

Talent Development And Performance Of National Referral Hospitals In Kenya

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Abstract

Any nation's wellbeing and prosperity depend heavily on the health function. The effectiveness of service delivery is influenced to large extent by how the health sector is managed. Human resources are a critical component of any health-care system. A functional health system can be distinguished from one that is not by the presence of sufficient numbers of skilled and motivated workforce. The study sought to investigate the influence of talent development on performance of National Referral Hospitals in Kenya. A sample of 225 respondents was drawn from 4 national referral hospitals using multi-stage sampling technique comprising of purposive, stratified and simple random sampling. The respondents included directors, heads of departments and section heads in each of these hospitals. Primary data was obtained from the respondents through self-administered questionnaires and interviews. Secondary data was obtained from HR and health records. The questionnaires were distributed using the drop and pick approach. An interview guide was used to conduct interviews. The data was statistically analyzed using descriptive, correlation and regression analysis. The study findings indicated that talent development had a positive and significant effect on the performance of national referral hospitals in Kenya with an r value of .898. The value of R^2 was .791 which implies that 79.1% of variation in performance of national referral hospitals was brought about by talent development. The study concluded that talent development influenced the performance of national referral hospitals in Kenya. The study revealed that when the employees are equipped with skills and talents that matches their job requirements, they perform their tasks excellently hence improving the overall organizational performance. Study recommends organizations to offer talent development programs to employees as a demonstration of their commitment to their employees' growth and development, hence keeping them engaged and appreciated in their roles

Key words: Talent development, Performance, Hospitals.

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I. Introduction

According to Lawler (2017), the process of talent development has seen significant changes over the past two decades. These changes may be attributed to shifts in the workforce, advancements in technology, and the increasing demand for organizational agility. Continuous training and development of a talent pool through mentoring, job rotation, and formal training is widely recognized as an effective approach. (Stahl *et al.*, 2012). However, training and development of talent is costly (Lawler, 2017). It is a low-production period for talent, and trainers are expensive. It is often challenging to decide whether to train existing employees or to recruit individuals with comparable skills from external labor markets. Nevertheless, when it comes to talented individuals, the challenge of finding suitable replacements for their talents and potential becomes apparent, so making training a valid option. Succession planning is a valuable tool for establishing a clear trajectory for staff training and development (Stahl *et al.*, 2012). Enhancing the abilities of talented individuals and planning for their future not only benefits the organization in terms of expanded capacities, but it has also proven to foster employee loyalty and retention (Lawler, 2017). Stahl *et al.* (2012), recommend creating "employee value proposition" that encompasses both tangible and intangible elements. These elements include an attractive organizational culture, challenging tasks, employee autonomy and freedom, prospects for progress and personal development, and the presence of an inspiring mentor.

Statement of the problem

The health function is critical to the welfare and prosperity of any nation. The effectiveness of service delivery is heavily influenced by how the health sector is run (MOH, 2015). However, there is growing concern that Human Resources for Health (HRH) in the public sector in Kenya are shrinking drastically, thereby affecting service delivery (MOH, HR Strategy, 2014-2018). Nonetheless, there has been increased investment in both physical and medical infrastructure within the public health sector. These include expansion of ICU bed capacity from as low as 6 in the 2017/18 to 30 ICU Beds in 2019/2020. A new chronic diseases centre and new 5-bed critical care were established in Moi Teaching and Referral Hospital. In addition, a national referral centre for lifestyle diseases were completed and commissioned at the Kenyatta University Teaching, Research and Referral Hospital (KUTRRH) hospital and Othaya Level 6 Hospital (MOH, 2018). Despite the aforementioned progress, a report by the national health committee (2019) reveals the country's national referral facilities are in appalling conditions. Among key challenges noted were acute shortage of competent healthcare providers, overcrowding, high mortality rate, and perennial healthcare worker strikes that has paralysed the country's public health system. Failure to address these challenges will likely jeopardize the country's efforts to realize the right to health, while also posing a threat to the achievement of the Sustainable Development Goal (SDG), which aims to promote good health and well-being for all.

