Factors Influencing Decision-Making in Internal Talent Management: Evidence from Private Sector Organisations in Saudi Arabia

A Thesis Submitted for the Degree of Doctor of Philosophy

By

MALAK M. ABUNAR

Brunel Business School
Brunel University
London

October 2014
ABSTRACT

Talent management has grown considerably in the last decade as organisations have made it a top priority issue around the world. A shortage of talent has emerged as one of the critical challenges that face organisations worldwide as they seek successful operations on a global scale. This has resulted in anxiety among organisations and thus created pressure on human resource management to maintain the competencies needed to achieve organisational goals. Thus, this challenge is motivating organisations to accurately identify and manage talents effectively to include them in the organisational talent pool. In order to address what influences the likelihood of an individual being labelled as ‘talent’, this research seeks to investigate the decision-making processes involved in the identification of talent.

This study makes an important contribution to the conceptual and empirical understanding of the nature of decision-making within talent management, which has suffered from a dearth of research. Thus, the aim of this study is to determine and examine the contextual and cultural factors that influence and shape the perceptions and the experience of managerial decision-making and its effect on the fairness of talent decisions. To date, there are a number of factors that have largely been examined separately in the literature. This study is the first to attempt to investigate these factors collectively to develop a comprehensive model to address the nature of talent decision-making. Furthermore, this study is one of a handful of studies that responds to the well-established call to emphasise the importance of decision-making in talent management literature.

A quantitative approach was deemed best suited to test the proposed model. A cross-sectional survey was conducted for primary data from diverse managerial levels. Data were collected from private organisations in the oil and banking sectors in Saudi Arabia. Because data collection is seriously challenging in Saudi Arabia, convenience and snowball sampling were believed to be the most appropriate in terms of satisfactory responses. Using an online and paper-based survey strategy, a total of 1960 questionnaires were distributed, 486 were returned, and 470 completed responses were used for final analysis.

Exploratory and confirmatory factor analyses were employed to validate the reliability and dimensionality of the integrated scales of the talent identification process. The results of a structural equation analysis supported the hypotheses. The findings of the empirical research identified three categorical variables that influence decision-making in talent identification processes; i.e., cultural, organisational, and societal factors. Further, decision-making style has a significant relationship with the fairness of talent decisions.

The key theoretical contribution of this research is the development of a robust, multi-dimensional model that explains the promising phenomenon of the talent identification process, and demonstrates the factors that have a definite impact on talent decision-making. Unlike previous studies, this study measures the multi-dimensional model of the talent decision-making process, at the aggregate level which is considered as a methodological contribution in the area of talent management research. Pragmatically, the proposed model offers decision-makers a new perspective for adjusting and dealing with talent identification processes in order to ensure equity in talent decisions. This study extends the notion of talent decision-making in the talent identification process and creates avenues for further research.
DEDICATION

To my mother Dr Maha Alahdab, a great woman, for her continual love, encouragement and kind support that has led me to achieve my dream. So much of what I have become is because of your prayers and hopes you have whispered for my success. I want you to know that I appreciate you, thank you and love you more than words can explain.

I am sorry, mother, for not being close to you when you were sick.
May God bless you.

To my sister Rawabi and her little angels, to all my siblings, Lama, Abdulrahman and Batool who have been patiently waiting for me to come back from this long journey. Thank you for your love, unending support and for being lifelong friends.

I am deeply sorry for the time we spent apart.

To my father Mansour Abunar, whom I sadly lost years ago, who could not see his firstborn daughter successfully reach the highest level of education.

May Allah rest his soul in heaven.

Thank you all for your unlimited support and encouragement along the way.

I Love you all from the bottom of my heart.
ACKNOWLEDGEMENTS

The accomplishment of this PhD thesis represents a significant pivotal moment in my life. I have worked hard to get to the point where I am now. It has been a major endeavour; it is the final point of a long educational journey. This journey has been one of the most critical challenges I have ever had to face during these years. The completion of this work would not have been possible without the support of a number of people. Words cannot begin to describe what I feel today, when finally I have the opportunity to express my appreciation and gratitude to all of them.

First and foremost, my gratitude would be absolutely incomplete if I would not thank Allah the Almighty for his blessings and guidance in giving me the strength, courage, patience and perseverance to endure this long and challenging study journey to achieve my dream. All good things that I have in my life are because of his Love and Mercy. God be praised!

I owe considerable thanks and offer my deepest gratitude to my supervisor, Dr Maged Ali, for his marvellous supervision and constant encouragement during all stages of this research. Sincere appreciation is extended to his generous participation in guiding, constructive feedback and advice. Thank you Maged for always being there to listen during stressful times and for your sympathy when I was mentally and/or physically absent. Your support along the way was of great help and always made me carry on with confidence.

My sincere thanks to the members of my Viva committee, Professor Constantine Andriopoulos, the external examiner and Dr Chima Mordi, the internal examiner for the time and care they put into reading my thesis and for their helpful feedback and suggestions. I would like to take the opportunity to thank all faculty members and administrators at Brunel Business School for their professional help during the period of my study. I am indebted to my friends and to PhD colleagues in Brunel Business School, for their valuable advice and care. I am also delighted to acknowledge all the kindness and support from people in Saudi Arabia who generously provided their time during the stage of data collection.
Doing a PhD is more than getting academic qualification; it is a lifetime achievement, an inspiring and intellectually stimulating experience. I believe this experience gave wings to my thoughts, taught me to explore the unknown, to boldly go where no one has gone before. For this once again my gratitude from the bottom of my heart, goes to Mr Khalid Algassem for supporting me with all his strength as a dear friend. Thank you for your constant help and care; you were a family to me. I cannot find adequate words to express how essential your inspiration and support were to bring me this point. I will never forget your kindness towards me.

Last, but not least my thanks go to King Abdullah Bin Abdulaziz for providing generous opportunities for Saudis including myself to pursue their studies in a wide range of scientific and management fields across the world.

I can hardly believe it’s time to move on; I do believe it’s time for another adventure. I have definitely had my ups and downs, but I have come a long way!

Thank you all.
Malak Abunar
DECLARATION

I hereby declare that this research study is developed by me for the purpose of the PhD programme at Brunel University and has not been previously submitted for any other degree or qualification to any other academic institution. I confirm that this study is wholly my own work. I further declare that all information in this thesis has been obtained and presented in accordance with academic rules and ethical conduct.

MALAK ABUNAR
PUBLICATIONS ASSOCIATED WITH THE THESIS

Journal Papers:


Conference Papers:


Awards:

TABLE OF CONTENTS

Abstract .......................................................................................................................... II
Dedication ...................................................................................................................... III
Acknowledgement ......................................................................................................... IV
Declaration ..................................................................................................................... VI
Publications Associated With the Thesis ................................................................. VII
Table of Contents .......................................................................................................... VIII
List of Tables .................................................................................................................. XIV
List of Figures ............................................................................................................... XVI
List of Abbreviations ...................................................................................................... XVII

CHAPTER 1: INTRODUCTION

1.1 Introduction ............................................................................................................. 1
1.2 Research Background and the Scope of the Study ............................................. 3
1.3 Research Motivation ............................................................................................... 6
1.4 Research Aim, Objectives and Questions .............................................................. 9
1.5 Significance and Novelty of the Study .................................................................. 11
1.6 Research Methodology .......................................................................................... 12
1.7 The Structure of the Thesis ................................................................................... 13
1.8 Chapter Conclusion Remarks ............................................................................... 14

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction ............................................................................................................. 16
2.2 Overview of Talent Management ........................................................................... 17
2.3 Mapping the Field of Talent Management ......................................................... 19
2.4 Dominant Themes in Talent Management Literature ........................................... 21
   2.4.1 Theme 1. The Definition of Talent ................................................................. 21
   2.4.2 Theme 2. Definitions of Talent Management ................................................. 26
   2.4.3 Theme 3. Talent Management Streams ....................................................... 29
   2.4.4 Theme 4. Perspectives on Talent Management ........................................... 31
   2.4.5 Theme 5. Talent Pools .................................................................................. 36
CHAPTER 3: CONCEPTUAL DEVELOPMENT

3.1 Introduction..............................................................................................................96
3.2 Theoretical Background .........................................................................................96
3.3 Model Development and Research Hypotheses.......................................................103
  3.3.1 Individual Culture.................................................................................................104
  3.3.2 Organisational Culture........................................................................................109
  3.3.3 Geographical and Institutional Proximity...............................................................112
  3.3.4 Homophily ..........................................................................................................113
  3.3.5 Social Network Position ......................................................................................115
  3.3.6 Gender Diversity................................................................................................117
  3.3.7 Decision-Making Style and the Fairness of Decision-Making .........................119
3.4 Chapter Conclusion Remarks....................................................................................122
CHAPTER 5: DATA ANALYSIS AND FINDINGS

5.1 Introduction ................................................................. 193
5.2 Data Management ......................................................... 193
5.3 Data Examination ......................................................... 195
  5.3.1 Missing Data .......................................................... 195
  5.3.2 Outliers ............................................................... 196
  5.3.3 Assessment of Normality ........................................... 196
5.4 Demographic Characteristics of Participants ..................... 198
  5.4.1 Profile of Respondents ............................................. 199
  5.4.2 Organisation Details ............................................... 200
  5.4.3 Decision-Making Process ......................................... 200
5.5 Descriptive Statistics of Construct Items ......................... 202
  5.5.1 Decision-Making Styles ........................................... 202
  5.5.2 Individual Culture .................................................. 203
  5.5.3 Organisational Culture ............................................ 204
  5.5.4 Homophily, Social Network Position and Geographical Distance .... 205
  5.5.5 Fairness ............................................................ 206
  5.5.6 Comparison between the Mean Frequencies in the Sample .......... 207
5.6 Reliability Assessment of the Instrument ......................... 208
5.7 Correlation Analysis ..................................................... 208
5.8 A Multi Analysis of Variance (MANOVA) ........................ 211
CHAPTER 6: DISCUSSION AND REFLECTION

6.1 Introduction .................................................................................................................. 248
6.2 Overview of the Research Study .................................................................................. 248
6.3 Discussion and Findings ............................................................................................... 251
   6.3.1 Population and Response Rate .............................................................................. 251
   6.3.2 Profile of Respondents ......................................................................................... 252
   6.3.3 Materials and Methods of Purification the Measurement Scale ....................... 254
   6.3.4 Discussion of Hypotheses Testing ......................................................................... 255
      6.3.4.1 Individual Culture Dimensions Findings ......................................................... 256
      6.3.4.2 Antecedents of Organisational Culture on Talent Decision-Making .......... 261
      6.3.4.3 Geographical and Institutional Proximity on Talent Decision-Making ....... 265

5.9 Factor Analysis Procedures ......................................................................................... 211
   5.9.1 Exploratory Factor Analysis (EFA) ....................................................................... 212
      5.9.1.1 Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) Test .......... 213
      5.9.1.2 Bartlett’s Test of Sphericity Test .................................................................... 213
      5.9.1.3 Communalities ............................................................................................... 214
      5.9.1.4 Total Variance Explained .............................................................................. 215
      5.9.1.5 Scree Plot ...................................................................................................... 216
      5.9.1.6 Factor Loadings ............................................................................................ 218
      5.9.1.7 Creation of Latent Factors ............................................................................. 220

5.10 Structural Equation Modelling Analysis ..................................................................... 225
   5.10.1 Confirmatory Factor Analysis and Measurement Models ................................ 225
      5.10.1.1 The Goodness of Fit (GOF) ......................................................................... 226
      5.10.1.2 The Initial Proposed Model ......................................................................... 226
      5.10.1.3 The Revised Model ...................................................................................... 227
   5.10.2 Assessment of Reliability and Validity of Constructs ........................................ 229

5.11 Assessment of Model Fit and Hypotheses Test ....................................................... 234
   5.11.1 Model Fit Assessment .......................................................................................... 234
   5.11.2 CFA for Second-Order Decision-Making Styles Structure .............................. 236
   5.11.3 Testing the Structural Model with the Second-Order Structure ...................... 238
   5.11.4 Testing the Hypotheses ...................................................................................... 240

5.12 Further Analysis ........................................................................................................ 244
5.13 Concluding Remarks ................................................................................................. 245
LIST OF TABLES

Table 2.1  Review of Talent Management Studies .................................................. 19
Table 2.2  Talent Definitions in the World of Work .............................................. 24
Table 2.3  Definitions of Talent Management found in the HRM Literature ........ 28
Table 2.4  Hofstede’s Cultural Dimensions .......................................................... 65
Table 2.5  Wallach’s Typology of Organisational Culture .................................... 71
Table 2.6  Conceptual Taxonomy of Factors Influencing Talent Decision-Making ... 85
Table 3.1  Summary of Research Hypotheses ...................................................... 121
Table 4.1  Main Features of the two Philosophical Research Approaches .......... 126
Table 4.2  Major Differences between Deductive and Inductive Approaches .... 127
Table 4.3  Classification of Current Research ...................................................... 132
Table 4.4  Selected Indicators of the Private Sector ............................................. 142
Table 4.5  Illustrates the Response Rate Obtained for this Study ......................... 150
Table 4.6  The Major Strengths of Online Surveys .............................................. 152
Table 4.7  Translation Technique for Questionnaire ............................................ 158
Table 4.8  Items Developed for ‘Social Network Position’ Construct .................... 165
Table 4.9  The Definition of Social Network Position .......................................... 166
Table 4.10 Items Developed for the Survey Instruments ....................................... 168
Table 4.11 Demographic Details of Pilot Study Respondents (N=40) ................. 175
Table 4.12 Cronbach’s Alpha Coefficient of the Items for the Pilot Study ........... 177
Table 4.13 A Summary of Statistics Used in this Research Study ......................... 184
Table 4.14 Goodness of Fit Statistics in SEM ....................................................... 188
Table 5.1  Skewness and Kurtosis Values ............................................................ 197
Table 5.2  Tests of Normality ........................................................................... 198
Table 5.3  Profile of Respondents ..................................................................... 199
Table 5.4  Organisation Details .......................................................................... 200
Table 5.5  Decision-Making Process in the Organisation .................................... 201
Table 5.6  Descriptive Statistics of Measured Items of Decision-Making Styles
  Construct ......................................................................................................... 203
Table 5.7  Descriptive Statistics of Measured Items of the Individual Culture
  Constructs ...................................................................................................... 204
Table 5.8  Descriptive Statistics of Measured Items of the Organisational Culture

Table 5.9  Descriptive statistics of measured items of Homophily, Social Network Position and Geographical Distance constructs

Table 5.10  Descriptive Statistics of Measured Items of Fairness Construct

Table 5.11  Comparison between the Mean Frequencies in the Sample

Table 5.12  Cronbach’s Alpha Coefficient of the Items

Table 5.13  Correlations Matrix between Variables

Table 5.14  Gender Multi Analysis of Variances (MANOVA)

Table 5.15  KMO Statistics and Bartlett’s Test

Table 5.16  Communalities

Table 5.17  Total Variance Explained

Table 5.18  The Rotated Component Matrix

Table 5.19  Items Eliminated from Item Minimisation Stage

Table 5.20  Factor Loading and Cronbach’s Alpha of the Items

Table 5.21  Goodness of Fit Statistics for the Initial CFA

Table 5.22  Goodness of Fit Statistics of Revised CFA Model

Table 5.23  Summary Results of Reliability and Validity

Table 5.24  Descriptive Statistics of Convergent Validity

Table 5.25  Discriminant Validity

Table 5.26  First Run of the Structural Model Indicators

Table 5.27  Selected Text Output of the Regression Weights for Insignificant Path

Table 5.28  CFA for Second-Order Decision-Making Style Structural Indicators

Table 5.29  Summary Results of Validity

Table 5.30  Final Structural Model Indicators

Table 5.31  Results of Hypotheses Testing

Table 5.32  GOF Indices between Group Differences Based on Gender

Table 6.1  The Fulfilment of the Research Objectives

Table 6.2  Hofstede’s Cultural Dimensions Scores in Arab Countries and Saudi Arabia

Table 6.3  Mean Score of Organisational Types in the Current Study
# List of Figures

| Figure 2.1 | Perspectives of Talent Management | 31 |
| Figure 3.1 | Talent Identification Process | 98 |
| Figure 3.2 | The Theoretical Framework | 102 |
| Figure 3.3 | The Conceptual Model and Hypotheses | 118 |
| Figure 4.1 | Process of Deduction Approach | 128 |
| Figure 4.2 | Research Design | 131 |
| Figure 4.3 | Map of Saudi Arabia | 138 |
| Figure 4.4 | Main Steps in Sampling Process | 143 |
| Figure 4.5 | Types of Questionnaire Used in This Research | 153 |
| Figure 4.6 | Procedures for Measurement Scale Development | 166 |
| Figure 5.1 | Scree Plot | 216 |
| Figure 5.2 | Higher-Order Model of the Decision-Making Styles Perceptions Factorial Structure | 237 |
| Figure 5.3 | The Structural Model | 239 |
| Figure 5.4 | Path Analysis Results of the Structural Model | 242 |
LIST OF ABBREVIATIONS

AGFI  The Adjusted Goodness-Of-Fit Statistic
AIC   Akaike Information Criterion
AMOS  Analysis of Moment Structures
AVE   Average Variance Extracted
BUR   Bureaucratic
CDSI  The Central Department of Statistics and Information
CFA   Confirmatory Factor Analysis
CFI   Comparative Fit Index
CR    Critical Ratio
D2    Squared Mahalanobis Distance
DF    Degree of Freedom
DMS   Decision-making styles
EFA   Exploratory Factor Analysis
FAI   Fairness
GCC   Gulf Cooperation Council
GD    Geographical Distance
GDP   Gross Domestic Product
GEN   Gender Differences
GFI   Goodness of Fit Index
GOF   Goodness of Fit
H     Hypothesis
HOM   Homophily
HR    Human Resource
HRM   Human Resource Management
IC    Individualism vs. Collectivism
INN   Innovative
KMO   Kaiser-Meyer-Olkin Measure
MANOVA A Multi Analysis of Variance
MF    Masculinity vs. Femininity
MI    Modification Indices
MNCs  Multinational Corporations
N     Number of Participants
NFI  Normed-Fit Index
NS   Not Significant
OCI  Organisational Culture Index
OPEC Organisation of the Petroleum Exporting Countries
PCA  Principal Component Analysis
PD   Power Distance
PNFI Parsimony Normed Fit Index
RBV  Resource-Based View of Firms
RMR  Root Mean Square Residual
RMSEA Root Mean Square Error of Approximation
RNI  Relative Noncentrality Index
SEM  Structural Equation Modelling
SHRM Strategic Human Resource Management
SIC  Squared Inter-Construct Correlations
Sig. Significant
SMEs Small and Medium-Sized Enterprises
SNP  Social Network Position
SPSS Statistical Package for Social Sciences
SRMR Standardised RMR
SUP  Supportive
TLI  Tucker Lewis Index
UA   Uncertainty Avoidance
WTO  World Trade Organisation
χ²   Chi-Square
Chapter One

Introduction

1.1 Introduction

In today’s global economy, the highly competitive pressure worldwide has created a dynamic and competitive environment in which most organisations must learn to compete effectively to accomplish sustainable growth (Scullion and Collings, 2011; Schuler, Jackson and Tariq, 2011a). The advent of globalisation and the intensity of competition have not only changed the way business is conducted, but also have identified talent resources as a key factor for prosperity, competitive advantage and organisational success. The growth and evolution of the world economy over the last two centuries have demonstrated that a nation’s aptitude to identify, attract, develop and deploy human capital is the most significant factor in the international marketplace. Workforces around the world have become more educated, diverse and more mobile (Briscoe, Schuler and Claus, 2009). Indeed, knowledge workers and high potential talent in organisations across the globe are of increasing strategic importance (Tymon, Strumpf and Doh, 2010; Vaiman, Scullion and Collings, 2012). Thus, management in global and local organisations, public and private, large and small organisations have come to realise that in order to gain and sustain global competitive advantage, they must identify and manage their workforces effectively. With the aim of remaining competitive, organisations must confront the reality of the importance of talent management and its challenges to develop human resource management (HRM) activities (Beechler and Woodward, 2009; Collings and Mellahi, 2009).

Talent management involves an integrated set of activities, programmes, processes and cultural norms to ensure that the organisation attracts, selects, identifies, develops and retains key appropriate talent to achieve strategic objectives and meet future organisational needs (Stahl et al., 2007; Hartmann, Feisel and Schober, 2010; Iles, Chuai and Preece, 2010a; Silzer and Dowell, 2010). Ultimately, the aim of talent management is to secure the flow of key talent, in order to develop and maintain an
internal talent pool consisting of a skilled, high potential, engaged and committed workforce (Armstrong and Taylor, 2014). This is why talent management has emerged as a high priority issue for many organisations. Talent management focuses on the performance-based ranking of employees, and the related management of talent pipelines for the purpose of global staffing and succession planning (Conger and Fulmer, 2003; Lewis and Hackman, 2006). In spite of the promising expectations of implementing such a concept by many organisations, there are significant challenges that can result in unsatisfactory outcomes. According to Ready and Conger (2007), nearly all surveyed organisations identified a lack of a sufficient talent pipeline to fill strategic and key positions within their organisation, which significantly constrained their ability to improve their business. Moreover, recent research studies have suggested that organisations are unable to identify who they consider their talented employees are and where he/she is located (Michaels, Handfield-Jones and Axelrod, 2001; Collings, Scullion and Morley, 2007, Makela, Bjorkman and Ehrnrooth, 2010). Thus, in the rapidly moving, uncertain, dynamic and highly competitive global market, organisations worldwide are facing major decisions and challenges in talent management (Scullion, Collings and Caligiuri, 2010; Tarique and Schuler, 2010; Schuler, Jackson and Tarique, 2011b). One of those challenges concerns the inability to evaluate and make appropriate decisions to identify the key talent and consequently fill strategic positions (Michaels, Handfield-Jones and Axelrod, 2001; Collings, Scullion and Morley, 2007; Scullion and Collings, 2011).

It is well recognised that talent has become a central issue for organisations in all economies across the world today as they seek to gain competitive advantage and develop successful strategies. At the same time, finding key individuals and placing them in the key positions is one of the greatest decision-making challenges faced by organisations that may constrain their growth. In line with these implications, authors point out that the talent identification process and possible factors that influence talent decision-making from a multifaceted perspective has great potential for understanding managers’ perceptions, experience and attitudes towards talent decisions. In order to frame talent decision-making in a more novel way, this study is concerned with identifying the determinants of talent decision-makers’ predictor variables towards the organisational talent identification process from different perspectives and traditions.
The structure of this chapter starts with a brief theoretical background and summary of the scope of the study. The research motivation, research questions, aim and objectives of the study are then set out. Throughout the chapter, the significance and novelty of the research is articulated. Next, a brief description of the methodological approach applied in the study is discussed. The structure of this thesis is outlined and finally, the conclusion of the chapter will be presented.

1.2 Research Background and the Scope of the Study

A shortage of professional and managerial talent has emerged as one of the key human resource (HR) concerns faced by both multinational and local organisations across the world today as they seek to maintain and grow successful operations (Scullion and Brewster, 2001; Cappelli, 2008a; Vaiman, Scullion and Collings, 2012; Gelens et al., 2014). There is considerable evidence that organisations around the world are facing enormous challenges in respect of talent management. In other words, identifying, attracting and retaining key talent is a challenge facing all organisations (Bryan, Joyce and Weiss, 2006; Tarique and Schuler, 2010). According to Collings and Mellahi (2009), global organisations have come to realise that a major source of their competitive advantage is the knowledge, skills and abilities of their talented employees. Notwithstanding this realisation, Ready and Conger (2007) confirm that organisations continue to report a shortage of sufficient talent to fill their key positions, which negatively influences the implementation of global growth strategies. Due to this pressing shortage, talent management is becoming a crucial strategic area for the survival and success of business across the globe as it competes to attract, select, identify, develop and retain key appropriate talent in the organisation (Iles, Preece and Chuai, 2010b). Thus, talent management highlights a specified pool of employees who are categorised as first-class in terms of performance and capability (Stahl et al., 2007; Makela, Bjorkman and Ehrnrooth, 2010) and consequently are considered as potential leaders either now or at some point in the future.

Talent management is a term that can be seen as more than an HR process: “the talent mindset is not just another HR fad” (Moran, 2005, p.2). According to Duttagupta (2005) and Chuai, Preece and Iles (2008), talent management is crucial to business
success. Talent management has been significantly influenced by the resource-based view of firms (RBV), which regards the role of human capital as a key source of sustained competitive advantage (Barney, 1991). Furthermore, in line with the RBV, McDonnell and Collings (2011) argue that traditional sources of competitive advantage such as brand name and technology are eroding, whereas human capital is increasingly becoming one of the most significant organisational resources. In the context of global organisations the challenge is to identify those high-performing and high-potential employees effectively and ensure they fill the key positions (Mellahi and Collings, 2010).

Apposite to the perceived contribution of talent management, there are a significant number of challenges that result in unsatisfactory organisational outcomes as a result of failure to identify and retain key talent effectively. Talent management decision-making has emerged as a key issue for global organisations in the last decade (Scullion and Collings, 2011). At the centre of these challenges, there is an increasing realisation that talent management decision-makers are frequently unable to access accurate information to identify appropriate talent, and have limited capabilities to reach an appropriate judgement using all pertinent information about talent (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collongs, 2010). In addition, the decision-makers’ ability to access knowledge, is driven and limited by their experience and cognition (Gavetti and Levinthal, 2000). However, even a cursory examination of organisations suggests that talent management decision-makers frequently make decisions without reference to accepted frameworks or consideration of the key related data (Vaiman, Scullion and Collings, 2012), which will have a negative impact on an organisation’s talent pool.

Typically, most organisations are integrating the practices of performance management as a process to identify and evaluate key talent within their talent review meetings, which generally links the talent identification process with decision-making (Hartmann, Feisel and Schober, 2010; McDonnell, 2011; McDonnell and Collings, 2011; Gelens et al., 2014). In recent talent management studies, Azzara (2007); Makela, Bjorkman and Ehrnrooth (2010) and Mellahi and Collongs (2010), have examined how the final decision is made regarding who is included in a talent pool in talent review meetings. Talent management decision-making is becoming increasingly
global in that employees from all parts of the organisation may be identified as talent, and therefore included in a corporate talent pool, regardless of whether they are nationals, expatriates or local employees (Stahl et al., 2007). As a rule, performance management is carried out by line managers who review an employee’s performance, whether or not these managers are always the best placed person to identify potential high-performance employees (McDonnell and Gunnigle, 2009). Consequently, talent pool inclusion is determined not only by performance appraisal evaluations, but also is limited by the rationality of the decision-making process. This rationality has been influenced by a number of factors that influence decision-making in the talent identification process (Azzaea, 2007; Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collongs, 2010; Vaiman, Scullion and Collings, 2012).

The process of making decisions is one of the most critical mechanisms of human thinking (Sanz de Acedo Lizarraga, Acedo Baquadano and Cardelle-Elawar, 2007). Orasanu and Connolly (1993) describe the process of decision-making as a series of cognitive operations performed consciously, which include environmental factors at a specific place and time. These factors are related to individual decision-makers’ ability to access knowledge, and are driven and limited by decision-makers’ experience and cognition (Gavetti and Levinthal, 2000). Additional to the process of decision-making, the decision-making style might influence the decision outcome of talent management decision-makers. Decision-making style has been defined as an individual’s characteristic mode of perceiving and responding to decision-making assignments which affect the decision process (Harren, 1979; Thunholm, 2004). According to Hunt et al. (1989), the term ‘decision-making style’ is related to cognitive style or the individual’s manner of thinking and understanding the decision-making process.

Drawing on bounded rationality theory, complex decision-making has consistently demonstrated that managers are not perfectly rational but rationally bounded (Simon, 1979; Hammond, Keeney and Raiffa, 1998), which might hinder effective talent decision-making within organisations. In addition, the decision-makers’ ability to access knowledge, is driven and limited by their experience and cognition (Gavetti and Levinthal, 2000). To cope with these limitations, decision-makers frequently make their decisions without reference to accepted frameworks or consideration of the key relevant data (Boudreau, 2010; Vaiman, Scullion and Collings, 2012). This can result
in undue bias in talent decisions (Mellahi and Collings, 2010; Boudreau and Jesuthasan, 2011) and therefore, treatment of talented employees is separated from justice (Thunnissen, Boselie and Fruytier, 2013b), and this again will have a negative impact on talent pool inclusion. This is supported by Gilliland (1993), Tatum et al. (2003) and Eberlin and Tatum (2008), who argue that the model of organisational justice based on fairness of selection procedures would lead to important organisational and individual outcomes. By way of explanation, different kinds of decision-making style are associated with different attitudes towards organisational justice.

1.3 Research Motivation

Talent management is likely to be a major challenge in all economies right across the world. Despite recent increased attention and rapid growth in the area of talent management, there is still considerable criticism regarding the rigour and lack of sufficient understanding of the definition of talent management and its theoretical development, mainly in the global context (Collings and Mellahi 2009; Scullion, Collings and Caligiuri 2010; Scullion and Collings 2011; Festinga, Schafera and Scullion, 2013). Other studies have reported that there is little evidence that organisations implement talent management in an effective manner (Sparrow, Brewster, and Harris, 2004; Cohn, Khurana and Reeves, 2005; Scullion and Collings, 2006; Cappelli, 2008b). Although organisations tend to recognise the importance of talent management, they frequently fail to manage it effectively (Sparrow, Brewster, and Harris, 2004; Collings, Scullion and Morley, 2007; Cappelli, 2009).

In particular, in a review of the contemporary literature, Lewis and Heckman, (2006), Collings and Mellahi, (2009) and Scullion, Collings and Caligiuri (2010) comment that the field of talent management is not mature enough in terms of identifying and developing talent. Further, others have suggested that global organisations suffer from an inability either to identify or evaluate talent to fill their strategic positions (Michaels, Handfield-Jones and Axelrod, 2001; Collings, Scullion and Morley, 2007). The crux of the matter is that decision-making in talent management increasingly needs to be recognised. This issue has grown in importance in the light of recent
studies that suggest talent decision-makers are frequently unable to access knowledge and accurate information to identify appropriate talent, as it is driven and limited by their experience and cognition (Gavetti and Levinthal, 2000; Mellahi and Collongs, 2010; Makela, Bjorkman and Ehrnrooth, 2010). This, in turn, affects the fairness of talent decisions (Vaiman, Scullion and Collings, 2012; Thunnissen, Boselie, and Fruytier, 2013a). However, even a cursory examination of organisations suggests that talent management decision-makers frequently make decisions without reference to accepted frameworks or consideration of key related data, which will inevitably have a negative impact on an organisation’s talent pool.

Thus, it is important for both academics and practitioners to understand the underlying reasons behind why decision-makers behave in the way they do towards talent; however, the scope of this research has yet to receive much consideration in this debate. In this sense, Azzara (2007); Makela, Bjorkman and Ehrnrooth (2010), Mellahi and Collings (2010) and Zander et al. (2010) call for further investigation of talent identification processes, and for an exploration of the factors that have an influence on talent decision-making. In short, so far as talent management is concerned, the factors that shape managers’ perceptions and actions are not sufficiently understood as yet. To date, there are a numbers of factors that have largely been examined separately in the literature. The researcher attempts to investigate these factors collectively to develop a comprehensive conceptual framework to address the nature of the decision-making process regarding talent identification. Furthermore, a number of researchers Makela, Bjorkman and Ehrnrooth (2010); Mellahi and Collings, (2010); Vaiman, Scullion and Collings (2012); Thunnissen, Boselie and Fruytier (2013a) recommend studying the fairness and justice issue as it is related to talent management. Accordingly, they have investigated the relative influence of the fairness of talent decision-making on organisational talent pools. This study examines the talent decision-making determinants of organisational talent pools to support and strengthen the existing literature.

Furthermore, the effectiveness of talent decision-making and its contribution to organisational talent pools has not yet been evaluated comprehensively, which is especially true in different national contexts. However, it is equally important not to lose sight of cultural differences in how the processes of talent decision-making are
defined and conducted. In addition, Dickmann, Brewster and Sparrow (2008), Collings, Scullion and Vaiman (2011) and Scullion and Collings (2011) suggest more research is needed in international contexts, signifying the necessity of studying the impact of decision-making in talent management from different national origins, and examining the circumstances and the factors that make one context significantly different from another. The number of theoretical and empirical studies on talent management is still limited and mainly based on Asian countries such as China (e.g., Hartmann, Feisel and Schober 2010; Iles, Chuai and Preece, 2010a; Zhang et al., 2014), Malaysia (e.g., Poorhosseinzadeh and Devi Subramaniam, 2013) and Indonesia (e.g., Sadeli, 2014); India (e.g., Bhatnagar, 2007; Tymon, Stumpf and Doh, 2010), some European countries such as Germany (e.g., Festinga, Schafera and Scullion, 2013) and Spain (e.g., Valverde, Scullion and Ryan, 2013), and a few cities such as Brussels (e.g., Gelens et al., 2014). However, it has been suggested that the richness and variety of organisational and managerial realities, as well as research traditions in the Middle East, may provide good opportunities for the future development of knowledge in talent management (Ali, 2008).

A country like Saudi Arabia is underrepresented in current research, yet the talent management and, more specifically, talent decision-making challenges facing organisations must be dealt with if the Middle East is to recover economically and maintain a competitive edge. Therefore, to understand decision-making in talent management, this study intends to explore the importance of culture which might differ in terms of management, values, attitudes and individual perceptions which could create new challenges and prompt reflection on management style and business processes, specifically in the context of a developing country such as Saudi Arabia. Culture is a multilevel construct that may be construed at regional, national, organisational and individual levels (Dorfman and Howell 1988; Sagie and Aycan, 2003; Ali, Brooks and Alshawi, 2008). Previous studies have not considered the impact of underlying cultural dynamics on talent identification processes. Until now, talent management studies have not suggested a global pattern for organisations to achieve success in talent identification.

Furthermore, there is a real dearth of empirical research on talent management. Indeed, recent studies have suggested that multinational corporations (MNCs) are facing an
inability to identify and evaluate talent to fill their strategic positions (Michaels, Handfield-Jones and Axelrod, 2001; Collings, Scullion and Morley, 2007; Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010). In addition to the focus on MNCs, talent management has become a cause for concern in a far wider range of organisations. However, such studies might not be generalisable and/or might not be to their advantage to implement. Thus, the issue of talent management and its challenges may vary significantly in different types of organisations other than multinational enterprises (Iles, Chuai and Preece, 2010b; Zander et al., 2010). An examination of talent decision-making in private sector organisations in Saudi Arabia could create additional insights into the extant literature because the Saudi cultural background is substantially different from those of Western and Asian countries (Hofstede, 1991). Obviously, comparative studies of these patterns from different home countries, industries, size and sectors will be most interesting as well as discerning any global patterns in talent management (Collings, Scullion and Dowling, 2009; Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010).

To this end, this study responds to these calls to contribute to our understanding of how talent decision-making takes shape in the specific context of private sector organisations by identifying and examining the factors that influence talent decision-makers and the impact of their decision style on the justice of talent decision-making to exhibit future leadership potential. The study also aims to contribute to our understanding of talent management by observing the national context of Saudi Arabia.

### 1.4 Research Aim, Objectives and Questions

The purpose of this study is to make a contribution to the literature on talent management by developing an updated comprehensive model that addresses the nature of the talent decision-making process within a number of antecedents and consequences. Therefore, private sector organisations in Saudi Arabia were chosen as the context for this research because they represents a wide spectrum of initiatives aimed at identifying potential employees and developing their capabilities in an organisation (Figliolini, Hofmann and Kanjirath, 2008). Furthermore, recent calls for
research indicate the importance of conducting talent management studies in under-researched areas relative to many advanced market economies for the sake of knowledge expansion (Collings, Scullion and Vaiman, 2011; Stahl et al., 2012). To that extent this study seeks to address the following research questions:

1. What is/are the process (es) followed by organisations to identify internal talent?
2. What factors influence the decision-making process in talent identification?
3. What effect does decision-making style have on the fairness of talent management decision-making?

This research aims to:

*Explore the underlying contextual and cultural influences on talent decision-making and determine the factors that shape the perception and the experience of managerial decision-making and its effect on the fairness of talent decisions.*

In order to achieve this aim, the following research objectives are proposed:

- To identify the significant factors which include cultural, organisational, societal and psychological, that shape and influence the perception and the experience of talent decision-making.
- To develop a model that will provide an understanding of the determinants that influence talent decision-making styles and, in turn, their impact on the fairness of talent decisions.
- To develop a measurement scale for the ‘social network position’ construct. This involves a literature search, collection of interviews with HR experts and quantitative data on talent decision-making from private sector organisations in Saudi Arabia.
- To empirically assess the proposed conceptual framework concerning the relationships between the identified factors, decision-making style and the fairness of talent decisions.
- To delineate the theoretical and practical implications that emerge from the research for future decision-making in talent management.
To achieve these aims and objectives, a set of research hypotheses are developed and will be tested in the following chapters.

1.5 Significance and Novelty of the Study

This research intends to contribute to academic and practical knowledge in the advancement of the talent management research streams. By development of a comprehensive theoretical framework that examines the contextual and cultural factors that influence talent decision-making, the research findings are expected to help broaden extant understanding of talent decision-making perceptions and experience in a talent management context. This study establishes an integrative theoretical framework that combines a set of factors of talent identification processes that influence the decision-makers’ attitudes and behaviours. To the knowledge of the researcher, this is the first time such a theoretical framework has been tested theoretically and empirically within the talent management domain. Simultaneously, this research attempts to find answers to questions posed by talent management scholars about exploring the nature of talent decision-making that will impact significantly on the talent identification process. Furthermore, this study is one of a handful studies that responds to the established call for emphasising the importance of decision making in talent management literature.

Based on the validity of the scale, the research will provide a useful scale for measuring the key construct of significance in talent decision-making. Furthermore, this research provides an unusual contribution to the field of talent management by introducing to talent decision-making research for the first time a new measurement scale construct termed ‘social network position’, which represents an opportunity to expand the current measurement of talent decision-making. However, the ultimate contribution of the current study is to introduce an all-inclusive, applicable and generalisable scale that can be used by both academics to advance research on talent decision-making and by managers to assess the value of their decisions within the organisation's talent identification process.
Furthermore, this research is groundbreaking in the research on talent management and will, it is hoped, contribute to the knowledge about talent decision-making behaviour and talent identification processes. In other words, conducting research and disseminating the findings is important for understanding the critical factors that could assist organisations to achieve the most effective talent decisions and improve their processes of identifying talent. Similarly, the study determines the critical factors that might foster or discourage managerial decision-making as they need to carefully orchestrate those factors which contribute to organisational talent pool inclusion. This research is also expected to be of use to HR and talent managers, since understanding the crucial factors related to talent decision-making will enable them to design more effective processes to enhance the outcome and the fairness of talent decisions, and therefore improve the quality of talent pool inclusion.

1.6 Research Methodology

Given the paucity of research on talent decision-making in respect of private sector organisations, this study adopted a descriptive and deductive approach. The descriptive research design was chosen as the best fit for the current study to confirm and test the prior formulation of specific hypotheses about the association between contextual and cultural influences on talent decision-making, decision-making style and its impact on the fairness of talent decisions (Hair et al., 2010). According to Collis and Hussey (2009) and Saunders, Lewis and Thornhill (2012), descriptive research aims to describe the phenomenon that researcher wants to study based on a previous understanding of the nature of the research problem to validate if an assumed relationship exists, and whether it is inherently objective and can be answered by empirical examination. In order to achieve the aim of this study, this research adopts a positivist philosophy with a quantitative strategy of analysis. This approach can be employed to gain an understanding of human behaviours and attitudes through objective values (Saunders, Lewis and Thornhill, 2012). Primary data was collected through an online and paper-based survey of 470 managers across private sector organisations in Saudi Arabia. The model was tested using structural equation modelling with Analysis of Moment Structures (AMOS) software. Upon completion of data collection and data analysis, the suggested concepts were then confirmed and
further discussion on the current topic is therefore recommended to enrich the extant body of research.

1.7 The Structure of the Thesis

This section briefly explains the structure of this thesis which consists of seven chapters along with references and appendices. The outlines are as follows:

**Chapter 1 Introduction** - The first chapter discusses the background and scope of the study, followed by the motivation for this research, research questions, aims and objectives. It continues by defining the significance and novelty of the study. Finally, it presents the methodology of the study followed by concluding remarks.

**Chapter 2 Literature Review** - This chapter reviews the theoretical foundation of the existing literature on talent management, talent identification and evaluation process (es), decision-making, decision-making style, fairness of decisions and the bounded rationality theory which has been applied to explain the concept of talent decision-making. Likewise, it critically reviews the relevant literature related to the key factors that are likely to influence the talent decision-makers, in order to develop a talent identification process model. The influential factors identified in the literature and categorised for this research include individual, organisational, societal and psychological factors. Finally, the limitations of past research on talent management are identified and discussed.

**Chapter 3 Conceptual Framework** - Drawing on the literature review, a conceptual model of the talent identification process will be formulated and a number of hypotheses will be developed in this chapter.

**Chapter 4 Research Methodology** - This chapter discusses the methodology applied to empirically test the proposed conceptual model as established in Chapter three. This chapter also includes research paradigms, a research strategy and justification for adopting a positivist research paradigm and cross-sectional methodology in this study.
The context of the study (Saudi Arabia), data collection methods, sampling issues and participation, developing the survey questionnaire including the measurement scale items selected and the steps to develop new scales will be illustrated. Furthermore, the results of the pre-testing and the pilot study of the survey instrument will be reported. This chapter will also illustrate and describe the data analysis techniques, presents the reliability and validity of the latent factors, and finally presents the ethical considerations in this research.

Chapter 5 Data Analysis and Findings - This chapter presents the analysis and findings of the main survey using different data analysis tools, which are explained and justified in Chapter four. A brief description of the sample demographics and gender along with MANOVA tables and findings are presented. Results reported also employ exploratory factor analysis, confirmatory factor analysis and assessment of model fit including structural equation modelling analysis. Furthermore, the reliability and the validity of constructs will be stated. This chapter ends by presenting the outcomes of hypotheses testing.

Chapter 6 Discussion and Reflection - This chapter starts with an overall discussion of the main findings including the population and response rate, profile of respondents and the results of scale purification. Also, it provides the findings related to the results drawn from testing all the hypotheses in this study and then reflects on the study.

Chapter 7 Conclusions - This chapter provides a summary of the results of this study. First it discusses the findings and how they meet the research aim and objectives in order to highlight the theoretical contribution of the thesis. Furthermore, guidelines for managers and organisations are then presented in the form of managerial implications. The study concludes by outlining the methodological and theoretical limitations of the research. As a final point, future research directions are suggested.

1.8 Chapter Conclusion Remarks

This research aims to explore the underlying contextual and cultural influences on talent decision-making in addition to determining and testing the factors that shape the
perceptions and the experience of managerial decision-making and how their management style affects the fairness of talent decisions. This chapter has laid the foundations and highlighted the key facts and procedures to be followed to achieve the research aim and objectives. Introducing the background of the research and the scope of the study which stems from the need for a thorough understanding of the importance of decision-making in talent management is presented. Then, the motivation for the study, the major research questions, aim and objectives are stated. Theoretical and managerial significance and the novelty of the study are then highlighted. This was followed by a brief description of the research methodology used in this study. This thesis will broaden existing knowledge and be of relevance to academics and practitioners alike. Finally, an explanation of the research structure is presented. Therefore, this research is broken down into seven chapters that document both the theoretical and empirical investigations of the study. The next chapter will provide a review of literature relevant to the study area.
Chapter Two

Literature Review

2.1 Introduction

From its inception over the course of the last decade, talent management research has become the subject of increasing interest. Accordingly, scholars have adopted a bottom-up focus in developing theories on the concept of talent management via various models and constructs to define this area and its practices. However, a critical review of the literature is required to outline the key contributions in the field and determine any related gaps in the existing body of knowledge. In this regard, this chapter examines the literature on the concept of talent management with a primary focus on the conceptualisation of talent decision-making. Importantly, these insights highlight the factors that influence the likelihood of an individual being labelled as talented, by focusing on the determinants of talent identification and evaluation processes.

The literature review is a critical analysis in the area of talent management research, which illustrates current thinking on this topic and demonstrates a clear understanding of the research area; it identifies the major and previous studies related to this research, identifies points of view on the research topic and draws appropriate and clear conclusions of the research problem. Therefore, this chapter starts by covering sufficient ground to ensure a solid perspective on talent management. This is followed by reviewing talent identification and evaluation processes. The next sections are then devoted to a discussion of talent decision-making and management style. Talent management challenges including bounded rationality theory are then deliberated. A further discussion examines the patterns and influential factors in talent decision-making in order to identify internal talent and its impact on the fairness of decisions. Finally, the research limitations revealed in the review of the talent management literature at talent decision-making level are identified before the conclusions are discussed.
2.2 Overview of Talent Management

In recent years, ‘talent management’ has become a key management issue in organisations worldwide. The notion came to the fore in the late 1990s when a group of McKinsey consultants coined the expression ‘The War for Talent’ and posited that a fundamental belief in the importance of talent was needed to achieve organisational excellence (Michaels, Handfield-Jones and Axelrod, 2001). The notion of ‘The War for Talent’ is rooted in two main suppositions; (1) in the knowledge economy, traditional sources of competitive advantage are losing their edge while ‘talents’ are a renewable resource not easily stolen or copied by competitors (Iles, 1997), (2) attracting and retaining talent has become progressively more difficult as an outcome of specific demographic and psychological contract trends (Tucker, Kao and Verma, 2005; Dries, 2013).

Talent management has become an increasingly popular topic in the academic and business world which is expressed in a plethora of books, articles, extensive research reports and consulting firms which view it as a high-priority issue for global organisations which will become a well-defined area of practice (Heinen and O’Neill, 2004; Ashton and Moreton, 2005; Lewis and Heckman, 2006; Ingham, 2006; McGee, 2006; McCauley and Wakefield, 2006; Iles, Chuai and Preece, 2010a). Along with that, relevant services and products related to talent management have been continuously explored and advocated (Chuai, 2008). Proper talent management is considered a critical determinant in developing successful and strategic priorities for business (Bhatnagar, 2008; Beechler and Woodward, 2009; Davies and Davies, 2010; Iles, Chuai and Preece, 2010b), as well as its significance for the livelihood and sustainability of organisations (Lawler, 2008).

Talent management has come to be seen as a dynamic theme driving HRM in many organisations. Talent management may be defined as a holistic approach to HR planning, which is aimed at strengthening the capability of organisations, as well as driving business priorities using a variety of HR interventions (Iles, 2007; Paauwe, 2007; Chabault, Hulin and Soparnot, 2012). These focus on organisational performance, enhancement, succession planning and career development (D’Annunzio-Green, 2008). The concept of talent management has progressed into
common management practice by focusing on identifying, recruiting, attracting, retaining, developing and transitioning talented employees (Michaels, Handfield-Jones and Axelrod, 2001). Recently, a global study of HR leaders has shown that talent management is the key issue facing HR departments worldwide and is expected to be the next core competency in the domain of HR expertise (Morton, Ashton and Bellis, 2005; Beardwell and Claydon, 2010).

In spite of the growing popularity of the concept of talent management after more than a decade of debate, however, the construct still suffers from conceptual confusion and a serious lack of clarity regarding scope, definition and overall goals (Lewis and Heckman, 2006; Tansley et al., 2007). According to Iles, Chui and Preece (2010a) and Preece, Iles and Chuai (2011), this lack of theoretical foundations and conceptual development in the literature of talent management can be attributed to the fact that most of the literature in this area is consultancy or practitioner based. Regardless of the increasing number of authors in the field of talent management (e.g., Boudreau and Ramsted, 2005a; Lewis and Heckman, 2006; Tansley et al., 2007; Garrow and Hirsh, 2008; Reilly, 2008; Collings and Mellahi, 2009; McDonnell, Collings and Burgess, 2012; Powell et al., 2012; Vaiman and Collings, 2013), many still attribute the ambiguity inherent in the talent management construct to an inadequate operationalisation of the underlying talent construct (Gallardo-Gallardo, Dries and Gonzalez-Cruz, 2013). Surprisingly, scholars of talent management are rarely precise about what exactly talent means, perhaps because there are a number of implicit theories about what talent is (Barab and Plucker, 2002). In fact, many articles (e.g., O’Reilly and Pfeffer, 2000; Collings and Mellahi, 2009) and books (e.g., Cappelli, 2008b; Lawler, 2008) about talent management, take talent as an underlying construct for granted and thus it is not defined explicitly (Gallardo-Gallardo, Dries and Gonzalez-Cruz, 2013). This, however, does not imply that all scholars in the talent management area are speaking the same language. Consensus is lacking on the meaning and underlying principles of talent management. Table 2.1 presents a progression of talent management studies.
2.3 Mapping the Field of Talent Management

In order to frame talent management in more novel ways, the researcher has mapped the field of talent management from different traditions and perspectives. Since 2010, academic databases have shown a dramatic increase in the number of publications and citations in the field of talent management, as the number of hits was over 170,000 for publications on talent management between (2001-2012). Recently, Thunnissen, Boselie and Fruytier (2013b) conclude that most of the academic publications up until 2012 on talent management have been conceptual, exploring the field of talent management and approaching it from many different angles and aspects (e.g., Tansley, 2011; Gallardo-Gallardo, Dries and Gonzalez-Cruz, 2012). However, it should be noted that most of the research studies were conducted in the US or the UK (Collings, Scullion and Vaiman, 2011). The literature on talent management is built on a broad range of academic traditions, including HRM, international HRM, strategic HRM and organisational behaviour (e.g., Boxall, Purcell and Wright, 2007; Cappelli, 2008a; Schuler, Jackson and Tarique, 2011b; Thunnissen, Boselie and Fruytier, 2013a). This variety of traditions in the domain of talent management brings diversity and multiple lenses and approaches.

Table 2.1
Review of Talent Management Studies

<table>
<thead>
<tr>
<th>Year</th>
<th>Author(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>Buckingham and Vosburgh; Jerico; Michaels, Handfield-Jones and Axelrod</td>
</tr>
<tr>
<td>2006</td>
<td>Lewis and Heckman</td>
</tr>
<tr>
<td>2009</td>
<td>Collings and Mellahi</td>
</tr>
</tbody>
</table>

- Academics have produced a significant amount of literature on talent management.
- Stressed the point that despite the volume of academic literature, talent management was still in its infancy.
- Talent management lacks a clear and consistent definition and scope as well as a conceptual framework based on empirical research.
- Reached the same conclusion that talent management is still in its infancy and a significant degree of theoretical advancement is required.
Collings, Scullion and Vaiman

- Observed some progress regarding the establishment of a definition and conceptual boundaries of talent management, mainly US-based.

Powell et al.

- Stated that there is a strong focus on talent management in the private sector and in multinational organisations.

Thunnissen, Boselie and Fruytier

- Concluded that the field of talent management was moving from its infancy toward adolescence.

According to Lewis and Heckman (2006) and Collings and Mellahi (2009), there is a lack of empirical research in the field of talent management that is broad in scope. In this regard, several case studies were found which describe practices in a single organisation or else in a certain region and country (e.g., Ready and Conger, 2007; Kirkland, 2009; Burbach and Royle, 2010; Makela, Bjorkman and Ehrnrooth, 2010). Other studies focus on talent management functions (e.g., Dries and Pepermans, 2008; Dries, 2011; Dries, Van Acker and Verbruggen, 2011; Hoglund, 2012). Few quantitative studies presented talent management challenges (e.g., Guthridge, Komm and Lawson, 2006, 2008; Stahl et al., 2007, 2012; Powell et al., 2012).

The majority of the conceptual papers address the link between talent management and strategy and how it contributes to organisational performance and competitive advantage (e.g., Cappelli, 2000, 2008a; Pfeffer, 2001; Boudreau and Ramstad, 2005a; Farley, 2005; Ready and Conger, 2007; Martin and Schmidt, 2010; Burkus and Osula, 2011; Somaya and Williamson, 2011). In the global context, the challenges in managing global talent, talent management in multinational organisations and talent management in emerging economies are addressed by multiple publications (e.g., Beechler and Woodward, 2009; Mellahi and Collings, 2010; McDonnell, Hickey and Gunnigle, 2011; Schuler, Jackson and Tarique, 2011b; Scullion and Collings, 2011). Conceptual papers as well are covered in HR practices, such as recruitment and selection, talent pools and development (e.g., Blass and April, 2008; Jansen and Van der Pool, 2009; Kirkland, 2009) and finally, the role of the HR function (e.g., Farley, 2005; Farndale, Schuler and Sparrow, 2010).

In summary, over the course of the last decade, the concept of talent management has received great attention in the academic literature. Scholars from a broad range of academic traditions have contributed to the debate. These different focuses of research
have each contributed in their way to current understanding of the various important aspects and issues concerning talent management. However, the talent management literature does not tackle new or unknown territory as noted previously. Until now, the majority of the academic literature in talent management is still conceptual, trying mainly to respond to the question of what talent management is. However, Thunnissen, Boselie and Fruytier (2013b) emphasise that more research is needed to address the question of how organisations actually define talent. Furthermore, the field of talent management is also in urgent need of further empirical research in order to develop and examine the existing frameworks currently found in the conceptual literature (Lewis and Heckman, 2006; Thunnissen, Boselie and Fruytier, 2013a).

