Manual for

Strategic Talent Management Practices Scale

STMPS-MNPDKS

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INTRODUCTION

The purpose of this research program was to develop a comprehensive and reliable measure of employees' Strategic Talent Management Practices. This measure is designed to help researchers and practitioners in assessing the current state of STMP. The measure can also be used in managerial, supervisory and employees' training programs, as a part of human resource development (HRD) for appraising and modifying Strategic Talent Management Practices. Other uses of the instrument are self-analysis, for individual counselling, to develop organizational strategies to improve Strategic Talent Management Practices.

This scale provides measures of six empirically derived dimensions of STMP. Reliability, validity and stability data based on 725 employees that the STMP measure has quite satisfactory characteristics. Measures of STMP are common in group-level, organization-level and multi-level studies and gaining the momentum for strategic management preactices.

Strategic talent management can be defined as activities and processes that involve the systematic idenitification of key positions which differentially contribute to the organization's sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization. (Collings, DG, Mellahi, & K. 2009).

All jobs in an organization matter - otherwise, companies would not hire and pay people to perform them. Many jobs, however, fulfil only the organization's basic requirements and capabilities, not the ones that differentiate the company in its marketplace. Truck drivers, computer operators, custodians, receptionists, and call centre operators are certainly necessary to their organizations, and their contributions affect organizational performance. But while organizations see the importance of developing every employee's potential – and acknowledge that every employee's contribution can indeed improve organizational performance - some jobs have a much greater impact on the organization's strategy than others. It's the role of strategic management to identify and focus on those critical few jobs that have the greatest impact on the strategy. This process, and its output, is what we call Human Capital Readiness. **Strategic job families** are the categories of jobs in which these competencies can have the biggest impact on enhancing the organization's critical internal processes.

The strategic plan for compensation plays a large role in attracting competent employees. Paying wages at or above the prevailing wage in the market for company's industry allows demanding workers with more experience and positive work histories. Employing more qualified workers leads to better results, including higher productivity and customer service interactions. This can increase company's revenue and help business to establish its identity with consumers.

Perks and benefits can make or break your company's ability to attract the best and brightest in the industry. Offering health insurance benefits to full-time workers should be a goal of the strategic compensation plan. By combining health insurance with other company perks, including paid holidays and guaranteed paid vacation time, to attract more qualified workers to the business. The decision to offer these benefits is also contingent on the success of the company. We may choose to add health care coverage and paid time off to the benefits package only after the company is showing profitability or makes it past the first year.

Development of the Scale

In the initial stage experts in the field of Management, Psychology, Education and Sociology were contacted and the aims of developing the scale was explained to them. With the experts' opinion, six dimensions of Strategic Talent Management Practices were first finalized, which are :

1. Talent Acquisition.
2. Performance Management.
3. Compensation.
4. Training & Development.
5. Strategic Benefits.
6. Skill Variety.

Operational Definition

Talent Acquisition

Talent Acquisition is the process of finding, acquiring, assessing, and hiring candidates to fill roles that are required to meet company goals and fulfil project requirements.

Performance Management

Perfomance management (PM) includes activities which ensure that goals are consistently being met in an effective and efficient manner.

Compensation

Compensation is a systematic approach to providing monetary value to employees in exchange for work performed.

Training & Development

Training is the process of planned programs and procedures undertaken for the improvement of employee's performance in terms of his attitude, skills, knowledge and behaviour. These training and development programs can significantly improve the overall performance of the organization.

Strategic Benefits

Strategic benefits communicate goals and objectives to the organization's constituents, develop a sense of ownership, bring together of everyone's best and most reasoned efforts in building a consensus about where an organization is going.

Skill Variety

Skill Variety essentially refers to the degree to which a particular job requires a variety of different activities so the emplyee can use various skills and talent.

