

TALENT MANAGEMENT AND ORGANIZATIONAL PERFORMANCE: APPLYING THE AMO THEORY

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ABSTRACT

The purpose of this study is to advance an understanding of the nature and scope of talent management practice in the unique context of the developing economy of Pakistan, and to identify the relationship between talent management and organizational performance applying the AMO theory. This research was exploratory in nature and adopted a case study methodology within three leading Pakistani banks, in Karachi (Sindh). A total of twenty two in-depth interviews were carried out with senior HR and talent managers. All interviews were fully transcribed and analysed thematically. Evaluating interview data from three leading commercial banks, findings show substantial differences in the talent conceptualisation when compared to Western management orthodoxy. The empirical findings revealed that the conceptualisation of talent within the Pakistani banking organisations reflected a specific, path dependent historical, political and social legacy which viewed talent through a conceptual lens of qualifications and experience and had a significant influence on the sourcing and deploying talent. For managers, it should be to review the process of conceptualising talent and talent management within their organisation, to challenge any preconceived assumptions about the nature of talent and to consider alternative approaches to an exclusive approach in order that the right talent can be identified, developed and deployed for competitive advantage.

Keywords: Talent; conceptualisation; talent; management; organisational; culture; employee; engagement; performance; outcome

1. INTRODUCTION

There are several orthodoxies and models of talent management e.g., Wright, Dunford, and Snell (2001); Collings and Mellahi, (2009); Purcell and Hutchinson, (2007); Purcell and Kinnie, (2007); Gallardo-Gallardo, Dries, and González-Cruz (2013); Thunnissen, Boselie, and Fruytier, (2013); Meyers and Van Woerkom (2014) most of which focused on a sequence of stages or activities of talent management and to support the strategic goals of the organisation. Whereas, some models provide alternative perspectives on the nature and scope of talent management to incorporate commitment and discretionary behaviour.

This research adopted a broader conceptualisation of talent management as incorporating employee engagement and discretionary behaviour based on the AMO theory developed by Purcell (2003). The AMO theory discusses the concept of ability, work motivation, organisational commitment and discretionary behaviour that can impact on levels of employee engagement. Exhibit 1 presents an adapted model of the talent management process which incorporates employee perceptions. The central focus of the model is on fostering and inducing discretionary effort as an antecedent to performance outcomes and highlighting the contextual barriers that affect employee attitude and performance outcomes. The extended model provides a holistic understanding of the talent management process that incorporates the employee engagement aspect and a comprehensive picture of performance outcomes.

In addition, this is first exploratory study of talent management within the Pakistani banking sector; before this study there was very little known about talent management strategy and practice within the Pakistani context. The literature review revealed that national and cultural context is one of the major issues in talent management practice (Collings, Scullion, Vaiman, 2011; Vaiman & Collings, 2013).

The privatisation created a solid base to spotlight the talent within the Pakistani banking sector. However, this study provides a novel and important theoretical and empirical insight into the field of talent management with special reference to the developing context of Pakistan that advances the understanding of the concept from different angles. Notwithstanding, these findings are different from other studies as this study attempts to gauge the relationship between talent management constructs and organisational performance using the AMO theory as a conceptual framework. Some authors (Hutchinson, 2013; Hutchinson & Purcell, 2003; Purcell

& Hutchinson, 2007) discuss the relationship between HR practice and organisational performance but overlook the contextual element.

This study fills that gap and provides a hypothesised relationship between talent management constructs and employee attitude for performance at Pakistani banking organisations.

2. LITERATURE REVIEW

2.1. The Talent Management Process

Talent management focuses on achieving maximum benefit from the performance of high potential and high performer employees. CIPD research suggests that organisations can have either exclusive or inclusive approach towards talent management programme (CIPD, 2011). For example, in the exclusive approach, talent management professionals identify strategically important talent segments and focuses on the recruitment and selection of potential candidates, their development and deployment within these segments.