Purpose of the study

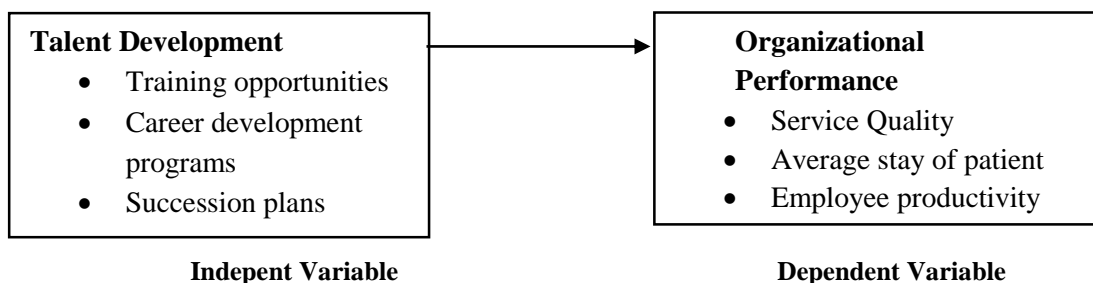
The purpose of this study was to investigate the influence of talent development on the performance of national referral hospitals in Kenya.

II. Literature Review

Resource Based View (RBV) Theory

Resource Based View (RBV) examines and interprets the resources of organizations in order to gain a deeper understanding of how firms achieve sustained competitive advantage. The Resource-Based View (RBV) centers its attention on the notion of difficult-to-imitate attributes of the firm, which serve as the foundation for achieving exceptional performance and gaining a competitive edge (Barney, 1986; Hamel and Prahalad, 1996). Resources that cannot be simply transferred or acquired, that necessitate an extensive learning curve or a significant change in the organizational climate and culture, are more likely to be unique to the organization and, thus, more difficult for competitors to imitate. According to Conner (1991), the performance variability of firms is contingent upon their possession of unique inputs and skills. The Resource Based View (RBV) of the firm has proven be a highly influential strategy theory. It posits that firms can attain long-term competitive advantage by possessing and effectively utilizing valuable and unique resources.

RBV Theory, according to Yang and Conrad (2011), is concerned with the heterogeneity of organizational performance. The primary goal is to integrate a variety of internal resources in a strategic manner, with the aim of generating a competitive edge for the firm. Internal resources include various types of capital: Physical capital (buildings; machinery; stock); financial capital (investments; cash reserves; operating capital); human capital (the knowledge, qualifications, skills and experience of employees) and corporate capital (trademarks; patents; systems). According to Yang and Conrad (2011), these resources become useful when they are employed to help the firm execute its business strategy.



Talent development is widely recognized as a significant stage in talent management process (Mathimaran & Kumar, 2017). Organizations have the potential to implement various talent development strategies aimed at enhancing the skills, competences, attitude, and knowledge of their employees, with the aim of fostering high performance (Rathod, 2014). Currently, organizations should prioritize the establishment of a learning culture that facilitates the achievement of their objectives (Bhatti, 2014). The learning policy may be influenced by the prevailing learning culture. Learning policy pertains to management understanding of organizational and employee learning and development (Sahoo, 2015). The creation of a learning organization can be achieved by implementing effective learning and development strategies (Armstrong, 2012). Training and

development, mentorship, coaching, and succession planning are all key mechanisms in the establishment of a learning organization. According to Farrukh and Waheed (2015), these techniques are regarded as talent management approaches that have the potential to contribute to favorable business performance.

III. Methodology

This study employed cross-sectional survey research design using both quantitative and qualitative approaches. Cross sectional survey is a method that involves the analysis of data collected from a population, or a representative subset, at one specific point in time (Orodho, 2003). The choice of this design is appropriate for this study as it helps in making predictions regarding the occurrence of the phenomenon under the study and by taking a sample of the population at one point at a time (Elahi & Dehashti, 2011). The target population for this study was the National Referral Hospitals in Kenya. The respondents selected for this study were 225 management staff including the directors, heads of departments, section heads. primary data was collected using questionnaires and interview guide and secondary data was obtained from the hospitals' HR and health records. Descriptive statistics reports, representing the various research items was developed during the analysis. Content analysis was used to analyze qualitative data. Multiple regression model was fitted to the data in order to test the influence of the independent variable on the dependent variable.