2.4 Dominant Themes in Talent Management Literature

After reviewing a general picture of the talent management background, there have been a number of attempts to capture and/or define the concepts of ‘talent’ and ‘talent management’ (definitions). In what follows, a discussion of the etymology of the term ‘talent’ and its linguistic evolution over time will be offered, with the purpose of shedding light on contemporary usage of the term in organisational settings. Then, the discussion moves on to discuss the meaning of talent management streams, and the implications of different approaches for talent management theory and practice.

2.4.1 Theme 1. The Definition of Talent

The conceptualisation of talent has become progressively more relevant for practitioners and scholars to make advances in talent management studies (Tansley, 2011; Gallardo-Gallardo, Dries and Gonzalez-Cruz, 2012). According to Ulrich (2011), it appears that talent can mean whatever a business leader wants it to mean, as long as everyone has his or her own idea of what the construct does and does not encompass. In the HR practitioner literature, a great many organisationally specific definitions of talent were found, highly influenced by the occupational field or the type of industry (Tansley et al., 2007). Definitions of talent in a business context have been defined by Gallardo-Gallardo, Dries and Gonzalez-Cruz (2012) who discuss different
approaches to the conceptualisation of talent in two broad ways. First, they made a
distinction between (1) subject approach (talent as people) and (2) an object approach
(talent as characteristics of people, such as knowledge, abilities and/or competencies).
The second approach is related to differentiation of the workforce which can be
divided into an inclusive (all employees) or an exclusive (a select group) approach (see
also Iles, Chuai and Preece, 2010a; Powell et al., 2012; Stahl et al., 2012).
Accordingly, organisations usually adopt both an inclusive and exclusive approach,
although the exclusive conceptualisation seems to be preferred (Sparrow, Hird and
Balain, 2011) or, alternatively, a combination of both approaches (Stahl et al., 2012).
Details of these approaches will be discussed later in this chapter. Now, however, it is
time to review a number of important discussions arising from the wide variation
found in the literature about the meaning of talent, whether talent refers to people,
characteristics of people or about performance, potential, competence, or commitment
of an individual.

According to the Compact Oxford English Dictionary talent is defined as ‘natural
aptitude or skill’ and ‘people possessing such aptitude and skill’, therefore talent can
apply to specific skills and to the individuals who possess these skills (Beardwell and
Claydon, 2010). In the workplace, talent has been defined as individuals who can make
an immediate or long-term contribution, either through making a difference to
organisational performance, or by demonstrating the highest potential levels (CIPD,
2006). Assuming that talent can be used to describe all people who have individual
skills and abilities, however, talent has to be used more selectively to include only
those who demonstrate high performance or potential.

According to Michaels, Handfield-Jones and Axelrod (2001) and D’Annunzio-Green
(2008), talent is a general quality, as the sum of a person’s ability, which includes their
knowledge, skills and potential for growth. Moreover, Tansley et al. (2007, p.2) argue
that “Talent management requires HR professionals and their clients to understand
how they define talent, who they regard as ‘the talented’ and what their typical
background might be”. However, it appears that there are difficulties in identifying a
universal definition of talent, because organisations often have their own
conceptualisation of talent. This is also supported by Towers (2004), who conducted a
survey and found that the majority of participant organisations gave different
definitions of talent depending on their business strategy, on an organisation’s culture,
competitive environment, the type of firm and other factors (CIPD, 2007) which makes it hard to find a one-size-fit-all talent explanation that is right for every organisation precisely because each position has specific requirements (Ingham, 2006). Even though talent can be categorised as a significant, key, valuable element, rare and hard to imitate in any business, the particular explanations regarding talent are still not clear, which leaves no universal definition of talent (Brown and Hesketh, 2004). As a result, and according to Towers (2004), talent definitions should be tailored to individual organisations, and any firm should be encouraged to “understand the specific talent profile that is right for it” (Michaels, Handfield-Jones and Axelrod, 2001, p. xii). In short, organisations tend to have different talent targets.

From an organisational point of view, talent can be focused on the performance and potential that exists in every employee, or more exclusively focused on scarce resources and key positions (Yarnall, 2011). One example of different organisational targets of talent: Bill Gates once maintained that, “take our twenty best people away from us and I can tell you that Microsoft would be an unimportant company” (Gates and Lowe, 1998, p. 42). Moreover, Duttagupta (2005) finds that Microsoft UK, for instance, focuses attention on its A list, the top 10 percent of performers, regardless of level and role. Similarly, Six Continents targets executives below board level and high potential individuals, as the two cadres are expected to provide their leaders of tomorrow. Correspondingly, Philips is upgrading its culture and talent to shape its vision of being a high-growth technology corporation.

This assessment has clarified that the key elements of defining talent are organisational culture and job structure. In addition, candidates who have appropriate work experience, personal qualities and a specific background, are becoming vital and essential in the process of talent identification. On the other hand, Tulgan (2001) goes further, seeing little point in trying to define ‘talent’, because any organisation should know who its valuable employees are. However, other commentators do feel that it is possible and necessary to define talent. In talent management literature, there are numerous definitions of talent. A close look at Table 2.2 reviews the rich if different definitional frameworks of talent that have developed over time.
However, scholars have a tendency to define talent as a select group of employees within an organisation who rank at the top in terms of skills, capability and performance (Stahl et al., 2007; Silzer and Dowell, 2010). While a variety of definitions of the term talent have been suggested, the continuing confusion about its meaning is hindering the establishment of widely acknowledged talent management theories and practices, and thus obstructs scholarly advancement. Furthermore, the lack of a clear construct might lead to a lack of confidence in the conclusions that can be drawn from the existing literature. Owing to these conclusions, there is wide differentiation on the definitions of talent, whether focusing on particular people, a set of characteristics, or statements of need mainly based on the strategy of each organisation. Therefore, the aim of the current research is not to consider talent itself; instead, it will contribute to the theoretical literature on talent management by offering an in-depth review of talent management decision-making within the specific context of the world of work, and testing a proposed framework for its generalisation. Having reviewed the definitions of talent, it is necessary to clarify the meaning of talent management in detail.

Table 2.2
Talent Definitions in the World of Work

<table>
<thead>
<tr>
<th>Year</th>
<th>Definition of Talent</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>“(...) superior mastery of systematically developed abilities or skills” (p. 67).</td>
<td>Gagne</td>
</tr>
<tr>
<td></td>
<td>“Describe those people who do one or other of the following: regularly demonstrate exceptional ability – and achievement – either over a range of activities and situations, or within a specialised and narrow field of expertise; consistently indicate high competence in areas of activity that strongly suggest transferable, comparable ability in situations where they have yet to be tested and proved to be highly effective, i.e., potential.” (p. 35).</td>
<td>Williams</td>
</tr>
<tr>
<td>2001</td>
<td>“Talent should refer to a person’s recurring patterns of thought, feeling, or behaviour that can be productively applied” (p. 21).</td>
<td>Buckingham and Vosburgh</td>
</tr>
<tr>
<td></td>
<td>“Has very broadly definition as follows: A code for the most effective leaders and managers at all levels who can help a company fulfil 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</td>
<td>Michaels, Handfield-Jones and Axelrod</td>
</tr>
<tr>
<td>Year</td>
<td>Citation</td>
<td>Definition</td>
</tr>
<tr>
<td>------</td>
<td>----------</td>
<td>------------</td>
</tr>
<tr>
<td>2006</td>
<td>Lewis and Heckman</td>
<td>“(…) is essentially a euphemism for ‘people’” (p. 141).</td>
</tr>
<tr>
<td></td>
<td>Tansley et al.</td>
<td>“Talent can be considered as a complex amalgam of employees’ skills, knowledge, cognitive ability and potential. Employees’ values and work preferences are also of major importance” (p. 2).</td>
</tr>
<tr>
<td></td>
<td>McCartney and Garrow</td>
<td>“Talent defined as ‘employees who have a disproportionate impact on the bottom line, or who have the potential to do so’” (p. 6).</td>
</tr>
<tr>
<td>2007</td>
<td>Stahl et al.</td>
<td>“A select group of employees - those that rank at the top in terms of capability and performance - rather than the entire workforce” (p. 4).</td>
</tr>
<tr>
<td></td>
<td>Tansley et al.</td>
<td>“Talent consists of those individuals who can make a difference to organisational performance, either through their immediate contribution or in the longer-term by demonstrating the highest levels of potential.” (p. 8).</td>
</tr>
<tr>
<td></td>
<td>Ulrich</td>
<td>“Talent equals competence [able to do the job] times commitment [willing to do the job] times contribution [finding meaning and purpose in their work]” (p. 3).</td>
</tr>
<tr>
<td></td>
<td>Boudreau and Ramstad</td>
<td>“The resource that includes the potential and realised capacities of individuals and groups and how they are organised, including within the organisation and those who might join the organisation” (p. 2).</td>
</tr>
<tr>
<td>2008</td>
<td>Iles</td>
<td>“Observes talent as the employees, who are particularly valuable to an organisation-either in view of their ‘high potential’ for the future or because they are fulfilling business/operation-critical roles” (p. 215).</td>
</tr>
<tr>
<td>2009</td>
<td>Cheese, Farley and Gibbons</td>
<td>“Essentially, talent means the total of all the experience, knowledge, skills, and behaviours that a person has and brings to work.” (p. 46).</td>
</tr>
<tr>
<td></td>
<td>Gonzalez-Cruz, Martinez-Fuentes, and Pardo-del-Val</td>
<td>“A set of competencies that, being developed and applied, allow the person to perform a certain role in an excellent way.” (p. 22; translation by Gallardo-Gallardo, Dries and Gonzalez-Cruz, 2013).</td>
</tr>
<tr>
<td>2010</td>
<td>Silzer and Dowell</td>
<td>“(…) in some cases, ‘the talent’ might refer to the entire employee population.” (p. 14).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“In groups talent can refer to a pool of employees who are exceptional in their skills and abilities either in a specific technical area (such as software graphics skills) or a competency (such a consumer marketing talent), or a more general area (such as general managers or high-potential talent) and in some cases, ‘the talent’ might refer to the entire employee population.” (pp. 13-14).</td>
</tr>
</tbody>
</table>
|      | | “An individual’s skills and abilities (talents) and what the
2012

- "We understand talent to be one of those workers who ensures the competitiveness and future of a company (as specialist or leader) through his organisational/job specific qualification and knowledge, his social and methodical competencies, and his characteristic attributes such as eager to learn or achievement oriented" (p. 3).
- "Talent = competence [knowledge, skills and values required for today’s and tomorrow’s job; right skills, right place, right job, right time] × commitment [willing to do the job] × contribution [finding meaning and purpose in their job]" (p. 60).

2.4.2 Theme 2. Definitions of Talent Management

In recent times, talent management has emerged as an area of interest and attention for many HR academics and practitioners. A considerable amount of literature has been published on talent management. However, researchers differ considerably in their understanding of what constitutes talent management. In spite of a recent debate around the importance of talent management for success in global business, most of the literature in this area is based on practice and consultancy points of view (Bryan, Joyce and Weiss, 2006; Guthridge, Komm and Lawson, 2008). Previous studies have reported that one of the key challenges that talent management has experienced in establishing its academic merit over the past decade has been the unresolved issue around its conceptual and intellectual boundaries (Lewis and Heckman, 2006; Collings and Mellahi, 2009; Scullion, Collings and Caligiuri, 2010). Apart from the implicit issues in the preceding discussion, talent management is imperative for at least for two main reasons (Hughes and Rog, 2008); (1) Effective talent management helps to ensure that organisations can successfully acquire and retain key talent. (2) Talent management is the fundamental approach to engaging those employees in the organisation (Morton, 2005). The ability to positively address both these issues has become a key determinant of organisational success and, in some cases, even survival.

In the new global economy, talent management has become a central issue for the history of human resources. When McKinsey, the management consulting firm,
reported that employers face a ‘war for talent’ which would make the recruitment of talented employees difficult, due to restricted labour markets (Zheng, Soosay and Hyland, 2008; Collings and Mellahi, 2009), talent management increased in importance and has gained attention in both the literature and business practices. The popularity of talent management over the last decade has gained ground on most organisations’ agenda; with a firm emphasis on the strategies of identifying and developing their talented employees (CIPD, 2009; Yapp, 2009). This is supported by Heinen and O’Neill, (2004) and Piansoongnern, Anurit and Bunchapattnasakda (2008), who propose that talent management involves integrated HR practices designed to attract, identify and retain the right people in the right jobs at the right time.

Typically, talent management focuses on differentiated performance, which relates to individual employee performance (Scullion and Collings, 2011). According to Smart (1999), the key focus of this approach is that all roles in the organisation should be occupied with ‘A performance’ referring to top grading, whereas, the management of ‘C players’, or consistently poor performers, should be out of the organisation (Michaels, Handfield-Jones and Axelrod, 2001). At the opposite extreme, an emerging stream has focused on the differentiation of positions. This approach emphasises the identification of key positions which have the potential to differentially impact the competitive advantage of the organisation (Huselid, Beatty and Becker, 2005; Boudreau and Ramstad, 2007). In this regard, the point of departure is the identification of key positions instead of talented individuals per se (Collings and Mellahi, 2009). Nevertheless, there remain a variety of talent management definitions revealed in this review of the literature. Table 2.3 presents a number of talent management definitions.

Even though there are slight differences in all talent management definitions, all interpretations under the talent management umbrella point towards attracting, identifying, recruiting, retaining, motivating and developing individuals as core talent management activities.
<table>
<thead>
<tr>
<th>Year</th>
<th>Definition of Talent Management</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>“Talent management is best seen not as a set of topics, but as a perspective or a mindset. A talent management perspective presumes talented individuals play a central role in the success of the firm. All corporate issues are seen from the perspective of ‘how will this affect our critical talent?’ and ‘what role does talent play in this issue?’” (p.3).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>‘Talent management is encompassing all HR processes, administration and technologies. It commonly refers to the sourcing, screening, selection, on-boarding, retention, development, deployment, renewal of the workforce with analysis and planning as the adhesive, overarching ingredient. In other words, talent management is what occurs at the nexus of the hiring, development and workforce management processes and can be described alternatively as talent optimisation’ (p.38).</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>“Views that talent management is: In the broadest possible terms, talent management is the strategic management of the flow of talent through an organisation. 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” (p.2).</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>“Talent management is the use of an integrated set of activities to ensure that the organisation attracts, retains, motivates and develops the talented people it needs now and in the future. The aim is to secure the flow of talent, bearing in mind that talent is a major corporate resource” (p. 390).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>“Talent management is the systematic attraction, retention, identification, development, engagement, retention and deployment of those individuals with high potential who are of particular value to the organisations” (p.3).</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>“Suggests that it refers to additional management processes and opportunities that are made available to people in the organisation who are considered to be talent” (p.3).</td>
<td></td>
</tr>
<tr>
<td>2008a</td>
<td>“States it is simply a matter of anticipating the need for human capital and then setting out a plan to meet it” (p.74).</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>“We define strategic talent management as activities and processes that involve the systematic identification of key positions which differentially contribute to the organisation’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</td>
<td></td>
</tr>
</tbody>
</table>
ensure their continued commitment to the organisation” (p. 2).

2010 “Talent management is an integrated set of processes, programs, and cultural norms in an organisation designed and implemented to attract, develop, deploy, and retain talent to achieve strategic objectives and meet future business needs” (p. 18).

2.4.3 Theme 3. Talent Management Streams

With regard to the concept of talent management, Lewis and Heckman (2006) conducted an extensive and critical review of the talent management literature in both the academic and professional press. They identified three main streams. Further, in 2009, Collings and Mellahi proposed a fourth perspective on talent management. All these perspectives are presented below:

- **Talent management is a collection of typical HRM practices and functions**; such as recruiting, selection, leadership development, and career and succession management (Byham, 2001; Heinen and O’Neill, 2004; Mercer, 2005; Iles, Chuai and Preece, 2010b). In other words, talent management is not fundamentally different from HRM, as both involve getting the right people in the right job at the right time and managing the supply, demand, flow and development of people through an organisation. However, this seems to add little or nothing new to our understanding of how to manage talent strategically. Although it might add that talent management refers to doing them faster and/or better. Furthermore, it is future-oriented and links to overall corporate goals (Schweyer, 2004; Blackman and Kennedy, 2008). Regardless of the breadth of their point of view, the contribution of this perspective is relatively limited beyond strategic HR literature, as it mainly amounts to a rebranding of HRM. Ultimately, the authors have replaced the traditional term ‘Human Resources’ with ‘Talent Management’.

- **Talent management is a general classification of employees into selective talent groups.** Here talent management views talented employees as valuable goods ‘high potentials’, which need to be sought after, regardless of the specific needs of an organisation. This perspective typically classifies employees into top, middle and
low performers, as well as labelling them as A, B and C performers. Michaels, Handfield-Jones and Axelrod (2001) also suggest that developmental activities should concentrate solely on top performers. To support this view, a typical argument put forward regarding talent management is that “an organisation is only as strong as its top talent” (Walker and Larocca, 2002, p.12). Moreover, this approach has received a great deal of attention in practice. However, some might argue that caution should be exercised with this stream. Collings and Mellahi (2009) claim that it is not desirable to fill all positions in an organisation with top performers. Similarly, if the system of talent management does apply to all employees including poor performers as well as top performers, it becomes difficult to distinguish talent management from traditional human resource management.

- **Talent management is a concept of internal talent pools.** The third stream concentrates on the job flow of employees within an organisation, which is known as ‘succession or human resource planning’ (Barlow, 2006; Lewis and Heckman, 2006; Groves, 2007). This viewpoint focuses more on the internal than the external labour market. Normally, this approach starts with the identification and mobilisation of internal talent pools (Boudreau and Ramstad, 2005b; Bryan, Joyce and Weiss, 2006).

- **Talent management as identification of key positions rather than talented individuals.** Recently, Collings and Mellahi (2009) proposed a fourth perspective on talent management that emphasises the importance of identifying pivotal positions that have the possibility of having a significant impact on the competitive advantage of an organisation. Hartmann, Feisel and Schober (2010), argue that talent management should begin with the classification of key positions, rather than of talented employees per se. Talented employees are subsequently identified and trained to fill the previously identified key talent positions.

In general, therefore, it seems that talent management is more than HRM, succession planning or leadership development initiatives. It is a collective approach of identifying, recruiting, retaining and developing talent within an organisation for its future success. It also extends beyond the domains listed above to take account of
strategy, change management and organisational culture. Nevertheless, this study tends to focus on the third stream in which talent management is a concept of internal talent pools.

2.4.4 **Theme 4. Perspectives on Talent Management**

Notwithstanding the diversity in clarifying and understanding talent management, there are many other concepts that share similar patterns and fall into similar themes. In this respect, four main perspectives extracted from Iles, Chuai and Preece (2010a) and from recent publications expose the main features of talent management, as well as how talent management is seen as competitive advantage in organisations. Furthermore, these perspectives have been detected in the literature. On the one hand, there is a focus upon exclusive versus inclusive people, and on the other hand, the focus is on organisational positions. Combining these divergent perspectives results in the four-quadrant model captured in figure 2.1. This model is outlined and discussed below as follows: exclusive-people; exclusive-position; inclusive-people; and social capital.

**Figure 2.1**
Perspectives of Talent Management

![Perspectives of Talent Management](source: Adapted from Iles, Chuai and Preece (2010a).)
The exclusive perspective is essentially based on the notion of segmentation of the workforce. In other words, this approach is understanding talent as an elite subset of the organisation’s population (Gallardo-Gallardo, Dries and Gonzalez-Cruz, 2012) which divides up the labour force into sections to be treated differently. Thus, talent management is not practical without segmentation. Morton, 2005 and Tansley et al. (2007) identify talent as those individuals who have the potential and capability to make a significant contribution either through their immediate or future performance in an organisation. Furthermore, with no segmentation, managers will treat all employees as of equal value, regardless of their potential, performance, competence or other characteristics that distinguish one employee from another. This will lead to unnecessarily high costs for hiring, recruiting, developing, training and compensating employees. Therefore, Walker and Larocco (2002) emphasise that it is both essential and reasonable to invest scarce development resources on the most talented employees, although this should not be at the expense or neglect of all the other employees. In this sense, segmentation is a practical version of the application of marketing principles and labour economics. This view is supported by Ledford and Kochanski (2004), who argue that segmentation is a fundamental factor in the management of talent and successful organisations.

This point of view has been adopted in a wide range of academic and practitioner literature. For instance, Berger (2004) defines talent as ‘superkeepers’; a very small group of people who are classified according to their actual and potential performance to add value to organisations. Above and beyond that, talent is seen as individuals that add to an organisation’s competitive advantage because they contribute and drive organisations forward through their exceptional skills and competence.

Clearly, from this perspective, it is not possible for everyone to be considered as a talent in an organisation. Consistent with Smart (2005), high performers are the single most significant driver of organisational performance, since they innovate more, contribute more, work smarter, take the initiative more, develop better business strategies, earn more trust, articulate their vision more passionately, display more resourcefulness, implement change more effectively, demonstrate greater teamwork,
deliver higher-quality work, plus find ways to get the job done in less time and at less cost.

**Exclusive-Positions**

This perspective on talent management is mainly concerned with placing the right people in the key positions. According to Huselid, Beatty and Becker (2005), talent is closely coupled with the identification process of key positions in the organisation. The starting point of the exclusive-positions approach is the identification of strategically critical jobs (‘A positions’), removing all ‘C players’ and then occupying those key positions with only ‘A players’ and that lead to ‘A performance’. From this point of view, ‘A players’ can be considered talents. One could argue that given the limited availability of managerial and financial resources to select, attract, retain and develop top performers, corporations simply cannot afford to have ‘A players’ in all positions (Huselid, Beatty and Becker, 2005). Consequently, a portfolio approach is strongly recommended by placing the top employees (‘A players’) in strategic positions; good performers or ‘B players’ in support positions, and non-performing employees ‘C players’ and jobs that do not add value are to be eliminated.

Generally, it is accepted that the best people in any organisation will significantly increase operational productivity and sales revenue more than average performers. Previous studies have reported that good quality personnel selection can produce increased productivity simply because there are large individual differentiations in performance (Hunter, Schmidt and Judiesch, 1990).

Hence, following the identification of A, B, and C positions, it has been acknowledged that there are comparisons with the first strand, which means that this perspective has some common ground with ‘exclusive-people’ by emphasising ‘workforce differentiation’ (Huselid, Beatty and Becker, 2005, p. 114). Obviously, this approach implies that these categories get disproportionate attention and investment according to the strategic importance of their positions for the organisation. Ultimately, just as marketing necessitates different approaches for different customers, talent management requires employee differentiation. As Huselid, Beatty and Becker (2005, p. 117) put it: “We all know that effective business strategy requires differentiating a firm’s products
and services in ways that create value for customers; accomplishing this requires a differentiated workforce strategy, as well”.

**Inclusive-People**

In stark contrast to the exclusive-people approach to talent, the inclusive-people approach takes an ‘inclusive’ approach often from humanitarian considerations, which means assuming that everyone in the organisation has talent. According to Buckingham and Vosburgh (2001) and Stainton (2005), talent management has to adopt a broader approach by recognising that everyone has the potential and capability to display talent; therefore, everyone has to go through the same process of talent identification. In a study reported by Leigh (2009), virtually half of the organisations interviewed defined talent this way. Walker and Larocco (2002) also posit that there is no reason not to consider each employee as talented. Similarly, O’Reilly and Pfeffer (2000, p. 52) suggest that organisational success stems from “capturing the value of the entire workforce, not just a few superstars”.

This approach guarantees an equal distribution of resources across all employees in an organisation rather than a focus on a small subset of elite performers. Groysberg, Nanda and Nohria (2004) highlight that this route avoids a drop in the morale of loyal employees who are not considered ‘superstars’. For instance, organisations should try to help all their employees to fulfil their potential since money, time, and energy has been invested in them (Yost and Chang, 2009).

Conversely, the literature identifies a number of critiques of this approach. The main criticism of the inclusive approach is that makes a distinction between talent management and strategic human resource management (SHRM) more difficult. Thus, if talent refers to the entire workforce, managing talent ‘simply’ implies appropriate workforce management and development of a whole organisation’s people, which is not particularly obliging in specifying how talent management is different from SHRM (Garrow and Hirsh, 2008). In fact, according to this approach, Lin (2006) and Collings and Mellahi (2009) argue that applying an inclusive approach to talent management is likely to create unnecessarily high costs in terms of HR investment.
Social Capital

This approach views the majority of talent management writing as excessively dependent on an individualistic orientation, which sees talent basically as a form of human capital. However, this neglects the importance of social capital, context and organisational capital concerning organisational performance. In this vein, Iles and Preece (2006), following Day (2000), differentiate between ‘leader development’ which focuses upon the individual, aimed at enhancing the human capital of leaders, from ‘leadership development programmes’ which focuses upon collective/group actions aimed at enhancing social capital through developing bonds, bridges, trust and networks. Similarly, talent management is usually defined and seen as over-emphasising individual talents, attributes or characteristics, whereas, downplaying the role of such factors via teams, divisions of labour, cultures, leadership and networks gives talent direction and opportunity.

Furthermore, organisational capital in terms of routines and processes can also be influential here, as shown by Groysberg, Nanda and Nohria (2004). They reported the findings of a six-year research project focused on tracking ‘high-flying’ CEOs, leading professionals, researchers, and software developers in professional services; when an organisation hired an external ‘star’, the star’s performance regularly plunged after a period of time and they did not stay with the organisation for long. In addition, it is argued that organisations should focus on growing talent internally and retaining the stars who emerge, as corporation-specific factors impact on the stars’ success, including systems and processes, resources and capabilities, training and team membership, leadership, and internal networks (Iles, Chuai and Preece, 2010b). As a final point, this view draws attention to the ways in which organisational performance and competitive advantage is mediated by the complex organisational systems within which people work. It also draws more attention to the need to manage and study talent management in its particular social and organisational context.

Based on an in-depth historical review of talent management literature, the researcher can conclude that there is a fundamental lack of consensus as to the meaning of ‘talent management’ in the world of business. In fact, the assumptions underlying the different approaches to talent and talent management as discussed earlier are
frequently ‘sold’ as objective facts, albeit little empirical evidence of their accuracy has been provided by academics and/or HR practitioners up to the present time (Gallardo-Gallardo, Dries and Gonzalez-Cruz, 2012). Given the intention of this research to focus on identifying key talent, this study has adopted the first perspective of talent management, ‘exclusive-people’, as it views talent as key people with high potential and performance.

2.4.5 Theme 5. Talent Pools

The term ‘talent pools’ encompasses the pool of high performing and high potential people who are capable of moving into higher-level strategic roles that the organisation can draw upon to fill pivotal talent positions (Lewis and Heckman, 2006; Smilansky, 2006; Sparrow, 2007; Stahl et al., 2007; Collings and Mellahi, 2009; Sparrow, Scullion and Tarique, 2013). Whereas Boudreau and Ramstad (2007) define the term ‘pivotal talent pools’ to the key roles within organisations which differentiate performance, Stahl et al. (2007) found that organisations are changing in focus to recruiting the ‘right people in the right place’ rather than the traditional focus on one specific role. Consistent with Farndale, Scullion and Sparrow (2010), the use of talent pools similarly involves a shift of focus to identifying high potential at early stage and casting a broader net across different categories of staff.

Those potential candidates who are likely to be included in those talent pools are high achievers and may simply become disillusioned if they are appointed to roles with limited scope for the application of their skills or development of their talent (Collings and Mellahi, 2009). At the opposite end of the scale, Hackman et al. (1975) demonstrate that where employment is more complex, employees tend to be more satisfied, more motivated, and even more productive. This appears to be a move towards identifying a talent pool that possesses the potential to move into a number of roles (Karaevli and Hall, 2003). In this sense, identification of talent does not have to begin at senior management level but commences when organisations start recruiting different categories of talent pools (Reitsma, 2001). Consequently, identifying high potentials and high performers according to particular competencies seems a useful approach as it will encompass a pool of individuals that possess sets of key
competencies that will place the organisation in a superior position when they require this talent.

2.5 The Growth of Talent Management

The increasing attention on talent and the high expectation of talent shortages has been one of the challenges that face global organisations of different sizes and from different fields. This is affected by several trends and factors, such as demographic changes in the labour market caused by ageing and increasing mobility and globalisation, which have rapidly modifying business models and led to enduring skills shortages (Taylor and Napier, 2005; Stahl et al., 2007; Basri and Box, 2008; Beechler and Woodward, 2009; Tarique and Schuler, 2010; Schuler, Jackson and Tarique, 2011a, 2011b). However, these changes assist the demand for highly skilled employees. Meanwhile, the workforce faces the problem of an insufficient supply of talented people, which leave enormous gaps in the labour market. Therefore, successful organisations have started to improve their policies and practices of recruitment, attraction, development, retention and deployment of high-potential people who are vital for their business needs. In addition, they have to aim to understand the capabilities and key people needed as well as determine the actual talents required in their organisations.

Similarly, the transformational changes in business environments has affected the quality, quantity and characteristics of the talent needed (Ashton and Morton, 2005; Guthridge, Komm and Lawson, 2006, 2008; Beechler and Woodward, 2009; Schuler, Jackson and Tarique, 2011b; Vaiman, Scullion and Collings, 2012). This refers to developments like the shift from product-based to knowledge-based economies (Scullion and Colling, 2011), changes in organisational structure (for example teamwork and network arrangements), the need to hire high-value employees in more complex roles which require higher levels of cognitive ability (Scullion and Collings, 2011), and the growing importance of building and sustaining relationships (Thunnissen, Boselie and Fruytier, 2013b). The motivation and retention of these knowledge workers is a key talent management challenge for many organisations (Johnson, Manyika and Lee, 2005; Beechler and Woodward, 2009).
Increasingly, it is being recognised that effective management of human resources is a major determinant of success or failure in international business. In this regard, there has been growing recognition of the critical role played by globally competent managerial talent in ensuring the success of organisations reflecting the intensification of global competition, as well as the need for international innovation and better learning in organisations (Bartlett and Ghoshal, 1989). Certainly, several studies have revealed that there is a growing recognition that the success of global business is critically dependent on the quality of management in organisations (Black, Morrison and Gregerson, 2000; Scullion and Starkey, 2000; Collings, Scullion and Morley, 2007).

In addition, Sparrow, Brewster and Harris (2004) claim that the competition between employers for talent has moved from country level to regional and global levels. There is a growing acknowledgment that organisations need to manage talent on a global basis to remain competitive in addition to locating these talents in different parts of their global operations (Ready and Conger, 2007). Further, firms are facing growing difficulties in recruiting and retaining the necessary managerial talent for their local and global operations and, increasingly, organisations are competing for the same global talent pool (Stahl et al., 2007). In this sense, talent management has become a key concern in a far wider range of organisations, not just MNCs but also in the internationalisation of small and medium-sized enterprises (SMEs) and the emergence of ‘micro multinationals’ in recent years (Dimitratos et al., 2003). Several research studies emphasise the importance of developing a global mindset among the top management team in such international SMEs and the importance of succession planning in family owned SMEs (Anderson and Boocock, 2002).

Furthermore, Briscoe, Schuler and Claus (2009) mention one more factor impacting on talent management; this is that organisations operating in a globalised environment increase the challenge of managing highly diverse employee groups. It has been argued that the level of ethics, culture and generational diversity of employees working within organisations is rising too (Beechler and Woodward, 2009; Scullion and Collings, 2011). For instance, there is remarkable gender diversity with female workforce participation rates increasing significantly across the world. Yet despite the research studies of women showing the performance benefits of having females in senior
management positions (Jacobs, 2005), research also highlights the fact that women continue to be seriously under-represented in senior management positions (Linehan and Scullion, 2008b).

In spite of these changes and trends in the importance of talent management in organisations, it is apparent that while the rhetoric of maximising the talent of individual employees as a unique source of competitive advantage for organisations has been central to the discourse surrounding strategic HRM in recent years, the truth is not so palatable. According to Cohn, Khurana and Reeves (2005) and Scullion and Collings (2006), the extent to which organisations effectively manage their human talent, especially on a global scale, often fails to live up to this hype. Research suggests that organisations are frequently unable to identify who are their most talented employees (Collings, Scullion and Morley, 2007).

### 2.6 Shortage of Talent

Progressively, organisations are coming to observe talent is the main source of competitive advantage and paucity source in the marketplace. Shortages of key managers have become a growing problem for organisations of different sizes and in different fields and have been an important constraint on the implementation of global strategies (Scullion, 1994; Cohn, Khurana and Reeves, 2005; Stahl et al., 2007; Farndale, Scullion and Sparrow, 2010). This has resulted in uncertainty, strain and anxiety among organisations. Indeed, a majority of organisations around the world are facing shortages of managerial and professional talent which has emerged as a key HR challenge. Scullion (1994), Bjorkman and Lervick (2007) highlighted that a shortage of leadership talent is a key obstacle facing many organisations and more specifically in MNCs, as they seek successful operations on a global scale (Scullion and Brewster, 2001; Stahl et al., 2007; Cappelli, 2008b; Briscoe, Schuler and Claus, 2009). A key driver of this surge of interest is the intensification of global competition, which has led to a growing need for human capital to manage not only the requirement for global integration and local adaptation, but also international learning and innovation (Lepak and Snell, 1999; Kang, Morris and Snell, 2007). Many organisations are competing for
the global talent pool and facing difficulties in recruiting and retaining the managerial talent required to run their global operations (Tarique and Schuler, 2010).

Global organisations have come to realise that a major source of their competitive advantage is the knowledge, skills and abilities of their talented employees (Lewis and Heckman, 2006; Collings and Mellahi, 2009). In spite of this realisation, Burke and Ng (2006) confirm that organisations are facing a growing shortage of talented people. Indeed, MNCs are realising that superior human resources are crucial to their competitiveness, and these resources may be found in different parts of the world (Bryan, Joyce and Weiss, 2006). Consequently, talent management refers to an organisation’s efforts to attract, select, identify, develop and retain key appropriate talent in the organisation (Stahl et al., 2007; Hartmann, Feisel and Schober, 2010; Iles, Chuai and Preece, 2010b). This is why talent management has emerged as a high priority issue for many organisations. Talent management is basically a more integrated version of traditional human resource practices. Talent management focuses on the performance-based ranking of employees, and the related management of talent pipelines for the purpose of global staffing and succession planning (Conger and Fulmer, 2003; Lewis and Hackman, 2006). This movement spotlights specific pools of employees who are categorised as achieving top performance and capability (Stahl et al., 2007) and consequently are considered potential leaders either now or at some point in the future (Makela, Bjorkman and Ehrnrooth, 2010).

In spite of the promising expectations of implementing such a concept by many organisations, there are significant challenges that result in unsatisfactory outcomes. According to Ready and Conger (2007), nearly all surveyed organisations identified a lack of a sufficient talent pipeline to fill strategic and key positions within their organisation, which significantly constrained their ability to improve their business. Recent research studies have suggested that organisations are unable to identify talented employees or where they are located (Collings, Scullion and Morley, 2007; Michaels, Handfield-Jones and Axelrod, 2010).

The growing global shortage of talent, mobility of today’s labour force and insufficient high-level skills’ availability in the developing world, has pressured human resource management to source and maintain the balance of skills and competencies needed to
achieve organisational goals and strategies. There is the critical issue of how organisations identify and evaluate talent. This key challenge is exacerbated by an increasingly global workforce. There is also the requirement for organisations to effectively manage their talent (Scullion, Collings and Caligiuri, 2010). The financial crisis of the early twenty-first century has placed increased pressure on organisations to successfully leverage their talent base, while balancing labour costs. According to Ready and Conger (2007), organisations continue to report shortages of sufficient talent to fill their key positions, which is having a negative influence on implementing global growth strategies.

This has been significantly influenced by the resource-based view of firms (RBV), which regards the role of human capital as a key source of sustained competitive advantage (Barney, 1991). Furthermore, in line with the RBV, McDonnell and Collings (2011) and Scullion and Collings (2011) argue that traditional sources of competitive advantage such as brand name and technology are eroding, whereas human capital is increasingly becoming one of the most significant organisational resources. In the context of global organisations, the challenge is to identify those high-performing and high-potential employees effectively and ensure they fill the key positions. On the other hand, an issue for these organisations is that the “availability of talent per se is of little strategic value if it is not identified, nurtured and used effectively” (Mellahi and Collings, 2010, p. 144).

Further, the identification by management of senior managers and ‘high potential’ people as a strategic human resource, and seen as critical to the business’s survival, has been recognised as a vital role for the corporate HR function, particularly in international firms (Hendry, 1990; Scullion and Starkey, 2000; Scullion and Collings, 2006). Martin and Hetrick (2006) argue that the more the knowledge economy continues to grow; the more the value of outstanding talent will continue to be recognised. Numerous studies have reported that business leaders consider finding talented people to be the single imperative managerial preoccupation for this decade (Paauwe, 2007; Guthridge, Komm and Lawson, 2008). Accordingly, these authors believe that the intensifying competition for talent will have a major effect on organisations. In spite of the recession, business leaders are starting to adjust their talent strategies to meet the upcoming talent shortages (Deloitte, 2010; Schuler,
Jackson and Tarique, 2011b). Put simply, the success of organisations today is dependent on how effectively they identify and manage the talent challenge.

Apposite to the perceived contribution of talent management, there are a significant number of challenges that result in unsatisfactory organisational outcomes as a result of failure to identify and retain key talent effectively. Talent management decision-making has emerged as a key challenge for global organisations in the last decade (Scullion and Collings, 2011). At the centre of this challenge, talent management decision-makers are frequently unable to access accurate information to identify appropriate talent, and have limited capabilities to reach an appropriate judgement using all pertinent information about talent (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collongs, 2010). In addition, the decision-makers’ ability to access knowledge, is driven and limited by their experience and cognition (Gavetti and Levinthal, 2000). However, even a cursory examination of organisations suggests that talent management decision-makers frequently make decisions without reference to accepted frameworks or consideration of key related data (Vaiman, Scullion and Collings, 2012), which will have a negative impact on an organisation’s talent pool. After a definition of talent has been acknowledged according to an organisation’s strategy and objectives, understanding the process and the tools for identifying and evaluating talent will be discussed in the following section.

2.7 The Identification and Evaluation of Talent

There are critical issues of how organisations identify and evaluate talent. The key challenge here is the requirement for organisations to effectively manage their global talent (Scullion, Collings and Caligiuri, 2010). Certainly, the financial crisis of the early twenty-first century has placed increased pressure on organisations to leverage their talent base more successfully while balancing labour costs. According to Ready and Conger (2007), organisations continue to report shortages of sufficient talent to fill their key positions, which has a negative influence on implementing global growth strategies. Thus, it is unsurprising that talent management has become a hot topic among academics and practitioners alike. However, the domain of talent management is still in its relative infancy and there remains a lack of consensus on an exact
definition of talent management (Lewis and Heckman, 2006; Scullion, Collings and Caligiuri, 2010). On the other hand, there are several recurring themes that arise in firms’ talent management systems. These include identification, development, deployment and appraisal retention of high-potential and high-performing employees globally (Collings, Scullion and Morley, 2007; Collings and Mellahi, 2009; McDonnell et al., 2010; Tarique and Schuler, 2010).

Increased attention to competency profiles in global organisations encourages organisations to develop the profile of competencies of their required leaders (Beardwell, 2007; Stahl et al., 2007). Positively, there is no universal competency profile utilised in global organisations. Accordingly, different profiles are used for different categories of talent or staff which links to the argument about adopting a ‘contingency approach’ to talent based on organisational requirements (McDonnell and Collings, 2011). This contingency approach refers to the concept of management that states that there is no one universally applicable set of management principles, each organisation is individually different, unique, faces different situations, and requires different ways of managing them (Zeithaml and Zeithaml, 1988).

In this regard, it is clear that each organisation has to establish its competency profiles of what should be included in organisational talent pools and what competencies and skills are needed. In respect of this, McDonnell and Collings (2011) have noted a growing argument about talent possessing a global mindset (Osland et al., 2006). The primary characteristics of a global mindset include being able to work with different cultures, manage uncertainty and communicate and deal with global complexity (Briscoe and Schuler, 2004). Therefore, embracing a more diverse pool of talent requires a more diverse management team and decision-making (Nohria, 1999; Macharzina, Oesterle and Brodel, 2001).

An additional criterion that should be included in talent identification relates to an individual’s ability to build and sustain networks and relationships (Beechler and Woodward, 2009). Being a part of networks together with key stakeholders has become an important aspect of many strategically important organisational positions (McDonnell and Collings, 2011). In short, it has become necessary to pay more
attention to the possession of social, political, cognitive and human capital (Farndale, Scullion and Sparrow, 2010).

Culture has also emerged as a criterion for identifying and selecting the right people for the organisation. In other words, the individual culture of an organisation has an impact on decision-makers’ choice of talent (McDonnell and Collings, 2011). In addition to an employee’s values and personality, consideration is given to determining their potential fit with the organisational culture (Stahl et al., 2007). It is clear that specific skills and competencies are required depending on the position and organisation involved (Collings, Scullion and Dowling, 2009). These may be categorised as cross-cultural relationship skills, values and traits, vision, cognitive orientation, and global organisational expertise (Osland et al., 2006). Certainly, organisations need to distinguish between competencies in terms of their relative importance in the particular organisational context. Indeed, it is an essential step that organisations make the right decision on the most critical competencies and focus their efforts on these over those of proportionately less importance.

The failure to identify high performers, high potential and promotion of these talents can have grave consequences. For Michaels, Handfield-Jones and Axelrod (2001) and McDonnell and Collings (2011), it is imperative that organisations formulate proper identification criteria and processes for the requirements of their most critical future business roles. It is now appropriate to turn to the tools and processes employed to identify talent in organisations.

2.7.1 Talent Identification and Evaluation Tools

All tools that assess competencies, skills, knowledge, experience, abilities, personality traits, and judgement should be considered and utilised in order to identify and evaluate high potential. In other words, organisations that are serious about talent management will employ a variety of tools to provide a more holistic and effective means of identifying high potential (McDonnell and Collings, 2011). Thus, organisations need to have a well-thought-out system that is fit for their strategy. According to McDonnell and Collings (2011), organisations need to determine the
means of identifying and evaluating employees against the predefined skills and competencies for roles, some of which may not even currently exist. In this regard, there is a wide range of assessment procedures organisations employ to identify high potential talent such as 360-degree assessment, psychometric tests and talent management information systems.

On the other hand, having an effective talent management system is much more than utilising a plethora of ‘off-the-shelf’ components, for instance, 360-degree feedback, competency-profiling tools and online training (Cohn, Khurana and Reeves, 2005). Characteristically, identifying and evaluating talent tends to be by means of an annual performance appraisal involving the manager sitting down with the employee, analysing performance against previously agreed objectives and identifying development areas. Previous studies in the field of talent management have reported that organisations essentially rely on performance appraisal which direct supervisors hold with individual employees in order to identify pivotal talent (Cascio, 2006; Stahl et al., 2007; Hartmann, Feisel and Schober, 2010; Mellahi and Collongs, 2010; Makela, Bjorkman and Ehrnrooth, 2010; McDonnell, 2011; McDonnell and Collings, 2011; Gelens et al., 2014). In this vein, this research focuses on the importance of the performance appraisal system as a process to evaluate and identify key talent.

2.7.2 Talent Identification and Evaluation Process

Typically, talent management starts with identifying the most appropriate individuals within an organisation, who will ultimately contribute to the organisation’s sustainable competitiveness (Van Dijk, 2008). Prior research into talent management has emphasised the important issue of creating pivotal talent pools within organisations (Boudreau and Ramstad, 2005a; Van Dijk, 2008), since not all employees are equal. Some employees perform better than others, some have more knowledge, and some are just more motivated. It is the correct assessment of these individual differences between employees that should be the foundation of any succession management or leadership development programme (Azzara, 2007). Organisations should be able to classify employees based on their potential and performance to succeed at higher levels or in critical roles within the organisation. This process of classification is
necessary in order to fully understand the extent of employees’ development needs. In other words, identification drives development. A review of the literature has revealed that the decision to place an employee in a corporate talent pool is a two-phase decision process in which experience-based performance appraisal evaluations are used as an input in largely cognition-based managerial decision-making (Makela, Bjorkman and Ehrnrooth, 2010). Those two processes will be discussed in the following sections.

2.7.2.1 Performance Management: Identifying/Evaluating Key Talent

The term performance management is defined as a systematic process that aims to improve organisational performance by developing performance teams and individuals for the continuous improvement of business processes (Armstrong, 2006). Performance appraisal is a part of a wider approach of performance management as it integrates HRM strategies (Fletcher, 2001). According to Murphy and Cleveland (1995), the performance appraisal system is one of the most essential HR systems in organisations insofar as it yields crucial decisions vital to a number of HR actions and outcomes. Importantly, performance appraisal is concerned with a variety of activities through which organisations seek to encourage, enhance, assess and develop employees’ competence as well as distributing rewards (Latham and Wexley, 1994, Fletcher, 2001, Latham and Mann, 2006).

According to Bratton and Gold (2007), performance management and appraisal in recent years have become key features of organisations’ drive towards achieving high performance and competitive advantage. Typically, a performance appraisal system provides a variety of information for human resource decisions in organisations. Performance appraisal enables organisations to identify, retain, motivate and develop productive employees (Mount, 1983). Further, Levy and Williams (2004) argue that defining, identifying, and measuring the organisational context in which appraisal takes place is essential to understanding and developing effective performance appraisals. Along with a range of administrative purposes that appraisals provide such as determining salary increases, promotions and terminations, they play the key
function of requiring managers to evaluate performance and make a judgment call in the appraisal process (Dorfman, Stephan and Loveland, 1986).

In a talent management context, the key dilemma for organisations is how high potential and high performers are measured and evaluated. Likewise, the objective of the performance appraisal system will be critical to its accomplishment in evaluating and identifying talent. Therefore, obtaining accurate information is crucial to successfully identifying high potentials, hence the importance of having some level of objective, formalised measures (McDonnell and Collings, 2011). Moreover, performance appraisal clearly has a bearing on whether the individual is considered as a talent, as employee evaluations that are based on annual performance appraisal for organisational decision-making, relate to whom to include in talent pools (Cascio, 2006; Stahl et al., 2007). For effective performance appraisal in talent management it is necessary to develop a more strategically oriented focus.

Additionally, the accuracy of performance appraisal potentially influences a variety of outcomes. The accuracy of rating the performance appraisal concerning ratees’ strengths and weaknesses as well as the raters’ impressions and behavioural memories might help to formulate holistic evaluations of employees (Sanchez and De La Torre, 1996). From the perspective of raters, Murphy and Cleveland (1991) pointed out that the raters’ ability to provide well-informed assessments about performance are important to the appraisal system’s operational effectiveness. Indeed, cognitively oriented measures, such as accuracy and perceived utility are positively associated with satisfaction with appraisal feedback (Keeping and Levy, 2000). Because the appraisal forms the basis of several important decisions, and its feedback has the potential to influence a variety of outcomes (Jawahar, 2006, Bol et al., 2013), it is important to investigate factors influencing accuracy of appraisal information.

Along similar lines, trust has an effect on the performance appraisal process. Macey and Schneider (2008) highlight that emphasising trust and fairness in performance appraisal may critically affect employees’ engagement. Cummings (1983) speculated that the performance evaluation system should be significantly associated with trust. In contrast, Luo (2002) suggests that there is a negative association between cultural or geographical distance and interpersonal and inter-unit trust of the appraisal (Nes,
Solberg and Silkoset, 2007). This is supported by Makela, Bjorkman and Ehrnrooth (2010), who propose there are potential consequences of cultural differences or geographical distance in implementing performance appraisals which can have an adverse impact on trust. For example, there is evidence that a lack of trust that decision-makers may have towards the source of appraisal from a greater distance can negatively influence decisions for identifying key talent (Mellahi and Collongs, 2010; Makela, Bjorkman and Ehrnrooth, 2010). These factors may explain why decision-makers may question the validity of performance appraisals. In light of these researchers’ arguments, it makes sense to consider the effect of trust on the management of the performance appraisal system.

In this regard, performance appraisal systems invariably involve the line manager reviewing performance regardless of whether they are always the best placed person to identify talented employees (Cascio, 2006; Stahl et al., 2007; McDonnell and Gunnigle, 2009; Hartmann, Feisel and Schober, 2010; Mellahi and Collongs, 2010; Makela, Bjorkman and Ehrnrooth, 2010; McDonnell and Collings, 2011; Gelens et al., 2014). Predominantly, it has been suggested that performance data should be used in conjunction with higher-level talent review meetings which consist of top and HR managers at different organisational levels to support the identification process (Azzara, 2007; Makela, Bjorkman and Ehrnrooth, 2010; McDonnell and Collings, 2011). Notwithstanding the organisational objective of identifying the best talent, without top management support and accurate decision-making any system of talent management introduced will struggle to fulfil organisational objectives.

2.7.2.2 The Decision-Making Process

As mentioned previously, talent management generally focuses on a specified pool of employees who rank highly in terms of performance, although hiring or identifying talent internally or externally is a key part of talent management. Although talent management practices focus on developing a particular pool of talent or, more broadly, to develop organisational aptitude, the performance management system that supports the provision and continuous improvement of talent is essential. The focus of this research is the identification of internally talented employees in an organisation.
Ordinarily, organisations integrate established practices of performance management closely with talent review processes. In other words, organisations link talent identification with managers’ decisions. A review of the literature has revealed that the decision to identify an employee in an organisational talent pool consists of a two-stage decision process; (1) experience-based performance appraisal evaluations (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010) are used as an input in (2) cognition-based managerial decision-making (Azzara, 2007; Makela, Bjorkman and Ehrnrooth, 2010). Consequently, talent pool inclusion is determined not only by performance appraisal evaluations, but also is limited by the rationality of the decision-making process. This rationality has been influenced by a number of factors that influence decision-making in the second stage of the talent identification process.

The process of decision-making is one of the most critical mechanisms of human thinking (Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007), which is associated with various factors and courses of action that intervene within it. Orasanu and Connoll (1993) describe the process of decision-making as a series of cognitive operations performed consciously, which include factors from the environment at a specific place and time. These factors relate to individual decision makers’ ability to access knowledge, and are driven and limited by decision-makers’ experiences and cognition (Nelson and Winter, 1982; Gavetti and Levinthal, 2000). Consistent with the literature on strategic search and choice, previous experience and existing cognitive limitations influence decision-makers’ radar screen as well as their access to relevant knowledge, guiding their search, and choice of available options (Rosenkopf and Almeida, 2003).

Similarly, in the search and choice process, decision-makers usually create simplified heuristics of complex relations in the choice landscape, reducing the number of possible choices into a smaller set of options that enable an identification of the alternative perceived to be most attractive (Gavetti and Levinthal, 2000; Gavetti, 2005). Additionally, Gavetti and Levinthal (2000) have revealed that strategic search and choice are determined by two key types of processes: experience-based and cognition-based search. The experience-based search refers to backward-looking choice processes which are primarily based on decision-makers’ historical experience and accrual of feedback (Gavetti and Levinthal, 2000). Cognition-based search, on the
other hand, is forward-looking in the sense that organisational decision-makers engage in a more elaborate cognitive valuation of the different alternatives that are thought to maximise pay-off (Makela, Bjorkman and Ehrnrooth, 2010).

Momentarily, these two types of decision-making processes can be distinguished. According to Gavetti and Levinthal (2000), these processes are conditioned by the decision-makers’ understanding of the world, their existing paradigms and their boundedly rational perceptions of action outcome relations. In other words, both these processes are boundedly rational and path-dependent in that decision-makers have a tendency to focus on substitutes that are proximate and/or familiar, or fit their existing worldviews (Rosenkopf and Nerkar, 2001).

To put it briefly, the final talent decision concerning who is identified as a talent and consequently included in a talent pool is then typically made in talent review meetings. In a talent review meeting, decision-makers are primarily guided by a cognition-based choice process, in which boundedly rational decision-makers involve an evaluation of available performance appraisal information on the candidates, and the predicted future potential of him or her. However, the performance appraisal rating does not translate automatically into talent pool inclusion or exclusion, as there are other factors that could influence the decision-making process as to whether or not a certain employee is included in a talent pool. An imperative justification of the two stages is that there is a difference between the people involved in each stage; performance appraisals are usually completed by the immediate manager of the employee, while talent review meetings are typically carried out by senior and HR managers at a corporate or divisional headquarters, where many of them do not have direct experience of the candidate. At this point, the nature of decision-makers is susceptible to a number of potential biases that influence the cognition of the decision-makers in organisations.

As discussed earlier, the first stage is likely to be affected by a general tendency towards biases in performance appraisals exacerbated by local variants in internalisation and implementation of practice. Correspondingly, the second stage is likely to be affected by further sources of bias influencing the cognition of decision-makers. These biases arise from a variety of factors operating at the level of the talent review decision-makers and seem to be mainly unintended and tacit (Makela,
Bjorkman and Ehmrooth, 2010). Nonetheless, Nishii, Lepak and Schneider (2008) propose aggregating these into meaningful organisational consequences. These factors have been ordered in a taxonomy based on four levels; factors associated with the individual level, factors associated with the organisational level, factors associated with the social level and factors related to the psychology of the individual. Further details about these factors and their influence on decision-making will be discussed separately in this chapter. In what follows, the researcher will develop a more comprehensive understanding of the nature of the decision-making as it relates to talent identification.