This approach can be linked with the view of Collings & Mellahi (2009) that involves the systematic identification of key positions, developing differentiated HR architecture (e.g. strategically looking at internal and external labour markets to identify talent) to fill these positions with high potential candidates and to ensure their commitment to the organisation so that they contribute to sustainable competitive advantage.

Alternatively, organisations can adopt an ‘inclusive talent management approach’ that involves the entire workforce of the organisation, focusing on the ways to develop peoples’ strength mostly using a blended learning approach (CIPD, 2011). There are many component elements and activities of talent management that can be applied in practice. For instance, Stahl et al. (2012) suggest three sets of activities: recruitment-staffing and succession planning, training and development, and retention management.

Similarly, CIPD (2011) research suggests three key interventions (e.g. identifying, deploying and engaging talent) to achieve strategic advantage. These key components are given in the revised talent management framework (see Figure 1).

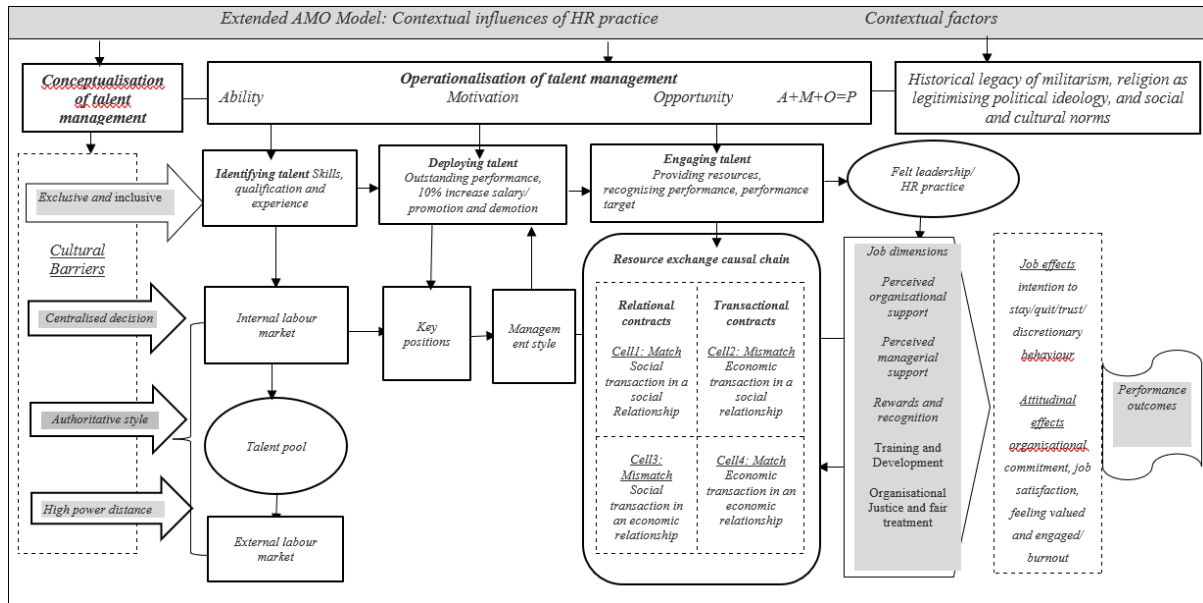


Figure 1: Revised framework

Source: Collings and Mellahi, (2009); Cropanzano and Mitchell, (2005); Purcell,(2003); Purcell and Hutchinson, (2007); Purcell and Kinnie, (2007).

3. METHODOLOGY

In this study, the focus was on understanding the talent management strategy and practice within the specific context and the factors influencing talent management process. Interview questions and propositions were formulated after an extensive literature review on the subject and the development of a conceptual framework as an analytical tool. Rowley (2002) argues that case selection must be determined according to the research purpose, questions, propositions and theoretical context.

The sample was restricted to those who were not directly involved in the implementation of talent management practice. Hence, only relevant participants such as senior HR heads who were directly involved in talent management activities and policy formulation activities were deliberately focused in the study. The semi-structured interviews were conducted to collect the qualitative data (Creswell, 2014).

