).About 56% employees responded that they provide quality services to the tourists at reasonable rates (M=6.39).as they have proper sense of social responsibility towards their

job and customers (M=5.93). The whole analysis reflect that employees were socially responsible.

Tourist's satisfaction (F4)
The mean of factor arrived at 6.31 which is highest among all factors (Table 1). Employees revealed (48%) that they provide them the promised services (M=6.39), because they (51%) give importance e to tourists satisfaction (M=6.34, r=0.463). Moreover, employees revealed that the quality policies are implemented properly in the hotels (M= 6.21).

Employees satisfaction (F5): overall mean score for the factor employee satisfaction come to 6.26 which is moderate (Table 1). Employees revealed that their organisation provide them indirect benefits such as Quality certificates, gifts etc for best performance (M=6.11). Moreover many monetary awards were also given to employees (M<=6.43).

Continues Improvement (F6): Continues improvement generate mean score 6.23. About 48 percent employees reflected that their hotels gave importance to quality (M=6.34) because the implementation of quality policy is proper (M=6.12, r=50.23).

The whole analysis of talent management reflect that employees feel satisfied with the management of talent in their hotels as the mean score was 6.15 (Table 1) although the value is not much high but it is above the average, Thus our first hypothesis stands accepted.

Reliability and Validity of Scales
To check the reliability and validity of the scales implemented in study, confirmatory analysis of the factors for Talent Management. Results of the analysis are shown in Table 2. The first step to interpreting the results of confirmatory factor models is to assess the overall fit model. As indicated in Table 2, most of the overall model fit rates are acceptable (GFI, AGFI, normed chi-squared and RMSEA); the next step is then to evaluate and interpret the estimated model benchmarks. In the final scale all indicators have significant positive weights (p<0.05) and factor loadings exceed the minimum threshold limit of 0.4 (Hair et al., 1995), the significantly good construct validity of the latent variables proposed. The squared multiple correlations (R^2) for each indicator give the communality of the indicator and it can be used to assess how good or reliable a variable is for measuring the construct that it purports to measure. Although there are no hard and fast rules regarding how high the R2 should be. Sharma (1996) suggests that it should be at least greater than 0.5. In the present case, most of the R^2 exceed this value. Finally, Cronbach's alphas, constructs reliabilities and extracted variances indicate an adequate internal consistency of the both constructs.

The content validity of the constructs was duly assessed through review of literature and deliberations with the subject experts, managers of the showrooms and sale executives**.** Nomological validity has also been proved as the construct proved the theoretical relations between Talent management and employee effectiveness

Results of structural equation modeling (SEM) analysis

Structural Relationship Analysis
The relationship between Talent management as well as Factor wise impact of talent management viz; HRM, Benchmarking, Social Responsibility, Tourists satisfaction, employee satisfaction and continues improvement have been assessed by using the structural equation modeling (SEM) through AMOS 15. In addition hypotheses are also tested by it. The results are discussed as under-

Relationship between Talent Management and Tourists satisfaction
In hypothesis 2, it was predicted that the talent management significantly affects Tourists satisfaction. It was presumed that the higher is the talent management higher the tourist's satisfaction. The result revealed that the significant and positive effect of talent management on tourist's satisfaction (SRW= 0.524, CR=6.78, sig. <0.01, Table 3).Therefore results suggest that talent management affect 50 % to tourist satisfaction. Thus result indicates the acceptance of Hypothesis 2.

Conclusion and Recommendations:

In the first place, the results suggest that a relationship exists between talent management and tourist's satisfaction. All factors of talent management affect tourist's satisfaction significantly and positively. The results verified that talent management contributes 50 percent toward tourist satisfaction. Thus, the study concludes that by effectively and efficiently utilizing and managing the available talent in an organisation definitely hotels can improve tourist's satisfaction. The study recommended that by improving talent management, which improves employees effectiveness, tourists' satisfaction improves.