2.8 Talent Decision-Making

Talent management decision-making has emerged as a key challenge for global organisations in the last decade (Scullion and Collings, 2011). Decision-making in the talent management area needs to be effective and strategic in order for organisations to successfully implement their global strategies (Scullion, 1994; Scullion and Brewster, 2001; Cohn, Khurana and Reeves, 2005; Ready and Conger, 2007; Stahl et al., 2007; Bjorkman and Lervik, 2007; Farndale, Scullion and Sparrow, 2010). There is growing acknowledgement that organisations need to manage their talent on a global basis to remain competitive. This reflects the trend that competition between employers for talent has shifted from country level to regional and global level (Sparrow, Brewster and Harris, 2004; Farndale, Scullion and Sparrow, 2010). In addition, the importance of talent management decision-making is no longer confined to large, international and global organisations, but to small and medium organisations. Decision-making in the area of talent management increasingly needs to recognise that the context in which people management takes place in different parts of the globe includes the emerging markets (Mellahi and Collings, 2010; Vaiman, Scullion and Collings, 2012). Hence, understanding decision science will improve the outcome of the decision. This is supported by Boudreau and Ramstad (2005b), who argue that just as marketing decision science enhances decisions about customers, and finance decision science enhances decisions about money, so a talent decision science should enhance decisions about talent, within and outside the HR function.
In the late 1990s, the term decision science had begun to be used in the context of talent management and HRM (Boudreau and Ramstad, 2007). In view of that, any increase in an organisation’s success depends to a large extent on improving the decision-making that depends on or impacts on talent (Boudreau and Ramstad, 2007). Accordingly, they argue that HR must shift itself from a function that provides services to supporting key decisions within the business, particularly in relation to talent. In marketing and finance, for instance, they have evolved to become functions which greatly support and inform decision-making by organisational leaders beyond their functions (Vaiman, Scullion and Collings, 2012). Boudreau and Ramstad (2007) also claim that HR suggestions offer great potential if they focus on providing non-HR leaders who eventually make talent decisions within the decision framework and data and analysis required informing key decisions around talent.

On the other hand, organisations suggest that decisions around talent are frequently made without well-understood frameworks or consideration of the key relevant data (Boudreau, 2010). This view is supported by Mellahi and Collings (2010) and Boudreau and Jesuthasan (2011), who highlight that the instincts, informed preferences and biases of key stakeholders often unduly bias talent decisions. At the centre of those challenges, talent management decision-makers are frequently unable to access accurate information to identify appropriate talent, and have limited capabilities to reach an appropriate judgement using all pertinent information about talent (Mellahi and Collongs, 2010; Makela, Bjorkman and Ehrnrooth, 2010). In addition, the decision-makers’ ability to access knowledge is driven and limited by their experience and cognition (Gavetti and Levinthal, 2000). However, even a cursory examination of organisations suggests that talent management decision-makers frequently make decisions without reference to accepted frameworks or consideration of the key related data (Vaiman, Scullion and Collings, 2012), which will have a negative impact on an organisation’s talent pool.

This is considered in the context of bounded rationality theory, where the cognition and experience of individuals can limit their ability to process and interpret large volumes of complex information which frequently results in poor decisions (Simon, 1979). In coping with this limitation of ability to process such complex and incomplete information, managers usually make their decisions based on a subset of the
information available, which frequently leads to bias in decision-making (March and Shapira, 1987; Bukszar and Connolly, 1988; Hammond, Keeney and Raiffa, 1998). The theory of bounded rationality has been applied to decision-making in the talent management context (Mellahi and Collings, 2010; Makela, Bjorkman and Ehrnrooth, 2010; Vaiman, Scullion and Collings, 2012). Further detail about bounded rationality theory will be provided later in this chapter.

2.9 Decision-Making Styles

The process of making decisions is one of the most critical mechanisms of human thinking (Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007). Orasanu and Connolly (1993) describe the process of decision-making as a series of cognitive operations performed consciously, which include environmental factors at a specific place and time. These factors are related to the individual decision-maker’s ability to access knowledge, and are driven and limited by decision-makers’ experience and cognition (Gavetti and Levinthal, 2000).

In addition to the theory of decision-making in identifying talent, decision-making style might influence the decision outcome of talent management decision-makers. Decision-making style has been defined as an individual’s characteristic mode of perceiving and responding to decision-making assignments which affect the decision process (Harren, 1979; Thunholm, 2004). According to Hunt et al. (1989), the term ‘decision-making style’ is related to cognitive style or the individual’s thinking practices central to the understanding of decision processes. A decision-maker’s cognitive ‘decision style’ is thought to influence the selection of alternative courses of action (Mason and Mitroff, 1973; Henderson and Nutt, 1980). As expressed by Arroba (1977), decision-making style refers to the unique manner in which an individual approaches, responds to, and acts in a decision-making situation. In addition, a person’s decision-making is embedded partly within their values orientation (Loo, 2000).

Numerous calls have been suggested to study the effects of individual differences on decision processes and outcomes to rectify what has been seen as an overemphasis on
decision features and situation factors (e.g., Levin, 1999; Mohammed and Schwall, 2009; Scott and Bruce, 1995; Shiloh, Koren and Zakay, 2001). ‘Individual differences’ covers any variable that differs between individuals, from decision style to cognitive ability and personality (Appelt et al., 2011). Moreover, a consensus has emerged regarding the effects of various situational factors or characteristics of the situation in which the decision is faced including cognitive load (e.g., Ebert, 2001; Drolet and Luce, 2004), social context (e.g., Nadler et al., 2001), time pressure (e.g., Verplanken, 1993; Dror, Busemeyer and Basola, 1999), and culture (e.g., Weber and Morris, 2010). Several investigators have explored the relationship between decision style and the behaviour of decision-makers using a variety of decision-making styles to identify an individual’s style (e.g., McKenney and Keen, 1974; Mitroff and Kilmann, 1975; Henderson and Nutt, 1980; Phillips, Pazienza and Ferrin, 1984; Phillips, Pazienza and Walsh, 1984; Rowe and Mason, 1987; Andersen, 2000; Mohammed et al., 2007). In other words, these studies confirm that an individual adopts a unique decision style and applies it to all decision-making. However, none of those studies has linked decision style to talent decision-makers.

**Typologies of Decision Styles**

In the decision-making literature, Andersen (2000), reviewing individual differences in decision-making, referred to differences in cognitive style and found that many theorists have based their studies on several typologies of decision style. Jung’s (1976) typology, for instance, rests on two elements (attitude and functions) and it is usually presented by using three dimensions in the human psyche including attitudes (extrovert and introvert), perception functions (intuition and sensing) and judgment functions (feeling and thinking). As stated by Andersen (2000), Jung’s typology can be interpreted as affirming that these dimensions determine the decision-making style of an individual. Based on Jung’s typology, Keegan (1984) observed the perception and judgment functions to be bipolar and therefore hypothesised that there were eight different potential decision-making styles, as individuals have one of the four styles as dominant and another one as auxiliary.

Simultaneously, McKenny and Keen (1974) and Mitroff (1983) acknowledged two dimensions of style; an information gathering and an information evaluation that are
independent of each other, and recommended four different styles. In 1989, Hunt et al. reduced the number of decision-making styles to three (analytics, intuitives and mixed types). In a similar vein, Driver, Brousseau and Hunsaker (1990) suggest that decision-making style is a learned habit. The key differences among styles is the amount of information considered through a decision process and the number of alternatives identified when reaching a decision. They also postulated that individuals have a primary and a secondary decision-making style. Alternatively, Harren (1979) proposed a model of decision-making style comprising three styles which were determined as rational, dependent and intuitive. Although using a somewhat different terminology, a number of other theorists have recognised the possibility of stylistic differences in cognitive style that could affect decision-making.

In 1995, Scott and Bruce tried to integrate all earlier work on decision-making styles by developing a new typology. They defined decision-making style as “the learned habitual response pattern exhibited by an individual when confronted with a decision situation. It is not a personality trait, but a habit-based propensity to react in a certain way in a specific decision context”. Scott and Bruce (1995) criticised previous conceptual frameworks in decision-making style research as not clear in terms of being useful instruments that synthesised data from all the studies in the decision style research area. Nevertheless, Scott and Bruce (1995) identified one of the most widely used measures of decision-making styles. These five decision-making styles will be employed in this study.

**Scott and Bruce’s Typology of Decision-Making Styles**

Among many different taxonomic classifications of decision-making styles, Scott and Bruce’s (1995) typology; rational, intuitive, dependent, avoidance and spontaneous is the most widely recognised (Loo, 2000; Thunholm, 2004; Appelt et al., 2011; Gati, Gadassi and Mashiah-Cohen, 2012). These different styles represent distinct sets of attitudes, behaviours and perceptions used in decision-making tasks and differ as a function of the degree to which individuals take personal responsibility for decision-making and the extent to which they use judgement as differentiated from emotional decision-making approaches. The results of Scott and Bruce’s (1995) typology have shown that these decision-making styles are independent, though not mutually
exclusive and that individuals seem to use a combination of decision-making styles in making important decisions. In doing so, they identified five decision-making styles.

1) **Rational Style**: comprehensive search for information, inventory of alternatives and logical and structured approaches to decision-making;

2) **Intuitive Style**: attention to detail in the flow of information rather than a logical search for information, reliance upon hunches, premonitions and feelings;

3) **Dependent Style**: search for advice and guidance from others, reliance upon direction and support before making important decisions;

4) **Avoidant Style**: attempt to avoid or postponing decision-making whenever possible;

5) **Spontaneous Style**: feeling of immediacy and a desire to come through the decision-making process, impulsive and prone to making ‘snap’ decisions.

These patterns represent five distinct sets of different attitudes and behaviours used in decision-making styles when individuals take personal (differentiated from emotional) decision-making approaches. The adoption of these decision-making styles has been conceptually linked with numerous studies such as adult decision-making competence (Loo, 2000), decision-making style and mental abilities (Thunholm, 2004), individual differences in judgment (Appelt *et al.*, 2011) and career decision-making (Gati, Gadassi and Mashiah-Cohen, 2012). These studies have a propensity to confirm that each decision-making style adopts a unique approach to decision-making. Despite the apparent logic of this link none of those studies has linked decision style to managers’ behaviour toward talent management decision-making. To date, research which considers the impact of decision style has been largely propositional, suggesting a relationship but no one has attempted to examine its validity in the talent management context. However, this research study attempts a more systematic investigation of decision style in talent decision-making. In particular, the researcher has sought to explore the effect of decision-making style on the decision-maker’s perception of the talent identification process.
2.10 Challenges in Talent Decision-Making

Management decisions are usually affected and hampered by a number of factors. Among these, anecdotal, fragmented, incomplete information and/or a subset of available information (Hicks et al., 2012) suggest that the assumption of idealistic rationality might not effectively capture the nuances of an individual’s behaviour (Acquisti and Grossklags, 2005). This is due to the decision-makers’ limitation of available information, limitations of time to make a decision and cognitive limitations, which therefore result in biases in decision-making contexts (Hilary and Menzly, 2006; Smith and Winkler, 2006). However, it is clear that while some available information might be accurate, other information might be inaccurate, incomplete, or confusing. Decisions should be made with much information as possible to enable good decisions within the context of multiple players, environmental and organisational constraints, and potential consequences that are difficult to evaluate fully (Weick, 1990; Huy, 1999).

Therefore, in order to make strategic decisions, managers are required to engage in cognitively demanding activities, in which they must integrate a variety of organisational and environmental information to arrive at an overall decision (Bukszar and Connolly, 1988; Simon and Houghton, 2003). To do so, managers encounter the limits of their bounded rationality. Simon (1955, 1979) highlights the fact that managers are limited in their knowledge, cognition, experience and in their computing abilities to process and interpret a large volume of pertinent and complex information in their decision-making process. He claims that, because of these boundaries, bounded rationality with agents using simple rules of thumb for their decisions under conditions of uncertainty, is a more realistic and accurate explanation of human behaviour than perfect rationality with fully optimal decision rules. Bounded rationality therefore describes the process of how managers arrive at their decisions (Simon, 1979).

In the talent management context, global organisations fit the bounded rational framework rather well (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Vaiman, Scullion and Collings, 2012). Abundant decisions concerning talent management are shrouded in considerable uncertainty and require managers to deliberate on a variety of ill-structured information in their decision-making. Boudreau
and Jesuthasan (2011) have demonstrated that moving beyond the traditional role of the HR function in talent decisions involves moving beyond the provision of data requested by managers towards bringing synthesis to the data, presenting them in practical analytics and metrics, and explaining the nuances behind them. It is significant that managers have information more often than a lack of information. However, when it comes to the context of bounded rationality, where the cognitive limits which managers experience in their ability to interpret and process complex information, this regularly results in poor decisions (Simon, 1979). Given managers’ limited ability to process complex and incomplete information, they frequently make decisions based on a subset of the information available, which usually leads to bias in decision-making (Bukszar and Connolly, 1988; Hammond, Keeney and Raiffa, 1998). This phenomenon is poorly appreciated in field studies of how managers value pertinent information to guide their decision-making towards talent pool inclusion.

**The Theory of Bounded Rationality in Managerial Judgments**

The bounded rationality theory recognises these limitations in decision-making and suggests that individuals frequently make decisions to “satisfy basic aspirations”, one that is sufficient to achieve a goal, rather than to optimise the expected value of the outcomes (Simon, 1958, 1978; Gigerenzer and Selten, 2001). According to Simon (1979), bounded rationality theory encompasses two key concepts: search and satisficing. Search refers to the extent to which the decision-maker searches for relevant information to guide his/her decision-making activities. The researcher draws on the theoretical lens of the bounded rationality theory to explain the underlying foundations of the nature of decision-making in the talent management context. This theoretical lens has been identified and selected for three reasons. First, it provides systematic procedures for exploring the underlying causes of talent management challenges in organisations. Second, it is one of the most used theoretical lenses to understand and explain decision-making processes. Third, the bounded rationality theory is particularly suited to help our understanding of the decision-making and sense-making mechanisms used by key managers to identify and manage talents. The theory of bounded rationality has been theoretically applied to decision-making in a talent management context (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Vaiman, Scullion and Collings, 2012).
With regard to search in the talent management area, managers are likely to consider the performance appraisal evaluation as information that might affect the likelihood of successful completion of talent decision-making. However, Makela, Bjorkman and Ehrnrooth (2010) and Mellahi and Collings (2010) suggest that the information that is collected from the performance appraisal is not only the aspiration to identify talent, but they highlight the fact that managers are limited by a number of distances that limit them to look for ‘good-enough’ decisions rather than optimal ones within the talent identification process. Managers thus reach an initial conclusion after assessing a salient subset of the available information that they perceive as being most informative and terminate their search.

Satisficing is the level of information at which managers feel they are able to make a judgment without gathering further information (Simon, 1979). In other words, managerial decision-making tends to be at the satisficing level where they perceive that further search and analysis of information has a diminishing return. Talent decisions-makers self-terminate the search for more information once they identify the talents that are good enough for the task or may be nurtured and groomed for new ones. Hence, this satisficing process makes decision-makers vulnerable to cognitive bias.

Consider how such bounded rationality manifests itself in managers’ assessments of talent management decision-making. For all the previously mentioned reasons, this research argues that the limited frame of reference from which managers draw their judgment about talent management limits the pool of key talent efficiently. However, the argument here is not that managers do not perceive talent management to be effective; but the process through which managers allocate resources. By way of illustration, managers in head office/quarters who have to deal with a wide variety of strategic issues may not put talent management on the top of their agenda. Limited by their bounded rationality, managers in head office/quarters are also unlikely to take time to scrutinise all the possible candidates from all branches/subsidiaries who possess the competencies to lead a given project.

Consequently, there are some factors that influence managers to opt for a simplified judgment in selecting people owing to habits formed on the basis of prior experiences and are good enough for the task before terminating the search for more candidates.
Because a reasonable decision satisfices, managers will not look for an optimal decision by searching or even seeking the most talented people throughout the organisation (Simon, 1979). The researcher posits that talent management systems are likely to be unsuccessful in terms of identifying key talent, because managers who make the final decision on talent are facing high parametric uncertainty, are less likely to perceive and access accurate information, and have limited capabilities to reach a judgment using all pertinent information. The result is that managers are not able to form accurate perceptions about talents. Therefore, it is important to understand the impact of these factors on talent decision-making. In the following sections, the researcher elaborates on the factors that influence managers’ perceptions and experiences in order to identify the key talent.

2.11 The Cultural and Contextual Factors that Influence Talent Decision-Making

As discussed, talent decision-making is tightly integrated within an organisation’s performance appraisal practices. Talent decision-making is reviewed formally by a performance appraisal evaluation (first stage) into a managerial review meeting (second stage) in which candidates are identified and included to the organisational talent pool by top management and relevant HR managers. It is worth pointing out here that the talent pool identification process is not only dependent on these two stages, and the different actions involved in each of these stages, it is an outcome of a number of potential biases that influence the perceptions and cognitions of the talent decision-makers (Nishii, Lepak and Schneider, 2008; Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010). These biases that decision-makers are susceptible to arise from a number of factors have different types of influences. The research categorises these into four groups: (a) factors associated with the individual level of the culture of the decision-makers, (b) organisational culture and geographical distance that is associated with the organisational level, (c) factors associated with the societal level which is represented by the homophily between the candidate and the decision-makers, and the visibility and the network of the candidates in the organisation, and (d) more narrow psychological factors that are associated with gender differences of the decision-makers. These effects operate at the level of
managerial review meetings where they are produced by the combination of decision-makers’ cognitive limitations and seem to be largely tacit and unintended. These biases are illustrated in more detail below.

During talent decision-making, managers are likely to be influenced by a number of factors within the talent identification process. Drawing upon talent management practices within organisations, they identify three factors that may have an influence on the decision-makers. The first factor is geographical and institutional proximity (Kostova, 1999; Kostova and Roth, 2002; Luo, 2002; Hewett and Bearden, 2001; Cascio, 2006; Nes, Solberg and Silkoset, 2007). The second factor is homophily (Wakabayashi, Graen and Graen, 1988; Marschan-Piekkari, Welch and Welch, 1999; Watts, 1999a; Tsui, Porter and Egan, 2002; Makela, Kalla and Piekkari, 2007; Singh, Hansen and Podolny, 2008). The third factor is network position (Boxman, De Graaf and Flap, 1991; Seibert, Kraimer and Liden, 2001; Tsai, 2001; Kim, 2002; Kilduff and Tsai, 2003).

In this study, a framework has been developed that suggests that a decision to include an individual in a corporate talent pool is not only influenced by such factors. The researcher identifies other factors that influence decision-making, such as individual culture (Bartels, 1967; Vitell, Nwachukwu and Barnes, 1993; Lu, Rose and Blodgett, 1999; Christie et al., 2003), organisational culture (Schein, 1985; Hansen and Wernerfelt, 1989; Schein, 1990; Bartlett and Ghoshal, 1992; Scullion and Starkey, 2000; Collings and Mellahi, 2009; Angelle, 2010; Farndale, Scullion and Sparrow, 2010; Kim and Scullion, 2011) and gender differences (Estes and Hosseini, 1988; Masters, 1989; Wood, 1990; Stinerock, Stern and Solomon, 1991; Johnson and Powell, 1994). These factors have a significant influence on decision-making; however, these factors have not been applied to managerial decision-making in the talent identification process.

It is therefore important to understand the factors influencing such talent decision-making. This understanding will explain why decision-makers decide that a certain employee is identified as a talent and included in an organisational talent pool. Furthermore, this understanding should enable organisations to manage their internal identification processes and make more accurate talent decisions. Consistent with bounded rationality theory, the researcher argues that these factors have pushed
managers in the centre to resort to bias in talent decision-making which limits the opportunities of talents to be part of the upper echelon management team within an organisation.

In the following sections significant factors affecting talent decision-making will be developed, giving a more comprehensive understanding of the nature of the decision-making process concerning talent identification. The study categorises these into four groups (a) Individual factors, including the individual culture of the managers. (b) Organisational factors including organisational culture and geographical proximity. (c) Societal factors, including homophily and social network position and, last (b) psychological factors which include gender differences. Thus far, however, few of these factors have been conceptually identified within the talent management arena, while no empirical study exists which generalises these factors as relevant in talent decision-making.

2.11.1 Individual Factors

**Individual Cultural of Decision-Maker**

In the last decade, the topic of talent management has been of significant interest to scholars, at both the conceptual and empirical level. However, few studies have considered culture as a key factor, even though existing theoretical models recognise the importance of culture in the domain (Stahl et al., 2007; Collings and Mellahi, 2009; McDonnell and Collings, 2011). Hunt et al. (1989), Vitell, Nwachukwu and Barnes (1993), Lu, Rose and Blodgett (1999) and Christie et al. (2003) have noted the importance of the role of culture on decision-making. Culture is one of the most complex and difficult terms to define (Williams, 1985). This section will not attempt to provide a definition of culture, but will describe the concept of culture as it is used in the current study. Conventionally, the culture topic is addressed by anthropologists to describe common aspects of groups of people.

According to Kroeber and Kluckhohn (1952, p. 181) “Culture consists of patterns, explicit and implicit, of and for behaviour acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their
embodiments in artifacts; the essential core of culture consists of traditional (i.e., historically derived and selected) ideas and especially their attached values”. Several scholars of management have recognised the sociocultural environment as one of the factors that has the most influence on the behaviours of individual and groups in organisations (Sagie and Aycan, 2003). The globalisation of business activity and improving diversity in the workplace has made it more than a scientific curiosity; rather, a strategic necessity to understand the way in which culture impacts behaviour in organisational settings. Many historians have emphasised the importance of the cultural context, but it has not been systematically studied (e.g., Heller et al., 1988; Hayes and Kleiner, 1989; Ali, 1993).

In cross-cultural literature, there are numerous definitions of culture. As Geertz (1973, p.145) concluded, “Culture is the fabric of meaning in terms of which human beings interpret their experiences and guide their action”. Culture creates patterns of ideas, attitudes, beliefs and values that form human behaviour, perceptions and evaluations (Leung et al., 2005; Foscht et al., 2008). Most studies of culture have defined culture as a set of common rules and factors according to which a group of people behave within the same country (Krober and Parsons, 1958), and which, in turn, has a significant and direct influence on their behaviours, perceptions, knowledge and experience. These shared senses and ideas of what Hofstede (1997) called the ‘software of the mind’ as it shapes the values that members in a society acquire and hold onto steadfastly; as well as distinguishing those members of one category or group of people from another. Hofstede (2001) also emphasises that each individual belongs to a specific national culture, and is influenced by several levels of culture (Karahanna, Evaristo and Srite, 2005). Consistent with Sagie and Aycan (2003), culture is a dynamic rather than a static entity. Hofstede (2001) emphasises that cultures do change, but the change occurs very slowly. Accordingly, it may be expected that there are variations in decision-making practices and approaches over time due to the forces of market demands, legislative context, globalisation, and institutional contingencies. An example of that is the change in organisations’ size, structure, and ownership (Sagie and Aycan, 2003).

Most studies of culture have defined it as a set of common rules and factors according to which a group of people behaves. These definitions conclude that culture has an
impact on human perceptions, behaviour, knowledge and experience which can be applied to huge societies and to groups of people within the same country. For the purposes of this research, these definitions of culture allow the speculation that within a society, culture has a significant and direct influence on human behaviour and perceptions.

Thus, culture it is a multilevel construct that may possibly be construed, as some authors argue, as a regional culture (Blodgett, Bakir and Rose, 2008), while others claim that culture must be perceived through national culture (Hofstede, 2001). Yet others have conceptualised culture in terms of organisational level (Sagie and Aycan, 2003, Ali, Brooks and Alshawi, 2008), while some researchers have defined culture at an individual level (e.g., Dorfman and Howell, 1988; Triandis, 1995). Despite the numerous descriptions found, the literature affirms at some point that culture is shared behaviour and values among the members of a group; however, culture remains a controversial area, mainly in what concerns the scope of the construct. However, two cultural levels have been chosen in the current study by conceptualising culture from the individual level and the organisational level in order to recognise the potential importance of individual characteristics. Therefore, the discussion will be limited to the effects of these two concepts of culture on talent decision-makers’ perspectives. As stated by Hofstede (2001), heterogeneity in individual cultural attitudes within the same culture can be considerable. In line with this conceptualisation, Hofstede’s model is the preferred framework for this study, using Dorfman and Howell (1988) as they examined culture from the individual level.

**Hofstede’s Typology of Culture**

Geert Hofstede (1980) was one of the first scholars in the field of international management to develop an empirically validated typology, which affects business organisations and human behaviour. He argued that societies demonstrate four major cultural dimensions: power distance, individualism vs. collectivism, uncertainty avoidance and masculinity vs. femininity. These findings of cultural typology are based on numerous studies (i.e., Hofstede, 1979, 1980, 1983, 1984, 1985). A fifth dimension was added in 2001, which related to short-term vs. long-term perspective. In 2010, a sixth dimension was added. This new dimension is called Indulgence vs.
Restraint (Hofstede Centre, 2012). However, in this study, only the first four dimensions from previous studies in decision-making are considered relevant (Vitell, Nwachukwu and Barnes, 1993; Lu, Rose and Blodgett, 1999; Christie et al., 2003; Sagie and Aycan, 2003). The rationale for selecting these four dimensions is they seem to have general approval among research scholars on individual attributes. Table 2.4 presents explanations of these dimensions.

The typology of cultural dimensions proposed by Hofstede is employed in this study since it has been validated over time in various countries (Sondergaard, 1994). Although, these dimensions occur independently statistically in all possible combinations, some combinations are more common than others (Hofstede, and MaCrae, 2004). Culture, thus, underlies the way individuals think and behave, and this is understandably highly important in decision-making processes. This research will explore this through a study of the cultural impact on individual decision-making style. This means that individual behaviour in talent management provides insight into their overall cultural behaviour and any patterns or trends are likely to be seen in other aspects. Consequently, the study of cultural talent decision-making will be highly beneficial for management.

Table 2.4
Hofstede’s Cultural Dimensions

<table>
<thead>
<tr>
<th>Culture Dimensions</th>
<th>Explanations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Power Distance</strong></td>
<td>Power distance refers to the degree to which society or members of a group accept the fact “that power in institutions and organisations is distributed unequally” (Hofstede, 1985, p. 347). However, this inequality exists in every culture and the degree to which cultures accept this differs from one to another. In high power distance, individuals accept the inequality of power that perceives variations between superior and subordinates as natural, as well as believing that superiors are entitled to particular privileges. On the other hand, in low power distance, individuals are less likely to accept democracy and equality regardless of their position, and are less frightened of disagreeing with superiors than others from high power distance cultures (Hofstede, 1984).</td>
</tr>
<tr>
<td><strong>Individualism vs. Collectivism</strong></td>
<td>According to Hofstede (1980), individualism vs. collectivism is described as “The relationship between the individual and the collectively that prevail in a given society” (p. 148). In an individual society, people pursue self-interest; tend to value their personal time, personal goals and loose ties between individuals, society and</td>
</tr>
</tbody>
</table>
organisations to which they belong. Also, they are independent and believe that individual interests are more important than group interests, and have a high need for achievement (Hofstede, 1984; Triandis, 1995). In contrast, in a collectivist society, individuals are inclined to perceive themselves in a group, rather than in individual terms; therefore, they place the interests of the group ahead of themselves (Hofstede and Bond, 1988).

| Uncertainty Avoidance | Uncertainty avoidance is defined as the degree to which individuals in a culture feel threatened by situations that are unknown, uncertain and unstructured, leading them to avoid such situations by adopting strict laws of belief and behaviour as absolute truth. Individuals with high uncertainty avoidance are aggressive, security seeking, emotional, active and intolerant. In contrast, individuals with low uncertainty avoidance are less aggressive, contemplative, accepting of personal risk, unemotional, and relatively tolerant (Hofstede, 1994). |
| Masculinity vs. Femininity | Masculinity vs. femininity refers to the distribution of roles between the genders. Masculine cultures are characterised as assertive, aggressive, ambitious, competitive and materialistic (Peabody, 1985). Feminine cultures, on the other hand, are described as modest, nurturing, humble and responsible (Hofstede, 1984). Masculine individuals expect women to be tender, concerned with the non-material quality of life, for children and for the weak. Feminine individuals describe relatively overlapping social roles for both genders with neither women nor men needing to be overly competitive or ambitious. |

This interpretation of culture allows the speculation that culture has an impact on managers’ behaviour and perceptions, perhaps also in talent decision-making. Additionally, it supports the notion that decision-making processes, and the decision makers’ aptitude to access knowledge, are limited and driven by decision-makers’ cognition and experiences (Nelson and Winter, 1982; March, 1991; Gavetti and Levinthal, 2000). This may be culturally defined as decision-makers in different cultures having differing expectations of talented employees. In recent times, the phenomenal growth in the globalisation of business and a corresponding increase in the shortage of talent faced by global/local organisations have spurred research interest in talent management and decision-making, particularly on the influence that culture has on talent decision-making attitudes and the conduct of business managers. This research aims to provide an understanding of how culture might affect the decision-making process to identify talent.
Numerous cultural studies have been conducted in order to recognise the influence of national culture on one’s attitude and behaviour (Hofstede, 1980; Christie et al., 2003; Leo, Bennett and Hartel, 2005). These studies are descriptive in nature; i.e., the main objective is to state similarities and differences in a variety of management attitudes and behaviours between cultures. However, these investigations do not tell us how culture influences talent managers’ attitudes and behaviour (Dickmann, Brewster and Sparrow, 2008; Scullion and Collings, 2011). Indeed, Hofstede (2001, p. 109) criticised some studies about decision-making for avoiding the issue of culture in explaining the significant variations in de facto participation across countries by asserting that “One cannot write meaningfully about organisational participation without embedding it within a national cultural context”. The scope of this factor is to impartially investigate whether there are differences in managers’ attitudes and behaviours in the talent management context and whether those variations are influenced by the cultural dimensions identified by Hofstede (1997-1980).

It is imperative to examine the impact of culture on decision-making in the talent identification process for two reasons. First, from a scientific point of view, the current study will guide future research in conceptualising and operationalising the indigenous approaches to talent decision-making and their unique outcomes. Second, from a practitioner’s point of view, it is expected that the proposed framework will enable managers in national/multinational organisations to understand the cultural roots of certain behaviours of managers when identifying talented employees.

### 2.11.2 Organisational Factors

**Organisational Culture**

Additionally, culture at an organisational level can influence how individuals set personal and professional goals, perform tasks and administer resources to accomplish them. Organisational culture refers to shared norms, values, perceptions and practices of behaviours which affect the success of shared management in a business and is shared by members of organisations (Schwartz and Davis, 1981; Jelinek, Smircich and Hirsch, 1983; Schein, 1985; Angelle, 2010). Similarly, a strong culture provides shared beliefs and values that ensure that an individual in the organisation is on the same track
(Robbins, 1996). Furthermore, these underlying values have an influence on the way individuals in an organisation consciously and subconsciously think, make decisions and ultimately the way they perceive, feel and behave (Schein, 1985; Hansen and Wernerfelt, 1989; Schein, 1990; Lok and Crawford, 2004; Angelle, 2010). According to Garz and Morgeson (2012), organisational culture and values not only shape the occupational roles and responsibilities of employees; they have an influence on organisational performance evaluations, training programmes, and key business decisions, specifically on the practices, policies and decisions of human resources (Caldwell et al., 1990). These views are supported by Ali, Brooks and Alshawi (2008), who claim that the behaviours and practices of an individual would be influenced by different levels of culture which, in turn, is affected by the shared organisational culture.

In spite of differences over some elements of the definition of organisational culture, scholars seem to agree that culture may be a significant factor in determining how well an individual fits in an organisational context (Schein, 1985; Kilmann, Saxton and Serpa, 1986). Extrapolating from the influence culture has on the behaviour and attitudes of organisational members; several authors recently have begun to recognise the importance of organisational culture in talent management functions (Bartlett and Ghoshal, 1992; Collings and Mellahi, 2009; Farndale, Scullion and Sparrow, 2010; Kim and Scullion, 2011). Similarly, greater attention has been paid to organisational culture along with structural explanations for managerial effectiveness (Parasuraman and Deshpande, 1984). However, there is no reliable evidence that organisational culture has a significant impact on talent decision-making in a talent management context.

With regard to the relationship between organisational culture and management practices, Smircich (1983) demonstrated that culture is seen as something which can be manipulated. As a consequence, the nature, direction and impact of such manipulation are dependent on the abilities and skills of the managers (Smircich, 1983; Nicholls, 1988; Quick, 1992; Simms, 1997). In this sense, Bass and Avolio (1993) and Ogbonna and Harris (2000) mention that during the process of organisational establishment, the founder of a firm reflects his/her beliefs and values on the organisation which creates and shapes the cultural traits of the organisation. Thus, as the organisation grows and
time passes, the created culture of the organisation exerts an effect and has an influence on the managers and has the potential to shape their actions and management style (Ogbonna and Harris, 2000). This view is proposed by Bass (1985), who reveals the relationship between management and culture by examining the impact of different styles of management on culture. In his study, Bass (1985) argues that transactional managers tend to operate within the limits and confines of the existing culture, whereas transformational managers often work towards changing the organisational culture according to their vision. In contrast, if culture seen as a fundamental part of any organisation, then the feelings, thinking and responses of managers are moulded by that culture (Schein, 1990; Bass and Avolio, 1993). Similarly, good managers must develop the skills that enable them to alter aspects of their culture with the intention of improving their organisational performance (Brown, 1992).

Since managers bring their own beliefs, attitude and values to the workplace, their levels of commitment and way of reacting to an organisation may differ. Consistent with Lok and Crawford (2004), beliefs, attitudes and values are reflected in different organisational cultures. This is supported by Hofstede (1980, 1991); Chen (2001) and El-Kahal (2001), who acknowledge that there are significant differences between Eastern and Western cultures. All in all, the influence of national culture on personal values and personal values fitting in with an existing organisational culture could be a key variance in how organisations worldwide are managed (Lok and Crawford, 2004). This clearly indicates that organisational culture and management behaviour, action and style are linked.

Despite the fact there is some evidence of a relationship between decision-making behaviours and organisational culture (Ferrell and Skinner, 1988), there is a need for further research to better understand the relationships described here. This is particularly true in light of the snowballing body of literature on organisational culture (Ford and Richardson, 1994). In this domain, previous studies have proved that organisational culture has an impact on decision-making behaviours and decision style. Elsewhere, Westwood and Posner (1997) and Ogbonna and Harris (2000), have supported this assumption by suggested that managerial styles and organisational culture are linked.
Therefore, as mentioned above, culture is defined as the behaviours, beliefs, attitudes and values shared by a specific group of people (Adler, 1986). Despite the fact that numerous attempts have been made to assess these components, few reliable instruments have been developed for use as a general measure of organisational culture (Taormina, 2008). The archetypal works on organisational culture offer three generic types bureaucratic, innovative, and supportive (Litwin and Stringer, 1968; Ouchi, 1980; Wallach, 1983). Respectively, each of these cultural dimensions has a unique set of role perceptions, distinctive characteristics and prescriptions for relationships among its members. According to Koberg and Chusmir (1987), one early and still valid instrument developed to measure some well-recognised types of organisational culture was conceived by Wallach (1983). Wallach’s organisational culture typology is widely used in management studies (Koberg and Chusmir, 1987; Shadur, Kienzle and Rodwell, 1999; Taormina, 2008; McClure, 2010; Erkutlu, 2012) to assess three commonly accepted aspects of organisational culture.

**Wallach’s Typology of Organisational Culture**

Wallach (1983) developed a three-dimensional measure of organisational culture: bureaucracy, support, and innovation, or the organisational culture index (OCI). These dimensions are based on the widely known work of Litwin and Stringer (1968); Margerison (1979); Koberg and Chusmir (1987) and Oliver and Anderson (1994). According to Oliver and Anderson (1994), those three dimensions were proposed by Margerison (1979) and operationalised by Wallach (1983). Wallach (1983) highlights that the OCI profiles culture on the three stereotypical dimensions of bureaucracy, participation, and innovation and the “flavour” of an organisation will be a combination of all three dimensions (Odom, Boxx and Dunn, 1990; Akaah, 1993). In his seminal typology, Wallach (1983) demonstrated that organisational culture is like an individual’s personality, paradoxical, elusive and complex. In other words, understanding cultures means understanding the differences between formal and informal rules, the espoused way of doing things and the real way (Wallach, 1983). In this study, these three dimensions from previous studies in decision-making are considered relevant (Shadur, Kienzle and Rodwell, 1999; Erkutlu, 2012). Table 2.5 presents an explanation of these types.
Wallach’s instruments have been considered to have sound theoretical foundations (Shadur, Kienzle and Rodwell, 1999), and have been studied in relation to such variables as job satisfaction (Silverthorne, 2004), employee involvement (Shadur, Kienzle and Rodwell, 1999), and organisational commitment (Lok and Crawford, 1999). Despite the centrality of organisational culture to management issues (e.g., Shadur, Kienzle and Rodwell, 1999; Taormina, 2008; Gregory et al., 2009; Zheng, Yang and Mclean, 2010; Erkutlu, 2012), there has been relatively little scholarly if any study of its impact in a talent management context. This lack of scrutiny perhaps reflects, as Collings and Mellahi (2009) suggest, the relatively greater attention given to talent than to organisational issues in talent management in general. However, the researcher argues that, because there are differences in organisational culture within each country; for instance (public and private sector, family-owned firms, multinational subsidiaries, national companies), there is possibly a mix of decision-making approaches. Even within an organisation, there might be different decision-making styles, such as work units practising different group forms of decision-making.

**Table 2.5**
Wallach’s Typology of Organisational Culture

<table>
<thead>
<tr>
<th>Culture Typologies</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bureaucratic</strong></td>
<td>Consistent with Wallach (1983), bureaucratic culture has clear lines of responsibility and authority. This type of organisational culture is viewed as hierarchically structured, orderly, procedural, highly regulated, systemic, and compartmentalised. Cameron and Quinn (1999) observed that managers surrounded by a hierarchical culture are good at controlling, coordinating, administrating and maintaining efficiency. Other authors have revealed that bureaucratic culture has a negative association with job involvement, job satisfaction, and employee commitment and involvement (Koberg and Chusmir, 1987; Chen, 2004).</td>
</tr>
<tr>
<td><strong>Innovative</strong></td>
<td>An individual who is well suited to innovative culture is seen as creative, enterprising, driven, pressurised, stimulating, challenging, results-oriented and risk-taking (Wallach, 1983). Several studies have revealed that the philosophies of innovative cultures borrow the principles of market economics (Kettl, 2002; Terry, 2003; Denhardt, 2004). Consequently, an innovative culture is not associated with consensus in decision-making, communication and teamwork (Shadur, Kienzle and Rodwell, 1999). Furthermore, Wallach (1983) concludes that this culture produces stress and burnout that are routine occupational hazards of the constant pressure.</td>
</tr>
</tbody>
</table>
Supportive In a supportive culture, people are generally helpful, friendly and fair to each other. Supportive cultures are categorised as trusting, safe, open, harmonious, equitable, sociable, relationships-oriented, humanistic, collaborative, exhibit teamwork and are people-oriented, encouraging and likened to an extended family (Wallach, 1983). According to Marks, Mathieu and Zaccaro (2001) and Erkutlu, 2012, in such a culture, individuals support and encourage one another which helps to create an environment where employees in a team feel that their input is valued and appreciated.

2.11.3 Societal Factors

Geographical and Institutional Proximity

In addition to the impact of individual differences and cultural issues on decision-making, geographical proximity has an influence on decision-making. The concept of proximity refers to ‘being close to something measured on a certain dimension’ (Knoben and Oerlemans, 2006), though certainly not identical. There are numerous forms of proximity, such as organisational proximity (Meister and Werker, 2004), geographical proximity (Knoben and Oerlemans, 2006), cultural proximity (Gill and Butler, 2003), institutional proximity (Kirat and Lung, 1999), social proximity (Bradshaw, 2001) and technological proximity (Greunz, 2003). However, in this research, a specific focus was given to geographical proximity which is seen as an important precondition for sharing and transferring knowledge (Torre, 2008), and which, in turn, is often seen as a factor that influences managerial decision-making.

The definition of this dimension of proximity differs slightly from one author to another. Several studies define it as the absolute geographical distance that separates actors (Knoben and Oerlemans, 2006), while others see the distance as relative to the transport or to the perception of these distances by actors (Torre, 2008). On the other hand, several studies look at the distance between two organisations’ interaction (Ganesan, Malter and Rindfleisch, 2005), while some look at the presence of groups of firms in a geographical unit (Enright, 1991). However, these definitions of geographical proximity are all fairly similar to some extent and use the same underlying mechanism for describing the importance of geographical proximity. The importance of geographical proximity in talent decision-making lies in the fact that small geographical distances facilitate face-to-face interactions, strong relationships
and more trust between partners, therefore fosters knowledge transfer of performance appraisal evaluation (Makela, Bjorkman and Ehmrooth, 2010; Mellahi and Collings, 2010). The key rationality behind these influences is that short geographical distances bring organisations together, favour interaction with a high level of information richness, trust, and facilitate the exchange of knowledge between actors (Torre and Gilly, 2000). Conversely, the further the distance between actors, the harder it is to transfer these tacit forms of knowledge.

Geographical proximity remains essential for knowledge transfer, the process of innovation and is beneficial for successful collaboration (Torre, 2008). In other words, geographical proximity is assumed to foster strengthened relational ties, heightened face-to-face communication and increased knowledge acquisition (Ganesan, Malter and Rindfleisch, 2005). According to the cluster theory, close geographical proximity enables frequent face-to-face contact with key knowledge providers, likewise it facilitates the personal contact that is necessary for effective transfer of knowledge and other resources (Enright, 1991; Vachani, 1991; Ganesan, Malter and Rindfleisch, 2005) and reduces entry barriers (Buckley and Casson, 1979).

Several studies have revealed that geographical and institutional proximity have an effect on the way that organisational practices are internalised and implemented in foreign subsidiaries (Kostova, 1999; Kostova and Roth, 2002). Cascio (2006) agrees that these factors influence the criteria used by human resource managers to assess performance. Institutional proximity provides an alternative explanation for organisational structure and behaviour (DiMaggio and Powell, 1983, 1991; Scott, 1995; Kostova, 1999). Accordingly, Kostova and Zaheer (1999) demonstrate that institutional proximity is linked to the transfer of strategic orientations and organisational practices from the parent firm to a foreign subsidiary (Kostova, 1999). Thus, it is frequently assumed that geographical proximity renders direct interaction and the trust between organisations more likely, because the tacit character of knowledge requires face-to-face interaction. Supposedly, geographical proximity plays a more ‘subtle and indirect role’ (Howells, 2002) in negatively influencing knowledge exchange of human resource management practices and decisions.

Trust between partners is a key dimension in any international business. Scholars from different business disciplines are discovering that trust may lower transaction costs and
facilitate interorganisational relationships (Doney, Cannon and Mullen, 1998; Dyer and Chu, 2003). It is argued that the important determinant of trust is the exchange of information between individuals and firms (Sako, 1998; Sako and Helper, 1998; Fisman and Khanna, 1999). Furthermore, Bonte (2008) suggests that there is an optimistic relationship between incoming knowledge spillovers from business partners and the level of inter-firm trust. Several empirical studies on the determinants of inter-firm trust have provided some indirect evidence of the relevance of geographical proximity for the emergence of trust (Hewett and Bearden, 2001; Dyer and Chu 2003; Bonte, 2008). From global organisations, key success factors in cultivating successful relationships between headquarters and subsidiaries is a dependence on trust (La Valle, 1994; Morgan et al., 1994). In addition to the cultural impact, Hewett and Bearden (2001) mention that culture affects the relationship between trust and relational variables in the sense that in more collectivistic cultures trust takes on greater importance in motivating cooperative behaviours. Moreover, there is at least some evidence that headquarters-subsidiary HR operation relationships may vary significantly in effectiveness. An example of this is the study carried out by Goodman and Darr (1996), in which managers may be unwilling to accept ideas communicated to them because they may not want to acknowledge the value of others’ ideas in a competitive corporate environment. Similarly, Makela, Bjorkman and Ehrnrooth (2010) and Mellahi and Collings (2010) suggest that the relation between headquarters and a subsidiary’s autonomy is an important factor influencing HR decisions. Indeed, the fundamental substance of any business relation is the trust that the trading partners foster in dealing with each other.

In the talent management context, Makela, Bjorkman and Ehrnrooth (2010) and Mellahi and Collings (2010) conclude that geographical and institutional proximity has an imperceptible impact on talent decision-making. In this regard, they assume that the greater geographical and institutional distance there is between the location of the candidate and the decision-makers who are involved in talent reviews, the lower the possibility that the candidate will be included in a talent pool. This view is supported by McPherson, Smith-Lovin and Cook (2001, p. 429), who note that “we are more likely to have contact with those who are closer to us in geographic location than those who are distant”. This is because geographical distance creates physical barriers between decision-makers at the centre of organisations and talents located throughout
its subsidiaries/branches which influence trust and the accuracy of the performance appraisal process. However, Luo (2002), found a negative association between institutional proximity and interpersonal and inter-unit trust (Nes, Solberg and Silkoset, 2007). To this end, geographical and institutional distance between HR managers and the interchange information (performance appraisal evaluation) may indicate a lack of trust that decision-makers may have towards candidates from more distant subsidiaries/branches. The potential consequences of cultural differences also have an effect on implementing performance appraisals, and a subsequent impact on trust. Substantially, talent decision-makers are more likely to trust performance appraisal information from short geographical distances than those who come from distant locations. Candidates from these units are therefore more likely to be included in organisational talent pools than employees from more distant geographical and institutional locations.

**Homophily**

Additionally, homophily has a significant impact on talent decision-making. Originally, the notion of homophily was proposed by Lazarsfeld and Merton (1954), who observed that similar individuals are assumed to associate with each other more often than others. In other words, the principle of homophily is that individuals with similar characteristics were more likely to connect positively with each other rather than with dissimilar, thus improving their communication and creating a more trusting environment and stronger personal relationships (Lazarsfeld and Merton, 1954). McPherson, Smith-Lovin and Cook (2001) reported that the prevalent fact of homophily means that cultural, genetic, behavioural, attitudinal, background, values, appearance or material information that flows through networks will tend to be localised (Rogers and Bhowmik, 1970; McCroskey, Richmond and Daly, 1975). Furthermore, this similarity can be based on culture, such as religion, language or nationality; or on behaviour, such as social class, position, education, occupation, values, attitudes or abilities; or on demographic or geographical proximity, such as gender, age, kinship or race. Therefore, these attributes could have influential implications for the information people receive and the attitudes they form (McPherson and Smith-Lovin, 1987). In this regard, homophily indicates that distance in terms of social characteristics translates to network distance, and the number of relationships
which a member of an information network must have to connect two individuals (McPherson, Smith-Lovin and Cook, 2001).

This phenomenon has been identified as one of the most significant findings in social science (McPherson, Smith-Lovin and Cook, 2001). Homophily has been widely used to explain certain sociological concepts like discrimination, inequality, social mobility (Blau, 1977; Blau and Schwartz, 1984; Moody, 2001; Currarini, Jackson and Pin, 2009; Bisgin, Agarwal and Xu, 2012), social networks, social capital, social movements, culture, organisations, voluntary associations, and a variety of substantive issues that are affected by network processes (McPherson, Smith-Lovin and Cook, 2001). Researchers have studied homophily in relationships that range from the strong relationships of ‘discussing important matters’ (Marsden, 1988), sex differences (Ibarra, 1992), the more circumscribed relationships of career support at work (Ibarra, 1995) to employee perceptions of perceived homophily in businesses (Carmon et al., 2010). However, the patterns of homophily are remarkably robust over these extensively varying types of relations.

Several studies have highlighted that supportive relationships among colleagues in workplace may have important and positive performance related consequences for organisations (Shah and Jehn, 1993; Podsakoff et al., 2000). It has been indicated that when individuals perceive homophily in a relationship, they are likely to develop positive feelings owing to apparent confirmation of their interests, values or beliefs (Prisbell and Andersen, 1980). According to social identity theory, perceived similarity leads to more positive evaluation of group membership (Rokeach and Mezei, 1966; Henderson-Kinget et al., 1997). In their major study, Mael and Ashforth (1995) found that certain shared beliefs, values, and activities predicted how likely a new recruit was to identify with colleagues in organisations. Those recruits who had high levels of organisational identification were also more likely to stay in the organisation. Due to the fact that homophily is a prevalent characteristic of organisational networks (McPherson, Smith-Lovin and Cook, 2001), individuals learn which groups they may associate with through feelings of similarity with these groups (Ashforth and Mael, 1989), and organisational members’ perceptions of homophily are likely to affect other organisational decisions and outcomes. However, as persons feel more connected to particular individuals or groups, so their social identity becomes more salient (Brewer,
Thus, homophily may be particularly relevant for the talent management
domain in terms of identification of talent, because the salience of talented employees
may be affected by managers’ perceptions and personal relationships.

The study of the decision-making in talent management suggests that the systematic
bias in how decision-makers assess the future potential of an employee in a talent pool
is an outcome of homophily (Watts, 1999a; Kossinets and Watts, 2009). This is
confirmed by Tsui, Porter and Egan (2002), who claim there is extensive evidence in
performance appraisals as a process to identify talent in organisations from research
that superiors have a tendency to rate more positively people who are similar to
themselves. Furthermore, it has also been shown by Wakabayashi, Graen and Graen
(1988) that subordinates who are similar to their superiors are more likely to receive
promotion. In a multinational environment, for example, Marschan-Piekkari, Welch
and Welch (1999) and Makela, Kalla and Piekkari (2007) demonstrated that cultural
and linguistic factors are associated with similar ways of seeing, thinking and
behaving. Likewise, Makela, Bjorkman and Ehrnrooth (2010), suggest that homophily
could be driven by cultural and linguistic factors, and these influence the
preconceptions of decision-makers.

Overall, homophily has a serious effect on the cognition of talent decision-making in at
least two ways. (1) Similar candidates may possibly be more visible to the decision-
makers than those who are less similar, thus facilitating their identification (Singh,
Hansen and Podolny, 2008). An example of this is the study carried out by Marschan-
Piekkari, Welch and Welch (1999) and Barner-Rasmussen and Bjorkman, (2007) in
which a common language was found to be positively associated with perceived
trustworthiness in organisations. Supplementary to this, Makela, Kalla and Piekkari
(2007) conclude that knowledge sharing is influenced by cultural and linguistic factors,
which enhance the decision-makers awareness of the accomplishments and
performance of more similar candidates, rather than those who are more dissimilar. (2)
Decision-makers might unconsciously exhibit stronger beliefs in the more similar
candidates’ competencies, because they are influenced by stereotypical negative
perceptions or through projection of the competencies of managers from dissimilar
cultural backgrounds (Roberson, Galvin and Charles, 2007). This tacit behaviour
suggests uncertainty reduction which, according to Singh, Hansen and Podolny (2008),
means it is safer to select a candidate who is more similar and thus is more likely to exhibit more familiar behavioural patterns. According to Makela, Bjorkman and Ehrnrooth (2010), the impact of homophily-driven awareness becomes evidence of different managers’ style. In this sense, homophily has an impact on talent decision-making as well as on decision-making style.

On a related note, social identity theory proposes that individuals have a general tendency to prefer their in-group and have more negative associations towards an out-group, contributing to informal fault lines in the organisation (e.g., Tajfel, 1982; Tajfel and Turner, 1986). As suggested by research in sociology, the similarity of individuals disposes them toward a superior level of interpersonal understanding, trust and attraction (Ruef, Aldrich and Carter, 2003). This helps to increase the chances of a more favourable perception towards similar candidates’ competencies. Therefore, homophily between talent decision-making and similar candidates has a significant impact on the likelihood of the candidate being identified as a talent and included in a talent pool.

**Social Network Position**

The inclusion of an employee in a corporate talent pool is not only influenced by systematic similarity bias in how corporate decision-makers assess future potential. The network position of the candidate in the organisation may significantly influence his or her visibility, which has consequences for talent pool inclusion. Social networks arbitrate the effect of human resource practices on talent decision-making (Makela, Bjorkman and Ehrnrooth, 2010). The effectiveness of social networks derives from the social capital they embody. Social capital refers to the advantage that individuals get through being connected to others which is created by his/her location in the structure of network relationships (Burton, Wu and Prybutok, 2010). Social capital “explains how people do better because they are somehow better connected with other people” (Burt, 2005, p.4). For human resource management, the social capital established in social networks enables individuals to be better informed, and more visible when valuable jobs and promotions arise (Boxman, De Graaf and Flap, 1991; Burt, 1992; Kim, 2002). Therefore, talent decision-makers are likely to be affected by candidates’ social network position, a relationship that seems to remain largely unexplored to date.
Social capital is well suited to a wide variety of disciplines and has become a core concept in business and management, sociology and political science (Yang, Lee and Kurnia, 2009; Yang and Farn, 2009). At the individual level, social capital is defined as the potential resources inherent in an individual’s set of social ties (Burton, Wu and Prybutok, 2010). Though, at the organisational level, social capital lead to the “benefits that accrue to the collectivity as a result of the maintenance of positive relations between different groups, organisational units, or hierarchical levels” (Kilduff and Tsai, 2003, p. 26). The crucial element of social capital is the development of individuals by establishing relationship networks of people in key groups, departments or organisations (Burton, Wu and Prybutok, 2010). In other words, individuals develop network ties with others. Thus, these ties essentially become a source of social capital (Inkpen and Tsang, 2005).