In total, twenty two banking professionals were interviewed out of which three were used for piloting. From the perspective of the AMO and social exchange relationships, it was suggested that if the employees have ability, are motivated by the provision of appropriate opportunities at work and supported within the organization, they will respond with higher levels of satisfaction and engagement at the work setting (Gruman & Saks, 2011; Robinson, Perryman, & Hayday, 2004; Saks, 2006).

The AMO theory was thus broadened to incorporate employee attitudes in relation to specific job and organizational constructs such as job dimensions, organizational justice and fair treatment, perceived organizational support, perceived managerial support, rewards and recognition, training and development to understand the impact of these constructs on employee attitudes and levels of engagement within the case study organizations.

3.1. Interview Data and Thematic Analysis

This study used a thematic approach and was informed by a literature review on the subject of talent management strategy which shaped data analysis around three pre-determined themes of: i) talent conceptualization, ii) the nature and scope of talent management, and iii) employee commitment and engagement. These were foundational themes and new categories and sub-themes emerged during the data analysis process. The initial approach to data was guided by theory and literature but this was supplemented by an inductive approach which used a classified coding system that was data driven and refined pre-existing categories after a step by step analysis of data obtained through interview responses as described by Percy, Kostere, and Kostere (2015).

Interviews were conducted in English and local Urdu language and all were transcribed, translated and coded for analysis purpose. The analysis process started with transcribing all twenty two interviews and carefully studying each sentence and paragraph of the transcripts to match the codes and concepts suggested by the data. Additionally, the researcher examined and compared different parts of the interview information and tried to investigate key areas of the interview to determine what sentences, phrases or paragraphs appeared as meaningful and what was the frequency of key ideas that emerged in terms of similarity or contradictory responses given by participants (Percy, Kostere, & Kostere, 2015).

For example, participants explicitly stated that educational qualifications and competency to perform well are necessary elements of talent when answering the question about talent conceptualization. Each time similar words were found, these were coded and compared with other codes in the interview to find thematic similarities and differences (Bashir, Syed, Qureshi, 2017).

Once the initial concepts, language quotes and codes used by participants were identified, it was possible to assemble them to establish relationships. The themes were reviewed and reassessed to check similarities and relationships and three final aggregate talent

management streams were identified as: i) talent conceptualization (e.g. talent as skill/ability, qualification, and performance), ii) nature and scope of talent management (e.g. identifying and deploying talent, and iii) engaging talent (e.g. developing and rewarding talent).

4. QUALITATIVE DATA ANALYSIS

The results are discussed below and are structured around four main categories of the theoretical framework. First, empirical data is analysed in relation to the conceptualisation of talent management (i.e. Inclusive and Exclusive) within the case study organisations, and secondly the implications for the operationalisation of talent management are discussed. The third category analysis employee perceptions of the nature of the social exchange process in the organisation as mediated by the management. Finally, the main effects on HR management of path dependency and legacy issues within the case study organisations are analysed.

- **Talent as ability ---> reflects a legacy of bureaucracy and militarism where talent is equated with qualification and experience**

Following privatisation, talent differentiation was one of the main activities falling under the talent management umbrella within the case study banks and was focused predominantly on high potential candidates. Talent was seen exclusively as those with an appropriate level of qualification and experience and respondents made limited references to the developable abilities of their employees. Path dependent legacy influences were evident in a preference to draw on internal and external labour markets to identify talent/ability based on a pre-determined set of civil service-related considerations.

Empirical findings confirmed that respondents were aware of the concept of talent management, and recruitment and selection were the main component of the talent management programme. Case study banks typically focused on qualifications and experience, and job specific training. Developing broader competencies for multiple roles was not a consideration.

Conceptualisation of talent as an ability is distorted in Pakistani banking organisations because of educational traditions and the role of women in the Pakistani society. The labour market in Pakistan remains gendered and segregated. Empirical evidence confirmed that respondents faced difficulty in finding the right talent for their business. They believed that talent was available, but it was a challenging task to find them due to the labour market issues. For example, the HR manager spoke about challenges and contextual barriers in terms of talent

management activities: “...we do face problems in the recruitment of talent (right person for the right job) in our particular market since it is difficult to find because of the educational standard in the country we have a limited number of candidates produced in the system...” (HR-4).

