EFFECTS OF IMPLEMENTING TALENT MANAGEMENT IN ROMANIAN PUBLIC INSTITUTIONS

https://doi.org/10.47743/jopafl-2023-30-10

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Abstract: The human resources field is constantly changing and adapting to the fast-paced changes on the labor market. The re-evaluation of human resources strategies in order to attract top performers required the development of a new research field, talent management. Although many specialized papers have been published in recent years, empirical research has not provided sufficient evidence to demonstrate that talent management practices are useful and necessary in all branches of activity and especially in the public sector. In Romania, the field is little known, and research is reduced in number, and for these reasons, through this approach, we aim to investigate the effects of implementing talent management in Romanian public institutions. The study is based on the quantitative analysis of the data collected with the help of the questionnaire applied to 50 specialists in the field of human resources and persons in leadership positions in educational institutions and in the health field.

Keywords: talent management, public sector, Romania
Jel Classification: M12, J45

This Article was presented as a paper at the 15th edition of the Annual International Conference Globalization and Higher Education in Economics and Business Administration (GEBA 2023), which was held at the Alexandru Ioan Cuza University, Faculty of Economics and Business Administration in Iasi, Romania from the 19-21 October 2023.

Introduction
Attraction of talented employees is determined by the context of labor relations, built in organizations that fit into the enterprise model centered on human capital (Lawler, 2008). In the author's opinion, such an organization is characterized by the simultaneous attention paid to human resource planning, task design, recruitment and selection, organizational structure and information system, in order to enable those employment relationships that attract talented people to enable them to work together efficiently. The need for qualified personnel in many sectors of activity has increased in the last decade, and organizations have been forced to identify new methods of attracting and motivating valuable human capital.

The evolution of artificial intelligence will bring new challenges to the labor market, will play a key role in determining ideal candidates for a particular project (Rugg-Gunn, 2023)
and will lead to the need for re-adaptation and reinterpretation of current human resources policies and strategies. Armstrong (2007) believes that in organizations with a high-performance culture, employees are more engaged and motivated to meet or exceed expectations and goals.

First used in the paper "Selection of Management Personnel" (Doohrer and Marting, 1957), the concept of Talent Management developed as a research field after 1998, with the publication of the paper "The War for Talent" by practitioners at McKinsey consulting company. If at first it was not of particular interest to the academic world, the field of talent management has developed year by year, after 2010 there was an increase in the number of scientific papers, (Sparrow, 2019), but which still failed to provide clarity to the concepts of Talent and Talent Management.

Currently, private organizations are constantly adapting and developing the processes for identifying valuable human capital, while in public institutions in Eastern European countries the methods for recruiting, selecting, motivating and retaining human resources have not evolved significantly in recent years. Although globally the number of studies is increasing, in Romania the field of talent management is little known, and the scientific papers are limited to a few doctoral theses published in the rei.gov.ro database and a small number of articles, most of them based on the descriptive qualitative analysis of the current Talent and Talent Management concepts. The acute crisis of personnel with special skills and competences has increased in recent years in Romanian public institutions, due to the massive migration to better-paid jobs in the private sector or to countries with a developed economy that encourages and promotes the spirit of initiative, the autonomy of the workplace or the involvement of employees in decision-making.

Numerous empirical studies and research on talent management have been initiated globally in recent years. However, in Romania, the field has received little attention from the academic world and there is little large-scale research that provides clear theoretical and practical perspectives on the definition, role and importance of implementing talent management practices in all sectors of activity. The objective of this approach is to determine the current state of knowledge in the field of talent management and to present the results of the empirical research carried out on the basis of a questionnaire applied in public institutions in Romania. The research aims to determine the effects of implementing talent management in Romanian public institutions.

Literature review

According to current approaches, Talent “can be conceptualized as a naturalness, commitment and fit revealed in the innate skills, knowledge and acquired skills of employees that lead to achieving outstanding results” (Gallardo-Gallardo, Dries and Gonzales Cruz, 2013), but the biggest challenge is not defining talent but identifying the right skills for a particular job (Ross, 2013). In practice, Talent refers to high-potential personnel within organizations; consequently, their own definitions are outlined according to their own needs (Neri and Wilkins, 2018).

