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THE EFFECTS OF STRATEGIC TALENT MANAGEMENT ON ORGANIZATIONAL PERFORMANCE IN SELECTED LEBANESE FAMILY-OWNED ENTERPRISES IN TRADE, MANUFACTURING AND SERVICE INDUSTRIES

By

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CHAPTER ONE

INTRODUCTION

1.1 PURPOSE OF THE STUDY

In today's competitive knowledge-based world, the level of a company's talent increasingly determines success in the marketplace. At the same time, attracting and retaining great talent is becoming more difficult, as demand for highly skilled people surpasses supply.

Working as a Human Resource (HR) Coordinator in a Family-owned Business for the past two years I observed how the management continued to struggle with the implementation of appropriate management practices to retain their talented people. During this period I observed how wasting and losing talent was a lot easier than finding, selecting and developing them. It is extremely frustrating to go through a long hiring process, employee training, providing uniforms and other necessities, and then have the employee quit after two months. Then the company has to start over.

Talent Management (TM) emphasizes the need to invest heavily in employees who create value to the business, but it is also important to carefully manage the talent in a way to ensure that these talented employees are retained in order for the business to grow and remain profitable. Top talent development and retention supports the long-term goals of the business for success and survival, and this investment shows that it has a role to play in that success.

Implementing such an initiative is not, however, without risks and may even directly contradict the culture in which the company operates.

Recent surveys have shown that with the intensified challenges of globalization, the growth of information age, the relative shortage of talent and the inclination of employees to change companies easily, human capital has become one of the biggest challenges in the upcoming two decades for business. Consequently, organizations need to rely on innovative and creative strategies to attract and retain the talent necessary for the success of the organization. Therefore, their main focus should be on talent hunt and talent retention.

Implementation of effective Talent Management requires robust hands-on leadership, organizational buy-in and employee engagement and results in sustained high-level business results. Companies mastering Talent Management will ensure having long-term growth in employees' performance for the future.

While a review of the literature shows that the field of Talent Management is developing rapidly, the effectiveness of Talent Management implementation and its added value to the business have still not been accurately identified.

The purpose of this study is to explore how small and medium sized (SME) Family-owned Businesses in Lebanon practice Talent Management, how do they select and retain talented employees. And, what is the added value created by the implementation of Talent Management on the business performance?

Following a brief literature review on Talent Management and a presentation of the family business context, we address specific issues related to the Talent Management and explain how they relate to the obtaining of competitive advantage in the business market.

Knowing whether Talent Management exists in Family-owned Businesses in Lebanon will help Lebanese SMEs in addressing uncertainty in the labor market and in aiding them to derive best practices from this study.

Finally, the applicability of Talent Management in the Family-owned Business context is discussed and some suggestions for implementation of Talent Management are considered.

1.2 HISTORY AND EVOLUTION OF TALENT MANAGEMENT

Cappelli (2008) states that every Talent Management process in use today was developed half a century ago but it collapsed in the 1970s because it could not address the increasing uncertainties of the marketplace.

According to Michaels, Handfield-Jones, and Axelrod (2001) the key events that emphasized the importance of Talent Management as a critical driver of corporate performance are the onset of the Information Age in the 1980s and the focus on the importance of the intangible assets such as "intellectual capital", "brands" and "talent" rather than the importance of tangibles such as capital, factories, and machines. In addition, the corporate downsizing in the 1980s, followed by an increase in job openings in the 1990s, resulted in employee job-hopping being more common than staying loyal to one. These developments lead to the shift of power from the organization to the individual employee, in a way that strategic Talent Management became a critical source of competitive advantage for organizations (Michaels, et al., 2001). As a result of this shift, employees i.e. the knowledge workers started to demand more challenging work

and opportunities to develop their skills and abilities, and requested to be compensated for their high performance.

The idea that organizations are in a "War for Talent" had formally begun in 1998 when McKinsey & Company published their report stating that superior talent is worth "fighting for". Their research concluded that "the main corporate resource over the next 20 years would be smart, sophisticated business people who are technologically literate, globally astute, and operationally agile". And this research generated new ways of thinking about the contributions that the right talent makes to meet customer and investor expectations which affect the organization's bottom line. Therefore, competition for these talented employees became intense. Driving organizations to strengthen their talent base fast enough to stay ahead of their competition.

According to Lewis and Heckman (2006), in the past, Talent Management was called "succession management, management development, internal development, talent strategy and human resource planning; all of these were always used interchangeably".

Mutsuddi & Mutsuddi (2008) point out that as a result of the current global economic transformation from the industrial society to the knowledge-based society the pressure is increased on organizations to transform accordingly, resulting in a need for talented employees who can act as change agents, leverage a transformation process and bring value to the company. Businesses are developing continuously to face the rapidly changing business environment in order to maintain high performance.

The value of highly talented employees continues to grow as we move toward a more knowledge-based economy. And, with it the demand increases for brilliant managers who can value and develop talent. Therefore, strategic Talent Management

(STM) is crucial for success in this new "talent economy". As the results of the researches done by McKinsey and Company in 1997 and 2000 show high-performing companies place management of organizational talent as one of the top three priorities, apply strategic Talent Management practices, and have leaders who acknowledge and believe in the importance of talent as a basis for success, while average-performing companies do not possess these qualities (Michaels, et al., 2001).

According to the book "Hiring and Keeping the Best People" (HBR, 2002) the success of most of today's businesses depends more on human assets than on physical or financial assets. Buildings, equipment, manufacturing facilities, and most technologies can be readily purchased, but the human talent and know-how needed to drive the knowledge-based industries are much harder to come by. Furthermore, these intangibles need to be measured and monitored, and consequently tied to the bottom line. Moreover, strategic Talent Management is vital to the bottom line and managers must devote most of their time to managing this process. "The bottom line must be redefined to include intangibles such as leadership practices, organizational capabilities, and the ability to attract talented people" say Newhouse, Lewis, & Jones (2004, p. 1).

Talent Management, says Cappelli (2008), exists to support the organization's overall objectives, which in business essentially amounts to making money. On the other hand, having meager Talent Management practices can have negative impact on organizations such as having more employees than needed leading to lay-offs, having shortages of qualified people in key positions, or having a high turnover.

Cappelli (2008: p74) says that "Talent Management is simply a matter of anticipating the need for human capital and then setting out a plan to meet it".

A company that has talented and successful employees can reflect a public status for being a great place to work, which fosters loyalty among its current employees and attracts talented candidates who are interested in working for a company that values its employees and offers them opportunities for continued success. This idea is also supported by Gandz (2006) who says that talent attracts talent because talent can recognize other talent, and talented people want to join winning, talented teams. Therefore, designing and running an organization which is dedicated to talent development is a way to attract talent.

Duttagupta (2005: p2) says that: 'In the broadest possible terms, Talent Management is the strategic management of the flow of talent through an organization. Its purpose is to assure that a supply of talent is available to align the right people with the right jobs at the right time based on strategic business objectives'.

According to the Hackett Group's *Talent Management Performance* study (2009) the average Fortune 500 Company can generate nearly 18% improvement in earnings before interest, taxes, depreciation and amortization (EBITDA) by excelling at Talent Management initiatives. Despite this fact, The Harvard Business Review reported in March 2008 that about two-thirds of U.S. employers have no work force plan of any kind.

Collings & Mellahi (2009) find the field of Talent Management lacking rigorous academic research to establish what constitutes effective Talent Management and how it can influence organizational performance. This is in line with Lewis and Heckman (2006 p139) who point out that to date, there is quite little empirical research about talent and Talent Management strategies in organizational practice and the definitions of both terms are still developing.

Therefore, according to Lewis and Heckman (2006 p139) Talent Management is not a well-defined area of practice supported by extensive research and a core set of principles. This lack of supporting data has resulted in the emergence of different perspectives concerning Talent Management from different authors. Some like Lewis & Heckman (2006) and Collings & Mellahi (2009) emphasize the strategic importance of managing key individuals in the organization. Whereas, Cappelli (2008) and Tarique & Schuler (2010) emphasize the processes of attracting, developing, and retaining the right people with the right skills in the organization. And Boudreau & Ramstad (2007) have introduced Talent Management as a new function in organizations that aim to improve decision making in human resources.

In 2002, Boudreau & Ramstad (2007) created a new terminology around the concept of Talent Management "Talentship" that speaks about a new function to improve decision making in human resources and to connect human resources to strategic success. Talentship is presented as an opportunity for organizations to take full advantage of their most important resource: the talents of their people.

1.3 TALENT MANAGEMENT PERSPECTIVES

Lewis and Heckman (2006) identified three concepts of Talent Management the first one is that, Talent Management focuses on traditional human resource functions, in terms of recruiting, selecting, developing and succession management, but doing it faster, by using the latest technologies, across the company, and aligning closely with the business strategy. In this perspective, also Farley (2005) observes that all people management processes are needed to optimize people within an organization. This

perspective is supported by the processes and systems like the Information Technology (IT) to enable the talented employees to draw out their career path and succeed in their chosen organization. As long as they meet the competency and performance requirements needed, talented employees will advance in their careers.

The second concept of Lewis & Heckman (2006: p140) is based on the term "talent pool" which is the collection of processes that allow "an adequate flow of employees into jobs throughout the organization". Previously was known as human resource planning or succession management. This is done by emphasizing the optimization of internal resources, and requiring a comprehensive understanding of the workforce situation in the organization. This perspective is all about targeting talent recruitment at the entry level to the organization and then developing and promoting them from within to exploit opportunities for high potentials. They have clear development paths for each level of the organization and schemes to lock the high potential employees into their career paths. This corresponds with Wilcox's (2005) idea that Talent Management is about accelerated development paths for the highest potential employees.

Lewis and Heckman's (2006) third concept, stresses the need for talent itself-highly competent performers that an organization needs to hire or identify within its own resources. This is accomplished through the ranking of employees by performance level which promises reward to top actors and threatens low performers out of the organization. This is mentioned also by Woodruffe (2003) who says that Talent Management is concerned with identifying talented people, finding out what they want, and giving it to them – if not, your competitors will. According to Bannister (2005) in companies where intellectual property is everything and accounts often move when people do, finding a way to keep the most talented is everything.

Collings and Mellahi (2009) suggested a fourth concept that draws attention to key positions that possess the capacity to effect the competitive advantage of the company. Key positions always change and evolve over time and, they are not limited to top management, but comprise the different levels in the hierarchy and are found among different functional and operational units. And, from this perspective, a distinction is drawn between strategic human resource management (SHRM) and strategic Talent Management (STM) as follows: SHRM applies to all employees in the organization, whereas STM focuses in attracting, developing, and retaining the talented individuals that have the potential to fill key positions.

Cappelli (2008) suggested a talent-on-demand framework which is better suited to today's realities and takes into account the great uncertainty that businesses face today. The supply chain perspective on Talent Management relies on four principles: First, make or buy principle manages risk by using a combination of internal and external recruits. He recommends organizations to stay away from using long term forecasts because of the volatile market situations; Second, adapt to the uncertainty in talent demand by breaking up development programs into shorter units or by creating an organization-wide talent pool; Third, improve the return on investment (ROI) in developing employees by either getting employees to share in the costs of development through voluntary work hours or by maintaining good relationships with former employees in the hope that they may return someday, bringing back the company's investment in their skills; Forth, preserve the investment by balancing employee-employer interests by having them share in advancement decisions because employees want prospects for advancement and control over their career.

Christensen-Hughes and Rog (2008) argued that Talent Management is important for at least two reasons: the first is that organizations having effective Talent Management can successfully obtain and retain the necessary talent. The second reason is that organizations can benefit from Talent Management by developing and retaining their current employees.

Collings & Mellahi (2009) observe that effective Talent Management requires the adoption of a broader view with practices, systems, and skills that expand beyond traditional HRM and affect the organization as a whole. According to Cappelli (2008) failure to establish the elaborate systems to attract, motivate, and engage high performers will lead the employers to have less control over the retention of talent, which will result in increasing turnover among these employees especially as it is becoming easier for talented employees to change jobs (Kontoghiorghes & Frangou, 2009). Beechler & Woodward (2009) pinpoint that turnover of talented employees will result in the loss of knowledge and expertise; reduced productivity and performance; damaged customer relations; reduced employee morale; damaged corporate reputation; in addition to administrative, replacement, and training costs.

Businesses at large: Family-owned or commercial, small, medium or big, need to develop and retain talent in order to manage complexity and achieve strategic business objectives in a fast-changing economy.

When we review the literature related to Talent Management, we see that researchers explain why employers need to develop a Talent Management strategy.

1.4 WHY DO EMPLOYERS NEED TO DEVELOP A TALENT MANAGEMENT STRATEGY?

Thus, one of the reasons for developing talent is to become a knowledge-driven company. Since economies are increasingly based on knowledge, a company can compete effectively when it knows how to use and exploit its talent. In today's knowledge economy, human capital is critical to competitive advantage both because it is difficult for other firms to imitate and it is the critical determinant of performance (Jackson, DeNisi, and Hitt, 2003). This idea is supported by studies that show that processes related to the management of human capital relate to the firm's financial performance (Hitt, Bierman, Shimizu, and Kochnar, 2001).

Talent and leadership continue to be scarce. Fewer qualified workers and leaders are entering the workforce to replace aging workers and leaders who are leaving to retire. Furthermore, stress Newhouse, Lewis, & Jones (2004) although talent can be nurtured and developed, it can also leave the organization, become sick, demotivated, and perhaps influence others to behave in ways unfavorable for the organization. Worst of all, talent can move to a direct competitor. For this reason, attracting, developing and retaining talented people is even more important in today's volatile knowledge economy.

According to the sixth annual McKinsey Global Survey (2010) results asking executives about the forces shaping the world economy, low birth rates and graying workforces in most developed economies will make it hard for them to achieve steady growth unless they continue to make sizable gains in labor productivity. However, they insist that businesses should become more innovative at finding talented employees, either by selecting from global labor markets or making better use of older workers. Just

less than 40 percent of executives are “very” or “extremely confident,” and around half are “somewhat confident,” that their companies will have the right kinds of talent to meet their strategic goals over the next five years.

The significant factors that are affecting the quantity and quality of talent are:

a. Demographic forces, says Potter (2005), like increasing longevity, declining birthrates, and the disproportionate size of the post-war baby boom generation are driving an outstanding shift in the age distribution of the general population, and thus, impacts labor supply.

b. Globalization also, is affecting labor supply, because of its increasing economic integration across nations. As Bryan and Fraser (1999) pinpoint geographic-based economic barriers are diminishing and rapid advances in digital technology have reduced the cost of communications and computing. According to The International Labor Office (2008) reports, the labor markets across the world, including those in the poorest regions, are more integrated and stronger today.

c. Changes in the mobility of people across permeable geographic and cultural boundaries, is also affecting labor supply according to Baruch, Budhwar and Khatri (2006). This idea is supported by Tung and Lazarova (2007) who state that global labor competition and border mobility are possible with lower immigration and emigration barriers, and with people more willing to relocate outside their home countries. And according to Pritchett (2006) inter country and regional comparative gaps in real wage rates and differences in labor-force age profiles also stimulate labor flows. A survey conducted by The Economist (October, 2006) found out that high-skilled workers have larger emigration rates (5.5% versus 0.9% for low-skilled and

1.6% for medium-skilled) and these rates are accelerating extremely faster for the high-skilled group than for the rest.

Knowledge management involves the creation and transfer of knowledge through the development of the talented employees. And the value of such employees to companies lies not only in their general knowledge but also in the tacit knowledge that they have developed through experience. Therefore, businesses need special capabilities which are flexible, durable and difficult to imitate in order to achieve high performance. Developing strategies to enhance tacit knowledge, utilize it to its fullest potential and retain talent is fundamental for the optimal success of the business.

Talent Management, say Jackson & Schuler (1990: p235), is about ensuring that the right person is in the right job at the right time.

Another reason for developing talent is to become a creative and an innovative business. Innovation is associated with the creation, use, sharing and integration of knowledge.

Talent has become the most critical source of competitive advantage in the New Economy. Talent enhances organizational capability, and is used to create and transfer knowledge. Talent is considered to be one of the key drivers of innovation.

Since business is becoming increasingly international and the market place becoming increasingly complex and more global, companies need to have people with appropriate skills but, more importantly, they have to develop these skills to keep ahead of the market needs.

The relatively short supply of skills and the need for multiple skills to do business across different countries and cultures has shed a light on the necessity of talent development and retention to sustain competitive advantage. Talent has become the

world's most sought-after commodity, says Adrian Wooldridge (2006). According to the Economist (2006) talent has become a synonym for the entire workforce in many organizations and a large number of companies do not even know how to define talent.

1.5 WHAT IS TALENT?

According to Stahl, Björkman, Farndale, Morris, Paauwe, Stiles, Trevor, & Wright (2007) and Cohn, Khurana, & Reeves (2005) an organization's talent can be found in a relatively small elite group of employees who are consistently top performers on key performance indicators. Berger (2004: p5) points out that 'Superkeepers' represents only the top 3-5% of the total employees.

"Superkeepers are a very small group of individuals, who have demonstrated superior accomplishments, have inspired others to attain superior accomplishments, and who embody the core competencies and values of the organization; their loss or absence severely retards organization growth because of their disproportionately powerful impact on current and future organization performance."

While according to Chowdhury (2002: p. 35) talented individuals aren't simply "knowledge workers," and organizations who want to control their talents need to identify what's unique about them "a talent is a creator, a rule breaker, a rule maker, a change initiator, and a knowledge generator. Talents are the spirits of an enterprise. They open the door of knowledge to everyone".

The Dictionary of Human Resources and Personnel Management (2006) define talent as people with exceptional abilities, especially the employees that the company values most.

Michaels et al. (2001: p xiii) define talent very broadly as follows:

"A code for the most effective leaders and managers at all levels who can help a company fulfill its aspirations and drive its performance, managerial talent is some combination of a sharp strategic mind, leadership ability, emotional maturity, communications skills, the ability to attract and inspire other talented people, entrepreneurial instincts, functional skills, and the ability to deliver results".

According to McKinsey, talent is … "the sum of a person's abilities… his or her intrinsic gifts, skills, knowledge, experience, intelligence, judgment, attitude, character and drive. It also includes his or her ability to learn and grow" (Michaels et al., 2001: xii). For McKinsey, talent refers to "the best and the brightest".

Stuart-Kotze and Dunn (2008) agree that talent has two components that are ability i.e. current performance, and capability i.e. potential performance. Talent is not just about having the brainpower, the knowledge, the experience, the skill or the mental and physical characteristics to do something currently, it is also about to do something different or more difficult and complex in the future. Human beings have the characteristic of evolving and have the ability to adjust to changing circumstances. Therefore, it is not enough to just look at what people can do currently. It is very important to keep projecting on what talented employees can supposedly do in the future. Otherwise, organizations will fail to capitalize on the huge reservoir of potential that exist in their employees.

According to The Chartered Institution of Personnel Development (CIPD) talent is defined as "it consists of those individuals who can make a difference to organizational performance either through immediate contribution or in the longer term by demonstrating the highest level of potential".

Towers Perrin (2004) conducted a survey and found that 87% of participants used a given definition of ‘talent’ consistently across their organization; however, none of the 32 companies surveyed used the same definition, and the adopted definitions depended on an organization’s business strategy, the type of firm, the overall competitive environment, and other factors (CIPD, 2007). As a result, the consultancy company Towers Perrin recommends that definitions of talent be tailored to individual organizations.

A holistic view is taken by HR guru David Ulrich (2006) with his definition:

Talent = Competence + Commitment + Contribution.

In his formulation, competence means that individuals have the knowledge, skills and values that are required for today and tomorrow. Commitment means that employees work hard, put the time in to do what they are asked to do, giving their discretionary energy to the firm's success. Contribution means that they are making a real contribution through their work — finding meaning and purpose in their work. Using Ulrich's terms, the talent war represents the drive to find, develop, and retain individuals, wherever they are located in the world, who have the competencies and commitment needed for their jobs and who can find meaning and purpose in their work.

CHAPTER TWO

LITERATURE REVIEW

2.1 TALENT MANAGEMENT

2.1.1 Describing and Defining Talent Management

McKinsey & Company consultants argue that winning the war for talent is about recognizing the strategic importance of human capital because of the enormous value that better talent creates. It is important to have a pervasive talent mindset-a deep conviction shared by leaders throughout the company that competitive advantage comes from having better talent at all levels by investing in A players, developing B players, and acting decisively on C players and thus by strengthening the talent pool.

Wright, McMahan, & McWilliams (1994: p 304) define Talent Management as the organizational activities directed at managing the human capital and ensuring that the capital is employed toward the fulfillment of organizational goals.

According to Ernst & Young (2011) Talent Management is described as “a deliberate and ongoing process that systematically identifies, assesses, develops and retains talent to meet current and future business needs and objectives.”

The Chartered Institution of Personnel Development (CIPD) confirms that Talent Management is "the systematic attraction, identification, development, engagement, retention and deployment of those individuals with high potential who are of particular value to an organization". CIPD adds that Talent Management is "a dynamic process that

has to be continuously reviewed to ensure that organizational requirements are still being met in the light of changing business priorities".

Collings and Mellahi, (2009, p.304) suggested the most comprehensive definition which define strategic Talent Management as activities and processes that involve the systematic identification 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.

As Blass, Knights, and Orbea (2006: p1) pointed out Talent Management is more than human resource management, leadership development initiatives or succession planning. It is the collective approach to recruiting, retaining and developing talent within the organization for its future benefit, and extends to include strategy, organizational culture and change management.

It seems that in the study of this field academics have yet to develop agreed upon a definition that encompasses all the main features and processes of Talent Management and its related concepts. In this paper we will define Talent Management as attracting, developing and retaining key persons in the organizations, and especially people who contribute the most to the organization's strategy, development and the fulfillment of its goals.

2.1.2 Characteristics of Companies that Have Talent Management Practices and Culture

Businesses that have an explicit "talent development strategy" nurture an "affective commitment" and the employees continue to work with them because they agree with the corporate strategy and they want to be part of it. Meyer and Allen (1991: p67) define affective commitment as "the employee's emotional attachment to, identification with, and involvement in the organization". Employees with affective commitment are characterized by having feelings such as loyalty, affection, warmth, belongingness, fondness, happiness, and pleasure. Furthermore, say Mathieu & Zajac (1990), higher levels of affective commitment is associated with positive outcomes for the employer, also, like lower levels of absenteeism, tardiness, turnover intentions among employees, and higher levels of individual performance, including in-role and extra-role performance.

According to Gandz (2006) the ultimate shared goal of both senior executives and HR professionals is to build a talent-rich organization, to maintain a talent-rich pipeline and to become a talent magnet. And this is done by means of having zero-talent outages i.e. having two or three people available and willing to step into the vacant position. They have a succession plan not a replacement plan i.e. ensure that these people are highly qualified and better than the people they are succeeding to. And they build a reputation as a talent rich enterprise that attracts great talent.

To be successful, businesses have to foster the development of employees and make learning a part of the organizational culture.

According to the 'guru' of the learning organization Peter Senge, the author of

"Fifth Discipline" (1990) , learning companies are places "where people continually expand their capacity to create results they truly desire, where new and expansive patterns of thinking are nurtured, where competitive aspirations are set free, and where people are continually learning how to learn together". And this is possible only in a company that has a distinct strategy and culture to develop their people.

Managing talent retention and keeping talent departure below target and industry norms is one of the most challenging issues facing businesses. Hence, organizations are now concentrating on developing and retaining the existing talent in their organization rather than acquiring talent from the external market because the cost of acquiring a new talent is higher than the cost of retaining talent. Moreover, there is a higher risk that has to be taken into consideration when acquiring talent from the external market which is the willingness of the new employee to get along with the company's organizational goals and strategies.

Through the implementation of effective Talent Management practices organizations foster the notion of engagement in their employees. Employee engagement according to Maslach, Schaufeli & Leiter (2001), is characterized by energy, involvement, and efficacy which are the direct opposite of the three burnout dimensions of exhaustion, cynicism, and inefficacy. Employee engagement is more than motivation and job involvement it involves providing the talented employees with a sense of participation, freedom and trust. Consequently, engaged employees have meaningful relationships with co-workers and are aware of their specific mission and role and they are more likely to produce good work and stay with the company. According to the study "*Driving Performance and Retention through Employee Engagement" (*2004), employees who are engaged perform 20% better and are 87% less likely to resign. Therefore,

employee engagement has a significant influence on employee productivity and talent retention. As Lockwood (2006) notes effective employee engagement is an ongoing process and nurtures an environment of stimulation, development and learning, support, contribution and recognition.

According to Gandz (2006) talent-rich organizations do more than look just at individuals; they look at cadres of talent at different levels in the organization. As a result, they have different groups of people with both potential and experience to move to key positions who are able to select the right practices for their organizations. Therefore, talent-rich organizations have a pool of candidates to choose from when the need for a replacement arises.

As Gandz (2006) points out the design, care and nurturing of the talent development pipeline depends on the organization's talent development system. This system starts by recruitment and selection, career management, training and development, succession management, compensation and benefits, and performance management systems.

According to Hurley (2006) companies that foster a trusting culture will have a competitive advantage in the war for talent: Who would choose to stay in a stressful, divisive atmosphere if offered a productive, supportive one? Having a strong Talent Management culture also determines how employees rate their organizations as work places. In addition if employees are positive about the Talent Management practices of the organization, they are more likely to have confidence in the future of their organization. The resultant is a workforce that is more committed and engaged determined to outperform their competitors and ensure a leadership position in the market for their organization.

According to Creelman (2004) Talent Management is a mindset where talent is believed to be critical for success (Michaels, et al., 2001). Organizations fostering such a culture have challenging experiences, coaching and mentoring, and training programs woven into the organization culture for all high performers.

According to Bader and Lasprilla (2006) implementing Talent Management is simple but not easy! It requires a fine balance of cultural acceptance, processes, organizational structures and the right degree of system support. Top management acceptance and sponsorship is essential for the successful implementation of Talent Management. Passion must start at the top and infuse the corporate culture; otherwise, Talent Management processes can easily deteriorate into bureaucratic routines. One of the keys to Talent Management process is developing the company as an 'employer of choice' which includes the overall image of organizational culture, delivery of quality products or services, ethical practice and working environment. Another important point is that Talent Management cannot be limited to the HR department only because as Laff (2006) insists Talent Management needs an ongoing commitment from all levels of the organization with an integrated approach and close cooperation between the HR department, executive staff and other business units.

Some companies face the future with confidence because they don't just manage talent; they build what we call "talent factories", say Ready and Conger (2007). In other words, they unite functionality, rigorous talent processes that support strategic and cultural objectives, and vitality, with the emotional commitment by management that is reflected in their daily actions. This allows them to develop and retain key employees and fill positions quickly to meet evolving business needs.

There is more to good management than hiring the best and the brightest says Adrian Wooldridge. Stocking up on talent does not protect companies from getting it wrong as Arthur Andersen and Enron found to their cost.

In order for a company to succeed it should not promote much faster than experience otherwise it will surrender to greed and mismanagement. Therefore, it is critical to reward experience as well as talent. Talent-intensive businesses have to maintain high ethical standards by applying strong ethical codes and internal controls.

In the book, *The War for Talent* (2001), Michaels et al. describe how to create a winning employee value proposition (EVP) that will make the company uniquely attractive to talent; how to build a long-term recruiting strategy; how to use job experiences, coaching, and mentoring to cultivate the potential in managers; and, how to strengthen the talent pool. Central to this approach is a pervasive talent mindset - a deep conviction shared by leaders throughout the company that competitive advantage comes from having better talent at all levels.

Organizations have to be flexible in offering the right kinds of opportunities say Pigott & Jones (2004) because if the right development opportunities aren't present for current employees or if the chance to work on interesting and challenging work is not there, the employee will go to the organization that can provide it .

According to *Effective Talent Management Has Become an Essential Strategy for Organizational Success*, Automatic Data Processing, Inc. (ADP) white paper, (2011), successful organizations have designed their Talent Management strategies and implement it to meet their talent needs. An effective Talent Management strategy includes: engagement of top leaders – including the CEO; assignment of a talent leader who develops and consistently updates the organization's Talent Management strategy;

development of a talent mindset; auditing of key positions and required competencies to understand if the existing talent meets current goals; planning out future needs; usage of technology to improve processes and workflow; crafting of a winning employee value proposition; transformation of the recruiting strategy doing whatever it takes to recruit talented people; creation of training and development opportunities; usage of relevant metrics to measure success; usage of reward packages; management of employee career expectations; usage of mentoring and coaching to build loyalty.

Talent Management is not a static business objective it is an ongoing process. The rapid changes in the global marketplace and the pressure from the competitors will continually generate change which requires relentless attention and update over the long-term. "The implementation of a Talent Management process that is transparent and equitable is expected to create an environment for people to develop their skills in preparation for a range of future possibilities thereby preparing the workplace for changing roles". (Nova Scotia Public Service Commission, n.d., p.2).

In order to demonstrate why Talent Management is a worthwhile investment researchers evaluate the relationship between competence in Talent Management and financial organizational performance like company profit or market value and came to the conclusion that organizations with an effective Talent Management strategy exhibit significantly higher financial performance compared to their industry peers, for example, concerning operating profit, sales revenue and productivity, Return on Shareholder's Value and Market Value (Axelrod, Handfield-Jones, & Welsh (2001), Net Profit Margin, Return on Assets and Return on Equity (Joyce, Herreman, & Kelly (2007).

The reported results of high levels of Talent Management competence on the organizational level (e.g. productivity or customer satisfaction) are a sustainable and

strong corporate culture, a significant increase in operational excellence (DiRomualdo, Joyce, & Bression 2009) and better market access (Kontoghiorghes & Frangou, 2009).

On the human resources level (e.g. job satisfaction or commitment) the studies report a positive impact on employee engagement (DiRomualdo et al., 2009), improved quality and skills (Gandossy & Kao, 2004), higher innovative ability (Kontoghiorghes & Frangou, 2009), higher job satisfaction among employees if they are given career and development opportunities (MacBeath, 2006) and, above all, a higher retention rate (DiRomualdo et al., 2009).

2.1.3 Benefits of Strategic Talent Management Implementation

Organizations who implement an effective Talent Management strategy:

a. Are more prepared than their competitors to compete in the global economy and capitalize quickly on new opportunities. They can anticipate and jump on new opportunities before the rest of the market because the strategy allows them to become “proactive” to address the company or industry changes promptly.
b. Create a culture that recognizes the value of talented people and ensure a positive work environment that maximizes the value of everyone's contribution.
c. Focus their training, development and recruitment efforts, by identifying the essential skills to be developed in their employees, and minimizing training costs by focusing on key development areas.
d. Align human capital needs with business strategy. This alignment clarifies job roles and responsibilities for individual employees and demonstrates ongoing value of the employees to the organization. Engaging employees in their work through goal

alignment creates greater employee ownership in the company's ultimate success; and thus employees become more committed to the company and achieve higher levels of job performance.

e. Ensure that the business has "the right people in the right jobs at the right time" to achieve positive results. The process helps organizations understand their current state, forecast talent gaps, and take the necessary steps to close those gaps. The main issue of concern is to establish a right fit between the job and the individual. The skill or competency mapping allows taking stock of skill inventories lying with the organization. This is especially important because the right person is deployed in the right position and employee productivity is increased. Since there is a better alignment between an individual's interests and his job profile the job satisfaction is increased.
f. Ensure knowledge transfer across multigenerational workforce and minimize disruption associated with sudden departures.
g. Implement Talent Management practices consistently across the organization and identify and address key gaps in Talent Management performance.
h. Motivate employees to achieve their goals by implementing more effective performance evaluation and incentive strategies.
i. Align incentives, rewards, and talent with the core business strategy.
j. Allocate Talent Management resources intelligently, favoring programs that contribute materially to organizational performance.
k. Institute a robust hiring process that anticipates future leadership needs, identifies the competencies needed, and nurtures a sufficient candidate pool
l. Implement a well-articulated and widely accepted diversity strategy.

m. Integrate newcomers into the organization in ways that maximize their ability to perform and succeed.
n. Manage the complexities of reorganizations, mergers, and downsizing as part of the strategic hiring process.
o. Create more effective succession planning for key positions and sufficient internal sources for recruitment.
p. The ultimate outcome of this strategy is high performance and result oriented cultural structure.

2.2 FAMILY-OWNED BUSINESSES

Attracting talent is critical not only for continuous competitive advantage but also for the survival of Family-owned Businesses. Therefore, maximizing the acquisition of talent is vital in today's highly competitive environment. Ronn (2007) has found that through the acquisition of talent, employee engagement and motivation improves, resulting in superior business performance.

KPMG Family Business Blog, (2012), mentions that the purpose of Talent Management in a Family-owned Business is to identify top performing employees at all levels of their business, and strategically plan their career path to help develop them and move them up in the business.

In general, the Family-owned Business sector is dominated by SMEs and mostly by micro enterprises with less than 10 employees. The Family-owned Business literature overlaps in many ways with that of small and medium enterprises (SMEs) but there are differentiating factors, like succession, family dynamics and business operations, ownership, family issues and involvement, and the evolution of the business within the family cycle. In Lebanon SME's, which are Family-owned Businesses in majority, account for 98% of businesses. Given this percentage in the Lebanese framework, the words SMEs and Family-owned Businesses will be used interchangeably throughout this study.

2.2.1 Defining Small and Medium Enterprises

As defined by EU commission (2005) "The category of micro, small and medium-sized enterprises (MSMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million".

In addition to the EU definition in Lebanon we find a variety of SME definitions for example Kafalat (2009) defines SME as any enterprise that has 40 employees or less with no financial criteria. For the World Bank a firm is considered to be an SME when the maximum number of its workers is 300 and it has a turnover of 15 million dollars or less. Whereas, UNDP mentions that firms with 200 employees or less constitute a SME.
In the USAID (2007) booklet of *Standardized Small and Medium Enterprises* the World Bank's micro, small and medium enterprises (MSMEs) database uses for Lebanon, the definition that is set by the Ministry of Economy and Trade. Micro-enterprises are those with less than 10 employees. Small enterprises have between 10 and 49 employees while medium firms are the ones with 50 to 99 workers.

Whereas, according to the Chamber of Commerce, Industry and Agriculture in Lebanon (2013) Micro-enterprises are those with less than 10 employees. Small enterprises have between 10 and 49 employees while medium firms are the ones with 50 to 124 employees.

By using the definition of SMEs established by the Lebanese Ministry of Economy and Trade, the 1996 Census of Buildings and Establishments conducted by the Central Administration for Statistics (CAS), pinpoints that the vast majority of enterprises

in Lebanon can be classified as SMEs. According to the World Bank's MSME Database before the war of 2006, approximately 192,569 SMEs were operating in Lebanon

The Consultation and Research Institute (2005) provides a more detailed distribution of SMEs according to industry where almost 95.5% of all enterprises in Lebanon employed less than 40 employees and 96.55% employed less than 100, and only 1% of companies over 1000 employees, and the situation hasn't changed much since then (Integrated SME Support Programme's Inception Report, 2005).

2.2.2 Characteristics and Benefits of Small and Medium Enterprises

According to Okpara (2009) many nations have acknowledged the value of SMEs, which are seen as the engine of growth for any economy. SMEs are very important for any country's economic performance because they constitute the largest part of the market. As a result of the recent global changes manufacturing organizations across the globe have been forced to reconsider their management techniques and tools. Jutla, Bodorik, & Dhaliwal (2002) valued the SMEs contribution to global economic growth by 80 percent.

Mayson and Barrett (2006) discuss the significant economic contribution of SMEs to national economies, but they have noted that we still do not know a great deal about human resource management in SMEs. Barrett and Mayson (2005: p12) established in a survey focused just on small businesses, that the major problems challenging SMEs were human resource related concerns including "... finding the right staff, finding skilled staff and retaining good staff". Storey (2004) mentions the significance of a well-motivated, highly skilled workforce as key for smaller firms.