A social network is a sociological axiom which refers to how people seek to give meaning to the positions in which they find themselves (Berger and Luckmann, 1967). According to Burton, Wu and Prybutok (2010), individuals’ position in a network is defined in terms of a desirable pattern of ties or relationships with other members. Research in management theory takes as its central premise the embeddedness of individuals in social networks (Granovetter, 1985, 2005). The distinguishing feature of this perspective of the research lies in how it draws on the structural properties of social networks in the interpretation of outcomes (Sparrowe et al., 2001). From this perspective, the position of individuals within social networks confers advantages, such as organisational assimilation (Sparrowe and Liden, 1997; Sparrowe et al., 2001), influence decision-making (Friedkin, 1993, 2001; Makela, Bjorkman and Ehrnrooth, 2010), innovation (Ibarra, 1993), and job performance (Baldwin, Bedell and Johnson, 1997). Several studies have determined how social networks influence performance, learning and effectiveness (Baker, 2000; Cross and Parker, 2004). Furthermore, networks provide significant organisational benefits including leadership (Sparrowe and Liden, 1997), employment (Fernandez, Castilla and Moore, 2000) and mobility (Boxman, Graaf and Flap, 1991).

Numerous studies in social network literature have suggested that actors in central network positions benefit more from higher knowledge inflows and outflows than actors positioned more peripherally (Tsai, 2001; Kildruff and Tsai, 2003). Each tie in
an employee’s network signifies a channel through which knowledge may flow to and from that employee (Anderson, 2008). There is also evidence in the literature on the value of social networks for career sponsorship which, in turn, is positively associated with career progress (Seibert, Kraimer and Liden, 2001). Moreover, geographical distance from organisations may lead to an ‘out of sight, out of mind’ phenomenon in terms of career advancement (Makela and Suutari, 2009). In knowledge worker studies, Sparrowe et al. (2001) and Reinholt, Pedersen and Foss (2011) conclude that actors in central network positions are likely to accumulate work-related knowledge, which positively affects not only their performance, but also affects their future knowledge sharing with colleagues. Because of their more numerous network ties, employees in central network positions have more relationships to draw on for the purpose of being labelled as a talent. Research into advice social networks has arrived at similar conclusions. Sparrowe et al. (2001) and Tsai (2001) found that individuals who are centrally positioned in an organisation’s advice social network exhibit greater levels of both in-role and extra-role performance, where extra-role performance comprises helping colleagues. In contrast, Wasserman and Faust (1994) investigated employees who are not centrally positioned in the social network of organisations and found that they were isolated from where ‘the action’ is and are cut-off from the ongoing communication and the benefits this process entails.

In this domain, Makela, Bjorkman and Ehrnrooth (2010) suggest that there is a parallel tendency of network position that influences the possibility of centrally located candidates having higher visibility, and consequently being more readily identified as talent. In other words, talent review decision-makers are likely to come across candidates who are in central network positions more frequently than those who are not. On the other hand, employees who are low in network centrality have few opportunities and will, consequently, not be included in the talent pool.

In sum, network analysis has revealed key aspects of social networks in relation to the talent management identification process. Yet there has been relatively little research concerning network position and talent management (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010). Further, empirical studies on networks and talent decision-making are non-existent; this study therefore, addresses this void.
2.11.4 Psychological Factors

Gender Diversity

In addition to factors mentioned earlier that influence talent decision-making, gender diversity is among the variables that affect talent decision-making. Gender diversity refers to the growing female labour force participation rates across the globe. Currently, women continue to be seriously underrepresented in international management and in senior management positions (Jacobs, 2005; Linehan and Scullion, 2008a). Gender diversity is one of the psychological phenomena among the variables that affect decision-making (Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007; Armstrong and Taylor, 2014). There is substantive evidence on the existence of gender inequality in business decision-making stems in the psychology literature and, more particularly, in demographic studies of sub-groups of managerial and professional working populations (Powell and Ansic, 1997). Typically, gender is affected by the beliefs, behaviours, environment, attitudes and the characteristics that differentiate the sexes. In fact, these elements are supported by the psychology literature that contains a number of primary studies of gender differences in cognitive ability, personality traits, social context and decision-making (Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007).

Gender inequality has been widely studied to explain certain psychology concepts in such areas as leader selection (e.g., Bosak and Sczesny, 2011), sex role attitude (e.g., Harren et al., 1979), decision-making (e.g., Wood, 1990; Johnson and Powell, 1994; Glover et al., 2002; Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007), and human resource management (e.g., Truss, 1999; Harris, 2002; Metcalfe, 2007). So far, however, there has been little discussion about gender inequality in the context of talent management and especially in talent decision-making. Thus, this research will examine the effect of gender inequality as a factor that influences talent decision-making in organisations.

Recent research has suggested that the level of cultural, ethnic and generational diversity of workforces in organisations across the world is improving, which has a strong impact on the way that employees are managed and make decisions (Beechler
and Woodward, 2009; Briscoe, Schuler and Claus, 2009; Scullion and Collings, 2011). From a business perspective and specifically in the literature of gender studies in decision-making, Johnson and Powell (1994) argue that substantial gender trait differences exist in the nature and outcomes of management decisions. In other words, the differences in the quality of managerial decisions taken by males or females and any gender diversity will clearly have significant implications for organisational decision outcomes. According to Gill et al. (1987) and Van den Bos, Homberg and De Visser (2013), women are more affected by the environment; they look for more information and give more time to the decision process. In contrast, men are more objective, assertive, dominant and realistic about the decision process (Wood, 1990; Cross, Copping and Campbell, 2011). Nevertheless, these variations have been interpreted as a consequence of the incidence of stereotypes and gender-related social norms that are transmitted in the form of behavioural and attitude expectations, values and traditions (Glover et al., 2002). In spite of the fact that society is progressing towards greater social, cognitive, behavioural and environmental equality between men and women, it is imperative to continue to examine the talent management perspective to discover whether there are gender differences in the importance that people allocate to factors that determine the decision process.

Many historians of financial decision-making have identified an inferior degree of confidence among females in their ability to make decisions as well as the outcomes of these decisions (Estes and Hosseini, 1988; Masters and Meier, 1988; Masters, 1998; Stinerock, Stern and Solomon, 1991; Armstrong, 2006). In other disciplines, the results of studies related to risk-taking decisions indicate that females are more cautious, less aggressive, less confident, easier to persuade and have lower leadership and problem-solving abilities when making decisions under risky conditions. Conversely, men are reinforcing the stereotypical view that women are less able managers (Hudgens and Fatkin, 1985; Johnson and Powell, 1994). Though, numerous studies have revealed that women act more ethically than men in at least in some, if not in all, situations (Akaah, 1989; Arlow, 1991; Whipple and Swords, 1992, Singhapakdi, Vitell and Franke, 1999; Fredricks, Tilley and Pauknerova, 2014), some studies have found men to be more ethical than women (Fritzscbe, 1988).
Along with gender diversity in taking key decisions, there is a difference between men and women in their decision-making styles. In her major study, Vinnicombe (1987) highlights that women managers place less emphasis on a traditional style of decision-making (Bates and Kiersey, 1984; Vinnicombe and Singh, 2002), and place more emphasis on sensing rather than intuition. Furthermore, Krug and Johns (1986) and Bartram (1992) reveal that women managers have significantly higher scores on the anxiety factor and significantly lower scores on the independence factor. Concerning communication, Tannen (1993) describes men as more likely to communicate with the aim of transmitting information, challenging for status and displaying expertise, while women tend to use communication to establish relationships. Moreover, managerial women have a tendency to have wider goals, looking for success as well as trying to make the work environment more fulfilling for everybody involved in the business compared to men (McLoughlin, 1992).

The picture of gender diversity in decision-making studies appears complex in the literature, due to the nature of men and women. The role of formal management studies in gender diversity in decision-making has received very little attention in talent management literature. Despite the facts that society is slowly progressing towards a more equal environment, in terms of social, cognition and behaviour between men and women, it is necessary to continue to examine many areas, including the talent management perspective, whether there are gender differences in the importance that people allocate to factors that determine the decision-making process. Beechler and Woodward (2009) and Vaiman, Scullion and Collings (2012), however, argue that gender diversity is a significant factor impacting the complexity of decision-making in talent management. Therefore, in the light of previous studies that have examined the variable of the gender antecedent as it affects the decision-making process, the researcher argues that gender differences have an impact on decision-making style in talent decision-making.

Based on the previous literature and the theories on talent management presented above, the researcher formulated taxonomy for conceptualising talent decision-making as shown in Table 2.6. This taxonomy was based on four themes; cultural factors, organisational factors, societal factors and psychological factors. For cultural factors, individual culture and decision-making types are factors in this theme. The
organisational theme comprises organisational culture and geographical proximity factors. The societal theme includes homophily and social network position factors and finally, the psychological factor include gender differences.

In summary, the research has shed light on the determinants of the talent identification and evaluation process. The process of talent pool inclusion consists of a two-stage decision process which is primarily based on performance appraisal evaluations and ratings are used as inputs in managerial decision-making. However, talent pool inclusion is not only a function of performance appraisal evaluations, but also an outcome of a number of factors that influence decision-making in the second stage of the talent identification process. The factors that influence decision-makers to label an employee as a ‘talent’ in organisations are effects that come from a combination of decision-makers’ cognitive and experience limitations and attitudes. Drawing upon theory and the literature, the researcher proposes that decision-making style affects the fairness of the final decision. The next section will demonstrate that a combination of decision style and decision-making are associated with different orientations toward justice in talent decisions within organisations.
<table>
<thead>
<tr>
<th>Category</th>
<th>Factor(s)</th>
<th>Definition</th>
<th>Key Remarks</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual Factors</strong></td>
<td>Individual Culture</td>
<td>Culture is variations of norms, values, beliefs, assumptions, behavioural patterns and attitudes of a group of particular people or a society.</td>
<td>▪ Culture has been proven to have a significant impact on individual attitudes and values.</td>
<td>Hofstede (1980); Christie et al. (2003); Hopp (2004); Leo, Bennett and Hartel (2005)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Cultural assumptions underlie our thoughts and ultimately our decisions.</td>
<td>▪ Cultural assumptions underlie our thoughts and ultimately our decisions.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Culture of decision-makers may have an influence on their selection of decision either as a main effect or as an interaction within the decision domain or context, which might be interpreted in different ways by individuals or different cultures.</td>
<td>▪ Culture of decision-makers may have an influence on their selection of decision either as a main effect or as an interaction within the decision domain or context, which might be interpreted in different ways by individuals or different cultures.</td>
<td>Hopp (2004); Leo, Bennett and Hartel (2005); Weber and Hsee (2000); Bennett and Kassarjian (1972); Harren (1979); Hunt et al. (1989); Thunholm (2004)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Decision-making style represents a relatively consistent pattern of cognitive and affective responses.</td>
<td>▪ Decision-making style represents a relatively consistent pattern of cognitive and affective responses.</td>
<td></td>
</tr>
<tr>
<td><strong>Organisational Factors</strong></td>
<td>Organisational Culture</td>
<td>Organisational culture is defined as a set of beliefs, values, behaviours, assumptions and practices that are shared by members of an organisation which affect the success of shared leadership in a business.</td>
<td>▪ There is a relation between organisational culture and ethical behaviour and decisions.</td>
<td>Ford and Richardson (1994); Sagie and Aycan, 2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Variation of organisational identity affects marketing professionals.</td>
<td>▪ Variation of organisational identity affects marketing professionals.</td>
<td>Akaah (1992); Nicholls (1988); Quick, 1992; Simms, 1997</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ The nature, direction and impact of organisational culture are dependent on the abilities and skills of the managers.</td>
<td>▪ The nature, direction and impact of organisational culture are dependent on the abilities and skills of the managers.</td>
<td>Schein (1990); Bass and Avolio (1993)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ If culture is seen as a fundamental part of any organisation, then the feeling, thinking and responses of managers are moulded by that culture.</td>
<td>▪ If culture is seen as a fundamental part of any organisation, then the feeling, thinking and responses of managers are moulded by that culture.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Organisational culture has shape and reflects managers’ actions and their managerial style.</td>
<td>▪ Organisational culture has shape and reflects managers’ actions and their managerial style.</td>
<td></td>
</tr>
<tr>
<td><strong>Organisational Factors</strong></td>
<td><strong>Geographical and Institutional Proximity</strong></td>
<td><strong>Geographical proximity refers to the geographical distance that separates actors’ to interaction.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------</td>
<td>--------------------------------------------</td>
<td>------------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Geographical proximity has an effect on the way that organisational practices are internalised and implemented in foreign subsidiaries.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Geographical proximity influences the criteria used by human resource managers to assess performance.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Institutional proximity provides an alternative explanation for organisational structure and behaviour.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trust has provided some indirect evidence for the relevance of geographical proximity for the emergence of trust.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Geographical and institutional proximity has an imperceptible impact on talent decision-making.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Societal Factors</strong></td>
<td><strong>Homophily</strong></td>
<td>Homophily is the perception of similarity in background values, attitude, culture, genetic, behavioural, and/or appearance.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Supportive relationships among colleagues in the workplace may have important and significant performance-related consequences for organisations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Superiors have a tendency to rate more positively people who are similar to themselves.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Subordinates who are more similar to their superiors are more likely to receive promotion.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Decision-making study of talent management suggests that systematic bias in how decision-makers assess the future potential of an employee in a talent pool is an outcome of homophily.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Societal Factors | Social Network Position | Social network is a sociological axiom that refers to how people seek to give meaning to the positions in which they find themselves, in terms of a desirable pattern of ties or relationships with other members. | ▪ Social network literature has suggested that actors in central network positions benefit more from higher knowledge inflows and outflows than actors positioned more peripherally.  
▪ The value of social networks for career sponsorship is significantly associated with career progress.  
▪ The central network positions of actors are likely to accumulate work-related knowledge, which significantly affects not only their performance, but also affects their future knowledge sharing with colleagues.  
▪ There is a parallel tendency of network position that influences the possibility of centrally located candidates having higher visibility, and consequently being more readily identified as talent. | Tsai (2001);  
Kildruff and Tsai (2003)  
Seibert, Kraimer and Liden (2001)  
Sparrowe et al. (2001);  
Reinholt, Pedersen and Foss (2011)  
Makela, Bjorkman and Ehrnrooth (2010) |
| Psychological Factors | Gender Diversity | Gender diversity is one of the psychological phenomena among the variables that affect decision-making. | ▪ Gender is affected by the beliefs, behaviours, environment, attitudes and the characteristics that differentiate sexes.  
▪ Gender differences in cognitive ability, personality traits, social context and decision-making.  
▪ There are substantial gender trait differences in the nature and outcomes of management decisions.  
▪ Women are more affected by the environment; they look for more information and give more time to the decision process.  
▪ Men are more objective, assertive, dominant and realistic about the decision process.  
▪ There is a difference between men and women in their decision-making styles | Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, (2007)  
Briscoe, Schuler and Claus (2009);  
Beechler and Woodward (2009)  
Johnson and Powell (1994)  
Gill et al. (1987)  
Wood (1990)  
Vinnicombe (1987)  
2.12 Fairness of Talent Decision-Making

Scholars in the field of talent management have not treated fairness and justice issues in much detail. Although, some could maintain that the treatment of employees in talent management is separate from justice, this is because managers make talent decisions based on limited and subjective information (which is referred to as ‘bounded rationality’) (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Vaiman, Scullion and Collings, 2012; Thunnissen, Boselie and Fruytier, 2013a). However, managers are expected to make talent decisions that will ultimately impact all levels of the organisation and beyond. Likewise, decision-making style is associated with cognitive style or the individual’s manner of thinking and understanding the decision-making process (Hunt et al., 1989). In particular, Tatum et al. (2003) and Eberlin and Tatum (2008) suggest that there is a theoretical relationship between decision-making style and organisational justice patterns. Gilliland (1993) argues that an organisational justice model based on organisational activities including the right to democratic decision-making in the workplace (Locke and Shweiger, 1979) would lead to important organisational and individual outcomes. Therefore, the extent to which these issues are perceived as fair and ethical is of great concern. This study takes one step forward toward our understanding of the complex relationships between different kinds of decision-making style and how this is associated with different attitudes towards justice in the organisation.

It is not surprising that fairness in organisations has been claimed to be the main virtue of social institutions (Rawls, 1971). Certainly, social scientists have acknowledged the importance of the ideals of justice as a basic requirement for the personal satisfaction of individuals they employ and for the effective functioning of organisations (Okun, 1975; Moore, 1978). In view of the widespread acknowledgment of the significance of fairness as an issue in organisations, it is comprehensible that the theories of interpersonal and social justice have been employed to understand behaviour in organisations (Greenberg, 1990). Organisational justice theory offers a framework through which to explore and understand employees’ feelings, organisational behaviour and organisational outcomes. Historically, the theory of organisational justice mainly focuses on perceptions of fairness in organisations (Greenberg, 1987).
Consistent with this theory, there are three types of organisational justice theory that have been identified in the literature (Greenberg, 1987; Folger and Cropanzano, 1998). Distributive justice (justice of outcomes), procedural justice (the justice of the formal allocation processes), and interactional justice (the justice of interpersonal transactions they encounter with others). These three components are related and they mean or add up to overall fairness (Ambrose and Arnaud, 2005; Ambrose and Schminke, 2007). Since this research is considering the justice of decision-making outcomes, distributive justice is appropriate here. Distributive justice reflects perceptions about the outcomes of decisions taken (Homans, 1961; Leventhal, 1976). In order to understand the role of perceived fairness or judgments of justice in human interaction, the outcome of decisions must be considered.

Frequently, distributive justice is evaluated on the basis of outcome equity, which proposes that individuals should obtain rewards that are consistent with their inputs, relative to a referent comparison (Adams, 1965; Cohen, 1987). Perceptions of distributive justice and equity arise from the combination of hiring expectations and the outcome of the hiring decision (Gilliland, 1993). Several studies have investigated how individuals are affected by the perceived fairness of decisions (Folger and Konovsky, 1989; McFarlin and Sweeney, 1992). Accordingly, fairness is associated with positive attitudes toward a decision, such as agreement, satisfaction and commitment (Lind and Tyler, 1988). Previous research on strategic decision-making, for example, has speculated that engendering positive attitudes toward decisions and other team members are achieved at the expense of decision fairness (e.g., Schweiger, Sandberg and Ragan, 1986; Schweiger, Sandberg and Rechner, 1989). Though, the basic principle of justice concepts is that fair treatment is central to individuals and a major determinant of their reaction to decisions.

Traditionally, decision-making has been examined from multiple perspectives; however there is no universally agreed upon approach to classifying decision-making styles in the talent management domain. Several studies have focused more heavily on examining the basic elements of decision-making, rather than quantifying specific patterns or decision styles (Driver and Streufert, 1969; Eisenhardt, 1989, Kedia, Nordtvedt and Perez, 2002). In particular, Driver, Brousseau and Hunsaker (1990) point out that individuals have different decision-making styles that rely on a
combination of information use and solution focus. According to Tatum et al. (2003) and Tatum and Eberlin (2007), the adoption of a particular decision-making style will limit and restrict the amount of information used to determine an outcome, which would negativity influence the justice of the decision. Likewise, managers who adopt a comprehensive decision-making style should receive a high rating of fairness rating. However, the importance of studying justice in general, and in talent decision-making more specifically, can perhaps best be illustrated by documenting the impact that these reactions have on organisational talent pool outcomes. In that respect, Thunnissen, Boselie and Fruytier (2013b) have recommended studying fairness and justice as an issue related to talent management.

2.13 Limitations of Past Research on Talent Management

Notwithstanding the increased attention on the topic of talent management, there is still little evidence that organisations implement this in an effective manner (Sparrow, Brewster and Harris, 2004; Cohn, Khurana and Reeves, 2005; Scullion and Collings, 2006; Cappelli, 2008a). Therefore, the concept of talent management has been criticised as lacking sufficient definition and theoretical development, mainly in the global context. Previous studies have reported that one of the key challenges that talent management has experienced in establishing its academic merit over the past decade has been the unresolved issue around its conceptual and intellectual boundaries (Lewis and Heckman, 2006; Collings and Mellahi, 2009; Scullion, Collings and Caligiuri, 2010). However, it is equally important to gain an increased understanding of differences in how talent management is defined and conducted in different national contexts. This comparative study and understanding will also be important as the field matures and considers how talent management systems operate in different national contexts.

This review of the literature reveals a number of directions for further research in the field of talent management, which the present study will attempt to bridge. First, in the review of contemporary literature, Lewis and Heckman, (2006); Collings and Mellahi, (2009) and Scullion, Collings and Caligiuri (2010) comment that the field of talent management is not mature enough in terms of identifying and developing talent.
Further, others have suggested that global organisations are facing an inability either to identify or evaluate talent to fill their strategic positions (Michaels, Handfield-Jones and Axelrod, 2001; Collings, Scullion and Morley, 2007). Decision-making in talent management increasingly needs to recognise the context in which people management takes place in different parts of the world, and examine the circumstances and the factors that make one context significantly different from another (Dickmann, Brewster and Sparrow, 2008). It is in this sense that Zander et al. (2010), Makela, Bjorkman and Ehrnrooth (2010) and Mellahi and Collings, (2010) call for further investigation of talent identification processes, and for an exploration of the factors that have an influence on talent management decision-making. Most studies in talent decision-making have only focused conceptually on social factors. In addition, no research has studied the factors related to cultural and organisational level thus further research in the area is needed. These issues are important and require extensive study because these factors provide support in developing decision-makers’ attitudes and behaviours.

There has been much debate over the challenges that result in unsatisfactory organisational outcomes as a result of failure to identify and retain key talent effectively. Although organisations tend to recognise the importance of talent management, they frequently fail to manage it effectively (Sparrow, Brewster and Harris, 2004; Collings, Scullion and Morley, 2007; Cappelli, 2008b; Scullion and Collings, 2011). At the centre of these challenges, talent management decision-makers are frequently unable to access accurate information to identify appropriate talent, and have limited capabilities to reach an appropriate judgement using all the pertinent information about talent (Mellahi and Collongs, 2010; Makela, Bjorkman and Ehrnrooth, 2010). In addition, the decision-makers’ ability to access knowledge, is driven and limited by their experience and cognition (Gavetti and Levinthal, 2000). However, even a cursory examination of organisations suggests that talent management decision-makers frequently make decisions without reference to accepted frameworks or consideration of the key related data (Vaiman, Scullion and Collings, 2012), which will have a negative impact on an organisation’s talent pool. However, Boudreau and Ramstad (2005b) have called for the development of a decision science that frames talent-related decisions. In addition to decision-making style, numerous studies confirm there is a relationship between decision style and the behaviour of
decision-makers. Although, decision-making style represents a relatively consistent pattern of cognition which effectively influences decision outcomes (Rowe and Mason, 1987; Andersen, 2000; Mohammed et al., 2007), to date, no study has examined whether decision-making style has an effect on talent decision-making.

A number of researchers including Makela, Bjorkman and Ehnrooth (2010), Mellahi and Collings, (2010), Vaiman, Scullion and Collings (2012), Thunnissen, Boselie and Fruytier (2013b) and Gelens et al. (2014) have recommended studying the fairness and justice issue as it relates to talent management. Accordingly, they have investigated the relative influence of the fairness of talent decision-making to organisational talent pools. This study examines talent decision-making determinants for organisational talent pools to support and strengthen the existing literature.

However, it is equally important not to lose sight of the cultural differences in how the processes of talent decision-making are defined and conducted. Culture is a multilevel construct that may possibly be construed as regional, national, organisational and individual (Dorfman and Howell, 1988; Sagie and Aycan, 2003; Ali, Brooks and Alshawi, 2008). A key requirement for effective talent decision-making is that talent management should be linked to national culture (Dickmann, Brewster and Sparrow, 2008; Collings, Scullion and Vaiman, 2011; Scullion and Collings, 2011), and the organisational culture of the firm (Scullion and Starkey, 2000; Farndale, Scullion and Sparrow, 2010; Vaiman and Collings, 2013) in the talent management field. In this study, the researcher uses both individual and organisational units of examination to describe the decision-making process within talent management. Most research work has been done in developed or Western cultural work settings. However, it has been suggested that the richness and variety of organisational and managerial realities, as well as research traditions in the Middle East, may offer good opportunities to develop knowledge of talent management in the future (Ali, 2008). This requires more attention by researchers and practitioners to establish talent management in different work settings, environments and cultures. In addition, Scullion and Collings (2011) suggest more research is needed in international contexts, signifying the necessity of studying the impact of such differences on talent pool inclusion of those from different national origins.
Previous studies have not considered the impact of underlying cultural dynamics on talent identification processes. Up till now, talent management studies have not suggested a global pattern for organisations to achieve success in talent identification. Moreover, understanding the field of talent management as it matures will be equally important as the theory on culture might differ in terms of management, values, attitudes and individual perceptions, all of which could create new challenges and prompt reflection on management style and business processes in different contexts. In this instance, examining the talent decision-making process in a different context could create additional insights into the extant literature. Attempts to fill this gap are considered vital as it helps researchers to understand managers’ perceptions, experience, attitudes, beliefs and behaviours in a developing country which may help to generalise the studies for all.

Furthermore, most of the available studies on talent management focus on MNCs, whereas talent management has become a cause for concern in a far wider range of organisations. Several researchers emphasise the importance of developing a global mindset among the top management team, including the internationalisation of small and medium-sized enterprises (SMEs), and the importance of succession planning in family-owned SMEs and the emergence of ‘micro multinationals’ in recent years (Anderson and Boocock, 2002; Dimitratos et al., 2003) which need more studies. Although, most studies in talent management have been conducted in multinational organisations, there is a need to understand managers’ perceptions, attitudes, beliefs and behaviours in large and national organisations. Obviously, comparative studies of these patterns from different home countries, industries, size and sectors etc. will be most interesting as well the ensuing global patterns of talent migration (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Zander et al., 2010). To this end, this research attempts to develop a more comprehensive framework to reflect the complex set of cultural and contextual factors that affect the fairness of talent decision-making in an international context.
2.14 Concluding Remarks

This chapter aimed to provide a critical overview of various theories and background that has been used to understand and investigate knowledge regarding the talent identification process and talent decision-making. The literature reveals that organisations today are more complex and competitive in terms of identifying key talent to fill key positions, thus it needs more timely and appropriate attention. The literature in the talent management domain suggests that talent decision-making is critical for effective and successful organisational talent pools. Although talent decision-makers have different decision styles, knowledge, perceptions, experiences and behaviours, their decisions also depend upon his or her attitudes, beliefs and intentions. Typically, talent decision-making depends on the managers’ proximal perception that can vary according to different experiences, information and to various internal and/or external factors. In the literature available on talent decision-making, particular emphasis has been placed on the social factors that influence decision-making to identify talented employees. However, the literature has reported only limited evidence on the impact of individual, organisational and psychological factors. These factors might have a quantum or incremental influence on talent decision-making but require proper attention.

It was pointed out in this literature review that examination of decision-making style within talent decision-making has not been considered. This suggests a need for a broader exploration of decision style beyond those suggested. Moreover, the literature review shows that there is a pressing need for a close investigation of the antecedents of the fairness of talent decisions. Recently, it has have been found that there is a significant relationship between decision-making style and the justice of decisions. However, this researcher could not find any research study that has examined this relationship in the talent management literature.

As there is growing attention on talent management in an HRM context, it appears that the issue of talent decision-making will continue to be of great importance. The reviewed literature works as a basis for developing a model to extend the knowledge concerning relevant factors and to measure the factors that influence managers in talent decision-making in the context of a developing country. Nevertheless, these decision-
making factors have not been investigated and empirically tested so far in relation to talent decision-making. Thus, this study was developed to examine managers’ perceptions of organisational talent decision-making. The next chapter provides a theoretical conceptual framework, which has been developed by the researcher for this study in order to conduct an empirical study.
Chapter Three
CONCEPTUAL DEVELOPMENT

3.1 Introduction

The literature review in the previous chapter revealed that decision-making is the key function in talent management which has been conceptualised from various different perspectives. In the talent management literature, a number of determinants of talent decision-making have been explored separately, nevertheless, far too little attention, if any, has been paid to combining such perceptions into a particular model. Therefore, the conceptual approach for this research study is based on a broad theoretical framework and the study examines the factors that shape the perception, the experience and the fairness of managerial talent decision-making. Similarly, the review pointed out that talent decision-making is a hybrid concept that needs a more holistic approach and empirical evidence to bring its elements together with the decision outcomes. Hence, this chapter intends to offer insights on how this study attempts to overcome the considerable research limitations by developing a theoretical model and research hypotheses which are conceptually related to each other. The chapter is divided into three sections. In the first section, the theoretical background will be summarised. In the second section, the model development and research hypotheses will be demonstrated. The final section will present the conclusions of the chapter.

3.2 Theoretical Background

With the intention of improving the understanding of the nature of talent decision-making to depict how and why decision-makers behave in the way they do in the talent identification process, a robust background of research is an a priori need to develop a rigorous model to this under-researched concept. Thus far, the researcher has presented the literature relevant to the talent identification process within a talent management
perspective. In addition, the constructs of this research were identified and provided discussion on the need for additional factors that might be influential in determining talent decision-making. Moreover, the context of the current study with reference to earlier studies on the talent identification process in general and in talent decision-making in particular has also been discussed. From the theories deliberated in the previous chapter, the researcher develops and presents a theoretical model that identifies a number of factors that could possibly influence talent decision-makers’ attitudes and experience towards the talent identification process in organisations.

**The Talent Decision-Making Process**

Talent identification is inevitable in human resource management due to the highly competitive pressure in which most organisations must compete in order to accomplish sustainable growth. There is considerable evidence that organisations around the world are facing enormous challenges in respect of talent management. In other words, attracting and retaining key talent is a challenge facing all organisations (Tarique and Schuler, 2010). According to Collings and Mellahi, (2009), global organisations have come to realise that a major source of their competitive advantage is the knowledge, skills and abilities of their talented employees. Indeed, organisations are recognising that talent has emerged as a crucial concern for organisational success and competitiveness (Bryan, Joyce and Weiss, 2006). Notwithstanding this realisation, Ready and Conger (2007) confirm that many organisations report a shortage of sufficient talent to fill their key positions, which negatively affects the implementation of global growth strategies. Due to this pressing shortage, talent management is becoming a vital strategic area for the survival and success of business across the globe (Iles, Preece and Chuai, 2010b). In fact, organisations have started to draw a picture of the talent identification process and its determinants to identify and establish organisational talent pools.

The literature identified the fact that the talent identification model has proved parsimonious, robust, and has a clear focus on talent decision-making in talent management practices. At its heart is the supposition that ‘talent’ must be identified, segmented, developed, and placed in key positions that are pivotal for organisations’ competitive advantage (Boudreau and Ramstad, 2005a, Bjorkman et al., 2013).
However, some attention has been paid to the talent identification process and what factors influence whether or not someone is identified as talented (Mellahi and Collings, 2010). Makela, Bjorkman and Ehrnrooth (2010) proposed a framework of decision processes to identify talented employees and include them in a talent pool. Their proposed framework consists of two stages: the first stage is performance appraisal evaluations which serve as an input to the second stage, which is managerial decision-making. Given these findings, this study considers these processes as an appropriate model for extending and empirically examining the research constructs of the present study. Figure 3.1 below summarises the two stages of the talent identification process.

**Figure 3.1**
Talent Identification Process

![Talent Identification Process Diagram]

**Stage 1**
Performance Appraisal → Performance Appraisal Rating/Evaluation

**Stage 2**
Talent Review → Talent Pool Inclusion

**Source:** Makela, Bjorkman and Ehrnrooth (2010).

Many organisations are now integrating the practices of performance management as a process to identify a key talent with talent review processes which typically link talent identification with decision-making (Cascio, 2006; Stahl *et al.*, 2007; Hartmann, Feisel and Schober, 2010; Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Mcdonnell and Collings, 2011; Ahmed *et al.*, 2013; Gelens *et al.*, 2014). According to Bratton and Gold (2007), performance management and appraisal have become key features of organisations’ drive towards achieving high performance and competitive advantage. Moreover, performance appraisal clearly has a bearing on whether he/she is considered as a talent, as employees’ evaluations that are based on annual or biannual performance appraisals relate to whom to include in talent pools (Cascio, 2006; Stahl *et al.*, 2007). Yet regularly, performance management consists of line management reviewing employees’ performance, whether those managers are
always the best placed person to identify potential employees or not (Law, 2007; McDonnell and Gunnigle, 2009; Ahmed et al., 2013).

The Link between Talent Decision-Making and Management Decisions

However, recent studies of talent management have revealed that the final decision concerning who is included in a talent pool is typically made in talent review meetings (Azzara, 2007; Makela, Bjorkman and Ehrnrooth, 2010). Consequently, talent pool inclusion is determined not only by performance appraisal evaluations, but also is limited by the rationality of the decision-making process. This rationale for this has been influenced by a number of factors that influence decision-making in the second stage of the talent identification process. The process of decision-making is one of the most critical mechanisms of human thinking (Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007), which is associated with various factors and courses of action that intervene in it. Orasanu and Connolly (1993) describe the process of decision-making as a series of cognitive operations performed consciously, which include environmental factors at a specific place and time. These factors are related to decision-makers’ ability to access knowledge, and are driven and limited by decision-makers’ experiences and cognition (Nelson and Winter, 1982; Gavetti and Levinthal, 2000).

During the talent identification process, the decision-maker plays a central and active role in the success of organisational talent pools. Academic researchers and talent management practitioners have extensively advocated managers as a key source in the talent identification process (Mellahi and Collings, 2010; Vaiman, Scullion and Collings, 2012). Thus, understanding the perception and cognition of managers is critical in the talent management domain. In addition to decision-making, decision-making style might also influence the outcome of talent decision-making. Decision-making style has been defined as an individual’s characteristic mode of perceiving and responding to decision-making assignments which affect the decision process (McKenney and Keen, 1974; Harren, 1979; Henderson and Nutt, 1980; Phillips, Pazienza and Ferrin, 1984; Phillips, Pazienza and Walsh, 1984; Rowe and Mason, 1987; Andersen, 2000; Thunholm, 2004; Mohammed et al., 2007). The term ‘decision-making style’ is related to cognitive style or the individual’s manner of thinking and
understanding the decision-making process (Hunt et al., 1989). It is known as a cognitive precursor to behaviours that usually reveal his or her attitudes, beliefs, and perceptions towards talent decision-making.

This is reflected in the framework of bounded rationality theory, in which the cognition and experience of individuals are limited by their ability to process and interpret large volumes of complex information which, therefore, frequently results in poor or very opaque decisions (Simon, 1979). Regularly, bounded rationality theory is employed to explain the decision-making process in complex situations that require the absorption of a large amount of data and where actors do not have the mental capability or time to examine all options and consequently they are forced to simplify their decision processes (Simon, 1979; Hammond, Keeney and Raiffa, 1998). The bounded rationality theory has been theoretically applied to decision-making in the context of talent management (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Vaiman, Scullion and Collings, 2012). In this sense, bounded rationality has effectively guided studies on the complexity of decision-making which has consistently demonstrated that managers are not perfectly rational; but, rationally bounded (Simon, 1979; Smith and Winkler, 2006). In coping with this limitation of ability to process such complex and often incomplete information, managers typically make their decisions based on a subset of the information available, which frequently leads to bias in decision-making (March and Shapira, 1987; Bukszar and Connolly, 1988; Hammond, Keeney and Raiffa, 1998; Hilary and Menzly, 2006). However, in this study the researcher argues that the limited frame of reference which managers draw upon to make their judgments and decisions about talent limits the talent pool effectively, due to a number of factors that influence the talent decision-maker which leads to bias in making decisions and thus marginalisation of some key talents.

**Patterns and Influential Factors in Talent Decision-Making**

Drawing upon talent management practices in organisations, three conceptual factors have been identified that have an influence on the decision-makers (Azzara, 2007; Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Zander et al., 2010). These factors include geographical and institutional proximity (e.g., Kostova, 1999; Hewett and Bearden, 2001; Kostova and Roth, 2002; Luo, 2002; Cascio, 2006;
In this study, a framework has been developed that suggests that the decision to include an individual in a corporate talent pool is not only influenced by such factors. The researcher has identified three other factors that have an influence on decision-making, including the individual culture of the manager (e.g., Bartels, 1967; Vitell, Nwachukwu and Barnes, 1993; Lu, Rose and Blodgett, 1999; Christie et al., 2003), the organisational culture (e.g., Ferrell and Skinner, 1988; Delaney and Sockell, 1992; Ford and Richardson, 1994; Sagie and Aycan, 2003) and gender differences (Estes and Hosseini, 1988; Masters, 1989; Wood, 1990; Stinerock, Stern and Solomon, 1991; Johnson and Powell, 1994). However, there is no reliable evidence that these factors have a direct and significant impact on talent decision-making. If the researcher examines these variables, it may help to ensure better global patterns of talent management. The basic conceptual framework of this study is shown in figure 3.2.

**Fairness of Talent Decision-Making**

In fact, organisations are starting to shed light on the talent identification process and its determinants in order to identify and establish organisational talent pools and therefore on the fairness of talent decisions. Despite the factors that impact on talent decision-making, decision style is also associated with the fairness of decision-making and the decision outcome. As already mentioned, the adoption of a decision-making style can restrict the amount of information used to determine an outcome, which can negatively influence the justice of the decision (Tatum et al., 2003; Eberlin and Tatum, 2007). In other words, different types of decision-making style are linked with different attitudes towards justice in the workplace. Gilliland (1993) argues that an organisational justice model based on fairness of selection procedures would lead to important organisational and individual outcomes (Locke and Shweiger, 1979). Therefore, the extent to which these issues are perceived as fair and ethical is of great
concern. This study takes one step forward towards understanding how the complex relationship between different kinds of decision-making style is associated with different attitudes towards justice in organisations.

Figure 3.2
The Theoretical Framework

Simultaneously, decision style and fairness of talent decision-making are reflected in organisational talent pool inclusion. However, there is no reliable evidence that these elements of the talent decision-making process have an influence on the justice of talent decisions. Makela, Bjorkman and Ehrnrooth (2010), Mellahi and Collings, (2010), Vaiman, Scullion and Collings (2012), Thunnissen, Boselie and Fruytier (2013a) and Gelens et al. (2014) have all recommended studying the fairness and justice issue of the talent decision-making process within the talent management domain.

As shown in Figure 3.2, there are four major parts which form the conceptual model of the entire talent identification process. This framework which is adapted and extended
from Makela, Bjorkman and Ehrnrooth (2010) proposes the talent management decision-making processes necessary to identify talent in order to include them in an organisational talent pool. These processes consist of two stages: the first stage comprises performance appraisal evaluations as an input into the second stage, which is managerial decision-making. Therefore, talent pool inclusion is not only determined by the rating of the performance appraisal evaluation; it is also an outcome of a number of factors that influence decision-makers during the second stage. These factors are individual and organisational culture, geographical and institutional proximity, homophily, social network position and gender differences. However, decision-making style is the focal part in the talent identification process, influencing the justice of the talent decision-making decision and, in turn, organisational talent pool inclusion.

3.3 Model Development and Research Hypotheses

According to these conceptualisations, the determination of the talent identification process requires an experiential, holistic approach that facilitates deciphering the nature of decision-making within talent management. The conceptual model in the present study is grounded in fundamental sources, theory and literature. As stated by Wacker (2004), theory is defined as an explained combination of conceptual relationships. Once these relationships are fully elucidated and can be tested, then the theory is considered as a good theory. From a business research perspective, “the relevant background literature acts as the equivalent of a theory” (Bryman and Bell, 2007, p. 10). In other words, causal relationships that have been demonstrated and validated by prior studies can be used to develop a hypothetical framework. The current study follows the integrative approach to develop an appropriate set of hypotheses linking various factors within talent decision-making.

The model portrayed in Figure 3.3 outlines the hypothesised relationships between the constructs that are examined in this study. The proposed conceptual model of this study assumes that talent decision-making style is affected by the following four categories of factors. These constructs are: individual factors (individual culture); organisational factors (organisational culture and geographical proximity); societal
factors (homophily and social network position) and psychological factors (gender diversity). The predictor variables from the above-mentioned four categories are expected to affect and explain talent decision-making style, which, in turn, is expected to predict the fairness of talent decisions. The relationships between these constructs are proposed in the conceptual model to describe how the emergent factors can separately and distinctly influence managerial decision-making style over talent pool inclusion. It is thus expected that the framework will potentially provide a holistic modelling of the talent decision-making process. These factors are, in turn, hypothesised in the model as predicting the fairness of the talent decision. Table 3.1 provides a summary of the respective seven hypotheses. Furthermore, the following sections provide in-depth explanations of each construct and the theoretical justification for including them in the proposed conceptual model.

### 3.3.1 Individual Culture

The concept of culture or cultural traits is one of the important determinants of decision-making processes across different societies (e.g., Bartels, 1967; Vitell, Nwachukwu and Barnes, 1993; Lu, Rose and Blodgett, 1999). As revealed in previous studies, culture has an impact on human perception, behaviour, knowledge and experience which can be applied both to whole societies and also to specific groups of people within the same country (Geerz, 1973; Hofstede, 1980). The vast majority of business decision-making studies have been conducted and focused on a comprehensive understanding of the influence of culture on particular issues such as consumer decision-making (e.g., Bao, Zhou and Su, 2003; Leo, Bennett and Hartel, 2005), participative decision-making (Sagie and Aycan, 2003), ethical decision-making (e.g., Christie et al., 2003; Roxas and Stoneback, 2004; Tromley, Giapponi and McDevitt, 2014), and tourist decision-making (e.g., Correia, Kozak and Ferradeira, 2011). Albeit with limited empirical evidence, it seems very likely that decision-making in talent management is shaped by cultural traits. Thus, cultural characteristics might be a significant component in understanding different decision-making styles presented by individuals from different cultures (Yi and Park, 2003). Concepts such as cultural traits and management styles appear in the talent management literature as two fields of research seemingly not related.
As Geertz (1973, p.145) concludes, “Culture is the fabric of meaning in terms of which human beings interpret their experiences and guide their action”. Most studies of culture have defined this as a set of common rules and factors according to which a group of people behave. Culture has an impact on human perceptions, behaviour, knowledge and experience, which can be applied to huge societies and to groups of people within the same country. This is supported by Geerz (1973), who shares this idea that culture affects people’s attitudes towards life and influences their behaviour. Furthermore, according to Krober and Parsons (1958), culture creates patterns of ideas and values that form human behaviour. In this regard, several research studies in psychology, sociology, business ethics, management and many other fields have confirmed that different attitudes, behaviours and ideas are associated with different cultures (Christie et al., 2003).

According to Bartels (1967), cultures of various societies produce different expectations and become expressed in dissimilar ethical criteria of those societies. He examined a number of key cultural factors, such as the nature of power and authority, respect for individuality, law, national identity, values, the concept of deity, loyalty, relation of the individual to the state that are the essential determinants of ethical criteria in a society. Naturally, it is expected that there will be modifications to decision-making practices and approaches over time in any culture due to the forces of market demands, the legislative context, globalisation and institutional contingencies, which could lead to changes in organisations’ size, structure and ownership (Sagie and Aycan, 2003). A variety of empirical studies have confirmed that culture has an impact on decision-making, thus, the style of decision-making is often better understood if it is assumed that there are variations across individuals with different cultural traits (Leo, Bennett and Hartel, 2005; Correia, Kozak and Ferradeira, 2011).

Culture at an individual level is mentioned as the subjective culture of an individual which is associated with how much the individual takes from the different cultures that the individual is part of (Dorfman and Howell, 1988). Individual culture is recognised to be the potential importance of individual characteristics. As stated by Hofstede (2001), heterogeneity in individual cultural attitudes within the same culture could be considerable. In line with this conceptualisation, Hofstede’s model is the preferred framework in which to place this discussion, as well as Dorfman and Howell (1988)
who examined culture from the individual level. Traditionally, the values of certain cultures motivate people to behave either cooperatively or competitively when making decisions (Boyd and Richerson, 1991). Several studies that have examined decision-making culturally reveal that culture appears to affect both decision-making style and the decision outcome (Mann, Radford and Kanagawa, 1985; Radford et al., 1993).

Decision-making style has been defined as the individual’s characteristic model of perceiving and responding to a decision-making task (Harren, 1979) or a habitual pattern individuals use in decision-making (Driver, 1979). Linton (1945) and Lee et al. (2007) mention that culture is a configuration of learned outcomes of behaviour whose component factors are shared and transmitted by the members of a specific society. In addition, while it is constructed upon several criteria such as language, religion or values, culture also has an influence on other functions over human choices and decisions through perceptions and evaluations (Foscht et al., 2008). Although, the importance of culture is to understand human behaviour, society and the importance that this may accord to HRM practices (e.g., Lertxundi and Landeta, 2011; Mellahi et al., 2013), few cross-cultural studies in the talent management field have been carried out (e.g., Festing, Schafer and Scullion, 2013; Valverde, Scullion and Ryan, 2013). Further, there are no studies that have investigated the influence of culture on decision-making in talent management.

In the light of previous research, Hofstede’s (1980-2001) framework can be considered as one of the most relevant works in cross-cultural studies. Geert Hofstede (1980) was one of the first scholars in the field of international management to develop an empirically validated typology on how human behaviour is affected by organisational and national culture. He argued that societies demonstrate four major cultural dimensions including: power distance (PD), individualism vs. collectivism (IC), uncertainty avoidance (UA) and masculinity vs. femininity (MF) which are considered relevant from previous studies in decision-making (Vitell, Nwachukwu and Barnes, 1993; Lu, Rose and Blodgett, 1999; Christie et al., 2003; Sagie and Aycan, 2003). The rationale for selecting these four dimensions is they seem to have been accorded general approval among research scholars on individual attributes. In this regard, there is already some evidence in the literature of a significant association between decision-making and decision style and cultural characteristics or dimensions. In fact, taking
Hofstede’s well-known model as a theoretical reference (1980, 2001), cultural dimensions can be broken down into four dimensions.

- **Power Distance** refers to how cultures deal with inequality among individuals in society. This describes the extent to which less powerful members accept unequal distribution within an organisation. In other words, cultures with low power distance are less likely to accept democracy and equality regardless of their position; however, cultures with high power distance are the opposite.

- **Individualism vs. Collectivism** refers to the degree to which people act as a group or as individuals. Hofstede states an individualistic society is defined as a society where every person is expected to take care of his immediate family and him or herself, whereas in collective societies, persons are in bigger groups, and families include uncles, aunts and grandparents.

- **Masculinity vs. Femininity** refers to the distribution of roles between the sexes. In his major study, Hofstede reveals that female values differ less among societies than men’s, and that male values from nation to nation exhibit competitive and assertive natures. In other words, it is the degree to which masculine and feminine values are uppermost in a given society.

- **Uncertainty Avoidance** refers to the degree to which people are able to tolerate ambiguity. In other words, the extent to which a member of a culture feels threatened by unknown and unstructured situations. Uncertainty avoiding societies try to avoid these situations by forming rules and regulations whereas the opposite cultures try to have as few rules as possible.

Accordingly, it has been acknowledged that researchers have undervalued the degree to which culture has an effect on management and practice (Boyacigiller and Adler, 1991). Based on Hofstede’s dimensions, there are differences in cultures in terms of management, attitudes and individual perceptions. In this regard, there are significant differences between countries that could create challenges and reflections on management style and business processes in different contexts. These dimensions have
been used in several studies to account for observed differences in individual behaviour across countries and cultures (Gelade, Dobson and Auer, 2008).

These four cultural dimensions are adopted for this study, because they have been frequently validated over time in dozens of countries (Sondergaard, 1994). This typology has been used in several studies to account for observed differences in individual behaviour across countries and cultures (Gelade, Dobson and Auer, 2008). The implication is that as societies are different with regard to these cultural dimensions, so their talent decision-making will differ. Consequently, the significance of the possible influence of these dimensions is not clear in terms of talent decision-making.

This interpretation of the nature of culture reveals the likelihood that culture has an impact on managers’ behaviour and perceptions, which also influences their decision-making style (e.g., Sprotles and Kendall, 1986; Mau, 2000; Yi and Park, 2003; Leo, Bennett and Hartel, 2005; Correia, Kozak and Ferradeira, 2011). Additionally, it supports the notion that decision-making processes and decision-makers’ aptitude to access knowledge are limited and driven by decision-makers’ cognition and experiences (Nelson and Winter, 1982; March, 1991; Gavetti and Levinthal, 2000) and culture in terms of management, attitudes and individual perception (Hofstede, 2001). The four cultural dimensions in Hofstede’s framework (1980, 2001), are, to an extent, able to influence and explain the behaviours and decisions of individuals. This hypothesis was set to test the influence of cultural dimensions on talent decision-making. This suggests that decision-makers in different cultures might have different expectations when identifying talented employees. Accordingly, this study will examine the effect of culture on talent decision-making style using the following hypothesis:

**Hypothesis 1:** Individual cultural dimensions have a significant impact on the decision-making style of talent decision-makers. Specifically in (a) power distance, (b) individualism vs. collectivism (c) uncertainty avoidance and (d) masculinity vs. femininity.
3.3.2 Organisational Culture

Additionally, culture at an organisational level can influence how individuals set personal and professional goals, perform tasks and administer resources to accomplish them. Organisational culture refers to shared norms, values, practices and behaviours which affect the success of shared management in a business (Angelle, 2010). Further, it has an impact on the way in which an individual consciously and subconsciously thinks, perceives, acts and makes decisions (Schein, 1990; Lok and Crawford, 2004). According to Garz and Morgeson, (2012) Organisational culture and values not only shapes the occupational roles and responsibilities of its employees; it also has an influence on organisational performance evaluations, training programmes, and key business decisions, specifically the practices, policies and decision of human resources (Caldwell, Chatman and O’Reilly, 1990). These views are supported by Ali, Brooks and Alshawi (2008), who claim that behaviours and practices of an individual are influenced by a shared culture which, in turn, is affected by different levels of cultures.

Several studies have shown that the impact of culture on individual behaviour and attitudes is well recognised. For example, the difference between Eastern and Western cultures is relatively significant (Hofstede, 1980; Trompenaars and Hampden-Turner, 1998). On the other hand, differences in culture are reflected in how organisations are managed, structured and perform (Hofstede, 1991; Trompenaars and Hampden-Turner, 1998; Cheng, 1995; Chen, 2001). By way of illustration, Western organisations, for instance, are flatter in structure, less bureaucratic, decentralise decision-making, promote individualism and do more to empower their workers (Chen, 2001; El-Kahal, 2001; Lok and Crawford, 2004). In contrast, Asian organisations have a tendency to be more bureaucratic, hierarchical, have central decision-making and are policy driven. In addition, they are more authoritarian, promote values of collectivism and have high power distance (Somers, 1995; Sommer, Bae and Luthans, 1996; Chen, 2001; El-Kahal, 2001). Thus, organisational cultures contribute to individuals creating their own behavioural experiences and then employ these behavioural experiences to decide the kind of behaviour that is appropriate for a particular situation (James et al., 1978).

Several scholars in the field of organisational culture have proposed different types of organisational cultures. One early, but still valid and effective instrument was
developed by Wallach (1983) to measure some well-recognised types of culture to assess three commonly accepted aspects of organisational culture, namely: bureaucratic; innovative; and supportive. This typology is widely used in management studies (e.g., Koberg and Chusmir, 1987; McClure, 2010), decision-making research (e.g., Shadur, Kienzle and Rodwell, 1999; Taormina, 2008), and more specifically in decision-making style (e.g., Ogbonna and Harris, 2000; Erkutlu, 2012). Wallach (1983) demonstrated that organisational culture, like an individual’s personality and behaviours, is paradoxical, complex and elusive.

Because organisational culture and management style are intertwined, this relationship between has been extensively studied (e.g., Ogbonna and Harris, 2000; Lok and Crawford, 2004; Taormina, 2008; Erkutlu, 2012). Schein (1992) observes this interrelationship by looking at the relationship between culture and leadership in the context of the organisational life cycle. Thus, the formation of a new organisation creates and shapes its values and beliefs and this, in turn, reflects the leadership and shapes the actions and style of management (Ogbonna and Harris, 2000). This relationship between leadership and culture has been demonstrated by examining the impact of different styles of management on organisational culture. This is supported by Whitley (1997) and Chen (2001), who argues that transformational management characteristics, for example, are often associated with a flatter organisational structure while leadership by authority and seniority is usually related to hierarchical, bureaucratic organisations (Lok and Crawford, 2004). These findings suggest it is reasonable to expect that different types of organisational culture do affect management styles which, in turn, influence talent decision-making and the fairness of talent decisions. However, it is anticipated that these interactions are dependent on the type of organisational culture exhibited by companies.