First Draft of the Scale Item Analysis

In the first phase, a pool of 40 items keeping in consideration the operational definition of possible constructs was prepared with Likert type, 5-point response, viz., **Strongly Disagree, Disagree, Undecided, Agree** and **Strongly Agree** were prepared. This draft scale was administered on a representative sample of 250 male employees working in manufacturing sector in India who were male and above 25 years of age.

After scoring the scale of each testee, the sheets were arranged in the order of highest scoring to lowest scoring. From this order, two groups, one of 27% from highest scoring and other of 27% from the lowest scoring were selected.

In these two groups inter-correlation matrix was examined in order to overcome existence of multicollinearity and singularity in the scale. In addition to inter-correlation matrix, 'Determinant' of the R-matrix was estimated and it was greater than 0.00001. Sampling adequacy was also carried out and found to be greater than 0.50. On this basis 16 items having multicollinearity and singularity were rejected and the final draft of the scale had 24 items distributed across six dimensions. STMP dimensions and no. of items are given in Table 1.

TABLE 1

STMP Dimensions and No. of items

Sr. No.	Dimensions	No. of Items	Total No. of items
I.	Talent Acquisition	3, 6, 4, 2, 5, 1	6
II.	Performance Management	13, 12, 11, 14, 10, 15	6
III.	Compensation	17, 16, 18, 23, 19	5
IV.	Training & Development	7, 8, 9	3
V.	Strategic Benefits	20, 24	2
VI.	Skill Variety	22, 21	2
	Total Items		**24**

It is a paper pencil type scale which can also be converted in to computerized format to enable online testing.

Scoring System

TABLE 2 : *Scoring System*

Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
1	2	3	4	5

The test sheets were scored as per scoring system given in Table 2. The responses of the corresponding items were added to generate individual STMP dimension scores and summing-up all 24 items to generate overall STMP score. Thus, the minimum possible score will be 24 and the maximum 120. Higher the score indicates high level of agreement with the STMP facet and lower the score indicates high level of disagreement.

Instructions for Administration

Instructions for administration have been printed on the cover of the scale. The scale can be administered on both an individual or on a group (not more than 30 at a time) on adult male population.

Standardization of the Scale

The STMP scale's final draft with 24 items was administered on a sample of 725 participants' selected from fourteen companies in India. Their age varied from 25 to 62 with mean age 35.40 years. Working experience varied from 1 to 31 years with mean 9.60 years. In qualification they were ITI, Diploma in Engineering, Graduate and Postgraduates in Engineering. They were working in the Indian Manufacturing

Companies. The demographic characteristics of the employees participated in the standardization are shown in Table 3.

TABLE 3

Demographic characteristics of Participants

Demographic Characteristics	Sub-Characteristics	No. of Participants	Percent
Age (Years)	Below 35	502	69.2
	35 & above	223	30.8
Working Experience (Years)	Below 10	454	62.6
	10 & above	271	37.4
Qualification	Technical	564	77.8
	Non Technical	161	22.0
Gender	Male	725	100.0

Reliability

The considerations of validity and reliability typically are viewed as essential elements for determining the quality of any standardized test. However, professional and practitioner associations frequently have placed these concerns within broader contexts when developing standards and making overall judgments about the quality of any standardized test as a whole within a given context. For establishing the internal consistency reliability. Cronbach's alpha is used and is shown in Table 4a & 4b alongwith other statistics.

TABLE 4a

Descriptive Statistics of items, Scale and Alpha

Item No.	Descriptive Statistics for Items					Descriptive Statistics for Scale		
	Range	Mean	Median	Variance	SD	Scale Mean if item deleted	*Item total correlation	Alpha if item deleted
1.	4	3.66	4	.469	.685	76.58	.414	.890
2.	4	3.29	3	.814	.902	76.94	.477	.888
3.	4	3.49	4	.695	.834	76.74	.546	.887
4.	4	3.41	4	.717	.847	76.82	.483	.888
5.	4	3.34	3	.705	.839	76.89	.388	.890
6.	4	3.45	4	.693	.832	76.78	.569	.886

contd...