According to Baron (2003, p. 253) the field of human resource management could benefit from looking more closely at HR processes within SMEs. Since, as SMEs grow in sales, they must also grow in the number of people they employ, and it's worth examining how these employees are managed. But, as Markman & Baron (2002) projected SMEs may have more difficulty recruiting employees and often lack formal HR policies or systems. 25% of SMEs view the lack of talent as a threat to their growth and expansion strategies; even to their very survival reported Mehta, (1996). Moreover, Heneman & Berkley (1999) stress the fact that additional employees are a prerequisite for growth, yet SME recruiting strategies are irregular. And, most SMEs do not have formal HR departments; although they have recruitment and HR policies (Aldrich & Von Glinow, 1992).

Cook (1999) reports that due to cost considerations and occasional HR activities performed, SMEs may inhibit the recruitment of HR professionals. Consequently, HR activities usually fall to the competence of general managers (Longenecker, Moore, and Petty, 2003) who according to Barney (1991) are least likely to develop the proficient HR knowledge and skills. Cook (1999) projects that HR tasks may deter managerial performance, especially for SME managers who are tight on time and resources that in turn affects revenue. Cardon (2003) noted that SMEs need to maintain flexibility in staffing and develop sustainable HR policies that control instabilities on the SME and market level. Otherwise their small size, scarce resources and limited capacity to take on the market will lead to the difficulty of attracting and retaining talent and skills.

Guzzo, Jette, & Katzell (1985) observe that taking on multiple and varying roles is expected from SME employees, and such changes in capacity require some sort of training. Formal training consistently has a positive impact on individual worker

productivity in large firms, however, Chao, (1997) notes that SMEs pride themselves in utilizing unstructured hands on highly interactive learning thus avoiding formalized systems; this is in line with the Bureau of Labor Statistics report highlighting that more than 70% of workplace learning is informal and indiscriminant of organizational size (Rollag, 2002).

According to Rollag (2002) socialization of organizational newcomers is perceived as a long-term process of training which includes both formal orientation programs and on-the-job learning through interaction with other employees; and due to the extensive inclusion of newcomers at SMEs, this type of training is faster than in larger firms.

Compensation is different in SMEs than larger firms, due to limited resources and uncertainty of the SME's future (Balkin, 1988; Heneman, Tansky & Camp, 2000; Katz, Aldrich, Welbourne, & Williams., 2000). Key behaviors such as creativity, innovation, risk-taking, interaction, and patience during uncertainty are important in SMEs and are rewarded (Balkin & Logan, 1988; Graham, Murray, & Amuso, 2002).

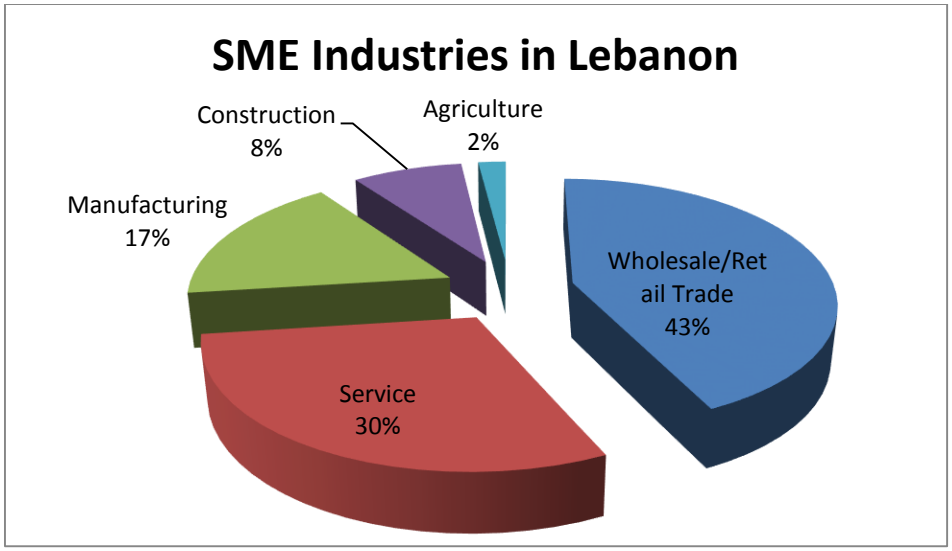
2.2.3 Small and Medium Enterprises in Lebanon

In its Lebanon Country Profile (2011: p41) the Ministry of Finance states that "Lebanon's human resources have traditionally been the backbone of its economy. The Republic's human resources had been developed to levels comparable to, or higher than, those of lower middle income countries. Prior to the conflict, Lebanon was endowed with a well-trained population and labor force with adequate health facilities. The conflict resulted in setbacks for the human resources. A significant emigration of skilled labor

took place with large numbers of professionals, traders, industrial workers and construction workers leaving the country".

According to ISMEP Conference (2007) small and medium enterprises (SMEs) representing 8 percent of total Lebanese enterprises, employ 40% of Lebanese labor while micro enterprises, representing around 90 percent of total enterprises, employ only 54 % of total labor. Notably, in Lebanon, the precise contribution of SMEs to the GDP and employment is difficult to estimate exactly, in part due to the lack of a clear and accepted definition of what constitutes an SME. Therefore, the economic role of SMEs in Lebanon's economy remains unclear, but it is authentic to suppose that SMEs are a major constituent.

A comprehensive survey about SMEs in Lebanon by Bankdata Financial Services (2011) indicates that profitability level is satisfactory for 90% of Lebanese SMEs. And, more than two thirds of SMEs identified the economic environment as the external factor that has the strongest impact on their performance. The study shows that 82% of SMEs are independent businesses, of which 64% are Family-owned. Also, 43% of SMEs in the country are in wholesale and retail trade, 30% are in the services sector, 17% in manufacturing, 8% in construction & energy, and 2% in agriculture. Further, the survey reveals that more than 77% of SMEs have been in business for more than five years; with 27.3% of firms operating for more than 20 years, another 26% between 11 and 20 years, and 24% of them between six and 10 years. In addition, 35% of firms have between five and nine employees, 25.5% employ between 10 and 19 persons, 24% of SMEs have between 20 and 150 employees, and 15% of them employ less than five persons (*Lebanon This Week* 2011).



Yahchouchi (2009) says that economies, in general, rely heavily on Family-owned Businesses to generate new employment as well as to sustain their GDP growth. More than nine of every ten Lebanese SMEs are Family-owned. As the results of PriceWaterhouseCoopers' (PwC) 2012 Family Business Survey show, that Family-owned Businesses are robust, vigorous and successful – they're ambitious, entrepreneurial, and delivering solid profits, even in the continued uncertain economic environment. 72% of respondents believe that family businesses contribute to economic stability.

2.2.4 Definition of Family-Owned Businesses

Bellet, Dunn, Heck, Parady, Powell and Upton (2005) define Family-owned Business as a business owned and/or managed by one or more family members. Tagiuri and Davis (2004) state that, more precisely, Family-owned Businesses are"...organizations where two or more extended family members influence the direction of the business through the exercise of kinship ties, management roles, or ownership

rights". Hence, it is the level of ownership and/or management, the level of family involvement, as well as, the availability of family members for generational transfer, that characterize Family-owned Business.

One-third of all companies in the S&P 500 index and 40 percent of the 250 largest companies in France and Germany are defined as Family-owned Businesses, meaning that a family owns a significant share and can influence important decisions.

According to Caspar, Dias and Elstrodt (2010) less than 30 percent of Family-owned Businesses survive into the third generation of family ownership and those that do tend to perform well over time compared with their corporate peers. Therefore, as Kellermanns and Eddleston (2004) observe, understanding the different aspects of a Family-owned Business is critical in order to enable the company to ensure its survival into further generations Caspar, et al. (2010) observe that long-term survivors usually share a meritocratic approach to management.

Fahed-Sreih (2006) mentions that in Lebanon and in the Arab world, Family-owned Business is a way to improve a family's social standing. Lebanese Family-owned Businesses tend to show perseverance, follow a path of self-reliance, and, despite the turmoil of war and destruction, express optimism.

2.2.5 Characteristics of Family-Owned Businesses

A vital part of a Family-owned Business's human capital consists of the founder, the family and "the generation capital" that contribute to superior performance. Moreover, Anderson and Reeb (2003) also affirm that performance is enhanced whenever the founder or family members fill chief executive positions. Nevertheless, say

Kellermanns and Eddleston (2004) Family-owned Businesses are often plagued by substantial conflict impeding the organization's survival. Discrimination, nepotism and fairness issues arise which may lead to perceptions of unfair treatment among non-family employees.

Abdalla, Maghrabi and Raggad (1998) state that, hiring family members doesn't guarantee good performance, strong commitment, high morale and shorten training time. Even worse, nepotism creates perceptions of favoritism, which negatively impacts non-family employee morale, commitment and dedication to the firm. Moreover, hardworking, qualified and talented members become de-motivated as they see themselves overcome by those who share a last name with the organization owner and because they recognize that their job advancement has been blocked. Consequently, say Hayajen, Maghrabi. and Al-Dabbag (1994) the Family-owned Business practicing nepotism will not only see its qualified staff quitting its firm, but attracting new competent and ambitious members becomes a deadly mission.

Family business owners' show the utmost perseverance in seeing their business grow, prosper, and get passed on to the next generations. Therefore, for them it is a priority to transfer their accumulated know-how of practical entrepreneurial experience, as well as market knowledge and skills to the next generations. Consequently, many family members identify with the company and are usually willing to work harder and reinvest part of their profits into the business to allow it to grow in the long term. Many family members get immersed into their Family-owned Business from a very young age. This increases their level of commitment and provides them with the necessary tools to run their Family-owned Business (IFC Corporate Governance, 2013).

Family-owned Businesses focus on long-term sustainability of the business rather than the realization of short-term profits. Caspar, et al. (2010) observed that successful Family-owned Businesses' usually seek steady long-term growth and performance to avoid risking the family's wealth and control of the business. This approach serves the interests of debt holders too, so Family-owned Businesses tend to have not only lower levels of financial leverage but also a lower cost of debt than their corporate peers do. This concept is mentioned, also, in PwC's (2012) report stating that Family-owned Businesses have longer-term thinking and a broader perspective. They are in many ways the embodiment of 'patient capital' i.e. they are more willing to wait for a return on their investments. The capitalization of Family-owned Businesses mainly stems from family funds and bank loans and profits are often reinvested in the company.

The above mentioned longer term perspective, keeping the bar high for capital expenditures and only investing in projects that deliver a good return may make Family-owned Businesses less successful during booms because they miss some opportunities during times of growth but increases their chances of staying alive in periods of crisis and of realizing healthy returns over time (Caspar, et al. 2010; Kachaner, Stalk, and Bloch, 2012). Academic research conducted by Anderson and Reeb (2003) confirmed the results which were surprisingly stable across geographies and industries, and indicate that Family-owned Businesses have performed at least in line with the market if not better.

On the other hand, an excessive aversion to risk can be dangerous and might overly limit investments to maintain and build competitive advantage and to diversify the family's wealth. Diversification is important for overall long-term performance and Caspar, et al., (2010) found out that while some Family-owned Businesses have a wide array of unconnected businesses, most focus on two to four main sectors.

According to Kachaner, et al. (2012) Family-owned Businesses prefer smaller acquisitions close to the core of their existing business. On average, they've found that Family-owned Businesses made acquisitions worth just 2% of revenues each year, while non-family businesses made acquisitions worth 3.7% which is twice higher. In addition, Family-owned Businesses show a high level of diversification more than the average corporation. In their study 46% of Family-owned Businesses were highly diversified, but only 20% of the comparison groups were.

In addition, Family-owned Businesses have leaner cost structures, and accordingly are least affected during depressions because as Kachaner, et al. (2012) pinpoint Family-owned Businesses are frugal in good times and bad. They are experts in keeping their expenses under control because they are filled with the sense that the company's money is the family's money.

Family-owned Businesses carry little debt because they associate debt with risk since they will be indebted to a non-family investor. They avoid giving away too much power to the banks (Kachaner, et al., 2012). And, Ernst & Young (2011) observe, they are more inclined to invest during testing economic conditions, picking up great personnel and taking advantage of opportunistic acquisitions.

The Family-owned Business brand prompts a higher level of customer loyalty and is a valuable intangible asset and has a positive outcome on the performance of small and medium-sized Family-owned Businesses in terms of growth and profitability (Credit Suisse, 2012: p. 21). Since Family-owned Businesses have their name and reputation associated with their products and/or services, they strive to increase the quality of their output and to maintain a good relationship with their partners (customers, suppliers, employees, community, etc.). In a way, they have more personal approach to business

based on trust, because being closer to their partners and having a more personal relationship with them will benefit their business (IFC Corporate Governance, 2013). On the other hand, customers appreciate the "human face," long-term reputation and commitment to quality offered by Family-owned Businesses, as such, say Ernst & Young (2011) maintaining this kind of loyalty and trust in the company is important to increase profit and sustain growth.

Family-owned Businesses possess their unique values and culture. Values such as respect, modesty, honesty, and credibility are of vital importance for Family-owned Businesses (Stewart, 2003) because they support the long-term vision and contribute to the company's survival over decades. The company specific values are often explicitly or implicitly communicated to stakeholders, i.e., employees, clients, suppliers, the local community etc. These values are closely related to the character traits of the entrepreneur and transmitted to following generations via socialization and exemplary behavior.

78% of the respondents to the PwC's 2012 survey consider that the Family-owned Business is notable for its strength of culture and values. Family-owned Businesses focus on creating a culture of commitment and purpose characterized by higher trust, familiarity with employee behaviors and decision making, avoiding layoffs during downturns, promoting from within, and investing in people results in longer employee tenures with teams of specialists who develop efficient team dynamics and a collective mind-set that helps them achieve goals.

Fisher and Reuber (2000) found that SME's provide valuable social and economic benefits to their communities. This is in line with PwC's 2012 survey results who found out that Family-owned Businesses have a greater commitment to jobs and the community. 77% of those surveyed believe Family-owned Businesses feel a stronger sense of

responsibility to create jobs, and will make more persistent efforts than other companies to keep their staff, even during tough times. This translates into greater loyalty and commitment from their employees and better talent retention. They have only 9% of the workforce turnover versus 11% for non-family businesses annually. Also, Ernst & Young (2011) observe that Family-owned Businesses build up long-term loyalty from their staff through their belief in personal involvement in employee motivation; attracting employees with increased stability and empowerment. Therefore, retaining key members of staff is very essential in helping the Family-owned Business to maintain a strong employee brand, and keeps recruitment and training costs low.

The organizational structure and management hierarchies of Family-owned Businesses are usually less bureaucratic and decision-making is quicker and more flexible than those in the corporate sector; as such, say Ernst & Young (2011) plans can be changed quickly, business processes can be adapted and costs can be reduced where necessary. This means that Family-owned Businesses are well adaptable to changing environments, can often react faster and consequently they are better able to exploit opportunities in the market and leave competitors standing.

Usually, Family-owned Businesses have more complex governance practices due to the addition of a new variable: the family. The paternalistic management style is widespread in Family-owned Businesses which are exposed by an authoritarian management style, as well as, by low level of delegation and information transfer (Irene Mandl, 2008). As most families run their businesses themselves i.e. founders or their children (at least during the first and second generations) the control environment is largely tailored to their needs and there is usually a lack of clearly set and expressed business practices and procedures. For example, Welsch (1996) observes that making a

personnel decision in a Family-owned Business is more likely to be influenced by family values and personality issues rather than by a standardized set of performance criteria.

Nevertheless Farrington, S., Venter, E., & Boshoff, C., (2010) observe that the involvement of non-family members in a Family-owned Business has a significant positive influence on the growth performance of the business. Non-family members include, amongst others, non-family employees, the directors of the board, and professional advisors or mentors. Non-family members make a vital contribution through expanding the knowledge base of the Family-owned Business by bringing additional qualifications and skills, assisting with resolving conflict, showing objectivity, and promoting accountability and professionalism.

As Chu and Sui (2001) note during downturns, Family-owned SMEs face bigger challenges than larger firms due to their structure, scarce resources and "focused core competencies" and the fact that downsizing is more difficult due to close relationships between management and employees.

Concerning compensation, research comparing Family-owned Businesses and non-family organizations has found that family involvement in the firm does indeed influence the compensation policies. More specifically employee compensation at all levels, including salary and benefits, is often lower in Family-owned and managed firms than in non-family businesses. (Carrasco-Hernandez & Sanchez-Marin, 2007).

Creating and fostering an entrepreneurial mindset across generations is a major element of Family-owned Business endurance and longevity and is instrumental in effective strategic performance, innovation and growth. PwC's report (2012) emphasized entrepreneurship as a key driver of Family-owned Businesses who have an entrepreneurial mind-set. Thus, 63% of the respondents think that Family-owned

Businesses are more entrepreneurial than other sectors of the economy. Family-owned Business entrepreneurs support entrepreneurial behavior in family members and successors by encouraging them to be alert to their environment so as to spot and take advantage of profit opportunities, like increasing the capacity to generate new ideas or to find new ways to differentiate existing products or services, to create and sustain cost effective and profitable competitive advantage and customer satisfaction (BDO Chartered Accountants & Advisers, 2005).

A Family-owned Business must meet two challenges in order to be successful when the company and the family grow: achieving strong business performance and keeping the family committed to and capable of carrying on as the owner. Five dimensions of activity must work well and in synchrony: harmonious relations within the family and an understanding of how it should be involved with the business, an ownership structure that provides sufficient capital for growth while allowing the family to control key parts of the business, strong governance of the company and a dynamic business portfolio, professional management of the family's wealth, and charitable foundations to promote family values across generations

One of the most complex aspects of running a Family-owned Business is managing succession planning which is absolutely necessary to ensure that the business lives on from generation to generation. Yet research by Ernst & Young (2011) indicates that half of Family-owned Businesses don't have succession plans in place. In order to ensure proper succession to key management positions and safeguard the continuity and survival of a Family-owned Business a formal and effective succession plan should be implemented. The purpose of this plan is to guarantee the skills and leadership necessary

to replace any outgoing senior manager are available when needed (IFC Corporate Governance, 2008).

Astrachan and Kolenko (1996) proposed that as a result of shortfalls or complexity in the planning of human resources, Family-owned Businesses can have a limited organizational capability. They claim that inadequate management of personnel may be one of the main reasons for the failure rate in Family-owned Businesses. Therefore, capable and skillful senior managers are an essential part of the Family-owned Business governance structure and having the right managers at the head of the company is a key element of Family-owned Business success. Inconveniently, many Family-owned Businesses ignore the need for professionalizing their businesses and keep senior management positions exclusively for family members. While many of these family members are trained managers that add value to their business, often they lack the skills and the expertise that the growing and more complex company requires. Successful families in business understand that in the longer term, some family members should step down and be replaced by more professional and skilled outsiders (IFC Corporate Governance, 2008).

Ernst & Young (2011) concluded that Family-owned Businesses, in general, are better placed to ride the turbulence of the volatile financial markets due to their longer-term perspective and planning, their flexible and focused governance, their Talent Management and loyal employees, and their customer focus and strong relationships. Since Family-owned firms are in business for the long haul and may have less external pressure of paying dividends to shareholders, they often manage to avoid the short-term pitfalls of "quick fixes" like drastic price cutting, shrinking innovation budgets, staff reduction and abandoning unprofitable markets.

2.3 SUMMARY OF LITERATURE REVIEW

Organization Leadership Mind-set, Strategy and Culture: First Set of Factors Characterizing Talent Management

1. Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization.
2. Existence of strategic human resource management that applies to all employees; it focuses on anticipating the need for human capital and then setting up a plan to meet it.
3. Existence of a special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning i.e. the individuals who have the potential to fill key positions.
4. Existence of a distinct strategy of employee engagement and development by making learning, stimulation and contribution to achieve organizational goals a part of their roles.
5. Fostering a trusting culture based on transparency which facilitates key information acquisition and communication.
6. Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls.

Specific Talent Management Practices: Second Set of Factors Characterizing Talent Management

1. Having a talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization.
2. Providing employees with challenging work and opportunities to develop their skills and abilities, and at the same time ensuring that organizational requirements are still being met in the light of changing business priorities.
3. Compensating employees appropriately and providing incentives for their high performance.
4. Targeting talent recruitment at the entry level and then developing continuously, and promoting by implementing comprehensive performance management.
5. Being flexible and creating accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment.
6. Encouraging talented employees to create and help manage knowledge and initiate change.
7. Engaging employees to develop meaningful relationships with co-workers and managers.

Organizational Outcomes Resulting from Talent Management Culture and Practices

A. **Higher Overall Outcomes**

1. Having the right kinds of talent to meet the organizations strategic goals over the next five years.
2. Being proactive in addressing change.
3. Having Talent Management practices that contribute to creativity and innovation.

B. Higher Financial Outcomes

1. A low employee turnover.
2. High operating profit, sales revenue and ROE.
3. High customer relations and satisfaction.
4. Motivation of employees for high productivity.
5. Well-designed Talent Management practices in succession planning that reduce training costs.

C. Higher Human Resource Outcomes

1. Having high employee loyalty, affective commitment/belongingness and morale.
2. Being a talent magnet that attracts talented candidates by branding the organization as “a great place to work”.

CHAPTER THREE

RESEARCH FRAMEWORK AND METHODOLOGY

3.1 RESEARCH QUESTIONS

The literature review provided a basis for the following research questions:

1. Whether having strategic Talent Management practices increase organizational overall, financial, and human resource performance outcomes in selected Lebanese Family-owned micro, small and medium enterprises.
2. Whether there is a difference in outcomes between Micro, Small and Medium sized organizations in the study.
3. Whether there is a difference in outcomes between organizations with different management types in the study i.e. “Family-owned and managed”, “Family-owned, managed by family and non-family”, “Family-owned and non-family managed”.
4. Whether there is a difference in outcomes between different industries in the study i.e. Wholesale and/or Retail Trade, Service and Manufacturing.

3.2 HYPOTHESES

Hypotheses that address the research questions are the following:

Set I of Hypotheses: **Organization Leadership Mind-set, Strategy and Culture of Talent Management Lead to Higher Organizational Overall, Financial, and Human Resource Performance.**

Set I.1 of Hypotheses: **Organization Leadership Mind-set, Strategy and Culture of Talent Management Lead to a Higher Organizational Overall Performance.**

Hypothesis I.1.A.1: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis I.2.A.1: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan to meet it relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis I.3.A.1: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis I.4.A.1: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis I.5.A.1: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis I.6.A.1: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis I.1.A.2: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis I.2.A.2: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan to meet it relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis I.3.A.2: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates

positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis I.4.A.2: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis I.5.A.2: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis I.6.A.2: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis I.1.A.3: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis I.2.A.3: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan to meet it relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis I.3.A.3: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates

positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis I.4.A.3: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis I.5.A.3: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis I.6.A.3: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Set I.2 of Hypotheses: **Organization Leadership Mind-Set Strategy and Culture of Talent Management Lead to a Higher Organizational Financial Performance.**

Hypothesis I.1.B.1: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis I.2.B.1: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan

to meet it relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis I.3.B.1: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis I.4.B.1: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis I.5.B.1: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis I.6.B.1: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis I.1.B.2: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis I.2.B.2: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan

to meet it relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis I.3.B.2: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis I.4.B.2: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis I.5.B.2: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis I.6.B.2: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis I.1.B.3: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis I.2.B.3: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan to meet it relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis I.3.B.3: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis I.4.B.3: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis I.5.B.3: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis I.6.B.3: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis I.1.B.4: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis I.2.B.4: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan to meet it relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis I.3.B.4: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis I.4.B.4: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis I.5.B.4: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis I.6.B.4: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis I.1.B.5: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis I.2.B.5: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan to meet it relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis I.3.B.5: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis I.4.B.5: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis I.5.B.5: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates positively to higher

organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis I.6.B.5: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Set I.3 of Hypotheses: **Organization Leadership Mind-Set Strategy and Culture of Talent Management Lead to a Higher Human Resource Performance.**

Hypothesis I.1.C.1: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis I.2.C.1: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan to meet it relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis I.3.C.1: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis I.4.C.1: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis I.5.C.1: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis I.6.C.1: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis I.1.C.2: Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as “a great place to work”.

Hypothesis I.2.C.2: Strategic Human Resource Management that applies to all employees, and focuses on anticipating the need for human capital and then setting up a plan to meet it relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as “a great place to work”.

Hypothesis I.3.C.2: A special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning (i.e. the individuals who have the potential to fill key positions) relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

Hypothesis I.4.C.2: A distinct strategy of employee engagement and developing of people by making learning, stimulation and contribution to achieve organizational goals a part of their roles relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

Hypothesis I.5.C.2: Fostering a trusting culture based on transparency which facilitates key information acquisition and communication relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

Hypothesis I.6.C.2: Maintaining high ethical standards by valuing integrity and applying strong ethical codes and internal controls relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

Set II of Hypotheses: **Specific Talent Management Practices Lead to Higher Organizational Overall, Financial and Human Resource Performance.**

Set II.1 of Hypotheses: **Specific Talent Management Practices Lead to a Higher Organizational Overall Performance.**

Hypothesis II.1.A.1: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis II.2.A.1: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational requirements are still being met in the light of changing business priorities relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis II.3.A.1: Appropriate compensation of employees who also receive incentives for their high performance relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis II.4.A.1: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive performance management relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis II.5.A.1: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis II.6.A.1: Encouraging the talented employees to create and help manage knowledge and initiate change relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis II.7.A.1: Developing meaningful relationships with co-workers and managers by engaged employees relates positively to higher organizational overall outcome of having self-confidence to obtain the right kinds of talent to meet strategic goals over the next five years.

Hypothesis II.1.A.2: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis II.2.A.2: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational requirements are still being met in the light of changing business priorities relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis II.3.A.2: Appropriate compensation of employees who also receive incentives for their high performance relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis II.4.A.2: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive performance management relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis II.5.A.2: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis II.6.A.2: Encouraging the talented employees to create and help manage knowledge and initiate change relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis II.7.A.2: Developing meaningful relationships with co-workers and managers by engaged employees relates positively to higher organizational overall outcome of Being Proactive in Addressing Change.

Hypothesis II.1.A.3: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis II.2.A.3: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational

requirements are still being met in the light of changing business priorities relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis II.3.A.3: Appropriate compensation of employees who also receive incentives for their high performance relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis II.4.A.3: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive performance management relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis II.5.A.3: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis II.6.A.3: Encouraging the talented employees to create and help manage knowledge and initiate change relates positively to higher organizational overall outcome of having Talent Management practices that contribute to creativity and innovation.

Hypothesis II.7.A.3: Developing meaningful relationships with co-workers and managers by engaged employees relates positively to higher organizational overall outcome

of having Talent Management practices that contribute to creativity and innovation.

Set II.2 of Hypotheses: **Specific Talent Management Practices Lead to a Higher Organizational Financial Performance.**

Hypothesis II.1.B.1: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis II.2.B.1: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational requirements are still being met in the light of changing business priorities relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis II.3.B.1: Appropriate compensation of employees who also receive incentives for their high performance relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis II.4.B.1: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive performance management relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis II.5.B.1: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure

their continued commitment relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis II.6.B.1: Encouraging the talented employees to create and help manage knowledge and initiate change relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis II.7.B.1: Developing meaningful relationships with co-workers and managers by engaged employees relates negatively to higher organizational financial outcome of having a high employee turnover.

Hypothesis II.1.B.2: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis II.2.B.2: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational requirements are still being met in the light of changing business priorities relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis II.3.B.2: Appropriate compensation of employees who also receive incentives for their high performance relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis II.4.B.2: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive

performance management relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis II.5.B.2: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis II.6.B.2: Encouraging the talented employees to create and help manage knowledge and initiate change relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis II.7.B.2: Developing meaningful relationships with co-workers and managers by engaged employees relates positively to higher organizational financial outcome of having an increase in the Return on Equity (ROE).

Hypothesis II.1.B.3: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis II.2.B.3: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational requirements are still being met in the light of changing business priorities relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis II.3.B.3: Appropriate compensation of employees who also receive incentives for their high performance relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis II.4.B.3: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive performance management relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis II.5.B.3: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis II.6.B.3: Encouraging the talented employees to create and help manage knowledge and initiate change relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis II.7.B.3: Developing meaningful relationships with co-workers and managers by engaged employees relates positively to higher organizational financial outcome of having high customer relations and satisfaction.

Hypothesis II.1.B.4: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis II.2.B.4: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational

requirements are still being met in the light of changing business priorities relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis II.3.B.4: Appropriate compensation of employees who also receive incentives for their high performance relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis II.4.B.4: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive performance management relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis II.5.B.4: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis II.6.B.4: Encouraging the talented employees to create and help manage knowledge and initiate change relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis II.7.B.4: Developing meaningful relationships with co-workers and managers by engaged employees relates positively to higher organizational financial outcome of employees having motivation for high productivity.

Hypothesis II.1.B.5: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates positively to higher organizational financial outcome of

having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis II.2.B.5: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational requirements are still being met in the light of changing business priorities relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis II.3.B.5: Appropriate compensation of employees who also receive incentives for their high performance relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis II.4.B.5: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive performance management relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis II.5.B.5: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis II.6.B.5: Encouraging the talented employees to create and help manage knowledge and initiate change relates positively to higher organizational financial

outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Hypothesis II.7.B.5: Developing meaningful relationships with co-workers and managers by engaged employees relates positively to higher organizational financial outcome of having well designed effective Talent Management practices in succession planning that reduce training costs.

Set II.3 of Hypotheses: **Specific Talent Management Practices Lead to a Higher Organizational Human Resource Performance.**

Hypothesis II.1.C.1: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis II.2.C.1: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational requirements are still being met in the light of changing business priorities relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis II.3.C.1: Appropriate compensation of employees who also receive incentives for their high performance relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis II.4.C.1: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive performance management relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis II.5.C.1: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis II.6.C.1: Encouraging the talented employees to create and help manage knowledge and initiate change relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis II.7.C.1: Developing meaningful relationships with co-workers and managers by engaged employees relates positively to higher organizational Human Resource outcome of having high employee loyalty, affective commitment, belongingness and morale.

Hypothesis II.1.C.2: A talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as “a great place to work”.

Hypothesis II.2.C.2: Employees that have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational requirements are still being met in the light of changing business priorities relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

Hypothesis II.3.C.2: Appropriate compensation of employees who also receive incentives for their high performance relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

Hypothesis II.4.C.2: Talent recruitment which is targeted at the entry level and then developed continuously, and promoted by implementing comprehensive performance management relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

Hypothesis II.5.C.2: Flexible organization that creates accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

Hypothesis II.6.C.2: Encouraging the talented employees to create and help manage knowledge and initiate change relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

Hypothesis II.7.C.2: Developing meaningful relationships with co-workers and managers by engaged employees relates positively to higher organizational Human Resource outcome of Being a Talent Magnet that attracts talented candidates by branding the organization as "a great place to work".

The above hypotheses address the general (# 1) question of the study.

The hypotheses that address the other questions are as follows:

Hypothesis # 2: **There is a difference in outcomes between Micro, Small, and Medium sized organizations in the study.**

Hypothesis # 3: **There is a difference in outcomes between different Industries in the study i.e. Wholesale and/or Retail Trade, Manufacturing and Service.**

Hypothesis # 4: **There is a difference in outcomes between organizations with different Management Types in the study i.e. "Family-owned and Managed", "Family-owned, Managed by Family and Non-family", "Family-owned and Non-family Managed".**

3.3 METHODOLOGY

3.3.1 Survey Instrument

The current research is exploratory in nature and uses a survey questionnaire as the main data-collection tool for gathering the data necessary for the statistical analyses. A research questionnaire was developed specifically for this study (Appendix A) that consists of two parts:

1. The first part i.e. face sheet of the questionnaire, consists of an explanation of the purpose of the study and asks general questions concerning the type of industry, the size of the organization, the type of management and the position of the respondent.

   This page also includes an assurance for anonymity and confidentiality of the shared information. Therefore, the respondents were not required to provide any personal information, to identify themselves or their organizations and the data collected was promised to remain strictly confidential and reported anonymously.
2. The second part consists of the second and third pages that contain directions for filling out the questionnaire using a five-point Likert scale where respondents are asked to indicate their level of agreement with the implementation of activities reflected in the statements. These statements constitute the independent and dependent variables.

The statements of the questionnaire were derived from the review of the Talent Management and Family-owned Businesses literature looking at the several issues that characterize these companies and the benefits that they realize. The questionnaire consisted of 23 statements that were based on the organization leadership mind-set,

strategy, culture of Talent Management, Specific Talent Management Practices as well as on the three measurements of the Organizational Outcomes i.e. Higher Overall Outcomes, Higher Financial Outcomes and Higher Human Resource Outcomes.

To identify the Organization Leadership Mind-set, Strategy and Culture of Talent Management in Lebanese Family-owned Businesses the participants were asked to assess six statements that are applied in their company using a five-point Likert scale, from "Strongly Disagree" to "Neutral" to "Strongly Agree". To identify the implementation of the Specific Talent Management Practices the participants were asked to assess seven statements that are applied in their company using a five-point Likert scale, from "Strongly Disagree" to "Neutral" to "Strongly Agree". In the analysis that followed, we focused on the above mentioned Talent Management leadership mind-set, strategy, culture and specific practices and analyzed the effect of each statement on three sets of outcomes.

To measure the Higher Overall Outcomes three indicators were used: the availability of talent for the next five years, proactivity in addressing change, creativity and innovation. The respondents had to evaluate the observed effectiveness of Talent Management implementation through these indicators, using a five-point Likert scale, from "Strongly Disagree" to "Neutral" to "Strongly Agree".

The Higher Financial Outcomes were measured by the usage of five indicators, employee turnover, Return on Equity (ROE), customer relations and satisfaction, employee motivation for high productivity, and reduced training costs. The respondents had to evaluate whether the Talent Management implementation had an influence or not on financial outcomes using a five-point Likert scale, from "Strongly Disagree" to "Neutral" to "Strongly Agree".

For Higher Human Resource Outcomes two performance indicators were used such as employee loyalty/affective commitment/belongingness and morale, and Being a Talent Magnet i.e. “a great place to work”. Here again the respondents had to evaluate the effect using a five-point Likert scale, from “Strongly Disagree” to “Neutral” to “Strongly Agree”.

In order to ensure the clarity of the instructions and the questions asked in this questionnaire, a pilot study was conducted on ten randomly selected managers who provided their feedback concerning the formulation of the questions and the wording clarity of the statements. As a result of this pre-test the instructions were refined, the unclear questions were clarified and the length of some of the questions was reduced.

The participants were provided with standardized instructions for filling out the questionnaire and were asked to respond to the questionnaire items according to their perceptions of the implementation of Talent Management in their companies.

The questionnaire did not include questions regarding demographics because they were not relevant in a significant way to the research.

3.3.2 Sample Size

Multiple regression analysis will be used to test the hypotheses and to understand whether Organization Leadership Mind-set, Strategy and Culture of Talent Management; as well as Specific Talent Management Practices have an effect on the Organizational Outcomes i.e. Higher Overall Outcomes, Higher Financial Outcomes and Higher Human Resource Outcomes. As Barlett, Kotrlik, and Higgins (2001) recommend, the number of

observations to each independent variable should not fall below five to avoid the risk of overfitting, i.e. making the results specific to the sample, thus lacking generalizability.

Factor analysis will be used to discover the basic structure and the interrelationships of the variables and to determine whether there are underlying patterns or relationships among the variables in the analysis. According to Hair, Black, Babin, Anderson and Tatham (2006: p. 112) a "researcher generally would not factor analyze a sample of fewer than 50 observations, and preferably the sample size should be 100 or larger to minimize the chances of overfitting the data i.e. deriving factors that are sample-specific with little generalizability". Therefore, Hair, et al. (2006, p. 113) recommend having a minimum of 5 and hopefully at least 10 observations per the number of independent variables.

This research includes thirteen independent variables for the Organization Leadership Mind-set, Strategy and Culture of Talent Management; and specific Talent Management practices; and includes ten dependent variables for the Organizational Outcomes i.e. Higher Overall Outcomes, Higher Financial Outcomes and Higher Human Resource Outcomes totaling to twenty three variables. Therefore, the corresponding number of observations necessary on the basis of 10:1 is 130 (13 x 10).