In this regard, there is already some evidence that indicates a significant association between decision-making and decision style and some organisational cultural dimensions. In fact, taking Wallach’s well-known model (1983) as a theoretical reference, organisational culture can be broken down into three dimensions: bureaucratic, supportive and innovative.

The first dimension Wallach introduced was a ‘bureaucratic’ culture. This refers to hierarchical structures and compartmentalisation with clearly defined lines of
responsibility and authority. This type of culture is usually based on power and control. Furthermore, a strongly bureaucratic culture is unlikely to attract and retain innovative and ambitious people. The second dimension is called an ‘innovative’ culture. This type tends to be a dynamic and exciting culture which is a creative place to work. An innovative culture is filled with challenges and risk-taking; however, it is a pressurised place in which to work. The third dimension is a ‘supportive’ culture. This culture is characterised by harmonious and equitable social interactions. Moreover, an organisation with a highly supportive environment encourages trust, collaboration and personal freedom.

These three types of organisational culture are adopted for this study, because they have been frequently validated over time in numerous studies and provide a useful and measurable typology (e.g., Koberg and Chusmir, 1987; Choi, 2009). This typology considers each facet with adjectives that reflect individual attitudes, behaviours, and values. The implication is that as organisations differ with regard to these cultural dimensions, so the various components of their talent decision-making will differ. However, the significance of the possible influence of these types is not clear in terms of talent decision-making.

However, the results from these studies do suggest the relationships between management styles and organisational culture might result in greater differentiation in organisational outcomes including decision-making. In this sense, greater consideration of the relative importance of organisational culture needs to be given to organisational and management styles that determine individual decision-making in different organisational contexts. The following hypothesis will examine the specific manner in which an organisation’s culture influences talent decision-making.

**Hypothesis 2:** Organisational culture has a significant impact on talent decision-making style. This will be tested for the three organisational culture dimensions: (a) bureaucratic, (b) supportive (c) and innovative.
3.3.3 Geographical and Institutional Proximity

Geographical and institutional proximity is a key dimension in any global business, whether it has a negative or positive impact. Kostova (1999) and Kostova and Roth (2002) claim that geographical and institutional proximity factors are known to influence the way organisational practices are internalised and implemented in foreign subsidiaries. Ordinarily, geographical proximity has a significant impact on the building of mutual trust due to frequent interaction and direct contacts (Ponds, Van Oort and Frenken, 2007). Furthermore, Boschma (2005) highlights the fact that geographical proximity can compensate for a lack of institutional proximity in addition to institutional proximity facilitating communication over long geographical distances.

In particular, geographical proximity remains necessary for successful collaboration, knowledge transfer and for the process of innovation (Ponds, Van Oort and Frenken, 2007; Torre, 2008). Geographical proximity also is assumed to increase knowledge acquisition, foster strengthened relational ties and heightened face-to-face communication (Ganesan, Malter and Rindfleisch, 2005). Geographical proximity also plays a more ‘subtle and indirect role’ (Howells, 2002) which negatively affects the knowledge exchange of human resource management practices and decisions. In similar vein, Cascio (2006) agrees that geographical proximity influences the criteria used by human resource managers to assess performance. Additionally, the accuracy of performance appraisal potentially influences the impressions and behaviour of management to formulate holistic evaluations of employees (Sanchez and De La Torre, 1996). From the perspective of decision-making, the ability to provide well-informed assessments about performance is important to the appraisal system’s operational effectiveness (Murphy and Cleveland, 1991).

Hence, trust has an effect on the performance appraisal process. Cummings (1983) suggests that the performance appraisal evaluation should be positively associated with trust. In this regard, Makela, Bjorkman and Ehnrooth (2010) suggest that geographical and institutional proximity can influence decision-makers’ cognition by affecting the views of and trust in performance appraisal evaluations. This view is supported by Hewett and Bearden (2001) and Nes, Solberg and Silkset (2007), who point out that trust is the relationship between partners in any business that is affected by cultural
distance. More specifically, Mellahi and Collongs (2010) demonstrate that the lack of trust that decision-makers may have towards a source of appraisal from a more distant location can negatively influence their decision for identifying key talent.

These factors may explain why decision-makers may question the validity of performance appraisals conducted. Thus, inconsistencies and variations of geographical and institutional proximity in organisations are likely influence trust in the performance appraisal system. In this sense, the shorter the geographical and institutional distance between the location of the candidate and the decision-makers involved in talent reviews, the higher possibility that decision-makers trust the evaluations of performance appraisals (Makela, Bjorkman and Ehrnrooth, 2010). This assumption is supported by previous studies that found a significant association between geographical distance, interpersonal and inter-unit trust (Luo, 2002; Nes, Solberg and Silkoset, 2007).

In light of previous research, this variable of geographical and institutional distance has a significant impact on talent pool inclusion. In brief, decision-makers who are involved in talent reviews are more likely to trust the evaluations of performance appraisals from nearby cultures than distant locations. Consequently, although this factor seems likely to influence decision-making, the researcher suggests geographical and institutional distance might also have a significant impact on decision-making style as well. Because managers are substantially more likely to trust performance appraisal information from short geographical and institutional distances, the following hypothesis will be tested:

*Hypothesis 3: Geographical and institutional proximity will have a significant impact on talent decision-making style.*

3.3.4 Homophily

In addition to the impact of geographical and institutional proximity on talent decision-making, homophily between candidates and decision-makers may positively or negatively influence the likelihood of an individual being labelled as talent. The
fundamental idea of homophily is that similar people are more likely to communicate positively with each other, rather than with people who are dissimilar (Lazarsfeld and Merton, 1954; Makela, Kalla and Piekkari, 2007). Moreover, this similarity can be based on demographic or geographical proximity, such as gender, age, kinship or race; similarity of culture such as religion, language or nationality; or similarity of behaviour such as social class, position, education, occupation, values, attitudes or abilities. Therefore, these attributes could have influential implications on people’s attitudes that are related to their background (McPherson and Smith-Lovin, 1987; McPherson, Smith-Lovin and Cook, 2001).

In an organisational environment, one could argue that there would be a systematic bias in how decision-makers assess the future potential of an employee in a talent pool, which suggests that this is an outcome of homophily (Watts, 1999a). This is confirmed by Tsui, Porter and Egan (2002), who claim that there is extensive evidence of performance appraisals from research that managers have a tendency to rate people who are similar to themselves more positively. Furthermore, it has also been shown by Wakabayashi, Graen and Graen (1988) that subordinates who are similar to their superiors are more likely to receive promotion.

Traditionally, all similarity factors may have an influence. Recent evidence suggests that homophily could be driven by cultural and linguistic factors, and these influence the cognition of decision-makers (Makela, Kalla and Piekkari, 2007; Makela, Bjorkman and Ehrnrooth, 2010). Previous research has demonstrated that cultural and linguistic factors are associated with similar ways of seeing, thinking and behaving, and that these factors are particularly relevant in a multinational environment (Marschan-Piekkari, Welch and Welch, 1999). This view is supported by Singh, Hansen and Podolny (2008), who claim that decision-makers have greater visibility to candidates who are more similar to them than dissimilar, which facilitates their identification; for example, a common language has been considered positively with perceived trustworthiness within the context of MNCs (Marschan-Piekkari, Welch and Welch, 1999; Barner-Rasmussen and Bjorkman, 2007).

Furthermore, knowledge sharing within organisations is influenced by cultural and linguistic factors. These factors improve the decision-maker’s knowledge to become
more conscious of the performance and accomplishments of more similar employees, rather than those who are dissimilar (Makela, Kalla and Piekkari, 2007). Additionally, decision-makers might unconsciously exhibit stronger beliefs in more similar candidates, because they are influenced by stereotypical negative perceptions or through projection of the competencies of managers from dissimilar cultural backgrounds (Roberson, Galvin and Charles, 2007). This homophily is influenced by the cognition of decision-makers and therefore the decision style of talent decision-making to identify and evaluate talented candidates. Accordingly, because this relationship appears to be theoretically grounded at this point, and as this study is examining the similarity between candidates and decision-makers from managers’ perspective, the following hypothesis is proposed:

**Hypothesis 4:** The similarity between the candidate and the decision-maker has a significant impact on talent decision-making style.

### 3.3.5 Social Network Position

Additionally, the network positions of the individual in the organisation may possibly have a significant influence on his/her visibility. Many historians in sociology and economics have argued that social networks are important to people’s life chances, including their chances in the labour market (Boxman, De Graaf and Flap, 1991). The efficiency of social networks derives from the social capital they exemplify. Social capital, according to Burt (2005, p. 4), “explains how people do better because they are somehow better connected with other people”. An important aspect of the competency of an individual is social capital, which refers to assets embedded in network relationships (Nahapiet and Ghoshal, 1998; Adler and Kwon, 2002). Social capital, according to Burt (1992, 1997) and Lin (2001), enables the workforce to perform more effectively, as it facilitates access to opportunities and knowledge, but also facilitates collaboration and resource exchange in large multinational organisations (Kostova and Roth, 2003).

Several studies in human resource management have found that there is value in social networks for obtaining jobs; visible to valuable job, visible to valuable job and
promotion (Boxman, De Graaf and Flap, 1991; Kim, 2002). Furthermore, a high level of contacts within the organisation is associated with career sponsorship which, in turn, is optimistically associated with career progress (Seibert, Kraimer and Liden, 2001). Recent findings suggest that performers in central network positions benefit from higher knowledge inflows and outflows than performers positioned more peripherally (Tsai, 2001; Kildruff and Tsai, 2003).

Geographical distance between the headquarters/head office and the subsidiaries/branches may lead to an ‘out of sight, out of mind’ phenomenon in terms of career progression (Makela and Suutari, 2009). Sparrowe et al. (2001) and Reinholt, Pedersen and Foss (2011) conclude that a central network positions of actors means they are likely to accumulate work-related knowledge, which positively affects performance and their future knowledge sharing with colleagues. Because of their more numerous network ties, employees in central network positions have more relationships to draw on for the purpose of being labelled as a talent. In other words, Makela, Bjorkman and Ehrnrooth (2010) and Mellahi and Collings (2010) suggest that there is a similar tendency in network position that influences the possibility of more centrally located employees having higher visibility, which has consequences for being more readily identified as talent.

Therefore, in the light of previous studies that proposed that decision-makers stereotypically have personal experience about centrally located candidates or simply know more about those candidates’ performance and capabilities over and above any records of formal performance appraisal, the researcher argues that different styles of decision-making have an impact on the decision-making processes to identify talent. In this sense, talent decision-makers are more likely to interact with employees who are in central network positions more often than those who are not. On the other hand, employees who are low in terms of network centrality have fewer opportunities and will therefore not be considered for inclusion in the talent pool. Accordingly, the following hypothesis is proposed:

**Hypothesis 5:** The visibility and the centrality of the candidate’s network position have a significantly impact on talent decision-making style.
3.3.6 Gender Diversity

Gender diversity is another variable that affects decision-making, and is affected by the environment, beliefs, behaviours, attitudes and the characteristics that differentiate sexes. These facts are supported by psychology literature that contains several primary studies of gender differences in cognitive ability, personality traits, social context and decision-making (Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007). In addition to the business perspective, the specific literature on gender in business decision-making argues that substantial gender trait differences exist in the nature and outcomes of management decisions (Johnson and Powell, 1994). It seems that men are more assertive, objective and dominant towards the decision-making process (Wood, 1990). In contrast, women look for more information; they are more affected by the environment and give more time to the decision-making process (Gill et al., 1987). However, these variations have been interpreted as a consequence of the incidence of stereotypes and gender-related social norms that are transmitted in the form of behavioural expectations, traditions and values (Glover et al., 2002; Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007).

This view is supported by previous research findings into decision-making, such as financial decision-making, which has identified a lesser degree of confidence among females in their ability to make decisions, as well as the outcomes of these decisions (Estes and Hosseini, 1988; Masters, 1989; Stinerock, Stern and Solomon, 1991). The results of studies associated with risk-taking show that females are more cautious, easier to persuade, less aggressive, less confident and have lower leadership and problem-solving abilities when making decisions under risk. On the other hand, men reinforce stereotypical views that women are less able managers (Hudgens and Fatkin, 1985; Johnson and Powell, 1994). However, several studies found that women act more ethically than men at least in some, if not in all, situations (Akaah, 1989; Arlow, 1991; Whipple and Swords, 1992, Singhapakdi, Vitell and Franke, 1999), but other studies found men to be more ethical than women (Fritzsche, 1988). Despite the fact that society is progressing towards greater social, behavioural, cognitive and environmental equality between men and women, it is important to continue to examine the talent management perspective to discover whether there are gender
differences in the importance that people allocate to factors that determine the decision process.

Therefore, in the light of previous studies that have examined the variable of gender as influencing the decision-making process, the researcher argues that gender has an impact on decision-making processes to identity talent. The following hypothesis will be tested based on the literature review:

**Hypothesis 6: Gender has a significant impact of on talent decision-making style.**

**Figure 3.3**
The Conceptual Model and Hypotheses

Note: H = Hypothesis
3.3.7 Decision-Making Style and the Fairness of Decision-Making

It has been revealed that there is a theoretical relationship between decision-making styles and organisational justice (Tatum et al., 2003). Managers today are required to make internal organisational decisions that support ethical treatment and fairness outcomes (Eberlin and Tatum, 2005). Thus, managers must comprehend the dynamics of their decision-making processes and recognise their individual responsibility for the outcomes of their decisions, even when the influences are incongruent with good intentions (Eberlin and Tatum, 2008). Numerous studies have attempted to formulate a decision-making taxonomy that integrates the basic elements of inputs and the associated outputs expressed as outcomes of decision styles (Eisenhardt, 1989; Driver, Brousseau and Hunsaker, 1990). In particular, Dane and Pratt (2007) argue that individuals usually adopt different decision-making styles that depend on a combination of information use and solution focus. In this regard, the decision-making style of managers and the amount of information they use to determine an organisational outcome are associated with organisational justice.

Tatum et al. (2003) suggest that there is an intimate connection between decision-making style and organisational justice patterns. By way of illustration, Eberlin and Tatum (2008), for instance, demonstrate that it seems reasonable that the transactional manager would be more concerned with issues of structural justice than social justice. A number of studies have examined how individuals are affected by the perceived fairness of a decision (Folger and Konovsky, 1989; McFarlin and Sweeney, 1992). Fairness is associated with positive attitudes toward a decision, such as satisfaction, agreement, and commitment (Lind and Tyler, 1988). For example, it has been speculated that strategic decision-making that engenders positive attitudes toward decisions among other team members is sometimes achieved at the expense of decision fairness (e.g., Schweiger, Sandberg and Rechner, 1989). However, the basic principle of the concept of justice is that fair treatment is central to individuals, the main determinant of their reaction to decisions.

This review of decision-making studies reveals the likelihood that decision-making style has an impact on the fairness of organisational outcomes, which could also influence the fairness of talent decision-making. Additionally, it supports the view that
an organisational justice model based on fairness of selection procedures would lead to important organisational and individual outcomes (Gilliland, 1993). In other words, different kinds of decision-making style are linked with different attitudes towards justice in organisations. Therefore, this study will examine the effect of decision-making style on the fairness of talent decision-making using the following hypothesis:

**Hypothesis 7:** Decision-making styles will have a significant impact on the organisational fairness of talent decision-making.
Table 3.1
Summary of Research Hypotheses

<table>
<thead>
<tr>
<th>Construct</th>
<th>Code Name</th>
<th>Hypothesis</th>
<th>Hypothesised Relationships</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Culture</td>
<td>PD</td>
<td>Individual cultural dimensions have a significant impact on the decision-making style of talent decision-makers. Specifically in (a) power distance, (b) individualism vs. collectivism (c) uncertainty avoidance and (d) masculinity vs. femininity.</td>
<td>H1a PD → DMS</td>
</tr>
<tr>
<td></td>
<td>IC</td>
<td></td>
<td>H1b IC → DMS</td>
</tr>
<tr>
<td></td>
<td>UA</td>
<td></td>
<td>H1c UA → DMS</td>
</tr>
<tr>
<td></td>
<td>MF</td>
<td></td>
<td>H1d MF → DMS</td>
</tr>
<tr>
<td>Organisational Culture</td>
<td>BUR</td>
<td>Organisational culture has a significant impact on talent decision-making style. This will be tested for the three organisational culture dimensions: (a) bureaucratic, (b) supportive (c) and innovative.</td>
<td>H2a BUR → DMS</td>
</tr>
<tr>
<td></td>
<td>SUP</td>
<td></td>
<td>H2b SUP → DMS</td>
</tr>
<tr>
<td></td>
<td>INN</td>
<td></td>
<td>H2c INN → DMS</td>
</tr>
<tr>
<td>Geographical and Institutional Proximity</td>
<td>GD</td>
<td>Geographical and institutional proximity will have a significant impact on talent decision-making style.</td>
<td>H3 GD → DMS</td>
</tr>
<tr>
<td>Homophily</td>
<td>HOM</td>
<td>The similarity between the candidate and the decision-maker has a significant impact on talent decision-making style.</td>
<td>H4 HOM → DMS</td>
</tr>
<tr>
<td>Social Network Position</td>
<td>SNT</td>
<td>The visibility and the centrality of the candidate’s network position have a significantly impact on talent decision-making style.</td>
<td>H5 SNT → DMS</td>
</tr>
<tr>
<td>Gender</td>
<td>GEN</td>
<td>Gender has a significant impact of on talent decision-making style.</td>
<td>H6 GEN → DMS</td>
</tr>
<tr>
<td>Decision-Making Style</td>
<td>DMS</td>
<td>Decision-making styles will have a significant impact on the organisational fairness of talent decision-making.</td>
<td>H7 DMS → FAR</td>
</tr>
</tbody>
</table>
Chapter Conclusion Remarks

The increasing attention on talent management in an organisational context and the reported shortage of talent indicates that the issue of talent decision-making is likely to continue to be of great importance. Therefore, the proposed model in this study intends to fill the gaps identified in the literature review. The theoretical background used to develop the conceptual model and the hypothetical relationships between the model variables stem from the talent management literature and decision-making studies. The review of the literature has revealed that a manager’s perception and experiences towards the talent identification process are influenced by individual, organisational, societal and psychological factors and these, in turn, influence the fairness of talent decisions. The conceptual approach encompasses a number of constructs (decision-making style, individual culture, organisational culture, geographical and institutional proximity, homophily, social network position and gender). These factors have been identified on the basis of their significant effect on talent management decisions and in the decision-making literature.

The current study thus presents new perspectives for conceptualising the talent decision-making constructs by implications of talent decision outcome. Concurrently, this study attempts to find answers to questions posed by talent management scholars about exploring the nature of talent decision-making that would impact significantly on the talent identification process. Though this research is one of a handful of studies that responds to the established call for stressing the importance of decision-making in the talent management literature, it is anticipated that the framework of this study will potentially provide a holistic model of talent decision-making constructs and their effects and consequences. In all, seven main hypotheses are proposed to link the model’s eight constructs. In order to test and validate the research model, the application of structural equation modelling techniques will be employed. Based on this, the following chapter discusses the research methodology adopted in this study.
4.1 Introduction

Developing the theoretical framework and the research hypotheses in the previous chapter represented an initial phase towards the development of this talent management research. Based on existing theoretical backgrounds, the literature review was implemented to conceptualise the model’s elements and develop the research hypotheses. Talent decision-making style as the focal construct was categorised into five components (rational, intuitive, dependent, avoidant and spontaneous) which are linked to six antecedents (individual culture, organisational culture, institutional and geographic distance, homophily, social network position and gender diversity) and one consequence (fairness of talent decision). Through employing an appropriate research methodology, the research hypotheses will be empirically tested and the proposed conceptual model will be validated, therefore achieving the research’s aim and objectives. The purpose of this chapter is to outline an overview of the adopted research methodology utilised in this study. The rationale for adopting the methodological approach and research method will be explained.

Drawing on the research approach, a research design was established to follow the study step by step in a systematic way. The chapter begins by outlining the positivist-deductive research philosophy which this thesis adopts followed by a justification of the selection of the quantitative methods used in the current study. An exploration of the research context, Saudi Arabia, is then introduced with a brief description of private sector organisations and the targeted sample for this study. Throughout this chapter, sampling strategy, data collection process, a detailed discussion of the survey design including: questionnaire design, development of the research instrument, measurement scales, and translation of the research instrument are provided. The chapter will then progress by describing the pre-testing and pilot study stages, followed by reliability and validity issues affecting the current study. Further, the
statistical techniques used in data analysis and ethical considerations will be illustrated, and the final section comprises concluding remarks of the chapter.

4.2 Philosophical Perspectives

Philosophy is “a set or system of beliefs [stemming from] the study of the fundamental nature of knowledge, reality, and existence” (Waite and Hawker, 2009, p. 685). According to Saunders, Lewis and Thornhill (2009), the research philosophy means the way that researcher considers or thinks about the effects of the approach taken in development of knowledge. In the methodology domain, there are two main research paradigms that underlie the design of most business and management research, namely positivism (positivist) and phenomenology (interpretivism) (Hussey and Hussey, 1997; Collis and Hussey, 2003). The positivist approach is the oldest and most widely known scientific approach and it is quantitative in nature (Saunders, Lewis and Thornhill, 2009). In contrast to positivism, the interpretive approach is concerned with understanding human behaviour and is commonly known as a qualitative approach (Collis and Hussey, 2009). Both research paradigms have positive and negative impacts on different research contexts in one way or another but the main concern is the same (Bryman, 2012). However, in order to select an appropriate and rational method to carry out this research, it is necessary to define both approaches.

4.2.1 Positivist Paradigm

Historically, the positivist philosophy in the social sciences is associated with natural sciences research which involves empirical testing. This approach is concerned with numerical data collection for understanding human behaviours and attitudes in the way it reveals information about people through objective values. According to Collis and Hussey, (2009) the positivist approach seeks facts or causes of social phenomena, with slight regard for the subjective state of the individual. In this approach, researchers apply the language of theories, variables, and hypotheses. This paradigm is more appropriate when the object of the research is to gather data related to the frequency of occurrence of phenomena. The positivist approach is reliant on a host of scientific
methods that produce numeric and alphanumeric data (Easterby-Smith, Thorpe and Jackson, 2008). According to positivists, reality is objective as they believe that social science is not affected by humans and that the research will not affect the reality of nature (Carson et al., 2001). In positivist research, a topic is usually identified through the detection of an external object of research rather than by creating the actual object of study. Positivists suggest that this approach promotes the idea of experimentation and testing to prove or disprove hypotheses in order to increase the predictive understanding of certain phenomena and to generate new theory by placing facts together to generate ‘laws’ or principles (Myers, 1997; Greener, 2008).

Positivist principles emphasise the use of research strategies such as surveys and experiments (Saunders, Lewis and Thornhill, 2009). Further, positivists employ a set of formalised techniques to try to discover and measure independent facts about an individual reality which is assumed to exist, driven by natural laws and mechanisms (Carson et al., 2001). Additionally, a significant characteristic of positivism includes the tendency of positivists to believe that everything can ultimately be known and proved (Fisher, 2007). This will assist the researcher to obtain large quantities of empirical data which can be analysed statistically to bring out any underlying regularities (Easterby-Smith, Thorpe and Jackson, 2008). Moreover, it is worth remarking here that data collection is quantitative in nature, samples are required and the findings are generalisable (Fisher, 2007; Saunders, Lewis and Thornhill, 2009; Easterby-Smith, Thorpe and Jackson, 2012). Finally, this approach is about objective rather than subjective statements and only objective statements are considered to be the appropriate domain of scientists.

4.2.2 Interpretivist Paradigm (Phenomenology)

In contrast to the positivist philosophy, the interpretive paradigm engages with the social sciences as phenomena of human behaviours and experiences (Remenyi et al., 1998; Bryman, 2012). Interpretivists, thus, believe that behaviours and actions are created within the individual’s mind. Further, they focus on humans as they think that individuals are the key elements of sense-making (Collis and Hussey, 2003; Saunders, Lewis and Thornhill, 2009). The aim of the interpretive researcher is to see the world
through the eyes of people being studied which allows them multiple realities, different actors’ perspectives, researcher involvement, and taking account of the context under study (Carson et al., 2001; Greener, 2008). Therefore, the interpretive philosophy is about arguments, intuition, experiences, explanations, assessments and descriptions (Saunders, Lewis and Thornhill, 2012).

Researchers of the interpretivist school of thought believe that the world is a complex entity needing rationalisation and leading to the development of general rules and theories. This is supported by Saunders, Lewis and Thornhill (2007), who add that it is challenging to fully understand the world around us. According to the interpretivist, reality is not objectively determined; rather, it is constructed socially (Hussey and Hussey, 1997). They further explain that interpretivism is highly contextual and not generalisable. Therefore, the key assumption of this approach is that it provides a greater opportunity to comprehend the perceptions and experience of people by placing them in the correct social context (Collis and Hussey, 2009). Additionally, the very nature of interpretive philosophy promotes the importance of qualitative data in the development of knowledge (Saunders, Lewis and Thornhill, 2012). Thus, qualitative research methods were developed in the social sciences so that researchers could collect, examine and develop theories based on the evidence extrapolated from that data. The philosophical stance of both approaches is summarised in Table 4.1 as shown below:

Table 4.1
Main Features of the two Philosophical Research Approaches

<table>
<thead>
<tr>
<th>Positivism tends to:</th>
<th>Interpretivism tends to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use large samples</td>
<td>Use small samples</td>
</tr>
<tr>
<td>Have an artificial location</td>
<td>Have a natural location</td>
</tr>
<tr>
<td>Be concerned with hypothesis testing</td>
<td>Be concerned with generating theories</td>
</tr>
<tr>
<td>Produce precise, objective, quantitative data</td>
<td>Produce ‘rich’, subjective, qualitative data</td>
</tr>
<tr>
<td>Produce results with high reliability but low validity</td>
<td>Produce findings with low reliability but high validity</td>
</tr>
<tr>
<td>Allow results to be generalised from the sample to the population.</td>
<td>Allow findings to be generalised from one setting to another similar setting.</td>
</tr>
</tbody>
</table>

Source: Collis and Hussey (2014)
4.2.3 Deductive vs. Inductive Approach

Founded upon different research philosophies, research approaches provide a more practical guide and facilitate an informed choice for the general configuration of the research (Saunders, Lewis and Thornhill, 2012). The research approach usually chosen depends on the research question or issue determined by the nature of the relationship between the theory and the research (Saunders, Lewis and Thornhill, 2009). However, researchers tend to build and examine theories using one of the following two approaches: (1) the deductive approach; and (2) the inductive approach. While positivists seek to establish the validity of their approach through deduction, interpretivists often seek to establish the legitimacy of their approach through induction (Bryman and Bell, 2011).

The deductive approach or the hypothetic-deductive method requires starting with a theoretical framework, formulating hypotheses and logically deducing conclusions from the results of the study (Baker and Foy, 2008). Through analysing the data, the theory can be accepted or rejected (sometimes subject to amendments) with the purpose of explaining the research enquiry (Bryman, 2008; Saunders, Lewis and Thornhill, 2012). In contrast, the inductive approach represents the common sense view of observing given phenomena, arriving at conclusions then building a theory (Bryman and Bell, 2007; Baker and Foy, 2008). This approach allows for the interaction of social actors in understanding reality and is flexible in structure. Table 4.2 presents the major differences between the deductive and inductive approaches.

<table>
<thead>
<tr>
<th><strong>Table 4.2</strong></th>
<th>Major Differences between Deductive and Inductive Approaches</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deductive approach</strong></td>
<td><strong>Inductive approach</strong></td>
</tr>
<tr>
<td>Scientific principles</td>
<td>A close understanding of the research context</td>
</tr>
<tr>
<td>Moving from theory to data</td>
<td>Moving from data to theory</td>
</tr>
<tr>
<td>The need to explain causal relationships between variables</td>
<td>Gaining an understanding of the meanings humans attach to events</td>
</tr>
<tr>
<td>The collection of quantitative data</td>
<td>The collection of qualitative data</td>
</tr>
<tr>
<td>A highly structured approach in a clearly predefined manner</td>
<td>A more flexible structure that permits changes in research emphasis as the research progresses</td>
</tr>
<tr>
<td>Operationalisation of concepts to ensure clarity of definition</td>
<td>Theoretical concepts emerge from studying a phenomenon</td>
</tr>
</tbody>
</table>
- The application of controls to ensure valid data
- Researcher independence in respect of what is being investigated
- The need to select samples of sufficient size in order to reach generalisable conclusions
- Less concern with the need to generalise
- A realisation that the researcher is part of the research process
- Sampling methods are restrained by time and budget sources

Source: Saunders, Lewis and Thornhill (2012)

The deductive method is appropriate if one starts with a theoretical framework, formulating hypotheses and logically deducing conclusions from the results of the study (Sekaran, 2000). A research project must be designed to test a hypothesis. Following a positivist philosophy, this research study was conducted employing a deductive research approach. The present study is assumed to be a typical implementation of the deductive approach as it develops hypotheses based on established theories and pursues other steps in the deductive approach as presented in Figure 4.1 below.

![Figure 4.1: Process of Deduction Approach](source: Bryman (2008))

4.2.4 Justification for the Adoption of the Positivist Paradigm

This study was conducted in order to identify the factors that influence the talent decision-making process and to explore the relationships between these factors. Based on various theories and models in the domain of talent management, a hypothesised
model of the talent identification process was developed. After considering the two main underlying paradigms in most management research, and in order to empirically test and validate the hypotheses in the proposed model, this study used the positivist approach, which seemed the most appropriate to address the aim of the study. The rationale behind the adoption of a positivist paradigm in this study is explained below.

First, this study attempts to address a gap in the existing theory that does not empirically explain the talent identification process and the factors that influence talent decision-making. Thus, after a thorough investigation of the literature in the field, the hypotheses were formulated. These hypotheses will then be tested and answered quantitatively to reduce phenomena to their simplest elements (Remenyi et al., 1998; Bryman and Bell, 2011). Second, positivist research aims to generate causal relationships that support management to become more scientific (Johnson and Duberley, 2000). Moreover, a positivist approach allows operationalisation of concepts to be measured quantitatively (Easterby-Smith, Thorpe and Jackson, 2012). This decision was reached even though previous talent management studies recommend that a positivist paradigm is better equipped for this type of study to appreciate the richness and generality of social context. Finally, this approach is appropriate because it offers a highly economical data collection method from a substantial population, gives a clear theoretical focus to the research, and provides easily comparable data (Hussey and Hussey, 1997). For these reasons, this research argues for a positivist paradigm, with the use of a quantitative mode of inquiry. The next section focuses on the research design of this study.

4.3 Research Design

Research design is concerned with the overall plan of how the researcher will investigate and answer the research questions (Cooper and Schindler, 2001; Saunders, Lewis and Thornhill, 2012). The research design helps the researcher to draw boundaries for the study, which consist of the nature of the methodology to be implemented, type of investigation that needs to be carried out, in addition to the spatial location, industry, the unit of analysis and other issues related to the research.
This supported by Yin (2009) who claims that research design is a consistent and logical process undertaken by a researcher to collect, analyse and interpret data.

There are three types of research classification identified from the research methods’ literature (1) exploratory, (2) descriptive, and (3) explanatory (Cooper and Schindler, 2001). The exploratory study is a valuable means of finding out new insights and ideas to discover the real nature of the issue under investigation, it is undertaken to better comprehend the nature of the problem (Robson, 2002). The object of descriptive research is to “to portray an accurate profile of persons, events or situations” (Robson 2002, p. 59). According to Sekaran (2000), a descriptive study is undertaken to ascertain and describe certain characteristics of the variable of interest in a given situation, while explanatory studies explain the causal relationships between variables.

Accordingly, based on the research question ‘what’ and the purpose of the study, this research falls primarily within the descriptive category (Zikmund, 2003; Hair et al., 2006). Descriptive research aims to describe the phenomenon that researcher wants to study before he/she starts collecting the data, based on some previous understanding of the nature of the research problem (Collis and Hussey, 2003; Saunders, Lewis and Thornhill, 2012). Further, descriptive studies are regularly confirmatory, and often used to test the prior formulation of specific hypotheses (Hair et al., 2003). In other words, the aim of descriptive studies is to validate if an assumed relationship exists, and whether it is inherently objective and can be answered by empirical examination. Figure 4.2 illustrates the research design.

Based on the above, the researcher intends to adopt a quantitative data collection method and survey approach to obtain data concerning the talent identification process. The survey strategy is popular and common in business and management research and is normally associated with a deductive approach. Further, it tends to be used for descriptive research. The popularity of surveys can be attributed to a number of reasons; they provide a good mechanism of collecting large amount of data from a sizable population in a highly economical way, give more control over the research process and can easily be administered (Sekaran, 2000; Saunders, Lewis and Thornhill, 2009) and measured (Remenyi et al., 1998). In addition, using a survey strategy allows for generalisation of findings from sample to population (Creswell, 2009) at a fraction.
of the cost of collecting data from an entire population (Saunders, Lewis and Thornhill, 2012).

Figure 4.2
Research Design
According to Bryman and Bell (2011), cross-sectional design means that data is collected from more than one case at a single point with the purpose of collecting quantifiable data and examining the patterns of associations with two or more variables. This study is a cross-sectional survey in which data are collected at the same time from samples to determine relationships between variables and to produce models of these relationships. Cross-sectional study is extensively used in social sciences research design which is associated either with quantitative or qualitative methods. However, selecting the sample and the data collection method is critical for the success of cross-sectional studies (Saunders, Lewis and Thornhill, 2009).

Thus, in order to analysis the data of this research study, two different statistical software tools were used. Statistical Package for Social Sciences (SPSS) was used for first step (exploratory factor analysis) and structural equation modelling (SEM) analysis was then employed in a two-step approach. The first step was to use confirmatory factor analysis (CFA) to examine the validity and the reliability of the constructs. The next step was to examine the hypothesised relationship between the constructs in the proposed research model by employed the structural model procedure. Table 4.3 presents the overall approach employed in this research.

### Table 4.3
Classification of Current Research

<table>
<thead>
<tr>
<th>Research-Process</th>
<th>Current Research Approaches</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Philosophy</td>
<td>Positivism</td>
</tr>
<tr>
<td>Research Approach</td>
<td>Deductive</td>
</tr>
<tr>
<td>Research Strategy</td>
<td>Quantitative</td>
</tr>
<tr>
<td>Time Horizon</td>
<td>Cross-Sectional</td>
</tr>
<tr>
<td>Data Collection Method</td>
<td>Survey questionnaire</td>
</tr>
</tbody>
</table>

### 4.4 Research Context: Saudi Arabia

The context or the location of study refers to the setting in which the research is conducted (Collis and Hussey, 2014). By ‘context’, the researcher includes the national setting, resources and attitudes which are likely to be supportive of the research
(Easterby-Smith, Thorpe and Jackson, 2012). Therefore, choice of an appropriate place for collecting data is critical, for successful theory testing occurs simultaneously with the practicality of ensuring that existing data allows the proposed hypotheses to be tested (Anderson and Widener, 2007). In quantitative research studies researchers must consider several issues when selecting an appropriate place for collecting their data: data availability, the appropriateness of organisations for the study, suitability of the unit of analysis and whether adequate statistical power is used in testing the theory (Anderson and Widener, 2007).

After the research issues were addressed based on the literature review in chapter two and the conceptual framework and the hypotheses were developed in chapter three, the issues and aspects of the proposed conceptual framework were ready to be investigated through empirical studies. Based on the need for an empirical study, it was decided that the research design would be an embedded survey questionnaire method. In order to address the research questions and achieve the research objectives, Saudi Arabia was selected as the location in which to conduct the empirical study of the current research from the three main cities of Riyadh, Jeddah and Dammam.

**Identifying Targeted Sectors**

Undoubtedly, private sector organisations in Saudi Arabia are concerned about selecting their staff, discovering their potential talents and developing these talents towards the desired goals. Private sector organisations such as the oil and banking industries in Saudi Arabia are characterised by a high degree of stability and profitability (Poghosyan and Hess, 2009). The selection of oil and banking industries was based on several factors. First, those industries have implemented or are in the process of implementing talent management initiatives, which is a necessary criterion in order to accomplish the aim of the research. Saudi organisations such as Saudi Aramco, the largest oil organisation in the Kingdom, have taken major initiatives to modify and convert their culture to focus on talent management (Khursani, Buzuhair and Khan, 2011; Al-Ruwaili, Bright and Alhameed, 2013). Similarly, the Saudi banking industry is applying optimal planning for human resources in general and measures related to talent management in particular as core duties of human resource management in terms of recruiting, developing and motivating talented employees.
(Kehinde, 2012). Second, the organisations working in those industries provide an ideal environment for implementing talent management (oil and banking industries). Finally, those two industries are co-operative, supportive and interested in the study of talent management; accordingly, they were found to be highly appropriate in terms of satisfactory responses.

**Talent Management in Saudi Arabia**

The Kingdom of Saudi Arabia was considered an appropriate context to an empirical study for a number of reasons. First of all, recent developments in the field of talent management have heightened the need for more research in international contexts, signifying the necessity of studying the impact of decision-making in talent management from different national origins, and examining the circumstances and the factors that make one context significantly different from another (Dickmann, Brewster and Sparrow, 2008; Collings, Scullion and Vaiman, 2011; Scullion and Collings, 2011). More specifically, Ali (2011) suggests that research traditions in the Middle East may provide good opportunities to future develop knowledge of talent management. Therefore, talent management should be very important in the Middle East in general and in Saudi Arabian organisations in particular because of the permanent opportunities and challenges they face. Talent management in Saudi Arabia is particularly under-researched relative to many advanced market economies. The availability and productivity of human capital in Saudi Arabia represents the major ongoing restraint to sustained development. Thus, an investigation towards gaining a greater understanding of talent leadership represents a most pressing academic, business and social issue within the Gulf Cooperation Council (GCC), including Saudi Arabia at present and indeed for the foreseeable future, with far-reaching implications at a global level (Singh, Jones and Hall, 2012).

Second, development and competitive environments require a significant focus on human capital (Khursani, Buzuhair and Khan, 2011). Talent management specifically consists of a wide spectrum of initiatives aimed at attracting potential employees and developing employees’ capabilities in an organisation in order to gain their engagement and commitment (Figliolini, Hofmann and Kanjirath, 2008). Evidence to support this is offered by wider studies that show the discovery and development of
talent is encouraged by Islamic cultures (Fathi, 2012). As the business and social culture in Saudi Arabia stems from Islamic law, the identification and development of talent can be seen as a natural and legitimate goal. This supported by Hilal (2012), who believes that linking the gap between current performance and desired performance in the Arab business environment involves the implementation of talent management. However, most organisations in the Arab world are deemed to be lacking strategic talent management, although talent management involves the harmonisation of management opportunities and management threats (Al-Ruwaili, Bright and Alhameed, 2013).

Third, the Saudisation Policy requires the replacement of foreign workers, especially in top positions, with Saudi nationals. Since Saudi organisations have been successful and maintained their position after applying Saudisation, this would appear to be evidence of the application of talent management (Figliolini, Hofmann and Kanjirath, 2008). Since the involvement of the private sector in the policy of Saudisation, Saudi organisations have started to replace expatriates with Saudis. This matter was considered as a considerable challenge for Saudi employers and training organisations to acquire and identify the right talent to occupy key positions.

Fourth, the change in Saudi culture has had a major impact on idealism and freedom in talent management in private sector organisations. Decision-making in talent management increasingly needs to recognise the context in which people management takes place in different parts of the world, and examine the circumstances and the factors that make one context significantly different from another (Dickmann, Brewster and Sparrow, 2008). In this sense, Makela, Bjorkman and Ehnrooth (2010), Mellahi and Collings, (2010) and Zander et al. (2010) call for further investigation of talent identification processes, and for an exploration of the factors that have an influence on talent management decision-making. However, it is equally important not to lose sight of the differences in how the processes of talent management decision-making are defined and conducted in different national contexts such as Saudi Arabia. A lack of empirical evidence uncovers an important issue for talent management and is the motivation for conducting an empirical study in Saudi Arabia.
Finally, for practical reasons, because the researcher is from the Kingdom of Saudi Arabia, it is easier to administer an empirical study, because the researcher is aware of the country’s legislation, cultural network and business environment.

For all the above reasons, the researcher has selected this context to illustrate the talent management identification process. The researcher argues that identifying issues that are important to Saudi organisations and managers might also be useful to scholars outside this context. Therefore, study of this context can add valuable and novel insight to the stock of global management knowledge by examining how talent decision-making is manifested in the Saudi context.

In the following subsections, the significance of Saudi Arabia as a powerful and influential talent management is discussed. The first part presents a general review of the country’s geographic and political profile; the second part explores the strength of Saudi Arabia’s economy; while the final part focuses on the role of the private sector in the Saudi economy.

### 4.4.1 Overview of the Country Profile

The Kingdom of Saudi Arabia is situated in the south-western part of Asia. It shares borders with the Red Sea to the West, with the Arabian Gulf, Bahrain, Qatar and the United Arab Emirates to the east, with Jordan, Iraq, and Kuwait to the north and the Sultanate of Oman and the Yemen Republic to the South. The Kingdom has a total area of 2.2 million square kilometres which occupies nearly four-fifths of the Arabian Peninsula (Ministry of Planning, 2006). The Central Department of Statistics and Information (CDSI) estimates that the Kingdom of Saudi Arabia’s population in 2013 stood at 29.9 million. Of these, Saudi nationals constituted 20.3 million (67.5 percent), while non-Saudis comprised 9.7 million (32.5 percent) of the Kingdom’s population.

The Kingdom of Saudi Arabia comprises a number of main regions. The western region ‘Hijaz’ along the Red Sea contains the holy cities of Mecca and Medina and Jeddah, the Kingdom’s major commercial centre. Jeddah is the largest port city in Saudi Arabia and the second largest city after the capital city, Riyadh. It is located on
the coast of the Red Sea. Therefore, it controls most of the economic activity in the Kingdom due to the presence of both an international airport and seaport. Owing to its high level of urbanisation, diversity, and tolerance compared to other Saudi regions, Jeddah has been announced as a potential ‘knowledge city’ (Saudi Gazette, 2010).

The eastern part of Saudi Arabia is a plateau that begins with the ‘Great Nafud Desert’ in the north, continues along the Arabian Gulf, and culminates in the world’s biggest sand desert, Al-Rub Al-Khali (Empty Quarter), in the south. Dammam is the capital of the Eastern Province of Saudi Arabia. It is the most oil-rich region in the world. The judicial and administrative bodies of the province and numerous government departments are located in the city. To the west of this plateau is the Central Province ‘Najd’, which is the heartland of the peninsula. This area is known for its spectacular escarpment and sand desert. It is also the location of Riyadh, the country’s capital and largest city of Saudi Arabia. All government ministries, foreign embassies and consulates are located in Riyadh. Figure 4.3 portrays the map of Saudi Arabia.

The central institution of the Kingdom is the monarchy. Historically, in 1932, the Kingdom of Saudi Arabia was officially established by King Abdul Aziz Al-Saudi. The first language of the country is Arabic and the religion is Islam. Islam has profoundly affected the history and development of the Arabian Peninsula in general and the Kingdom of Saudi Arabia in particular. Further, Islam is considered as a vast empire implementing the Holy Qur’an as the Muslim constitution and Islamic law (Shari’ah) as their basis of the legal system. Accordingly, Islam rules not only the function and policies of Muslim government but it is also the guide for people’s lives.

Generally, the Kingdom of Saudi Arabia is a politically stable country (Hickson and Pugh, 2001), which is imperative for sustaining growth and development in both the public and private sectors. Moreover, Saudi Arabia is currently in a position of vital importance because it occupies a key political and geographic location in the Middle East. In addition, it has a unique and critical role in setting world oil prices in the Arab and Islamic worlds, due to its possession of the world’s largest reserves of crude oil (Morse and Richard, 2002). It has the largest share of the world’s proven petroleum reserves as well as playing a dominant role in the Organisation of the Petroleum Exporting Countries (OPEC). Owing to the booming exploration of oil in the middle of
the 20th century, Saudi society has experienced tremendous development over the past several decades (Tuncalp and Al-Ibrahim, 1991), which has led to incoming international investments as well as vast expertise from those who came to work in the country. Perhaps most importantly, it has garnered international significance due to its control of the holy cities of Mecca and Medina, the destination for more than 1.6 billion Muslim pilgrims who need to make the journey at least once in their lives. Briefly, the influence of the Kingdom of Saudi Arabia is perhaps more considerable and relevant to the world than it has been at any time in its history, since at least the lifetime of the Prophet Mohammed during the sixth and seventh centuries (Bowen, 2008).

**Figure 4.3**
Map of Saudi Arabia

Source: Ministry of Economy and Planning, Saudi Arabia (www.mep.gov.sa)
The study location
4.4.2 Economic Development in Saudi Arabia

Over the past three decades the Kingdom of Saudi Arabia has been committed to establishing growing and strong development efforts to bring about remarkable changes in the structure of the Saudi economy. These changes included raising the non-oil producing sectors’ contribution to Gross Domestic Product (GDP). This led to expanding private sector participation and activities in building the economy through a privatisation programme as well as establishing an efficiently functioning financial system. In addition to preparing an adequate investment climate to (1) enable the Saudi economy to integrate with the world economy and (2) to attract foreign investment to the country, such that Saudi Arabia has been a member of the World Trade Organisation (WTO) since December 2005. On the other hand, the Saudi economy is largely oil-based, and is considered as the largest exporter of petroleum in the world and is an important member of OPEC.

Similarly, Saudi Arabia is one of six countries that form the Gulf Cooperation Council (GCC) which are very rich in natural resources, such as oil and gas (Achoui, 2009). The ‘Arabian Shield’ is recognised to hold a large number of other mineral deposits, for instance gold, iron, zinc, copper, chromium, tungsten, titanium, and lithium which form the basis of many industrial processes and materials. Geographically, Saudi Arabia is the biggest in the GCC in terms of the multiplicity of mineral resources. Although, crude oil is the dominant mineral resource with reserves estimated at 250 billion barrels, which makes Saudi Arabia the world’s premier exporter of ‘black gold’ (Erdem and Tuncalp, 1998).

Certainly, the economy of the Kingdom of Saudi Arabia has witnessed a considerable transformation in economic, social and urban aspects of life. The face of this transformation was brought about by extensive government investment and planning within the framework of five-year development plans to put down the social and physical infrastructure of the Kingdom. Through these five-year development plans, the Saudi government has employed its petroleum-derived income to change its relatively undeveloped, oil-based economy into that of a modern industrial and diverse economy. The eight development plans signify the government’s investment in the development of infrastructure, human resources and social and health services along
with investments in other economic development projects. Also substantial funds have been spent on health services, education and industrial sectors. Based upon the developments described above, including the construction of massive road networks, air transport, medical provision and cities, Saudi Arabia may no longer be recognised as a developing country (Hickson and Pugh, 2001).

4.4.3 Private Sector Role in Saudi Economy

The role of the private sector since the early days has been reinforced and emphasised by successive Saudi five-year Development Plans. These aim to become a major pillar of Saudi economic activity within the context of a free market. In order to achieve this, Saudi Arabia has been effectively pushing ahead with an industrial diversification strategy to prepare for the depletion of petroleum resources. Also, to transform economic construction this depends on the fluctuating international oil price. Since 1970, the Saudi government has been curtailing the oil business’s share of the nation’s GDP by actively nurturing and supporting the non-oil sector, which has shown a remarkable increase in both the number and contributions to the GDP. Therefore, the contribution of the private sector to GDP was up to 34.8 percent during 2012 from 33.9 percent in the previous year (SAMA, 2013). In contrast, the contribution of the government sector to GDP during 2012 was 15.4 percent against 14.9 percent in 2013 (SAMA, 2013).

In addition to enhancing and diversifying the country’s economy, the goals of Saudi government are to provide ongoing employment and training opportunities in the private sector in order to rapidly replace the population percentage of non-Saudi workers in the private sector with Saudi workers (Ministry of Planning, 2001). This process is called ‘Saudisation’. The term Saudisation, in brief, was included in the Development Plan from 1985-1995. This process was enforced by the Council of Ministers’ Resolution to increase the contribution of national manpower to different economic activities, especially in those sectors where foreign workers are concentrated. The Ministry of Labour has undertaken several procedures to regulate the employment process through application of Saudisation programmes i.e., “Nitaqat” and “Hafiz”. The Nitaqat programme is stimulating private sector institutions to
‘Saudise’ professions. This programme provides various employment channels that help the private sector to hire Saudi qualified workers from different classes of job seekers. While the Hafiz programme supports job seekers. These efforts have led to the employment of a large number of Saudi job seekers in the private sector throughout the Kingdom (SAMA, 2013). Therefore, reducing the non-Saudi labour force and to give the opportunities and employment to Saudi workers (Madhi and Barrientos, 2003).

The private sector possesses adequate management and financial capabilities and is a main partner in this development process. The sector enjoys a high degree of dynamism which is contributing to the high figures in the labour force. According to the Ministry of Labour, the latest figures of the labour force working in the private sector (Saudi and non-Saudi) by the end of 2012 was 8.5 million, an increase of 9.1 percent over 2013. The number of Saudi employees in the private sector at the end of 2013 increased to 13.4 percent. The number of Saudi male employees at the end of 2012 was 0.92 million, an increase of 23.3 percent by 2013, while female employees amounted to 0.22 million, a significant increase of 117.0 percent by 2013.

The ratio of the labour force in positions of directors and business managers was 0.8 percent of the total number of workers in the main occupations which is estimated to be 0.07 million (SAMA, 2012) By the end of 2011, a breakdown of the labour force by region shows that the three main regions are Riyadh, Eastern Region and Mecca. These accounted for more than three-quarters of the labour force in the private sector. The Riyadh region occupied first place in terms of total manpower, followed by the Eastern and Mecca regions. Table 4.4 presents the statistical figures of the private sector role in the Saudi economy.

In order to increase Saudi manpower in the private sector, the Ministry of Labour has commenced the Human Resource Development Fund. The fund has fruitful cooperation through a programme of human resource development to increase job opportunities for Saudis in several sectors. The general objective of the fund is to support and encourage the qualification of the national labour force in the private sector. This objective is achieved by providing training programmes for the national labour force, meets a proportion of the salary of employees after being qualified and trained, and supporting the financing of field plans and studies to replace foreign labour.
Table 4.4
Selected Indicators of the Private Sector

<table>
<thead>
<tr>
<th>Majors Regions</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of private sector organisations</td>
<td>17.200</td>
<td>18.800</td>
<td>21.000</td>
<td>23.900</td>
<td>-</td>
</tr>
<tr>
<td>Saudis</td>
<td>829.057</td>
<td>681.481</td>
<td>724.655</td>
<td>844.476</td>
<td>1.134.633</td>
</tr>
<tr>
<td>Male</td>
<td>777.606</td>
<td>633.075</td>
<td>669.037</td>
<td>744.476</td>
<td>918.793</td>
</tr>
<tr>
<td>Female</td>
<td>51.451</td>
<td>48.406</td>
<td>55.618</td>
<td>99.486</td>
<td>215.840</td>
</tr>
<tr>
<td>Total labour force in positions of administrative and business directors:</td>
<td>70.637</td>
<td>58.304</td>
<td>62.574</td>
<td>65.193</td>
<td>-</td>
</tr>
<tr>
<td>Saudis</td>
<td>65.864</td>
<td>53.513</td>
<td>56.277</td>
<td>52.931</td>
<td>-</td>
</tr>
<tr>
<td>Male</td>
<td>63.743</td>
<td>51.397</td>
<td>53.949</td>
<td>46.997</td>
<td>-</td>
</tr>
<tr>
<td>Female</td>
<td>2.121</td>
<td>2.116</td>
<td>2.328</td>
<td>5.934</td>
<td>-</td>
</tr>
<tr>
<td>Non-Saudis</td>
<td>6.894</td>
<td>6.907</td>
<td>6.297</td>
<td>12.262</td>
<td>-</td>
</tr>
<tr>
<td>Labour force in the private sector by region:</td>
<td>1.967.621</td>
<td>2.266.913</td>
<td>2.396.632</td>
<td>2.704.613</td>
<td>-</td>
</tr>
<tr>
<td>Riyadh</td>
<td>1.384.006</td>
<td>1.497.172</td>
<td>1.507.042</td>
<td>1.650.471</td>
<td>-</td>
</tr>
<tr>
<td>Eastern</td>
<td>1.390.431</td>
<td>1.467.128</td>
<td>1.516.284</td>
<td>1.626.685</td>
<td>-</td>
</tr>
<tr>
<td>Total job seekers in the private sector:</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7.781.496</td>
<td>8.487.533</td>
</tr>
<tr>
<td>Male</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7.568.544</td>
<td>8.162.999</td>
</tr>
<tr>
<td>Female</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>212.952</td>
<td>324.534</td>
</tr>
</tbody>
</table>


4.4.4 Women in the Workforce

In addition to women’s role in the Saudi economy, Saudi females in the labour force are considered to be of very low status (Achoui, 2009) (see Table 4.4). According to Al-Sheikh (2001), there are a number of obstructions and challenges that contribute to women’s low rate of contribution to the Saudi workforce such as: (1) The negative cultural and social attitudes towards Saudi women working which decreases women’s opportunities to obtain most jobs. (2) The absence of technical, business and management training programmes for Saudi women limit their participation in the Saudi workforce. (3) Saudi employment regulation requires firms to provide special environments for female employees. Furthermore, employers must take further
security measures to protect women’s working sites. (4) There is a need of clear vision and co-ordination of the role of women in the future workforce. Although there has been a steady growth in the rate of female participation in economic activity, the results at the employment level are still modest. However, the Ministry of Labour is working with The Council of Saudi Chambers of Commerce and Industry to encourage the private sector to provide work opportunities for Saudi women and promote their participation by providing training to qualify Saudi women for the required jobs.