The findings suggest that the conceptualisation of talent within case study organisations reflected a specific context shaped by path dependent historical, political and social legacies. It suggests that talent management is not a neutral concept. Findings relate to the work of Thunnissen and Van (2015) who suggest that the conceptualisation of talent cannot be disconnected from its context. Findings likewise support the work of Collings and Mellahi (2009) and Gallardo-Gallardo, Dries and González-Cruz (2013) who discuss key positions and high performing candidates as contributing more in current and future organisational performance.

Empirical findings in relation to talent as ability revealed that case study organisations conceptualised ability as possession of qualifications, experience and performance; whilst talent as a developable competency, and talent as a devotion or commitment was neglected or less focused features of the talent management programme. Results demonstrated that case study organisations had an exclusive talent management approach that focused on job-related work attributes but lacked understanding of employee attitudes and levels of engagement.

4.1. Talent as motivation and commitment

The second component of the AMO theory involves talent management as a potential way of fostering employee motivation and commitment. The focus here is on intrinsic and extrinsic rewards, goal setting, and building relationships and considering employees as resources to be developed to create a competitive advantage. The RBV of the firm sees employees as resources with potential to create a competitive advantage and underscores the importance of employee engagement in the process.

Such an approach has specific significance within the service sector because it incorporates the concept of discretionary effort. Employee motivation is a critical component of employee performance and a contributor to discretionary behaviour, and is influenced by extrinsic (e.g. financial) and intrinsic (e.g. interesting work) awards (Hutchinson, 2013). Extrinsic motivation is associated with tangible rewards and benefits such as pay, promotion, career and development opportunities, job security and healthcare benefits. Whereas, intrinsic

motivation is linked with psychological feelings such as self-esteem, feeling valued, respect, achievement and recognition or the nature of work itself (Hutchinson, 2013).

Collectively, both intrinsic and extrinsic rewards are necessary to keep employees engaged, motivated and committed. Thus, managers must know what motivates their employees individually and collectively and should provide them with adequate support so that they can be engaged and apply their capabilities.

Within case study organisations employee motivation was perceived as strongly linked to salary; the focus seemed to be on extrinsic motivation. Issues relating to intrinsic motivation such as employee commitment and engagement were marginalised in the empirical findings.

However, employee attitudes as reflected in quantitative findings demonstrated that organisational commitment had a significant impact on employees' level of feeling valued and engaged. Intrinsic and extrinsic motivation is often used to induce job commitment and employee engagement that are essential constructs of the talent management process. Motivation is crucial to improve psychological perceptions of the employees about the job and organisation.

For example, Hutchinson (2013) states that a positive psychological contract (e.g. when employee expectations are met and promises fulfilled) leads to increased employee commitment, satisfaction and motivation and has a positive impact on employee performance. By the same token, if the psychological contract is breached or violated, employee commitment and motivation will be undermined, resulting in negative work behaviour and reduced discretionary effort.

Employee expectations according to Nohria, Groysberg, and Lee, (2008) are related with four basic motivational drives that keep employees attached and committed to the organisation. The fulfilment of all four emotional drives is essential for any company and can be met by distinct organisational characteristics such as reward and recognition, organisational culture to promote team work; collaboration openness and friendly environment, job designs that are meaningful and foster a sense of contribution to the organisation, and building trust between the employee and the organisation (Nohria, Groysberg & Lee, 2008).

Within case study banks talent management was focused on extrinsic motivation and reward systems which differentiated and rewarded outstanding performance, but employee

motivation and commitment was not considered an essential aspect of talent management strategy (Collings & Mellahi, 2009; Gallardo-Gallardo, Dries & González-Cruz, 2013).

