

The Relationship Between Talent Management and Organizational Commitment Case Study: Aqaba Special Economic Zone Authority, Jordan

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Abstract

This paper aims to study the relationship between talent management and organizational commitment in Aqaba Special Economic Zone Authority. Current statistical includes 51 employees of Aqaba Special Economic Zone Authority. Gathering information was performed by a questionnaire of talent management and organizational commitment. Resultant information is analyzed by SPSS software. The result of the study reveals that there was a positive relationship between talent acquisition, talent development and talent retention with organizational commitment. Talent retention variable has had the highest rank between the variables of talent management, so it is suggested to give more attention and opportunities to attract the suitable skills and talents from the beginning then what should be done is improving talents to increase organizational commitment which will lead to reduce employee turnover to sustain achieving high performance and competitive advantage over competitors.

Key words: Talent management; Talent acquisition; Talent development; Talent retention

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INTRODUCTION

In the world today, it is difficult to find employees who have served one organization for more than four

or five years. Modern organization needs to maintain valuable employees for a long time. Since that human resources are considered as the most important asset of an organization and the key factor for organizations to survive and compete. Quantity of human resources that needed to work and to produce products or services is not only what an organization needs, quality of those resources is the real need which is recognized as one of the leading factors contributing to sustainable competitive advantage in organizations. Talent management is founded to ensure that the right talents with the best skills are in the right place at work, also, talent management focus on developing and improving talents skills and compensate them with the suitable compensations even financial or nonfinancial benefits to increase their commitment and loyalty to the organization which in turn will reduce employees turnover and increase productivity and quality of work to create the different and the best value to achieve competitive advantage over competitors.

This paper will study the relationship between talent management components and organizational commitment in Aqaba Special Economic Zone. For more understanding we should clarify what we mean by talent management, organizational commitment and the relation between them.

Lockwood (2006) describes Talent management as the implementation of integrated strategies designed to reach a high level of productivity through improving the processes for attracting, developing and retaining people with the right skills and aptitude to meet current and future needs of an organization.

1. TALENT ACQUISITION

According to D'Annunzio (2008) the attracting talent includes the answers to the following questions: On what people in the organization must be capitalized? What

are the best ways to find and employ the employees in designated positions? What kind of talents the organization needs to improve its performance? Talent classified as follows:

- Top talent: High current performance appraisal with high potential forecast.
- Talents: High current performance appraisal with low potential forecast.
- Potential talents: Low current performance appraisal with high potential forecast.
- No talent: Low current performance appraisal with low potential forecast.

2. TALENT DEVELOPMENT

The organization should enable employees to advance in their career and give them the chance to improve their competencies by choosing the right instruments of development as: on the job method, off the job method and both of them.

3. TALENT RETENTION

Retention factors are the factors that facilitate the retention or departure of employees and their decisions to leave or remain, depending on their priorities Netswera et al. (2005). According to Dockle (2003), there are six critical retention factors: compensation, job characteristics, opportunities for training and development, supervisor support, career opportunities, work-life balance.

As High performance is driven by high commitment not just by having good talents in the organization, high commitment in turn will lead to a high level of loyalty Wood (1999). Now we should know more about commitment. Commitment has different types experienced by different employees at different levels in an organization Elizur and Kosolowsky (2001). According to Allen and Meyer (1990), commitment can be continuance, normative and affective.

- Continuance commitment: The committed to an organization because of the costs associated with leaving an organization.
- Normative commitment: The morality obligation that force an employee to remain with an organization.
- Affective commitment: An affective emotional attachment and feelings towards an organization.

4. LITERATURE REVIEW

Yap et al. (2010) found that employees who perceived diversity training to be effective were significantly more committed to their organizations and more satisfied than employees who perceived diversity training to be ineffective or non-existent.