4.5 Sampling Strategy

The process of developing a sampling strategy has been extensively discussed. This process typically involves numerous stages from defining the target population, obtaining the sample frame, determining the sample size, to choosing the most appropriate sampling method (Collis and Hussy, 2009; Bryman and Bell, 2011). For the purpose of this research, several steps were undertaken to help decide the most appropriate sampling strategy (see Figure 4.4).

Figure 4.4
Main Steps in Sampling Process

![Image of main steps in sampling process]

Source: Adapted from Saunders, Lewis and Thornhill (2012)

4.5.1 Target Population

Population is “the universe of units from which the sample is to be selected” (Bryman and Bell, 2011, p. 176). A population refers to a body of people or collection of items under consideration for research purposes (Collis and Hussey, 2014). Since the population for this study was selected in an attempt to collect data that can be representative of the entire target population, in order to generalise the conclusions...
across the entire population, it was necessary to choose a logical population for the study.

This study was conducted in private sector organisations (oil and bank industries) across Saudi Arabia as those organisations are likely to adopt a sophisticated talent management approach. Therefore, because the literature suggests that MNCs and larger organisations size are more likely to utilise sophisticated talent identification process (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010), only directors and managers were included in the study. According to the last statistics published by SAMA (2011), the ratio of labour force in the position of directors and business managers was 52, 27 thousand Saudis. It was decided to restrict the population sample for two main reasons: time and distance. In addition, to maintain anonymity the name of organisations has not been identified. The population for this study includes managers from different managerial levels (HR managers, line managers, senior managers and directors) from organisations across Saudi Arabia proportionately. This proportion can decrease the bias of data and also increase the anonymity of different categories of managerial level. The survey questionnaire was handed over either by online survey or by personal visits to the organisations. Addresses and contact numbers of managers were obtained from organisations’ websites, the researcher’s personal network or personal visits to organisations.

Three main cities in Saudi Arabia chosen to be the context for this study were Riyadh, Jeddah and Dammam. These cities were chosen for several reasons. First of all, they are considered the most urban cities in Saudi Arabia which include the largest number of private organisations and therefore the largest workforce (see Table 4.4). Second, in terms of representativeness, these cities are multicultural, inhabited by a wide variety of citizens who have come, over time, from other parts of Saudi Arabia to work, and finally, to reside in the city.

4.5.2 Sampling Frames

In addition to identifying the research population it is important to identify the sampling frame. A sample frame is a list of population from which a sample can be
drawn (e.g., a certain number of selected participants) from available members of the population (Bryman and Bell, 2007; Collis and Hussey, 2009). Having a comprehensive and accurate list of population is fundamental for getting a representative sample (De Vaus, 1993). In the current study, each manager, who had individual employees or teams directly reporting to him, became a member of the population. Thus, both the manager who undertakes performance appraisals and carries out an annual review of employees in addition to the manager who makes the decision of identifying talent in talent review meetings were chosen. Due to the lack of available data for those managers who are making actual talent decisions, this study aimed to examine the managers’ personal perceptions, experience and practices about the talent decision-making process and their intentions to make such a decision.

4.5.3 Sampling

Sampling is a way of gathering information about a population by using the sample whereas the need to sample is an essential element of positivist research (Hussey and Hussey, 1997). Generally, qualitative researchers are aware and clear that the samples are often purposive (Bryman and Bell, 2007; Collis and Hussey, 2009). It is also a selection process in which a number of individuals are selected for a study in such a way that they may represent a larger population to which they belong. According to Bryman and Bell (2011), a sample is the segment of the population that was selected for examination. Thus, the more selective the sample that represents the population, the more the research outcomes may be generalisable to the population. Furthermore, sampling is a substitute approach to a census when it is unfeasible to survey the entire population due to time constraints or budget (Miller, 1991; De Vaus, 1996; Saunders, Lewis and Thornhill, 2009).

There are two main types of sampling techniques available and can be used in research: probability sampling and non-probability sampling (Bryman and Bell, 2011; Saunders, Lewis and Thornhill, 2012). Probability sampling is mainly based on selection bias, whereby each unit in the total population has a known chance or probability of being selected (Saunders, Lewis and Thornhill, 2009). Probability sampling aims to reduce the degree of error to a minimum (Bryman and Bell, 2007).
Thus, it is likely to answer research questions and achieve objectives that required statistical estimates to characterise the population from the sample (Saunders, Lewis and Thornhill, 2009). Additionally, probability sampling is frequently associated with surveys and experimental research strategies, whereas random sampling is the most basic form of probability sample (Saunders, Lewis and Thornhill, 2012). As well as random samples, systematic, stratified and cluster samples are various examples of probability sampling (Collis and Hussy, 2003).

The non-probability (non-random) sample technique provides a variety of alternative techniques based on subjective judgement, which is chosen usually during the exploratory stages of some research and during preparation of survey questionnaires (Saunders, Lewis and Thornhill, 2012). The main limitation of non-probability sampling is the issue of results’ generalisation. However, non-probability sampling still enables generalisation of the findings, the greater the sample size, the lower the likelihood of the occurrence of generalised errors (Saunders, Lewis and Thornhill, 2009; Bryman and Bell, 2011). It is frequently challenging to obtain a required sample, particularly if the researcher is dealing with sensitive issues (Collis and Hussey, 2009), such as the sample for the current study. Several forms of non-probability sample can be used such as quota, purposive, snowball, self-selection and convenience samples (Collis and Hussy, 2009; Saunders, Lewis and Thornhill, 2009). Therefore, to achieve an appropriate sample frame for this study, it was decided to consider e non-probability sampling techniques.

### 4.5.4 Sampling Using Non-Probability Techniques

This thesis uses multiple non-probability sampling techniques. Because of the difficulty of gaining access to most private sector organisations in Saudi Arabia, this study used two types of non-probability sampling (1) a convenience sample of organisations, groups and individuals who positively responded to the survey questionnaire; and (2) snowball sampling used after identifying members of the desired population.
Convenience sampling is widely used in management and business research studies (Bryman and Bell, 2007). This technique of sampling involves selecting haphazardly those cases that are easiest to obtain for the research sample (Saunders, Lewis and Thornhill, 2009). However, because the sample selection process is beyond the researcher’s control, this helps to continue collecting data until the required sample size has been reached. It consists of groups and individuals who are easily accessible to the researcher. The advantage of this technique is that it facilitates the researcher to cope with the resources available for the research.

Snowball sampling or networking is regularly used when it is difficult to identify or find enough people with experience of the phenomenon being studied in the sample (Collis and Hussy, 2009; Saunders, Lewis and Thornhill, 2009). Snowball sampling relies on starting with potential individuals who meet the inclusion criteria and are available and willing to participate in the research. Those members of a population of interest are typically able to identify and find another who has the same characteristics via shared relations (e.g., a social network). This technique has been used to increase the size of the sample by asking the participants of the study to nominate other people who may be willing to participate. In Saudi Arabia, data collection is seriously challenging as indicated by previous researchers in Saudi Arabia (e.g., Sohail, 2005; Abdul-Muhmin and Umar, 2007). Therefore, convenience and snowball sampling are believed to be the most appropriate as it is likely that other sampling methods would not yield satisfactory responses.

4.5.5 Sample Size

Sample size is crucial role in all statistical analysis. According to Saunders, Lewis and Thornhill (2012), sample size calculation is governed by type of analysis to be undertaken, level of certainty required, available size of the population and tolerable margin of error. The other methods of determining sample size are based on the number of variables in the framework (Pallant, 2010) or based on the margin of error (Saunders, Lewis and Thornhill, 2009). Luck and Rubin (1987) have demonstrated that the more sophisticated the statistical analysis, the larger the sample size needed. In other words, a large sample enables a reduction in errors as well as increasing the
validity for making generalisations as they represent a larger proportion of the population (Sekaran, 2003).

Thus, the sample size required in this study was based on the selected statistical analysis technique used, that is, SEM. In this sense, SEM analysis requires a significant sample size in order to obtain reliable estimates. This view is supported by Hair et al. (2006), who highlight that SEM, like other statistical techniques, requires an appropriate sample size in order to obtain reliable estimations. According to Gorsuch (1983), at least five participants per construct are required and not less than 100 individuals per data analysis. Elsewhere, Harris and Schaubroeck (1990) suggest that a sample size of at least 200 participants is required to guarantee robust structural equation modelling. Similarly, Kline (2005) points out that a very complicated pathway model needs a sample size of 200 or more. Other authors (Hair et al., 1998) recommend that between 200 and 400 is considered an appropriate sample size. However, some argue that when the sample size is in excess of 400 participants, the SEM analysis becomes too sensitive and almost any difference is detected. Further, it will make the goodness-of-fit measure show a poor fit. Therefore, as a general rule, a sample of a minimum of 200 is a prerequisite to give parameter estimates with any degree of confidence (Gerbing and Anderson, 1993).

Consequently, and in line with the above assumptions and recommendations, the main concern of this research was to achieve a minimum of 300 usable respondents who were representative of the total population. Assuming a very conservative response rate, 1960 questionnaires were distributed to the participants in order to get the required sample size.

4.6 Data Collection Procedure

Data collection is a fundamental element of research design as it enables the researcher to develop and/or to test the theories. The procedure of data collection encompasses collecting useful information from the participants when answering the research questions. Several methods have been acknowledged in the literature to collect data, for instance, using postal services, face-to-face meetings with participants, telephone
interviews, sending emails or online questionnaires or a combination of these methods
(Sekaran, 2000; Cooper and Schindler, 2001; Saunders, Lewis and Thornhill, 2012).

To answer the research questions, the researcher can either use a single or more than
one data collection method (Saunders, Lewis and Thornhill, 2009). As a consequence
of the complexity of the theoretical model in this study and the large amount of data
required to test the hypotheses, using one method of data collection was not practical.
Therefore, the data for the present study was gathered using two different methods.
The main method used for data collection in this study was an online questionnaire. To
gain the appropriate quality and quantity in the sample, the researcher distributed the
questionnaire link by email to individuals, groups and organisations. Moreover, the
researcher also has sent the link to the questionnaire through social media (i.e.,
LinkedIn, Twitter and Facebook). All the contact numbers and addresses of the
participants were collected from the respective organisations websites and personal
visits to organisations or via the researcher’s personal network.

The second method used was a paper-based questionnaire which was employed as it is
low cost and tends to give a high response rate. The researcher distributed the paper-
based questionnaires in targeted places where there are private organisations, such as
Jeddah. The researcher only used this method (paper-based questionnaire) in Jeddah
because it is the researcher’s home city and therefore it was quite easy for the
researcher to communicate and visit the targeted organisations. As for the other cities
of Riyadh and Dammam, it was difficult for the researcher to travel and deliver
questionnaires due to the conservative culture in Saudi Arabia.

The average time taken to fill out the online questionnaire was about 20-30 minutes.
After two weeks from the first distribution time of the online survey, the researcher
sent a reminder email to the participants. This procedure was followed two or three
times. However, after the third reminder email, participants who did not respond were
excluded from the study. For the paper-based questionnaire, some participants filled in
the questionnaire at the time of distribution while others took time to be completed and
returned. However, after a few days of collecting the hard copy survey, participants
who did not respond were excluded from the study.
The advantage of using different data collection techniques together is versatility, speed and cost effectiveness, and the researcher used the snowball technique to increase the amount of data. Therefore, individuals in the research population who had participated in the study were asked to share the link to the questionnaire with someone else with similar characteristics. These methods assisted the researcher to save time and money as the population of prospective participants was spread over great distances across the country.

In total, 440 online questionnaires were completed out of 1760 distributed. Further, around 46 paper-based questionnaires were completed out of 200 distributed. The total response rate from online and paper-based questionnaire was 486, which represents 25 percent of the original sample. However, among the returned questionnaires, around 10 responses were discarded because respondents did not match the research population, and six questionnaires were only partially answered (i.e., some questions and/or some parts such as demographic questions were left blank). Therefore, the remaining 470 questionnaires were used for further data analysis. More details about the development of the questionnaire and the data analysis are discussed in the following sections. Table 4.5 illustrates the response rate obtained for this study.

<table>
<thead>
<tr>
<th>Method of Distribution</th>
<th>Distributed</th>
<th>Returned Completed Survey</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online web-survey</td>
<td>1760</td>
<td>440</td>
<td>25%</td>
</tr>
<tr>
<td>Paper-based</td>
<td>200</td>
<td>46</td>
<td>23%</td>
</tr>
<tr>
<td>Total</td>
<td>1960</td>
<td>486</td>
<td>25%</td>
</tr>
</tbody>
</table>

4.7 Survey Questionnaire

The questionnaire is one of the most widely used research instruments in business and management research; however, each respondent must answer the same set of questions in an appropriate way before conducting quantitative analysis (Saunders, Lewis and Thornhill, 2012). The questionnaire, according to Collis and Hussy (2009),
is a list of structured questions, chosen after considerable testing, with the purpose of eliciting reliable responses from a chosen sample to find out what a selected group of participants do, think or feel. The use of the questionnaire is popular and allows the collection of a large amount of data in short time from a sizeable population in a highly economical way (Saunders, Lewis and Thornhill, 2009). Additionally, it is quicker to conduct and more convenient for participants than interviews, as well as allowing respondents to answer questions freely without the potential of interviewer bias (Bryman and Bell, 2007). As regards internet technology, questionnaires can be sent out by email or filled online on websites (De Vaus, 2002; Dillman, 2007). Furthermore, the questionnaire has advantages over interviews in terms of time, cost, location, analysis and general ease of the data collection process (Sekaran, 2003; Saunders, Lewis and Thornhill, 2012). However, questionnaire design in terms of the language used in the questions, the order of the questions, respondents understanding of questions and the scale applied could affect the quality of data it generates for analysis (Collis and Hussy, 2014).

Over the past 30 years, there have been great advances in the technologies and techniques utilised in online survey approach to enhance questionnaire design and computerised data analysis (Evans and Mathur, 2005). Data from several sources have identified that online data collection methods have become increasingly attractive to researchers in management studies (Schonlau, Fricker and Elliott, 2001; Bryman and Bell, 2007). Online surveys have numerous strengths and advantages explaining their growing use as shown in Table 4.6. Consequently, this study adopted the self-completion online questionnaire method for data collection to achieve the research objectives which require data from a large number of organisations. Online questionnaires were selected as the main method for this study, as it is more formal and relevant, especially when the targeted informants are managers. Online surveys are a practical, cost-free and permit a wide geographical dispersion of respondents (Evans and Mathur, 2005). The following section provides a detailed account of the process of developing the survey questionnaire used in this study.
Table 4.6
The Major Strengths of Online Surveys

<table>
<thead>
<tr>
<th>Major Strengths</th>
<th>Explanation</th>
<th>References</th>
</tr>
</thead>
</table>
| **Flexibility**                        | ▪ Can be conducted in several formats such as e-mail with embedded survey, email with a link to a survey or by an internet surfer visiting a website who is then invited to participate in a survey, etc.  
  ▪ It can be easily being tailored to participant’s demographics, language, etc. by having multiple versions of a questionnaire. | Schonlau, Fricker and Elliott (2001)  
  Ilieva, Baron and Healey (2002); Bryman and Bell (2011) |
| **Speed and Timeliness**               | ▪ Online surveys can be administered in a time-efficient manner.  
  ▪ Allows real-time access for interactions with geographically diverse respondent groups. | Kannan, Chang and Whinston (1998)       |
| **Convenience**                        | ▪ Respondents can answer the survey at a time convenient to them. | Hogg (2003); Mullarkey (2004)           |
| **Ease of Data Entry and Analysis**    | ▪ It is relatively simple for responses to be tabulated and analysed. | Wilson and Laskey (2003)               |
| **Question Diversity**                 | ▪ It is capable of including a diversity of questions such as multiple-choice questions, scales, questions in a multimedia format, single-response and multiple-response questions, and also open-ended questions. | Evans and Mathur, (2005)               |
| **Low Administration Cost and Ease of Follow-up** | ▪ Online surveys can be low cost and inexpensive to construct due to:  
  • The low cost and free survey software.  
  • Surveys are self-administered and do not require postage or interviewers.  
  • Simplicity of sending follow-up reminders which help to increase the survey response rate. | Schaefer and Dillman (1998); Sheehan and McMillan (1999); Jackson (2003) |
| **Large Sample Easy to Obtain**        | ▪ Online surveys can produce large samples due to:  
  • The ability to e-mail respondents easily, and at a low cost.  
  • The availability of specialised research organisations.  
  • The access to global databases. | Parker (1992); Schaefer and Dillman (1998) |
| **Required Completion of Answers**     | ▪ Online surveys can be constructed to eliminate item non-response and the necessity to throw out answers that that been entered incorrectly.  
  ▪ The respondent must answer a question before proceeding to the next question or completing the survey which have a much higher item completion rate than other surveys. | Ilieva, Baron and Healey (2002)      |
4.7.1 **Development of Survey Questionnaire**

The questionnaire development process is based on what kind of information is needed. With the intention of examining the hypotheses developed for this research, a survey questionnaire was proposed for data collection. Questionnaires tend to provide insight into individual perceptions and attitudes, organisational policies and practices as well as enabling researchers to identify and describe the variability in different phenomena (Baruch and Holton, 2008; Saunders, Lewis and Thornhill, 2012). The positivist approach was applied in this study for data collection to examine the individual’s attitudes and perceptions. According to the type of questionnaire which was discussed earlier in this chapter, two types of questionnaire are adopted in this research, internet-mediated questionnaires and delivery and collection questionnaires (see figure 4.5) for data collection which possess many options of Likert scaling for the variety of choice for the respondent (Appendix A).

**Figure 4.5**
Types of Questionnaire Used in This Research

![Questionnaire Diagram]

Source: Adopted from Saunders, Lewis and Thornhill (2012).

The data collection for this study was based on the perceptions and experiences of respondents towards the research topic (i.e., the talent decision-making process). Thus, the process of question development employed good question design principles, such as the use of positive questions, designing brief questions that can be used for all respondents and avoidance of leading questions (Cooper and Schindler, 2001; Zikmund, 2003). Furthermore, the questionnaire content was kept quite easy and
simple to read and comprehend, therefore the respondents should not have difficulty completing the questionnaire

4.7.2 Questionnaire Design

Design and structure of a questionnaire has a significant influence on the response rate, validity and reliability of the data collection (Saunders, Lewis and Thornhill, 2009). The questionnaire should be designed in a way to enable accurate and complete data to be collected. This is particularly true when the researcher knows exactly what should be asked and how to measure the constructs of interest to accomplish relevant information to answer the research questions and objectives (Sekaran, 2000; Bryman and Bell, 2007). In order to maximise response rates, validity and reliability, the researcher should take into consideration the following key points: carefully design the questions, provide a lucid explanation of the purpose of the questionnaire, design a clear and pleasing layout of the questionnaire, pilot testing and carefully plan and execute the administration (Saunders, Lewis and Thornhill, 2012). Therefore, in this research study, considerable effort was expended in developing the questionnaire and selecting the appropriate measures for the constructs in order to collect the data to meet the aims and objectives of this study.

The final version of this questionnaire designed for this study was in five pages (A4 sized), including the front and back covers. However, the accepted length of self-administrated questionnaire ranges from four to eight A4 pages (Saunders, Lewis and Thornhill, 2009). In this study, the questionnaire was accompanied with a covering letter, which explained the purpose of the research study and guaranteed confidentiality of the data gathered. It was explained to the participants that the research was being conducted to explore their perception and experience of the talent decision-making process to identify talent, and that participation in the survey was voluntary. They were further informed that they had the right to withdraw from the survey study at any time and they must be a manager with employees under their supervision to participate in the survey. Furthermore, the respondents were provided with the contact information of the researcher (i.e., e-mail address) so that they could
add further comments or suggestions, ask relevant enquiries or obtain the results of the study, if they would like to.

The survey questionnaire consisted of four main parts. In the first part of the questionnaire, the participants had to provide demographic data, such as age, gender, education and occupation. In the second part, the participants were asked to provide background information related to organisation such as the sector of the organisation and the locations of the participant within the organisation (Head Office; Branch Office). In the third part, the participants had to respond to a few questions regarding the decision-making process in their organisation including; the tools that been used to identify talented employees, who makes the final decision for identifying talent and provide a definition of talent in their organisation. In the final part, questions were divided to sub-sections based on the constructs.

In the questionnaire for this study, the question items and response categories were designed to motivate the respondents to participate in the research study. The researcher went to great lengths to keep the questions simple, unambiguous and easy to read. In that way, enabling the respondent to comprehend the questions, reducing their chances of misunderstanding the questions, in addition to keeping their interest to complete the questionnaire. For more details about the questionnaire, please see Appendix A.

Nevertheless, there is a limit to the number of questions that should be included in any questionnaire to obtain reasonable responses, which is one of the boundaries of this method (Saunders, Lewis and Thornhill, 2009; Collis and Hussy, 2014).

4.7.3 Question Types and Format

Consistent with Saunders, Lewis and Thornhill (2012) and Collis and Hussy (2014), there are two main types of questions commonly used in questionnaires: open questions and closed questions. The advantage of open questions is enabling the respondents to give a personal response or opinion in his or his own words, but they can be difficult to analyse (Collis and Hussey, 2003). With closed questions,
permitting selection from predetermined answers is frequently used in the positivist approach (Collis and Hussey, 2009). In a questionnaire survey, closed questions are more convenient for collecting factual data and easy to answer and analyse, as they require minimal writing. Additionally, it is easier to compare the responses as they have been predetermined (Saunders, Lewis and Thornhill, 2012).

The questions in this survey are related to the individuals’ perceptions and experience of talent decision-making in organisations. Therefore, the researcher incorporated mainly closed-ended questions and scaled-response formats. The type of question was chosen depending on the nature of the question, to encourage participation in the study and to avoid response bias. This is supported by Alreck and Settle (1995), who point out that closed-ended questions are associated with the way respondents respond to questions according to their mentality or predisposition.

This study, however, mostly used closed-ended questions in the survey questionnaire to keep the context of the question the same for all respondents. A few open questions were used taking the form of “others (please specify)” at the end of some questions. This kind of question gives the respondents the chance to express their views or to use their own words (Collis and Hussey, 2009), although probably the list of answers will not be inclusive. Moreover, this helps to eliminate researcher bias. Additionally, this question format shrinks the amount of thinking and effort required by respondents in answering the questions (Hair et al., 2006). The questionnaire developed for the current study mostly used different formats of closed questions such as rating questions and some category questions.

A Likert-style rating scale is commonly used in questionnaires because this format uses a scale measurement for respondents to indicate their degree of agreement/disagreement with the constructs (Alreck and Settle, 1995), typically on a four-, five-, six- or seven-point rating scale (Saunders, Lewis and Thornhill, 2012). An Likert scale with five categories was used in all rating questions in this study to record managers’ opinions. The five-point Likert scale was selected for this study based on its popularity and appropriateness to the nature of this study. The advantage of rating questions is that they allow participants to give more discriminating responses which allows a numerical value to be given to an opinion (Collis and Hussey, 2003). A
further advantage of this method is that it makes economical use of the space through providing a number of different statements in one list, as well as the simplicity of answering the questions by the respondent (Collis and Hussey, 2009). In addition, to make sure that respondents read the statements carefully, positive and negative questions were used in the questionnaire (Saunders, Lewis and Thornhill, 2009). Briefly, questionnaire items were designed with appropriate wording, response formatting and in two different languages (English and Arabic) in order to encourage participants’ to respond, make it easy for them to provide accurate answers and facilitate accuracy in data analysis.

**4.7.4 Translating the Questionnaire and Cultural Considerations**

Translating a questionnaire into another language is extremely important and requires particular attention so that the target questionnaire can be decoded and answered by respondents in the way that researcher intended (Saunders, Lewis and Thornhill, 2012), taking into account that all questions must have the same meaning to all respondents (Usunier, 1998). The survey instrument of the present study was initially developed in English; given the fact that the official language of Saudi Arabia is Arabic, the questionnaire items were translated accordingly (See Appendix B). Consistent with Sekaran and Bougie (2010), it is imperative to select the questionnaire language that approximates to the level of the respondents’ understanding. Furthermore, the quality of translation has an impact on any research undertaken in different cultures and ethnic groups (Sperber, 2004). In this regard, it is fundamental to maintain the intention and meaning of the original items when translating the questionnaire from English to Arabic.

In order to translate the questions from English to Arabic, Brislin (1970) suggests that some of the problems with translating research instruments from the original language to the target language need particular attention as follows: (1) a bilingual translator is required in order to translate the questions from the source language into the target language and maintain most of the grammatical structure of the source. As well as paying more attention to the grammar used which may create translations that are unintelligible for the monolingual respondent because the syntax is that of the source
not the aim; (2) Differences in terms of phrases, words and colloquialisms that are simple and easy to understand in English may not make sense in another language; (3) finally, the translator may not be familiar with the field of research which can negatively affect the validity of the questions.

In order to examine Saudi managers’ perceptions and attitudes towards the talent decision-making process in cross-cultural research, translating the questionnaire in a culturally relevant form while maintaining the meaning of the original items was a real challenge in this study. Fortunately, there are several studies that outline a number of techniques for translating a questionnaire and reducing errors. These techniques include direct translation, back-translation, parallel translation or mixed techniques (Brislin, 1970; Usunier, 1998). Therefore, to provide adequate translation from English to Arabic, the back-translation procedure was employed. This technique is usually employed for cross-cultural research (Brislin, 1970). The details of using this technique are summarised in Table 4.7.

Table 4.7
Translation Technique for Questionnaire

<table>
<thead>
<tr>
<th>Approach</th>
<th>Performance</th>
<th>Performer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Back Translation</td>
<td>Translation from English into the Arabic language.</td>
<td>An expert bilingual</td>
</tr>
<tr>
<td></td>
<td>Back translation from Arabic into English.</td>
<td>An expert bilingual</td>
</tr>
<tr>
<td></td>
<td>Confirmation of the translation process.</td>
<td>▪ Three bilingual PhD researchers who had experience in Human Resource Management studies.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Two bilingual academic Professors in business management at Brunel University reviewed the English version.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Two bilingual academic Professors in business management at King Abdulaziz University reviewed the Arabic version.</td>
</tr>
</tbody>
</table>

4.7.5 The Layout of the Questionnaire

Layout of any questionnaire is one of the key elements to obtaining good responses. Questionnaire layout is important to reduce non-response and to avoid reducing non-
response error (Dilman, 2007). In order to attract and encourage respondents to fill in the questionnaire, much effort is needed to design it in a way that makes reading questions and filling in responses easy (Saunders, Lewis and Thornhill, 2009). However, designing a good questionnaire is not only about questions, it is also about other important aspects such as clear instructions, general appearance, and ordering the questions (Dillman, 2007).

Since the study survey was mainly conducted online, the design of the instrument was vital in obtaining unbiased answers from respondents (Couper, Traugott and Lamias, 2001). According to Evans and Mathur, (2005), one advantage of the online survey is the ability to have a variety of instrument designs in relation to text, size, colour, and question order. Owing to the absence of the interviewer in an online survey, this can cause a lack of motivation to provide guidance on how to answer the questionnaire, or even explain the motivation behind the survey (Couper, Traugott and Lamias, 2001). Similarly, poor questionnaire layout can cause questions to be overlooked or bias the obtainable responses (Dillman, 2007). Therefore, respondents are guided by graphical layout features from the cover page and tend to depend on the instrument itself, using both visual elements of the interface (colour, font, and design) and verbal (wording of the survey) elements (Dillman, 2007; Couper, Traugott and Lamias, 2001).

Survey design and analysis software such as Survey Monkey, Snap Survey and Sphinx Development (Survey Monkey.com 2008; Snap Surveys 2008; Sphinx Development 2008) contain a series of style templates for typefaces, page layout and colours, which are helpful in producing attractive and professional-looking questionnaires quickly (Saunders, Lewis and Thornhill, 2009). Accordingly, the questionnaire for this study was programmed and hosted through Qualtrics software (http://www.qualtrics.com). Qualtrics software is an online survey generation, delivery, and analysis tool. Use of Qualtrics software enabled the user a number of key functionalities including automatic generation of survey panels, automatic scoring of participants’ surveys, and management of email distribution of the surveys. Qualtrics kept track of the actual time participants spent on the surveys, participation rates, exported to SPSS or Excel for descriptive analysis and other metadata useful to both the pedagogy and research being conducted.
The measurement scales of this study comprise 86 observed items (Appendix A). These questionnaire items divided to seven constructs as follows: 25 items for decision-making styles, 5 items for each style; 22 items for the individual culture dimension, 4 to 6 items for each dimension; 4 items for the social network position; 4 items for geographical distance; 3 items for the fairness of the decision; 4 items for homophily and 24 items for organisational culture which consisted of three types, each one having 8 items.

The questionnaire was designed to be user-friendly. The matrix style for question rating was used to save space (Saunders, Lewis and Thornhill, 2009), in addition to the grid line format which was adopted to make it easier for the reader to follow the questions. Attention was paid to the covering letter design to gain the respondent’s interest and to make the interface attractive by adding the title of the study, a summary of the study’s objectives, the sample target, the duration time, the fact that it was a confidential and anonymous survey, the researcher’s contact information and the Brunel University logo (See Appendix A). This is pointed out by Dillman, (2007), who recommends that the message contained in the covering letter is important to encourage completion of the survey and a determinant of the response rate. It is worth noting that the best way of obtaining valid responses to questions is to keep both the wording of each question simple and pay attention to the visual appearance of the questionnaire (Dillman, 2007; Saunders, Lewis and Thornhill, 2012). Finally, the electronic version was published online; thus, the methods used in this study were e-mail invitations, HR groups and local collective networks.

4.7.6 The Order and Flow of Questions

The flow of the questions is no less important than the layout of the questionnaire. Both are significant for increasing the response rate. According to Saunders, Lewis and Thornhill (2009), the flow of the questions should be logical to the respondent rather than order it based on the data requirements. In order to acquire clean responses to questions, the simplicity of visual appearance and wording of questions is critical (Dilman, 2007). To achieve this goal, the questionnaire should start with the important
questions taking into account what has been explained to the respondent in the covering letter (Dilman, 2007).

Thus, the questionnaire starts with the talent decision-making process in addition to some important demographic information like gender which is one of the constructs in the study. This was followed with decision-making styles to measure the decision type of the managers and how that influences other factors which is the most salient theme in this study. The easiest questions were left to the end of the questionnaire, like the type of organisations which does not need a lot of attention or effort to answer. This logical ordering of the questions made it easier for respondents to answer the whole questionnaire (Dilman, 2007).

### 4.7.7 Question Coding, Cleaning and Entry

In order to analyse data with computer software, it needs to be coded prior to entry (Saunders, Lewis and Thornhill, 2012). Data coding involves translating entries on the questionnaire to numbers or letters which is necessary to establish a guide for translating responses. Some questions can use their actual numbers as codes such as quantity questions, whereas other questions need to design a coding scheme. However, once coding the data is done the process of recording is easy. Recording the data usually involves transferring information from questionnaires or code sheets to computer files for processing purposes. In reality, this is an easy technique to find objectives from the data, but at the same time the researcher has to be sure to avoid errors during processing the data. To overcome human error, data must be cleaned by double checking the data entries on the computer files, mainly with large numbers of respondents.

### 4.8 Measurement Scales

In this research, independent and dependent variables were used to measure the manager’s perceptions and experiences regarding the talent decision-making process in organisations. The decision-making styles variable and the fairness of talent decisions
served as dependent variables, while individual and organisational culture, geographical distance, homophily, and the social network position factors served as independent variables. In this study, six existing scales were adopted including: the decision-making style, individual and organisational culture, geographical distance, homophily and fairness. The seventh scale (social network position) was developed by the researcher from the literature and some interviews with professionals in the field of HR and talent management. Table 4.10 presents all the items developed for the survey instrument used in this study. These scales were tested by a pilot study of managers from different managerial levels in a variety of private sector organisations in Saudi Arabia. Email contact was made with the participants to participate in the survey. The purpose of conducting the pilot study was to enable the researcher to identify unclear items, poor wording in questions and time taken to complete the survey. After measuring the validity and reliability of the instrument, it was applied to collect data for the main study from a variety of managers in private organisations in Saudi Arabia.

4.8.1 Instrumentation

The theoretical constructs were operationalised using directly or adapted validated measurements from prior relevant research. Owing to the critical importance of the instrument in the accuracy of survey estimates, Saunders, Lewis and Thornhill (2012) recommend that if there is a validated instrument already available, researchers should use it rather than developing a new one for efficiency reasons. However, in this research, the researcher had developed a new measurement scale (social network position) due to the lack of previous studies in the area of HR and talent management to measure this construct. In addition, some of the measurement items were validated and wording changes were made to tailor the instrument for the purpose of this study. A structured questionnaire was developed to collect data on the constructs which were all measured using multiple item, five-point, Likert scales. The final version of the questionnaire is given at Appendix A. The operationalisation of questionnaire instruments for each construct is described as follows.
4.8.1.1 Dependent Variables

**Decision-making styles (DMS)**

The instrument consisted of 25 items, scored on a five-point, Likert-type scale. This scale was developed by (Scott and Bruce, 1995) and categorised to five decision-making styles including: Rational, Intuitive, Dependent, Avoidant and Spontaneous. A five-point Likert scale was used to measure all items ranging from (1) 'strongly disagree’ to (5) 'strongly agree’.

**Fairness**

Fairness measures were adapted from the process fairness scale from Truxillo and Bauer (1999), including three items. A five-point Likert scale was used to measure all items ranging from (1) 'strongly disagree’ to (5) 'strongly agree’.

4.8.1.2 Independent Variables

To assess individual perceptions and attitudes, the following independent variables of manager’s decision-making process to identify talent in organisations were selected.

**Individual Culture**

The individual culture dimensions of Power Distance, Uncertainty Avoidance, Collectivism vs. Individualism, and Masculine vs. Feminine were measured using Dorfman and Howell’s (1988) cultural scales. A total of 23 items with a five-point Likert Scale (strongly disagree, strongly agree) were used.

**Organisational Culture Index**

To measure organisational culture index (OCI), Wallach (1983) developed three organisational culture dimensions: Bureaucratic, Innovative; and Supportive. The instrument comprises 24 items, with eight items assigned to each of the three dimensions of organisational culture. Unlike the four-point Likert scale used in the original instrument, this study adopted a five-point Likert scale to allow a wide range
of choices to the respondents and to ensure consistency with other scales used throughout the questionnaire. The rating is accomplished on a five-point Likert Scale ranging from (1) ‘totally does not describe my organisation’ to (5) ‘describes my organisation most of the time’.

**Geographical Distance**

To measure the geographical distance between head office and branch offices which may decrease both the propensity and the ability of individuals to trust and to share knowledge of performance appraisal evaluations, four items were used by Luo (2002). Those items were measured on a five-point scale with (1) ‘strongly disagree’ to (5) ‘strongly Agree’.

**Homophily**

Homophily was measured with four items obtained from McCroskey and McCain (1972) and McCroskey and Young (1981). Responses to those items could range on a five-point Likert Scale ranging from (1) ‘not at all’ to (5) ‘extremely’.

### 4.8.2 Scale Development and Validation of ‘Social Network Position’

As stated earlier, one of the key contributions in this research was to develop new items to measure Social Network position. Six items were developed from interviewing various HR managers and consultants in Saudi private organisations. These findings measure the visibility and network position of employees relative to their managerial level (see Table 4.8). These items were measured on a five-point scale with (1) ‘strongly disagree’ to (5) ‘strongly agree’. For this particular research, all the questions for measuring the constructs were designed using five-point Likert scales which the guidelines recommend for better response outcomes. In the next section, details of the procedures for development of the measurement scales will be presented and discussed.
Table 4.8
Items Developed for ‘Social Network Position’ Construct

<table>
<thead>
<tr>
<th>Social Network Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I am more likely to come across employees who are in central network positions in the organisation more often than those who are not.</td>
</tr>
<tr>
<td>2. I am more likely to come across employees who are more visible in the organisation more often than those who are not.</td>
</tr>
<tr>
<td>3. I would not identify an employee as a talent just because he/she is visible in the organisation.</td>
</tr>
<tr>
<td>4. I would not identify an employee as a talent just because he/she is in a central network position.</td>
</tr>
<tr>
<td>5. Employees in the organisation who are in a central network position benefit more in terms of their career progression, obtaining jobs, and promotion than others.</td>
</tr>
<tr>
<td>6. Employees in the organisation who are in central network positions benefit more in terms of being selected as a talent than others.</td>
</tr>
</tbody>
</table>

Developing a measurement scale is a crucial building block which associates the theoretical framework with the empirical testing. Typically, a measurement scale refers to the combining of the collection of items in a composite score, which is used to reveal levels of theoretical variables not readily observed by direct means (De Vellis, 2003). Systematically-developed measurement scales potentially help to generalise the research findings, although poorly developed measurement scales can lead to erroneous conclusions (De Vellis, 1991). Therefore, to develop a better measurement scale for a construct examined, this study applied four steps of an adapted version of systematic scale development procedures suggested by Churchill (1979). The scale development procedure in this study is illustrated in Figure 4.6.

**Specification of the domain** is the first step to operational definitions and dimensions of pivotal constructs to enable the subsequent generation of items hypothesised to fit to each dimension. According to Churchill (1979), researchers must provide a clear explanation of what is included and what is excluded in the definition. In this step, it is important for researchers to consult the literature. In this regard, the literature search was the key technique employed to accomplish this step. Given the aim of the present study, the literature review comprises studies in the fields of talent management, decision-making, decision-making style, individual and organisational cultures, human resource management, sociology and psychology studies. Table 4.9 illustrates the definition of the new construct (see Chapter 2 for the main constructs and their
Respecting the basis of the theoretical information obtained, a proposed conceptual framework (see Figure 3.3 in Chapter 3) was developed.

### Table 4.9
The Definition of Social Network Position

<table>
<thead>
<tr>
<th>Construct</th>
<th>Definition</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Network Position</td>
<td>Social network is a sociological axiom referring to how people seek to give meaning to the positions in which they find themselves, in terms of a desirable pattern of ties or relationships with other members.</td>
<td>Tsai (2001); Seibert, Kraimer and Liden (2001); Sparrowe et al. (2001); Kildruff and Tsai (2003); Reinholt, Pedersen and Foss (2011)</td>
</tr>
</tbody>
</table>

**Generation of measurement items** is the second step of Churchill’s paradigm to develop a measurement scale. This stage involves generating additional measurement items by using, for instance, literature searches, exploratory research, experience surveys, focus groups and critical incidents (Churchill, 1979). With the aim of generating the measurement items, the researcher employed a combination of literature search and semi-structured interviews with HR managers and consultants in private Saudi organisations.

The items representing the construct were generated from the existing literature (e.g., Seibert, Kraimer and Liden, 2001; Tsai, 2001; Sparrowe et al., 2001; Kildruff and Tsai, 2003; Reinholt, Pedersen and Foss, 2011; Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010). Following the literature search, semi-structured interviews with experts were conducted. Four phone interviews and two face-to-face interviews were conducted with experts working as HR consultants and managers in private Saudi organisations in February 2013. In conducting all interviews, questions regarding the new measurement items and of each construct were then asked. Examples of questions particularly for the new development scale included: “What do you think are important aspects of talent network position? And Why?” and “What items in this page do you think are not relevant to social network position? and Why?”.

Regarding the suitability of social network position measures to identify talent and whether any key items were missing, many comments were made by interviewees as examples to authenticate the domain of the construct. The interviewees’ opinions with regard to their perceptions of the social network position component were given.
Generally, interviewees agreed with the list of items shown during the interviews. Some of the extracted items from an earlier step were suggested for deletion. For example, reversed items were excluded from the scale such as “I would not identify an employee as a talent just because he/she is visible in the origination” and “I would not identify an employee as a talent just because he/she is in a central network position” were considered by the practitioners as repeated questions which would not add any value to the scale. Further, four items were confirmed by the interviewees as a scale to identify a certain employee as a talent in organisation (see Table 4.10).

**Figure 4.6**
Procedures for Measurement Scale Development

![Diagram showing the procedures for measurement scale development]

**Techniques Employed**
- Literature Search
- Experience Survey (Interview with Experts)
- Pilot Study
- Coefficient Alpha
- Exploratory Factor Analysis (EFA)

**Source:** Adapted from Churchill (1979)

**Measurement purification: a pilot study** was conducted in order to purify the measurement scales (De Vellis, 1991) as it is the third step of Churchill’s (1979) paradigm on the reliability and validity testing of the scale items. In order to complete
this step of ensuring face validity, the researcher first undertook a pre-test step to make an expert judgement (Churchill, 1979). At that point a pilot study was conducted, applying the pilot questionnaire to a sample of individuals (Churchill, 1979). The details of the pre-test, the pilot study, the reliability and validity testing of the scale items are presented later in this chapter.

*Exploratory factor analysis (EFA)* was conducted in order to examine the factorial structure of the scale. Normally, EFA is a valuable technique during the early stages of scale development, refinement and validation, as it allows the researcher to have an initial understanding of the relationships between the indicators and their relevant constructs (Churchill, 1979; De Vellis, 1991). EFA was advantageous, especially, as there is very little known in theory about the constructs under investigation (Gerbing and Anderson, 1988). However, after the Coefficient Alpha of the pilot study had been tested (see Table 4.12), the researcher conducted EFA to examine the dimensions of each factor started with the correlation coefficients in the correlation matrix, factor extraction and rotation (Hair *et al.*, 1998). The results of EFA are presented in the next chapter.

**Table 4.10**
Items Developed for the Survey Instruments

<table>
<thead>
<tr>
<th>Source</th>
<th>Construct Items</th>
<th>Decision-Making Style</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scott and Bruce, (1995)</td>
<td><strong>Rational</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. I double-check my information sources to be sure I have the right facts before making decisions.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. I make decisions in a logical and systematic way.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. My decision-making requires careful thought.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. When making a decision, I consider various options in terms of a specific goal.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. I explore all of my options before making a decision.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Intuitive</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6. When making decisions, I rely upon my instincts.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7. When I make decisions, I tend to rely on my intuition.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8. I generally make decisions that feel right to me.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>9. When I make a decision, it is more important for me to feel the decision is right than to have a rational reason for it.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10. When I make a decision, I trust my inner feeling and reactions.</td>
<td></td>
</tr>
</tbody>
</table>
**Dependent**

11. I often need the assistance of other people when making important decisions.
12. I rarely make important decisions without consulting other people.
13. If I have the support of others, it is easier for me to make important decisions.
14. I use the advice of other people in making my important decisions.
15. I like to have someone to steer me in the right direction when I am faced with important decisions.

**Avoidant**

16. I avoid making important decisions under pressure.
17. I postpone decision-making whenever possible.
18. I often procrastinate when it comes to making important decisions.
19. I generally make decisions at the last minute.
20. I put off making many decisions because thinking about them makes me uneasy.

**Spontaneous**

21. I generally make snap decisions.
22. I often make decisions on the spur of the moment.
23. I make quick decisions.
24. I often make impulsive decisions.
25. When making decisions, I do what seems natural at the moment.

---

### Individual Cultural

<table>
<thead>
<tr>
<th>Dorfman and Howell’s (1988)</th>
<th>Uncertainty Avoidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>It is important to have job requirements and instructions spelled out in detail so that employees always know what they are expected to do.</td>
</tr>
<tr>
<td>2.</td>
<td>Managers expect employees to closely follow instructions and procedures.</td>
</tr>
<tr>
<td>3.</td>
<td>Rules and regulations are important because they inform employees what the organisation expects of them.</td>
</tr>
<tr>
<td>4.</td>
<td>Standard operating procedures are helpful to employees on the job.</td>
</tr>
<tr>
<td>5.</td>
<td>Instructions for operations are important for employees on the job.</td>
</tr>
</tbody>
</table>

### Individualism vs. Collectivism

6. Group welfare is more important than individual rewards.
7. Group success is more important than individual success.
8. Being accepted by the members of your workgroup is very important.
9. Employees should only pursue their goals after considering the welfare of the group.
10. Managers should only pursue group goals even if individual goals suffer.
11. Individuals may be expected to give up their goals in order to benefit group success.

### Power Distance

12. Managers should make most decisions without consulting subordinates.
13. It is frequently necessary for a manager to use authority and power when dealing with subordinates.
14. Managers should seldom ask for the opinion of employees.
15. Managers should avoid off-the-job social contacts with employees.
16. Employees should not disagree with management decisions.
17. Managers should not delegate important tasks to employees.
### Masculine vs. Feminine

18. Meetings are usually run more effectively when they are chaired by a man.
19. It is more important for men to have a professional career than it is for women to have a professional career.
20. Men usually solve problems with logical analysis; women usually solve problems with intuition.
21. Solving organisational problems usually requires an active forcible approach which is typical of men.
22. It is preferable to have a man in a high level position rather than a woman.

### Fairness

<table>
<thead>
<tr>
<th>Source</th>
<th>1.</th>
<th>2.</th>
<th>3.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Truxillo and Bauer (1999)</td>
<td>Overall, I believe that the talent decision-making in my organisation is fair.</td>
<td>I feel good about the way the talent decision-making process works.</td>
<td>The talent decision-making process is fair to candidates.</td>
</tr>
</tbody>
</table>

### Geographical Distance

<table>
<thead>
<tr>
<th>Source</th>
<th>1.</th>
<th>2.</th>
<th>3.</th>
<th>4.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luo (2002)</td>
<td>Geographical distance between head office and branches is affecting the accuracy of the performance appraisal.</td>
<td>Geographical distance between residing board members from head office and branches is associated with the trust the decision-makers have towards the accuracy of performance appraisal evaluation.</td>
<td>Geographical distance between HR managers from head office and branches creates bias in talent decision-making.</td>
<td>Geographical distance from head office to branches leads to ‘out of sight, out of mind’ in terms of identifying talent.</td>
</tr>
</tbody>
</table>

### Homophily

<table>
<thead>
<tr>
<th>Source</th>
<th>1.</th>
<th>2.</th>
<th>3.</th>
<th>4.</th>
</tr>
</thead>
<tbody>
<tr>
<td>McCroskey and McCain (1972); McCroskey and Young (1981)</td>
<td>I tend to prefer a talented person who is similar to me.</td>
<td>I tend to prefer a talented person who is different from me.</td>
<td>I tend to prefer a talented person who represents something in me.</td>
<td>I tend to prefer a talented person who behaves like me.</td>
</tr>
</tbody>
</table>

### Social Network Position

<table>
<thead>
<tr>
<th>Source</th>
<th>1.</th>
<th>2.</th>
<th>3.</th>
<th>4.</th>
</tr>
</thead>
<tbody>
<tr>
<td>New items developed by relevant literature and interviews discussions</td>
<td>I am more likely to come across employees who are in a central network position in the organisation more often than those who are not.</td>
<td>I am more likely to come across employees who are more visible in the organisation more often than those who are not.</td>
<td>Employees in the organisation who are in a central network position benefit more in terms of their career progression, obtaining jobs, and promotion than others.</td>
<td>Employees in the organisation who are in a central network position benefit more in terms of being selected as a talent than others.</td>
</tr>
</tbody>
</table>

### Organisational Culture Index

<table>
<thead>
<tr>
<th>Source</th>
<th>1.</th>
<th>2.</th>
<th>3.</th>
<th>4.</th>
<th>5.</th>
<th>6.</th>
</tr>
</thead>
</table>
4.9 Pre-testing and Pilot Study

A pre-test and pilot study are both fundamental parts of the questionnaire design process. According to Sekaran (2003), in order to validate an instrument and to ensure that the survey questionnaire is free of errors and ambiguities, a pre-test and pilot study must be conducted prior to the initial data collection phase. Consequently, this study conducted both pre-test and pilot study procedures to avoid participants’ confusion, misinterpretation and misunderstandings as well as identifying and detecting any errors and ambiguities in the questionnaire.

4.9.1 Pre-Testing the Questionnaire

The pre-testing of the questionnaire is an essential and preliminary assessment step for the purpose of acquiring feedback about the questionnaire, detecting problems in the questionnaire contents, wording, or layout before starting an extended survey (Sekaran, 2003). According to Dillman (2007), pre-testing is important for many reasons including evaluating the procedures that should be made in the extended survey via
sending some copies of the questionnaire to a small group of people to fill it out and discover whether any problems arise. It helps also to detect any misunderstanding of questions by the respondents or spot any mistakes made in printing the questionnaire (Dillman, 2007). In addition, this process helps to evaluate the validity and the likely reliability of the questions (Saunders, Lewis and Thornhill, 2009).

Typically, pre-testing the questionnaire starts with reviewing questions by knowledgeable colleagues and/or group of experts as to the representativeness and suitability of the questions which allows suggestions to be made on the structure of the questionnaire before pilot testing or collecting the data from the final sample (Dillman, 2007; Saunders, Lewis and Thornhill, 2009). In the current study, pre-testing was conducted in three stages.

In the first stage, feedback was received from individuals who are experts in the field of HR who are similar to the real participants in the target sample. Feedback was received from three HR consultants working in large organisations based in Saudi Arabia. Modifications were suggested to the wording of some questions for both versions of the questionnaire.

In the second stage, the pre-test was conducted by distributing questionnaires to PhD researchers in Brunel Business School from different academic backgrounds (e.g., human resources, marketing, accounting and management) to gain feedback from people with diverse expertise. Because most of the PhD researchers had been involved in the process of constructing questionnaires for their own research, they were asked to suggest potential problems with the questionnaire design in order to obtain feedback for improving the survey questionnaire. However, this stage was divided into two rounds. In the first round, a draft of the questionnaire was distributed to group 1 of the PhD researchers who provided very useful feedback in terms of some improvements to the question wording (such as rephrasing some questions, making them shorter and clearer) and the questionnaire layout, and the draft was amended accordingly. The second draft was distributed to group 2 of the PhD researchers after the first modifications had been made to make sure there were no mistakes or any misunderstanding of the questions. They highlighted some potential problems with wording and inappropriate sequencing of the questionnaire design and identified some
ambiguities. During those two rounds, the wording was changed as needed and ambiguous questions were either clarified or deleted. Therefore, the questionnaire was significantly revised according to suggestions of the respondents in first stage of the pre-test.

In the third stage, a second draft of the questionnaire was sent to four staff members from different academic backgrounds and nationalities. Two English drafts were sent to staff at Brunel Business School to review the English version of the questionnaire, and two Arabic drafts were sent to academic staff at King Abdulaziz University in Saudi Arabia to review the Arabic version of the questionnaire. Useful feedback was received from the academic staff at both Universities including the two versions of the questionnaires; for instance, changing the wording of some unclear statements; adding titles and several statements to the covering letter, adding clear instructions to respondents in some questions and adding “other, please specify” to some questions. The questionnaires were amended accordingly and final versions were prepared.

4.9.2 Pilot Study

Prior to the main survey, a pilot study was conducted to detect any weaknesses in the design and survey instruments. The pilot study should draw subjects from the target population and simulate the procedures and protocols that have been designed for data collection. In addition to evaluating the level of content validity (Jackson, 1970) and to ensure that the questions, instructions and measurements items were clear. According to Ticehurst and Veal (2000), there are several purposes to a pilot study including testing of the following points (1) questionnaire wording (2) question sequencing (3) questionnaire layout (4) gaining familiarity with respondents (5) estimating questionnaire completion time and (6) analysis procedures.

Consistent with Cooper and Schindler (1998), the sample size of the pilot study may range from 25-100 participants. In this study, the pilot survey was conducted among managers in Saudi Arabia. In total, 100 online questionnaires were distributed to managers from different managerial levels in some organisations in Saudi Arabia. After some reminder emails were sent to remind the invitees to participate in the survey, 62 (62%) of invitees accessed the link to the survey, although only 40 (40%) of
invitees completed the survey. The completion time for the pilot survey was between 20-30 minutes. The duration of the pilot survey was four weeks i.e., from 20 February 2012 to 20 March 2012.

Basic statistical analysis was made after the data from the pilot study was collected; using SPSS version 20 and the respondents’ feedback was summarised. The pilot was also employed to provide face validity through which the questionnaire appears logical to respondents and to test out all aspects of the survey and not just question wording (Ticehurst and Veal, 2000). The next section presents a descriptive analysis of the usable data collected in the pilot survey (40 responses) by using the SPSS statistical software, version 20.

**Demographic Profile of Pilot Study Respondents**

This section presents the demographic information of the respondents to the pilot study. Table 4.11 presents participants’ gender, age, highest educational level, present employee status and years of experience.