Accordingly, the appropriate sample size was defined to be 130 for carrying out both multiple regression and factor analysis.

3.3.3 Industry and Sample Selection

The three major industries in which the SMEs work in Lebanon according to the survey conducted by Bankdata Financial Services (2011) are as follows: 43% in the wholesale and retail trade, 30% are in the services sector and 17% in manufacturing. Therefore, the companies were chosen from these industries where effective implementation of Talent Management is significantly important to achieve overall increased Organizational Outcomes.

Stratified random sampling was used for the sample selection since the population of the study was divided into three strata based on the classification of enterprises (as of February 2013) provided by the Chamber of Commerce, Industry and Agriculture in Lebanon (CCIA).

According to the listing of the CCIA the registered organizations with "Third" and "Fourth" categorization were combined to define the first subpopulation i.e. Micro organizations. The registered organizations with the "Second" categorization were defined as the second subpopulation, that is, Small organizations while the registered organizations with "First" categorization were defined as the third subpopulation i.e. Medium organizations.

The number of the organizations registered on the CCIA categorizations list under "First", "Second", "Third" and "Forth" categorizations were counted and the number of organizations in each subpopulation was totaled. Hence, the total numbers of organizations registered in these three subpopulations that work in the three selected

industries were totaled to 8380 organizations. The percentages of each of the subpopulations and their corresponding industries are shown in Table 1.

Table 1: Percentages of the organization types by the industries.

Industry	Micro	Small	Medium
Trade	32%	9%	7%
Manufacturing	13%	3%	3%
Service	22%	6%	5%
Total	67%	18%	15%

In order to guarantee the gathering of around 130 responses, a total of 188 survey questionnaires were distributed based on the numbers presented on the Table 2 (i.e. 130 x 145% = 188.5 rounded to 188).

Table 2: Number of organizations survey questionnaires distributed by organization type and industry

Industry	Micro	Small	Medium
Trade	60	17	12
Manufacturing	24	6	6
Service	42	12	9
Total	126	35	27

3.3.4 Survey Participants

The population of this study consisted of micro, small and medium sized Family-owned Businesses operating in Lebanon across three industries i.e. wholesale and/or retail trade, service and manufacturing with different management types ranging from "Family owned and Managed", to "Family-owned, Managed by Family and Non-family" to "Family-owned and Non-family Managed".

The questionnaire was administered in English to the HR manager or in the case of the non-existence of an HR manager to the owner or the CEO of the company. This choice of the respondents is due to the importance of having the feedback of the persons who know the strategy, the overall practices and culture of the company and who overview its business operations, and has access to information regarding the operational outcomes.

3.3.5 Survey Administration and Response Rate

The survey questionnaires were sent to the selected organizations via e-mails acquired from the lists provided by the Chamber of Commerce, Industry and Agriculture in Lebanon (CCIA).

During a three week interval, the request e-mails attached with the questionnaire were sent twice, followed by "Kind reminder" e-mails, and in many cases follow up phone calls were made to ensure the filling-out of the questionnaires.

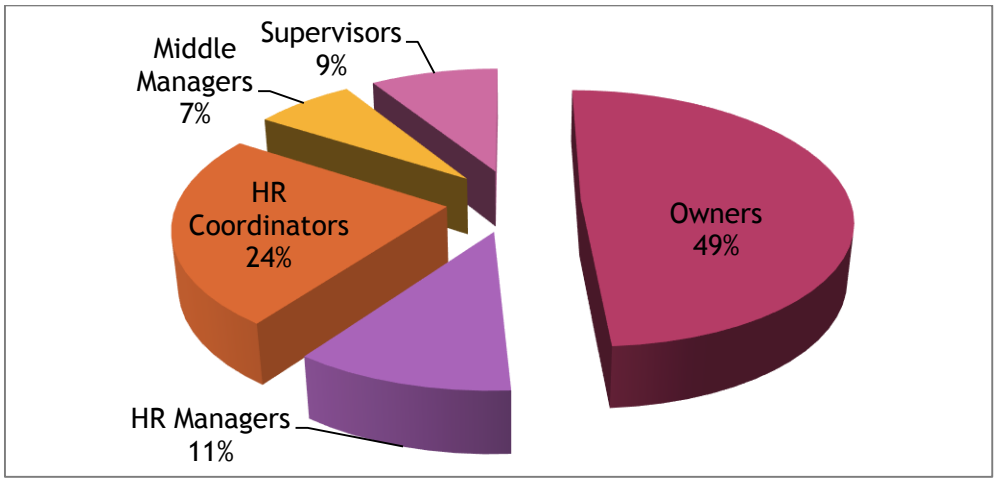
After having a response, a thank you e-mail was sent to the participants, notifying them that their response has been successfully submitted and thanking them for their support of the survey and sharing of their thoughts and feedback.

As per the explanation in section 3.3.3 a total of 188 questionnaires were distributed of which 139 were filled and returned, thus reflecting a response rate of 74%. Table 3 shows the number of the returned questionnaires in each category.

Table 3: Number of returned questionnaires by organization type and industry

Industry	Micro	Small	Medium
Trade	42	16	8
Manufacturing	20	5	5
Service	27	8	8
Total	89	29	21

In terms of positions held in the organization, the frequency distribution identified 49% of the respondents as owners, 11% as HR managers, 24% as HR coordinators, 7% as middle managers and 9% as supervisors.



CHAPTER FOUR

STATISTICAL ANALYSIS

4.1 DESCRIPTIVE STATISTICS

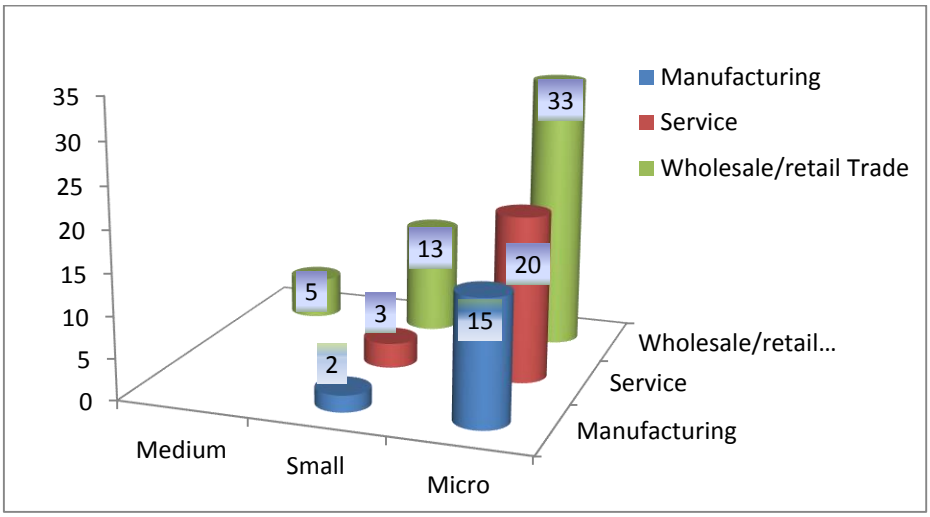
Descriptive statistics are used for quantitatively describing the main features of a collection of data, and provide simple summaries about the sample and about the observations that have been made. The result, therefore, is the presentation of the data in a more organized and meaningful way, which allows simpler interpretation of the data. Some measures that are commonly used to describe a data set are measures of central tendency and measures of variability or dispersion.

Various interesting findings can be drawn from the review of our descriptive statistics and the more notable results will be summarized in this section.

4.1.1 Organization Types

The organizations that are “Family-owned and Managed” represent 65.5% of the organizations in the sample. Micro organizations which are managed by a family member count 68 and represent 48.9%, followed by Small organizations (18) 12.9% and Medium organizations (5) 3.6%.

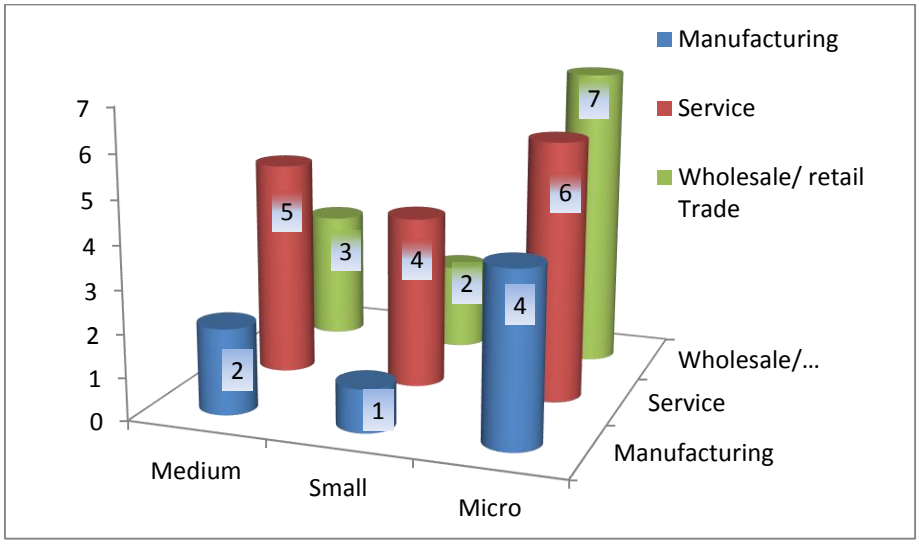
Organization Type: Family-owned and Managed



As shown in the chart above 36.7% (51 in number) of the "Family-owned and Managed" organizations work in Wholesale and/or retail Trade, of which 23.7% are Micros, 9.4% are Small and 3.6% are Medium sized. 16.5% (23 in number) of "Family-owned and Managed" organizations work in the Service sector (14.4% are Micros and 2.2% are Small). Whereas, 12.2% (17 in number) work in the Manufacturing industry (10.8% are Micros and 1.4% are Small).

The organizations that are "Family-owned and Managed by Family and Non-family" represent 24.5% of the organizations in the sample. Micro organizations which are managed by both a family member and a non-family manager count 17 and represent 12.2%, followed by Medium organizations 7.2% and Small organizations 5.0%.

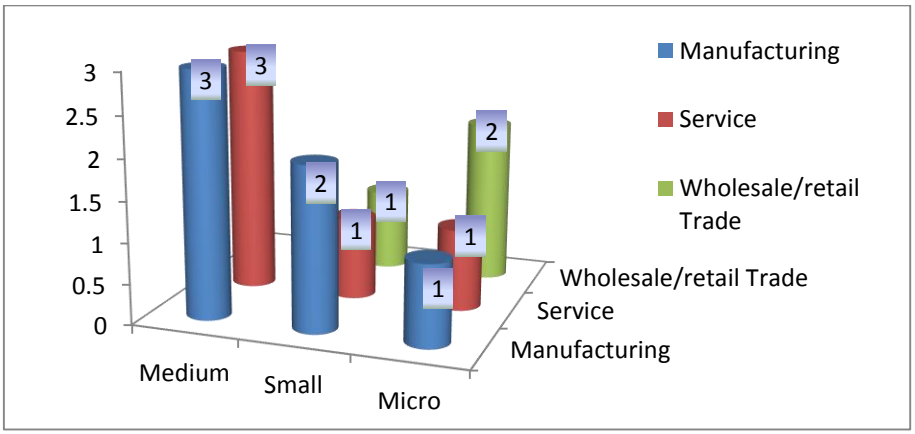
Organization Type Family-owned, Managed by Family and Non-family



The chart above shows that 10.8% (15 in number) of "Family-owned and Managed by Family and Non-Family" organizations work in the Service sector of which 4.3% are Micros, 2.9% are Small and 3.6% are Medium sized. 8.6% (12 in number) of the "Family-owned and Managed by Family and Non-Family" organizations work in Wholesale and/or retail Trade (5.0% are Micros, 1.4% are Small and 2.2% are Medium). Whereas, 5.0% (7 in number) work in the Manufacturing industry (2.9% are Micros, 0.7 are Small and 1.4% are Medium).

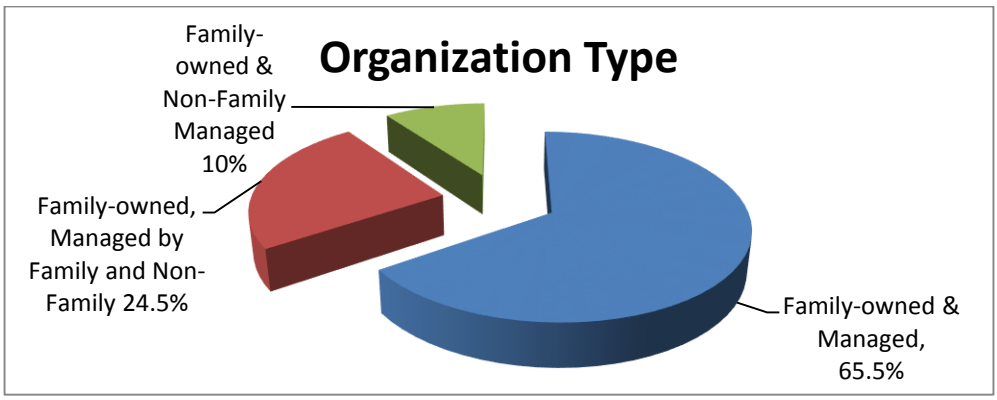
The organizations that are "Family-owned and Non-Family Managed" represent 10.1% of the organizations in the sample. Medium organizations which are managed by a non-family manager count 6 and represent 4.3%, followed by Micro and Small organizations each with 2.9%.

Organization Type Family-owned and Non-Family Managed



The chart above shows that 4.3% (6 in number) of "Family-owned and Non-Family Managed" organizations work in the Manufacturing of which 0.7% are Micros, 1.4% are Small and 2.2% are Medium sized. 3.6% (5 in number) of the "Family-owned and Non-Family Managed" organizations work in Service sector (0.7% are Micros, 0.7% are Small and 2.2% are Medium). Whereas, 2.2% (3 in number) work in the Wholesale and/or retail Trade (1.4% are Micros and 0.7 are Small).

A noteworthy result from the descriptive statistics shown in the chart below indicates that the majority of "Family-owned Businesses" are managed by a family member. They count 91 organizations out of 139 that represent the 65.5% of the population of the current study.



4.1.2 Organization Leadership Mind-set, Strategy and Culture of Talent Management

The descriptive statistics, displayed in the table below, provide the means and standard deviations for each of the six independent variables of the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC) concept used in the current study.

Descriptive Statistics

	N	Min.	Max.	Sum	Mean	Std. Deviation
TMMSC1 - Existence of TM as a critical driver	139	1	5	517	3.72	.917
TMMSC2 - Existence of general HRM	139	1	5	509	3.66	.937
TMMSC3 - Existence of special strategic TM for talented employees	139	1	5	515	3.71	.966
TMMSC4 - Existence of a strategy for employee engagement, learning & contribution	139	1	5	542	3.90	.810
TMMSC5 - Existence of a culture based on transparency & information acquisition	139	1	5	524	3.77	.935
TMMSC6 - Existence of high ethical standards	139	1	5	535	3.85	.833
Valid N (listwise)	139					

It is worth noting that among the TMMSC concepts, TMMSC4 (Existence of a strategy for employee engagement, learning & contribution) has the highest mean (3.90) with the lowest standard deviation (0.810). Whereas, TMMSC2 (Existence of general HRM) has the lowest mean (3.66) with a standard deviation of 0.937. Therefore, most of the respondents agreed that the existence of a strategy for employee engagement, learning & contribution (TMMSC4) is more important for the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC) than the existence of general HRM (TMMSC2) does.

4.1.3 Specific Talent Management Practices

The descriptive statistics, displayed in the table below, provide the means and standard deviations for each of the seven independent variables of the Specific Talent Management Practices (TMSP) used in the current study.

Descriptive Statistics

	N	Min.	Max.	Mean	Std. Deviation
TMSP1 - Existence of a talent pool	139	1	5	3.51	.879
TMSP2 - Existence of skills' development opportunities	139	1	5	3.68	.878
TMSP3 - Existence of appropriate compensation & incentives	139	1	5	3.90	.950
TMSP4 - Existence of comprehensive performance management	139	1	5	3.68	.925
TMSP5 - Existence of development through mentoring & coaching	139	1	5	3.88	.917
TMSP6 - Existence of knowledge creation & change	139	1	5	3.83	.873
TMSP7 - Existence of meaningful workforce relationships	139	1	5	3.81	.833
Valid N (listwise)	139				

Among the Specific Talent Management Practices, TMSP3 (Existence of appropriate compensation & incentives) has the highest mean (3.90) with a standard deviation of 0.950. While, TMSP1 (Existence of a talent pool) has the lowest mean (3.51) with a standard deviation of 0.879. Therefore, most of the respondents agreed that the existence of appropriate compensation & incentives (TMSP3) is more important for the Specific Talent Management Practices (TMSP) than the existence of a talent pool (TMSP1) does.

4.1.4 Organizational Outcomes

The descriptive statistics, displayed in the table below, provide the means and standard deviations for each of the ten dependent variables of the Organizational Outcomes (HOO, HFO, HHO) used in this study.

Descriptive Statistics

	N	Min.	Max.	Mean	Std. Deviation
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	139	1	5	3.65	.814
HOO2 - Being Proactive in Addressing Change	139	1	5	3.81	.892
HOO3 - Having mgt. practices that contribute to creativity & innovation	139	1	5	3.68	.791
HFO1 - Having High Employee Turnover	139	1	5	2.64	1.173
HFO2 - Having an Increase In ROE	139	1	5	3.47	.802
HFO3 - Having High Customer Relations & Satisfaction	139	1	5	4.17	.868
HFO4 - Having Employee Motivation for High Productivity	139	1	5	3.73	.906
HFO5 - Having Reduced Training Costs Due to Good Succession Planning	139	1	5	3.62	.943
HHO1- Having High Employee Loyalty & Morale	139	1	5	3.83	.856
HHO2 - Being a Talent Magnet	139	1	5	3.70	1.054
Valid N (listwise)	139				

Among the Organizational Outcomes (HOO, HFO, HHO), HFO3 (Having High Customer Relations & Satisfaction) has the highest mean (4.17) with a standard deviation of 0.868. While, HFO1 (Having High Employee Turnover) has the lowest mean (2.64) with a standard deviation of 1.173. Therefore, most of the respondents agreed that Having High Customer Relations & Satisfaction (HFO3) is the most important Organizational Outcome (HOO, HFO, HHO). On the other hand, they disagreed Having High Employee Turnover (HFO1).

4.2 RELIABILITY TESTS

Cronbach's alpha (α), also known as the reliability coefficient assesses the internal consistency or average correlation of the entire scale i.e. items in a survey instrument to measure its reliability. Internal consistency describes the extent to which all the individual items or indicators of the scale in a survey questionnaire measure the same concept or construct and thus are highly inter-correlated (Hair, et al., 2006). Internal consistency should be determined before a survey can be employed for research or examination purposes to ensure validity. Since multiple Likert questions were used in the current research that form a scale, reliability test was conducted to assess the degree of consistency between the multiple measurements of the variable and thus determine the reliability of the scale.

Cronbach's alpha is characterized by having a positive relationship with the number of the items in the scale. Therefore, as the inter-correlations among the items increase the value of alpha is increased. The generally agreed upon lower limit for Cronbach's alpha is 0.70 although it may decrease to 0.60 in exploratory research (Hair, et al., 2006).

SPSS version 13 was used to compute the Cronbach's alpha for all the variables of this study and the reliability of all the variables was tested. The Case Processing Summary and the Reliability Statistics of the 23 variables are shown in the tables below.

Case Processing Summary

		N	%
Cases	Valid	139	100.0
	Excluded(a)	0	.0
	Total	139	100.0

a Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.903	.908	23

The Cronbach's alpha is 0.903, which indicates a high level of internal consistency for the scale used in this research.

Since the survey questionnaire included three sets of questions, Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), Specific Talent Management Practices (TMSP), and Organizational Outcomes (HOO, HFO, HHO), reliability analysis was conducted on each set of questions.

Cronbach's alpha for Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC) was performed to test the internal consistency of these elements.

4.2.1 Organization Leadership Mind-set, Strategy and Culture of Talent Management

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.780	.781	6

The Cronbach's alpha is 0.780, which indicates a high level of internal consistency for Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC) concept.

The “Corrected Item-Total Correlation” presents the correlation between a given item and the sum score of the other items assessing how well one item’s score is internally consistent with composite scores from all other items. As De Vaus (2004) suggests, any item-total correlation less than 0.30 is weak for item-analysis purposes and therefore that item should be removed from the study.

The “Cronbach’s Alpha if Item Deleted” identifies the Cronbach’s alpha that would result if a given item is deleted. Similar to the item-total correlation, it determines which items from among a set of items contribute to the total alpha. Provided that the value of “Cronbach’s Alpha if Item Deleted” is lower than Cronbach’s alpha, there is no tendency to remove the item.

Item-Total Statistics

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
TMMSC1 - Existence of TM as a critical driver	.516	.750
TMMSC2 - Existence of general HRM	.548	.742
TMMSC3 - Existence of special strategic TM for talented employees	.612	.725
TMMSC4 - Existence of a strategy for employee engagement, learning & contribution	.619	.727
TMMSC5 - Existence of a culture based on transparency & information acquisition	.463	.763
TMMSC6 - Existence of high ethical standards	.418	.772

The table above shows that all the "Corrected Item-Total Correlations" of Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC) concept are above 0.30 and since the removal of any item results in a lower Cronbach's alpha, none of the items are removed from the study.

In the same way, Cronbach's alpha for Specific Talent Management Practices (TMSP) was calculated to test the internal consistency of these practices.

4.2.2 Specific Talent Management Practices

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.752	.750	7

The Cronbach's alpha is 0.752, which indicates a high level of internal consistency for Specific Talent Management Practices (TMSP) concept.

Item-Total Statistics

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
TMSP1 - Existence of a talent pool	.436	.728
TMSP2 - Existence of skills' development opportunities	.394	.737
TMSP3 - Existence of appropriate compensation & incentives	.468	.722
TMSP4 - Existence of comprehensive performance management	.559	.700
TMSP5 - Existence of development through mentoring & coaching	.552	.702
TMSP6 - Existence of knowledge creation & change	.492	.716
TMSP7 - Existence of meaningful workforce relationships	.369	.742

The Item-Total Statistics of the Specific Talent Management Practices (TMSP) which are displayed in the table above show that all the "Corrected Item-Total Correlations" are above 0.30 and since the removal of any item results in a lower Cronbach's alpha, none of the items are removed from the study.

4.2.3 Organizational Outcomes

Finally, reliability analysis was also implemented on the Organizational Outcomes, and the output is shown in the table below:

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.761	.787	10

The Cronbach's alpha is 0.761, which indicates a high level of internal consistency for the Organizational Outcomes concept.

The Item-Total Statistics for the ten dependent variables which represent the Organizational Outcomes are displayed in the table below:

Item-Total Statistics

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	.570	.724
HOO2 - Being Proactive in Addressing Change	.501	.731
HOO3 - Having mgt. practices that contribute to creativity & innovation	.453	.739
HFO1 - Having High Employee Turnover	.325	.744
HFO2 - Having an Increase In ROE	.485	.735
HFO3 - Having High Customer Relations & Satisfaction	.470	.736
HFO4 - Having Employee Motivation for High Productivity	.634	.712
HFO5 - Having Reduced Training Costs Due to Good Succession Planning	.471	.735
HHO1- Having High Employee Loyalty & Morale	.606	.717
HHO2 - Being a Talent Magnet	.623	.709

As shown in the table above all the "Corrected Item-Total Correlations" are above 0.30 and since the removal of any item results in a lower Cronbach's alpha, none of the items are removed from the study.

The SPSS outputs presented above shows the reliabilities for all dimensions. As indicated, the data was cohesive and the items assessed by the survey questionnaire were found to be highly reliable. Therefore, we can conclude that the data is reliable and further analysis can be conducted.

The table below summarizes the results of the Reliability tests:

Reliability Statistics				
Test Elements	**Cronbach's Alpha**	**Cronbach's Alpha Based on Standardized Items**	**N of Items**	**Corrected Item-Total Correlation**
All the variables (TMMSC, TMSP, HOO, HFO, HHO)	0.903	0.908	23	All above 0.30
Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC)	0.780	0.781	6	All above 0.30
Specific Talent Management Practices (TMSP)	0.752	0.750	7	All above 0.30
Organizational Outcomes (HOO, HFO, HHO)	0.761	0.787	10	All above 0.30

4.3 FACTOR ANALYSIS

As Hair et al. (2006, p. 104) explain, “Factor analysis is an interdependence technique whose primary purpose is to define the underlying structure among the variables in the analysis”. “Factor analysis provides the tools for analyzing the structure of the interrelationships among a large number of variables by defining sets of variables that are highly correlated, known as factors”. The overall objective is to find a way of condensing the information contained in a number of original variables into a smaller set of new, composite dimensions or factors with a minimal loss of information.

The current study uses exploratory perspective in factor analysis to test concept validity, where validity is the extent to which a scale or set of measures accurately represents the concept of interest.

In order to ensure that the data matrix has sufficient correlations to justify the application of factor analysis, the entire correlation matrix was examined using the Bartlett test of Sphericity and Kaiser-Myer-Olkin Measure of Sampling Adequacy (KMO).

The Bartlett test of Sphericity tests for the presence of correlations among the variables and provides the statistical significance that the correlation matrix has significant correlations among at least some of the variables.

A statistically significant Bartlett test of Sphericity, that is, less than alpha (0.05) indicates the presence of sufficient correlations among the variables and thus, factor analysis can be conducted on the study.

Kaiser-Myer-Olkin Measure of Sampling Adequacy (KMO) quantifies the degree of intercorrelations among the variables. The index ranges from 0 to 1reaching 1 when

each variable is perfectly predicted without error by the other variables. KMO values must always exceed 0.50 before proceeding with the factor analysis.

For the purposes of factor analysis, it is important to understand how much of a variable's variance is shared with other variables in that factor versus what cannot be shared. Common variance is that variance in a variable that is shared, based on the variable's correlations, with all other variables in the analysis. A variable's communality is the estimate of the shared, or common, variance among the variables as represented by the derived factors, explain Hair et al. (2006, p. 117). Hence, the communality (common variance) increases as the correlation of a variable with one or more variables increases. Variables should generally have communalities of greater than 0.50 to be retained in the analysis.

Factor analysis was performed on the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), Specific Talent Management Practices (TMSP), and Organizational Outcomes (HOO, HFO, HHO), respectively.

4.3.1 Factor Analysis on the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), and, Specific Talent Management Practices (TMSP)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.871
Bartlett's Test of Sphericity	Approx. Chi-Square	540.656
	df	78
	Sig.	.000

The KMO for the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), and, Specific Talent Management Practices (TMSP) is 0.871 which is greater than 0.50 and the Bartlett's Test of Sphericity is 0.000 which is less than 0.05 so it is significant. Based on the results of the tests it is satisfactory to proceed with the factor analysis on the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), and, Specific Talent Management Practices (TMSP).

In order to summarize most of the original information of the variance in a minimum number of factors, principal component analysis was performed on the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), and, Specific Talent Management Practices (TMSP).

The communalities of the variables for the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), and, Specific Talent Management Practices (TMSP) are shown in the table below. All communalities have a

value greater than 0.50 therefore none of the variables are removed from the factor analysis.

Communalities

	Initial	Extraction
TMMSC1 - Existence of TM as a critical driver	1.000	.520
TMMSC2 - Existence of general HRM	1.000	.735
TMMSC3 - Existence of special strategic TM for talented employees	1.000	.562
TMMSC4 - Existence of a strategy for employee engagement, learning & contribution	1.000	.557
TMMSC5 - Existence of a culture based on transparency & information acquisition	1.000	.522
TMMSC6 - Existence of high ethical standards	1.000	.512
TMSP1 - Existence of a talent pool	1.000	.506
TMSP2 - Existence of skills' development opportunities	1.000	.544
TMSP3 - Existence of appropriate compensation & incentives	1.000	.515
TMSP4 - Existence of comprehensive performance management	1.000	.508
TMSP5 - Existence of development through mentoring & coaching	1.000	.553
TMSP6 - Existence of knowledge creation & change	1.000	.504
TMSP7 - Existence of meaningful workforce relationships	1.000	.744

Extraction Method: Principal Component Analysis.

In deciding when to stop factoring and how many factors to extract, two commonly used techniques were used: Latent root criterion and Scree test criterion.

Hair et al. (2006, p. 120) state that the rationale for the latent root criterion is that any individual factor should account for the variance of at least one variable if it is to be retained for interpretation. Through component analysis each variable contributes a value of 1 to the total eigenvalue. Therefore, only the factors having latent root or eigenvalue greater than 1 are considered significant.

The scree test is used to identify the optimum number of factors that can be extracted before the amount of unique variance begins to dominate the common variance structure. The latent roots are plotted against the number of factors in their order of extraction, and the shape of the resulting curve is used to evaluate the cutoff point. The point at which the curve first begins to straighten out is considered to indicate the maximum number of factors to extract.

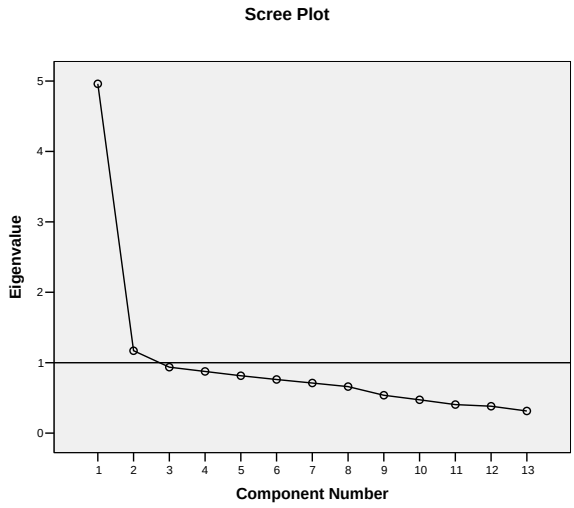
Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.961	38.158	38.158	4.961	38.158	38.158	3.501	26.933	26.933
2	1.170	8.999	47.156	1.170	8.999	47.156	2.629	20.223	47.156
3	.936	7.200	54.357						
4	.875	6.733	61.090						
5	.815	6.266	67.357						
6	.761	5.855	73.212						
7	.711	5.471	78.683						
8	.660	5.078	83.761						
9	.538	4.138	87.899						
10	.473	3.636	91.536						
11	.405	3.114	94.650						
12	.382	2.935	97.584						
13	.314	2.416	100.000						

Extraction Method: Principal Component Analysis.

Based on the latent root criterion with a cutoff value of 1.0 and referring to the "Total Variance Explained" table (above) two factors are extracted for the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), and, Specific Talent Management Practices (TMSP) and explain 47.16% of the variation in the data.

The scree analysis shown below indicates also that two factors be retained because of the low eigenvalue for the third factor.



The most important tool in interpreting factors is factor rotation. Factor rotation assists in the interpretation of the factors by simplifying the structure through maximizing the significant loadings of a variable on a single factor.

The rotated component matrix shows the factor loadings of the variables on the extracted components. The factor loadings represent the degree of correlation of each variable with each factor, where higher loadings make the variable representative of the factor. Factor loadings of 0.50 and above are considered significant. Based on the rotated component matrix table shown below the two significant factor structures of TMMSC and TMSP are identified.

Rotated Component Matrix(a)

	Component	
	1	2
TMMSC1 - Existence of TM as a critical driver	.570	.309
TMMSC2 - Existence of general HRM	.855	-.062
TMMSC3 - Existence of special strategic TM for talented employees	.710	.240
TMMSC4 - Existence of a strategy for employee engagement, learning & contribution	.644	.377
TMMSC5 - Existence of a culture based on transparency & information acquisition	.342	.553
TMMSC6 - Existence of high ethical standards	.328	.506
TMSP1 - Existence of a talent pool	.345	.526
TMSP2 - Existence of skills' development opportunities	.314	.511
TMSP3 - Existence of appropriate compensation & incentives	.510	.368
TMSP4 - Existence of comprehensive performance management	.401	.497
TMSP5 - Existence of development through mentoring & coaching	.502	.449
TMSP6 - Existence of knowledge creation & change	.624	.291
TMSP7 - Existence of meaningful workforce relationships	-.150	.849

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a Rotation converged in 3 iterations.

In the Varimax-rotated factor solution shown in the table below the variables with significant loadings (above 0.50) are presented except for TMSP4 which has a loading of 0.497 but since it is very near to the required loading that is the reason why it was retained. The variables are sorted by their loadings on each factor so that the variables with high loadings are evident. Factor 1 has seven variables with significant loadings while Factor 2 has six.

Varimax-Rotated Component Analysis Matrix for the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), and, Specific Talent Management Practices (TMSP)

Item #	Label	Factor 1	Factor 2
TMMSC2	Existence of general HRM	0.855	
TMMSC3	Existence of special strategic TM for talented employees	0.710	
TMMSC4	Existence of a strategy for employee engagement, learning & contribution	0.644	
TMSP6	Existence of knowledge creation & change	0.624	
TMMSC1	Existence of TM as a critical driver	0.570	
TMSP3	Existence of appropriate compensation & incentives	0.510	
TMSP5	Existence of development through mentoring & coaching	0.502	
TMSP7	Existence of meaningful workforce relationships		0.849
TMMSC5	Existence of a culture based on transparency & information acquisition		0.553
TMSP1	Existence of a talent pool		0.526
TMSP2	Existence of skills' development opportunities		0.511
TMMSC6	Existence of high ethical standards		0.506
TMSP4	Existence of comprehensive performance management		0.497
Eigenvalues		3.501	2.629
Percentage of Variance explained		26.933%	20.223%
KMO Measure of Sampling Adequecy		0.871	
Bartlett's Test of Sphericity		0.000	

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Rotation converged in 3 iterations.

*Factor loadings less than 0.50 are not shown and variables are sorted by highest loading

And, based on an in-depth understanding and exploration of the Organization Leadership Mind-set, Strategy and Culture of Talent Management (TMMSC), and, Specific Talent Management Practices (TMSP) literature, the labels selected to represent the two factors are as follows:

Factor 1 Existence of a Comprehensive TM Strategy and Practices.

Factor 2 Existence of a Culture for TM.

4.3.2 Factor Analysis on the Organizational Outcomes (HOO, HFO, HHO)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.846
Bartlett's Test of Sphericity	Approx. Chi-Square	416.334
	df	45
	Sig.	.000

The KMO for the Organizational Outcomes (HOO, HFO, HHO) is 0.846 which is greater than 0.50 and the Bartlett's Test of Sphericity is 0.000 which is less than 0.05 so it is significant. Based on the results of the tests it is satisfactory to proceed with the factor analysis on the Organizational Outcomes (HOO, HFO, HHO).

In order to summarize most of the original information of the variance in a minimum number of factors, principal component analysis was performed on the Organizational Outcomes (HOO, HFO, HHO).

The communalities of the variables for the Organizational Outcomes (HOO, HFO, HHO) are shown in the table below. All communalities have a value greater than 0.50 therefore none of the variables are removed from the factor analysis.

Communalities

	Initial	Extraction
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	1.000	.641
HOO2 - Being Proactive in Addressing Change	1.000	.720
HOO3 - Having mgt. practices that contribute to creativity & innovation	1.000	.651
HFO1 - Having High Employee Turnover	1.000	.851
HFO2 - Having an Increase In ROE	1.000	.529
HFO3 - Having High Customer Relations & Satisfaction	1.000	.538
HFO4 - Having Employee Motivation for High Productivity	1.000	.632
HFO5 - Having Reduced Training Costs Due to Good Succession Planning	1.000	.586
HHO1- Having High Employee Loyalty & Morale	1.000	.632
HHO2 - Being a Talent Magnet	1.000	.583

Extraction Method: Principal Component Analysis.

Since factor loadings of 0.50 and above are considered significant and based on the rotated component matrix table shown below the three significant factor structures of HOO, HFO and HHO are identified.