Talent management was initially considered a subset of human resource management (Lewis and Heckman, 2006; Tarique and Schuler, 2010), but following changes in recent years, the global labor market has developed as an independent field of research. According to Collings and Mellahi, 2009, Talent Management refers to the processes that lead to "the systematic identification of key positions that contribute differentially to competitive
advantage as well as the development of a talent pool for filling these positions". Singh (2021) believes that the factors influencing researchers' concern for expanding talent management studies are global talent shortages, declining demographic trends, corporate social responsibility, diversity, increasing migration, the shift to a knowledge-based economy, and the growing importance of emerging markets.

Research in recent years is focused on clarifying the concepts of Talent and Talent Management, but there are few studies that also pursue other issues, such as the implications and ethical dimension of implementing talent management practices. The first empirical research in the field of talent management was published after 2006 (Gallardo-Gallardo and Thunnissen, 2016; Thunnissen and Gallardo-Gallardo, 2019) and most studies aim at analyzing talent management from an inclusive or exclusive perspective (Gallardo-Gallardo and Thunnissen, 2016). Following empirical questionnaire-based research applied to 373 employees and 65 supervisors from health organizations in Romania, the authors analyzed from the perspective of employees the implications of inclusive talent management practices, and the results confirmed a positive relationship between inclusive talent management practices and employee satisfaction (Graham, Osoian, and Zaharie, 2023).

Some authors argue that only a small proportion of an organization's employees have exceptional skills (Michaels et al., 2001; Akanda et al., 2021), and consequently prioritizing investment in these limited resources is crucial to increasing organizational performance. Hongal and Kinange (2020) and Mohammed and Saksena (2023) believe that talent acquisition has lasting consequences and it is necessary for organizations to have state-of-the-art technologies to facilitate recruitment for key positions. Based on the systematic review of 120 scientific papers by Aljbour, French and Ali (2021) found that empirical research focused on identifying talent management practices across organizations, but few studies have investigated how talent management practices influence employee performance and lead to improved organizational performance. The same authors (Aljbour et al., 2021) identified six sets of talent management practices: talent needs planning, talent acquisition, talent development, talent performance management, talent involvement in decision-making, and talent retention.

The latest studies draw attention to the fact that talent management offers insufficient insights into the development of strategic agility, an essential condition to respond to changes in the business environment (Jooss et al., 2023 Apud Farndale et al., 2021; Harsh and Festing 2020). Strategic agility is the ability to respond quickly to changes in the internal and external environment through a set of activities (Weber and Tarba, 2014) Although research in the field is growing from year to year, to date there are few studies that propose and validate clear tools for measuring Talent, of which we mention the Model 9 boxes proposed by the McKinsey consulting company in the 1970s and initially used by General Electric to identify key investments (Lee, 2018) was then adapted for the field of human resources in order to identify the right employees for important positions. Yogalakshmi and Supriya (2020) considered talent an abstract construct, hard to measure, and conducted empirical research in IT organizations in India based on which they developed a six-factor, six-sixteen-item scale that can be used to objectively assess employee performance.

Current research confirms that talent management is a huge challenge facing organizations around the world (Gallardo-Gallardo, Thunnisen, & Scullion, 2019) and is the fastest
Growing discipline in management (Collings, Scullion, Vaiman, 2015). Organizations wishing to retain their competitive advantage will need to implement a valuable talent management system (Fatol et al. 2020) and to boost the culture of innovation and lifelong learning. We believe that talent refers not only to the ability to be a leader but also to the totality of skills and competences that allow people to excel in one or more areas of activity. Thus, we support the need to expand empirical research in the field of talent management in public institutions in Romania to identify new methods of attracting and retaining staff with special skills and competences to ensure the development at the highest standards and increase the quality of educational and medical services.

The following are the results of the research carried out in Romanian public institutions.