The results of the pilot study (Table 4.11) show that among 40 respondents, the majority of participants were male (N = 35, 87.5%) while the remainder were female (N = 5, 12.5%). A majority of the respondents were between 30-39 years old (N = 25, 62.5%). Most of the participants had a Bachelor’s degree (N = 18, 45.0%) followed by those who had postgraduate qualifications (N = 17, 42.5%) and (N = 5, 12.5%) had a PhD or equivalent. These findings indicate that the managerial level in Saudi Arabia is generally highly educated. Therefore, they are able to understand and respond to the questions which will positively contribute to the results. It was also interesting to find out that no respondents had a lower level of educational qualification such as vocational/technical college. In addition, the pilot study revealed that most of the respondents (N = 13, 32.5%) were HR managers in the private sector. Interestingly, senior managers (N = 10, 25.0%) and directors (N = 9, 22.5%) have similar percentages. Finally, the 40 responses achieved in this pilot study were very good, which was encouraging. In addition, the sample size was large enough for further analysis as follows.
### Table 4.11
Demographic Details of Pilot Study Respondents (N = 40)

<table>
<thead>
<tr>
<th>Demographic Category</th>
<th>Frequencies</th>
<th>Valid Percent %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>35</td>
<td>87.5</td>
</tr>
<tr>
<td>Female</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-29</td>
<td>7</td>
<td>17.5</td>
</tr>
<tr>
<td>30-39</td>
<td>25</td>
<td>62.5</td>
</tr>
<tr>
<td>40-49</td>
<td>4</td>
<td>10.0</td>
</tr>
<tr>
<td>50-59</td>
<td>3</td>
<td>7.5</td>
</tr>
<tr>
<td>&gt; 60</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td><strong>Highest Educational Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vocational/Technical college</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
<td>18</td>
<td>45.0</td>
</tr>
<tr>
<td>Master’s degree or equivalent</td>
<td>17</td>
<td>42.5</td>
</tr>
<tr>
<td>PhD or equivalent</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td><strong>Present Employment Status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR manager</td>
<td>13</td>
<td>32.5</td>
</tr>
<tr>
<td>Talent manager</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td>Line manager</td>
<td>7</td>
<td>17.5</td>
</tr>
<tr>
<td>Senior manager</td>
<td>10</td>
<td>25.0</td>
</tr>
<tr>
<td>Director</td>
<td>9</td>
<td>22.5</td>
</tr>
<tr>
<td><strong>Years of Experience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-5</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td>6-10</td>
<td>19</td>
<td>47.5</td>
</tr>
<tr>
<td>11-15</td>
<td>15</td>
<td>37.5</td>
</tr>
<tr>
<td>16-20</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td>&gt; 21</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### 4.9.3 Validity and Reliability

**Reliability**

The reliability of responses that the researcher obtains is an important issue in question design in a positivist study (Collis and Hussey, 2009). Research reliability is concerned with the credibility of data collection. According to Ticehurst and Veal (2000) and Saunders, Lewis and Thornhill (2012), reliability refers to the extent to which the data collection techniques or procedures yield consistent findings. The research findings would be reliable if the same procedure was repeated and obtained the same results (Collis and Hussey, 2009). In other words, reliability focuses on the accuracy of the measures, demonstrates procedures and the ability to repeat the research, therefore, which is known as repeatability and consistency over time. In addition, it is possible to observing errors or any bias in measures that may affect data reliability (Robson, 1993). Usually, errors are involved with the time and the date the data collection and
with the structure of the instrument, whereas bias is connected to the pressure of authority to say what they want and relate to how the data collector interprets the instrument (Saunders, Lewis and Thornhill, 2012).

This research has adopted a positivist approach which is an efficient way to collect data for particular variables of interest (Collis and Hussey, 2003). The questionnaire was developed to obtain data from different managerial levels in a range of private organisations in Saudi Arabia. All participants were well qualified and met the characteristics of the study. In order to reduce bias, participants were assured that data would be strictly confidential. Due to the questionnaire being designed in an online survey format, it did not face any observer error or bias.

This research test that is most frequently used for calculating internal consistency is Cronbach’s coefficient alpha. Cronbach’s alpha test measures the consistency of respondents’ answers to all the items in a measure. This is supported by Hussey and Hussey (1997), who mention that items in a questionnaire instrument’s reliability can be measured by the internal consistency method. Typically, the estimated value of Cronbach’s alpha test is above 0.70 which is considered as an acceptable value of the reliability (Nunnally, 1978). In relation to the value of Cronbach’s alpha reliability, less than 0.6 is considered as poor, whereas 0.7 is acceptable and over 0.8 is good (Sekaran, 2000). Table 4.12 presents Cronbach’s alpha coefficients for all the constructs obtained in the pilot study. It is clear from the table 4.12 that all of the measures adopted or developed in the pilot study showed an adequate reliability with Cronbach’s alpha values. Further, based on Cronbach’s alpha values, those reliabilities are greater than 0.70 which is considered to be good and acceptable.

**Validity**

Validity refers to the accuracy of the measurement tool to truly reflect the reality of what is being studied (Collis and Hussey, 2003; Saunders, Lewis and Thornhill, 2012). In order to validate the content of the value constructs and appropriateness, it is essential to finalise the measurement scale in the research. Content validity has been applied for assessment in this study.
Table 4.12
Cronbach’s Alpha Coefficient of the Items for the Pilot Study

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Cronbach’s α Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decision-Making Style</td>
<td>.863</td>
</tr>
<tr>
<td>Individual Culture</td>
<td>.899</td>
</tr>
<tr>
<td>Organisational Culture</td>
<td>.838</td>
</tr>
<tr>
<td>Geographical Distance</td>
<td>.909</td>
</tr>
<tr>
<td>Homophily</td>
<td>.829</td>
</tr>
<tr>
<td>Social Network Position</td>
<td>.910</td>
</tr>
<tr>
<td>Fairness</td>
<td>.892</td>
</tr>
</tbody>
</table>

Content Validity mainly refers to the extent to which the measurement scale in a questionnaire provides adequate coverage and a representative set of items of the questions being investigated (Saunders, Lewis and Thornhill, 2012). Content validity, also known as face validity, is qualitative; it refers to the “assessment of the correspondence of the variables to be included in a summated scale and its conceptual definition” (Hair et al., 2006, p. 136). According to Sekaran (2000), the more the scale items are relevant and representative of the targeted construct of the concept being measured, the greater the content validity will be. In this study judgment of what is adequate coverage can be made in a number of ways (Saunders, Lewis and Thornhill, 2012). (1) Through careful definition of the research through a prior and appropriate literature review where most of the items were taken from. (2) A panel of professionals and experts who have experience in human resource (HR) were asked to assess whether each measurement scale in the questionnaire was essential and useful to the research. The panel members were asked to give comments about whole items and particular attention to the developed scales. Certainly, minor revisions with a positive feedback were made to the instrument according to the recommendations. (3) In addition, the instrument was assessed through HR researchers from two different universities, including Brunel University and Kings College University at the initial stage of the research (Hardesty and Bearden, 2004). (4) Undertaking pre-testing with professional, expert and PhD researchers as well as a pilot study with a group of managers from different managerial levels as the targeted population of this study (Hair et al., 2006).
4.10 Main Survey Data Analysis

Subsequent to assessing and confirming the reliability and validity of the survey instrument by finalising the pre-testing of the questionnaire and conducting the pilot study, the main study commenced. The main study was conducted in private sector organisations in Saudi Arabia. In this section, the discussion about data analysis techniques and statistical packages is defined.

4.10.1 Data Analysis Techniques and Statistical Packages

Making the right decision on how to analyse the data prior to data analysis is an important decision to avoid collecting data in an incorrect format and to prevent inaccurate findings from that data (Cooper and Schindler, 2001). In order to select the appropriate statistical analysis technique, the research problem, objectives, characteristics of the data and the underlying properties of statistical techniques are considered (Zikmund, 2003). The primary purpose of this research study was to identify and investigate the factors that affect talent decision-making in the talent identification process. To meet the purposes of this study, two different statistical software tools were used. SPSS version 20 was selected for analysing the preliminary data. The Analysis Moment of Structures Software (AMOS) for Structural Equation Modelling version 20 was employed for measurement model analysis and the structural model to test the proposed hypothesised model. The following sections describe and provide justification for using these statistical software packages and the techniques mentioned above.

Statistical Package for Social Sciences (SPSS) software package is widely used and accepted by researchers in different disciplines including business studies, information systems and social sciences research (Zikmund, 2003). SPSS version 20 was selected to analyse the quantitative data obtained from the survey questionnaire. The reason for applying this statistical package is to perform all the fundamental statistics including descriptive statistics such as frequencies, percentages, mean values, standard deviations, reliability test and factor analysis, required for data analysis and to present
findings. These analyses were applied separately for each variable to summarise the demographic profile of the respondents to get initial information and the feel of the data (Sekaran, 2000). Further, SPSS is user friendly and easily available therefore it can be learnt in a short period of time.

Furthermore, after describing the preliminary information of the data, it is time to explain the stages of the data analysis. The data analysis for the main study consists of three main stages. In the first stage of this study, exploratory factor analysis (EFA) was conducted using SPSS to sum up information from numerous variables in the proposed research model into a smaller number of factors, which is acknowledged as factor or dimension reduction (Hair et al., 2010). In the second stage, confirmatory factor analysis was performed via structural equation modelling to validate the scales. In the final stage, hypotheses were tested using analysis of AMOS software version 20 within structural equation modelling. In the following section the features of each technique will be discussed and the rationale for the selection of these techniques will be provided.

4.10.2 Exploratory Factor Analysis

Exploratory factor analysis (EFA) is a widely used technique in social science research to identify the latent factors and to reducing a large pool of observed variables to a manageable form in addition to examining the relationships among the variables without a priori hypotheses (Tabachnick and Fidell, 2007; Hair et al., 2010). In other words, EFA is a statistical technique that is used for “take what the data gives you” and involves grouping variables together on a factor or the particular number of factors (Hair et al., 2006, p.104). In this research study, the researcher first applied EFA to examine the dimensions of each factor followed by confirmatory factor analysis techniques to test and confirm the relationships between the observed variables under each hypothesised construct (Hair et al., 2010).

In order to apply EFA technique, SPSS version 20 was employed to extract factors in which several methods are available for factor extraction and rotation. Among these, principal component analysis is the most commonly used method in SPSS software
employed to extract a minimum set of variables to account for the maximum variance in the data (Tabachnick and Fidell, 2007). To assess the adequacy of extraction, several ways are available however; Eigenvalues and Scree plot are the most common. According to Field (2006), it is important before extracting factors to calculate the variability in scores (the variance) for any given measures or variables. Furthermore, communality, according to Hair et al. (2007, p. 102), is the full amount of variance an original variable shares with all other variables included in the analysis. Communality is the proportion of common variance present in a variable (Field, 2009). Estimating communality can be done through factor loading in which a model containing multiple constructs with communalities of less than .5 is required and less than .7 is required for a larger sample size (Hair et al., 2010). In this research, a variable with a communality value above .5 was applied.

The following step of EFA is the factor rotation technique which was employed to present the pattern of loadings in a manner that is easier to interpret. Typically, rotation is applied to maximise high correlations between variables and factors which help to minimise the lowest ones. The meaning of rotation is discriminating between factors (Field, 2009; Hair et al., 2010). There are two types of rotation that can be done including orthogonal and oblique rotation methods (Tabachnick and Fidell, 2001; Field, 2009).

The difference between orthogonal and oblique rotation is that orthogonal rotation means that extracted factors are independent (uncorrelated) whereas, oblique rotation means that the extracted factors are correlated (Tabachnick and Fidell, 2001; Bryman and Cramer, 2005; Field, 2009). In this research study, the researcher employed the orthogonal model with Varimax rotation to perform factor analysis. Varimax is most commonly used to maximise the dispersion of loadings within factors (Field, 2009). The purpose of applying orthogonal rotation was to minimise the complexity of factors by maximising the variance of loading on each factor because factors are not correlated with each other (Tabachnick and Fidell, 2001). After conducting the EFA, the identified components were tested and confirmed by confirmatory factor analysis (CFA) using structural equation modelling (SEM), as described in next section.
4.10.3 Confirmatory Factor Analysis

Confirmatory factor analysis (CFA) is a key technique generally applied to confirm and validate a priori hypotheses about the relationship between a set of indicator variables (measurement items) and their respective latent variables (Byrne, 2001; Netemeyer, Bearden and Sharma, 2003). It is recommended that CFA should be performed after EFA in an attempt to verify and confirm the scales derived from EFA (Hair et al., 1998; Byrne, 2010). CFA is usually used to test whether the pre-specified relationships on the basis of the theory are demonstrated in the data (Hair et al., 2010). According to Byrne (2010) and Hair et al. (2010), CFA can also be used to reduce the number of items that may threaten the dimensionality of a scale. This could be attained by considering the variables that correlate highly with a group of other variables, but do not correlate with variables outside that group (Field, 2006). Commonly, there are two significant reasons for using CFA to evaluate the measurement model: (1) evaluating the reliability and validity of the measurement model and (2) deciding the goodness of fit (GOF) criteria indices (Hair et al., 2010). Consequently, the researcher employed the measurement model in this research for assessing the unidimensionality, reliability, and validity of the measures, which are explained in the following sections.

CFA can be implemented using numerous statistical packages, such as AMOS, LISREL and PLS. This research has adopted the Analysis of Moment Structures (AMOS) software, version 20, for several reasons. It proposes the advantage of working directly from a path diagram. It also allows the researcher to assess, estimate and present the model in an intuitive path drawing, viewing observed (measures) and unobserved (constructs) variables in the hypothetical model (Kline, 2005). SEM analysis technique, it is necessary to confirm the measurement model prior to examining the scale validity. According to Byrne, (2010), the measurement model signifies constructs (latent; unobserved variables) and their set of items (observable variables, measures). The findings using SEM will validate the theoretical background of this research and lead to building the final conceptual framework. More details about SEM will be provided in the following section.
4.10.4 Structural Equation Modelling

Structural equation modelling (SEM) is a statistical technique that seeks to test and confirm causal relationships among multiple latent variables (constructs). In SEM, the researcher can provide an efficient and appropriate estimation technique for a series of separate multiple regression equations estimated simultaneously (Hair et al., 2006). Indeed, the SEM statistical approach has been used in various disciplines and has become an important method for analysis in academic research (Byrne, 2001; Kline, 2005; Hair et al., 2010). Further, it is a multivariate technique that allows both the measurement and structural components of a model to be examined by testing the relationships among multiple independent and dependent constructs concurrently (Tabachnick and Fidell, 2001). Certainly, the intention of employing SEM is to find overall model fit so as to confirm the consistency of the theoretical model and the estimated model (Tabachnick and Fidell, 2007; Hair et al., 2010).

In statistics, several methods are available to develop overall model fit on the basis of both absolute and incremental goodness of fit measures. A two-step approach is recommended by Anderson and Gerbing (1988) to performing and assessing a model. In the first step, developing the measurement model is essential to confirm the relationships between a construct and its indicators as well as to test the validity of the indicator variables and this can be done by conducting confirmatory factor analysis (CFA). Once it is known that the measurement model is operating effectively, the next step is ready to be performed by having more confidence in findings related to the assessment of the hypothesised structural (conceptual) model. Accordingly, this study applied structural equation modelling using the two-step approach. SEM is considered as the most suitable technique for this research study involving multiple independent-dependent relationships that were hypothesised in the proposed research model, which was described in the previous chapter.

In order to apply SEM, the software package of AMOS software version 20 was used to explore the statistical relationships between the test items of each factor and among the independent and dependent variables. The reason for selecting SEM for data analysis were as follows: (1) it offers a systematic mechanism to validate relationships among constructs and indicators in addition to testing relationships between constructs.
in a single model (Hair et al., 2010), and (2) it offers influential and rigorous statistical techniques to deal with complex models (Bryne, 2001; Tabachnick and Fidell, 2001; Hair et al., 2006). As was mentioned earlier, in SEM, relationships among constructs and indicators are validated by using confirmatory factor analysis (CFA) in addition to testing the relationships between constructs by using the structural model (Hair et al., 2010). Table 4.13 presents a summary of statistics used in this research.
<table>
<thead>
<tr>
<th>Statistics</th>
<th>Goals of Analysis</th>
<th>Software Package</th>
<th>Remarks</th>
<th>Reference (S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Descriptive Statistics</td>
<td>To summarise demographic information and items analysis.</td>
<td>SPSS 20</td>
<td>It describes samples of subjects in terms of variables or combinations of variables which were performed for each variable individually and to summarise the demographic profile of the respondents to get preliminary information and the feel of the data.</td>
<td>Sekaran (2000); Tabachnick and Fidell (2007)</td>
</tr>
<tr>
<td>Kurtosis and Skewness</td>
<td>To check that a distribution of scores is normal.</td>
<td>SPSS 20</td>
<td>The maximum acceptable limits of observation values up to ±3 for the Kurtosis and up to ±1 for the Skewness were used.</td>
<td>Kline (2005); Hair et al. (2006)</td>
</tr>
<tr>
<td>Cronbach’s Alpha</td>
<td>To examine the internal consistency of each measure and the measure of scale reliability.</td>
<td>SPSS 20</td>
<td>A minimum cut-off of 0.7 for Cronbach’s alpha reliability coefficients was adopted.</td>
<td>Nunnally (1978); Hair et al. (2006)</td>
</tr>
<tr>
<td>Pearson’s Correlation</td>
<td>To be an accurate measure of the linear relationship between two variables.</td>
<td>SPSS 20</td>
<td>Correlations vary from ‘no’ to an excellent relationship depending on the r value.</td>
<td>Fink (1995)</td>
</tr>
<tr>
<td>Varimax</td>
<td>To minimise complexity of factors (simplify columns of loading matrix) by maximising variance of loading on each factor, as well as to maximise the generalisability of orthogonal factors.</td>
<td>SPSS 20</td>
<td>Most commonly used rotation; recommended as default position.</td>
<td>Tabachnick and Fidell (2001)</td>
</tr>
</tbody>
</table>
### Exploratory Factor Analysis (EFA)

To summarise data from many variables in the proposed research model into a smaller number of factors.

**SPSS 20**

Principal component analysis (PCA) and orthogonal model with Varimax rotation was applied to perform EFA.

- Bryman and Cramer (2005);
- Tabachnick and Fidell (2007);
- Miller et al. (2002)

### Confirmatory Factor Analysis (CFA)

To assess the model reliability and validity of constructs used in the model.

To measure the model goodness of fit (GOF)

**AMOS 20**

The minimum cut-off criteria for factors loadings ≥0.7, ≥ 0.5, and reliability ≥0.7 were used for assessing the convergent validity.

Nomological validity was assessed using correlations (estimates). Positive and significant estimates indicated nomological validity.

Discriminant validity, the average variance extracted (AVE) for each construct was compared with the corresponding squared inter-construct correlations (SIC); AVE larger than SIC indicates discriminant validity.

- Kline (2005);
- Hair et al. (2010)

### Path Analysis (SEM)

To test the hypothesised relationships between the latent constructs in the proposed model

**AMOS 20**

Critical ratio (CR) estimates value ≥ 1.96 suggests significance of the causal path between latent constructs

- Kline (2005);
- Hair et al. (2010)
4.10.5 Assesment of Model Fit Validity

In order to assess the measurement model validity, a cluster of goodness of fit (GOF) indices are provided by SEM analysis techniques to enable the comparison between the theory (the hypothetical model) and reality (collected data). According to Hair et al. (2010), the degree to which the theory and the collected data are similar reflects the goodness (or badness) of the proposed model. Thus, the degree of structural model fit confirms the consistency of a theoretical model and the estimated model which is based on the observed values (Hair et al., 2006). Although, in social science, research models cannot signify real data perfectly, a common practice is to follow threshold levels put forward for several GOF indices recommended by methodology texts (Byrne, 2010; Hair et al., 2010).

In structural equation modelling (SEM), there are three main types of fit measure indices including absolute fit indices, incremental fit indices, and parsimonious fit indices (Byrne, 2010; Hair et al., 2010). The absolute fit indices provide a direct assessment of how the overall model fits with the sample data. Though, more important, other indices of this type are Goodness-of-Fit Index (GFI), Root Mean Square Error or Approximation (RMSEA), Root Mean Square Residual (RMR) and Standardised RMR (SRMR) (Hair et al., 2010). The incremental fit indices are used to assess the fit of the proposed model by comparing it to an alternative baseline model (Byrne, 2010; Hair et al., 2010). The incremental fit indices consist of the Normed Fit Index (NFI), Comparative Fit Index (CFI), Tucker Lewis Index (TLI) and Relative Noncentrality Index (RNI). The parsimonious fit indices are designed to consider the complexity of models by investigating whether the estimated model is simpler or can be improved by specifying fewer estimated parameter paths (Hair et al., 2010). The parsimonious fit index includes the adjusted Goodness-Of-Fit Index (AGFI), Parsimony Normed Fit Index (PNFI) and Akaike Information Criterion (AIC).

For the present study, commonly used indices from each type will be employed to assess the fit of postulated models. These include chi-square ($\chi^2$), GFI and RMSEA from absolute indices, CFI and NFI from incremental indices, and AGFI from parsimony fit indices. These criteria are selected on the basis of recommendations from Byrne, (2010) and Hair et al. (2010) which are summarised as follows: (a) these fit
measures are supported in the literature as key indices of fit that should be reported (b) their varied approach to the assessment of model fit and (c) that several fit indices provided by SEM programs mainly provide the same information. Details of these fit measures and their recommended levels are discuss in the following section and presented in Table 4.14.

- **The Chi-Square ($\chi^2$)** is the fundamental statistical test of this type. The chi-square ($\chi^2$) test is examines the difference between the observed sample and estimated covariance matrices; the lower the ($\chi^2$) value, the better the fit. The sensitivity of this statistic is related to sample sizes; however, use of the ($\chi^2$) index provides slight guidance in determining the extent to which a model does not fit (Byrne, 2010). According to Barrett (2007), a good model fit would provide an insignificant result at a 0.05 threshold. Thus, the Chi-Square test is frequently referred to as either a ‘badness of fit’ (Kline, 2005) or a ‘lack of fit’ (Mulaik et al., 1989) measure.

- **Goodness of Fit Index (GFI)** is a measure to calculate the proportion of variance that is accounted for by the estimated population covariance (Tabachnick and Fidell, 2007). GFI is a non-statistical measure which gives only guidance of fit (Hair et al., 2010). The possible range of GFI value is 0 to 1 with higher values indicating better fit (Hair et al., 2010) and larger samples increasing its value (Hooper, Coughlan and Mullen, 2008). Traditionally, GFI values of greater than .90 typically are considered to be a good fit (Hair et al., 2010).

- **Root Mean Square Error of Approximation (RMSEA)** is one of the most widely used measures that attempts to demonstrate how well the model, with unknown but optimally chosen parameter estimates, would fit the populations covariance matrix (Byrne, 1998). Recommendations for RMSEA cut-off point values of 0.05 or 0.08 are considered an indication of good fit (Hair et al., 2010).

- **Normed-Fit Index (NFI)** is one of the original common incremental fit measures. NFI statistic assesses the model by comparing the $\chi^2$ value of the fitted model to the $\chi^2$ of the null model (Hair et al., 2010). Values for this statistic range between
0 and 1 with a recommendation that values greater than 0.90 indicate a good fit (Bentler and Bonnet, 1980; Hair et al., 2006).

- **Comparative Fit Index (CFI)** is an improved version of the NFI which takes into account sample size (Byrne, 1998) and performs well even when sample size is small (Hair et al., 2006; Tabachnick and Fidell, 2007). This statistic assumes that all latent variables are uncorrelated and compares the sample covariance matrix with the null model (Hooper, Coughlan and Mullen, 2008). The CFI values range between 0 and 1 with values closer to 1 indicating good fit (Hair et al., 2010). A cut-off criterion above 0.90 was initially advanced and needed (Hu and Bentler, 1999).

- **The Adjusted Goodness-of-Fit Statistic (AGFI)** is related to the GFI in that it adjusts the GFI based upon degrees of freedom, with more saturated models reducing fit (Tabachnick and Fidell, 2007; Hair et al., 2010). Values for the AGFI range between 0 and 1 and it is usually accepted that values of 0.90 or greater indicate well-fitting models (Hair et al., 2006; Hooper, Coughlan and Mullen, 2008).

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Acceptable Threshold Levels</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\chi^2$</td>
<td>$\chi^2$, DF, $p$ Values greater than 0.05</td>
<td>Bryne (2010) and Hair et al. (2010)</td>
</tr>
<tr>
<td>GFI</td>
<td>Value $\geq$ 0.90</td>
<td></td>
</tr>
<tr>
<td>RMSEA</td>
<td>Value &lt; .05 indicates good model fit; Value &lt; .08 indicates reasonable fit; Value &lt; .10 indicates poor fit</td>
<td></td>
</tr>
<tr>
<td>NFI</td>
<td>Value $\geq$ 0.90</td>
<td></td>
</tr>
<tr>
<td>CFI</td>
<td>Value $\geq$ 0.90</td>
<td></td>
</tr>
<tr>
<td>AGFI</td>
<td>Value $\geq$ 0.90</td>
<td></td>
</tr>
</tbody>
</table>

4.10.6 **Testing Structural Relationships**

Good model fit alone is insufficient to evaluate the measurement model. However, a test of the structural model can be readily performed to support a proposed structural
model (Tabachnick and Fidell, 2007; Hair et al., 2010). SEM is estimated to provide an empirical measure of the relationships between a dependent variable and two or more independent variables due to its well-developed underlying statistical theory (Hair et al., 2006). In order to test the research hypotheses, other standardised estimates are needed to evaluate the measurement model such as standardised regression weight (factor loadings), and t value (critical ratio) estimates criteria. The cut-off point of the factor loadings value should be above 0.5 (Holmes-Smith, 2002) whereas, the critical ratio values should be greater than 1.96 (Hair et al., 1998; Byrne, 2001).

As described earlier, the measurement model explicates the interrelationships between observed (indicator) variables and unobserved (latent) variables. In other words, it confirms which measurement items (indicator variables) relate to each of its corresponding underlying construct (latent variable). In order to identify and confirm the pattern by which measurement items were loaded onto a particular construct, CFA (measurement model) was performed (Kline, 2005; Hair et al., 2006). The measurement model was assessed by applying the maximum likelihood (ML) estimation technique provided in the AMOS software (Tabachnick and Fidell, 2001; Hair et al., 2006).

4.11 Ethical Considerations

Ethical issues are critically important concepts in social sciences research (Collis and Hussy, 2003). As Burns (2000) stresses, a researcher has a responsibility to protect human rights, guide them and supervise the interests of people. Similarly, Christians (2000) and Payne and Payne (2004) highlight that participants must be enabled to give their informed consent, privacy, confidentiality and advised that they can terminate their involvement for any reason, at any time. Participants also have to be fully assured of anonymity, well-informed and understand the purpose and the nature of the data collection process (Burns, 2000).

In this research, the ethical requirements that need to be considered in any empirical academic research were taken into account. This research followed the Code of
Research Ethics in Brunel University. According to the Ethics Policy Guidelines, research ethics forms were completed in order to obtain ethical approval before starting the process of data collection. The Brunel Business School Research Ethics Form is available on the website of the Research Ethics Committee. This form was signed by the researcher and supervisors and submitted to the research ethics committee in Brunel Business School. Moreover, a covering letter was attached with the survey questionnaires starting with the title of research study, name of the researcher and school to increase respondents’ confidence and to ensure respondents know with whom they were dealing (Cooper and Schindler, 2001), the purpose of the research, and what was involved in participation in a way that could be clearly understood by respondents prior to filling in the questionnaire (Appendix A).

In conformity with the ethics requirements, the participants were asked to participate voluntarily and given the right to withdraw from participation at any time and at any stage of the study if they chose to do so. All participants were assured that anonymity and confidentiality of the responses was guaranteed and they were not described in any way that would allow them to be identified in any of the study findings. To maintain the privacy and confidentiality of the respondents, only aggregate results were used in reporting the results of this study. Additionally, the data collected were only used for the purpose of the study objectives, which were for academic research for fulfilment of the requirements of a PhD thesis.

### 4.12 Concluding Remarks

The aim of this chapter has been to demonstrate the methodological blocks and research methods incorporated to facilitate the data collection and statistical techniques used in this study. This study adopted a positivist approach which was considered to be appropriate and consistent for this research, as the hypothesised model was only developed after a thorough investigation of the literature. This approach permits the researcher to come closer to reality; it is still objective however, and interprets reality using social conditioning to overcome the status quo. Saudi Arabia - the research context - was selected to conduct the empirical study which, as has been argued, provided a suitable location for this study. A quantitative research approach was
deemed best suited to test the proposed model. A cross-sectional survey was conducted for primary data from diverse managerial levels. Data were collected from private organisations in the oil and banking industries from the three main cities in Saudi Arabia: Jeddah, Riyadh and Dammam. Because, data collection is seriously challenging in Saudi Arabia, convenience and snowball sampling were felt to be the most appropriate in terms of obtaining satisfactory responses.

The survey method was used because it was designed to deal more directly with the respondents’ perceptions, experiences and opinions, especially when collecting information regarding attitudes and beliefs is concerned. Furthermore, a survey approach offers good potential credibility of the research findings and good generalisability. Besides, surveys methods are economical, quick, efficient, and can easily be administered to a large sample. Most of the survey instruments were adopted from prior relevant research except that a new measurement scale for a social network position component was proposed. All items were validated and some wording changes were made to tailor the instrument for the purposes of this study. Great efforts were made by the researcher to keep the questions quite simple and easy to read as well as comprehensible so that the respondents would not misunderstand them or become disinterested in taking part in the study. Using an online- and paper-based survey strategy, a total of 1960 questionnaires were distributed. A total of 486 were returned, and 470 completed responses were used for final analysis. The questionnaire was written in two languages (English and Arabic) as the native language of the participants is Arabic. Then the questionnaire was administered to the users personally as well as being sent to the potential participants by electronic mail.

A pre-rest and pilot study are both essential parts of a questionnaire survey and must be conducted to measure the reliability and validity of the questionnaire before the actual full-scale study is carried out. Therefore, a pre-test and a pilot study were conducted prior to using the final survey questionnaire in the main study. The main purpose of the pre-test and pilot study was to avoid participant confusion and misinterpretation, to identify and detect any errors and ambiguities and to avoid any mismatch between the two versions of the survey. Details of practical considerations such as participation and sampling, measurement scales and data analysis procedure
have also been discussed in this chapter. Beforehand, the questionnaire was successfully pilot-tested ‘online’ with 40 Saudi managers.

Upon completion of the study, SPSS statistical package version 20 was used. This software package is widely accepted and used by researchers in different disciplines. Analytical techniques including descriptive statistics and exploratory factor analysis were deliberated briefly. In this research, a two-step approach in the SEM analysis was applied as suggested by prior research using software package AMOS 20. In the first step, measurement model evaluation was achieved by examining uni-dimensionality, reliability and validity of latent constructs using CFA. The next step was testing the structural model to examine the hypothesised relationships between the latent constructs in the proposed research model. Finally, the ethical issues involved in this study have also been presented. The results of the main study of 470 responses are set out in the next chapter.
Chapter Five

DATA ANALYSIS AND FINDINGS

5.1 Introduction

In order to evaluate and test the proposed model of the study, this chapter deals with a range of issues that needed to be resolved after the data collection process. This chapter provides a detailed discussion of the statistical procedures followed to analyse the final data and presents significant results related to the research objectives. A variety of analysis techniques and statistical tests were employed to analyse the questionnaire instruments as completed by the study subjects. The data were analysed in three main steps, through which the final results of hypotheses testing are reached. Starting with a brief description of respondents’ demographics and their talent decision-making experience, this section proceeds with a basic analysis of the research constructs (mean, standard deviation, correlation, reliability, MANOVA etc.), accompanied by analysis of variance results. The second stage encompassed testing for the factorial validity of the measurement scales by means of exploratory and confirmatory factor analysis. The third section moves on to the analysis of testing the conceptual model and the hypothetical relationships. Following the assumptions of structural equation modelling, several tables and figures are provided to produce and reflect the sequential processes of improving the model’s overall fit and preparing it for testing the hypotheses. Finally, a summary will be provided at the end of the chapter.

5.2 Data Management

The data for the main survey was undertaken from April to June 2013, using the questionnaire in Appendix A. As illustrated in Chapter 4, due to the serious challenge of data collection in Saudi Arabia, the current study is based on non-probability
sampling; namely, convenience sampling and snowball sampling, as commonly used management and business studies methods (Bryman and Bell, 2007). For the reasons given, convenience and snowball sampling were considered to be the most appropriate to yield to satisfactory responses in this context. The survey questionnaire was distributed to 1960 participants, 1760 were sent by email to participants who were selected by convenience sampling from a number of private sector organisations across Saudi Arabia. The participants were all managers such as HR managers, talent managers, line managers, senior managers and directors. A total of 1033 participants started the online survey and 440 completed it which represents a response rate of 25% of the online sample. Meanwhile, 46 hard copy questionnaires were completed out of 200 distributed which represents a response rate of 23% rate of the paper-based sample. The total response rate from online and paper-based questionnaire was 486 which represents 25% of the original sample.

However, among the returned questionnaires, 10 responses were discarded because respondents did not matching the research population, and six questionnaires were partially answered (i.e., some questions and/or some parts such as demographic questions were left blank). Therefore, the remaining 470 questionnaires comprised the final response rate used for further data analysis. For the duration of the data collection, gentle reminder emails were sent (at least twice) to non-respondents ten days after the first distribution. However, it was not compulsory to fill out the questionnaire at any particular time or place. All participants were free to respond at anytime and anywhere, and at the same time they had the right to withdraw from the study at any time.

In this study, SPSS version 20 was used to assess the descriptive statistics. Then reliability tests and exploratory factor analysis (EFA) were conducted as preliminary tests to refine the measures. After refinement, the measurement scales were then subjected to a validation phase through confirmation factor analysis (CFA) on the basis of structural equation modelling (SEM) as a method to finalise the scales. The final phase was to apply analysis of moment (AMOS) version 20 software to assess the model fit of the study. Typically, the SPSS program deals with quantitative data to run the objects, thus all responses from participants were downloaded from the online survey (Qualtrics) website and the data entered from the paper-based questionnaires according to the numeric response value. After downloading the data into SPSS, spread-sheet columns
and rows were developed by coding the variables, which consisted of a series of grouped question items. These groups of variables represented the independent and dependent variables used in the analysis. Finally, the data was cleaned using descriptive statistical tests to know the responses to each question according to column section and confirm the proper figure was transferred.

5.3 Data Examination

Examining the data by screening the raw data is a necessary initial step before the main analysis. Accuracy of data input, missing values, detecting outliers and testing the normality are essential for analysing the responses of participants (Hair et al., 2010). Concerns like missing data, outliers and normality have an influence on the relationships between variables or on the outcome of variables and these issues must be considered and resolved (Tabachnick and Fidell, 2007). Details of the procedures used in this study to screen and examine the data, including missing data, procedures for detecting outliers and normality testing will be discussed in this section.

5.3.1 Missing Data

Missing data is one of the most problematic issues in data analysis. This issue is a fairly common occurrence in certain research domains which can affect the results of research objectives. The occurrence of missing data can be due to a variety of reasons such as long questionnaires and/or participants who accidently miss out questions are the most common reasons in social science research. However, in this research the technical features of the online questionnaires excluded any missing values, since respondents would not have been able to proceed to the next question until they had completed the previous question. The participants were also free to withdraw at any moment from participating in the study. In addition, incomplete paper-based questionnaires were removed.
5.3.2 Outliers

Outliers, according to Hair et al. (2010, p. 64), refer to “observations with a unique combination of characteristics identifiable as distinctly different from the other observations”. These outliers might occur with an extreme value on one variable or a unique combination of values across several variables that make the observation stand out from the others (Tabachnick and Fidell, 2007). There are three methods to detect outlier such as Univariate detection, Bivariate detection and Multivariate detection (Field, 2006; Hair et al., 2006). Hair et al. (2010) defines a univariate outlier as one that has an extreme score on a single variable, whereas a multivariate outlier has extreme scores on two or more variables. In order to detect multivariate outliers, the computation of the squared Mahalanobis distance \((D^2)\) for each response was performed, which is a measure of distance in standard deviation units between each observation compared with the mean of all observations (Hair et al., 2006; Byrne, 2010). Characteristically, an outlying case will have a \(D^2\) value that stands apart from all the other \(D^2\) values (Byrne, 2010). An assessment of these values, as provided by AMOS output tables, shows minimal indication of serious multivariate outliers. However, Hair et al. (2010) recommend that although the deletion of outliers might improve multivariate analysis, this is at the risk of limiting generalisability. Therefore, it was decided to retain all the multivariate outlier cases.

5.3.3 Assessment of Normality

Normality refers to the data distribution which is an essential assumption in measuring the variation of variables. Statistically, normality is the most fundamental assumption in multivariate analysis, especially in SEM (Hair et al., 2010). On the other hand, Tabachnick and Fidell, (2007) suggest that for data analysis, normality is not always required but it is found better if the variables are normally distributed. Hair et al. (2006) highlight that violating the normal distribution assumption can make the resulting statistical tests invalid, particularly when the variation from the normal distribution is sufficiently large (Hair et al., 2010).

There are a number of tests which measure the normality of data by statistical methods (Hair et al., 2006; Tabachnick and Fidell, 2007). In this sense, normality of data
distribution can be measured by the Kolmogorov and Shapiro methods and a kurtosis and skewness test (Field, 2006; Tabachnick and Fidell, 2007; Hair et al., 2010). Therefore, initially descriptive statistics were applied in SPSS 20 (see Table 5.1). All variables were found to be normally distributed; since deviations are acceptable within the range of -2.58 and +2.58.

Additionally, Kolmogorov and Shapiro tests (Field, 2006) were employed to find the data normality. Outcomes of this test (Table 5.2) were found significant for all variables, which might be due to the large sample size (e.g., N = 470 in this study). Since this test is very sensitive to large sample sizes and minor deviation from normality are shown in these tests as significant, hence, significant Kolmogorov and Shapiro tests do not reveal departure from normality of data (Field, 2006, p. 93). In this study, the most commonly used critical value of ± 2.58 at the 0.01 significance level was adopted (Hair et al., 2010). The details of these statistics to the constructs and their measures will be presented in detail in the following tables.

### Table 5.1
Skewness and Kurtosis Values

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>Statistic</td>
<td>Std. Error</td>
</tr>
<tr>
<td>RDM</td>
<td>470</td>
<td>-1.550</td>
<td>0.113</td>
</tr>
<tr>
<td>IDM</td>
<td>470</td>
<td>-0.405</td>
<td>0.113</td>
</tr>
<tr>
<td>DDM</td>
<td>470</td>
<td>-0.378</td>
<td>0.113</td>
</tr>
<tr>
<td>ADM</td>
<td>470</td>
<td>0.448</td>
<td>0.113</td>
</tr>
<tr>
<td>SDM</td>
<td>470</td>
<td>0.478</td>
<td>0.113</td>
</tr>
<tr>
<td>UA</td>
<td>470</td>
<td>-0.884</td>
<td>0.113</td>
</tr>
<tr>
<td>IC</td>
<td>470</td>
<td>-0.533</td>
<td>0.113</td>
</tr>
<tr>
<td>PD</td>
<td>470</td>
<td>0.629</td>
<td>0.113</td>
</tr>
<tr>
<td>MF</td>
<td>470</td>
<td>0.106</td>
<td>0.113</td>
</tr>
<tr>
<td>SNP</td>
<td>470</td>
<td>-0.804</td>
<td>0.113</td>
</tr>
<tr>
<td>GD</td>
<td>470</td>
<td>-0.155</td>
<td>0.113</td>
</tr>
<tr>
<td>HOM</td>
<td>470</td>
<td>-0.118</td>
<td>0.113</td>
</tr>
<tr>
<td>INN</td>
<td>470</td>
<td>-0.547</td>
<td>0.113</td>
</tr>
<tr>
<td>SUP</td>
<td>470</td>
<td>1.143</td>
<td>0.113</td>
</tr>
<tr>
<td>BUR</td>
<td>470</td>
<td>0.645</td>
<td>0.113</td>
</tr>
<tr>
<td>FAI</td>
<td>470</td>
<td>-0.794</td>
<td>0.113</td>
</tr>
</tbody>
</table>

Valid N 470 (list wise)

Table 5.2
Tests of Normality

<table>
<thead>
<tr>
<th></th>
<th>Kolmogorov-Smirnova</th>
<th>Shapiro-Wilk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>DF</td>
</tr>
<tr>
<td>RDM</td>
<td>.159</td>
<td>470</td>
</tr>
<tr>
<td>IDM</td>
<td>.105</td>
<td>470</td>
</tr>
<tr>
<td>DDM</td>
<td>.093</td>
<td>470</td>
</tr>
<tr>
<td>ADM</td>
<td>.092</td>
<td>470</td>
</tr>
<tr>
<td>SDM</td>
<td>.103</td>
<td>470</td>
</tr>
<tr>
<td>UA</td>
<td>.139</td>
<td>470</td>
</tr>
<tr>
<td>IC</td>
<td>.083</td>
<td>470</td>
</tr>
<tr>
<td>PD</td>
<td>.084</td>
<td>470</td>
</tr>
<tr>
<td>MF</td>
<td>.067</td>
<td>470</td>
</tr>
<tr>
<td>SNP</td>
<td>.196</td>
<td>470</td>
</tr>
<tr>
<td>GD</td>
<td>.147</td>
<td>470</td>
</tr>
<tr>
<td>HOM</td>
<td>.116</td>
<td>470</td>
</tr>
<tr>
<td>INN</td>
<td>.196</td>
<td>470</td>
</tr>
<tr>
<td>SUP</td>
<td>.364</td>
<td>470</td>
</tr>
<tr>
<td>BUR</td>
<td>.290</td>
<td>470</td>
</tr>
<tr>
<td>FAI</td>
<td>.154</td>
<td>470</td>
</tr>
</tbody>
</table>

a. Lilliefors Significance Correction

Note: DF = degree of freedom, Sig. = Significance

5.4 Demographic Characteristics of Participants

This section presents the demographic characteristics of the respondents of the main survey questionnaire. A total of 470 completed responses were used for final analysis, which indicates a response rate of 24%. Consistent with the need to use structural equation modelling (SEM) to analyse the relationships between the constructs in the proposed model, the minimum sample size required for this is 200 and above (Tabachnich and Fidell, 2006; Hair et al., 2010). Consequently, this number of usable questionnaires is considered satisfactory. Data also was recorded with cleaning and coding before inferring findings. However, no missing data were found owing to use of the online survey. The researcher also found a few outliers from the data, which were also included in the study. The subsequent sub-sections deliberate the demographic characteristics of the sample in the study.
5.4.1 Profile of Respondents

The characteristics of the respondents such as gender, age, present employment status, higher education level, years of experience were asked in the questionnaire. Demographic details of the participants (Table 5.3) show that the majority of the respondents were male 85.5% (N = 402), while 14.5 % (N = 68) were female. Results also revealed that 52.6% of respondents were aged between 30-39 years. The second highest number (21.3%) of respondents was those aged between 40-49 years old. Most of the participants in this survey reported the highest level of education as a Master’s degree 45.7% (N = 215) followed by a Bachelor’s degree 38.7% (N = 38.7). The majority of respondents comprised HR managers 34.5% (N = 162) and Directors 23.0% (N = 108). The largest group of respondents 45.1% (N = 212) had work experience of between 6 to 10 years, while 31.5% (N = 148) had work experience of between 11 to 15 years.

Table 5.3
Profile of Respondents

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Category</th>
<th>Frequencies</th>
<th>Valid Percent %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>402</td>
<td>85.5</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>68</td>
<td>14.5</td>
</tr>
<tr>
<td>Age</td>
<td>20-29</td>
<td>79</td>
<td>16.8</td>
</tr>
<tr>
<td></td>
<td>30-39</td>
<td>247</td>
<td>52.6</td>
</tr>
<tr>
<td></td>
<td>40-49</td>
<td>100</td>
<td>21.3</td>
</tr>
<tr>
<td></td>
<td>50-59</td>
<td>37</td>
<td>7.9</td>
</tr>
<tr>
<td></td>
<td>&gt; 60</td>
<td>7</td>
<td>1.5</td>
</tr>
<tr>
<td>Highest Educational Level</td>
<td>Vocational/technical college</td>
<td>16</td>
<td>3.4</td>
</tr>
<tr>
<td></td>
<td>Bachelor’s degree</td>
<td>182</td>
<td>38.7</td>
</tr>
<tr>
<td></td>
<td>Master’s degree or equivalent</td>
<td>215</td>
<td>45.7</td>
</tr>
<tr>
<td></td>
<td>PhD or equivalent</td>
<td>57</td>
<td>12.1</td>
</tr>
<tr>
<td>Present Employment Status</td>
<td>HR manager</td>
<td>162</td>
<td>34.5</td>
</tr>
<tr>
<td></td>
<td>Talent manager</td>
<td>21</td>
<td>4.5</td>
</tr>
<tr>
<td></td>
<td>Line manager</td>
<td>94</td>
<td>20.0</td>
</tr>
<tr>
<td></td>
<td>Senior manager</td>
<td>85</td>
<td>18.1</td>
</tr>
<tr>
<td></td>
<td>Director</td>
<td>108</td>
<td>23.0</td>
</tr>
<tr>
<td>Years of Experience</td>
<td>1-5</td>
<td>78</td>
<td>16.6</td>
</tr>
<tr>
<td></td>
<td>6-10</td>
<td>212</td>
<td>45.1</td>
</tr>
<tr>
<td></td>
<td>11-15</td>
<td>148</td>
<td>31.5</td>
</tr>
<tr>
<td></td>
<td>16-20</td>
<td>11</td>
<td>2.3</td>
</tr>
<tr>
<td></td>
<td>&gt; 21</td>
<td>21</td>
<td>4.5</td>
</tr>
</tbody>
</table>
5.4.2 Organisation Details

Two business industries were presented to respondents to choose the one which best reflected their organisation’s sector. Most of the participants in this survey were working in the banking and financial sector which reported 77.9.0% (N = 366) of the respondents, followed by the oil and gas industry which represented 22.1% (N = 104) of the respondents. Results of the location of participants within the organisations are presented in Table. 5.4. Results revealed that the highest percentage 80.2% (N = 377) of participants were located in head office, while about 19.8% (N = 93) percentage of participants were located in branch offices.

Table 5.4
Organisation Details

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Category</th>
<th>Frequencies</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector of Organisation</td>
<td>Banking and Financial</td>
<td>366</td>
<td>77.9</td>
</tr>
<tr>
<td></td>
<td>Oil/Gas</td>
<td>104</td>
<td>22.1</td>
</tr>
<tr>
<td>Office Located</td>
<td>Head Office</td>
<td>377</td>
<td>80.2</td>
</tr>
<tr>
<td></td>
<td>Branch Office</td>
<td>93</td>
<td>19.8</td>
</tr>
</tbody>
</table>

5.4.3 Decision-Making Process

In terms of the decision-making process within the organisation, the majority of participants 79.6% (N = 374) agreed that the performance appraisal system was used as a process to identify talented employees in their organisation, while a small percentage 20.4% (96) of participants disagreed. The highest percentage 77.0% (N = 362) of participants believed that the evaluation and the results of the performance appraisal system is considered as a process that assists managers to make the right decision for identifying talented employees, while 22.9% (N = 108) disagreed. Participant results show that 54.0% (N = 254) of respondents believed that the performance appraisal system in their organisation is an accurate and effective way of identifying talented employees while about 45.3% (N = 213) percentage of participants did not believe in the accuracy of performance appraisal. These results reflect the importance of performance appraisal in the talent identification process.
A majority of respondents 77.0% (N = 362) indicated that managerial decision-making of the talent identification process in their organisation is usually made in Head office, whereas 20.8% (N = 98) revealed that the decision is made in a branch office, followed by a small minority 02.1% (N = 10) of participants who stated that the decision is made in both head office and branch office. Finally, most of the participants in this survey remarked that the final decision for identifying talent in their originations is made by a director 31.4% (N = 148) of the respondents, followed by HR managers 28.2% (N = 133) of the respondents.

The table below illustrates the results obtained for preliminary analysis of the decision making process in the organisations. It is apparent from this table (Table 5.5) that the majority of respondents, or 79.6%, used performance appraisal as process to identify talent in their organisations. Whereas, 77% of the participants in this survey believed that the evaluation and results of the performance appraisal assists managers to make the right decision towards identifying talent. Approximately half of those surveyed (54%) believed the accuracy and the effectiveness of the performance appraisal in identifying talent, while the rest did not. As regards the final decision, 77% of participants indicated that talent decision-making is usually make in head office, whereas 21% indicated that the decision is made in a branch office, while 02% indicated both. The majority of the respondents pointed out that talent decision-making is generally made by a director (31.4 %) and/or HR managers (28.2).

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Category</th>
<th>Frequencies</th>
<th>Valid Percent %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use the performance appraisal systems as a process for identifying talented employees.</td>
<td>Yes</td>
<td>374</td>
<td>79.6</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>96</td>
<td>20.4</td>
</tr>
<tr>
<td>The evaluation and the results of the performance appraisal assist in making the right decision for identifying talent.</td>
<td>Yes</td>
<td>362</td>
<td>77.0</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>108</td>
<td>22.9</td>
</tr>
<tr>
<td>The accuracy and of the performance appraisal is an effective way for identifying talent.</td>
<td>Yes</td>
<td>254</td>
<td>54.0</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>213</td>
<td>45.3</td>
</tr>
<tr>
<td>Talent decision-making usually made in:</td>
<td>Head Office</td>
<td>362</td>
<td>77.0</td>
</tr>
<tr>
<td></td>
<td>Branch Office</td>
<td>98</td>
<td>20.8</td>
</tr>
<tr>
<td></td>
<td>Both</td>
<td>10</td>
<td>02.1</td>
</tr>
</tbody>
</table>
The final decision for identifying talent in the organisations is made by:

- HR managers: 133, 28.2
- Talent manager: 40, 8.5
- Line manager: 83, 17.6
- Senior manager: 66, 14.0
- Director: 148, 31.4

5.5 Descriptive Statistics of Construct Items

This section presents the descriptive statistics of the survey constructs. The collected data was transformed into a format that was easy for the researcher to understand and interpret as shown in the following tables. All items were rated on a five-point Likert scale with different scores (the details of each measurement will be presented in detail in the next sections). Means of almost all variables (86 items) were well above the neutral position ($m > 2.5$). Therefore, these results indicate a strong level of agreement among respondents on each of the statements used for measuring variables in this survey.