Limitations of the Study

Table 1 : *Summary of result from scale purification for Talent Management*

Talent Management	Factor Loading	Mean	S.D	Alpha	Eigen	Value	KMO	VE
HRM (F1)	**6.11**		**0.926**	2.680	2.10	0.789	15.765	
Quality consciousness of employees at the time of recruitment	0.957	6.25	0.817					
Importance is given to experienced persons at the time of recruitment.	0.959	5.82						
Employees have adequate authority	0.846	6.07						
Employees are aware about their business goals.	0.942	6.42						
Importance is given to the training of employees.	0.901	6.01						
Benchmarking (F2)	6.03		0.778					
Efforts are made to achieve benchmarks.	0.857	6.00	0.817					
Stress on quality service oriented work culture.	0.769	6.07	0.759					
Social Responsibility (F3)	**6.00**		**0.778**			13.624		
Quality services at reasonable price.	0.816	6.08	0.762		2.316			
Sense of Social responsibility.	0.763	5.93	0.751					
Tourists Satisfaction (F4)	6.31	0.886						
Promised services are provided	0.867	6.39						
Importance is given to tourists satisfaction	0.891	6.34	0.633		2.130		12.531	
Quality Policy is Implemented Properly	0.852	6.21	0.677					
Employee satisfaction (F5)		6.26		0.812				
Indirect benefits schemes for quality improvement	0.952	6.11						
Monetary awards to employees for service innovation.	0.791	6.43	0.568		1.723		10.137	
Importance is given to job enrichment.	0.769	6.25	0.645					
Continuous Improvement (F6)	6.23		0.624					
Importance is given to quality rather than quantity.	0.856	6.34			1.494		8.788	
Proper implementation of quality policy	0.923	6.12						
Total		*6.15*					*75.08*	

Table 2   Results of confirmatory Factor Analysis

Scale Title	Standardized Estimates	R^2	Construct Reliability	Cronabch's Alpha
TALENT MANAGE,ENT	Chi-Square = 2.134, GFI = 0.924 , RMSEA .068, AGFI = 0.921			
HRM	0.614	0.62	0.67	0.93
Benchmarking	0.532	0.51	0.64	0.78
Social Responsibility	0.789	0.61	0.78	0.77
Tourists Satisfaction	0.876	0.58	0.64	0.70
Employee Satisfaction	0.985	0.69	0.67	0.60
Continues Improvement	0.869	0.51	0.65	0.62

Table 3

	Dependent variable	Independent variable	SRW	CR	R^2
Model 1	Tourists satisfaction	Talent Management	0.524	6.78	0.497

Table 4   Goodness of Fit

	CMIN	DF	CMIN/df	RMR	GFI	AGFI	CFI	RMSEA
Model 1	1.312	1	1.312	0.011	0.994	0.966	0.992	0.045
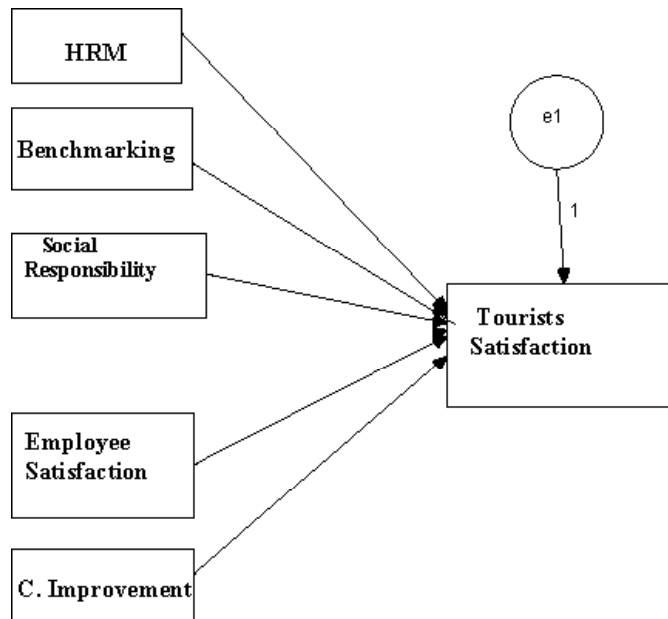
The reliability of certain variables was lower than the accepted threshold of 0.70, which is a limitation of the study. This also lends credence to the need for an independent and more robust scale refinement.

The sample was restricted only to the employees' of the hotels of Katra.

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