Rotated Component Matrix (a)

	Component		
	1	2	3
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	.339	.719	.094
HOO2 - Being Proactive in Addressing Change	.211	.737	.363
HOO3 - Having mgt. practices that contribute to creativity & innovation	.132	.790	-.096
HFO1 - Having High Employee Turnover	-.058	-.053	-.919
HFO2 - Having an Increase In ROE	.266	.587	-.120
HFO3 - Having High Customer Relations & Satisfaction	.570	.174	.428
HFO4 - Having Employee Motivation for High Productivity	.738	.273	.110
HFO5 - Having Reduced Training Costs Due to Good Succession Planning	.726	-.016	.244
HHO1- Having High Employee Loyalty & Morale	.759	.216	.097
HHO2 - Being a Talent Magnet	.648	.396	-.080

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a Rotation converged in 5 iterations.

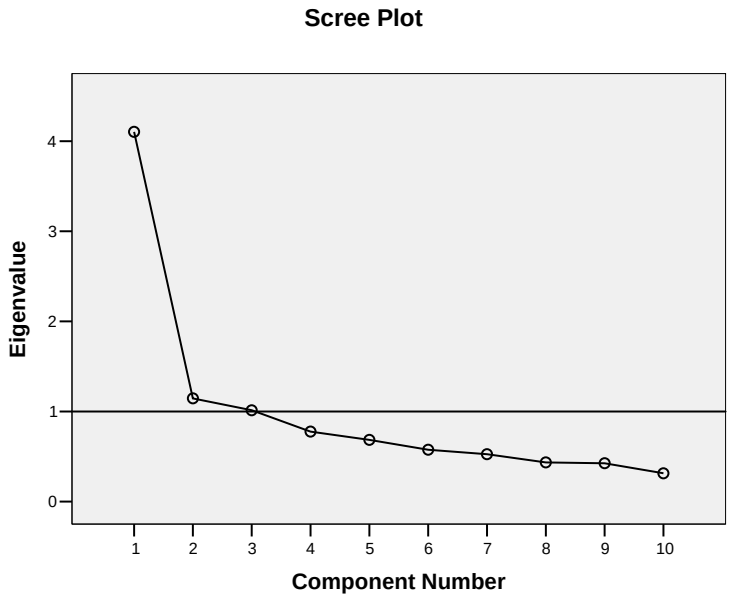
By referring to the "Total Variance Explained" table shown below and based on the latent root criterion with a cutoff value of 1.0, three factors are extracted for the Organizational Outcomes (HOO, HFO, HHO) and explain 62.63% of the variation in the data.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.104	41.036	41.036	4.104	41.036	41.036	2.917	29.173	29.173
2	1.146	11.456	52.492	1.146	11.456	52.492	2.067	20.668	49.841
3	1.014	10.137	62.629	1.014	10.137	62.629	1.279	12.788	62.629
4	.776	7.763	70.392						
5	.685	6.851	77.243						
6	.575	5.755	82.997						
7	.526	5.259	88.256						
8	.435	4.350	92.606						
9	.425	4.255	96.860						
10	.314	3.140	100.000						

Extraction Method: Principal Component Analysis.

The scree analysis shown below indicates also that three factors be retained because of the low eigenvalue for the fourth factor.



In the Varimax-rotated factor solution shown in the table below all of the variables are presented because all have significant loadings (above 0.50). The variables are sorted by their loadings on each factor so that the variables with high loadings are

evident. Factor 1 has five variables with significant loadings, factor 2 has four and factor 3 has one with a negative sign.

Varimax-Rotated Component Analysis Matrix for the Organizational Outcomes (HOO, HFO, HHO)

Item #	Label	Factor 1	Factor 2	Factor 3
HHO1	Having High Employee Loyalty & Morale	0.759		
HFO4	Having Employee Motivation for High Productivity	0.738		
HFO5	Having Reduced Training Costs Due to Good Succession Planning	0.726		
HHO2	Being a Talent Magnet	0.648		
HFO3	Having High Customer Relations & Satisfaction	0.570		
HOO3	Having mgt. practices that contribute to creativity & innovation		0.790	
HOO2	Being Proactive in Addressing Change		0.737	
HOO1	Having the Right Kinds of Talent Over the Next 5 Years		0.719	
HFO2	Having an Increase In ROE		0.587	
HFO1	Having High Employee Turnover			-0.919
Eigenvalues		2.917	2.067	1.279
Percentage of Variance explained		29.173 %	20.668 %	12.788 %
KMO Measure of Sampling Adequecy			0.846	
Bartlett's Test of Sphericity			0.000	

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Rotation converged in 3 iterations.

And, based on an in-depth understanding and exploration of the literature of the Organizational Outcomes, the labels selected to represent the three factors are as follows:

Factor 1 TM Producing Highly Motivated and Productive Employees and Satisfied Customers.

Factor 2 TM Producing Creative, Innovative and Proactive Organization

Factor 3 Low Employee Turnover Accompanying TM

4.4 REGRESSION ANALYSIS

In order to determine the most parsimonious set of predictors that are most effective in explaining the dependent variable, and due to our large number of independent variables, multiple regression with stepwise method was used. Multiple regression analysis is a statistical technique that can be used to analyze the relationship between a single dependent variable and a set of independent variables, state Hair, et al. (2006, p. 188).

Stepwise is the method of selecting variables for inclusion in the regression model, where the independent variables are entered according to their statistical contribution in explaining the variance in the dependent variable. The independent variables are added as long as their partial correlation coefficients are statistically significant. Noting that the independent variables will be dropped if their predictive power drops to a non-significant level as another independent variable is added to the model.

By using the statistical criterion of maximizing the R^2 of the included variables, variables are added to the regression equation one at a time. The analysis stops when none of the possible additions can make a statistically significant improvement in R^2.

Only the variables that make a statistically significant addition to the analysis will be added to the regression equation, therefore, the set of the independent variables which are selected for inclusion have a statistically significant relationship with the dependent variable.

Although multicollinearity is examined it is known that once a variable is included in the stepwise analysis it will not have a collinear relationship, only the variables which are not included in the analysis will face that problem.

In the current study multiple regression will be performed first, with all the independent variables (TMMSC1, TMMSC2, TMMSC3, TMMSC4, TMMSC5, TMMSC6 and, TMSP1, TMSP2, TMSP3, TMSP4, TMSP5, TMSP6, TMSP7) together on each of the dependent variables (HOO1, HOO2, HOO3, HFO1, HFO2, HFO3, HFO4, HFO5, HHO1, HHO2). And this to have a general view concerning the predictor factors.

Then, multiple regression will be performed with Set 1 of independent variables (TMMSC1, TMMSC2, TMMSC3, TMMSC4, TMMSC5, TMMSC6) on each of the dependent variables (HOO1, HOO2, HOO3, HFO1, HFO2, HFO3, HFO4, HFO5, HHO1, HHO2).

Lastly, multiple regression will be performed with Set 2 of independent variables (TMSP1, TMSP2, TMSP3, TMSP4, TMSP5, TMSP6, TMSP7) on each of the dependent variables (HOO1, HOO2, HOO3, HFO1, HFO2, HFO3, HFO4, HFO5, HHO1, HHO2).

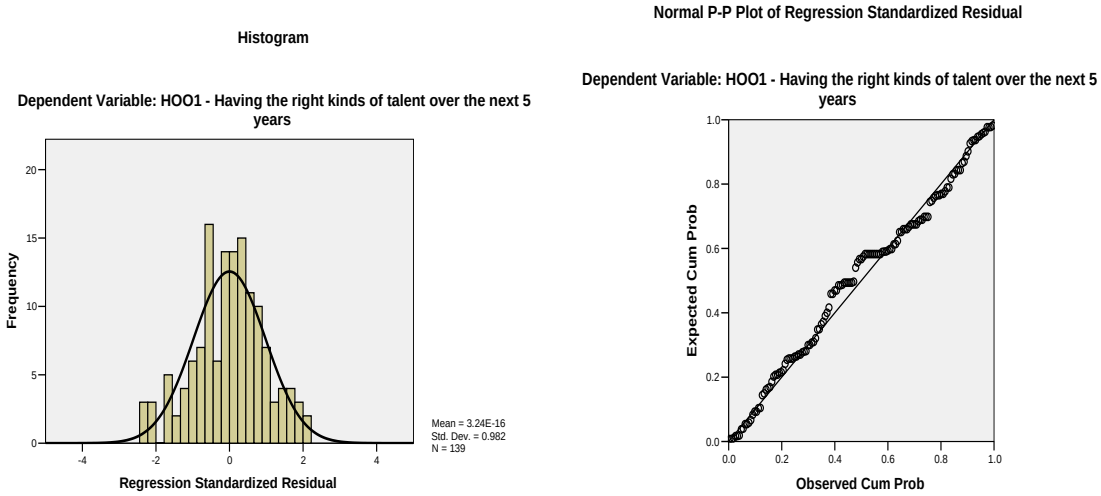
The starting point in multiple regression is the testing of the assumption of Normality of the Error Term Distribution. The simplest diagnostic method is a histogram of residuals with a visual check for a distribution approximating the normal distribution. Another method is the use of Normal Probability Plot which compares the standardized residuals with the normal distribution. If a distribution is normal, the residual line closely follows the diagonal line of the normal distribution (Hair, et al. 2006, p. 208).

Then, checking the ANOVA table will show how significantly the regression model predicts the outcome variable.

The value of the coefficient indicates the change in the dependent value each time the independent variable changes by one unit.

4.4.1 All Independent Variables Regressed Against Each of the Dependent Variables

4.4.1.1 All the Independent Variables Regressed against HOO1, Having the Right Kinds of Talent Over the Next 5 Years.



The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(f)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.478(a)	.228	.222	.718
2	.554(b)	.307	.297	.683
3	.582(c)	.338	.324	.669
4	.601(d)	.361	.342	.660
5	.617(e)	.380	.357	.653

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMSP6
c Predictors: (Constant), TMMSC3, TMSP6, TMSP7
d Predictors: (Constant), TMMSC3, TMSP6, TMSP7, TMSP2
e Predictors: (Constant), TMMSC3, TMSP6, TMSP7, TMSP2, TMMSC1
f Dependent Variable: HOO1 - Having the Right Kinds of Talent Over the Next 5 Years

In regression Model 1, 22.8% of the total variance in Having the Right Kinds of Talent Over the Next 5 Years is explained by the existence of special strategic TM for talented employees (TMMSC3).

In Model 2, existence of knowledge creation & change (TMSP6) is added leading to an increase in the total variance explained from 22.8% to 30.7%.

In Model 3, existence of meaningful workforce relationships (TMSP7) is added leading to an increase in the total variance explained from 30.7% to 33.8%.

In Model 4, existence of skills' development opportunities (TMSP2) is added leading to an increase in the total variance explained from 33.8% to 36.1%.

In Model 5, existence of TM as a critical driver (TMMSC1) is added leading to an increase in the total variance explained from 36.1% to 38.0%.

Regression Model 5 includes the best subset of independent variables (TMMSC3, TMSP6, TMSP7, TMSP2, TMMSC1) explaining 38.0% of the total variance in Having the Right Kinds of Talent Over the Next 5 Years (HOO1).

ANOVA(f)

Model		Sum of Squares	df	Mean Square	F	Sig.
5	Regression	34.769	5	6.954	16.324	.000(e)
	Residual	56.656	133	.426		
	Total	91.424	138			

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMSP6
c Predictors: (Constant), TMMSC3, TMSP6, TMSP7
d Predictors: (Constant), TMMSC3, TMSP6, TMSP7, TMSP2
e Predictors: (Constant), TMMSC3, TMSP6, TMSP7, TMSP2, TMMSC1
f Dependent Variable: HOO1 - Having the Right Kinds of Talent Over the Next 5 Years

The probability of the F statistic (16.324) for the regression Model 5 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables and the dependent variable, that is, the regression Model 5 is statistically significant in predicting the dependent variable HOO1.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
5	(Constant)	.550	.367		1.499	.136
	TMMSC3 - Existence of special strategic TM for talented employees	.203	.068	.241	2.983	.003
	TMSP6 - Existence of knowledge creation & change	.186	.077	.199	2.428	.017
	TMSP7 - Existence of meaningful workforce relationships	.133	.070	.137	1.895	.046
	TMSP2 - Existence of skills' development opportunities	.160	.068	.172	2.335	.021
	TMMSC1 - Existence of TM as a critical driver	.146	.072	.165	2.022	.045

a Dependent Variable: HOO1 - Having the Right Kinds of Talent Over the Next 5 Years

Based on the t-value for TMMSC1 (2.022) with a p-value (0.045), t-value for TMSP2 (2.335) with a p-value (0.021), t-value for TMSP7 (1.895) with a p-value (0.046), t-value for TMSP6 (2.428) with a p-value (0.017) and t-value for TMMSC3 (2.983) with a p-value (0.003). And, since the significance of the t-values is less than 0.05 and as all the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC1 and HOO1, TMSP2 and HOO1, TMSP7 and HOO1, TMSP6 and HOO1, and TMMSC3 and HOO1 respectively.

By looking to the B column under Unstandardized Coefficients, the regression equation is derived and represented as:

HOO1 = 0.550 + 0.203(TMMSC3) + 0.186(TMSP6) + 0.133(TMSP7) + 0.160(TMSP2) + 0.146(TMMSC1)

Where HOO1 represents Having the Right Kinds of Talent Over the Next 5 Years.

TMMSC3 represents Existence of special strategic TM for talented employees.

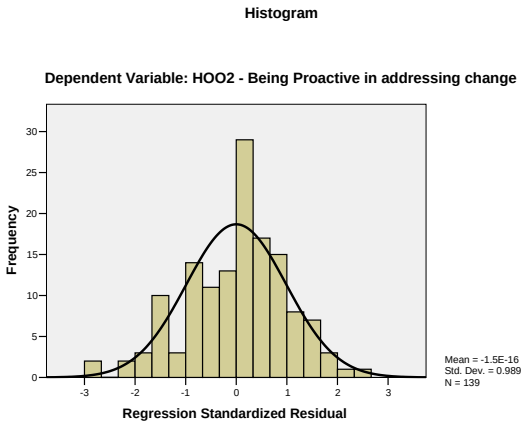
TMSP6 represents Existence of knowledge creation & change.

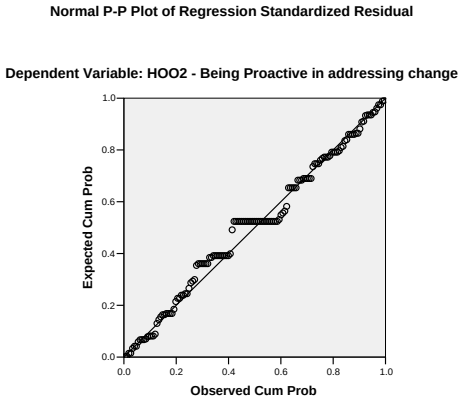
TMSP7 represents Existence of meaningful workforce relationships.

TMSP2 represents Existence of skills' development opportunities.

TMMSC1 represents Existence of TM as a critical driver.

4.4.1.2 All the Independent Variables Regressed against HOO2, Being Proactive in Addressing Change.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.527(a)	.277	.272	.761
2	.609(b)	.371	.362	.712
3	.648(c)	.420	.407	.687

a Predictors: (Constant), TMMSC1
b Predictors: (Constant), TMMSC1, TMSP6
c Predictors: (Constant), TMMSC1, TMSP6, TMSP3
d Dependent Variable: HOO2 - Being Proactive in Addressing Change

In regression Model 1, 27.7% of the total variance in Being Proactive in Addressing Change is explained by Existence of TM as a critical driver (TMMSC1).

In Model 2, existence of knowledge creation & change (TMSP6) is added leading to an increase in the total variance explained from 27.7% to 37.1%.

In Model 3, Existence of appropriate compensation & incentives (TMSP3) is added leading to an increase in the total variance explained from 37.1% to 42.0%.

Regression Model 3 includes the best subset of independent variables (TMMSC1, TMSP6, TMSP3) explaining 42.0% of the total variance in Being Proactive in Addressing Change (HOO2).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	46.076	3	15.359	32.560	.000(c)
	Residual	63.680	135	.472		
	Total	109.755	138			

a Predictors: (Constant), TMMSC1
b Predictors: (Constant), TMMSC1, TMSP6
c Predictors: (Constant), TMMSC1, TMSP6, TMSP3
d Dependent Variable: HOO2 - Being Proactive in Addressing Change

The probability of the F statistic (32.560) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HOO2.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	.699	.321		2.176	.031
	TMMSC1 - Existence of TM as a critical driver	.286	.075	.294	3.818	.000
	TMSP6 - Existence of knowledge creation & change	.299	.077	.293	3.857	.000
	TMSP3 - Existence of appropriate compensation & incentives	.230	.068	.245	3.362	.001

a Dependent Variable: HOO2 - Being Proactive in Addressing Change

Based on the t-value for TMMSC1 (3.818) with a p-value (0.000), t-value for TMSP6 (3.857) with a p-value (0.000), t-value for TMSP3 (3.362) with a p-value (0.001). And, since the significance of the t-values is less than 0.05 and as all the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC1 and HOO2, TMSP6 and HOO2, TMSP3 and HOO2 respectively.

By looking to the B column under Unstandardized Coefficients, the regression equation is derived and represented as:

HOO2= 0.699 + 0.286(TMMSC1) + 0.299(TMSP6) + 0.230(TMSP3)

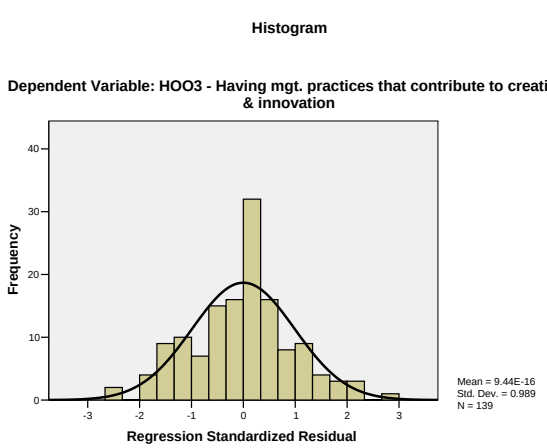
Where HOO2 represents Being Proactive in Addressing Change

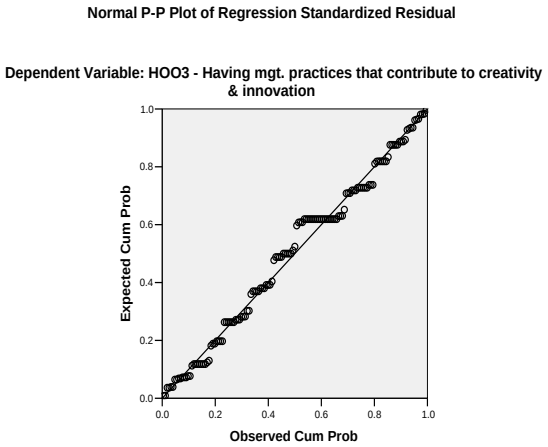
TMMSC1 represents Existence of TM as a critical driver.

TMSP6 represents Existence of knowledge creation & change.

TMSP3 represents Existence of appropriate compensation & incentives.

4.4.1.3 All the Independent Variables Regressed against HOO3, Having Management Practices that Contribute to Creativity & Innovation.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.425(a)	.181	.175	.719
2	.507(b)	.257	.246	.687
3	.543(c)	.294	.279	.672

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP3
Predictors: (Constant), TMSP6, TMSP3, TMMSC2
d Dependent Variable: HOO3

In regression Model 1, 18.1% of the total variance in Having Management Practices that Contribute to Creativity & Innovation is explained by Existence of knowledge creation & change (TMSP6).

In Model 2, Existence of appropriate compensation & incentives (TMSP3) is added leading to an increase in the total variance explained from 18.1% to 25.7%.

In Model 3, Existence of general HRM (TMMSC2) is added leading to an increase in the total variance explained from 25.7% to 29.4%.

Regression Model 3 includes the best subset of independent variables (TMSP6, TMSP3, TMMSC2) explaining 29.4% of the total variance in Having Management Practices that Contribute to Creativity & Innovation (HOO3).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	25.449	3	8.483	18.780	.000(c)
	Residual	60.982	135	.452		
	Total	86.432	138			

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP3
c Predictors: (Constant), TMSP6, TMSP3, TMMSC2
d Dependent Variable: HOO3 - Having mgt. practices that contribute to creativity & innovation

The probability of the F statistic (18.780) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HOO3.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	1.347	.316		4.263	.000
	TMSP6 - Existence of knowledge creation & change	.224	.074	.247	3.007	.003
	TMSP3 - Existence of appropriate compensation & incentives	.204	.066	.244	3.067	.003
	TMMSC2 - Existence of general HRM	.185	.069	.219	2.672	.008

a Dependent Variable: HOO3 - Having mgt. practices that contribute to creativity & innovation

Based on the t-value for TMSP6 (3.007) with a p-value (0.003), t-value for TMSP3 (3.067) with a p-value (0.003), t-value for TMMSC2 (2.672) with a p-value (0.008). And, since the significance of the t-values is less than 0.05 and as all the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP6 and HOO3, TMSP3 and HOO3, TMMSC2 and HOO3 respectively.

By looking to the B column under Unstandardized Coefficients, the regression equation is derived and represented as:

HOO3 = 1.347 + 0.224(TMSP6) + 0.204(TMSP3) + 0.185(TMMSC2)

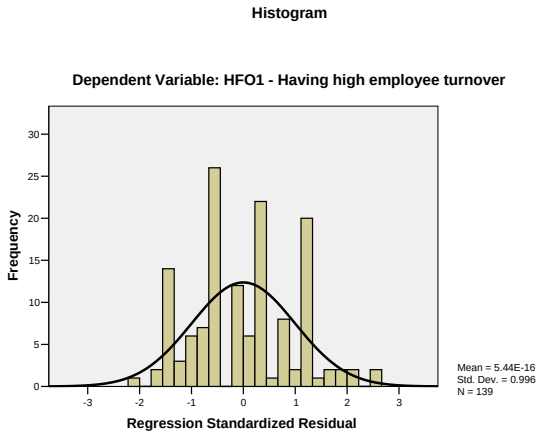
Where HOO3 represents Having Management Practices that Contribute to Creativity & Innovation.

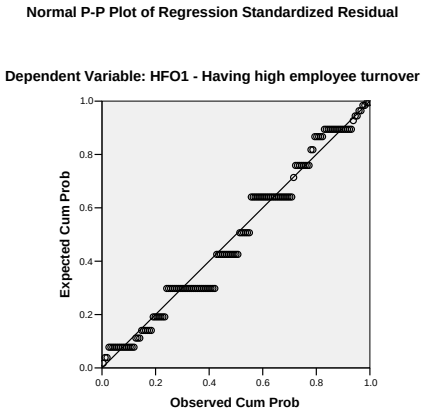
TMSP6 represents Existence of knowledge creation & change.

TMSP3 represents Existence of appropriate compensation & incentives.

TMMSC2 represents Existence of general HRM.

4.4.1.4 All the Independent Variables Regressed against HFO1, Having High Employee Turnover.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.301(a)	.091	.084	1.123

a Predictors: (Constant), TMSP5
b Dependent Variable: HFO1 - Having High Employee Turnover

In regression Model 1, 9.1% of the total variance in Having High Employee Turnover is explained by Existence of development through mentoring & coaching (TMSP5).

Regression Model 1 includes the best independent variable (TMSP5) explaining 9.1% of the total variance in Having High Employee Turnover (HFO1).

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.244	1	17.244	13.674	.000(a)
	Residual	172.770	137	1.261		
	Total	190.014	138			

a Predictors: (Constant), TMSP5 - Existence of development through mentoring & coaching
b Dependent Variable: HFO1 - Having High Employee Turnover

The probability of the F statistic (13.674) for the regression Model 1 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best independent variable and the dependent variable, that is, the regression Model 1 is statistically significant in predicting the dependent variable HFO1.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.137	.416		9.949	.000
	TMSP5 - Existence of development through mentoring & coaching	-.385	.104	-.301	-3.698	.000

a Dependent Variable: HFO1 - Having High Employee Turnover

Based on the t-value for TMSP5 (-3.698) with a p-value (0.003) and, since the significance of the t-value is less than 0.05 and as the coefficient has a negative value, we conclude that there is a statistically significant negative linear relationship between TMSP5 and HFO1.

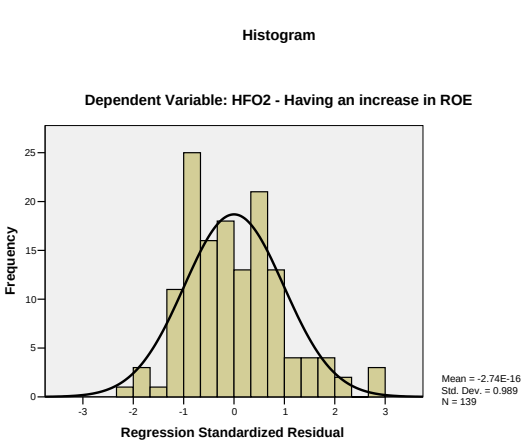
The regression equation is represented as:

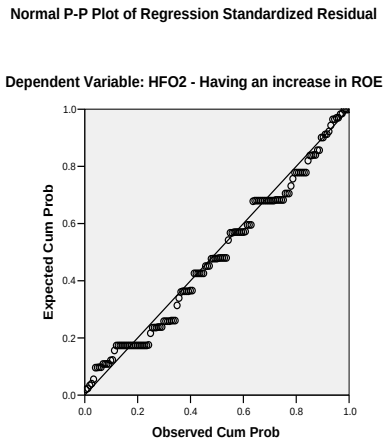
HFO1 = 4.137 - 0.385(TMSP5)

Where HFO1 represents Having High Employee Turnover.

TMSP5 represents Existence of development through mentoring & coaching

4.4.1.5 All the Independent Variables Regressed against HFO2, Having an Increase In ROE





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.372(a)	.138	.132	.747
2	.451(b)	.204	.192	.721
3	.482(c)	.232	.215	.710

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP1
c Predictors: (Constant), TMSP6, TMSP1, TMMSC2
d Dependent Variable: HFO2 - Having an Increase In ROE

In regression Model 1, 13.8% of the total variance in Having an Increase In ROE is explained by Existence of knowledge creation & change (TMSP6).

In Model 2, Existence of a talent pool (TMSP1) is added leading to an increase in the total variance explained from 13.8% to 20.4%.

In Model 3, Existence of general HRM (TMMSC2) is added leading to an increase in the total variance explained from 20.4% to 23.2%.

Regression Model 3 includes the best subset of independent variables (TMSP6, TMSP1, TMMSC2) explaining 23.2% of the total variance in Having an Increase In ROE (HFO2).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	20.560	3	6.853	13.585	.000(c)
	Residual	68.102	135	.504		
	Total	88.662	138			

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP1
c Predictors: (Constant), TMSP6, TMSP1, TMMSC2
d Dependent Variable: HFO2 - Having an Increase In ROE

The probability of the F statistic (13.585) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HFO2.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	1.346	.339		3.971	.000
	TMSP6 - Existence of knowledge creation & change	.207	.078	.226	2.665	.009
	TMSP1 - Existence of a talent pool	.212	.073	.232	2.890	.004
	TMMSC2 - Existence of general HRM	.161	.072	.189	2.228	.028

a Dependent Variable: HFO2 - Having an Increase In ROE

Based on the t-value for TMSP6 (2.665) with a p-value (0.009), t-value for TMSP1 (2.890) with a p-value (0.004), t-value for TMMSC2 (2.228) with a p-value (0.028), and, since the significance of the t-values is less than 0.05 and as the coefficient has a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP6 and HFO2, TMSP1 and HFO2, TMMSC2 and HFO2 .

The regression equation is represented as:

HFO2 = 1.346 + 0.207(TMSP6) + 0.212(TMSP1) + 0.161(TMMSC2)

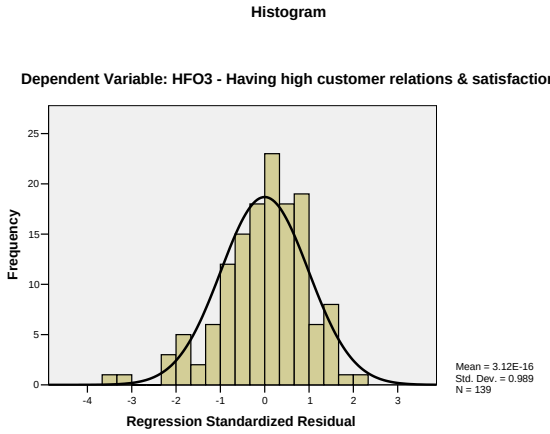
Where HFO2 represents Having an Increase In ROE.

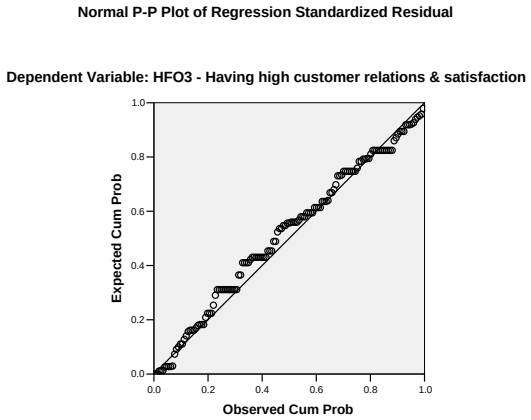
TMSP6 represents Existence of knowledge creation & change.

TMSP1 represents Existence of a talent pool.

TMMSC2 represents Existence of general HRM.

4.4.1.6 All the Independent Variables Regressed against HFO3, Having High Customer Relations & Satisfaction.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.493(a)	.243	.238	.757
2	.573(b)	.329	.319	.716
3	.600(c)	.360	.346	.702

a Predictors: (Constant), TMSP4
b Predictors: (Constant), TMSP4, TMMSC5
c Predictors: (Constant), TMSP4, TMMSC5, TMSP3
d Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction

In regression Model 1, 24.3% of the total variance in Having High Customer Relations & Satisfaction is explained by Existence of comprehensive performance management (TMSP4).

In Model 2, Existence of a culture based on transparency & information acquisition (TMMSC5) is added leading to an increase in the total variance explained from 24.3% to 32.9%.

In Model 3, Existence of appropriate compensation & incentives (TMSP3) is added leading to an increase in the total variance explained from 32.9% to 36.0%.

Regression Model 3 includes the best subset of independent variables (TMSP4, TMMSC5, TMSP3) explaining 36.0% of the total variance in Having High Customer Relations & Satisfaction (HFO3).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	37.360	3	12.453	25.283	.000(c)
	Residual	66.496	135	.493		
	Total	103.856	138			

a Predictors: (Constant), TMSP4
b Predictors: (Constant), TMSP4, TMMSC5
c Predictors: (Constant), TMSP4, TMMSC5, TMSP3
d Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction

The probability of the F statistic (25.283) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HFO3.

Coefficients(a)

Model		Unstandardized Coefficients	Standardized Coefficients		t	Sig.
		B	Std. Error	Beta		
3	(Constant)	1.404	.326		4.303	.000
	TMSP4 - Existence of comprehensive performance management	.326	.071	.348	4.563	.000
	TMMSC5 - Existence of a culture based on transparency & information acquisition	.223	.070	.240	3.191	.002
	TMSP3 - Existence of appropriate compensation & incentives	.187	.073	.205	2.557	.012

a Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction

Based on the t-value for TMSP4 (4.563) with a p-value (0.000), t-value for TMMSC5 (3.191) with a p-value (0.002), t-value for TMSP3 (2.557) with a p-value (0.012), and, since the significance of the t-values is less than 0.05 and as the coefficient has a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP4 and HFO3, TMMSC5 and HFO3, TMSP3 and HFO3 .

By looking to the B column under Unstandardized Coefficients, the regression equation is derived and represented as:

HFO3 = 1.404 + 0.326(TMSP4) + 0. 223(TMMSC5) + 0.187(TMSP3)

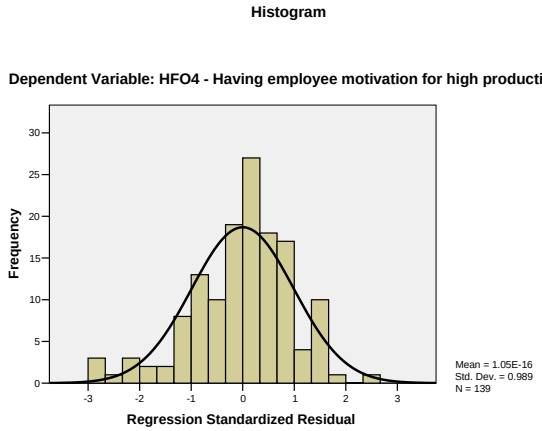
Where HFO3 represents Having High Customer Relations & Satisfaction.

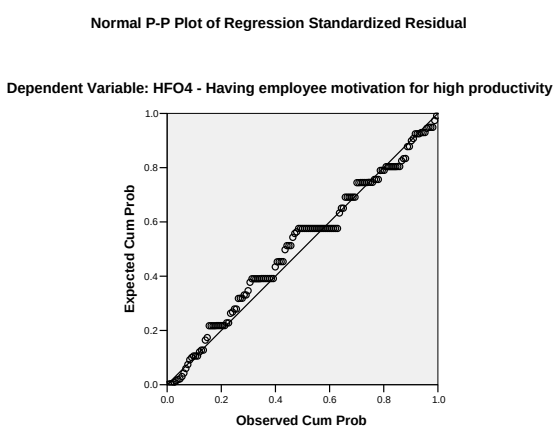
TMSP4 represents Existence of comprehensive performance management.

TMMSC5 represents Existence of a culture based on transparency & information acquisition.

TMSP3 represents Existence of appropriate compensation & incentives.

4.4.1.7 All the Independent Variables Regressed against HFO4, Having Employee Motivation for High Productivity .





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.541(a)	.293	.288	.764
2	.622(b)	.387	.378	.714
3	.652(c)	.425	.413	.694

a Predictors: (Constant), TMSP3
b Predictors: (Constant), TMSP3, TMMSC4
c Predictors: (Constant), TMSP3, TMMSC4, TMSP4
d Dependent Variable: HFO4 - Having Employee Motivation for High Productivity

In regression Model 1, 29.3% of the total variance in Having Employee Motivation for High Productivity is explained by Existence of appropriate compensation & incentives (TMSP3).

In Model 2, Existence of a strategy for employee engagement, learning & contribution (TMMSC4) is added leading to an increase in the total variance explained from 29.3% to 38.7%.

In Model 3, Existence of comprehensive performance management (TMSP4) is added leading to an increase in the total variance explained from 38.7% to 42.5%.

Regression Model 3 includes the best subset of independent variables (TMSP3, TMMSC4, TMSP4) explaining 42.5% of the total variance in Having Employee Motivation for High Productivity (HFO4).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	48.121	3	16.040	33.300	.000(c)
	Residual	65.030	135	.482		
	Total	113.151	138			

a Predictors: (Constant), TMSP3
b Predictors: (Constant), TMSP3, TMMSC4
c Predictors: (Constant), TMSP3, TMMSC4, TMSP4
d Dependent Variable: HFO4 - Having Employee Motivation for High Productivity

The probability of the F statistic (33.300) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HFO4.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	.410	.344		1.193	.235
	TMSP3 - Existence of appropriate compensation & incentives	.326	.071	.342	4.575	.000
	TMMSC4 - Existence of a strategy for employee engagement, learning & contribution	.325	.080	.290	4.057	.000
	TMSP4 - Existence of comprehensive performance management	.214	.072	.218	2.986	.003

a Dependent Variable: HFO4 - Having Employee Motivation for High Productivity

Based on the t-value for TMSP3 (4.575) with a p-value (0.000), t-value for TMMSC4 (4.057) with a p-value (0.000), t-value for TMSP4 (2.986) with a p-value (0.003), and, since the significance of the t-values is less than 0.05 and as the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP3 and HFO4, TMMSC4 and HFO4, TMSP4 and HFO4 .

