The impact of talent management on achieving competitive Advantage

- Case study Cevital Company -

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Abstract:

This study has addressed the topic of talent management, which attracted the attention of many companies around the world. As a factor of success, we tried to highlight the impact of talent management processes on attaining a competitive advantage in the "Cevital" Company. The data were collected through a questionnaire filled out by (75) employees working at Cevital. The data were processed using SPSS v19. The results show that there is a high level of talent management processes have an impact on achieving competitive advantage. Results also indicate that talent management processes have an impact on achieving competitive advantage. This is to say, that the company must focus on talented people and invest in talent and intellectual capital, which is one of the major assets.

Keywords: Talent management; Competitive advantage; Cevital Company.

Jel Classification Codes: M12; M10

I- Introduction:

As like an resource to adjust companies to the worldwide competition, that's reason, All most usually companies are competing against each other's to reach and keep talents in order to maintain their operation and also continue to development and grow.

The concept of talent management first appeared in the 1990s. When the phrase "war of talent" caught up among major International Corporation, as an expression of intense competition among organizations. Thus, competition turned to attracting highly-qualified and talented and providing all the regulatory and financial conditions that help to keeping them.

That employees are generally possess in organizations.

Study questions: The main purpose of our study is to try answer the following main question:

Is it possible talent management processes impact on achieving competitive advantage in Cevital industrial Company in Algeria?

Based on the concept of talent management, we will divide the main problem or question into the following partial questions:

- Does the talent acquisition impact on achieve competitive advantage in Cevital company?

- How the talent development effect on attaining competitive advantage in Cevital Company?

- Does talent maintenance effect on attaining competitive advantage in Cevital Company?

Study hypotheses: The study included one main hypothesis, and three sub-hypotheses.

H0: There is no significant impact of talent management (acquisition, development, maintenance) on attaining competitive advantage in the study case sample company at ($\alpha \le 0.05$).

H01: There is no significant effect of talent acquisition on achieve competitive advantage in our study case company at ($\alpha \le 0.05$).

H02: There is no significant effect of talent development on attaining competitive advantage in our study case sample company at ($\alpha \le 0.05$).

H03: Also There is no significant impact of talent maintenance in attaining competitive advantage in the study sample company at ($\alpha \leq 0.05$).

Study objectives: This study goals can be abstracted as follows:

-Attempt to clarify and track the impact of talent management on attaining competitive advantage of the company.

-To investigate the employees perspectives in the company around the talent management.

-Understanding the firm's definition of competitive advantage and its policy toward talent management.

-To suggest recommendations for Algerian companies which contribute on enhancing talent management and retaining talent employees.

Study Significance: The nature of this current study from the following factors:

- There are a limited number of researches that deal with the relationship between two concepts: talent management and competitive advantage.

- There is a strong interest lately regarding the benefits of talent management in contribution to investigation competitive advantage

1. Literature review:

1.1. Talent management

1.1.1. The concept of talent:

Talent is the implementation of all mental and physical capacity used in the process of repetitive Mental thinking, feeling and behavior skills in a fruitful way (vaiman, 2012), And we find According to another definition, talent is explained as the ability to provide vital contributions to a current position as well as to contribute to the future of an organization generally in the different environments of human resources (Green, 2008).

1.1.2. The concept of talent management:

The concept of talent management has Appeared in the end of the last century, And there are many of its special definitions:

Talent management is the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organization (Shadiya Mohamed, 2014), and there is special another description of talent management says that is the system of perception, development of memory and talents according to many Scientists and thinkers (Horvatova, 2011, p. 459).

Also and in another sense: the concept of talent management is a new approach confronting many organizations by necessity and different various steps.

Such as inclusive corporation and communication among all the managers of the organization on all levels in company, recruitment, education, amelioration of personnel, labor force planning, success planning, performance evaluation, reviewing talents, keeping the existing talents in reserve (Wakefield.M, 2006).