IV. Results

Response Rate

The number of questionnaires that were administered was 225. A total of 201 questionnaires were filled and returned yielding a response rate of 89%. The response rate was considered satisfactory, as suggested by Sekaran and Bougie (2016), who recommend a minimum response rate of 75 percent.

Descriptive Statistics

The study sought to find out the influence of talent development on the performance of national referral hospitals in Kenya. Table 2 shows majority of respondents who were 82.1% agreed that the HR department is responsive to employees training and development needs while 72.2% agreed the organization identifies potential talent and develops staffs at the senior and middle level. 69.7% concurred the hospital improves their employee talents and aligns their talents with the needs of the business, while 75% agreed the hospital actively creates opportunities for employee to participate in challenging assignments. 69.2% of respondents agreed that staff in their department are provided with opportunities for growth and development while 64.8% agreed that their hospital identifies and prepares suitable high potential employees to replace key players within the organization as their terms expire and 67.7% agreed that the organization always plans on employee career growth and progression.

Additionally, 76.1% of the respondents agreed that their organization has in house development programmes to develop its employees while 79.1% concurred that employees learn autonomously to improve their performance, and finally 78.6% agreed that the organization encourages employees to develop new ideas and discover new ways for doing things and solving problems. Further, from the analysis it can be noted that the means of all the items used to measure talent development practices ranged between 3.9 – 4.4. This implies that the items used were appropriate in measuring the variable since the respondents are all in agreement with the statements given. The standard deviation ranged between 0.8 – 1.1 meaning that the responses were not much dispersed from the expected feedback.

These results are supported by responses from HR managers who indicated that their organizations have different talent development programmes which include training and development, career growth and development, mentoring and coaching, team building activities and continuous medical education (CMEs). Similarly, Bersin (2010) observed that most firms use training and development as a key talent development strategy in order to cultivate and grow a competitive team of highly motivated, enthusiastic, and self-driven employees.

Table 2: Descriptive Statistics on Talent Development

Statement	SD (%)	D (%)	N (%)	A (%)	SA (%)	Mean	Std. Dev
The HR department is responsive to employees training and development needs	1.5	5.5	10.9	42.8	39.3	4.29	.853
The organization identifies potential talent and develops staffs at the senior and middle level.	5.5	7.5	14.9	43.8	28.4	3.99	1.035
My hospital improves their employee talents and aligns their talents with the needs for the business at the current position.	3	10.4	16.9	39.8	29.9	4.15	1.024
The hospital actively creates opportunities for employee to participate in challenging assignments	4.5	9.5	11	44	31	4.03	1.094

Staff in my department are provided with opportunities for growth and development	4	11.9	14.9	42.3	26.9	4.02	.939
My hospital identifies and prepares suitable high potential employees to replace key players within the organization as their terms expire	3.5	9.5	22.1	25.6	39.2	4.20	1.153
The organization always plans on employee career growth and progression	4.5	11.9	15.9	38.3	29.4	4.05	1.114
My organization has in house development programmes to develop its employees	3.5	5	15.4	39.3	36.8	4.21	1.015
Employees learn autonomously to improve their performance	1	3.5	16.4	50.7	28.4	4.22	.802
The organization encourages employees to develop new ideas and discover new ways for doing things and solving problems N=201	1.5	5.5	14.4	30.3	48.3	4.43 4.159	.917 0.9946

The respondents were also requested to indicate how else talent development influence their organizations’ performance. The respondents were reflected in the following quotations;

“The staff will acquire enough knowledge because of training thus organisation performance will increase”, Talent development is key to staff motivation and improve their skills for better service delivery”, “When the employees are retooled with skills and talents that befit their job requirements, they perform their tasks excellently hence improving the overall organizational performance”, “Talent development practice create new ideas that improve performance”, “Talent development creates opportunities for creating new services in the hospital to address emerging clients needs”, “There will be increased knowledge & skill making one ready to handle any critical task”.

Correlation Analysis

Correlation refers to the strength of an association between two variables. The correlation coefficient varies over a range of +1 through 0 to -1. When r is positive, the regression line has a positive slope and when r is negative, the regression line has a negative slope.

Table 3: Correlation Statistics

		PF	TD
PF	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	201	
TD	Pearson Correlation	.898**	1
	Sig. (2-tailed)	.000	
	N	201	201
**. Correlation is significant at the 0.01 level (2-tailed).			