By looking to the B column under Unstandardized Coefficients, the regression equation is derived and represented as:

HFO4 = 0.410 + 0.326(TMSP3) + 0.325(TMMSC4) + 0.214(TMSP4)

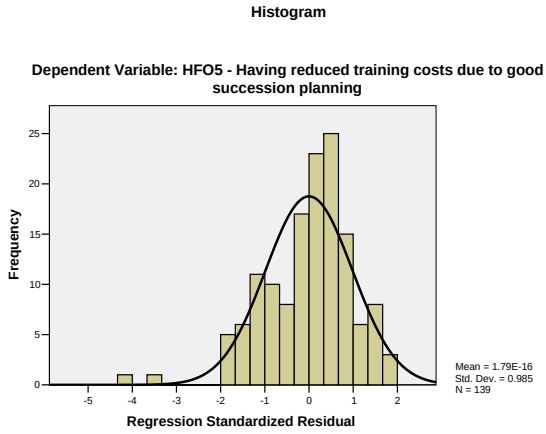
Where HFO4 represents Having Employee Motivation for High Productivity .

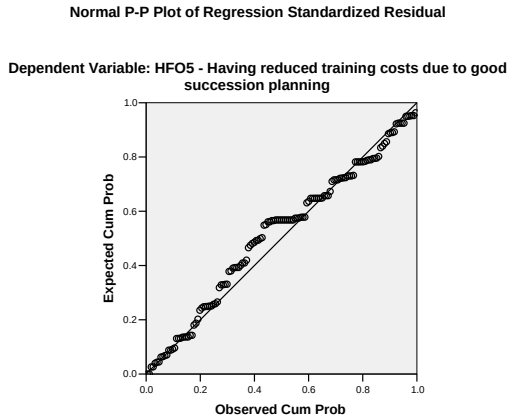
TMSP3 represents Existence of appropriate compensation & incentives.

TMMSC4 represents Existence of a strategy for employee engagement, learning & contribution.

TMSP4 represents Existence of comprehensive performance management.

4.4.1.8 All the Independent Variables Regressed against HFO5, Having Reduced Training Costs Due to Good Succession Planning.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(e)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.459(a)	.210	.205	.841
2	.516(b)	.267	.256	.814
3	.544(c)	.296	.280	.800
4	.565(d)	.319	.299	.790

a Predictors: (Constant), TMSP4
b Predictors: (Constant), TMSP4, TMMSC3
c Predictors: (Constant), TMSP4, TMMSC3, TMSP2
d Predictors: (Constant), TMSP4, TMMSC3, TMSP2, TMMSC5
e Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning

In regression Model 1, 21.0% of the total variance in Having Reduced Training Costs Due to Good Succession Planning is explained by Existence of comprehensive performance management (TMSP4).

In Model 2, Existence of special strategic TM for talented employees (TMMSC3) is added leading to an increase in the total variance explained from 21.0% to 26.7%.

In Model 3, Existence of skills' development opportunities (TMSP2) is added leading to an increase in the total variance explained from 26.7% to 29.6%.

In Model 4, Existence of a culture based on transparency & information acquisition (TMMSC5) is added leading to an increase in the total variance explained from 29.8% to 31.9%.

Regression Model 4 includes the best subset of independent variables (TMSP4, TMMSC3, TMSP2, TMMSC5) explaining 31.9% of the total variance in Having Reduced Training Costs Due to Good Succession Planning (HFO5).

ANOVA(e)

Model		Sum of Squares	df	Mean Square	F	Sig.
4	Regression	39.185	4	9.796	15.701	.000(d)
	Residual	83.607	134	.624		
	Total	122.791	138			

a Predictors: (Constant), TMSP4
b Predictors: (Constant), TMSP4, TMMSC3
c Predictors: (Constant), TMSP4, TMMSC3, TMSP2
d Predictors: (Constant), TMSP4, TMMSC3, TMSP2, TMMSC5
e Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning

The probability of the F statistic (15.701) for the regression Model 4 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HFO5.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
4	(Constant)	.543	.405		1.341	.182
	TMSP4 - Existence of comprehensive performance management	.316	.080	.310	3.953	.000
	TMMSC3 - Existence of special strategic TM for talented employees	.165	.078	.169	2.119	.036
	TMSP2 - Existence of skills' development opportunities	.185	.083	.173	2.242	.027
	TMMSC5 - Existence of a culture based on transparency & information acquisition	.164	.077	.163	2.133	.035

a Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning

Based on the t-value for TMSP4 (3.953) with a p-value (0.000), t-value for TMMSC3 (2.119) with a p-value (0.036), t-value for TMSP2 (2.242) with a p-value (0.027), t-value for TMMSC5 (2.133) with a p-value (0.035),and, since the significance of the t-values is less than 0.05 and as the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP4 and HFO5, TMMSC3 and HFO5, TMSP2 and HFO5, TMMSC5 and HFO5 .

The regression equation is represented as:

HFO5 = 0.543 + 0.316(TMSP4) + 0.165(TMMSC3) + 0.185(TMSP2) + 0.164(TMMSC5)

Where HFO5 represents Having Reduced Training Costs Due to Good Succession Planning.

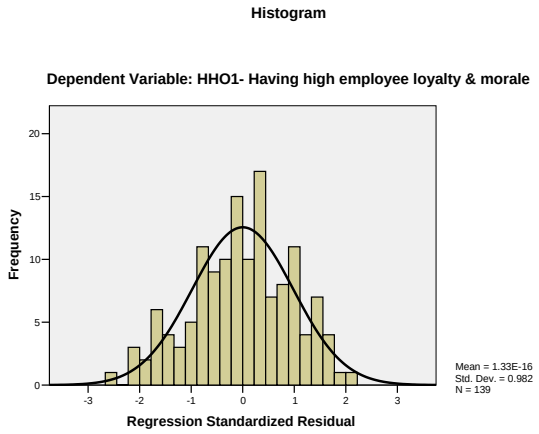
TMSP4 represents Existence of comprehensive performance management.

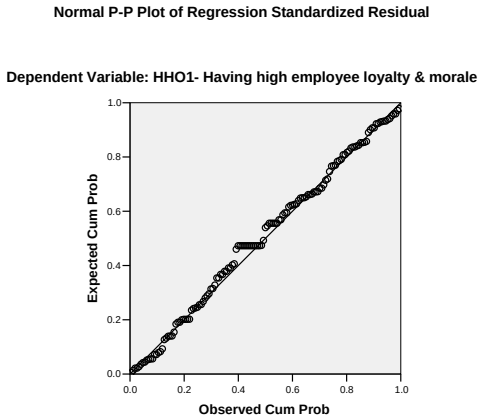
TMMSC3 represents Existence of special strategic TM for talented employees.

TMSP2 represents Existence of skills' development opportunities.

TMMSC5 represents Existence of a culture based on transparency & information acquisition.

4.4.1.9 All the Independent Variables Regressed against HHO1, Having High Employee Loyalty & Morale.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(f)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.538(a)	.290	.284	.724
2	.620(b)	.384	.375	.677
3	.650(c)	.422	.409	.658
4	.667(d)	.445	.428	.647
5	.679(e)	.461	.441	.640

a Predictors: (Constant), TMSP5
b Predictors: (Constant), TMSP5, TMMSC3
c Predictors: (Constant), TMSP5, TMMSC3, TMMSC1
d Predictors: (Constant), TMSP5, TMMSC3, TMMSC1, TMSP4
e Predictors: (Constant), TMSP5, TMMSC3, TMMSC1, TMSP4, TMMSC5
f Dependent Variable: HHO1- Having High Employee Loyalty & Morale

In regression Model 1, 29.0% of the total variance in Having High Employee Loyalty & Morale is explained by Existence of development through mentoring & coaching (TMSP5).

In Model 2, Existence of special strategic TM for talented employees (TMMSC3) is added leading to an increase in the total variance explained from 29.0% to 38.4%.

In Model 3, Existence of TM as a critical driver (TMMSC1) is added leading to an increase in the total variance explained from 38.4% to 42.2%.

In Model 4, Existence of comprehensive performance management (TMSP4) is added leading to an increase in the total variance explained from 42.2% to 44.5%.

In Model 5, Existence of a culture based on transparency & information acquisition (TMMSC5) is added leading to an increase in the total variance explained from 44.5% to 46.1%.

Regression Model 5 includes the best subset of independent variables (TMSP5, TMMSC3, TMMSC1, TMSP4, TMMSC5) explaining 46.1% of the total variance in Having High Employee Loyalty & Morale (HHO1).

ANOVA(f)

Model		Sum of Squares	df	Mean Square	F	Sig.
5	Regression	46.673	5	9.335	22.771	.000(e)
	Residual	54.522	133	.410		
	Total	101.194	138			

a Predictors: (Constant), TMSP5
b Predictors: (Constant), TMSP5, TMMSC3-
c Predictors: (Constant), TMSP5, TMMSC3, TMMSC1
d Predictors: (Constant), TMSP5, TMMSC3, TMMSC1, TMSP4
e Predictors: (Constant), TMSP5, TMMSC3, TMMSC1, TMSP4, TMMSC5
f Dependent Variable: HHO1- Having High Employee Loyalty & Morale

The probability of the F statistic (22.771) for the regression Model 5 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables and the dependent variable, that is, the regression Model 5 is statistically significant in predicting the dependent variable HHO1.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
5	(Constant)	.515	.320		1.609	.110
	TMSP5 - Existence of development through mentoring & coaching	.242	.073	.259	3.310	.001
	TMMSC3 - Existence of special strategic TM for talented employees	.196	.067	.221	2.937	.004
	TMMSC1 - Existence of TM as a critical driver	.154	.069	.165	2.224	.028
	TMSP4 - Existence of comprehensive performance management	.156	.068	.169	2.301	.023
	TMMSC5 - Existence of a culture based on transparency & information acquisition	.134	.067	.146	2.010	.046

a Dependent Variable: HHO1- Having High Employee Loyalty & Morale

Based on the t-value for TMSP5 (3.310) with a p-value (0.001), t-value for TMMSC3 (2.937) with a p-value (0.004), t-value for TMMSC1 (2.224) with a p-value (0.028), t-value for TMSP4 (2.301) with a p-value (0.023), t-value for TMMSC5 (2.010) with a p-value (0.046),and, since the significance of the t-values is less than 0.05 and as the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP5 and HHO1, TMMSC3 and HHO1, TMMSC1 and HHO1, TMSP4 and HHO1, and TMMSC5 and HHO1.

By looking to the B column under Unstandardized Coefficients, the regression equation is derived and represented as:

HHO1 = 0.515 + 0.242(TMSP5) + 0.196(TMMSC3) + 0.154(TMMSC1) + 0.156(TMSP4) + 0.134(TMMSC5)

Where HHO1 represents Having High Employee Loyalty & Morale.

TMSP5 represents Existence of development through mentoring & coaching.

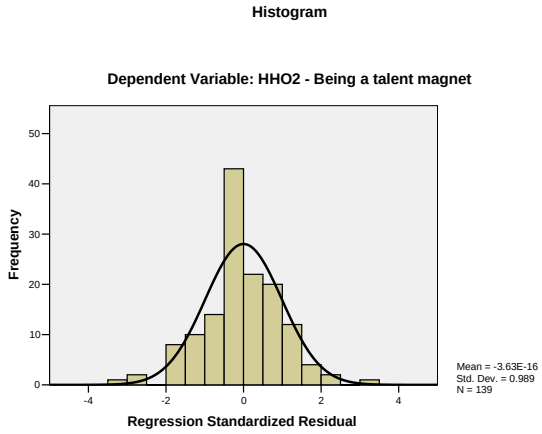
TMMSC3 represents Existence of special strategic TM for talented employees.

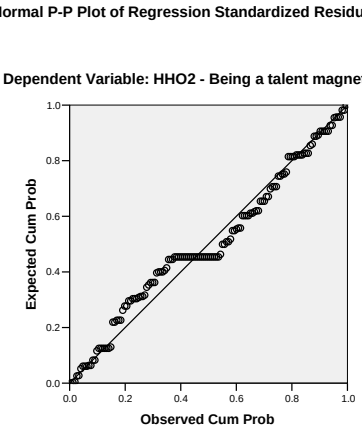
TMMSC1 represents Existence of TM as a critical driver.

TMSP4 represents Existence of comprehensive performance management.

TMMSC5 represents Existence of a culture based on transparency & information acquisition.

4.4.1.10 All the Independent Variables Regressed against HHO2, Being a Talent Magnet.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.673(a)	.453	.449	.782
2	.726(b)	.527	.520	.730
3	.755(c)	.570	.561	.698

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMSP4
c Predictors: (Constant), TMMSC3, TMSP4, TMSP1
d Dependent Variable: HHO2 - Being a Talent Magnet

In regression Model 1, 45.3% of the total variance in Being a Talent Magnet is explained by Existence of special strategic TM for talented employees (TMMSC3).

In Model 2, Existence of comprehensive performance management (TMSP4) is added leading to an increase in the total variance explained from 45.3% to 52.7%.

In Model 3, Existence of a talent pool (TMSP1) is added leading to an increase in the total variance explained from 52.7% to 57.0%.

Regression Model 3 includes the best subset of independent variables (TMMSC3, TMSP4, TMSP1) explaining 42.5% of the total variance in Being a Talent Magnet (HHO2).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	87.460	3	29.153	59.768	.000(c)
	Residual	65.849	135	.488		
	Total	153.309	138			

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMSP4
c Predictors: (Constant), TMMSC3, TMSP4, TMSP1
d Dependent Variable: HHO2 - Being a Talent Magnet

The probability of the F statistic (59.768) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HHO2.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	-.303	.316		-.958	.340
	TMMSC3 - Existence of special strategic TM for talented employees	.556	.068	.510	8.150	.000
	TMSP4 - Existence of comprehensive performance management	.262	.071	.230	3.711	.000
	TMSP1 - Existence of a talent pool	.278	.076	.232	3.685	.000

a Dependent Variable: HHO2 - Being a Talent Magnet

Based on the t-value for TMMSC3 (8.150) with a p-value (0.000), t-value for TMSP4 (3.711) with a p-value (0.000), t-value for TMSP1 (3.685) with a p-value (0.000),

and, since the significance of the t-values is less than 0.05 and as the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC3 and HHO2, TMSP4 and HHO2, TMSP1 and HHO2.

By looking to the B column under Unstandardized Coefficients, the regression equation is derived and represented as:

HHO2 = -0.303 + 0.556(TMMSC3) + 0.262(TMSP4) + 0.278(TMSP1)

Where HHO2 represents Being a Talent Magnet.

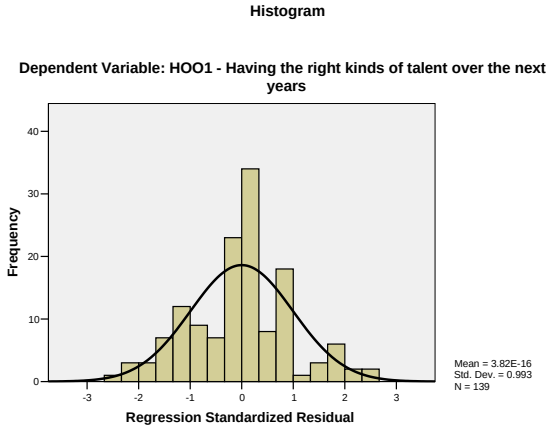
TMMSC3 represents Existence of special strategic TM for talented employees.

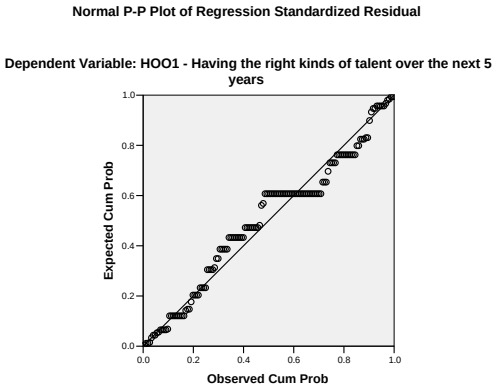
TMSP4 represents Existence of comprehensive performance management.

TMSP1 represents Existence of a talent pool.

4.4.2 Set 1 of Independent Variables Regressed Against Each of the Dependent Variables

4.4.2.1 Set 1 of Independent Variables Regressed against HOO1, Having the Right Kinds of Talent Over the Next 5 Years.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(c)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.478(a)	.228	.222	.718
2	.535(b)	.286	.276	.693

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMMSC1
c Dependent Variable: HOO1 - Having the Right Kinds of Talent Over the Next 5 Years

In regression Model 1, 22.8% of the total variance in Having the Right Kinds of Talent Over the Next 5 Years is explained by Existence of special strategic TM for talented employees (TMMSC3).

In Model 2, Existence of TM as a critical driver (TMMSC1) is added leading to an increase in the total variance explained from 22.8% to 28.6%.

Regression Model 2 includes the best subset of independent variables (TMMSC3, TMMSC1) explaining 28.6% of the total variance in Having the Right Kinds of Talent Over the Next 5 Years (HOO1).

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	26.158	2	13.079	27.254	.000(b)
	Residual	65.266	136	.480		
	Total	91.424	138			

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMMSC1
c Dependent Variable: HOO1 - Having the Right Kinds of Talent Over the Next 5 Years

The probability of the F statistic (27.254) for the regression Model 2 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 2 is statistically significant in predicting the dependent variable HOO1.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	1.641	.282		5.827	.000
	TMMSC3 - Existence of special strategic TM for talented employees	.306	.068	.363	4.526	.000
	TMMSC1 - Existence of TM as a critical driver	.237	.071	.267	3.326	.001

a Dependent Variable: HOO1 - Having the Right Kinds of Talent Over the Next 5 Years

Since the significance of the t-values for all the variables are lower than 0.05 and since all the coefficients have a positive value, we conclude that there is a statistically

significant positive linear relationship between TMMSC3 and HOO1, and TMMSC1 and HOO1.

The regression equation is represented as:

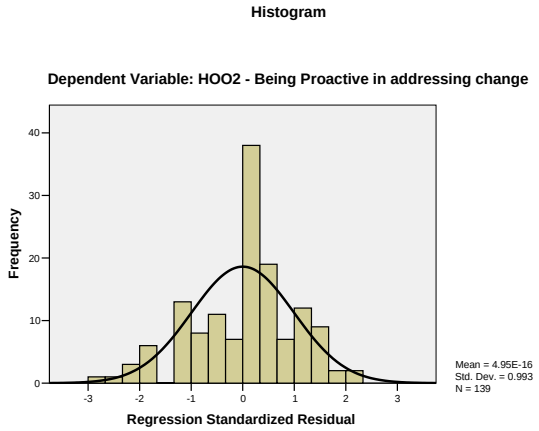
HOO1 = 1.641 + 0.306(TMMSC3) + 0.237(TMMSC1)

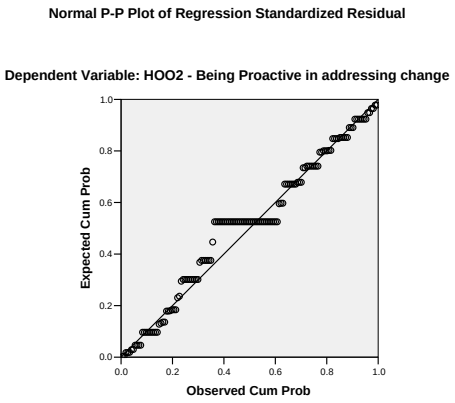
Where HOO1 represents Having the Right Kinds of Talent Over the Next 5 Years.

TMMSC3 represents Existence of special strategic TM for talented employees.

TMMSC1 represents Existence of TM as a critical driver.

4.4.2.2 Set 1 of Independent Variables Regressed against HOO2, Being Proactive in Addressing Change.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(c)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.527(a)	.277	.272	.761
2	.578(b)	.334	.324	.733

a Predictors: (Constant), TMMSC1
b Predictors: (Constant), TMMSC1, TMMSC4
c Dependent Variable: HOO2 - Being Proactive in Addressing Change

In regression Model 1, 27.7% of the total variance in Being Proactive in Addressing Change is explained by Existence of TM as a critical driver (TMMSC1).

In Model 2, Existence of a strategy for employee engagement, learning & contribution (TMMSC4) is added leading to an increase in the total variance explained from 27.7% to 33.4%.

Regression Model 2 includes the best subset of independent variables (TMMSC1, TMMSC4) explaining 33.4% of the total variance in Being Proactive in Addressing Change (HOO2).

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	36.656	2	18.328	34.099	.000(b)
	Residual	73.099	136	.537		
	Total	109.755	138			

a Predictors: (Constant), TMMSC1
b Predictors: (Constant), TMMSC1, TMMSC4
c Dependent Variable: HOO2 - Being Proactive in Addressing Change

The probability of the F statistic (34.099) for the regression Model 2 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 2 is statistically significant in predicting the dependent variable HOO2.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	1.127	.346		3.257	.001
	TMMSC1 - Existence of TM as a critical driver	.428	.072	.440	5.906	.000
	TMMSC4 - Existence of a strategy for employee engagement, learning & contribution	.279	.082	.254	3.404	.001

a Dependent Variable: HOO2 - Being Proactive in Addressing Change

Since the significance of the t-values for all the variables are lower than 0.05 and since all the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC1 and HOO2, and TMMSC4 and HOO2.

The regression equation is represented as:

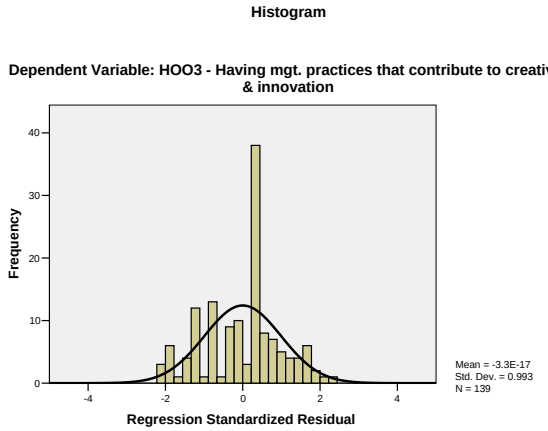
HOO2 = 1.127 + 0.428(TMMSC1) + 0.279(TMMSC4)

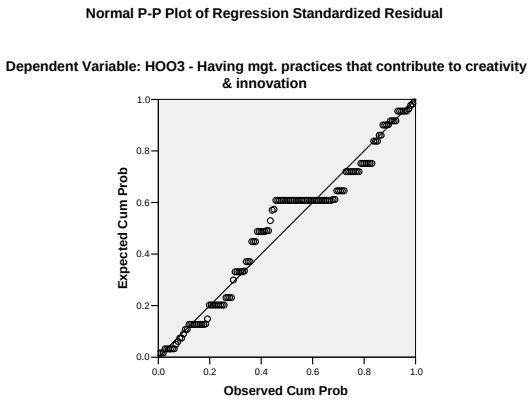
Where HOO2 represents Being Proactive in Addressing Change.

TMMSC1 represents Existence of TM as a critical driver.

TMMSC4 represents Existence of a strategy for employee engagement, learning & contribution.

4.4.2.3 Set 1 of Independent Variables Regressed Against HOO3, Having Management Practices that Contribute to Creativity & Innovation.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(c)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.408(a)	.167	.161	.725
2	.463(b)	.214	.203	.707

a Predictors: (Constant), TMMSC2
b Predictors: (Constant), TMMSC2, TMMSC6
c Dependent Variable: HOO3 - Having mgt. practices that contribute to creativity & innovation

In regression Model 1, 16.7% of the total variance in Having Management Practices that Contribute to Creativity & Innovation is explained by Existence of general HRM (TMMSC2).

In Model 2, Existence of high ethical standards (TMMSC6) is added leading to an increase in the total variance explained from 16.7% to 21.4%.

Regression Model 2 includes the best subset of independent variables (TMMSC2, TMMSC6) explaining 21.4% of the total variance in Having Management Practices that Contribute to Creativity & Innovation (HOO3).

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	18.506	2	9.253	18.526	.000(b)
	Residual	67.926	136	.499		
	Total	86.432	138			

a Predictors: (Constant), TMMSC2
b Predictors: (Constant), TMMSC2, TMMSC6-
c Dependent Variable: HOO3 - Having mgt. practices that contribute to creativity & innovation

The probability of the F statistic (18.526) for the regression Model 2 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 2 is statistically significant in predicting the dependent variable HOO3.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	1.794	.325		5.516	.000
	TMMSC2 - Existence of general HRM	.286	.067	.339	4.242	.000
	TMMSC6 - Existence of high ethical standards	.217	.076	.228	2.861	.005

a Dependent Variable: HOO3 - Having mgt. practices that contribute to creativity & innovation

Since the significance of the t-values for all the variables are lower than 0.05 and since all the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC2 and HOO3, and TMMSC6 and HOO3.

The regression equation is represented as:

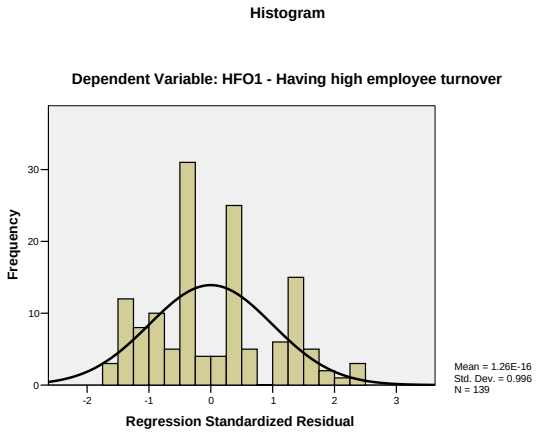
HOO3 = 1.794 + 0.286(TMMSC2) + 0.217(TMMSC6)

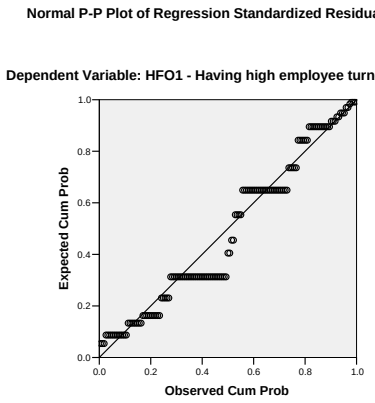
Where HOO3 represents Having Management Practices that Contribute to Creativity & Innovation.

TMMSC2 represents Existence of general HRM.

TMMSC6 Existence of high ethical standards.

4.4.2.4 Set 1 of Independent Variables Regressed Against HFO1, Having High Employee Turnover.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.222(a)	.049	.043	1.148

a Predictors: (Constant), TMMSC1
b Dependent Variable: HFO1 - Having High Employee Turnover

In regression Model 1, 4.9% of the total variance in Having High Employee Turnover is explained by Existence of TM as a critical driver (TMMSC1).

Regression Model 1 includes the best independent variable (TMMSC1) explaining 4.9% of the total variance in Having High Employee Turnover (HFO1).

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.400	1	9.400	7.130	.008(a)
	Residual	180.615	137	1.318		
	Total	190.014	138			

a Predictors: (Constant), TMMSC1
b Dependent Variable: HFO1 - Having High Employee Turnover

The probability of the F statistic (7.130) for the regression Model 1 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 1 is statistically significant in predicting the dependent variable HFO1.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.699	.408		9.061	.000
	TMMSC1 - Existence of TM as a critical driver	-.285	.107	-.222	-2.670	.008

a Dependent Variable: HFO1 - Having High Employee Turnover

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a negative value, we conclude that there is a statistically significant negative linear relationship between TMMSC1 and HFO1.

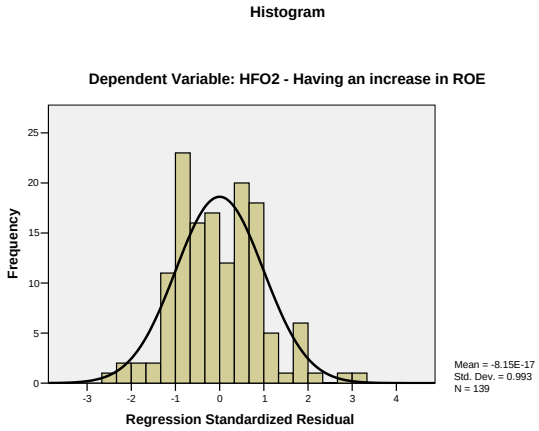
The regression equation is represented as:

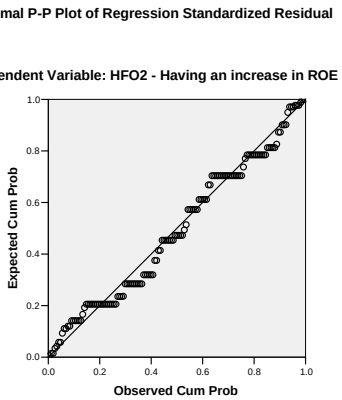
HFO1 = 3.699 - 0.285(TMMSC1)

Where HFO1 represents Having High Employee Turnover.

TMMSC1 represents Existence of TM as a critical driver.

4.4.2.5 Set 1 of Independent Variables Regressed Against HFO2, Having an Increase In ROE.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(c)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.350(a)	.123	.116	.753
2	.409(b)	.168	.155	.737

a Predictors: (Constant), TMMSC2
b Predictors: (Constant), TMMSC2, TMMSC5
c Dependent Variable: HFO2 - Having an Increase In ROE

In regression Model 1, 12.3% of the total variance in Having an Increase In ROE is explained by Existence of general HRM (TMMSC2).

In Model 2, Existence of a culture based on transparency & information acquisition (TMMSC5) is added leading to an increase in the total variance explained from 12.3% to 16.8%.

Regression Model 2 includes the best subset of independent variables (TMMSC2, TMMSC5) explaining 16.8% of the total variance in Having an Increase In ROE (HFO2).

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	14.852	2	7.426	13.683	.000(b)
	Residual	73.809	136	.543		
	Total	88.662	138			

a Predictors: (Constant), TMMSC2
b Predictors: (Constant), TMMSC2, TMMSC5
c Dependent Variable: HFO2 - Having an Increase In ROE

The probability of the F statistic (13.683) for the regression Model 2 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 1 is statistically significant in predicting the dependent variable HFO2.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	1.824	.325		5.606	.000
	TMMSC2 - Existence of general HRM	.260	.069	.304	3.788	.000
	TMMSC5 - Existence of a culture based on transparency & information acquisition	.186	.069	.217	2.702	.008

a Dependent Variable: HFO2 - Having an Increase In ROE

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC2 and HFO2 and TMMSC5 and HFO2.

The regression equation is represented as:

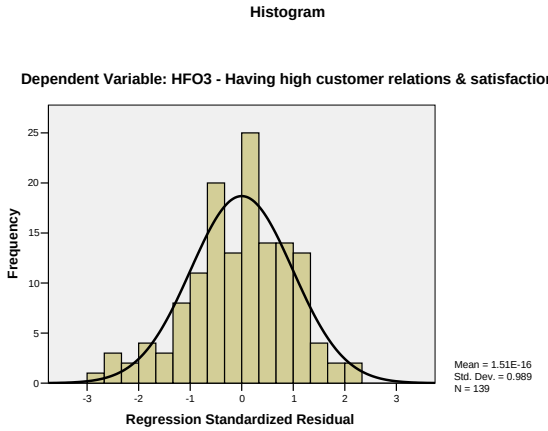
HFO2 = 1.824 + 0.260(TMMSC2) + 0.186(TMMSC5)

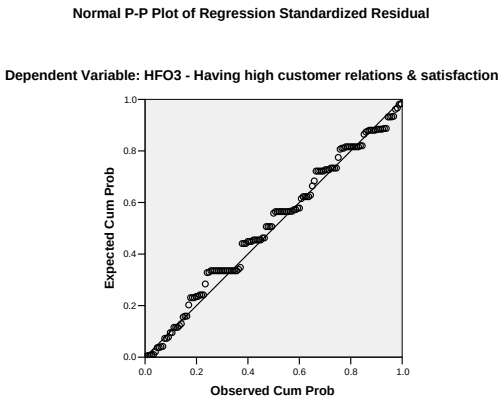
Where HFO2 represents Having an Increase In ROE.

TMMSC2 represents Existence of general HRM.

TMMSC5 represents Existence of a culture based on transparency & information acquisition.

4.4.2.6 Set 1 of Independent Variables Regressed Against HFO3, Having High Customer Relations & Satisfaction.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.407(a)	.165	.159	.795
2	.474(b)	.225	.213	.769
3	.510(c)	.260	.244	.754

a Predictors: (Constant), TMMSC5
b Predictors: (Constant), TMMSC5, TMMSC1
c Predictors: (Constant), TMMSC5, TMMSC1, TMMSC6
d Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction

In regression Model 1, 16.5% of the total variance in Having High Customer Relations & Satisfaction is explained by Existence of a culture based on transparency & information acquisition (TMMSC5).

In Model 2, Existence of TM as a critical driver (TMMSC1) is added leading to an increase in the total variance explained from 16.5% to 22.5%.

In Model 3, Existence of high ethical standards (TMMSC6) is added leading to an increase in the total variance explained from 22.5% to 26.0%.

Regression Model 3 includes the best subset of independent variables (TMMSC5, TMMSC6, TMMSC1) explaining 22.5% of the total variance in Having High Customer Relations & Satisfaction (HFO3).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	27.031	3	9.010	15.834	.000(c)
	Residual	76.825	135	.569		
	Total	103.856	138			

a Predictors: (Constant), TMMSC5
b Predictors: (Constant), TMMSC5, TMMSC1
c Predictors: (Constant), TMMSC5, TMMSC1, TMMSC6
d Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction

The probability of the F statistic (15.834) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HFO3.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	1.653	.379		4.363	.000
	TMMSC5 - Existence of a culture based on transparency & information acquisition	.235	.077	.253	3.061	.003
	TMMSC1 - Existence of TM as a critical driver	.223	.076	.236	2.923	.004
	TMMSC6 - Existence of high ethical standards	.209	.082	.200	2.544	.012

a Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC5 and HFO3, TMMSC1 and HFO3 and TMMSC6 and HFO3.

The regression equation is represented as:

HFO3 = 1.653 + 0.235(TMMSC5) + 0.223(TMMSC1) + 0.209(TMMSC6)

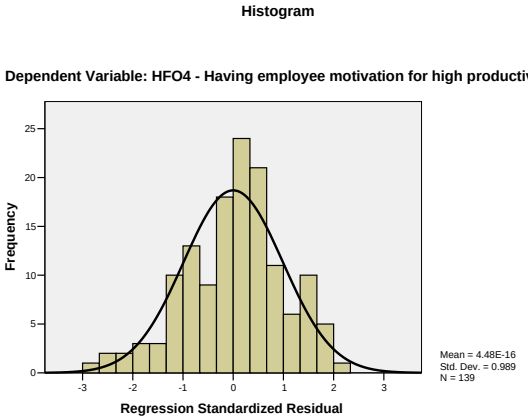
Where HFO3 represents Having High Customer Relations & Satisfaction.

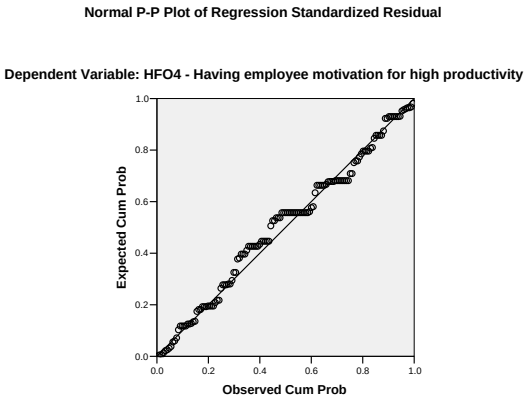
TMMSC5 represents Existence of a culture based on transparency & information acquisition.

TMMSC1 represents Existence of TM as a critical driver.

TMMSC6 represents Existence of high ethical standards.

4.4.2.7 Set 1 of Independent Variables Regressed Against HFO4, Having Employee Motivation for High Productivity .





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.487(a)	.237	.231	.794
2	.538(b)	.290	.279	.769
3	.571(c)	.327	.312	.751

a Predictors: (Constant), TMMSC4
b Predictors: (Constant), TMMSC4, TMMSC5
c Predictors: (Constant), TMMSC4, TMMSC5, TMMSC2
d Dependent Variable: HFO4 - Having Employee Motivation for High Productivity

In regression Model 1, 23.7% of the total variance in Having Employee Motivation for High Productivity is explained by Existence of a strategy for employee engagement, learning & contribution (TMMSC4).