1.1.3. Talent management goals:

Talent management has three main goals namely (BAT. M, 2015, p. 96):

For To identify, select and cultivate employees in company that explain superior and best performance and who inspire all others to perform at the same performance.

To find best programmes develop for position highly qualified for key positions in the organization;
To designate all resources, especially compensation, coaching, training, job assignments and other rewards, to employees based on their actual or potential contribution to excellence in organization.

1.1.4. Talent management processes:

In fact the Applying the different processes of talent management is a key factor for a successful implementation of talent management in the companies. and in general the Talent management processes are (Dima Waswas, 2019):

- **Talents acquisition**: acquisition Can be defined it as an administrative philosophy, that the organization or company adopts to identify and attract the needed number, desired quality of the best qualified personnel, for its vacant positions with choice the best of them, to achieve its competitive advantage, finally thus it is the main process of choosing and recruiting talents in organizations.

- **Talents development:** It is Training programs for talented people, focusing on the enhancing and development skills, and competencies organizational values. These programs are based on exact performance evaluation to determine all the training needs and necessary.

-Talents maintenance: The set of policies and practices and also mechanisms that make the human resource determine and decide, to stay in the company for a longtime. Talents maintenance includes all activities that prevent talented people from leaving or resign from organization.

1.2. Competitive advantage:

1.2.1. The concept of competitive advantage:

Researchers differed in their definition of competitive advantage:

Kotler defined competitive advantage as an organizational capability to perform one or many ways that competitors find difficult to simulate now an in future (Reed.R, 1990),according to Could competitive advantage is an advantage obtained over the competitors by offering customers greater value, either through lower prices or by supplying additional benefits and service that justify similar and possibly higher prices (Kaithia.D.A, 2014), According to Porter competitive advantage grown And adopted fundamentally out of value a firm is able to make for its buyers that exceeds the firm's cost of creating it Value. stems from displaying lower prices than competitors for equivalent benefits (Porter.M.E, 1985).

1.2.2. Competitive advantage dimensions:

The basic dimensions of competitive advantage of the followings elements: (Boudiaf, 2017). – **Cost:** the focus on cost reduction in the most commonly dimension used by the organizations. Especially those in markets where the customers are sensitive to prices, the factors that procure to lower costs: increased experience, qualifications, and education, successful investment (Deborah, 1998, p. 33);

– Quality: many organizations work in to realize high quality for their service or products, in order to stay and continuous working in the competition market. Uses quality as a tool for competition requires organizations to consider the quality as the entrance to satisfy customers, not just as a way to solve problems and reduce costs at organizations (Baker, 1992);

- **Time:** the response to customer demand and speed of service has become one of the main factors of competitions between companies. This notion is related to the customer's willingness to pay higher cost for the products or services he needs quickly and in time (Salah.M.Diab, 2014);

Innovation: Indicates interest to support of the firm all new ideas, experiment and inspire processes earlier than competitors inspire, innovation will enable the firm to improve current lines of products (Hadjazi Ismail, 2019).

2. Previous studies:

2.1. Selman Tetik (2018), study titled: "Talent management :a review of theoretical perspectives and a guideline for practitioners". The study aimed to exploit the Impact of talent management on employee performance and retention strategies at the Masvingo city council in Zimbabwe, the results shows that Talent management had an effect on employee performance at Masvingo city council in Zimbabwe, the findings also showed that there is a strong relationship between the implementation of talent management and retention strategies at the Masvingo city council.

2.2. NoveraAnser and Akhtar baloch (2018), study titled"Talent and Talent management: definition and issues". The study aimed to make a contribution to the literature on talent and talent management by a critical review of the construct of talent, also the study indicated that it is important to develop a uniform concept of talent and talent management for a shared understanding for all Researchers and academics work on the topic and its practical implication for the corporate world.

2.3. Pawel Ceglinski (2017), study titled:"The concept competitive advantage logic, sources and durability". The study aimed is to present theoretical assumptions of the concept of competitive advantage and main problems connected with the same, the results show that the concept of competitive advantages is commonly used for the purposes of analyzing above-average results of enterprise in competitive market.