7.	4	3.54	4	1.122	1.059	76.70	.552	.886
8.	4	3.56	4	1.040	1.020	76.67	.572	.886
9.	4	3.43	4	.934	.966	76.80	.552	.886
10.	4	3.40	4	.850	.922	76.84	.419	.890
11.	4	3.49	4	.786	.887	76.74	.563	.886
12.	4	3.71	4	.843	.918	76.52	.522	.887
13.	4	3.55	4	.869	.932	76.68	.529	.887
14.	4	3.60	4	.854	.924	76.63	.412	.890
15.	4	3.33	4	.990	.995	76.90	.512	.887
16.	4	3.17	3	1.057	1.028	77.06	.494	.888
17.	4	3.11	3	.869	.932	77.12	.527	.887
18.	4	3.77	3	.865	.930	77.46	.476	.888
19.	4	3.17	3	1.006	1.003	77.07	.569	.886
20.	4	3.05	3	.913	.955	77.18	.315	.892
21.	4	3.18	3	.838	.915	77.05	.474	.888
22.	4	3.16	3	.889	.943	77.07	.275	.893
23.	4	2.99	3	.809	.900	77.24	.503	.888
24.	4	3.39	4	1.090	1.044	76.84	.357	.891

$* p < 0.001$

TABLE 4b
Descriptive Statistics of Scale and Reliability (Cronbach's Alpha)

Statistics for Scale	Mean	Median	Variance	Std. Deviation	Alpha Coefficient	No. of Items
Scale	80.23	81	142.97	11.96	0.89	24

One of the most commonly used reliability coefficient i.e. Cronbach's Alpha was calculated and was 0.89, significant at 0.001 level.

TABLE 5
Descriptive statistics and inter-correlation among STMP Dimensions

Dimensions	Descriptive Statistics				Correlations*						
	Min	Max	Mean	SD	X1	X2	X3	X4	X5	X6	X7
Talent Acquisition (X1)	8	29	20.63	3.40	1						
Performance Management (X2)	7	29	21.08	3.81	.56	1					

Compensation (X3)	5	25	15.20	3.59	.45	.47	1			
Training & Development (X4)	3	15	10.53	2.68	.46	.49	.39	1		
Strategic Benefits (X5)	3	15	9.78	1.95	.51	.37	.42	.30	1	
Skill Variety (X6)	2	10	6.34	1.55	.30	.30	.41	.26	.29	1
STMP Overall (X7)	**44**	**114**	**83.57**	**12.35**	**.79**	**.80**	**.76**	**.69**	**.63**	**.52**	**1**

* p-value : .05 ≤.075, .0/ ≤ .098, .00/≤ .13.

Validity

Content (Face and logical) validity of the scale was verified by number of experts, academicians and professionals. Good correspondence was found to exist between the inventory results and the considered judgments of experienced observers.

There are various methods to establish construct validity of the tool. But majority of them are having limitations as role of time and existence of subjectivity in experts' ratings. To overcome these limitations, Exploratory Factor analysis with Varimax rotation was used to establish the construct validity of the tool. Data screening was carried out in order to overcome existence of multicollinearity (i.e. items that are highly correlated) and singularity (i.e. items that are perfectly correlated) in the scale. For testing multicollinearity and singularity 'Determinant' of the R-matrix was estimated and it was greater than 0.00001. Sampling adequacy was also carried out and found to be greater than 0.50 as required in both cases.