In Model 2, Existence of a culture based on transparency & information acquisition (TMMSC5) is added leading to an increase in the total variance explained from 23.7% to 29.0%.

In Model 3, Existence of general HRM (TMMSC2) is added leading to an increase in the total variance explained from 29.0% to 32.7%.

Regression Model 3 includes the best subset of independent variables (TMMSC4, TMMSC5, TMMSC2) explaining 32.7% of the total variance in Having Employee Motivation for High Productivity **(HFO4)**

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	36.952	3	12.317	21.822	.000(c)
	Residual	76.199	135	.564		
	Total	113.151	138			

a Predictors: (Constant), TMMSC4
b Predictors: (Constant), TMMSC4, TMMSC5
c Predictors: (Constant), TMMSC4, TMMSC5, TMMSC2
d Dependent Variable: HFO4 - Having Employee Motivation for High Productivity

The probability of the F statistic (21.822) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HFO4.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	.849	.362		2.344	.021
	TMMSC4 - Existence of a strategy for employee engagement, learning & contribution	.305	.097	.273	3.145	.002
	TMMSC5 - Existence of a culture based on transparency & information acquisition	.246	.076	.254	3.222	.002
	TMMSC2 - Existence of general HRM	.209	.077	.216	2.715	.007

a Dependent Variable: HFO4 - Having Employee Motivation for High Productivity

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC4 and HFO4, TMMSC5 and HFO4 and TMMSC2 and HFO4.

The regression equation is represented as:

HFO4 = 0.849 + 0.305(TMMSC4) + 0.246(TMMSC5) + 0.209(TMMSC2)

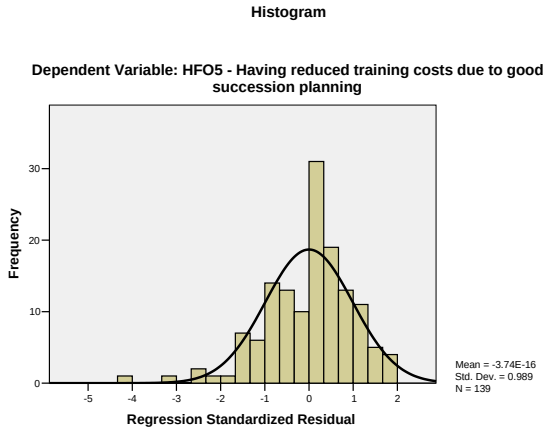
Where HFO4 represents Having Employee Motivation for High Productivity .

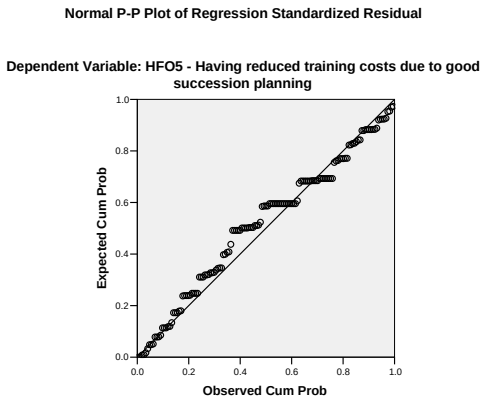
TMMSC4 represents Existence of a strategy for employee engagement, learning & contribution.

TMMSC5 represents Existence of a culture based on transparency & information acquisition.

TMMSC2 represents Existence of general HRM.

4.4.2.8 Set 1 of Independent Variables Regressed Against HFO5, Having Reduced Training Costs Due to Good Succession Planning.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.376(a)	.142	.135	.877
2	.435(b)	.190	.178	.855
3	.468(c)	.219	.201	.843

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMMSC5
c Predictors: (Constant), TMMSC3, TMMSC5, TMMSC2
d Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning

In regression Model 1, 14.2% of the total variance in Having Reduced Training Costs Due to Good Succession Planning is explained by Existence of special strategic TM for talented employees (TMMSC3).

In Model 2, Existence of a culture based on transparency & information acquisition (TMMSC5) is added leading to an increase in the total variance explained from 14.2% to 19.0%.

In Model 3, Existence of general HRM (TMMSC2) is added leading to an increase in the total variance explained from 19.0% to 21.9%.

Regression Model 3 includes the best subset of independent variables (TMMSC3, TMMSC5, TMMSC2) explaining 21.9% of the total variance in Having Employee Motivation for High Productivity (HFO5).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	26.855	3	8.952	12.597	.000(c)
	Residual	95.936	135	.711		
	Total	122.791	138			

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMMSC5
c Predictors: (Constant), TMMSC3, TMMSC5, TMMSC2
d Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning

The probability of the F statistic (12.597) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HFO5.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	1.314	.385		3.416	.001
	TMMSC3 - Existence of special strategic TM for talented employees	.198	.090	.203	2.203	.029
	TMMSC5 - Existence of a culture based on transparency & information acquisition	.221	.081	.219	2.729	.007
	TMMSC2 - Existence of general HRM	.202	.090	.200	2.241	.027

a Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC3 and HFO5, TMMSC5 and HFO5 and TMMSC2 and HFO5.

The regression equation is represented as:

HFO5 = 1.314 + 0.198(TMMSC3) + 0.221(TMMSC5) + 0.202(TMMSC2)

Where HFO5 represents Having Reduced Training Costs Due to Good Succession Planning.

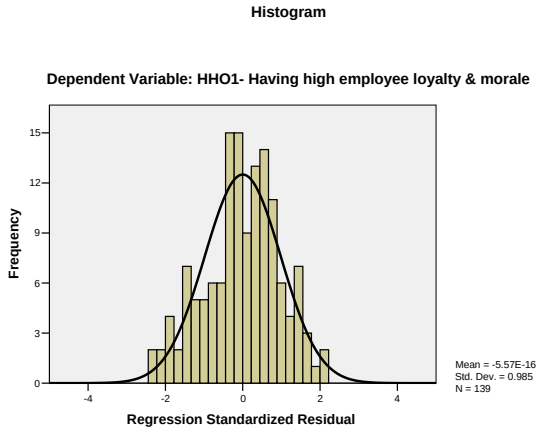
.

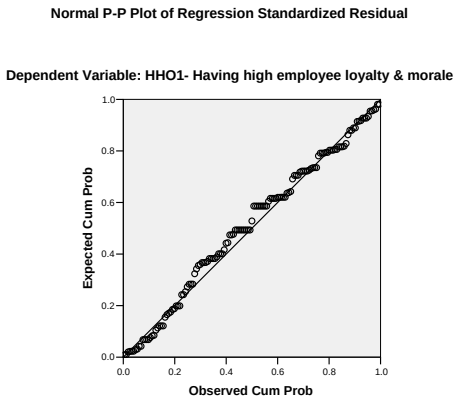
TMMSC3 represents Existence of special strategic TM for talented employees.

TMMSC5 represents Existence of a culture based on transparency & information acquisition.

TMMSC2 represents Existence of general HRM.

4.4.2.9 Set 1 of Independent Variables Regressed Against HHO1, Having High Employee Loyalty & Morale.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(e)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.501(a)	.251	.245	.744
2	.573(b)	.328	.318	.707
3	.603(c)	.363	.349	.691
4	.625(d)	.390	.372	.679

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMMSC5
c Predictors: (Constant), TMMSC3, TMMSC5, TMMSC1
d Predictors: (Constant), TMMSC3, TMMSC5, TMMSC1, TMMSC4
e Dependent Variable: HHO1- Having High Employee Loyalty & Morale

In regression Model 1, 25.1% of the total variance in Having High Employee Loyalty & Morale is explained by Existence of special strategic TM for talented employees (TMMSC3).

In Model 2, Existence of a culture based on transparency & information acquisition (TMMSC5) is added leading to an increase in the total variance explained from 25.1% to 32.8%.

In Model 3, Existence of TM as a critical driver (TMMSC1) is added leading to an increase in the total variance explained from 32.8% to 36.3%.

In Model 4, Existence of a strategy for employee engagement, learning & contribution (TMMSC4) is added leading to an increase in the total variance explained from 36.3% to 39.0%.

Regression Model 4 includes the best subset of independent variables (TMMSC3, TMMSC5, TMMSC1, TMMSC4) explaining 39.0% of the total variance in Having High Employee Loyalty & Morale (HHO1).

ANOVA(e)

Model		Sum of Squares	df	Mean Square	F	Sig.
4	Regression	39.470	4	9.867	21.422	.000(d)
	Residual	61.724	134	.461		
	Total	101.194	138			

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMMSC5
c Predictors: (Constant), TMMSC3, TMMSC5, TMMSC1
d Predictors: (Constant), TMMSC3, TMMSC5, TMMSC1, TMMSC4
e Dependent Variable: HHO1- Having High Employee Loyalty & Morale

The probability of the F statistic (21.422) for the regression Model 4 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 4 is statistically significant in predicting the dependent variable HHO1.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
4	(Constant)	.858	.334		2.570	.011
	TMMSC3 - Existence of special strategic TM for talented employees	.219	.074	.247	2.935	.004
	TMMSC5 - Existence of a culture based on transparency & information acquisition	.159	.072	.174	2.214	.029
	TMMSC1 - Existence of TM as a critical driver	.191	.073	.205	2.627	.010
	TMMSC4 - Existence of a strategy for employee engagement, learning & contribution	.220	.090	.208	2.435	.016

a Dependent Variable: HHO1- Having High Employee Loyalty & Morale

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC3 and HHO1, TMMSC5 and HHO1, TMMSC1 and HHO1, and TMMSC4 and HHO1.

The regression equation is represented as:

HHO1 = 0.858 + 0.219(TMMSC3) + 0.159(TMMSC5) + 0.191(TMMSC1) + 0.220(TMMSC4)

Where HHO1 represents Having High Employee Loyalty & Morale.

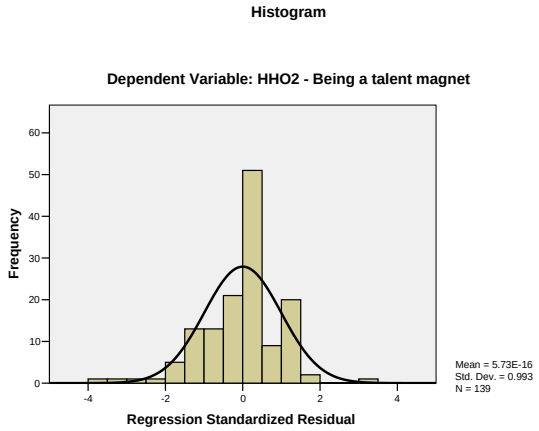
TMMSC3 represents Existence of special strategic TM for talented employees.

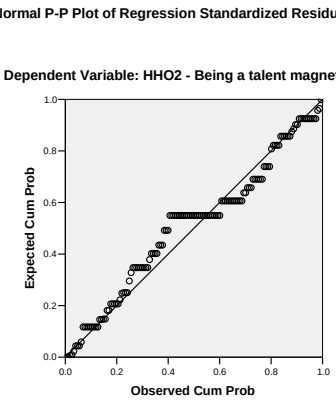
TMMSC5 represents Existence of a culture based on transparency & information acquisition.

TMMSC1 represents Existence of TM as a critical driver.

TMMSC4 represents Existence of a strategy for employee engagement, learning & contribution.

4.4.2.10 Set 1 of Independent Variables Regressed Against HHO2, Being a Talent Magnet.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(c)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.673(a)	.453	.449	.782
2	.698(b)	.487	.479	.761

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMMSC4
c Dependent Variable: HHO2 - Being a Talent Magnet

In regression Model 1, 45.3% of the total variance in Being a Talent Magnet is explained by Existence of special strategic TM for talented employees (TMMSC3).

In Model 2, Existence of a strategy for employee engagement, learning & contribution (TMMSC4) is added leading to an increase in the total variance explained from 45.3% to 48.7%.

Regression Model 2 includes the best subset of independent variables (TMMSC3, TMMSC4) explaining 48.7% of the total variance in Being a Talent Magnet (HHO2).

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	74.621	2	37.311	64.486	.000(b)
	Residual	78.688	136	.579		
	Total	153.309	138			

a Predictors: (Constant), TMMSC3
b Predictors: (Constant), TMMSC3, TMMSC4
c Dependent Variable: HHO2 - Being a Talent Magnet

The probability of the F statistic (64.486) for the regression Model 2 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 1) and the dependent variable, that is, the regression Model 2 is statistically significant in predicting the dependent variable HHO2.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	.345	.332		1.039	.301
	TMMSC3 - Existence of special strategic TM for talented employees	.607	.079	.556	7.649	.000
	TMMSC4 - Existence of a strategy for employee engagement, learning & contribution	.283	.095	.218	2.992	.003

a Dependent Variable: HHO2 - Being a Talent Magnet

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMMSC3 and HHO2 and TMMSC4 and HHO2.

The regression equation is represented as:

HHO2 = 0.345 + 0.607(TMMSC3) + 0.283(TMMSC4)

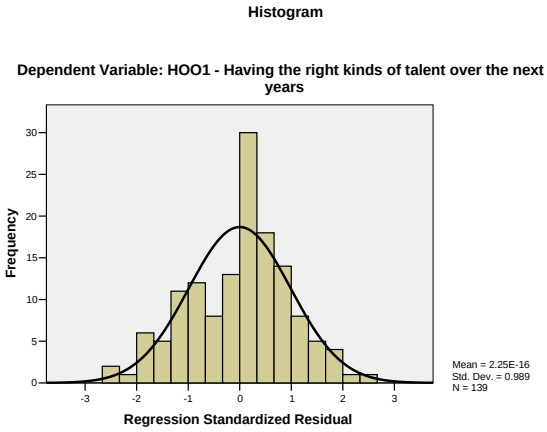
Where HHO2 represents Being a Talent Magnet.

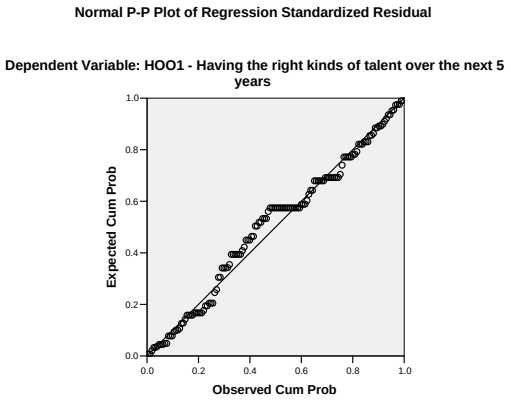
TMMSC3 represents Existence of special strategic TM for talented employees.

TMMSC4 represents Existence of a strategy for employee engagement, learning & contribution.

4.4.3 Set 2 of Independent Variables Regressed Against Each of the Dependent Variables

4.4.3.1 Set 2 of Independent Variables Regressed against HOO1, Having the Right Kinds of Talent Over the Next 5 Years.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.459(a)	.211	.205	.726
2	.527(b)	.277	.267	.697
3	.561(c)	.315	.299	.681

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP1
c Predictors: (Constant), TMSP6, TMSP1, TMSP2
d Dependent Variable: HOO1 - Having the Right Kinds of Talent Over the Next 5 Years

In regression Model 1, 21.1% of the total variance in Having the Right Kinds of Talent Over the Next 5 Years is explained by Existence of knowledge creation & change (TMSP6).

In Model 2, Existence of a talent pool (TMSP1) is added leading to an increase in the total variance explained from 21.1% to 27.7%.

In Model 3, Existence of skills' development opportunities (TMSP2) is added leading to an increase in the total variance explained from 27.7% to 31.5%.

Regression Model 3 includes the best subset of independent variables (TMSP6, TMSP1, TMSP2) explaining 31.5% of the total variance in Being a Talent Magnet (HOO1).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	28.756	3	9.585	20.648	.000(c)
	Residual	62.669	135	.464		
	Total	91.424	138			

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP1
c Predictors: (Constant), TMSP6, TMSP1, TMSP2
d Dependent Variable: HOO1 - Having the Right Kinds of Talent Over the Next 5 Years

The probability of the F statistic (20.648) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 2) and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HOO1.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	1.015	.343		2.959	.004
	TMSP6 - Existence of knowledge creation & change	.311	.071	.333	4.353	.000
	TMSP1 - Existence of a talent pool	.214	.070	.231	3.052	.003
	TMSP2 - Existence of skills' development opportunities	.190	.070	.205	2.703	.008

a Dependent Variable: HOO1 - Having the Right Kinds of Talent Over the Next 5 Years

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP6 and HOO1, TMSP1 and HOO1 and, TMSP2 and HOO1.

The regression equation is represented as:

HOO1 = 1.015 + 0.311(TMSP6) + 0.214(TMSP1) + 0.190(TMSP2)

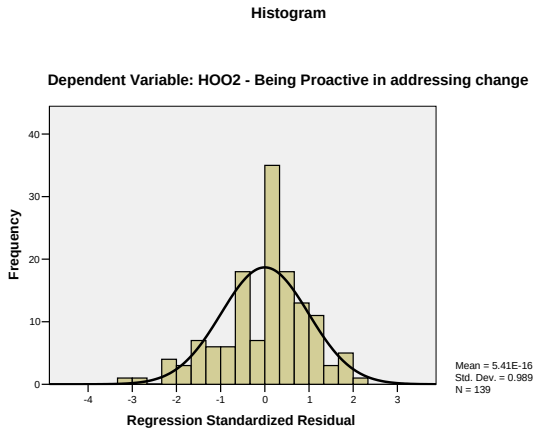
Where HOO1 represents Having the Right Kinds of Talent Over the Next 5 Years.

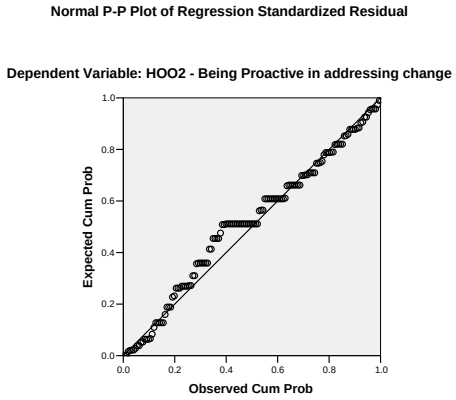
TMSP6 represents Existence of knowledge creation & change.

TMSP1 represents Existence of a talent pool.

TMSP2 represents Existence of skills' development opportunities.

4.4.3.2 Set 2 of Independent Variables Regressed against HOO2, Being Proactive in Addressing Change.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.517(a)	.267	.262	.766
2	.598(b)	.357	.348	.720
3	.619(c)	.384	.370	.708

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP3
c Predictors: (Constant), TMSP6, TMSP3, TMSP1
d Dependent Variable: HOO2 - Being Proactive in Addressing Change

In regression Model 1, 26.7% of the total variance in Being Proactive in Addressing Change is explained by Existence of knowledge creation & change (TMSP6).

In Model 2, Existence of appropriate compensation & incentives (TMSP3) is added leading to an increase in the total variance explained from 26.7% to 35.7%.

In Model 3, Existence of a talent pool (TMSP1) is added leading to an increase in the total variance explained from 35.7% to 38.4%.

Regression Model 3 includes the best subset of independent variables (TMSP6, TMSP3, TMSP1) explaining 38.4% of the total variance in Being Proactive in Addressing Change (HOO2).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	42.113	3	14.038	28.016	.000(c)
	Residual	67.643	135	.501		
	Total	109.755	138			

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP3
c Predictors: (Constant), TMSP6, TMSP3, TMSP1
d Dependent Variable: HOO2 - Being Proactive in Addressing Change

The probability of the F statistic (28.016) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 2) and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HOO2.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	.699	.350		1.999	.048
	TMSP6 - Existence of knowledge creation & change	.370	.076	.363	4.888	.000
	TMSP3 - Existence of appropriate compensation & incentives	.275	.069	.293	4.006	.000
	TMSP1 - Existence of a talent pool	.175	.073	.172	2.411	.017

a Dependent Variable: HOO2 - Being Proactive in Addressing Change

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically

significant positive linear relationship between TMSP6 and HOO2, TMSP3 and HOO2 and, TMSP1 and HOO2.

The regression equation is represented as:

$$HOO2 = 0.699 + 0.370(TMSP6) + 0.275(TMSP3) + 0.175(TMSP1)$$

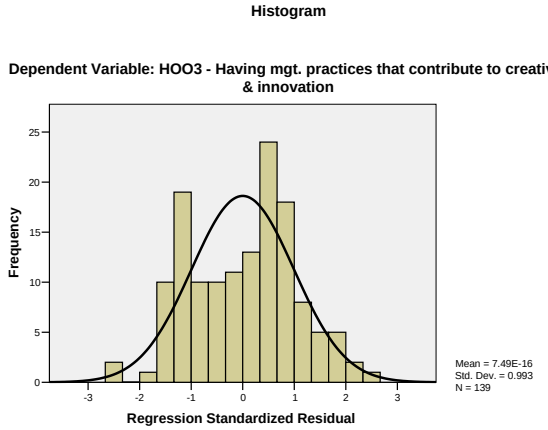
Where HOO2 represents Being Proactive in Addressing Change.

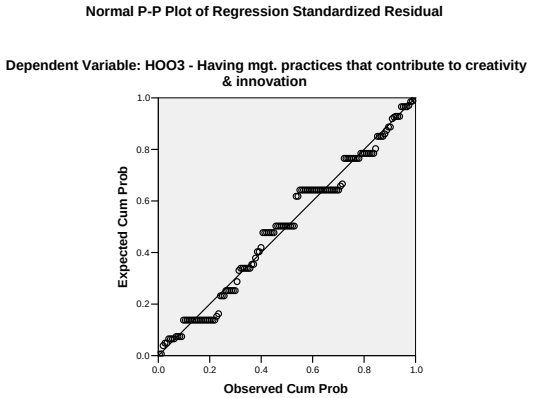
TMSP6 represents Existence of knowledge creation & change.

TMSP3 represents Existence of appropriate compensation & incentives.

TMSP1 represents Existence of a talent pool.

4.4.3.3 Set 2 of Independent Variables Regressed against HOO3, Having Management Practices that Contribute to Creativity & Innovation.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(c)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.425(a)	.181	.175	.719
2	.507(b)	.257	.246	.687

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP3
c Dependent Variable: HOO3 - Having mgt. practices that contribute to creativity & innovation

In regression Model 1, 18.1% of the total variance in Having Management Practices that Contribute to Creativity & Innovation is explained by Existence of knowledge creation & change (TMSP6).

In Model 2, Existence of appropriate compensation & incentives (TMSP3) is added leading to an increase in the total variance explained from 18.1% to 25.7%.

Regression Model 2 includes the best subset of independent variables (TMSP6, TMSP3) explaining 25.7% of the total variance in Having Management Practices that Contribute to Creativity & Innovation (HOO3).

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	22.224	2	11.112	23.537	.000(b)
	Residual	64.208	136	.472		
	Total	86.432	138			

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP3
c Dependent Variable: HOO3 - Having mgt. practices that contribute to creativity & innovation

The probability of the F statistic (23.537) for the regression Model 2 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 2) and the dependent variable, that is, the regression Model 2 is statistically significant in predicting the dependent variable HOO3.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	1.603	.308		5.210	.000
	TMSP6 - Existence of knowledge creation & change	.290	.072	.320	4.051	.000
	TMSP3 - Existence of appropriate compensation & incentives	.246	.066	.295	3.736	.000

a Dependent Variable: HOO3 - Having mgt. practices that contribute to creativity & innovation

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically

significant positive linear relationship between TMSP6 and HOO3, and, TMSP3 and HOO3.

The regression equation is represented as:

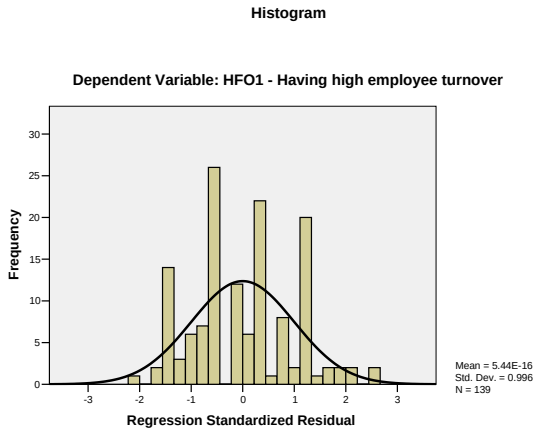
HOO3 = 1.603 + 0.290(TMSP6) + 0.246(TMSP3)

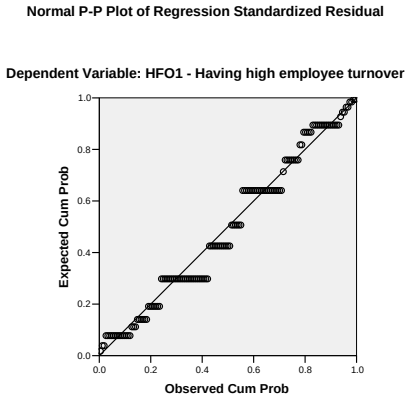
Where HOO3 represents Having Management Practices that Contribute to Creativity & Innovation.

TMSP6 represents Existence of knowledge creation & change.

TMSP3 represents Existence of appropriate compensation & incentives.

4.4.3.4 Set 2 of Independent Variables Regressed against HFO1, Having High Employee Turnover.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.301(a)	.091	.084	1.123

a Predictors: (Constant), TMSP5
b Dependent Variable: HFO1 - Having High Employee Turnover

In regression Model 1, 9.1% of the total variance in Having High Employee Turnover is explained by Existence of development through mentoring & coaching (TMSP5).

Regression Model 1 includes the best independent variable (TMSP5) explaining 9.1% of the total variance in Having High Employee Turnover (HFO1).

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.244	1	17.244	13.674	.000(a)
	Residual	172.770	137	1.261		
	Total	190.014	138			

a Predictors: (Constant), TMSP5
b Dependent Variable: HFO1 - Having High Employee Turnover

The probability of the F statistic (13.674) for the regression Model 1 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best independent variable (Set 2) and the dependent variable, that is, the regression Model 1 is statistically significant in predicting the dependent variable HFO1.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.137	.416		9.949	.000
	TMSP5 - Existence of development through mentoring & coaching	-.385	.104	-.301	-3.698	.000

a Dependent Variable: HFO1 - Having High Employee Turnover

Since the significance of the t-value for the variable is lower than 0.05 and since the coefficient has a negative value, we conclude that there is a statistically significant negative linear relationship between TMSP5 and HFO1.

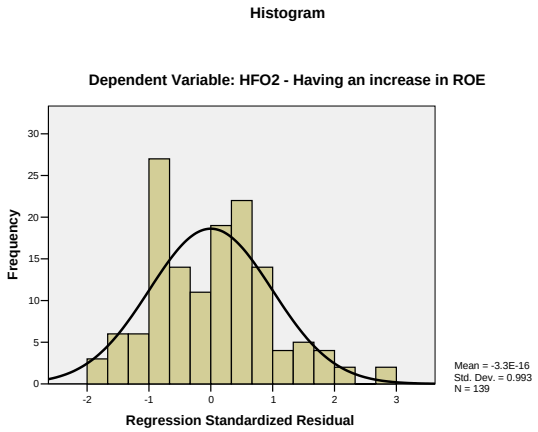
The regression equation is represented as:

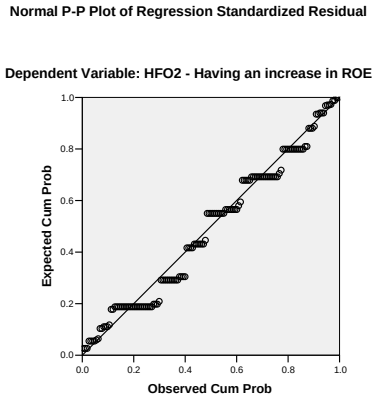
HFO1 = 4.137 - 0.385(TMSP5)

Where HFO1 represents Having High Employee Turnover.

TMSP5 represents Existence of development through mentoring & coaching.

4.4.3.5 Set 2 of Independent Variables Regressed against HFO2, Having an Increase In ROE.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(c)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.372(a)	.138	.132	.747
2	.451(b)	.204	.192	.721

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP1
c Dependent Variable: HFO2 - Having an Increase In ROE

In regression Model 1, 13.8% of the total variance in Having an Increase In ROE is explained by Existence of knowledge creation & change (TMSP6).

In Model 2, Existence of a talent pool (TMSP1) is added leading to an increase in the total variance explained from 13.8% to 20.4%.

Regression Model 2 includes the best subset of independent variables (TMSP6, TMSP1) explaining 20.4% of the total variance in Having an Increase In ROE (HFO2).

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	18.055	2	9.028	17.389	.000(b)
	Residual	70.607	136	.519		
	Total	88.662	138			

a Predictors: (Constant), TMSP6
b Predictors: (Constant), TMSP6, TMSP1
c Dependent Variable: HFO2 - Having an Increase In ROE

The probability of the F statistic (17.389) for the regression Model 2 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 2) and the dependent variable, that is, the regression Model 2 is statistically significant in predicting the dependent variable HFO2.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	1.584	.327		4.850	.000
	TMSP6 - Existence of knowledge creation & change	.270	.073	.294	3.683	.000
	TMSP1 - Existence of a talent pool	.243	.073	.267	3.339	.001

a Dependent Variable: HFO2 - Having an Increase In ROE

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP6 and HFO2, and, TMSP1 and HFO2.

The regression equation is represented as:

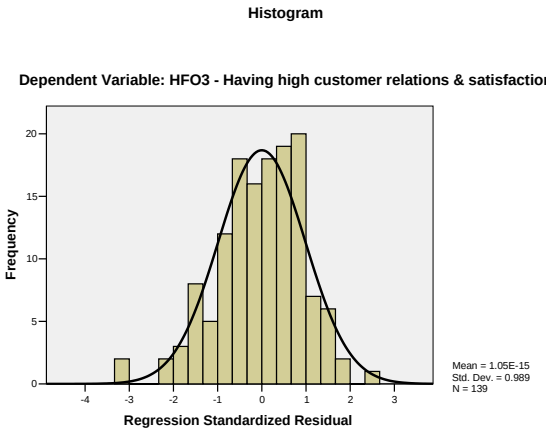
HFO2 = 1.584 + 0.270(TMSP6) + 0.243(TMSP1)

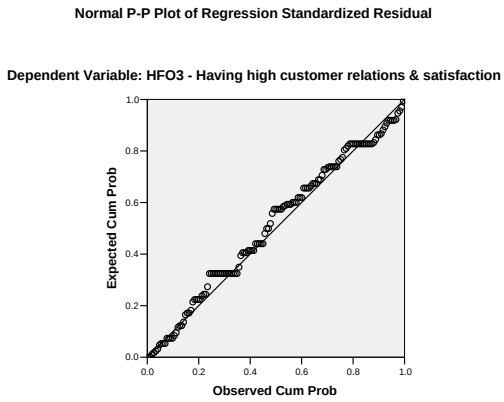
Where HFO2 represents Having an Increase In ROE.

TMSP6 represents Existence of knowledge creation & change.

TMSP1 represents Existence of a talent pool.

4.4.3.6 Set 2 of Independent Variables Regressed against HFO3, Having High Customer Relations & Satisfaction.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.493(a)	.243	.238	.757
2	.558(b)	.311	.301	.725
3	.580(c)	.336	.322	.715

a Predictors: (Constant), TMSP4
b Predictors: (Constant), TMSP4, TMSP3
c Predictors: (Constant), TMSP4, TMSP3, TMSP6
d Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction

In regression Model 1, 24.3% of the total variance in Having High Customer Relations & Satisfaction is explained by Existence of comprehensive performance management (TMSP4).

In Model 2, Existence of appropriate compensation & incentives (TMSP3) is added leading to an increase in the total variance explained from 24.3% to 31.1%.

In Model 3, Existence of knowledge creation & change (TMSP6) is added leading to an increase in the total variance explained from 31.1% to 33.6%.

Regression Model 3 includes the best subset of independent variables (TMSP4, TMSP3, TMSP6) explaining 33.6% of the total variance in Having High Customer Relations & Satisfaction (HFO3).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	34.922	3	11.641	22.797	.000(c)
	Residual	68.934	135	.511		
	Total	103.856	138			

a Predictors: (Constant), TMSP4
b Predictors: (Constant), TMSP4, TMSP3
c Predictors: (Constant), TMSP4, TMSP3, TMSP6
d Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction

The probability of the F statistic (22.797) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 2) and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HFO3.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	1.481	.343		4.319	.000
	TMSP4 - Existence of comprehensive performance mgt.	.323	.073	.345	4.413	.000
	TMSP3 - Existence of appropriate compensation & incentives	.218	.073	.239	2.979	.003
	TMSP6 - Existence of knowledge creation & change	.170	.076	.171	2.246	.026

a Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically

significant positive linear relationship between TMSP4 and HFO3, TMSP3 and HFO3 and, TMSP6 and HFO3.

The regression equation is represented as:

HFO3 = 1.481 + 0.323(TMSP4) + 0.218(TMSP3) + 0.170(TMSP6)

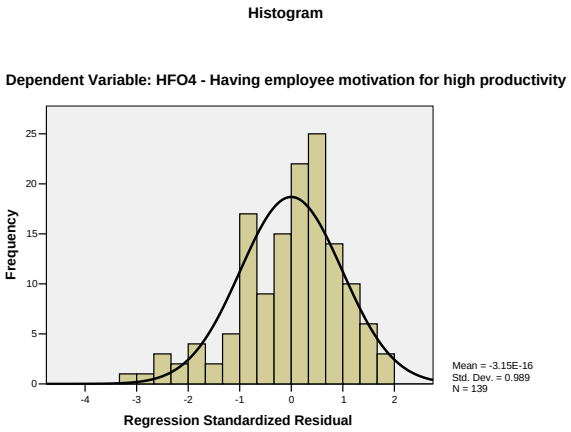
Where HFO3 represents Having High Customer Relations & Satisfaction.

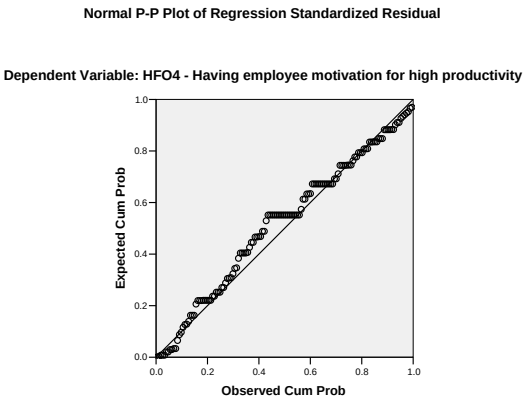
TMSP4 represents Existence of comprehensive performance management.

TMSP3 represents Existence of appropriate compensation & incentives.

TMSP6 represents Existence of knowledge creation & change.

4.4.3.7 Set 2 of Independent Variables Regressed against HFO4, Having Employee Motivation for High Productivity .





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.541(a)	.293	.288	.764
2	.612(b)	.375	.365	.721
3	.645(c)	.416	.403	.699

a Predictors: (Constant), TMSP3
b Predictors: (Constant), TMSP3, TMSP5
c Predictors: (Constant), TMSP3, TMSP5, TMSP1
d Dependent Variable: HFO4 - Having Employee Motivation for High Productivity

In regression Model 1, 29.3% of the total variance in Having Employee Motivation for High Productivity is explained by Existence of appropriate compensation & incentives (TMSP3).

In Model 2, Existence of development through mentoring & coaching (TMSP5) is added leading to an increase in the total variance explained from 29.3% to 37.5%.

In Model 3, Existence of a talent pool (TMSP1) is added leading to an increase in the total variance explained from 37.5% to 41.6%.

Regression Model 3 includes the best subset of independent variables (TMSP3, TMSP5, TMSP1) explaining 41.6% of the total variance in Having Employee Motivation for High Productivity (HFO4).