2.4. Sajeda Ahmed al-Hadid (2017), study titled'' The impact of talent management on attaining competitive advantage: a field study on Jordanian telecommunications companies''. The study aime is to discuss the impact of talent management processes on attaining competitive advantage in the Jordanian telecommunications companies, the results of the study shows that there is a high level of talent management in the Jordanian telecommunications companies.

2.5. Kaithia David Arungai (2014), study titled: "Influence of service process innovation on competitive advantage in the banking sector in Kenya". The main objective of this study was to analyze the influence of service process innovation in the banking industry towards competitive advantage, The study determined that service process innovation are very important in influencing competitive advantage in the banking sector.

II– Methods and Materials:

1. Introducing the company to the study sample:

The company that the case study was conducted on is a Cevital company. And it is the first private Algerian company to have invested in a wide variety of business sectors, It is among these sectors that we find the food industry, and mass and distribution industry to electronics and domestic appliances, the iron and steel industry, the flat glass industry, the Cars industry, etc. Cevital company is working continuously to create values, jobs and wealth.

2. Methodology:

The descriptive and analytical method was used in the current study.

2.1. Study sample:

The sample of this study is a simple random sample Consists of (75) employees we distributed 75 questionnaires, the number of recovered questionnaires which can be analyzed is 68 questionnaires, which present the percentage of 90.66% of total distributed questionnaires.

2.2. Study toll:

A questionnaire using five rating scale was used.

The questionnaire consisted of three sections with 23 statements.

-The demography part which includes the following dimensions: sex, age, scientific qualification, experience.

- Independent variable (talent management) which includes three sub-variables (talents acquisition, talents development, talents maintenance) each was measured by 05 paragraphs

Dependent variable (attaining competitive advantage) was measured by 08 paragraphs.

2.3. Statistical methods used in data analysis:

The data of the questionnaire are analyzed and treated by version 19 of statistical package for social sciences with is (SPSS v19). Using Cronbach's alpha coefficient for measuring the questionnaire reliability, test Kolmogrov-Sminrov for measuring the normal distribution of the variable, (percentages, means, standard deviations) for analyzing the results of questionnaire items, and for testing the validity of hypotheses used multiple regression and simple linear regression.

III- Results and discussion:

1. Reliability of the questionnaire:

Cronbach's alpha reliability measures are 0.872, 0.883, 0.883 respectively as shown, this indicates that the overall 23 statements of the questionnaire and the scale are reliable to be measured in the current study (table1) shows that.

2. The normal distribution of the variable:

Kolmogrov-Sminrov test using SPSS dependent and independent variables to reveal normality, sig value for each variable greater than 0.05, this indicates to normality distribution for variable data, (table2) shows that.

3. Analysis of personal characteristics:

The sample of this study is composed of 68 respondents, the data of their personal characteristics show the following results:

- Sex: 57.32% of respondents are men, whereas the percentage of women is 42.68%;

- Age: 49.22% of respondents the ages is between 30 and 40 years, which indicates that the majority of employees are young people;

- Scientific qualification: The highest category graduates and they have licence or master;

- Experience: the highest category (10-15) years by percentage 42%.

4. Descriptive statistics analysis:

In our study, we have performed a calculation the means and the standard deviations as follows:

The shown table (3) the means of management ranged between (3.427-3.857) with an high degree, the highest mean was for talent maintenance (M=3.857, SD=0.723), followed by talent development (M=3.622, SD=0.528), while the lowest was for talent acquisition (M=3.427, SD=0.618).

The total of talent management was in high degree (M=3.811, SD=0.552).

This result can be explained by the fact that Cevital Company implements procedure that contribute to attracting, developing and maintaining talents.

The total of competitive advantage in high degree (M=3.616, SD=0.523), table (4). This result can be explained by the fact there is on the existence of competitive advantage in Cevital

Company. **5. Hypothesis testing:**

To hypothesis testing the multiple regression and linear regression analysis was used.