The extant literature revealed the importance of employee commitment and their motivation for organisational performance (Collings & Mellahi, 2009). The RBV of the firm strongly supports this idea that employees are the basis of organisational profitability and performance and that their motivation and commitment should be of high strategic importance.

Committed employees are the genuine talent, and employee engagement is an essential component of talent management. Hence, talent management has no advantage without engaging and retaining talent. Employee engagement represents the discretionary effort people bring to their jobs that can be encouraged through a predictable set of variables as developed by a number of authors (e.g. Purcell & Hutchinson, 2007; Purcell & Kinnie, 2007; Robinson, Perryman, & Hayday, 2004; Saks, 2006).

These variables can impact on the organisational performance. Findings in this study, revealed that job dimensions such as skill variety, task identity, task significance, autonomy, and performance feedback were the main predictors of feeling valued and involved. However, case study banks sought to differentiate talent based on specific qualities and rejected an inclusive approach to talent management that sees employees as resources with potential (e.g. systematically developed talent as mastery that allows them to demonstrate superior performance (Gagné, 2004; Gallardo-Gallardo, Dries & González-Cruz, 2013) to create a competitive advantage.

In addition, respondents within case study banks showed limited orientations to employee commitment and motivation and their retention strategy was invariably concentrated on the provision of tangible rewards to individuals demonstrating sustained performance levels. Issues relating to employee commitment and engagement were overlooked. Engagement behaviour can be encouraged through the resource exchange causal chain; the so-called rules of exchange (Cropanzano & Mitchell, 2005) that involve mutual expectations and reciprocity actions between the employee and the organisation.

For example, if employees under the rules of exchange receive economic incentives and socio-emotional resources by the organisation, then they will feel obliged to respond positively through higher levels of engagement (Cropanzano & Mitchell, 2005; Saks, 2006; Gruman & Saks, 2011). Simply, this process signifies the mutual relationship based on what

an organisation expects from the employees and what employees can expect in return. In order to strengthen such a relationship and to facilitate the exchange of expectations.

For example, Gruman & Saks (2011) emphasise goal setting and the alignment of individual and organisational objectives that are interdependent. However, the notion of exchange is not limited to material goods but also includes symbolic values such as approval prestige and recognition, and the mismatch will result in far greater psychological injury and perhaps permanent damage to the relationship (Cropanzano & Mitchell, 2005).

In this study, performance targets; and goal setting was the key part of talent management programme. However, employees' goals and objectives were less focused. Respondents repeatedly talked about organisational goals and employee performance but never discussed employee needs, objectives and the alignment of individual and organisational goals. Goal setting is highly important because it stimulates employee motivation, energy, focus and feelings of engagement (Gruman & Saks, 2011).

Alignment of objectives ensures a strategic focus to engagement which keeps employees engaged in tasks necessary for achieving organisational objectives (Macey, Schneider, Barbera & Young, 2009). Many authors (e.g. Pulakos, 2009; Schneider, Macey, Barbera, & Martin, 2009; Shimazu, Schaufeli, Kamiyama & Kawakami, 2015; Xanthopoulou, Baker, Heuven, Demerouti, & Schaufeli, 2008) consistently argue for goal alignment and support the idea that employee needs and objectives should be a significant part of the goal setting process.

Empirical findings found a managerial focus on employee behaviour and skills to meet organisational goals but not on the alignment of individual and organisational objectives. For example, a senior HR manager said "...each passing year employees have an impact on organisational performance as they have improved, it simply means they are aligning their behaviour and work, skills and expertise with the organisational expectations.

And simply what is happening around is imparting performance of the organisation in terms of high performance, high values and high profits and definitely high profit means high bonuses as well. So, whatever goals are set for the organisation is interpreted into the individual goals and everybody is working towards these goals..." (HR4).

The manager seemed to be saying that organisational goals were more important and if high profit is achieved then employees will receive any bonus. This reflects a traditional

management approach (e.g. Authoritative and bureaucratic) which focuses on organisational expectations and overlooks employee goals, objectives and expectations.