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	47.102	3	15.701	32.091	.000(c)
	Residual	66.049	135	.489		
	Total	113.151	138			

a Predictors: (Constant), TMSP3
b Predictors: (Constant), TMSP3, TMSP5
c Predictors: (Constant), TMSP3, TMSP5, TMSP1
d Dependent Variable: HFO4 - Having Employee Motivation for High Productivity

The probability of the F statistic (32.091) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 2) and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HFO4.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	.500	.341		1.465	.145
	TMSP3 - Existence of appropriate compensation & incentives	.371	.069	.389	5.415	.000
	TMSP5 - Existence of development through mentoring & coaching	.260	.072	.264	3.639	.000
	TMSP1 - Existence of a talent pool	.221	.071	.215	3.104	.002

a Dependent Variable: HFO4 - Having Employee Motivation for High Productivity

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically

significant positive linear relationship between TMSP3 and HFO4, TMSP5 and HFO4 and, TMSP1 and HFO4.

The regression equation is represented as:

HFO4 = 0.500 + 0.371(TMSP3) + 0.260(TMSP5) + 0.221(TMSP1)

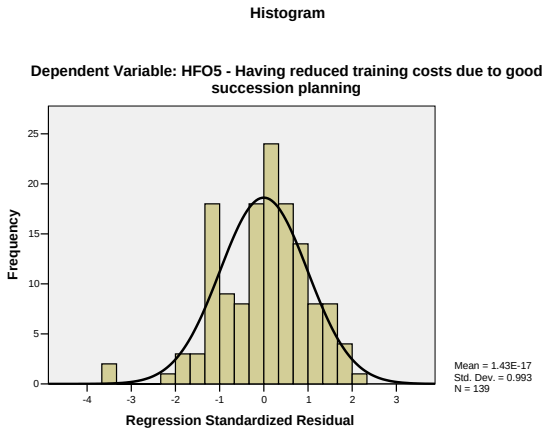
Where HFO4 represents Having Employee Motivation for High Productivity .

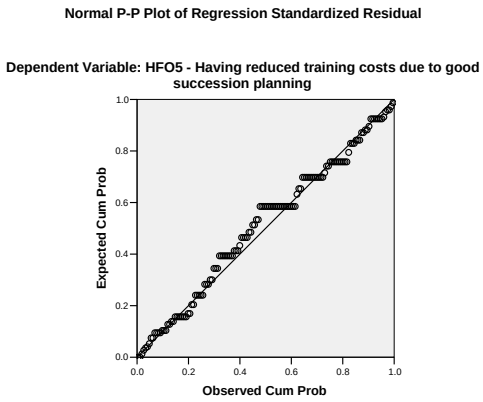
TMSP3 represents Existence of appropriate compensation & incentives.

TMSP5 represents Existence of development through mentoring & coaching.

TMSP1 represents Existence of a talent pool.

4.4.3.8 Set 2 of Independent Variables Regressed against HFO5, Having Reduced Training Costs Due to Good Succession Planning.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(c)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.459(a)	.210	.205	.841
2	.509(b)	.259	.248	.818

a Predictors: (Constant), TMSP4
b Predictors: (Constant), TMSP4, TMSP2
c Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning

In regression Model 1, 21.0% of the total variance in Having Reduced Training Costs Due to Good Succession Planning is explained by Existence of comprehensive performance management (TMSP4).

In Model 2, Existence of skills' development opportunities (TMSP2) is added leading to an increase in the total variance explained from 21.0% to 25.9%.

Regression Model 2 includes the best subset of independent variables (TMSP4 and TMSP2) explaining 25.9% of the total variance in Having Reduced Training Costs Due to Good Succession Planning (HFO5).

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	31.807	2	15.903	23.772	.000(b)
	Residual	90.985	136	.669		
	Total	122.791	138			

a Predictors: (Constant), TMSP4
b Predictors: (Constant), TMSP4, TMSP2
c Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning

The probability of the F statistic (23.772) for the regression Model 2 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 2) and the dependent variable, that is, the regression Model 2 is statistically significant in predicting the dependent variable HFO5.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	1.244	.360		3.460	.001
	TMSP4 - Existence of comprehensive performance management	.397	.079	.389	5.025	.000
	TMSP2 - Existence of skills' development opportunities	.249	.083	.231	2.989	.003

a Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically

significant positive linear relationship between TMSP4 and HFO5 and, TMSP2 and HFO5.

The regression equation is represented as:

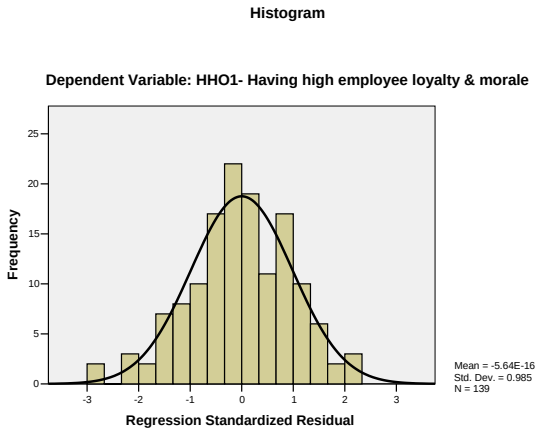
HFO5 = 1.244 + 0.397(TMSP4) + 0.249(TMSP2)

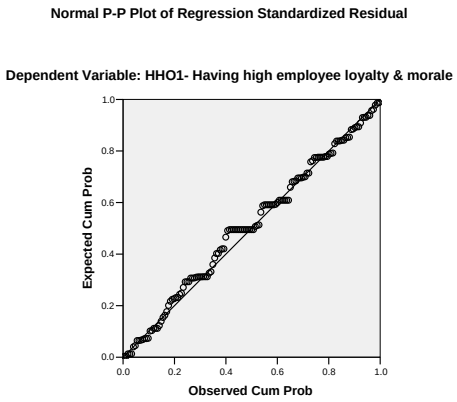
Where HFO5 represents Having Reduced Training Costs Due to Good Succession Planning.

TMSP4 represents Existence of comprehensive performance management.

TMSP2 represents Existence of skills' development opportunities.

4.4.3.9 Set 2 of Independent Variables Regressed against HHO1, Having High Employee Loyalty & Morale.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(e)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.538(a)	.290	.284	.724
2	.592(b)	.350	.341	.695
3	.622(c)	.387	.374	.678
4	.637(d)	.406	.388	.670

a Predictors: (Constant), TMSP5
b Predictors: (Constant), TMSP5, TMSP1
c Predictors: (Constant), TMSP5, TMSP1, TMSP3
d Predictors: (Constant), TMSP5, TMSP1, TMSP3, TMSP6
e Dependent Variable: HHO1- Having High Employee Loyalty & Morale

In regression Model 1, 29.0% of the total variance in Having High Employee Loyalty & Morale is explained by Existence of development through mentoring & coaching (TMSP5).

In Model 2, Existence of a talent pool (TMSP1) is added leading to an increase in the total variance explained from 29.0% to 35.0%.

In Model 3, Existence of appropriate compensation & incentives (TMSP3) is added leading to an increase in the total variance explained from 35.0% to 38.7%.

In Model 4, Existence of knowledge creation & change (TMSP6) is added leading to an increase in the total variance explained from 38.7% to 40.6%.

Regression Model 4 includes the best subset of independent variables (TMSP5, TMSP1, TMSP3 and TMSP6) explaining 40.6% of the total variance in Having High Employee Loyalty & Morale (HHO1).

ANOVA(e)

Model		Sum of Squares	df	Mean Square	F	Sig.
4	Regression	41.087	4	10.272	22.899	.000(d)
	Residual	60.108	134	.449		
	Total	101.194	138			

a Predictors: (Constant), TMSP5
b Predictors: (Constant), TMSP5, TMSP1
c Predictors: (Constant), TMSP5, TMSP1, TMSP3
d Predictors: (Constant), TMSP5, TMSP1, TMSP3, TMSP6
e Dependent Variable: HHO1- Having High Employee Loyalty & Morale

The probability of the F statistic (22.899) for the regression Model 4 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 2) and the dependent variable, that is, the regression Model 4 is statistically significant in predicting the dependent variable HHO1.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
4	(Constant)	.673	.343		1.966	.051
	TMSP5 - Existence of development through mentoring & coaching	.320	.073	.343	4.398	.000
	TMSP1 - Existence of a talent pool	.194	.069	.199	2.800	.006
	TMSP3 - Existence of appropriate compensation & incentives	.163	.067	.181	2.436	.016
	TMSP6 - Existence of knowledge creation & change	.157	.076	.160	2.052	.042

a Dependent Variable: HHO1- Having High Employee Loyalty & Morale

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP5 and HHO1, TMSP1 and HHO1, TMSP3 and HHO1 and, TMSP6 and HHO1.

The regression equation is represented as:

HHO1 = 0.673 + 0.320(TMSP5) + 0.194(TMSP1) + 0.163(TMSP3) + 0.157(TMSP6)

Where HHO1 represents Having High Employee Loyalty & Morale.

TMSP5 represents Existence of development through mentoring & coaching.

TMSP1 represents Existence of a talent pool.

TMSP3 represents Existence of appropriate compensation & incentives.

TMSP6 represents Existence of knowledge creation & change.

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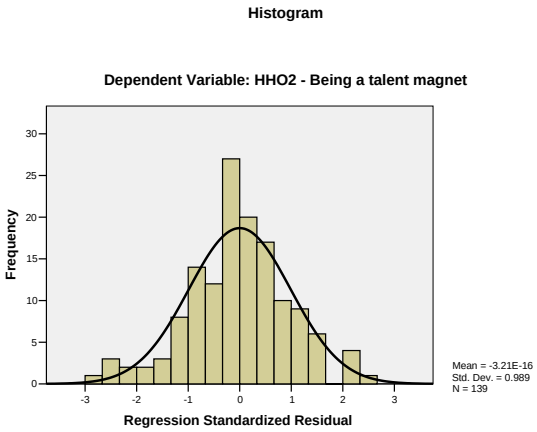
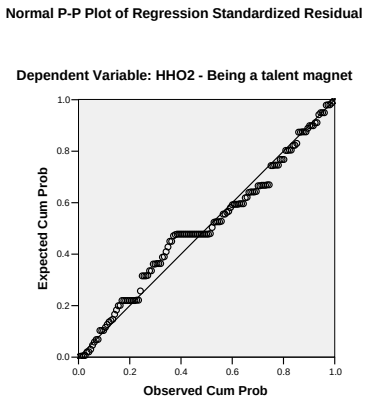
4.4.3.10 Set 2 of Independent Variables Regressed against HHO2, Being a Talent Magnet.





The histogram shows a bell-shaped curve and the normal plot of the residuals shows the points close to the diagonal line.

Model Summary(d)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.504(a)	.254	.248	.914
2	.599(b)	.359	.350	.850
3	.628(c)	.395	.381	.829

a Predictors: (Constant), TMSP1
b Predictors: (Constant), TMSP1, TMSP4
c Predictors: (Constant), TMSP1, TMSP4, TMSP6
d Dependent Variable: HHO2 - Being a Talent Magnet

In regression Model 1, 25.4% of the total variance in Being a Talent Magnet is explained by Existence of a talent pool (TMSP1).

In Model 2, Existence of comprehensive performance management (TMSP4) is added leading to an increase in the total variance explained from 25.4% to 35.9%.

In Model 3, Existence of knowledge creation & change (TMSP6) is added leading to an increase in the total variance explained from 35.9% to 39.5%.

Regression Model 3 includes the best subset of independent variables (TMSP1, TMSP4 and TMSP6) explaining 39.5% of the total variance in Being a Talent Magnet (HHO2)

ANOVA(d)

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	60.519	3	20.173	29.349	.000(c)
	Residual	92.791	135	.687		
	Total	153.309	138			

a Predictors: (Constant), TMSP1
b Predictors: (Constant), TMSP1, TMSP4
c Predictors: (Constant), TMSP1, TMSP4, TMSP6
d Dependent Variable: HHO2 - Being a Talent Magnet

The probability of the F statistic (29.349) for the regression Model 3 is 0.000 which is less than 0.05 hence we accept the alternative hypothesis that there is a statistically significant relationship between the best subset of independent variables (Set 2) and the dependent variable, that is, the regression Model 3 is statistically significant in predicting the dependent variable HHO2.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	.064	.404		.157	.875
	TMSP1 - Existence of a talent pool	.405	.088	.338	4.622	.000
	TMSP4 - Existence of comprehensive performance management	.347	.083	.305	4.170	.000
	TMSP6 - Existence of knowledge creation & change	.243	.086	.201	2.818	.006

a Dependent Variable: HHO2 - Being a Talent Magnet

Since the significance of the t-values for all the variables are lower than 0.05 and since the coefficients have a positive value, we conclude that there is a statistically significant positive linear relationship between TMSP1 and HHO2, TMSP4 and HHO2, and, TMSP6 and HHO2.

The regression equation is represented as:

HHO2 = 0.064 + 0.405(TMSP1) + 0.347(TMSP4) + 0.243(TMSP6)

Where HHO2 represents Being a Talent Magnet.

TMSP1 represents Existence of a talent pool.

TMSP4 represents Existence of comprehensive performance management.

TMSP6 represents Existence of knowledge creation & change.

4.4.4 Summary Tables of Regression Analyses

4.4.4.1 Summary of All Independent Variables Regressed Against Each of the Dependent Variables

Dependent Variable

INDV	HOO1	HOO2	HOO3	HFO1	HFO2	HFO3	HFO4	HFO5	HHO1	HHO2
TMMSC1	x	x							x	
TMMSC2			x		x					
TMMSC3	x							x	x	x
TMMSC4							x			
TMMSC5						x		x	x	
TMMSC6		x								
TMSP1					x					x
TMSP2	x							x		
TMSP3		x	x			x	x			
TMSP4						x	x	x	x	x
TMSP5				x					x	
TMSP6	x		x		x					
TMSP7	x									

TMMSC1 represents Existence of TM as a critical driver.

TMMSC2 represents Existence of general HRM.

TMMSC3 represents Existence of special strategic TM for talented employees.

TMMSC4 represents Existence of a strategy for employee engagement, learning & contribution.

TMMSC5 represents Existence of a culture based on transparency & information acquisition.

TMMSC6 Existence of high ethical standards.

TMSP1 represents Existence of a talent pool.

TMSP2 represents Existence of skills' development opportunities.

TMSP3 represents Existence of appropriate compensation & incentives.

TMSP4 represents Existence of comprehensive performance management.

TMSP5 represents Existence of development through mentoring & coaching.

TMSP6 represents Existence of knowledge creation & change.

TMSP7 represents Existence of meaningful workforce relationships.

4.4.4.2 Summary of Set 1 of Independent Variables Regressed Against Each of the Dependent Variables

Dependent Variable

INDV	HOO1	HOO2	HOO3	HFO1	HFO2	HFO3	HFO4	HFO5	HHO1	HHO2
TMMSC1	x	x		x		x			x	
TMMSC2			x		x		x	x		
TMMSC3	x							x	x	x
TMMSC4		x					x		x	x
TMMSC5					x	x	x	x	x	
TMMSC6			x			x				

4.4.4.3 Summary of Set 2 of Independent Variables Regressed Against Each of the Dependent Variables

Dependent Variable

INDV	HOO1	HOO2	HOO3	HFO1	HFO2	HFO3	HFO4	HFO5	HHO1	HHO2
TMSP1	x	x			x		x		x	x
TMSP2	x							x		
TMSP3		x	x			x	x		x	
TMSP4						x		x		x
TMSP5				x			x		x	
TMSP6	x	x	x		x	x			x	x
TMSP7										

4.5 ONE-WAY ANOVA

The One-Way Analysis of Variance (ANOVA) is used to determine whether there are any significant differences between the means of at least three independent groups.

4.5.1 Organizational Outcomes and Organization Size: Micro, Small and Medium

In the current study, One-Way ANOVA was performed to test whether there are statistically significant differences in the Organizational Outcomes between micro, small and medium sized organizations.

4.5.1.1 Organizational Overall Outcomes and Organization Size

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	.042	2	136	.959
HOO2 - Being Proactive in Addressing Change	2.750	2	136	.068
HOO3 - Having mgt. practices that contribute to creativity & innovation	1.779	2	136	.173

The significance of Levine's statistics are greater than 0.05 therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	Between Groups	.185	2	.092	.138	.872
	Within Groups	91.240	136	.671		
	Total	91.424	138			
HOO2 - Being Proactive in Addressing Change	Between Groups	.479	2	.239	.298	.743
	Within Groups	109.277	136	.804		
	Total	109.755	138			
HOO3 - Having mgt. practices that contribute to creativity & innovation	Between Groups	.889	2	.445	.707	.495
	Within Groups	85.542	136	.629		
	Total	86.432	138			

The significance of the ratio of F statistics for HOO1, HOO2 and HOO3 are greater than 0.05 therefore, there is insufficient evidence that there are statistically significant differences in the Higher Overall Outcomes (HOO1, HOO2 and HOO3) based on organization size.

Thus, we do not reject the null hypothesis and conclude that there is no difference in Higher Overall Outcomes with respect to Organization Size.

4.5.1.2 Organizational Financial Outcomes and Organization Size

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
HFO1 - Having High Employee Turnover	3.635	2	136	.029
HFO2 - Having an Increase In ROE	.175	2	136	.840
HFO3 - Having High Customer Relations & Satisfaction	.094	2	136	.910
HFO4 - Having Employee Motivation for High Productivity	7.827	2	136	.001
HFO5 - Having Reduced Training Costs Due to Good Succession Planning	4.111	2	136	.180

The significance of Levine's statistics are greater than 0.05 for HFO2, HFO3 and HFO5, therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used for HFO2, HFO3 and HFO5.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
HFO2 - Having an Increase In ROE	Between Groups	21.504	2	10.752	8.677	.000
	Within Groups	168.511	136	1.239		
	Total	190.014	138			
HFO3 - Having High Customer Relations & Satisfaction	Between Groups	9.829	2	4.914	7.108	.001
	Within Groups	94.027	136	.691		
	Total	103.856	138			
HFO5 - Having Reduced Training Costs Due to Good Succession Planning	Between Groups	11.319	2	5.659	6.905	.001
	Within Groups	111.473	136	.820		
	Total	122.791	138			

The significance values for HFO2, HFO3 and HFO5 (0.000, 0.001 and 0.001) are lower than 0.05, therefore, there is sufficient evidence that there are statistically significant differences in Higher Financial Outcomes of HFO2, HFO3 and HFO5 based on organization size.

Therefore, we will reject the null hypothesis and conclude that there are differences of some sort in Higher Financial Outcomes of HFO2, HFO3 and HFO5 with respect to Organization Size.

4.5.1.3 Organizational Human Resource Outcomes and Organization Size

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
HHO1- Having High Employee Loyalty & Morale	7.554	2	136	.001
HHO2 - Being a Talent Magnet	.374	2	136	.689

The significance of Levine's statistics is greater than 0.05 for HHO2 therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
HHO2 - Being a Talent Magnet	Between Groups	.719	2	.360	.321	.726
	Within Groups	152.590	136	1.122		
	Total	153.309	138			

The significance of the ratio of F statistics for HHO2 is greater than 0.05 therefore, there is insufficient evidence that there are statistically significant differences in the Higher Human Resource Outcome of HHO2 based on organization size.

Thus, we do not reject the null hypothesis and conclude that there is no difference in HHO2 with respect to Organization Size.

4.5.2 Organizational Outcomes between Different Industries

One-Way ANOVA was performed to test whether there are statistically significant differences in the Organizational Outcomes between different industries in the study that practice Talent Management i.e. wholesale and/or retail trade, manufacturing and service.

4.5.2.1 Organizational Overall Outcomes and Different Industries

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	1.230	2	136	.296
HOO2 - Being Proactive in Addressing Change	1.259	2	136	.287
HOO3 - Having mgt. practices that contribute to creativity & innovation	.882	2	136	.416

The significance of Levine's statistics is greater than 0.05 for Higher Overall Outcomes therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	Between Groups	.599	2	.300	.448	.640
	Within Groups	90.825	136	.668		
	Total	91.424	138			
HOO2 - Being Proactive in Addressing Change	Between Groups	.779	2	.390	.486	.616
	Within Groups	108.976	136	.801		
	Total	109.755	138			
HOO3 - Having mgt. practices that contribute to creativity & innovation	Between Groups	.200	2	.100	.158	.854
	Within Groups	86.231	136	.634		
	Total	86.432	138			

The significance of the ratio of F statistics for Higher Overall Outcomes is greater than 0.05 therefore, there is insufficient evidence that there are statistically significant differences in the Higher Overall Outcomes based on Different Industries.

Thus, we do not reject the null hypothesis and conclude that there is no difference in Higher Overall Outcomes with respect to Different Industries.

4.5.2.2 Organizational Financial Outcomes and Different Industries

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
HFO1 - Having High Employee Turnover	1.583	2	136	.209
HFO2 - Having an Increase In ROE	.333	2	136	.717
HFO3 - Having High Customer Relations & Satisfaction	.047	2	136	.954
HFO4 - Having Employee Motivation for High Productivity	4.603	2	136	.112
HFO5 - Having Reduced Training Costs Due to Good Succession Planning	1.176	2	136	.312

The significance of Levine's statistics is greater than 0.05 for Higher Financial Outcomes therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
HFO1 - Having High Employee Turnover	Between Groups	.965	2	.483	.347	.707
	Within Groups	189.049	136	1.390		
	Total	190.014	138			
HFO2 - Having an Increase In ROE	Between Groups	.245	2	.123	.189	.828
	Within Groups	88.417	136	.650		
	Total	88.662	138			
HFO3 - Having High Customer Relations & Satisfaction	Between Groups	.398	2	.199	.262	.770
	Within Groups	103.458	136	.761		
	Total	103.856	138			
HFO4 - Having Employee Motivation for High Productivity	Between Groups	.221	2	.111	.133	.875
	Within Groups	112.930	136	.830		
	Total	113.151	138			
HFO5 - Having Reduced Training Costs Due to Good Succession Planning	Between Groups	1.918	2	.959	1.079	.343
	Within Groups	120.874	136	.889		
	Total	122.791	138			

The significance of the ratio of F statistics for Higher Financial Outcomes is greater than 0.05 therefore, there is insufficient evidence that there are statistically significant differences in the Higher Financial Outcomes based on Different Industries. Thus, we do not reject the null hypothesis and conclude that there is no difference in Higher Financial Outcomes with respect to Different Industries.

4.5.2.3 Organizational Human Resource Outcomes and Different Industries

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
HHO1- Having High Employee Loyalty & Morale	.436	2	136	.648
HHO2 - Being a Talent Magnet	.514	2	136	.599

The significance of Levine's statistics is greater than 0.05 for Higher Human Resource Outcomes therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
HHO1- Having High Employee Loyalty & Morale	Between Groups	.323	2	.161	.218	.805
	Within Groups	100.871	136	.742		
	Total	101.194	138			
HHO2 - Being a Talent Magnet	Between Groups	.546	2	.273	.243	.784
	Within Groups	152.763	136	1.123		
	Total	153.309	138			

The significance of the ratio of F statistics for Higher Human Resource Outcomes is greater than 0.05 therefore, there is insufficient evidence that there are statistically significant differences in the Higher Human Resource Outcomes based on Different Industries.

Thus, we do not reject the null hypothesis and conclude that there is no difference in Higher Human Resource Outcomes with respect to Different Industries.

4.5.3 Organizational Outcomes between Organizations with Different Management Types

One-Way ANOVA was performed to test whether there are statistically significant differences in the Organizational Outcomes between organizations with different management types: Family-owned and managed, Family-owned, managed by family and non-family, Family-owned and non-family managed.

4.5.3.1 Organizational Overall Outcomes with Different Management Types

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	.219	2	136	.804
HOO2 - Being Proactive in Addressing Change	9.923	2	136	.000
HOO3 - Having mgt. practices that contribute to creativity & innovation	.343	2	136	.710

The significance of Levine's statistics is greater than 0.05 for Higher Human Resource Outcomes of HOO1 and HOO3 therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
HOO1 - Having the Right Kinds of Talent Over the Next 5 Years	Between Groups	.121	2	.061	.090	.914
	Within Groups	91.303	136	.671		
	Total	91.424	138			
HOO3 - Having mgt. practices that contribute to creativity & innovation	Between Groups	.626	2	.313	.496	.610
	Within Groups	85.806	136	.631		
	Total	86.432	138			

The significance of the ratio of F statistics for Higher Overall Outcomes of HOO1 and HOO3 is greater than 0.05 therefore, there is insufficient evidence that there are statistically significant differences in the Higher Overall Outcomes of HOO1 and HOO3 based on Management Types.

Thus, we do not reject the null hypothesis and conclude that there is no difference in Higher Overall Outcomes with respect to Management Types.

4.5.3.2 Organizational Financial Outcomes with Different Management Types

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
HFO1 - Having High Employee Turnover	.635	2	136	.531
HFO2 - Having an Increase In ROE	.921	2	136	.401
HFO3 - Having High Customer Relations & Satisfaction	2.167	2	136	.118
HFO4 - Having Employee Motivation for High Productivity	2.058	2	136	.132
HFO5 - Having Reduced Training Costs Due to Good Succession Planning	.780	2	136	.461

The significance of Levine's statistics is greater than 0.05 for Higher Financial Outcomes therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
HFO2 - Having an Increase In ROE	Between Groups	6.436	2	3.218	5.322	.006
	Within Groups	82.226	136	.605		
	Total	88.662	138			
HFO4 - Having Employee Motivation for High Productivity	Between Groups	5.800	2	2.900	3.674	.028
	Within Groups	107.351	136	.789		
	Total	113.151	138			

The significance values for HFO2 and HFO4 (0.006 and 0.028) are lower than 0.05, therefore, there is sufficient evidence that there are statistically significant differences in Higher Financial Outcomes of HFO2 and HFO4 based on Different Management Types.

Therefore, we will reject the null hypothesis and conclude that there are differences of some sort in Higher Financial Outcomes of HFO2 and HFO4 with respect to Different Management Types.

4.5.3.3 Organizational Human Resource Outcomes with Different Management Types

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
HHO1- Having High Employee Loyalty & Morale	1.121	2	136	.329
HHO2 - Being a Talent Magnet	2.528	2	136	.084

The significance of Levine's statistics is greater than 0.05 for Higher Human Resource Outcomes therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
HHO1- Having High Employee Loyalty & Morale	Between Groups	6.289	2	3.145	4.506	.013
	Within Groups	94.905	136	.698		
	Total	101.194	138			
HHO2 - Being a Talent Magnet	Between Groups	6.795	2	3.397	3.154	.046
	Within Groups	146.515	136	1.077		
	Total	153.309	138			

The significance values for HHO1 and HHO2 (0.013 and 0.046) are lower than 0.05, therefore, there is sufficient evidence that there are statistically significant differences in Higher Human Resource Outcomes of HHO1 and HHO2 based on Different Management Types.

Therefore, we will reject the null hypothesis and conclude that there are differences of some sort in Higher Human Resource Outcomes of HHO1 and HHO2 with respect to Different Management Types.

4.5.4 Summary of Differences in the Dependent Variables with respect to Organization Types

Types	HFO2	HFO3	HFO4	HFO5	HHO1	HHO2
Organization Size	x	x		x		
Different Management Types	x		x		x	x

4.6 TUKEY'S HSD

While ANOVA results told us whether groups in the sample differ, it could not tell us which groups differ. That is, the ANOVA results of some of the dependent variables showed that there is significant difference among the groups, but did not mention among which groups.

In order to find out which groups in this sample differ significantly since it is not likely that all groups differ when compared to each other Tukey's HSD test was performed to clarify.

Tukey's test, also known as Tukey's HSD (honestly significant difference) test, is a post hoc single-step multiple comparison procedure and statistical test. It is used in conjunction with an ANOVA to find means that are significantly different from each other. Therefore, it compares all possible pairs of means, that is, it applies simultaneously to the set of all pairwise comparisons and identifies any difference between two means that is greater than the expected standard error.

4.6.1 HFO2 and Organization Size

Test of Homogeneity of Variances

HFO2 - Having an Increase In ROE

Levene Statistic	df1	df2	Sig.
.175	2	136	.840

The p-value of Levine's statistic (0.840) is greater than 0.05 for Having an Increase In ROE. Therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

HFO2 - Having an Increase In ROE

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.682	2	1.841	2.946	.046
Within Groups	84.980	136	.625		
Total	88.662	138			

The p-value for HFO2 (0.046) lower than 0.05. Therefore, there is sufficient evidence that there are statistically significant differences in HFO2 based on Organization Size.

To identify which pairs are actually different using Tukey's test the following tables are used which show that Micro and Medium are significantly different from each other (0.044<0.05) and Medium has higher increase in ROE (a mean of 3.86 verses a mean of 3.39). However, there is no difference between Micro and Small, and Medium and Small.

Multiple Comparisons

Dependent Variable: HFO2 - Having an Increase In ROE Tukey HSD

(I) Organization Size	(J) Organization Size	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Micro	Small	-.055	.169	.943	-.46	.35
	Medium	-.464(*)	.192	.044	-.92	-.01
Small	Micro	.055	.169	.943	-.35	.46
	Medium	-.409	.226	.172	-.95	.13
Medium	Micro	.464(*)	.192	.044	.01	.92
	Small	.409	.226	.172	-.13	.95

* The mean difference is significant at the .05 level.

Descriptives

HFO2 - Having an Increase in ROE

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Micro	89	3.39	.763	.081	3.23	3.55	2	5
Small	29	3.45	.827	.154	3.13	3.76	1	5
Medium	21	3.86	.854	.186	3.47	4.25	2	5
Total	139	3.47	.802	.068	3.34	3.61	1	5

4.6.2 HFO3 and Organization Size

Test of Homogeneity of Variances

HFO3 - Having High Customer Relations & Satisfaction

Levene Statistic	df1	df2	Sig.
.094	2	136	.910

The p-value of Levine's statistic (0.910) is greater than 0.05 for Having High Customer Relations & Satisfaction. Therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

HFO3 - Having High Customer Relations & Satisfaction

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	9.829	2	4.914	7.108	.001
Within Groups	94.027	136	.691		
Total	103.856	138			

The p-value for HFO3 (0.001) is lower than 0.05. Therefore, there is sufficient evidence that there are statistically significant differences in HFO3 based on Organization Size.

Multiple Comparisons

Dependent Variable: HFO3 - Having High Customer Relations & Satisfaction Tukey HSD

(I) Organization Size	(J) Organization Size	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Micro	Small	.648(*)	.178	.001	.23	1.07
	Medium	-.030	.202	.988	-.51	.45
Small	Micro	-.648(*)	.178	.001	-1.07	-.23
	Medium	-.678(*)	.238	.014	-1.24	-.11
Medium	Micro	.030	.202	.988	-.45	.51
	Small	.678(*)	.238	.014	.11	1.24

* The mean difference is significant at the .05 level.

The table above shows that Micro and Small are significantly different from each other (0.001<0.05) and, Medium and Small are significantly different from each other (0.014< 0.05). However, there is no difference between Micro and Small.

Descriptives

HFO3 - Having High Customer Relations & Satisfaction

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Micro	89	4.30	.789	.084	4.14	4.47	2	5
Small	29	3.66	.857	.159	3.33	3.98	1	5
Medium	21	4.33	.966	.211	3.89	4.77	1	5
Total	139	4.17	.868	.074	4.03	4.32	1	5

The table above shows that Micro's mean is higher than the Small's mean (a mean of 4.30 verses a mean of 3.66) and that the Medium's mean is higher than the Small's (a mean of 4.33 verses a mean of 3.66).

4.6.3 HFO5 and Organization Size

Test of Homogeneity of Variances

HFO5 - Having Reduced Training Costs Due to Good Succession Planning

Levene Statistic	df1	df2	Sig.
4.111	2	136	.180

The p-value of Levine's statistic (0.180) is greater than 0.05 for Having Reduced Training Costs Due to Good Succession Planning. Therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

HFO5 - Having Reduced Training Costs Due to Good Succession Planning

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	11.319	2	5.659	6.905	.001
Within Groups	111.473	136	.820		
Total	122.791	138			

The p-value for HFO5 (0.001) is lower than 0.05. Therefore, there is sufficient evidence that there are statistically significant differences in HFO5 based on Organization Size.

Multiple Comparisons

Dependent Variable: HFO5 - Having Reduced Training Costs Due to Good Succession Planning Tukey HSD

(I) Organization Size	(J) Organization Size	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Micro	Small	.718(*)	.194	.001	.26	1.18
	Medium	.120	.220	.849	-.40	.64
Small	Micro	-.718(*)	.194	.001	-1.18	-.26
	Medium	-.598	.259	.059	-1.21	.02
Medium	Micro	-.120	.220	.849	-.64	.40
	Small	.598	.259	.059	-.02	1.21

* The mean difference is significant at the .05 level.

The table above shows that Micro and Small are significantly different from each other (0.001<0.05) and the Micro's mean is higher than the Small's (a mean of 3.79 verses a mean of 3.07). However, there is no difference between Micro and Medium, and, Small and Medium.

Descriptives

HFO5 - Having Reduced Training Costs Due to Good Succession Planning

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Micro	89	3.79	.818	.087	3.61	3.96	2	5
Small	29	3.07	1.132	.210	2.64	3.50	1	4
Medium	21	3.67	.913	.199	3.25	4.08	2	5
Total	139	3.62	.943	.080	3.46	3.78	1	5

4.6.4 HFO2 and Management Type

Test of Homogeneity of Variances

HFO2 - Having an Increase In ROE

Levene Statistic	df1	df2	Sig.
.921	2	136	.401

The p-value of Levine's statistic (0.401) is greater than 0.05 for Having an Increase In ROE. Therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

HFO2 - Having an Increase In ROE

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.436	2	3.218	5.322	.006
Within Groups	82.226	136	.605		
Total	88.662	138			

The p-value for HFO2 (0.006) is lower than 0.05. Therefore, there is sufficient evidence that there are statistically significant differences in HFO2 based on Management Type.

Multiple Comparisons

Dependent Variable: HFO2 - Having an Increase In ROE Tukey HSD

(I) Organization Type	(J) Organization Type	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Family-owned and Managed	Family-owned, Managed by Family and Non-family	-.501(*)	.156	.005	-.87	-.13
	Family-owned and Non-family Managed	-.005	.223	1.000	-.53	.52
Family-owned, Managed by Family and Non-family	Family-owned and Managed	.501(*)	.156	.005	.13	.87
	Family-owned and Non-family Managed	.496	.247	.114	-.09	1.08
Family-owned and Non-family Managed	Family-owned and Managed	.005	.223	1.000	-.52	.53
	Family-owned, Managed by Family and Non-family	-.496	.247	.114	-1.08	.09

* The mean difference is significant at the .05 level.

The table above shows that “Family-owned and Managed” and “Family-owned, Managed by Family and Non-family” are significantly different from each other ($0.005<0.05$). However, there is no difference between “Family-owned and Managed” and “Family-owned and Non-family Managed”, and, “Family-owned and Non-family Managed” and “Family-owned, Managed by Family and Non-family”.

Descriptives

HFO2 - Having an Increase In ROE

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Family-owned and Managed	91	3.35	.751	.079	3.20	3.51	1	5
Family-owned, Managed by Family and Non-family	34	3.85	.784	.134	3.58	4.13	2	5
Family-owned and Non-family Managed	14	3.36	.929	.248	2.82	3.89	2	5
Total	139	3.47	.802	.068	3.34	3.61	1	5

And the table above shows that "Family-owned, Managed by Family and Non-family's" mean is higher than the "Family-owned and Misnaged's" (a mean of 3.85 verses a mean of 3.35).

4.6.5 HFO4 and Management Type

Test of Homogeneity of Variances

HFO4 - Having Employee Motivation for High Productivity

Levene Statistic	df1	df2	Sig.
2.058	2	136	.132

The p-value of Levine's statistic (0.132) is greater than 0.05 for Having Employee Motivation for High Productivity . Therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

HFO4 - Having Employee Motivation for High Productivity

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5.800	2	2.900	3.674	.028
Within Groups	107.351	136	.789		
Total	113.151	138			

The p-value for HFO4 (0.028) is lower than 0.05. Therefore, there is sufficient evidence that there are statistically significant differences in HFO4 based on Management Type.