5.1. The main hypothesis: we find there is no significant impact of talent management on attaining competitive advantage in Cevital Company at ($\alpha \le 0.05$).

Table (5) shows that a statistically a significant effect at a significant level ($\alpha \le 0.05$) of the talent management on attaining competitive advantage in Cevital company, where **F** value reached (175.07) by statistically significant (0.00).

Therefore, the main hypothesis was rejecting and accepts the alternative hypothesis to read as follows: there is a significant impact of talent management on attaining competitive advantage in the Cevital Company at ($\alpha \le 0.05$).

5.2. The first hypothesis: There is no significant impact of talent acquisition on attaining competitive advantage in Cevital Company at ($\alpha \le 0.05$).

Table (6) statistically there is shows that a statistically a significant effect at a significant level ($\alpha \le 0.05$) of impact of talent acquisition, on attaining competitive advantage, where **F** value reached (124.82) by statistically significant (0.00).

Therefore, the first sub hypothesis was rejecting and accepts the alternative hypothesis to read as follows: there is a significant impact of talent acquisition on attaining competitive advantage.

5.3. The second hypothesis: there is no significant impact of talent development on attaining competitive advantage in Cevital Company at ($\alpha \le 0.05$).

Table (7) shows that a statistically a significant effect at a significant level ($\alpha \le 0.05$) of impact of talent development on attaining competitive advantage, where **F** value reached (283.46) by statistically significant (0.00).

So the second sub hypothesis was rejected and we accepted the alternative hypothesis follows: there is a significant impact of talent development on attaining competitive advantage.

5.4. The third hypothesis: There is no significant impact of talent maintenance on attaining competitive advantage in Cevital Company at ($\alpha \le 0.05$).

Table (8) shows that a statistically a significant effect at a significant level ($\alpha \le 0.05$) of impact of talent maintenance on attaining competitive advantage, where **F** value reached (189.23) by statistically significant (0.00).

So the third sub hypothesis was rejected and we accepted the alternative hypothesis and their contents hypothesis is: there is a significant impact of talent maintenance on attaining competitive advantage.

IV- Conclusions and recommendations:

1. Conclusions:

The findings can be summarized as follows:

- Among the most important and biggest challenges in a highly competitive environment is the retention of qualified talent in the institutions and companies.

- Talent management deals with talented people or employees which are one of the assets that the company seeks to own maintain and general be considered implicit.

- Talent management has a very important role in improving company performance.

- This study indicates that most of talent management practices carried out by the Cevital Company.

- There is a high level of talent management and a high level of competitive advantage in the Cevital Company.

- There is significant impact of talent management on attaining competitive advantage in the Cevital Company.

- Talent maintenance has rated the highest, followed by talent development, while the lowest was for talents acquisition.

2. Recommendations:

Through our findings in our study, a set of suggestions and recommendations can be developed as follows:

- You must pay more attention for talented employees and also to invest in talent and intellectual capital which is one of the most main important companies 'assets.

- Companies should support the efforts the training and development efforts of talented employees to provide and enhance them with all new knowledge, skills, and experience permanently.

- Creating an atmosphere of competition, development and training with in company.

- Providing opportunities for promotion at work, and providing opportunities for profession growth.

- Constantly evaluate employees to discover current talents and determine talent gap and future needs of talents.

- The companies should offer salaries and incentives that are suitable to employees' competencies to retain talented employees, keep them.

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Appendices:

Variable	N of items	Cronbach's alpha					
Talent management	15	0.872					
Competitive advantage	08	0.883					
All	23	0.883					

Table (1): The result of reliability (Cronbach's alpha)

The source: Prepared by the researchers based on SPSS v 19 outputs.

Table (2): The result of Kolmogrov-Sminrov
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Variable	Kolmogrov-sminrov	Sig
Talent management	1.532	0.531
Competitive advantage	1.342	0.118

The source: Prepared by the researchers based on SPSS v 19 outputs.