Data collection and analysis
This research aims to determine the current state of implementation of talent management practices in Romanian public institutions and the effects these practices exert on employees and organizations. In order to collect the data necessary for the quantitative analysis, we undertook an exploratory research based on a questionnaire applied to a randomly chosen sample of 50 people with management positions and human resources specialists in the health and education field, from Iasi, Bacau, Brasov, Galati and Suceava Counties. The questionnaire includes 25 closed-ended questions and 7 demographic questions and did not request information on confidential data (name, surname, PIN, residence, e-mail address) or any other data based on which respondents can be identified. Personal data were requested regarding the age, position, studies, field of activity and size of the organization in which the respondents operate.

Based on the literature we formulate the following research hypotheses:

- H1 Talent is a characteristic of all employees (What’s the meaning „talent” in the world of work Gallardo-Gallardo, E., Dries, N., Gonzales-Cruz, T., F., 2013; Dries, N. 2022, "What's Your Talent Philosophy? Talent as Construct Versus Talent as Phenomenon
- H2 Talent Management is a collection of HR practices (Lewis, R. E. and Heckman, R. J., 2006. Talent management: A critical review)
- H3 Financial rewards help motivate employees (Herzberg, Mausner, Snyderman, 1993, The Motivation to Work)
- H4 Recognition of merit helps motivate employees (Herzberg, Mausner, Snyderman, 1993, The Motivation to Work)
- H5 Implementing talent management practices helps to increase the organization's performance (Sareen and Mishra, 2016, A Study of Talent Management and Its Impact on Performance of Organizations)

The transmission of questionnaires and data collection took place between August 15 and October 15, 2023, and the target group was represented by senior management and human resources specialists in the field of education (pre-university education, post-secondary education, higher education) and in the health field. The data collected were centralized and analyzed using the SPSS quantitative analysis program. We present below the descriptive statistics of the selected sample, from a demographic point of view:
Depending on the structure of the sample by gender, of the total study participants, 35 are women and 15 are men. Depending on age, the vast majority of respondents are between 46 and 55 years of age, while only three respondents are between 26 and 35 years of age.

By field of activity, 30 people work in educational institutions and 20 of the respondents in the health field.
Of the total number of study participants, 18 are specialists in the field of human resources, and 32 are persons in management positions: managers, directors, heads of office, service or departments, from selected public institutions. As shown in Figure 4, 11 people are managers in educational institutions, 5 are managers in the health field, 8 are heads of services or departments in education, 8 in the health field, 11 human resources specialists in education and 7 human resources specialists in the health field.

According to their employment duration in the organization, we can say that the sample illustrates an experienced workforce: 34% of the respondents are between 16 and 25 years old, 38% have over 26 years of service, 20% have between 6 and 15 years of service and 8% have less than 5 years of service.
In order to test the hypotheses formulated based on the literature, we will analyze the correlation between the variables provided in the Questionnaire administered in Romanian public institutions.

**H1 Talent is a characteristic of all employees**

In order to test hypothesis 1, we checked the association between the variables Q1 (talent as an innate or acquired skill), Q2 (talent is characteristic of a minority or majority) and Q3 (how to identify talented people in the organization). From a statistical point of view, according to the frequency table (Table no. 1) we note that 78% of respondents believe that talent is innate and developed, 14% of respondents believe that talent is acquired and developed, 2% believe that talent is innate, and 6% believe that talent is acquired.

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>natural</td>
<td>1</td>
<td>2.0</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>acquired</td>
<td>3</td>
<td>6.0</td>
<td>6.0</td>
<td>8.0</td>
</tr>
<tr>
<td>natural and developed</td>
<td>39</td>
<td>78.0</td>
<td>78.0</td>
<td>86.0</td>
</tr>
<tr>
<td>acquired and developed</td>
<td>7</td>
<td>14.0</td>
<td>14.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: responses from study participants

Within variable Q2, 56% of respondents believe that only a minority of the organization's employees are talented, 4% believe that all employees are talented, and 40% of respondents believe that the vast majority of employees are talented.