Multiple Comparisons

Dependent Variable: HFO4 - Having Employee Motivation for High Productivity Tukey HSD

(I) Organization Type	(J) Organization Type	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Family-owned and Managed	Family-owned, Managed by Family and Non-family	-.484(*)	.179	.021	-.91	-.06
	Family-owned and Non-family Managed	-.110	.255	.903	-.71	.49
Family-owned, Managed by Family and Non-family	Family-owned and Managed	.484(*)	.179	.021	.06	.91
	Family-owned and Non-family Managed	.374	.282	.384	-.29	1.04
Family-owned and Non-family Managed	Family-owned and Managed	.110	.255	.903	-.49	.71
	Family-owned, Managed by Family and Non-family	-.374	.282	.384	-1.04	.29

* The mean difference is significant at the .05 level.

The table above shows that “Family-owned and Managed” and “Family-owned, Managed by Family and Non-family” are significantly different from each other (0.021<0.05). However, there is no difference between “Family-owned and Managed”

and “Family-owned and Non-family Managed”, and, “Family-owned and Non-family Managed” and “Family-owned, Managed by Family and Non-family”.

Descriptives

HFO4 - Having Employee Motivation for High Productivity

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Family-owned and Managed	91	3.60	.941	.099	3.41	3.80	1	5
Family-owned, Managed by Family and Non-family	34	4.09	.753	.129	3.83	4.35	2	5
Family-owned and Non-family Managed	14	3.71	.825	.221	3.24	4.19	2	5
Total	139	3.73	.906	.077	3.58	3.89	1	5

And the table above shows that “Family-owned, Managed by Family and Non-family’s” mean is higher than the “Family-owned and Managed’s” (a mean of 4.09 verses a mean of 3.60).

4.6.6 HHO1 and Management Type

Test of Homogeneity of Variances

HHO1- Having High Employee Loyalty & Morale

Levene Statistic	df1	df2	Sig.
1.121	2	136	.329

The p-value of Levine’s statistic (0.329) is greater than 0.05 for Having High Employee Loyalty & Morale. Therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

HHO1- Having High Employee Loyalty & Morale

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.289	2	3.145	4.506	.013
Within Groups	94.905	136	.698		
Total	101.194	138			

The p-value for HHO1 (0.013) is lower than 0.05. Therefore, there is sufficient evidence that there are statistically significant differences in HFO1 based on Management Type.

Multiple Comparisons

Dependent Variable: HHO1- Having High Employee Loyalty & Morale Tukey HSD

(I) Organization Type	(J) Organization Type	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Family-owned and Managed	Family-owned, Managed by Family and Non-family	-.481(*)	.168	.013	-.88	-.08
	Family-owned and Non-family Managed	.082	.240	.937	-.49	.65
Family-owned, Managed by Family and Non-family	Family-owned and Managed	.481(*)	.168	.013	.08	.88
	Family-owned and Non-family Managed	.563	.265	.089	-.07	1.19
Family-owned and Non-family Managed	Family-owned and Managed	-.082	.240	.937	-.65	.49
	Family-owned, Managed by Family and Non-family	-.563	.265	.089	-1.19	.07

* The mean difference is significant at the .05 level.

The table above shows that “Family-owned and Managed” and “Family-owned, Managed by Family and Non-family” are significantly different from each other (0.013<0.05). However, there is no difference between “Family-owned and Managed” and “Family-owned and Non-family Managed”, and, “Family-owned and Non-family Managed” and “Family-owned, Managed by Family and Non-family”.

Descriptives

HHO1- Having High Employee Loyalty & Morale

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Family-owned and Managed	91	3.73	.844	.088	3.55	3.90	1	5
Family-owned, Managed by Family and Non-family	34	4.21	.729	.125	3.95	4.46	3	5
Family-owned and Non-family Managed	14	3.64	1.008	.269	3.06	4.22	2	5
Total	139	3.83	.856	.073	3.69	3.98	1	5

And the table above shows that "Family-owned, Managed by Family and Non-family's" mean is higher than the "Family-owned and Misnaged's" (a mean of 4.21 verses a mean of 3.73).

4.6.7 HHO2 and Management Type

Test of Homogeneity of Variances

HHO2 - Being a Talent Magnet

Levene Statistic	df1	df2	Sig.
2.528	2	136	.084

The p-value of Levine's statistic (0.084) is greater than 0.05 for Being a Talent Magnet. Therefore, there is no violation of the assumption of homogeneity of variances and ANOVA test is used.

ANOVA

HHO2 - Being a Talent Magnet

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.795	2	3.397	3.154	.046
Within Groups	146.515	136	1.077		
Total	153.309	138			

The p-value for HHO2 (0.046) is lower than 0.05. Therefore, there is sufficient evidence that there are statistically significant differences in HHO2 based on Management Type.

The table below shows that the p-values are greater than 0.05 therefore, none of the pairs are significantly different from each other.

Multiple Comparisons

Dependent Variable: HHO2 - Being a Talent Magnet Tukey HSD

(I) Organization Type	(J) Organization Type	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Family-owned and Managed	Family-owned, Managed by Family and Non-family	-.432	.209	.100	-.93	.06
	Family-owned and Non-family Managed	-.533	.298	.177	-1.24	.17
Family-owned, Managed by Family and Non-family	Family-owned and Managed	.432	.209	.100	-.06	.93
	Family-owned and Non-family Managed	-.101	.330	.950	-.88	.68
Family-owned and Non-family Managed	Family-owned and Managed	.533	.298	.177	-.17	1.24
	Family-owned, Managed by Family and Non-family	.101	.330	.950	-.68	.88

4.6.8 Summary Tables

Summary of HFO2, HFO3, HFO5 and Organization Size

Outcomes		HFO2		HFO3		HFO5	
Organization Size		Mean	Sig.	Mean	Sig.	Mean	Sig.
Micro	Small	3.39	0.044	4.3	0.001	3.79	0.001
	Medium						
Small	Micro	3.86	0.044	3.66	0.001	3.07	0.001
	Medium				0.014		
Medium	Micro			4.33			
	Small				0.014		

Summary of HFO2, HFO4, HHO1 and Management Type

Outcomes		HFO2		HFO4		HHO1	
Organization Size		Mean	Sig.	Mean	Sig.	Mean	Sig.
Family-owned and Managed	**Family-owned, Managed by Family and Non-family**	3.35	0.005	3.60	0.021	3.73	0.013
	Family-owned and Non-family Managed						
Family-owned, Managed by Family and Non-family	**Family-owned and Managed**	3.85	0.005	4.09	0.021	4.21	0.013
	Family-owned and Non-family Managed						
Family-owned and Non-family Managed	**Family-owned and Managed**						
	Family-owned, Managed by Family and Non-family						

CHAPTER FIVE

FINDINGS: CONCLUSIONS & CONTRIBUTIONS

5.1 FINDINGS

The main aim of the current study was to test whether Organization Leadership Mind-set, Strategy and Culture of Talent Management and Specific Talent Management Practices have an impact on Organizational Outcomes.

In addition, this study also tested whether Organization Leadership Mind-set, Strategy and Culture of Talent Management, Specific Talent Management Practices and Organizational Outcomes differ in organizations with different sizes, differ among the three selected industries and differ in organizations with different management types.

5.1.1 Findings from Regression Analyses

At first, the first and second sets of hypotheses were tested to know whether Organization Leadership Mind-Set, Strategy and Culture of Talent Management, and Specific Talent Management Practices are positively related to each of the ten dependent variables, namely: Having the Right Kinds of Talent Over the Next 5 Years, Being Proactive in Addressing Change, Having Management Practices that Contribute to Creativity & Innovation, Having High Employee Turnover, Having an Increase In ROE, Having High Customer Relations & Satisfaction, Having Employee Motivation for High

Productivity, Having Reduced Training Costs Due to Good Succession Planning, Having High Employee Loyalty & Morale and Being a Talent Magnet.

To have a deeper understanding for the above mentioned relationships between the independent and dependent variables, the first set of hypotheses was tested alone, to know whether Organization Leadership Mind-Set, Strategy and Culture of Talent Management are positively related to each of the ten dependent variables. And then, the second set of hypotheses was tested alone, to know whether Specific Talent Management Practices are positively related to each of the ten dependent variables.

5.1.1.1 Finding # 1: Relates to Hypothesis 1, Set I.1 and Set II.1

When all of the independent variables were regressed against HOO1, only Existence of Special Strategic TM for Talented Employees (TMMSC3), Existence of Knowledge Creation & Change (TMSP6), Existence of Meaningful Workforce Relationships (TMSP7), Existence of Skills' Development Opportunities (TMSP2) and Existence of TM as a Critical Driver (TMMSC1) showed statistically significant in predicting an increase in the Higher Overall Outcome of Having the Right Kinds of Talent Over the Next 5 Years (HOO1).

Testing for the first set alone, only Existence of Special Strategic TM for Talented Employees (TMMSC3) and Existence of TM as a Critical Driver (TMMSC1) showed statistically significant in predicting an increase in the Higher Overall Outcome of Having the Right Kinds of Talent Over the Next 5 Years (HOO1).

Testing for the second set alone, only Existence of Knowledge Creation & Change (TMSP6), Existence of a Talent Pool (TMSP1) and Existence of Skills' Development Opportunities (TMSP2) showed statistically significant in predicting an increase in the Higher Overall Outcome of Having the Right Kinds of Talent Over the Next 5 Years (HOO1).

5.1.1.2 Finding # 2: Relates to Hypothesis 1, Set I.1 and Set II.1

When all of the independent variables were regressed against HOO2, only Existence of TM as a Critical Driver (TMMSC1), Existence of Knowledge Creation & Change (TMSP6) and Existence of Appropriate Compensation & Incentives (TMSP3) showed statistically significant in predicting an increase in the Higher Overall Outcome of Being Proactive in Addressing Change (HOO2).

Testing for the first set alone, only Existence of TM as a Critical Driver (TMMSC1) and Existence of a Strategy for Employee Engagement, Learning & Contribution (TMMSC4) showed statistically significant in predicting an increase in the Higher Overall Outcome of Being Proactive in Addressing Change (HOO2).

Testing for the second set alone, only Existence of Knowledge Creation & Change (TMSP6) and Existence of Appropriate Compensation & Incentives (TMSP3) and Existence of a Talent Pool (TMSP1) showed statistically significant in predicting an increase in the Higher Overall Outcome of Being Proactive in Addressing Change (HOO2).

5.1.1.3 Finding # 3: Relates to Hypothesis 1, Set I.1 and Set II.1

When all of the independent variables were regressed against HOO3, only Existence of Knowledge Creation & Change (TMSP6), Existence of Appropriate Compensation & Incentives (TMSP3) and Existence of General HRM (TMMSC2) showed statistically significant in predicting an increase in the Higher Overall Outcome of Having Management Practices that Contribute to Creativity & Innovation (HOO3).

Testing for the first set alone, only Existence of General HRM (TMMSC2) and Existence of High Ethical Standards (TMMSC6) showed statistically significant in predicting an increase in the Higher Overall Outcome of Having Management Practices that Contribute to Creativity & Innovation (HOO3).

Testing for the second set alone, only Existence of Knowledge Creation & Change (TMSP6) and Existence of Appropriate Compensation & Incentives (TMSP3) showed statistically significant in predicting an increase in the Higher Overall Outcome of Having Management Practices that Contribute to Creativity & Innovation (HOO3).

5.1.1.4 Finding # 4: Relates to Hypothesis 1, Set I.2 and Set II.2

When all of the independent variables were regressed against HFO1, only Existence of Development through Mentoring & Coaching (TMSP5) showed statistically significant in predicting a decrease in the Higher Financial Outcome of Having High Employee Turnover (HFO1).

Testing for the first set alone, only Existence of TM as a Critical Driver (TMMSC1) showed statistically significant in predicting a decrease in the Higher Financial Outcome of Having High Employee Turnover (HFO1).

Testing for the second set alone, only Existence of Development through Mentoring & Coaching (TMSP5) showed statistically significant in predicting a decrease in the Higher Financial Outcome of Having High Employee Turnover (HFO1).

5.1.1.5 Finding # 5: Relates to Hypothesis 1, Set I.2 and Set II.2

When all of the independent variables were regressed against HFO2, only Existence of Knowledge Creation & Change (TMSP6), Existence of a Talent Pool (TMSP1) and Existence of General HRM (TMMSC2) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having an Increase In ROE (HFO2).

Testing for the first set alone, only Existence of General HRM (TMMSC2) and Existence of a Culture Based on Transparency & Information Acquisition (TMMSC5) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having an Increase In ROE (HFO2).

Testing for the second set alone, only Existence of Knowledge Creation & Change (TMSP6) and Existence of a Talent Pool (TMSP1) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having an Increase In ROE (HFO2).

5.1.1.6 Finding # 6: Relates to Hypothesis 1, Set I.2 and Set II.2

When all of the independent variables were regressed against HFO3, only Existence of Comprehensive Performance Management (TMSP4), Existence of a Culture

Based on Transparency & Information Acquisition (TMMSC5) and Existence of Appropriate Compensation & Incentives (TMSP3) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having High Customer Relations & Satisfaction (HFO3).

Testing for the first set alone, only Existence of a Culture Based on Transparency & Information Acquisition (TMMSC5), Existence of TM as a Critical Driver (TMMSC1) and Existence of High Ethical Standards (TMMSC6) showed statistically significant in predicting an Increase in the Higher Financial Outcome of Having High Customer Relations & Satisfaction (HFO3).

Testing for the second set alone, only Existence of Comprehensive Performance Management (TMSP4), Existence of Appropriate Compensation & Incentives (TMSP3) and Existence of Knowledge Creation & Change (TMSP6) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having High Customer Relations & Satisfaction (HFO3).

5.1.1.7 Finding # 7: Relates to Hypothesis 1, Set I.2 and Set II.2

When all of the independent variables were regressed against HFO4, only Existence of Appropriate Compensation & Incentives (TMSP3), Existence of a Strategy for Employee Engagement, Learning & Contribution (TMMSC4) and Existence of Comprehensive Performance Management (TMSP4) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having Employee Motivation for High Productivity (HFO4).

Testing for the first set alone, only Existence of a Strategy for Employee Engagement, Learning & Contribution (TMMSC4), Existence of a Culture Based on Transparency & Information Acquisition (TMMSC5) and Existence of General HRM (TMMSC2) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having Employee Motivation for High Productivity (HFO4).

Testing for the second set alone, only Existence of Appropriate Compensation & Incentives (TMSP3), Existence of Development through Mentoring & Coaching (TMSP5) and Existence of a Talent Pool (TMSP1) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having Employee Motivation for High Productivity (HFO4).

5.1.1.8 Finding # 8: Relates to Hypothesis 1, Set I.2 and Set II.2

When all of the independent variables were regressed against HFO5, only Existence of Comprehensive Performance Management (TMSP4), Existence of Special Strategic TM for Talented Employees (TMMSC3), Existence of Skills' Development Opportunities (TMSP2) and Existence of a Culture Based on Transparency & Information Acquisition (TMMSC5) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having Reduced Training Costs Due to Good Succession Planning (HFO5).

Testing for the first set alone, only Existence of Special Strategic TM for Talented Employees (TMMSC3), Existence of a Culture Based on Transparency & Information Acquisition (TMMSC5) and Existence of General HRM (TMMSC2) showed statistically

significant in predicting an increase in the Higher Financial Outcome of Having Reduced Training Costs Due to Good Succession Planning (HFO5).

Testing for the second set alone, only Existence of Comprehensive Performance Management (TMSP4) and Existence of Skills' Development Opportunities (TMSP2) showed statistically significant in predicting an increase in the Higher Financial Outcome of Having Reduced Training Costs Due to Good Succession Planning (HFO5).

5.1.1.9 Finding # 9: Relates to Hypothesis 1, Set I.3 and Set II.3

When all of the independent variables were regressed against HHO1, only Existence of Development Through Mentoring & Coaching (TMSP5), Existence of Special Strategic TM for Talented Employees (TMMSC3), Existence of TM as a Critical Driver (TMMSC1), Existence of Comprehensive Performance Management (TMSP4) and Existence of a Culture Based on Transparency & Information Acquisition (TMMSC5) showed statistically significant in predicting an increase in the Higher Human Resource Outcome of Having High Employee Loyalty & Morale (HHO1).

Testing for the first set alone, only Existence of Special Strategic TM for Talented Employees (TMMSC3), Existence of a Culture Based on Transparency & Information Acquisition (TMMSC5), Existence of TM as a Critical Driver (TMMSC1) and Existence of a Strategy for Employee Engagement, Learning & Contribution (TMMSC4) showed statistically significant in predicting an increase in the Higher Human Resource Outcome of Having High Employee Loyalty & Morale (HHO1).

Testing for the second set alone, only Existence of Development through Mentoring & Coaching (TMSP5), Existence of a Talent Pool (TMSP1), Existence of

Appropriate Compensation & Incentives (TMSP3), and Existence of Knowledge Creation & Change (TMSP6) showed statistically significant in predicting an increase in the Higher Human Resource Outcome of Having High Employee Loyalty & Morale (HHO1).

5.1.1.10 Finding # 10: Relates to Hypothesis 1, Set I.3 and Set II.3

When all of the independent variables were regressed against HHO2, only Existence of Special Strategic TM for Talented Employees (TMMSC3), Existence of Comprehensive Performance Management (TMSP4) and Existence of a Talent Pool (TMSP1) showed statistically significant in predicting an increase in the Higher Human Resource Outcome of Being a Talent Magnet (HHO2).

Testing for the first set alone, only Existence of Special Strategic TM for Talented Employees (TMMSC3) and Existence of a Strategy for Employee Engagement, Learning & Contribution (TMMSC4) showed statistically significant in predicting an increase in the Higher Human Resource Outcome of Being a Talent Magnet (HHO2).

Testing for the second set alone, only Existence of a Talent Pool (TMSP1), Existence of Comprehensive Performance Management (TMSP4) and Existence of Knowledge Creation & Change (TMSP6) showed statistically significant in predicting an increase in the Higher Human Resource Outcome of Being a Talent Magnet (HHO2).

The three tables below summarize the findings of the regression analysis.

The first one shows the significant relationships when all the independent variables are taken together.

The second one shows the significant relationships when the first set of independent variables are taken together.

The third one shows the significant relationships when the second set of independent variables are taken together.

These findings are in accordance to those found in the studies included in the literature review.

5.1.1.11 Summary of the Findings of the Regression Analysis of All the Independent Variables Related to Hypothesis 1

The Relationship between Organization Leadership Mind-Set, Strategy and Culture of Talent Management and Specific Talent Management Practices and Organizational Outcomes		R^2	Statistically Significant Relationship
Existence of special strategic TM for talented employees	Having the Right Kinds of Talent Over the Next 5 Years	38.0%	+
Existence of knowledge creation & change			+
Existence of meaningful workforce relationships			+
Existence of skills' development opportunities			+
Existence of TM as a critical driver			+
Existence of TM as a critical driver	Being Proactive in Addressing Change	42.0%	+
Existence of knowledge creation & change			+
Existence of appropriate compensation & incentives			+
Existence of knowledge creation & change	Having Management Practices that Contribute to Creativity & Innovation	29.4%	+
Existence of appropriate compensation & incentives			+
Existence of general HRM			+
Existence of development through mentoring & coaching	Having High Employee Turnover	9.1%	-
Existence of knowledge creation & change	Having an Increase In ROE	23.2%	+
Existence of a talent pool			+
Existence of general HRM			+
Existence of comprehensive performance management	Having High Customer Relations & Satisfaction	36.0%	+
Existence of a culture based on transparency & information acquisition			+
Existence of appropriate compensation & incentives			+
Existence of appropriate compensation & incentives	Having	42.5%	+

Existence of a strategy for employee engagement, learning & contribution	Employee Motivation for High Productivity		+
Existence of comprehensive performance management			+
Existence of comprehensive performance management	Having Reduced Training Costs Due to Good Succession Planning	31.9%	+
Existence of special strategic TM for talented employees			+
Existence of skills' development opportunities			+
Existence of a culture based on transparency & information acquisition			+
Existence of development through mentoring & coaching	Having High Employee Loyalty & Morale	46.1%	+
Existence of special strategic TM for talented employees			+
Existence of TM as a critical driver			+
Existence of comprehensive performance management			+
Existence of a culture based on transparency & information acquisition			+
Existence of special strategic TM for talented employees	Being a Talent Magnet	57.0%	+
Existence of comprehensive performance management			+
Existence of a talent pool			+

5.1.1.12 Summary of the Findings of the Regression Analysis of Set 1 of Independent Variables Related to Hypothesis 1

The Relationship between Organization Leadership Mind-Set, Strategy and Culture of Talent Management and Organizational Outcomes		R^2	Statistically Significant Relationship
Existence of special strategic TM for talented employees	Having the Right Kinds of Talent Over the Next 5 Years	28.6%	+
Existence of TM as a critical driver			+
Existence of TM as a critical driver	Being Proactive in Addressing Change	33.4%	+
Existence of a strategy for employee engagement, learning & contribution			+
Existence of general HRM	Having Management Practices that Contribute to Creativity & Innovation	21.4%	+
Existence of high ethical standards			+
Existence of TM as a critical driver	Having High Employee Turnover	4.9%	-
Existence of general HRM	Having an Increase In ROE	16.8%	+
Existence of a culture based on transparency & information acquisition			+
Existence of a culture based on transparency & information acquisition	Having High Customer Relations & Satisfaction	26.0%	+
Existence of TM as a critical driver			+
Existence of high ethical standards			+
Existence of a strategy for employee engagement, learning & contribution	Having Employee Motivation for High Productivity	32.7%	+
Existence of a culture based on transparency & information acquisition			+
Existence of general HRM			+

Existence of special strategic TM for talented employees	Having Reduced Training Costs Due to Good Succession Planning	21.9%	+
Existence of a culture based on transparency & information acquisition			+
Existence of general HRM			+
Existence of special strategic TM for talented employees	Having High Employee Loyalty & Morale	39.0%	+
Existence of a culture based on transparency & information acquisition			+
Existence of TM as a critical driver			+
Existence of a strategy for employee engagement, learning & contribution			+
Existence of special strategic TM for talented employees	Being a Talent Magnet	48.7%	+
Existence of a strategy for employee engagement, learning & contribution			+

5.1.1.13 Summary of the Findings of the Regression Analysis of Set 2 of Independent Variables Related to Hypothesis 1

Specific Talent Management Practices and Organizational Outcomes		R^2	Statistically Significant Relationship
Existence of knowledge creation & change	Having the Right Kinds of Talent Over the Next 5 Years	31.5%	+
Existence of a talent pool			+
Existence of skills' development opportunities			+
Existence of knowledge creation & change	Being Proactive in Addressing Change	38.4%	+
Existence of appropriate compensation & incentives			+
Existence of a talent pool			+
Existence of knowledge creation & change	Having Management Practices that Contribute to Creativity & Innovation	25.7%	+
Existence of appropriate compensation & incentives			+
Existence of development through mentoring & coaching	Having High Employee Turnover	9.1%	-
Existence of knowledge creation & change	Having an Increase In ROE	20.4%	+
Existence of a talent pool			+
Existence of comprehensive performance management	Having High Customer Relations & Satisfaction	33.6%	+
Existence of appropriate compensation & incentives			+
Existence of knowledge creation & change			+
Existence of appropriate compensation & incentives	Having Employee Motivation for High Productivity	41.6%	+
Existence of development through mentoring & coaching			+
Existence of a talent pool			+

Existence of comprehensive performance management	Having Reduced Training Costs Due to Good Succession Planning	25.9%	+
Existence of skills' development opportunities			+
Existence of development through mentoring & coaching	Having High Employee Loyalty & Morale	40.6%	+
Existence of a talent pool			+
Existence of appropriate compensation & incentives			+
Existence of knowledge creation & change			+
Existence of a talent pool	Being a Talent Magnet	39.5%	+
Existence of comprehensive performance management			+
Existence of knowledge creation & change			+

5.1.2 Findings from One-Way ANOVA

5.1.2.1 Organizational Outcomes and Organization Size: Related to Hypothesis # 2

There is insufficient evidence that there are statistically significant differences in the Higher Overall Outcomes (HOO1, HOO2 and HOO3) based on organization size.

There is sufficient evidence that there are statistically significant differences in Higher Financial Outcomes of HFO2, HFO3 and HFO5 based on organization size.

There is insufficient evidence that there are statistically significant differences in the Higher Human Resource Outcome of HHO2 based on organization size.

5.1.2.2 Organizational Outcomes between Different Industries: Related to Hypothesis # 3

There is insufficient evidence that there are statistically significant differences in the three organizational Outcomes based on the three Different Industries.

We can assume that the three selected industries have and practice the same extent of Organization Leadership Mind-set, Strategy and Culture of Talent Management and Specific Talent Management Practices.

5.1.2.3 Organizational Outcomes with Different Management Types: Related to Hypothesis # 4

There is insufficient evidence that there are statistically significant differences in the Higher Overall Outcomes of HOO1, HOO2 and HOO3 based on Management Types.

There are statistically significant differences in Higher Financial Outcomes of HFO2 and HFO4 based on Different Management Types.

There is sufficient evidence that there are statistically significant differences in Higher Human Resource Outcomes of HHO1 and HHO2 based on Different Management Types.

5.1.2.4 Summary of Organizational Outcomes and Organization Size: Related to Hypothesis # 2

Organization Size			
Dependent Variable	**p-value**	**Ho**	**Conclusion**
Having the Right Kinds of Talent Over the Next 5 Years	0.872	Do not reject	There is no difference in Having the Right Kinds of Talent Over the Next 5 Years with respect to organization sizes.
Being Proactive in Addressing Change	0.743	Do not reject	There is no difference in Being Proactive in Addressing Change with respect to organization sizes.
Having Management Practices that Contribute to Creativity & Innovation	0.495	Do not reject	There is no difference in Having Management Practices that Contribute to Creativity & Innovation with respect to organization sizes.
Having High Employee Turnover	0.056	Do not reject	There is no difference in Having High Employee Turnover with respect to organization sizes.
Having an Increase In ROE	0.000	Reject	There is difference in Having an Increase In ROE with respect to organization sizes.
Having High Customer Relations & Satisfaction	0.001	Reject	There is difference in Having High Customer Relations & Satisfaction with respect to organization sizes.
Having Employee Motivation for High Productivity	0.055	Do not reject	There is no difference in Having Employee Motivation for High Productivity with respect to organization sizes.
Having Reduced Training Costs Due to Good Succession Planning	0.001	Reject	There is difference in Having Reduced Training Costs Due to Good Succession Planning with respect to organization sizes.
Having High Employee Loyalty & Morale	0.081	Do not reject	There is no difference in Having High Employee Loyalty & Morale with respect to organization sizes.
Being a Talent Magnet	0.726	Do not reject	There is no difference in Being a Talent Magnet with respect to organization sizes.

5.1.2.5 Summary of Organizational Outcomes between Different Industries: Related to Hypothesis # 3

Organization Industry Type			
Dependent Variable	**p-value**	**Ho**	**Conclusion**
Having the Right Kinds of Talent Over the Next 5 Years	0.640	Do not reject	There is no difference in Having the Right Kinds of Talent Over the Next 5 Years with respect to organization industry types.
Being Proactive in Addressing Change	0.616	Do not reject	There is no difference in Being Proactive in Addressing Change with respect to organization industry types.
Having Management Practices that Contribute to Creativity & Innovation	0.854	Do not reject	There is no difference in Having Management Practices that Contribute to Creativity & Innovation with respect to organization industry types.
Having High Employee Turnover	0.707	Do not reject	There is no difference in Having High Employee Turnover with respect to organization industry types.
Having an Increase In ROE	0.829	Do not reject	There is no difference in Having an Increase In ROE with respect to organization industry types.
Having High Customer Relations & Satisfaction	0.770	Do not reject	There is no difference in Having High Customer Relations & Satisfaction with respect to organization industry types.
Having Employee Motivation for High Productivity	0.875	Do not reject	There is no difference in Having Employee Motivation for High Productivity with respect to organization industry types.
Having Reduced Training Costs Due to Good Succession Planning	0.343	Do not reject	There is no difference in Having Reduced Training Costs Due to Good Succession Planning with respect to organization industry types.
Having High Employee Loyalty & Morale	0.805	Do not reject	There is no difference in Having High Employee Loyalty & Morale with respect to organization industry types.
Being a Talent Magnet	0.784	Do not reject	There is no difference in Being a Talent Magnet with respect to organization industry types.

5.1.2.6 Summary of Organizational Outcomes with Different Management Types: Related to Hypothesis # 4

Organization Management Type			
Dependent Variable	**p-value**	**Ho**	**Conclusion**
Having the Right Kinds of Talent Over the Next 5 Years	0.914	Do not reject	There is no difference in Having the Right Kinds of Talent Over the Next 5 Years with respect to organization management types.
Being Proactive in Addressing Change	0.618	Do not reject	There is no difference in Being Proactive in Addressing Change with respect to organization management types.
Having Management Practices that Contribute to Creativity & Innovation	0.610	Do not reject	There is no difference in Having Management Practices that Contribute to Creativity & Innovation with respect to organization management types.
Having High Employee Turnover	0.187	Do not reject	There is no difference in Having High Employee Turnover with respect to organization management types.
Having an Increase In ROE	0.006	Reject	There is difference in Having an Increase In ROE with respect to organization management types.
Having High Customer Relations & Satisfaction	0.065	Do not reject	There is no difference in Having High Customer Relations & Satisfaction with respect to organization management types.
Having Employee Motivation for High Productivity	0.028	Reject	There is difference in Having Employee Motivation for High Productivity with respect to organization management types.
Having Reduced Training Costs Due to Good Succession Planning	0.915	Do not reject	There is no difference in Having Reduced Training Costs Due to Good Succession Planning with respect to organization management types.
Having High Employee Loyalty & Morale	0.013	Reject	There is difference in Having High Employee Loyalty & Morale with respect to organization management types.
Being a Talent Magnet	0.046	Reject	There is difference in Being a Talent Magnet with respect to organization management types.

5.2 CONCLUSIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

The preceding literature review on Talent Management and Family Business context and the presentation of the findings from the statistical analyses in this study address specific issues related to Talent Management and explain how they relate to better organizational overall, financial and human resource performance outcomes.

Owners and managers of Lebanese SMEs are aware of the importance of Talent Management as an overall concept; however the implementation of effective Talent Management practices needs to be developed and enhanced to ensure the continued effective performance of the organization.

As a first step, the integration of all the components of TM into one dynamic system with the existence of general human resource management that applies to the human capital will enable organizations to manage their employees in a highly effective manner.

When the existence of TM as a critical driver is a deep conviction shared by leaders throughout the organization, it concentrates the management's efforts on having practices that contribute to creativity & innovation, and prepares the company to be proactive in addressing change. Adding the concept of development through mentoring & coaching will lead to the decrease in employee turnover.

Therefore, improved organizational outcomes clearly depend on the existence of special strategic TM that focuses on attracting, developing, managing career and retaining the talented employees. In addition to the existence of a culture based on transparency & information acquisition and existence of a strategy for employee engagement, learning &

contribution to achieve organizational goals as part of their roles. Hence, employees can achieve great work results if they were given the needed resources, support, opportunities and effective management.

Succeeding in the identification of the key roles and promoting talented employees to these positions based on the implementation of comprehensive performance management and not on favoritism, and providing appropriate compensation & incentives for their high performance will lead to the increase in employee motivation for high productivity, increase in employee loyalty and morale, and will reduce the training costs due to good succession planning.

Organizations depend on the existence of a talent pool to ensure the availability of the right kinds of talent over the next 5 years, and branding the organization as a great place to work that attracts talented candidates.

Existence of knowledge creation & change and culture based on transparency will lead to high customer relations & satisfaction and eventually to an increase in ROE.

The specific findings of this study will be particularly helpful to owners and managers of Micro, Small and Medium Family-owned Businesses in Lebanon in understanding the impact of the Talent Management practices on the increase of organizational performance outcomes. And will help them in addressing uncertainty in the labor market and in aiding them to derive best practices from this study.

A larger number of observations and comparison of Talent Management practices in non-family owned businesses could shed more light and/or explain more significant relationships between Talent Management practices and organizational outcomes.

Also, comparisons between different management types could again enlighten the managers of this very important topic. Hence, special attention should be focused on the finding that "Family-owned, Managed by Family and Non-family" management type contributes the most for organizational improved performance.

Further research and analysis should be conducted on the perception of Talent Management at the non-managerial employee level.

This study reports relationships between a set of talent management characteristics and outcomes but does not affirm cause and effect. Additional verifications should be done with other metrics and financial measurements.

APPENDIX

Survey Questionnaire

The purpose of this questionnaire is to assist me in defending my thesis for my MBA degree. The results would describe the effects of strategic Talent Management on organizational overall, financial and human resource performance in selected Lebanese family-owned small and medium enterprises in trade, manufacturing and service industries.

Your opinion to these questions are important, highly appreciated, and will be held in strict confidence. You are not required to identify yourself or your organization.

I genuinely thank you for your valuable time spent on filling the questionnaire, as soon as possible and I truly appreciate your sense of social responsibility.

General Information

Organization Industry:
- Wholesale and/or retail trade
- Manufacturing
- Service

Organization Size:
- Micro (less than 10 employees)
- Small (between 10 and 49 employees)
- Medium (between 50 and 124 employees)

Organization Type:
- Family-owned and managed
- Family-owned, managed by family and non-family
- Family-owned and non-family managed

Your position in your organization: ……..

Kindly read each question and express your sincere opinion, by checking the appropriate box (<u>only one</u>), according to the scale: Strongly Disagree – Disagree – Neutral – Agree – Strongly Agree, indicating your level of agreement with the implementation of below practices <u>in your organization</u>.		**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	Talent Management as a critical driver is a deep conviction shared by leaders throughout the organization.					
2	You have strategic Human Resource Management that applies to all employees; it focuses on anticipating the need for human capital and then setting up a plan to meet it.					
3	You have a special strategic Talent Management that focuses on attracting, developing, managing career and retaining the talented individuals for succession planning i.e. the individuals who have the potential to fill key positions.					
4	You have a distinct strategy of employee engagement and develop your people by making learning, stimulation and contribution to achieve organizational goals a part of their roles.					
5	You foster a trusting culture based on transparency which facilitates key information acquisition and communication.					
6	You maintain high ethical standards by valuing integrity and applying strong ethical codes and internal controls.					
7	You have a talent pool which is a collection of dynamic processes that allow an adequate flow of employees into jobs, key positions throughout the organization.					
8	Employees have challenging work and opportunities to develop their skills and abilities, and at the same time ensure that organizational requirements are still being met in the light of changing business priorities.					
9	Employees are appropriately compensated and receive incentives for their high performance.					

Kindly read each question and express your sincere opinion, by checking the appropriate box (<u>only one</u>), according to the scale: Strongly Disagree – Disagree – Neutral – Agree – Strongly Agree, indicating your level of agreement with the implementation of below practices <u>in your organization</u>.		**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
10	Talent recruitment is targeted at the entry level and then developed and promoted continuously by implementing comprehensive performance management.					
11	You are flexible and create accelerated development paths through mentoring and coaching for the highest potential employees to ensure their continued commitment.					
12	The talented employees are encouraged to create and help manage knowledge and initiate change.					
13	Engaged employees develop meaningful relationships with co-workers and managers.					
14	You will have the right kinds of talent to meet your strategic goals over the next five years.					
15	You are proactive in addressing change.					
16	Your talent management practices contribute to your creativity and innovation.					
17	You have a high employee turnover.					
18	You have an increase in your Return on Equity (ROE).					
19	You have high customer relations and satisfaction.					
20	Your employees have motivation for high productivity.					
21	Your well designed talent management practices in succession planning reduce training costs.					
22	You have high employee loyalty, affective commitment/belongingness and morale.					
23	You are a talent magnet that attracts talented candidates by branding the organization as “a great place to work”.					

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