Table (5). Means and Standard deviations for Talent Management						
Paragraphs	Mean	SD	Agreement degree			
Institutional leadership a deep conviction that is key to institutional success.	3.233	0.436	Medium			
The methods of Personnel's selection are transparent completely objective in that their principles of selection and results are announced publically.	3.824	0.543	High			
The company announces its human resource needs in every ways to attract the largest number of talents people.	4.253	0.623	Very high			
The company believes that talent acquisition is the most effective way to achieve excellence.	3.722	0.533	High			
The financial level achieved by the company comes from attraction for outstanding competencies.	3.633	0.512	High			
Talents acquisition	3.472	0.618	High			
The company always seeks to motivates distinctive employees.	3.855	0.567	High			
The company constantly arranges training programs.	3.623	0.638	High			
The company always seeks to identify its employees training needs.	3.525	0.477	High			
The company encourages talented members to train their colleagues	2.871	0.577	Medium			
The company gives talented employees the opportunity to develop their skills at work on their own.	3.421	0.613	High			
Talents development	3.622	0.528	High			
The company seeks to eliminate causes of career tension and increase motivation for achievement.	3.411	0.722	High			
The company offers various incentives for talented employees.	4.341	0.834	Very high			
The company provides services related to health insurance and housing for qualified employees.	3.644	0.622	High			
The company is keen to treat its employees as partners rather than workers.	3.781	0.523	High			
The company has policies that encourage career growth and developmental opportunities for employees.	3.428	0.688	High			
Talent maintenance	3.857	0.723	High			
Talent management	3.811	0.552	High			

Table (3): Means and Star	ard deviations for	r "Talent Mar	nagement	••

The source: Prepared by the researchers based on SPSS v 19 outputs.

Paragraphs	Mean	SD	Agreement degree
The company seeks to provide lower costs products than competitors.	2.234	0.565	Low
The company offers discounts for customers.	4.111	0.324	High
The company provides unique products.	3.631	0.688	High
The company seeks to produce products that meet customers' needs and exceed their expectations.	2.622	0.564	Medium
The company encourages employees to create new ideas and discover new ways to do tasks and solving problems.	3.756	0.658	High
The corporate culture encourages creativity.	3.591	0.544	High
The company are first in the market in introducing new products.	4.121	0.358	High
The company deliver customer order on time.	3.272	0.567	Medium
Competitive advantage The source: Prenared by the researchers based on SPSS y 19 of	3.616	0.523	High

Table (4): means and standard deviations for competitive advantage

The source: Prepared by the researchers based on SPSS v 19 outputs.

Table (5): result of the (multiple regression) analysis of the impact of talent management on attaining competitive advantage

Independent variable	T value	T sig	Beta	R	R ²	Adjusted R ²	F value	F sig
Talent acquisition	38.751	0.00	0.332					
Talent development	42.240	0.00	0.412	0.791	0.623	0.663	175.07	0.00
Talent maintenance	45.563	0.00	0.236					

The source: Prepared by the researchers based on SPSS v 19 outputs.

Table (6): result of the (simple linear regression) analysis of the impact of talent acquisition on attaining competitive

advantage	
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Independent variable	R	R ²	Adjusted R ²	F value	F sig
Talent acquisition	0.428	0.513	0.583	124.82	0.00

The source: Prepared by the researchers based on SPSS v 19 outputs.

 Table (7): result of the (simple linear regression) analysis of the impact of talent development on attaining competitive advantage

Independent variable	R	R ²	Adjusted R ²	F value	F sig
Talanta an isiti a	0.624	0.556	0.564	229.46	0.00
Talent acquisition	0.634	0.556	0.564	238.46	0.00

The source: Prepared by the researchers based on SPSS v 19 outputs.

 Table (8): result of the (simple linear regression) analysis of the impact of talent maintenance on attaining competitive advantage

Independent variable	R	R ²	Adjusted R ²	F value	F sig
Talent acquisition	0.462	0.624	0.686	189.23	0.00

The source: Prepared by the researchers based on SPSS v 19 outputs.

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