A Pearson correlation coefficient of 0.898, p= .00 at 5 % significance level showed that there is a strong positive and significant relationship between talent talent development and performance. This implied an improvement in talent development leads to improvement in performance of national referral hospitals. According to Rukunga (2018), the performance of the organization is greatly influenced by staff training programs, job rotation opportunities, scholarships, and mentoring and coaching.

Regression Analysis

The study sought to establish the the influence of talent development on the performance of national referral hospitals in Kenya using the hypothesis that is stated below.

To determine the relationship, the model $Y = \beta_0 + \beta_4 TD + \epsilon$ was fitted. The regression results were as shown in table 4.

Table 4: Model Summary of Talent Development

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.889 ^a	.791	.789	.42378

a. Predictors: (Constant), Talent Development

The regression results in table 4 show that the effect of talent development on performance of national referral hospitals in Kenya was significant. With $R = 0.889$ and $R^2 = 0.791$, the model implies that 88.9% of performance is explained by talent development while 79.1% of variation in performance was brought about by talent development.

Table 5: ANOVA^a of Talent Development

		Sum of Squares	DF	Mean Square	F	Sig.
1	Regression	74.687	1	74.687	415.882	.000 ^b
	Residual	19.755	110	.180		
	Total	94.442	111			

a. Dependent Variable: Performance of National Referral Hospitals

b. Predictors: (Constant), Talent development

The F test was significant with a p value =0.000 which was less than the standard p value of 0.05 and this meant that the model was significant. From ANOVA, since p value p=0.000 and was lower than p=0.05 (p value $0.000 < 0.05$), then the contribution of talent development was significant, and it can be inferred that talent development has a significant influence on the performance of national referral hospitals in Kenya.

Table 6: Coefficients^a of Talent Development

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.656	.100		6.582	.000
	Talent attraction practice	.755	.037	.889	20.393	.000

a. Dependent Variable: performance of National Referral Hospitals

The coefficient for Talent development (β) was also significant ($\beta = 0.755$, $t = 20.393$, $p = 0.000 < 0.05$) indicating that talent development increases performance by about 0.755 units. Since p-value =0.000 < 0.05, the null hypothesis was rejected and it can be inferred that there was a statistically significant relationship between talent development and performance of national referral hospitals in Kenya. The regression model obtained from the output was;

$$Performance = 0.656 + 0.755 \text{ talent development} + error$$

The study is consistent with that of Auranzeb and Bhutto (2016) which found that Practices such as the company's policies on employee growth and progression, as well as having established career paths, counseling facilities, and retirement preparation programs, all contributed positively to organizational performance. In order to have a direction for the training and development of an employee, succession planning is a useful tool (Stahl et al., 2012). The purpose of succession planning is to plan ahead for any emerging vacancies or new positions that will require a high potential successor. Improving talents' abilities and planning for their future does not only benefit the organization in terms of extended capabilities, but it has been also demonstrated to increase loyalty and retention of employees (Lawler, 2017). Karla (2018) found that talent development practices such as Job rotation and shadowing, graduate development programs, high potential development schemes, and graduate development programs were all positively associated with organizational commitment.

V. Conclusions

The study concluded that talent development influences the performane of national referral hospitals in Kenya. The study revealed that practices such as assigning employees challenging tasks, identifying and preparing suitable high potential candidates, allowing employees to learn autonomously, providing staff with opportunities for growth and development, improving employee talents and aligning their talents with business needs can contribute to organizational performance. Content analysis results indicated that when the employees are equipped with skills and talents that matches their job requirements, they perform their tasks excellently hence improving the overall organizational performance.

VI. Recommendations

The study recommends organizations to priorotize talent development. This is because it helps in creating high performance culture in the organization. Offering talent development programs to employees also demonstrate their commitment to their employees' growth and development, hence keeping them engaged and appreciated in their roles. Further, providing them talent development opportunities will allow them to take control of how they apply their skills and strengths to their work. As a result, managers should aggressively seek feedback

from talented individuals within their firm to better understand what they can do to help them advance in their careers. In addition, all stakeholders need to be involved in talent development process. Human resources, team managers, and employees should all be in constant communication in order to detect performance gaps, stay up to date on progress, and actively participate in talent development programs.

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