Research is done by Mahal (2012) on the HR practices as determinants of organizational commitment and employee retention employed questionnaire to collect data from 100 employees from the Indian economy. The study findings revealed that if employees in the organization are given a good working environment, they show high organizational commitment and ultimately it brings stability among the employees. Another result revealed that HR practices are considered an important phenomenon to improve the employees' commitment to the organization. Also, that organizational commitment is the force that binds HRM practices.

Dyk and Coetzee (2012) in their study on the Retention Factors in Relation to Organizational Commitment in Medical and Information Technology Services showed the following:

- The participations commitment was the strong predictor of their affective commitment, continuance commitment and normative commitment.
- More opportunities in the work to increase the participants' affective commitment and continuance commitment.
- Caring about human resource practices increase the participants satisfaction
- Job characteristics increase participant affective commitment.
- Supporting from the direct manager negatively predicts participants' normative commitment.
- There is no relation between employee satisfaction with their work life balance and their organizational commitment participants.

Nobarieidishie et al. (2014) investigated the relationship between talent management and organizational commitment and found that there is appositive relationship between talent management components and the dimensions of organizational commitment.

Makworo & Abok (2014) investigated factors affecting talent management. The study indicated that recruitment and selection, developing and compensation have positive and statistically significant effect integrated talent management.

Halvaei and Ejlali (2015) investigated the relationship between talent management and organizational commitment. The findings of this research revealed that employee acquisition has the most effective role in increasing organizational commitment and development, growth, alignment and maintenance of talents come next, so, the researcher recommend to:

- Have more investment more in alignment and maintenance of employees through suitable compensation.
- Provide the needed infrastructure and train managers to be more qualified in how to attract and train employees.

Other researchers, Kwakye and Otubu (2016) conducted a study on organizational factors and employees

commitment, they found out that individual employees would have more organizational commitment only when managers begin to create a friendly working environment, good leadership style, reward and recognized employees as they deserve. The result here emphasized on the importance of talent development and talent retention to achieve higher level of employee's commitment.

As what have been shown, most studies concentrated on the importance of talent management on organizational commitment, so, the following hypotheses have been driven:

(a) Main hypothesis

There is a positive relationship between talent management and organizational commitment in Aqaba Special Economic Zone Authority.

(b) Secondary hypotheses

H1: There is a positive relationship between talent

acquisition and organizational commitment in Aqaba Special Economic Zone Authority.

H2: There is a positive relationship between talent development and organizational commitment in Aqaba Special Economic Zone Authority.

H3: There is a positive relationship between talent retention and organizational commitment in Aqaba Special Economic Zone Authority.

5. RESEARCH METHODOLOGY

Questionnaire survey is the ideal way to the needed information to this study. Study random sample was (100) employees in Aqaba Special Economic Zone Authority, (51) usable questionnaires were returned with (51%) as a respondent rate. SPSS software was used for statistical analysis. This section presents the results.

Table 1
Sample Distribution According to Demographic Characteristic (N=51)

Variable	Group	Frequency	Percent %
Gender	Male	22	43.1
	Female	29	56.9
Total		51	100
Age	Less than 30 years	13	25.5
	30-39	20	39.2
	40-49	15	29.4
	50 or more	3	5.9
Total		51	100
Qualification	Diploma	5	9.8
	Bachelor	2	3.9
	High diploma	3	5.9
	Master	28	54.9
	PHD	13	25.5
Total		51	100
Experience	Less than 3 years	3	5.9
	3-10	15	29.4
	10 years and above	33	64.7
Total		51	100
Position	Manager	15	29.4
	Vice manager	5	9.8
	Section head	13	25.5
	Supervisor	6	11.8
	Other	12	23.5
Total		51	100

Table 1 indicates that there are more females than males within the sample, also, the fact that 39.2% of the study sample is between 30 and 39 years may be related to the intent of the Aqaba Special Economic Zone Authority to get benefit from experienced employees which indicate that the management of this organization find the right way to retain its employees. Another fact seen through demographic results that most of the employees had a high education, this may be related to the

significance of those who reach to a high education level to use their qualification in order to achieve high level of performance. 64.7% of the study sample is more than 10 years of experiences and this indicates that the Aqaba Special Economic Zone Authority does not rely heavily on the experience and expertise of its employees. 29.4% of the study sample is managers which indicate that the important role of managers in managing the talents and in increasing the level of commitment.