- **Engaging talent ---> providing opportunities, resources, removing roadblocks and coaching**

The third component of the model focuses on providing opportunities, resources, removing roadblocks and coaching. A feature of the model is that each of its components contributes to the effective management of talent. However, the significant part of this model is how this whole process is mediated by the management and perceived by the employees. Hence, managers must demonstrate consistent leadership practices in all three areas of the AMO to achieve business targets (Rgleed, 2014).

The talent management literature emphasises that employees must be provided with the opportunities to demonstrate discretionary behaviour. According to Hutchinson (2013), providing opportunities and resources to employees is influenced by team working, job autonomy and involvement to take initiatives, communication, job design, and job rotation. According to Gruman and Saks (2011), this requires a focus on job design dimensions and coaching and support which can promote psychological meaningfulness of work and foster engagement behaviour (Gruman & Saks, 2011; Nohria, Groysberg, & Lee, 2008).

This study found little evidence of engagement by promoting the psychological meaningfulness of work, rather the focus was on outcomes. For example, one respondent stated that "...engagement facilitation is carried out through recognising the employee's performance and arranging annual meetings at popular visiting places in Pakistan or further afield such as Malaysia and in Europe.

This is what keeps employees motivated and engaged..." (HR-3). Similarly, HR-4 stated that, "...engagement comes through line management because we expect that our line managers have a very good and strong communication with the team members; and also, with their supervisors that help us in transmitting relevant information and facilitating engagement processes..."

Employee engagement and facilitation are odd concepts in the Pakistani banking organisations. However, employees not only need the opportunities, materials and information to do their jobs but also organisational justice and fair treatment, time and a supportive working environment needed to identify and solve workplace problems (Gruman & Saks, 2011; Rgleed,

2014). Employee perceptions of justice and fair treatment in the appraisal process is a key driver of employee engagement (Gruman & Saks, 2011).

This study focused on employee perceptions of the social exchange process as mediated by management and the influencing variables of perceived organisational support, perceived managerial support, career and development opportunities, rewards and recognition, and organisational justice and fair treatment.

These findings revealed that organisations talent management practice was linked to the training and development of selective employees who demonstrated an outstanding performance and rewarded with a 10% increase in salary and promotions. Those employees who did not meet the pre-defined performance criteria were dismissed signifying a very narrow and exclusive approach to talent management practice.

However, there was no evidence of strategies for promoting the psychological well-being of employees for building and maintaining a quality relationship or justice and fair treatment through team working, coaching and supporting the working environment. Just as the qualitative data set revealed that talent management was focused on training and performance-related activities, quantitative data identified that employees were not motivated or engaged. Organisational justice and fair treatment had no impact on employee perceptions of feeling valued and engaged. These results indicate the effects of the bureaucratic mind-set that hampered employee motivation, their well-being, justice and fair treatment.

As stated earlier on, employee perceptions of the styles and effectiveness of leadership and HR practices in generating discretionary behaviour was a key part of Purcell's (2003) AMO theory to induce discretionary behaviour of employees at work. According to Purcell and Hutchinson (2007), employees are influenced by the experience they get through HR practices and by their managers' leadership behaviour.

However, their perception or responses can be positive and/or negative depending on the management style they receive. Inadequate and poorly designed HR policies can be rescued through good management and leadership, similarly poor management behaviour and weak leadership style negates good HR practices (Purcell & Hutchinson, 2007).

Moreover, HR policies may impact employee perception directly through organisational and supervisory support, whereas the quality of the relationship between the

employee and managers not only influences the perception of HR practices but also impacts the work environment of the organisation.

According to Purcell & Kinnie (2007), employee responses to HR practices are critical and remain at the heart of HR and organisational performance. HR practices and management style are significant areas of people management that employees perceive and react to in terms of utility or satisfaction. In this study, the findings revealed that employee feelings and opinions in terms of job experience were positively co-related with feeling valued and that perceived organisational support, perceived managerial support, rewards and recognition and organisational commitment were the strongest predictors of feeling valued and involved.