Analyzing the correlation between variables Q1 (talent as an innate or acquired skill) and Q2 (talent is characteristic of a minority or majority), we determined that the probability associated with the calculated test statistic is \( \text{sig} = 0.049 \), which indicates an association between the variables for a 10% risk.
The correlation analysis between variables Q1 (talent as an innate or acquired skill) and Q3a (based on individual skills and abilities) indicates a probability associated with the test statistic calculated sig=0.134. (table no.3). The correlation analysis between variables Q2 ((talent is characteristic of a minority or majority) and Q3a, sig=0.043, indicates a strong link between the variables (tab.no.4).

Following the analysis of the association of variables Q1, Q2 and Q3, we can see that there is a close link between the variables and we can state that talent is innate and developed and is characteristic of a limited number of people who are identified on the basis of individual competencies, In conclusion Hypothesis 1 Talent is characteristic of all employees is not valid.

To verify the validity of hypothesis 2 Talent management is a collection of human resource practices we analyzed the variables Q4 - the definition of talent management and Q6 - talent management practices. The frequency table (Table 5) indicates that 88% of respondents believe that talent management differs from human resource management. 12% of survey participants consider talent management to be a collection of HR practices.
The correlation analysis between variables Q4a (a collection of HR practices) and Q6c (talent identification) indicates a close link between them, and the probability associated with the calculated test statistic is sig = 0.005.

### Table no. 6 Testing the association between variables Q4a and Q6c

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>7.927a</td>
<td>1</td>
<td>.005</td>
</tr>
<tr>
<td>Continuity Correction</td>
<td>5.245</td>
<td>1</td>
<td>.022</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>6.495</td>
<td>1</td>
<td>.011</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: responses from study participants

According to the study participants, talent management can be defined as the process of identifying talents in the organization and creating a talent pool to ensure future valuable human capital needs, as well as attracting, developing, motivating, engaging and retaining high-performing employees, consequently Hypothesis 2, Talent management is a collection of human resource practices, it is not valid.

**Testing Assumptions 3 Financial Rewards help motivate employees and 4 Recognition of merit helps motivate employees.**

In order to test the validity of assumptions 3 and 4, we analyzed the variables Q19 - forms of rewarding valuable employees, Q21 - forms of reward for attracting valuable personnel and Q22 - the rewards preferred by employees. 64% of respondents believe that currently due to rigid legislation no financial rewards can be offered, but that they are preferred by employees. There is a correlation between variables Q19a (financial rewards) and Q22b (recognition of merits as a form of reward), which indicates that recognition of merits contributes to employee motivation, but the highest degree of satisfaction is provided by financial rewards.

### Table no.7 Testing the association between variables Q19a and Q22b

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>6.752a</td>
<td>1</td>
<td>.009</td>
</tr>
<tr>
<td>Continuity Correctionb</td>
<td>5.155</td>
<td>1</td>
<td>.023</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>6.605</td>
<td>1</td>
<td>.010</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: responses from study participants

The correlation analysis between variables Q19c (recognition of merits) and Q21d (substantial rewards and recognition of merits) presented in Table no. 8 indicates that the probability associated with test statistics calculated sig=0.019 confirms that in public institutions, recognition of merits is a form of attracting, motivating and retaining valuable employees that leads to increased self-esteem and increased desire for self-improvement and continuous development. According to the responses received from the respondents, the forms of reward that bring the greatest satisfaction to employees are salary rewards and recognition of merits.
In conclusion, we can state that Hypothesis 3 Financial rewards contribute to employee motivation and Hypothesis 4 recognition of merits contributes to employee motivation are valid. In order to research the validity of Hypothesis 5, The implementation of talent management practices contributes to increasing organizational performance, we proceeded to the testing of variables Q24 (the implementation of talent management contributes to increasing the performance of organizations), Q6 (talent management practices), Q18 (employee participation in professional development courses) and Q19 (forms of rewarding employees).