6. ANALYSES AN DISCUSSION OF STUDY HYPOTHESES

Table 2
Components of Talent Management and Organizational Commitment

Components of talent management	Questions number	Components of organizational commitment	Questions number
Talent acquisition	1-5	Continuance commitment	33-38
Talent development	6-21	Normative commitment	39-45
Talent retention	22-32	Affective commitment	46-55

The main hypothesis: There is a positive relationship between the talent management and organizational commitment in the Aqaba Special Economic Zone Authority. This was branched to three sub hypotheses, which were:

H1: There is a positive relationship between talent acquisition and organizational commitment in Aqaba Special Economic Zone Authority.

To investigate this hypothesis, descriptive statistics of variables were computed as follows:

Table 3
Descriptive Statistics for Talent Acquisition

Variable	Mean	Std. deviation
Talent acquisition	04.09	0.4358
Organizational commitment	04.07	0.4461

The result in Table 3 shows that the mean value of talent acquisition in Aqaba Special Economic Zone Authority was (04.10) with std. deviation value (0.4156), and the mean value for organizational commitment was (04.07) with std. deviation value (0.4461). This means there is appositive relationship between talent acquisition and organizational commitment.

H2: There is a positive relationship between talent development and organizational commitment in Aqaba Special Economic Zone Authority.

Table 4
Descriptive Statistics for Talent Development

Variable	Mean	Std. deviation
Talent development	03.97	0.8047
Organizational commitment	04.07	0.4461

The result in Table 4 shows that the mean value of talent development in Aqaba Special Economic Zone Authority was (03.97) with std. deviation value (0.8047), and the mean value for organizational commitment was (04.07) with std. deviation value (0.4461). This means there is appositive relationship between development and organizational commitment.

H3: There is a positive relationship between talent retention and organizational commitment in Aqaba Special Economic Zone Authority.

Table 5
Descriptive Statistics for Talent Retention

Variable	Mean	Std. deviation
Talent retention	04.10	0.4156
Organizational commitment	04.07	0.4461

The result in Table 5 shows that the mean value of talent development in Aqaba Special Economic Zone Authority was (04.10) with std. deviation value (0.4156), and the mean value for organizational commitment was (04.07) with std. deviation value (0.4461). This means there is appositive relationship between talent retention and organizational commitment.

Results embraced the previous studies' results for the positive relationship between talent management components (talent acquisition, talent development & talent retention) and organizational commitment. The highest rank among talent management variables is talent retention and talent development and talent acquisition come next.

CONCLUSION AND DISCUSSION

The result of the study reveals that there was a positive relationship between talent acquisition, talent development and talent retention with organizational commitment. Talent retention variable has had the highest rank between the variables of talent management.

Findings of this paper are in agreement with the results of Dyk & Coetzee (2012) in their study about the effect of Retention Factors on Organizational Commitment. The findings showed that participations commitment was the strong predictor of their affective commitment, continuance commitment and normative commitment, more opportunities in the work increase the participants' affective commitment and continuance commitment .

In light of the aforementioned results the main recommendations could be as follows:

(a) The comprehensive structure should in place in order to support all the stages from attracting to retention talents in Aqaba Special Economic Zone Authority because each stage has its impact on organizational commitment.

(b) Aqaba Special Economic Zone Authority is advised to offer a suitable opportunity for promotion and development for their employees with a clear path of career, it advises to attract the good talent from the first stage in recruiting new employees to make the correct decision in choosing the correct candidate.

(c) In general Aqaba Special Economic Zone Authority is advised to give more concern to talent management and component by recognizing the strategic importance of adapting talent management, developing their internal talents, and using an effective compensation program with a suitable work environment to increase the commitment of the employees.

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