These findings support the work of Robinson & Hayday (2007) and Robinson, Perryman & Hayday (2004) who identified a sense of feeling valued and involved as a key driver of employee engagement and found that committed employees performed better. In addition, the findings found that feeling valued, organisational justice and job dimensions predict organisational commitment. For example, employees who experienced a meaningful job, psychological safety, availability and fair treatment in the organisation and were feeling proud to be a part of the organisation were more likely to be committed by feeling valued and engaged.

Hence, motivated and engaged employees have a positive behaviour at the workplace derived from a mutual exchange relationship with their employer/organisation. These findings upheld the concept of the AMO and social exchange relationship that is useful to induce employee motivation and engagement at the work setting (Cropanzano & Mitchell, 2005; Gruman & Saks, 2011; Saks, 2006).

These findings are consistent with previous studies (e.g. Gruman & Saks, 2011) which identify employee engagement as a key driver of organisational performance. Robinson, Perryman & Hayday (2004) commented that employees feeling valued and involved is a potential source of organisational performance and has a significant effect on employee commitment and retention. Moreover, this study shows that organisational justice and fair treatment do not contribute to employee perceptions of feeling valued and engaged.

There can be a number of reasons for such a negative impact. For example, firstly, employees in this context (where high-power distance, authoritative and bureaucratic management style exists) might be biased in their response when they report their feelings

about organisational justice and fair treatment (Johns, 1994). Secondly, organisational justice and fair treatment might be a compromising factor in this context due to the high unemployment issues in the job market, because, due to the limited participation of women in the job market, men are solely responsible to meet all financial needs of the family. So, compromising on organisational justice and fair treatment is far better than losing a job that can have very negative consequences for the whole family.

5. PERFORMANCE OUTCOMES

The features of talent management within case study organisations can be explained in two ways: First, it is based on a contingency approach to address the current needs of the organisation; it helped the case study organisations to improve service quality and a range of business operations, it protected against fraud, developed strategic human resource assets, worked as a change agent, increased overall organisational profit and helped to achieve organisational objectives.

Shortcomings in talent management approaches can be explained as the impact / consequence of legacy of bureaucracy and militarism. After privatisation, the business context of Pakistani banking organisations changed. The banking sector opened up to competition, banks recognised that service quality was an area where they could differentiate themselves, and that people had a key role to play in the provision of service. Before privatisation, favouritism, nepotism and overstaffing were the main characteristics of the case study organisations that not only affected talent management activities but also had a negative effect on organisational productivity and performance.

Empirical findings confirmed that the case study banks began differentiation by focusing on high potential and high performing employees. For example, a senior HR head stated that, "...early 2000 before the privatisation of HBL, MCB and other banks, the problem was overstaffing, so when there is overstaffing then the activities of talent management are greatly affected, and because of this deficiency, talent management activities were needed to differentiate the employees, e.g. talent versus the ordinary employee..." (HR-1).

However, privatisation resulted in the development of a business strategy and HR strategy. Respondents mentioned that after privatisation in 2004, the banks have made steady progress and that the management system has completely changed. Initially, being a public-

sector organisation, there was no concept of service. However, since privatisation banks have focused on providing the best service to customers.

A senior manager stated, "...the bank has been undergoing through a change of management strategy by introducing a completely new set of mission, vision and values and wanted all employees to be involved through the policies and procedures and now we extend the best services to our customers, so the bank has been significantly progressing as well..." (HR-3).

Although the findings show that talent management practice has brought considerable improvements in HR strategy and service quality, yet these findings have implications for the intervention in talent management planning for higher organisational outcomes. For example, the qualitative data revealed that contextual path dependent contextual barriers impede managerial staff to implement talent management practice.

Likewise, qualitative data revealed that a relationship exists between path dependency issues and its impact on managerial roles and responsibilities at the workplace. Across all cases, interviewees talked about the political pressure connected with their role and responsibility. Six out of the eight interviews reported socio and political perspectives that hinder them in performing their role independently. They mentioned that talent management activities were fundamental and critical for organisational success but identified many drawbacks/shortcomings in the form of political, cultural and social constraints.