Following the analysis, we identified correlations between the variables presented in Tables 9, 10 and 11.

<table>
<thead>
<tr>
<th>Table no. 8</th>
<th>Testing the association between variables Q19c and Q21d</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value</td>
</tr>
<tr>
<td>Pearson Chi-Square</td>
<td>5.500a</td>
</tr>
<tr>
<td>Continuity Correctionb</td>
<td>4.121</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>5.785</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: responses from study participants

There is a correlation between variables Q24 (the implementation of talent management contributes to increasing the performance of organization) and Q19a (financial reward)
The implementation of talent management practices contributes to increasing organizational performance. Based on the results obtained, we conclude that Hypothesis 8 The implementation of talent management practices contributes to the performance of the organization is valid.

**Discussions and conclusions**

Although in recent years the literature has been enriched with numerous articles, these are represented by descriptive studies and a small number of papers are based on empirical research. There are clear research directions, directed towards the inclusive or exclusive approach of talent, but at present there are no clear methods and tools to measure this skill. Factors influencing talent management differ from one institution to another depending on the field of activity or the country in which the research was carried out, therefore comparative studies between different sectors of activity is vital for establishing generally valid theories.

The current challenges in the field are due to the confusion and conceptual ambiguities that prevent the identification of the precise meaning of talent management (Gallardo-Gallardo and Thunnissen, 2015) which leads to a strong disagreement between practitioners and the academic world. Economic crises in recent years and environmental changes will lead to the disappearance of more than 80 million jobs by 2030 (Fatol et al., 2020), which will increase the migration of the workforce to areas where they can make a living. For these reasons, we believe that it will be necessary to intensify research in the field of talent management in order to identify the most optimal solutions for the revitalization of economic sectors in disadvantaged areas.

Employment in state jobs is changing more and more today. The Human Resources Department was reorganized and re-dynamized throughout the public administration system. Public organizations will thus be able to transform the human resources function into a strategic resource that can search for and retain talents, so that their managers become aware of their competitive capacity. While innovation becomes a fundamental strategy to promote performance and competitiveness, civil service reforms are equally innovative, they take into account the meritocracy of the state, based on talented people, who are selected and promoted both based on their talent and their achievements.

The effects of implementing talent management in public institutions are also observed by the fact that the public function is no longer integrated in a closed system, but has evolved towards an open system (Losey at all, 2005), for all human resources activities. Attracting and retaining talented employees in areas subordinated to the state (education, health) are the most obvious activities in the sense of implementing possible management and is possible in various forms.

In a synthesis that we consider necessary, some possible solutions can be identified:

a) recognizing/rewarding the creativity and effectiveness of state employees and teams of civil servants;

b) allowing people to access and/or exit the system more easily;

c) developing competent managers;

d) maintaining a quality workforce in addressing those situations that show poor performance;

e) providing a work environment that uses the latest and most up-to-date information and digital technologies;
f) offering competitive salaries compared to those of private employees;
g) changing recruitment strategies to attract new talents at all hierarchical levels in organizations;
h) offering the possibility of training and professional development as an advantage;
i) the privilege of retaining experienced talents by improving the satisfaction of their work;
j) developing and implementing succession plans that identify and respond to the future needs of employees;
k) improving and simplifying the processes of political appointments in the public environment. (The Partnership for Public Service, 2007, 2008)

In Romania, the field of talent management is in its early stages of development, and as far as public institutions are concerned, we believe that there is no real concern for attracting, developing and retaining high-potential human capital. The study confirmed that the implementation of talent management in Romanian public institutions contributes to maximizing the value of employees and will produce long-term effects by providing staff with special skills and competences that will contribute to the development of future generations by providing education at the highest standards and by providing high-quality medical services. In order to obtain results that allow the generalization of the theories in force, it will be necessary to include in the future studies also the academic staff, the auxiliary teaching staff, the non-teaching staff as well as the doctors, assistants, nurses. Definitely, the field of talent management will constantly evolve and it will be necessary to constantly readjust to the increasing demands of the labor market.

References:


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