TABLE 6

Factorial Validity : Factor loadings, percent of variance and cumulative percent of variance for each dimension

Items	Factor Loadings					
	I	II	III	IV	V	VI
STMP 3	.723					
STMP 6	.647					
STMP 4	.643	Talent Acquisition				
STMP 2	.599					
STMP 5	.589					
STMP 1	.588					

Items	Factor Loadings					
	I	II	III	IV	V	VI
STMP 13		.732				
STMP 12		.686				
STMP 11		.666				
STMP 14		.590	Performance Management			
STMP 10		.581				
STMP 15		.402				
STMP 17			.812			
STMP 16			.811			
STMP 18			.757	Compensation		
STMP 23			.496			
STMP 19			.469			
STMP 7				.843		
STMP 8	Training & Development			.810		
STMP 9				.753		
STMP 20					.706	
STMP 24	Strategic Benefits				.640	
STMP 22						.866
STMP 21	Skill Variety					.628
Pct of Var	29.56	7.75	6.24	5.33	5.07	4.49
Cum Pct of Var	29.56	37.31	43.05	48.88	53.95	58.44

Using a more structured method, confirmatory factor analyses present evidence of the measures' convergent and discriminant validity. Six factors emerged and confirmed in the factor analysis. The percent of variance accounted by factors varies from 4.49 to 29.56%. In summing up all the six factors explained 58.44% of the total variance. The factorial validity of the inventory is highly satisfactory.

The standard score (more commonly referred to as z-Score) is a very useful statistics, as it enables us to compare two scores that are from normal distribution. Standard (z-Scores) scores can be calculated using the descriptive statistics (Mean = 80.23, SD = 11.96 with N = 725) as given in Table 4b and following formula :

$$Z = \frac{(X - \mu)}{\sigma}$$

Where; X is the raw score of STMP μ is the mean and σ is the standard deviation.

On the basis of descriptive statistics z-Score norms have been prepared which are valid for adult male population only. The same have been given in Table 7.

Norms for interpretation of the level of Strategic Talent Management Practices have been given in Table 8.

TABLE 7
z-Score Norms for Strategic Talent Management Practices Scale

Mean : 80·23   SD : 11·96   N = 725

RAW Score	z-Score	RAW Score	z-Score	RAW Score	z-Score	RAW Score	z-Score
45	−2·94	63	−1·44	81	+0·06	99	+1·56
46	−2·86	64	−1·35	82	+0·14	100	+1·65
47	−2·77	65	−1·27	83	+0·23	101	+1·73
48	−2·69	66	−1·18	84	+0·31	102	+1·82
49	−2·61	67	−1·10	85	+0·39	103	+1·90
50	−2·52	68	−1·02	86	+0·48	104	+1·98
51	−2·44	69	−0·93	87	+0·56	105	+2·06
52	−2·36	70	−0·85	88	+0·64	106	+2·15
53	−2·27	71	−0·77	89	+0·73	107	+2·23
54	−2·19	72	−0·68	90	+0·81	108	+2·32
55	−2·10	73	−0·60	91	+0·90	109	+2·40
56	−2·02	74	−0·52	92	+0·98	110	+2·48
57	−1·94	75	−0·44	93	+1·06	111	+2·56
58	−1·85	76	−0·35	94	+1·15	112	+2·65
59	−1·77	77	−0·27	95	+1·23	113	+2·73
60	−1·69	78	−0·18	96	+1·32	114	+2·82
61	−1·60	79	−0·10	97	+1·40	115	+2·90
62	−1·52	80	−0·01	98	+1·48	116	+2·98

TABLE 8

Norms for Interpretation of the Level of Strategic Talent Management Practices

Sr. No.	Range of z-Scores	Grade	Level of STMP
1.	+2·01 and above	A	**Extremely High (Positive)**
2.	+1·26 to + 2·00	B	High (Positive)
3.	+0·51 to + 1·25	C	Above Average (Positive)
4.	−0·50 to + 0·50	D	**Average / Moderate (Neutral)**
5.	−1.25 to − 0.51	E	Below Average (Negative)
6.	−2.00 to − 1.26	F	Low (Negative)
7.	−2·01 and below	G	**Extremely Low (Negative)**

REFERENCE

Collings, DG, Mellahi, and K. (2009). Strategic Talent Management : A review of research agenda. *Human Resource Management Review, 19(4)*, 304-313.

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