Their main concern was expressed as a deep sense of dissatisfaction towards the government's policies and legacy of bureaucracy. The responses reflected that it was extremely difficult to play an administrative role independently in order to manage talent management activities and the affairs of the bank. For example, a senior HR head felt far less control in his role, "... the problem in Pakistan is that when the leaders at the top level are changed, most of the policies are going to be changed for they change with the leader.

Though it shouldn't be changing with the individual person, it should be system driven. So, we have to make talent management in the system so that it shouldn't be individual driven because if the things are system driven then it will be continuously working..." (HR-1). Another manager discusses a key point, "...this organisation is progressing well because its people are working hard, however, their career progression cannot be fully supported due to large number of individuals which we are trying to tackle so that the process may become more

efficient...” (HR-6). This suggests that an unclear strategy for career progression and the effects of a centralised decision-making system on the decisions of the HR managers.

A training and development head stated that, “...I think organisations are not pursuing talent management as they should be doing it, I know one of the ideal organisations that is absolutely fine in the plan management and that is Pakistan army when any one joins on any position there is no any discrimination, they have eligibility criteria and the candidate is going through the process.

After selection they give training in the best ideal environment and they have milestones for the career and will have equal opportunity to become the General of the Armed Forces. The political influence, favouritism and nepotism are the normal things which are common in our culture are affecting talent management practice...” (HR-5).

This point underscores the bureaucratic mentality persisting within case study organisations but also reflects a range of cultural barriers that influence HR decisions such as discrimination, compromising on merit, equal opportunity, succession planning and the influence of authority. These results are similar to the findings of Khilji (2003) who argues that Pakistani organisations are in a vicious circle of HRM practice, characterised by i) an attitude of helplessness with no questioning authority ii) a large power distance and limited top-down and bottom-up communication due to hierarchical differences iii) elitism, protecting those who are in power or authority and iv) limited implementation, or a gap between words and actions, between rhetoric and reality. This suggests a persistent gap between projected and actual talent management practice within case study organisations. To better understand the impact of path dependent legacy issues on the role and responsibility of managers there is a need for multi-disciplinary research to identify how frequent changes in political power and government policy affect the managerial practices of Pakistani organisations and what techniques should be used to harmonise relationships between the government and the organisations.

6. CONCLUSION

The talent management process within Pakistani banking organisations reflects the fact that banks introduced a range of policies to support talent management practice in order to respond to modern developments in the Pakistani business context that made it difficult to compete in the market and to manage organisational performance. In a competitive business

situation, it might be more effective for Pakistani managers to divert their focus from performance to managing contextual issues (e.g. path dependent legacy issues) in which performance occurs, and on creating and maintaining positive relationships with employees for inducing their commitment and engagement that as key driver to improve performance (Cropanzano & Mitchell, 2005; Gruman & Saks, 2011; Saks, 2006).

To this end, this study presents a comprehensive talent management model for a higher performance outcome that represents a reframed form of the AMO theory and presents a talent management programme which includes increasing knowledge and understanding of talent management constructs and their effect on performance outcomes. The main difference between this and other talent management models that exist is the fact that the focus is on employee perceptions and their well-being.

Concentrating on the various talent management procedures, a different managerial orientation for talent conceptualisation (e.g. talent as a commitment/ engagement) was used. For example, talent as a commitment/engagement has explicit goals for discretionary effort such as employee interests, values and objectives that are reciprocal with organisational objectives. However, the significance of employee engagement in the talent management process must be recognised within case study organisations and that requires the appropriate training and development of the managerial staff. For example, the HRM departments should enhance line managers' abilities so that they can carry out expected HRM duties effectively (Bos-Nehles, Van Riemsdijk, & Kees Looise, 2013).

Therefore, supervisors and managers within the case study organisations should be instructed about the nature and scope of talent management practice with the specific focus on employee engagement in which they may learn the importance of discretionary effort and how they mediate it to induce engagement behaviour of employees for enhancing their performance.

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