5.5.1 Decision-Making Styles

The respondents were first asked to identify their decision-making styles. Five decision making styles were included: rational, intuitive, dependent, avoidant and spontaneous. Each style had five items on a five-point Likert scale ranging from strongly disagree (scale 1) to strongly agree (scale 5) which were used to measure each construct. The results of the respondents’ ratings for each item of this construct are reported in Table 5.6.
Table 5.6
Descriptive Statistics of Measured Items of Decision-Making Styles Construct

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>RDM 1</td>
<td>470</td>
<td>4.32</td>
<td>0.764</td>
<td>0.584</td>
</tr>
<tr>
<td>RDM 2</td>
<td>470</td>
<td>4.19</td>
<td>0.751</td>
<td>0.565</td>
</tr>
<tr>
<td>RDM 3</td>
<td>470</td>
<td>4.29</td>
<td>0.765</td>
<td>0.585</td>
</tr>
<tr>
<td>RDM 4</td>
<td>470</td>
<td>4.29</td>
<td>0.709</td>
<td>0.503</td>
</tr>
<tr>
<td>RDM 5</td>
<td>470</td>
<td>4.16</td>
<td>0.908</td>
<td>0.824</td>
</tr>
<tr>
<td>IDM 1</td>
<td>470</td>
<td>3.23</td>
<td>0.748</td>
<td>0.559</td>
</tr>
<tr>
<td>IDM 2</td>
<td>470</td>
<td>3.20</td>
<td>0.778</td>
<td>0.605</td>
</tr>
<tr>
<td>IDM 3</td>
<td>470</td>
<td>3.44</td>
<td>1.028</td>
<td>1.057</td>
</tr>
<tr>
<td>IDM 4</td>
<td>470</td>
<td>3.21</td>
<td>1.109</td>
<td>1.231</td>
</tr>
<tr>
<td>IDM 5</td>
<td>470</td>
<td>3.41</td>
<td>0.943</td>
<td>0.890</td>
</tr>
<tr>
<td>DDM 1</td>
<td>470</td>
<td>3.77</td>
<td>0.902</td>
<td>0.813</td>
</tr>
<tr>
<td>DDM 2</td>
<td>470</td>
<td>3.54</td>
<td>0.991</td>
<td>0.982</td>
</tr>
<tr>
<td>DDM 3</td>
<td>470</td>
<td>4.06</td>
<td>0.846</td>
<td>0.715</td>
</tr>
<tr>
<td>DDM 4</td>
<td>470</td>
<td>3.86</td>
<td>0.752</td>
<td>0.566</td>
</tr>
<tr>
<td>DDM 5</td>
<td>470</td>
<td>3.33</td>
<td>0.936</td>
<td>0.877</td>
</tr>
<tr>
<td>ADM 1</td>
<td>470</td>
<td>3.49</td>
<td>1.134</td>
<td>1.287</td>
</tr>
<tr>
<td>ADM 2</td>
<td>470</td>
<td>2.57</td>
<td>1.119</td>
<td>1.252</td>
</tr>
<tr>
<td>ADM 3</td>
<td>470</td>
<td>2.51</td>
<td>1.062</td>
<td>1.129</td>
</tr>
<tr>
<td>ADM 4</td>
<td>470</td>
<td>2.49</td>
<td>1.047</td>
<td>1.096</td>
</tr>
<tr>
<td>ADM 5</td>
<td>470</td>
<td>2.48</td>
<td>1.113</td>
<td>1.239</td>
</tr>
<tr>
<td>SDM 1</td>
<td>470</td>
<td>2.54</td>
<td>1.002</td>
<td>1.004</td>
</tr>
<tr>
<td>SDM 2</td>
<td>470</td>
<td>2.53</td>
<td>1.002</td>
<td>1.004</td>
</tr>
<tr>
<td>SDM 3</td>
<td>470</td>
<td>2.88</td>
<td>1.050</td>
<td>1.102</td>
</tr>
<tr>
<td>SDM 4</td>
<td>470</td>
<td>2.43</td>
<td>0.992</td>
<td>0.984</td>
</tr>
<tr>
<td>SDM 5</td>
<td>470</td>
<td>3.07</td>
<td>0.926</td>
<td>0.857</td>
</tr>
</tbody>
</table>

Valid N 470 (list wise)


5.5.2 Individual Culture

The level of individual culture of the respondents were measured by 22 items divided to four dimensions including as power distance (PD), individualism vs. collectivism (IC), masculinity vs. femininity (MA) and uncertainty avoidance (UA). A Five-point Likert scale ranging from ‘strongly disagree’ (scale 1) and ‘strongly agree’ (scale 5) was used in each dimension. Table 5.7 reports the descriptive statistics of measured items of the four dimensions.
Table 5.7
Descriptive Statistics of Measured Items of the Individual Culture Constructs

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>UA 1</td>
<td>470</td>
<td>4.31</td>
<td>0.840</td>
<td>0.705</td>
</tr>
<tr>
<td>UA 2</td>
<td>470</td>
<td>3.89</td>
<td>0.824</td>
<td>0.679</td>
</tr>
<tr>
<td>UA 3</td>
<td>470</td>
<td>4.20</td>
<td>0.786</td>
<td>0.618</td>
</tr>
<tr>
<td>UA 4</td>
<td>470</td>
<td>4.21</td>
<td>0.768</td>
<td>0.591</td>
</tr>
<tr>
<td>UA 5</td>
<td>470</td>
<td>4.16</td>
<td>0.814</td>
<td>0.662</td>
</tr>
<tr>
<td>IC 1</td>
<td>470</td>
<td>3.74</td>
<td>0.969</td>
<td>0.939</td>
</tr>
<tr>
<td>IC 2</td>
<td>470</td>
<td>4.00</td>
<td>0.914</td>
<td>0.836</td>
</tr>
<tr>
<td>IC 3</td>
<td>470</td>
<td>4.07</td>
<td>0.841</td>
<td>0.708</td>
</tr>
<tr>
<td>IC 4</td>
<td>470</td>
<td>3.52</td>
<td>0.763</td>
<td>0.583</td>
</tr>
<tr>
<td>IC 5</td>
<td>470</td>
<td>3.47</td>
<td>0.950</td>
<td>0.902</td>
</tr>
<tr>
<td>IC 6</td>
<td>470</td>
<td>3.32</td>
<td>0.956</td>
<td>0.914</td>
</tr>
<tr>
<td>PD 1</td>
<td>470</td>
<td>2.54</td>
<td>1.013</td>
<td>1.026</td>
</tr>
<tr>
<td>PD 2</td>
<td>470</td>
<td>3.02</td>
<td>1.036</td>
<td>1.074</td>
</tr>
<tr>
<td>PD 3</td>
<td>470</td>
<td>2.61</td>
<td>1.151</td>
<td>1.326</td>
</tr>
<tr>
<td>PD 4</td>
<td>470</td>
<td>2.37</td>
<td>1.116</td>
<td>1.245</td>
</tr>
<tr>
<td>PD 5</td>
<td>470</td>
<td>2.43</td>
<td>1.070</td>
<td>1.146</td>
</tr>
<tr>
<td>PD 6</td>
<td>470</td>
<td>2.59</td>
<td>1.042</td>
<td>1.085</td>
</tr>
<tr>
<td>MF 1</td>
<td>470</td>
<td>2.56</td>
<td>1.195</td>
<td>1.428</td>
</tr>
<tr>
<td>MF 2</td>
<td>470</td>
<td>2.37</td>
<td>1.188</td>
<td>1.411</td>
</tr>
<tr>
<td>MF 3</td>
<td>470</td>
<td>2.71</td>
<td>1.097</td>
<td>1.204</td>
</tr>
<tr>
<td>MF 4</td>
<td>470</td>
<td>2.69</td>
<td>1.111</td>
<td>1.235</td>
</tr>
<tr>
<td>MF 5</td>
<td>470</td>
<td>2.76</td>
<td>1.292</td>
<td>1.669</td>
</tr>
</tbody>
</table>

Valid N (list wise) 470

Note: Power Distance = PD, Individualism vs. collectivism = IC, Masculinity vs. Femininity = MA, Uncertainty avoidance = UA.

5.5.3 Organisational Culture

The organisational culture construct was measured by 24 items divided to three types of organisations: innovative (INN), supportive (SUP) and bureaucratic (BUR). Each type was measured by eight items on a five-point Likert scale ranging from ‘totally does not describe my organisation’ (scale 1) to ‘describes my organisation most of the time’ (scale 5). Table 5.8 presents the descriptive results of measured items in this construct.
Table 5.8
Descriptive Statistics of Measured Items of the Organisational Culture Construct

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>INN 1</td>
<td>470</td>
<td>4.03</td>
<td>0.427</td>
<td>0.182</td>
</tr>
<tr>
<td>INN 2</td>
<td>470</td>
<td>4.66</td>
<td>0.488</td>
<td>0.238</td>
</tr>
<tr>
<td>INN 3</td>
<td>470</td>
<td>4.54</td>
<td>0.661</td>
<td>0.436</td>
</tr>
<tr>
<td>INN 4</td>
<td>470</td>
<td>4.46</td>
<td>0.624</td>
<td>0.389</td>
</tr>
<tr>
<td>INN 5</td>
<td>470</td>
<td>4.49</td>
<td>0.517</td>
<td>0.268</td>
</tr>
<tr>
<td>INN 6</td>
<td>470</td>
<td>4.53</td>
<td>0.567</td>
<td>0.322</td>
</tr>
<tr>
<td>INN 7</td>
<td>470</td>
<td>4.53</td>
<td>0.553</td>
<td>0.305</td>
</tr>
<tr>
<td>INN 8</td>
<td>470</td>
<td>4.59</td>
<td>0.496</td>
<td>0.246</td>
</tr>
<tr>
<td>SUP 1</td>
<td>470</td>
<td>3.23</td>
<td>0.747</td>
<td>0.558</td>
</tr>
<tr>
<td>SUP 2</td>
<td>470</td>
<td>2.05</td>
<td>1.462</td>
<td>2.136</td>
</tr>
<tr>
<td>SUP 3</td>
<td>470</td>
<td>2.56</td>
<td>1.035</td>
<td>1.070</td>
</tr>
<tr>
<td>SUP 4</td>
<td>470</td>
<td>2.63</td>
<td>1.063</td>
<td>1.130</td>
</tr>
<tr>
<td>SUP 5</td>
<td>470</td>
<td>2.43</td>
<td>0.878</td>
<td>0.771</td>
</tr>
<tr>
<td>SUP 6</td>
<td>470</td>
<td>2.53</td>
<td>0.941</td>
<td>0.885</td>
</tr>
<tr>
<td>SUP 7</td>
<td>470</td>
<td>3.25</td>
<td>0.754</td>
<td>0.568</td>
</tr>
<tr>
<td>SUP 8</td>
<td>470</td>
<td>3.26</td>
<td>0.726</td>
<td>0.527</td>
</tr>
<tr>
<td>BUR 1</td>
<td>470</td>
<td>3.33</td>
<td>0.837</td>
<td>0.700</td>
</tr>
<tr>
<td>BUR 2</td>
<td>470</td>
<td>3.26</td>
<td>0.781</td>
<td>0.609</td>
</tr>
<tr>
<td>BUR 3</td>
<td>470</td>
<td>3.31</td>
<td>0.841</td>
<td>0.707</td>
</tr>
<tr>
<td>BUR 4</td>
<td>470</td>
<td>3.60</td>
<td>0.720</td>
<td>0.518</td>
</tr>
<tr>
<td>BUR 5</td>
<td>470</td>
<td>3.27</td>
<td>0.786</td>
<td>0.618</td>
</tr>
<tr>
<td>BUR 6</td>
<td>470</td>
<td>3.31</td>
<td>0.849</td>
<td>0.720</td>
</tr>
<tr>
<td>BUR 7</td>
<td>470</td>
<td>3.19</td>
<td>0.749</td>
<td>0.561</td>
</tr>
<tr>
<td>BUR 8</td>
<td>470</td>
<td>3.32</td>
<td>0.770</td>
<td>0.592</td>
</tr>
</tbody>
</table>

Valid N 470 (listwise)

Note: Innovative = INN, Supportive = SUP, Bureaucratic = BUR.

5.5.4 Homophily, Social Network Position and Geographical Distance

Table 5.9 reports the summary of the descriptive statistics of the respondents reported levels of homophily (HOM), social network position (SNP) and geographical distance (GD) using a 5-point Likert scale. There were four items to measure homophily rating ‘not at all’ (scale 1) to ‘extremely’ (scale 5). Four items were used to measure the social network position construct using a five-point Likert scale ranging from ‘strongly disagree’ (scale 1) to ‘strongly agree’ (scale 5). Geographical distance was measured using four items on a five-point Likert scale rating from ‘strongly disagree’ (scale 1) to ‘strongly agree’ (scale 5). The mean, standard deviation and the variance are showed in the following table.
Table 5.9
Descriptive Statistics of Measured Items of Homophily, Social Network Position and Geographical Distance Constructs

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOM 1</td>
<td>470</td>
<td>3.12</td>
<td>1.175</td>
<td>1.380</td>
</tr>
<tr>
<td>HOM 2</td>
<td>470</td>
<td>3.11</td>
<td>1.091</td>
<td>1.191</td>
</tr>
<tr>
<td>HOM 3</td>
<td>470</td>
<td>2.97</td>
<td>1.154</td>
<td>1.332</td>
</tr>
<tr>
<td>HOM 4</td>
<td>470</td>
<td>2.23</td>
<td>1.288</td>
<td>1.659</td>
</tr>
<tr>
<td>SNP 1</td>
<td>470</td>
<td>3.60</td>
<td>0.769</td>
<td>0.591</td>
</tr>
<tr>
<td>SNP 2</td>
<td>470</td>
<td>3.59</td>
<td>0.775</td>
<td>0.600</td>
</tr>
<tr>
<td>SNP 3</td>
<td>470</td>
<td>3.79</td>
<td>0.809</td>
<td>0.654</td>
</tr>
<tr>
<td>SNP 4</td>
<td>470</td>
<td>3.74</td>
<td>0.819</td>
<td>0.670</td>
</tr>
<tr>
<td>GD 1</td>
<td>470</td>
<td>3.37</td>
<td>1.080</td>
<td>1.166</td>
</tr>
<tr>
<td>GD 2</td>
<td>470</td>
<td>3.23</td>
<td>1.081</td>
<td>1.168</td>
</tr>
<tr>
<td>GD 3</td>
<td>470</td>
<td>3.22</td>
<td>1.067</td>
<td>1.140</td>
</tr>
<tr>
<td>GD 4</td>
<td>470</td>
<td>3.32</td>
<td>1.008</td>
<td>1.016</td>
</tr>
</tbody>
</table>

Valid N 470 (list wise)

Note: Homophily = HOM, Social Network Position = SNP, Geographical Distance = GD.

5.5.5 Fairness

This construct was measured by seven items on a Likert scale ranging from ‘strongly disagree’ (scale 1) to ‘strongly agree’ (scale 5) to reflect the respondent’s assessment of the fairness of talent decision making in organisation. Table 5.10 presents descriptive results of this construct, which shows that the mean of individual item, standard deviation and Variance.

Table 5.10
Descriptive Statistics of Measured Items of Fairness Construct

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>FAI 1</td>
<td>470</td>
<td>3.33</td>
<td>1.019</td>
<td>1.037</td>
</tr>
<tr>
<td>FAI 2</td>
<td>470</td>
<td>3.23</td>
<td>1.006</td>
<td>1.012</td>
</tr>
<tr>
<td>FAI 3</td>
<td>470</td>
<td>3.22</td>
<td>.960</td>
<td>.921</td>
</tr>
</tbody>
</table>

Valid N 470 (listwise)

Note: FAI = Fairness.
5.5.6  Comparison between the Mean Frequencies in the Sample

Table 5.11 presents the mean and standard deviations of all the construct items in this study. A comparison of the respondents means was subsequently performed between the oil and banking industries, using descriptive statistics. The responses for each item in the constructs were out of 5.00. The results show that no significant difference exists between managers’ responses in the banking and oil industries. Accordingly, because the managers’ responses in these two industries in Saudi Arabia are virtually identical, this study is confident that respondents have similar perceptions and experience. Thus, this study will consider the responses of the banking and oil organisations as one and call them private sector organisations.

Table 5.11
A Comparison of Descriptive Statistics of Measured Items between Banking and Oil Organisations Respondents

<table>
<thead>
<tr>
<th></th>
<th>Mean of Banking and Financial Organisations</th>
<th>Mean of Oil/Gas Organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Mean</td>
</tr>
<tr>
<td>RDM</td>
<td>366</td>
<td>4.23</td>
</tr>
<tr>
<td>IDM</td>
<td>366</td>
<td>3.29</td>
</tr>
<tr>
<td>DDM</td>
<td>366</td>
<td>3.69</td>
</tr>
<tr>
<td>ADM</td>
<td>366</td>
<td>2.64</td>
</tr>
<tr>
<td>SDM</td>
<td>366</td>
<td>2.72</td>
</tr>
<tr>
<td>SNP</td>
<td>366</td>
<td>3.66</td>
</tr>
<tr>
<td>FAI</td>
<td>366</td>
<td>3.05</td>
</tr>
<tr>
<td>UA</td>
<td>366</td>
<td>4.13</td>
</tr>
<tr>
<td>IC</td>
<td>366</td>
<td>3.70</td>
</tr>
<tr>
<td>PD</td>
<td>366</td>
<td>2.49</td>
</tr>
<tr>
<td>MF</td>
<td>366</td>
<td>3.57</td>
</tr>
<tr>
<td>GD</td>
<td>366</td>
<td>3.39</td>
</tr>
<tr>
<td>HOM</td>
<td>366</td>
<td>3.90</td>
</tr>
<tr>
<td>INN</td>
<td>366</td>
<td>4.48</td>
</tr>
<tr>
<td>SUP</td>
<td>366</td>
<td>2.76</td>
</tr>
<tr>
<td>BUR</td>
<td>366</td>
<td>3.36</td>
</tr>
</tbody>
</table>

Valid N (listwise) 366 104

5.6  Reliability Assessment of the Instrument

After examining the descriptive statistics of construct items, it was an important step to assess the way respondents answered the questionnaire (questions/items) related to the constructs presented in the conceptual model. According to Hair et al. (2010), the examination of the survey questionnaire requires an acceptable reliability of the measures. In order to assess the reliability, Cronbach’s alpha is the most important and pervasive statistics in research that uses reliability coefficient to estimate and assess the consistency among multiple-measures of a construct (Cortina, 1993; Hair et al., 2010). The lower acceptable limit of a calculated alpha coefficient is 0.70 (Sekaran, 2000; Hair et al., 2006), while, the minimum acceptable level for this coefficient is lowered to 0.6 (Hair et al., 2010) or to 0.5 (Nunnally, 1978). Almost all Cronbach’s alpha coefficients in this study were close to 0.8 and higher. These scores demonstrated high internal consistency of scales used for measuring different observed variables under each construct (Hair et al., 2000). The value of Cronbach’s alpha coefficient for each construct is presented in table 5.12 below.

5.7  Correlation Analysis

Correlation coefficient is used to describe and measure the linear relationship between two ranked or numerical variables (Collis and Hussy, 2009; Saunders, Lewis and Thornhill, 2009). In data analysis, it is essential to discern the level of relationship of variables. Accordingly, when examining the relationships of variables it is imperative to identify any departure that may affect the correlation. This study applied Pearson’s correlation to test the relationships between variables. Table 5.13 below presents the correlation matrix between the constructs which includes all dependent and independent variables in the study and reveals a number of significant and important findings. The correlation matrix indicates that there are fairly good correlations between the constructs. However, most of the constructs are significantly related to each other at 0.01 and 0.05 significance level.
<table>
<thead>
<tr>
<th>Construct</th>
<th>Code</th>
<th>Number of Items</th>
<th>Cronbach’s Alpha Coefficient</th>
<th>Alpha for Survey Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rational Decision-Making</td>
<td>RDM</td>
<td>5</td>
<td>.822</td>
<td></td>
</tr>
<tr>
<td>Intuitive Decision-Making</td>
<td>IDM</td>
<td>5</td>
<td>.813</td>
<td></td>
</tr>
<tr>
<td>Dependent Decision-Making</td>
<td>DDM</td>
<td>5</td>
<td>.746</td>
<td></td>
</tr>
<tr>
<td>Avoidant Decision-Making</td>
<td>ADM</td>
<td>5</td>
<td>.789</td>
<td></td>
</tr>
<tr>
<td>Spontaneous Decision-Making</td>
<td>SDM</td>
<td>5</td>
<td>.818</td>
<td></td>
</tr>
<tr>
<td>Social Network Position</td>
<td>SNP</td>
<td>4</td>
<td>.847</td>
<td></td>
</tr>
<tr>
<td>Fairness</td>
<td>FAI</td>
<td>3</td>
<td>.861</td>
<td>.860</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>UA</td>
<td>5</td>
<td>.852</td>
<td></td>
</tr>
<tr>
<td>Individualism vs. Collectivism</td>
<td>IC</td>
<td>6</td>
<td>.801</td>
<td></td>
</tr>
<tr>
<td>Power Distance</td>
<td>PD</td>
<td>6</td>
<td>.801</td>
<td></td>
</tr>
<tr>
<td>Masculinity vs. Femininity</td>
<td>MA</td>
<td>5</td>
<td>.887</td>
<td></td>
</tr>
<tr>
<td>Geographical Distance</td>
<td>GD</td>
<td>4</td>
<td>.925</td>
<td></td>
</tr>
<tr>
<td>Homophily</td>
<td>HOM</td>
<td>4</td>
<td>.806</td>
<td></td>
</tr>
<tr>
<td>Innovative</td>
<td>INN</td>
<td>8</td>
<td>.871</td>
<td></td>
</tr>
<tr>
<td>Supportive</td>
<td>SUP</td>
<td>8</td>
<td>.918</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>BUR</td>
<td>8</td>
<td>.840</td>
<td></td>
</tr>
</tbody>
</table>

Table 5.13
Correlations Matrix between Variables

<table>
<thead>
<tr>
<th></th>
<th>DMR</th>
<th>DMI</th>
<th>DMD</th>
<th>DMA</th>
<th>DMS</th>
<th>SPN</th>
<th>FAI</th>
<th>UA</th>
<th>IC</th>
<th>PD</th>
<th>MF</th>
<th>GD</th>
<th>HOM</th>
<th>INN</th>
<th>SUP</th>
<th>BUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>DMR</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DMI</td>
<td>.145**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DMD</td>
<td>.222**</td>
<td>.187**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DMA</td>
<td>-.007</td>
<td>.262**</td>
<td>.272**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DMS</td>
<td>-.101*</td>
<td>.271**</td>
<td>.017</td>
<td>.305**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPN</td>
<td>.017</td>
<td>.089</td>
<td>.143**</td>
<td>.072</td>
<td>.170**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAI</td>
<td>.072</td>
<td>.021</td>
<td>-.082</td>
<td>-.035</td>
<td>.061</td>
<td>-.142**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UA</td>
<td>.313**</td>
<td>.023</td>
<td>.187**</td>
<td>-.096*</td>
<td>-.108*</td>
<td>.117*</td>
<td>.007</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC</td>
<td>.113*</td>
<td>.169**</td>
<td>.249**</td>
<td>.160**</td>
<td>.080</td>
<td>.106*</td>
<td>-.042</td>
<td>.429**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PD</td>
<td>-.161**</td>
<td>.171**</td>
<td>.048</td>
<td>.442**</td>
<td>.294**</td>
<td>.101*</td>
<td>.007</td>
<td>-.158**</td>
<td>.155**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF</td>
<td>-.091*</td>
<td>.144**</td>
<td>.049</td>
<td>.409**</td>
<td>.214**</td>
<td>.037</td>
<td>-.081</td>
<td>-.045</td>
<td>.205**</td>
<td>.591**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GD</td>
<td>.046</td>
<td>.030</td>
<td>-.052</td>
<td>-.033</td>
<td>.071</td>
<td>.069</td>
<td>.001</td>
<td>.109*</td>
<td>.007</td>
<td>.016</td>
<td>.027</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HOM</td>
<td>-.061</td>
<td>.132**</td>
<td>.163**</td>
<td>.234**</td>
<td>.152**</td>
<td>.137**</td>
<td>-.010</td>
<td>.069</td>
<td>.167**</td>
<td>.244**</td>
<td>.329**</td>
<td>.060</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN</td>
<td>-.007</td>
<td>.042</td>
<td>-.028</td>
<td>-.026</td>
<td>.058</td>
<td>-.001</td>
<td>.046</td>
<td>.003</td>
<td>.002</td>
<td>-.025</td>
<td>-.074</td>
<td>.054</td>
<td>-.009</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP</td>
<td>.029</td>
<td>-.091*</td>
<td>.020</td>
<td>-.083</td>
<td>-.118*</td>
<td>.071</td>
<td>-.021</td>
<td>.050</td>
<td>.005</td>
<td>-.090</td>
<td>-.090</td>
<td>-.013</td>
<td>-.055</td>
<td>.030</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>BUR</td>
<td>.099*</td>
<td>.000</td>
<td>.028</td>
<td>-.093*</td>
<td>.042</td>
<td>-.039</td>
<td>.220**</td>
<td>.122**</td>
<td>.011</td>
<td>-.138**</td>
<td>-.109*</td>
<td>.043</td>
<td>.012</td>
<td>-.017</td>
<td>.094*</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

5.8 A Multi Analysis of Variance (MANOVA)

A multi analysis of variance (MANOVA) analysis was run in the study in order to determine if gender differences have a significant impact on decisions-making styles as gender differences is one of the hypotheses in this research. MANOVA is designed to look at several dependent variables (decision-making styles such as rational, intuitive, dependent, avoidant and spontaneous) outcomes simultaneously and so is a multivariate test which has the power to detect whether groups differ (gender) along a combination of dimensions (Field, 2009). The significant result of MANOVA ($P < 0.05$) is an indicator that the covariance matrices are roughly equal and the hypothesis is tenable (Field, 2009). The result of MANOVA (Table 5.1) shows non-significant relationships between the dependents and gender are suggested. It is apparent from this table that no significant differences were found between all dependents (RDM, IDM, DDM, ADM, and SDM) and gender, whereas, all the $P$-values are greater than required ($P < 0.05$). Overall, gender differences did not affect decision-making styles in these measures.

Table 5.14
Gender Multi Analysis of Variances (MANOVA)

<table>
<thead>
<tr>
<th>Source</th>
<th>Dependent Variable</th>
<th>DF</th>
<th>Mean Square</th>
<th>F-value</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>RDM</td>
<td>1</td>
<td>.102</td>
<td>.286</td>
<td>.593</td>
</tr>
<tr>
<td></td>
<td>IDM</td>
<td>1</td>
<td>.173</td>
<td>.348</td>
<td>.556</td>
</tr>
<tr>
<td></td>
<td>DDM</td>
<td>1</td>
<td>.696</td>
<td>1.775</td>
<td>.183</td>
</tr>
<tr>
<td></td>
<td>ADM</td>
<td>1</td>
<td>.014</td>
<td>.022</td>
<td>.882</td>
</tr>
<tr>
<td></td>
<td>SDM</td>
<td>1</td>
<td>.672</td>
<td>1.103</td>
<td>.102</td>
</tr>
</tbody>
</table>


5.9 Factor Analysis Procedures

Factor analysis was undertaken with the aim of further examining the measurement items used in the current study. Factor analysis is also a technique to help reduce the number of common factors or latent constructs needed to explanation the relationship
between observed variables (Hair et al., 2010). Alternatively, factor analysis is a significant juncture at which to prepare the data for multivariate analysis as is the case in the present study. Thus, according to Field (2006), the purpose of factor analysis is defined into three main uses: (1) to comprehend the structure of a set of variables; (2) to construct a survey to measure any underlying variables (3) to condense a data set to a more manageable size while retaining as much of the original information as possible. There are two fundamental approaches to factor analyses: exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) (Byrne, 2010). Different techniques are using for structuring groups of variables or data reduction.

Initially, this study applied the exploratory factor analysis technique to take data in a group for a factor using the software package of SPSS version 20. The results of exploratory factor analysis will be refined or confirmed by applying the confirmatory factor analysis technique to confirm the group of measurement variables related to a factor for testing the hypotheses. These procedures will be illustrated in more detail in the following two steps.

5.9.1 Exploratory Factor Analysis (EFA)

Exploratory factor analysis (EFA) was undertaken in this study at the position where links between the observed and latent variables are uncertain or unknown. Thus, this analysis in an exploratory mode helps to determine how and to what extent the observed variables are linked to their underlying factors (Byrne, 2010). EFA is also conducted when a researcher develops a new instrument designed to measure certain factors following the formulation of questionnaire items designed to measure these latent constructs. In order to determine the extent to which item measurements were related to the latent variables, EFA was conducted in this study (Byrne, 2010).

There are numerous of procedures for determining factors in data. Among these, Principal Components Analysis (PCA) is an available technique of EFA. PCA is the most common statistical technique that applies to extracting maximum variance from the data set with each component (Tabachnick and Fidell, 2007). To employ the PCA and orthogonal method with Varimax rotation, exploratory factor analysis using SPSS
(version 20) was performed. According to Field, (2000) and Tabachnick and Fidell (2007), principal component extraction is concerned with linear combination of observed variables that separates subjects by maximising the variance of their component score. Additionally, PCA is a method of identifying patterns in data and to express the data in such a way as to highlight their similarities and differences (Pallant, 2007). Frequently, PCA is applied to capture most of the variability in the pattern of correlations as well as to detect the structure in the relationships between variables by categorising them (Pallant, 2007). PCA deconstructs the original variables into a smaller set of linear combinations, with all of the variance in the variables being used (Field, 2000; Tabachnick and Fidell, 2007). To begin the actual analysis of the data, a number of ways are used as follows:

5.9.1.1 **Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) Test**

The Kaiser-Meyer-Olkin (KMO) was first computed to determine the suitability of employing factor analysis to test for sampling adequacy (Hair et al., 2010). The results, illustrated in Table 5.1, show that the obtained value of KMO is .817 which exceeded the recommended acceptable 0.6 cut-off level (Hair et al., 2010). These results confirm that the KMO test supports the sampling adequacy and it is worth conducting a factor analysis. Thus, this means that the high KMO values indicated the possibility of factor existence in data as was assumed in the conceptual model.

5.9.1.2 **Bartlett’s Test of Sphericity Test**

Bartlett’s test of Sphericity is conducted for the purpose of testing the hypothesis and confirming the relationship between the variables. The significant results of Bartlett’s test of Sphericity (< 0.05) is an indicator that the variables are correlated and that it is appropriate to continue with factor analysis (Hinton et al., 2004). The results, illustrated in Table 5.15, show that Bartlett’s test of sphericity was (p < .000), which means that it reached the required level of statistical significance. Therefore, these findings revealed the appropriateness of the sample data for conducting factor analysis and thus PCA results can be tested.
### Table 5.15
KMO Statistics and Bartlett’s Test

<table>
<thead>
<tr>
<th>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</th>
<th>.817</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bartlett’s Test of Sphericity</td>
<td>Approx. Chi-Square</td>
</tr>
<tr>
<td></td>
<td>DF</td>
</tr>
<tr>
<td></td>
<td>Sig.</td>
</tr>
</tbody>
</table>

5.9.1.3 Communalities

Communality is the proportion of variance an original variable shares with all other variables included in the analysis (Hair *et al.*, 2007). According to Field (2006), communalities ranged at 0 means that variable shares nothing with other variables, whereas communalities ranged at 1 means that a variable has no specific variance (or random variance). Hair *et al.* (2010) describe that the communality calculation can be done through factor loading in which a model containing multiple constructs with less than .5 communality are considered as appropriate and for larger sample size, less than .7 is required. This research applied variables with a communality value above .4 (Table 5.16). The results in this research show that all variables retained in the factor loading have communality values above .5 which confirmed the high variance among the variables.

### Table 5.16
Communalities

<table>
<thead>
<tr>
<th></th>
<th>Initial</th>
<th>Extraction</th>
<th></th>
<th>Initial</th>
<th>Extraction</th>
</tr>
</thead>
<tbody>
<tr>
<td>RDM 1</td>
<td>1.000</td>
<td>.640</td>
<td>PD 1</td>
<td>1.000</td>
<td>.610</td>
</tr>
<tr>
<td>RDM 2</td>
<td>1.000</td>
<td>.627</td>
<td>PD 2</td>
<td>1.000</td>
<td>.501</td>
</tr>
<tr>
<td>RDM 3</td>
<td>1.000</td>
<td>.662</td>
<td>PD 3</td>
<td>1.000</td>
<td>.517</td>
</tr>
<tr>
<td>RDM 4</td>
<td>1.000</td>
<td>.581</td>
<td>PD 4</td>
<td>1.000</td>
<td>.568</td>
</tr>
<tr>
<td>RDM 5</td>
<td>1.000</td>
<td>.583</td>
<td>PD 5</td>
<td>1.000</td>
<td>.607</td>
</tr>
<tr>
<td>IDM 1</td>
<td>1.000</td>
<td>.638</td>
<td>PD 6</td>
<td>1.000</td>
<td>.673</td>
</tr>
<tr>
<td>IDM 2</td>
<td>1.000</td>
<td>.710</td>
<td>MF 1</td>
<td>1.000</td>
<td>.597</td>
</tr>
<tr>
<td>IDM 3</td>
<td>1.000</td>
<td>.648</td>
<td>MF 2</td>
<td>1.000</td>
<td>.708</td>
</tr>
<tr>
<td>IDM 4</td>
<td>1.000</td>
<td>.571</td>
<td>MF 3</td>
<td>1.000</td>
<td>.685</td>
</tr>
<tr>
<td>IDM 5</td>
<td>1.000</td>
<td>.608</td>
<td>MF 4</td>
<td>1.000</td>
<td>.785</td>
</tr>
<tr>
<td>DDM 1</td>
<td>1.000</td>
<td>.621</td>
<td>MF 5</td>
<td>1.000</td>
<td>.745</td>
</tr>
<tr>
<td>DDM 2</td>
<td>1.000</td>
<td>.553</td>
<td>GD 1</td>
<td>1.000</td>
<td>.808</td>
</tr>
<tr>
<td>DDM 3</td>
<td>1.000</td>
<td>.589</td>
<td>GD 2</td>
<td>1.000</td>
<td>.788</td>
</tr>
<tr>
<td>DDM 4</td>
<td>1.000</td>
<td>.618</td>
<td>GD 3</td>
<td>1.000</td>
<td>.836</td>
</tr>
</tbody>
</table>
5.9.1.4 Total Variance Explained

The factors are extracted based on Kaiser’s criterion, as shown in Table 5.17, which presents the total variance explained by each component. According to Tabachnick and Fidell (2007), the quick estimation of the factors is obtained from the size of the eigenvalues which were reported as part of an initial run with principal component extraction. The factors having eigenvalues greater than 1 are significant, while the factors with latent roots of less than 1 are considered as insignificant and are disregarded (Field, 2006; Hair et al., 2010). The results for extracting factors from the data in this study found 16 factors having an eigenvalue greater than 1. These 16
components explained a total variance of 67.3 % which is higher than the recommendations (Hair et al., 2010).

5.9.1.5 Scree Plot

A scree plot is commonly a graphic display used to confirm the maximum number of factors that have an eigenvalue over one. The scree plot test is derived by plotting the total variance associated with each factor in their order of extraction and the shape of the resulting curve is used to assess the cut-off point (Hair et al., 2010). By applying a scree plot test on the study data to confirm the extraction of the same number of factors through the eigenvalues criterion, the researcher confirmed the same number of 16 factors (Figure 5.1).

Figure 5.1
Scree Plot
Table 5.17
Total Variance Explained

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
<th>Rotation Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>% of Variance</td>
<td>Cumulative</td>
</tr>
<tr>
<td>2</td>
<td>5.415</td>
<td>8.194</td>
<td>22.904</td>
</tr>
<tr>
<td>4</td>
<td>3.574</td>
<td>5.409</td>
<td>34.181</td>
</tr>
<tr>
<td>6</td>
<td>2.813</td>
<td>4.257</td>
<td>43.474</td>
</tr>
<tr>
<td>7</td>
<td>2.382</td>
<td>3.605</td>
<td>47.079</td>
</tr>
<tr>
<td>8</td>
<td>2.109</td>
<td>3.192</td>
<td>50.271</td>
</tr>
<tr>
<td>9</td>
<td>1.960</td>
<td>2.967</td>
<td>53.238</td>
</tr>
<tr>
<td>10</td>
<td>1.781</td>
<td>2.695</td>
<td>55.933</td>
</tr>
<tr>
<td>11</td>
<td>1.537</td>
<td>2.325</td>
<td>58.258</td>
</tr>
<tr>
<td>12</td>
<td>1.410</td>
<td>2.134</td>
<td>60.392</td>
</tr>
<tr>
<td>14</td>
<td>1.149</td>
<td>1.739</td>
<td>64.173</td>
</tr>
<tr>
<td>15</td>
<td>1.061</td>
<td>1.606</td>
<td>65.779</td>
</tr>
<tr>
<td>16</td>
<td>1.016</td>
<td>1.538</td>
<td>67.317</td>
</tr>
<tr>
<td>17</td>
<td>.931</td>
<td>1.409</td>
<td>68.726</td>
</tr>
<tr>
<td>18</td>
<td>.883</td>
<td>1.336</td>
<td>70.062</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.
5.9.1.6 Factor Loadings

In order to aid in the interpretation of these 16 components, a Varimax rotation method was performed. The rotated component matrix provided in Table 5.18 below shows the factor loadings for all 16 constructs, which clearly suggests that the 16 components loaded. Although, the interpretation of the 16 components validates prior assumptions of the 16 constructs with almost all items loading strongly on to their respective components. However, a small number of items were found to have a relatively high cross-loading on more than one factor. In order to avoid any potential overlap between underlying constructs, as is the rationale in developing scales (Byrne, 2010), elimination of problematic items is more appropriate at the preliminary stage of analysis. After an objective, subsequent iterative elimination of items causing cross-loadings, 81 items remained out of 86 items. Table 5.19 presents an overview of items eliminated from the previous stages.

Table 5.18
The Rotated Component Matrix

<table>
<thead>
<tr>
<th>Component</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>MF 4</td>
<td>.829</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF 5</td>
<td>.826</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF 3</td>
<td>.787</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF 2</td>
<td>.759</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF 1</td>
<td>.678</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 6</td>
<td></td>
<td>.906</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 3</td>
<td></td>
<td>.902</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 4</td>
<td></td>
<td>.886</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 8</td>
<td></td>
<td>.790</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 5</td>
<td></td>
<td>.783</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 1</td>
<td></td>
<td>.776</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 7</td>
<td></td>
<td>.771</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 2</td>
<td></td>
<td>.700</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 6</td>
<td></td>
<td></td>
<td>.890</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 2</td>
<td></td>
<td></td>
<td>.885</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 5</td>
<td></td>
<td></td>
<td>.863</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 3</td>
<td></td>
<td></td>
<td>.852</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 7</td>
<td></td>
<td></td>
<td>.829</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 4</td>
<td></td>
<td></td>
<td>.794</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAI 2</td>
<td></td>
<td></td>
<td></td>
<td>.878</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAI 1</td>
<td></td>
<td></td>
<td></td>
<td>.866</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAI 3</td>
<td></td>
<td></td>
<td></td>
<td>.844</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GD 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.917</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GD 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.902</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component</td>
<td>9</td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>13</td>
<td>14</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>-----------</td>
<td>----</td>
<td>----</td>
<td>----</td>
<td>----</td>
<td>----</td>
<td>----</td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>GD 2</td>
<td></td>
<td>.880</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GD 1</td>
<td></td>
<td>.880</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNP 2</td>
<td></td>
<td>.829</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNP 1</td>
<td></td>
<td>.807</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNP 4</td>
<td></td>
<td>.801</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNP 3</td>
<td></td>
<td>.798</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADM 3</td>
<td></td>
<td>.804</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADM 4</td>
<td></td>
<td>.736</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADM 2</td>
<td></td>
<td>.714</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADM 5</td>
<td></td>
<td>.688</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PD 4</td>
<td></td>
<td>.674</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PD 1</td>
<td></td>
<td>.665</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PD 5</td>
<td></td>
<td>.620</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PD 6</td>
<td></td>
<td>.612</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PD 3</td>
<td></td>
<td>.554</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PD 2</td>
<td></td>
<td>.468</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component</td>
<td>9</td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>13</td>
<td>14</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>SDM 1</td>
<td></td>
<td>.789</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDM 2</td>
<td></td>
<td>.770</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDM 3</td>
<td></td>
<td>.769</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDM 4</td>
<td></td>
<td>.737</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDM 5</td>
<td></td>
<td>.489</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC 5</td>
<td></td>
<td>.740</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC 6</td>
<td></td>
<td>.702</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC 2</td>
<td></td>
<td>.637</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC 1</td>
<td></td>
<td>.635</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC 4</td>
<td></td>
<td>.609</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UA 3</td>
<td></td>
<td>.811</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UA 4</td>
<td></td>
<td>.770</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UA 5</td>
<td></td>
<td>.728</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UA 2</td>
<td></td>
<td>.713</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UA 1</td>
<td></td>
<td>.671</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DDM 4</td>
<td></td>
<td>.744</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DDM 1</td>
<td></td>
<td>.740</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DDM 3</td>
<td></td>
<td>.661</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DDM 5</td>
<td></td>
<td>.620</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DDM 2</td>
<td></td>
<td>.589</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDM 2</td>
<td></td>
<td>.767</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDM 3</td>
<td></td>
<td>.750</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDM 5</td>
<td></td>
<td>.740</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDM 1</td>
<td></td>
<td>.737</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDM 4</td>
<td></td>
<td>.680</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HOM4</td>
<td></td>
<td>.861</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HOM3</td>
<td></td>
<td>.826</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HOM1</td>
<td></td>
<td>.786</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HOM2</td>
<td></td>
<td>.565</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUR 3</td>
<td></td>
<td>.759</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUR 5</td>
<td></td>
<td>.740</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUR 6</td>
<td></td>
<td>.727</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUR 7</td>
<td></td>
<td>.704</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUR 2</td>
<td></td>
<td>.704</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUR 1</td>
<td></td>
<td>.648</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUR 8</td>
<td></td>
<td>.638</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Extraction Method: Principal Component Analysis.  
Rotation Method: Varimax with Kaiser Normalisation.

Table 5.19  
Items Eliminated from Item Minimisation Stage

<table>
<thead>
<tr>
<th>Code</th>
<th>Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUR 4</td>
<td>Ordered/organised Organisation.</td>
</tr>
<tr>
<td>IC 3</td>
<td>Being accepted by the members of your workgroup is very important.</td>
</tr>
<tr>
<td>ADM 1</td>
<td>I avoid making important decisions under pressure.</td>
</tr>
<tr>
<td>INN 1</td>
<td>Risk-taking Organisation.</td>
</tr>
<tr>
<td>INN 8</td>
<td>Driving Organisation.</td>
</tr>
</tbody>
</table>

Dropped based on PCA

5.9.1.7 Creation of Latent Factors

As soon as the factors have been extracted, it is important to know to what degree variables load onto these factors. On this basis, the findings of the exploratory factors analysis created 16 latent factors by adding (summing) the rating scores of all items loaded on to each latent factor. The following clusters of the items were assessed by Cronbach’s alpha measure as shown in Table 5.20. It is apparent from these results that those factors can be considered as the basis for the confirmatory factor analysis (CFA) application. Thus, to impose any causal relations among the constructs, the causal relation between the underlying constructs and their related indicators should be specified accurately by confirmatory factor analysis (Anderson and Gerbing, 1988). In the next stage, confirmatory factor analysis was performed to assess the convergent and construct validity of scales.
Table 5.20
Factor Loading and Cronbach’s Alpha of the Items

<table>
<thead>
<tr>
<th>Factors and Related Items</th>
<th>Factor Loading</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>MF 4</td>
<td>.829</td>
<td></td>
</tr>
<tr>
<td>Solving organisational problems usually requires an active forcible approach which is typical of men.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF 5</td>
<td>.826</td>
<td>.887</td>
</tr>
<tr>
<td>It is preferable to have a man in a high level position rather than a woman.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF 3</td>
<td>.787</td>
<td></td>
</tr>
<tr>
<td>Men usually solve problems with logical analysis; women usually solve problems with intuition.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF 2</td>
<td>.759</td>
<td></td>
</tr>
<tr>
<td>It is more important for men to have a professional career than it is for women to have a professional career.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF 1</td>
<td>.678</td>
<td></td>
</tr>
<tr>
<td>Meetings are usually run more effectively when they are chaired by a man.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 6</td>
<td>.906</td>
<td></td>
</tr>
<tr>
<td>Equitable Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 3</td>
<td>.902</td>
<td></td>
</tr>
<tr>
<td>Encouraging Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 4</td>
<td>.886</td>
<td></td>
</tr>
<tr>
<td>Sociable Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 8</td>
<td>.790</td>
<td></td>
</tr>
<tr>
<td>Trusting Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 5</td>
<td>.783</td>
<td>.918</td>
</tr>
<tr>
<td>Personal freedom Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 1</td>
<td>.776</td>
<td></td>
</tr>
<tr>
<td>Collaborative Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 7</td>
<td>.771</td>
<td></td>
</tr>
<tr>
<td>Safe Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP 2</td>
<td>.700</td>
<td></td>
</tr>
<tr>
<td>Relationships-oriented Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 6</td>
<td>.890</td>
<td></td>
</tr>
<tr>
<td>Challenging Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 2</td>
<td>.885</td>
<td></td>
</tr>
<tr>
<td>Results-oriented Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 5</td>
<td>.863</td>
<td></td>
</tr>
<tr>
<td>Stimulating Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 3</td>
<td>.852</td>
<td></td>
</tr>
<tr>
<td>Creative Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 7</td>
<td>.829</td>
<td></td>
</tr>
<tr>
<td>Enterprising Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN 4</td>
<td>.794</td>
<td></td>
</tr>
<tr>
<td>Pressurised Organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAI 2</td>
<td>.878</td>
<td></td>
</tr>
<tr>
<td>I feel good about the way the talent decision-making process works.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAI 1</td>
<td>.866</td>
<td>.918</td>
</tr>
<tr>
<td>Overall, I believe that the talent decision-making in my organisation is fair.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAI 3</td>
<td>.844</td>
<td></td>
</tr>
<tr>
<td>The talent decision-making process is fair to candidates.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ID</td>
<td>Statement</td>
<td>Correlation</td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>GD 4</td>
<td>Geographical distance between head office and branches is affecting the accuracy of the performance appraisal.</td>
<td>.917</td>
</tr>
<tr>
<td>GD 3</td>
<td>Geographical distance between residing board members from head office and branches is negatively associated with the trust the decision-makers have towards the accuracy of performance appraisal evaluation.</td>
<td>.902</td>
</tr>
<tr>
<td>GD 2</td>
<td>Geographical distance between HR managers from head office and branches creates bias in talent decision-making.</td>
<td>.880</td>
</tr>
<tr>
<td>GD 1</td>
<td>Geographical distance from head office to branches leads to ‘out of sight, out of mind’ in terms of identifying talent.</td>
<td>.880</td>
</tr>
<tr>
<td>SNP 2</td>
<td>I am more likely to come across employees who are visible in the organisation more often than others.</td>
<td>.829</td>
</tr>
<tr>
<td>SNP 1</td>
<td>I am more likely to come across employees who are in a central network position more often than others.</td>
<td>.807</td>
</tr>
<tr>
<td>SNP 3</td>
<td>Employees in the organisation who are in a central network position benefit more in terms of identifying talent.</td>
<td>.801</td>
</tr>
<tr>
<td>SNP 4</td>
<td>I am more likely to come across employees who are in a central network position more often than others.</td>
<td>.798</td>
</tr>
<tr>
<td>ADM 3</td>
<td>I often procrastinate when it comes to making important decisions.</td>
<td>.804</td>
</tr>
<tr>
<td>ADM 4</td>
<td>I generally make decisions at the last minute.</td>
<td>.736</td>
</tr>
<tr>
<td>ADM 2</td>
<td>I postpone decision-making whenever possible.</td>
<td>.714</td>
</tr>
<tr>
<td>ADM 5</td>
<td>I put off making many decisions because thinking about them makes me uneasy.</td>
<td>.688</td>
</tr>
<tr>
<td>PD 4</td>
<td>Managers should avoid off-the-job social contacts with employees.</td>
<td>.674</td>
</tr>
<tr>
<td>PD 5</td>
<td>Managers should make most decisions without consulting subordinates.</td>
<td>.665</td>
</tr>
<tr>
<td>PD 6</td>
<td>Employees should not disagree with management decisions.</td>
<td>.620</td>
</tr>
<tr>
<td>PD 3</td>
<td>Managers should not delegate important tasks to employees.</td>
<td>.612</td>
</tr>
<tr>
<td>PD 2</td>
<td>Managers should seldom ask for the opinion of employees.</td>
<td>.554</td>
</tr>
<tr>
<td>PD 1</td>
<td>It is frequently necessary for a manager to use authority and power when dealing with subordinates.</td>
<td>.468</td>
</tr>
<tr>
<td>SDM 1</td>
<td>I generally make snap decisions.</td>
<td>.789</td>
</tr>
<tr>
<td>SDM 2</td>
<td>I often make decisions on the spur of the moment.</td>
<td>.770</td>
</tr>
<tr>
<td>SDM 3</td>
<td>I make quick decisions.</td>
<td>.769</td>
</tr>
<tr>
<td>SDM 4</td>
<td>I often make impulsive decisions.</td>
<td>.737</td>
</tr>
<tr>
<td>SDM 5</td>
<td>When making decisions, I do what seems natural at the moment.</td>
<td>.489</td>
</tr>
<tr>
<td>-------</td>
<td>-------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>IC 5</td>
<td>Managers should encourage group loyalty even if individual goals suffer.</td>
<td>.740</td>
</tr>
<tr>
<td>IC 6</td>
<td>Individuals may be expected to give up their goals in order to benefit group success.</td>
<td>.702</td>
</tr>
<tr>
<td>IC 2</td>
<td>Group success is more important than individual success.</td>
<td>.637</td>
</tr>
<tr>
<td>IC 1</td>
<td>Group welfare is more important than individual rewards.</td>
<td>.635</td>
</tr>
<tr>
<td>IC 4</td>
<td>Employees should only pursue their goals after considering the welfare of the group.</td>
<td>.609</td>
</tr>
<tr>
<td>UA 3</td>
<td>Rules and regulations are important because they inform employees what the organisation expects of them.</td>
<td>.811</td>
</tr>
<tr>
<td>UA 4</td>
<td>Standard operating procedures are helpful to employees on the job.</td>
<td>.770</td>
</tr>
<tr>
<td>UA 5</td>
<td>Instructions for operations are important for employees on the job.</td>
<td>.728</td>
</tr>
<tr>
<td>UA 2</td>
<td>Managers expect employees to closely follow instructions and procedures.</td>
<td>.713</td>
</tr>
<tr>
<td>UA 1</td>
<td>It is important to have job requirements and instructions spelled out in detail so that employees always know what they are expected to do.</td>
<td>.671</td>
</tr>
<tr>
<td>DDM 4</td>
<td>I use the advice of other people in making my important decisions.</td>
<td>.744</td>
</tr>
<tr>
<td>DDM 1</td>
<td>I often need the assistance of other people when making important decisions.</td>
<td>.740</td>
</tr>
<tr>
<td>DDM 3</td>
<td>If I have the support of others, it is easier for me to make important decisions.</td>
<td>.661</td>
</tr>
<tr>
<td>DDM 5</td>
<td>I like to have someone to steer me in the right direction when I am faced with important decisions.</td>
<td>.620</td>
</tr>
<tr>
<td>DDM 2</td>
<td>I rarely make important decisions without consulting other people.</td>
<td>.589</td>
</tr>
<tr>
<td>IDM 2</td>
<td>When I make decisions, I tend to rely on my intuition.</td>
<td>.767</td>
</tr>
<tr>
<td>IDM 3</td>
<td>I generally make decisions that feel right to me.</td>
<td>.750</td>
</tr>
<tr>
<td>IDM 5</td>
<td>When I make a decision, I trust my inner feeling and reactions.</td>
<td>.740</td>
</tr>
<tr>
<td>IDM 1</td>
<td>When making decisions, I rely upon my instincts.</td>
<td>.737</td>
</tr>
<tr>
<td>IDM 4</td>
<td>When I make a decision, it is more important for me to feel the decision is right than to have a rational reason for it.</td>
<td>.680</td>
</tr>
<tr>
<td>HOM 4</td>
<td>I tend to prefer a talented person who is same gender to me.</td>
<td>.861</td>
</tr>
<tr>
<td>HOM 3</td>
<td>I tend to prefer a talented person who behaves like me.</td>
<td>.826</td>
</tr>
<tr>
<td>HOM 1</td>
<td>I tend to prefer a talented person who is similar to me.</td>
<td>.786</td>
</tr>
<tr>
<td>HOM 2</td>
<td>I tend to prefer a talented person who represents something in me.</td>
<td>.565</td>
</tr>
<tr>
<td>BUR 3</td>
<td>Structured Organisation</td>
<td>.759</td>
</tr>
<tr>
<td>BUR 5</td>
<td>Regulated Organisation</td>
<td>.740</td>
</tr>
<tr>
<td>BUR 6</td>
<td>Established/Solid Organisation</td>
<td>.727</td>
</tr>
<tr>
<td></td>
<td>Organisation Type</td>
<td>Score 1</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>BUR 7</td>
<td>Cautious Organisation</td>
<td>.704</td>
</tr>
<tr>
<td>BUR 2</td>
<td>Procedural Organisation</td>
<td>.704</td>
</tr>
<tr>
<td>BUR 1</td>
<td>Hierarchical Organisation</td>
<td>.648</td>
</tr>
<tr>
<td>BUR 8</td>
<td>Power-Oriented Organisation</td>
<td>.638</td>
</tr>
<tr>
<td>RDM 3</td>
<td>My decision-making requires careful thought.</td>
<td>.779</td>
</tr>
<tr>
<td>RDM 1</td>
<td>I double-check my information sources to be sure I have the right facts before making decisions.</td>
<td>.768</td>
</tr>
<tr>
<td>RDM 2</td>
<td>I make decisions in a logical and systematic way.</td>
<td>.761</td>
</tr>
<tr>
<td>RDM 4</td>
<td>When making a decision, I consider various options in terms of a specific goal.</td>
<td>.742</td>
</tr>
<tr>
<td>RDM 5</td>
<td>I explore all of my options before making a decision.</td>
<td>.656</td>
</tr>
</tbody>
</table>
5.10  Structural Equation Modelling Analysis

Structural equation modelling (SEM), as mentioned in the previous chapter, is a collection of statistical models used in this study to explain relationships among multiple variables. This statistical technique enables researchers to examine multiple dependent and independent variables simultaneously (Hair et al., 2010). There is a two-step approach in SEM technique, suggested by Anderson and Gerbing (1988), to test the significance of all pattern coefficients which provides a beneficial framework for formal comparisons of the substantive model of interest with the most likely theoretical alternatives. The first step is the measurement model assessment approach which is specified using the interrelationships between the indicator and the latent factors. In order to test the measurement model, confirmatory factor analysis (CFA) was performed using SEM software AMOS 20. The second step is to examine the relationships between the variables and test the hypotheses by SEM. More details about the two steps and their results are presented as follows.

5.10.1  Confirmatory Factor Analysis and Measurement Models

Confirmatory factor analysis (CFA) can be used to assess the uni-dimensionality, which relates to the existence of one latent construct/factor underlying a set of measurement items (Andreassen and Lindestad, 1988; Hair et al., 2010). In addition, CFA can be applied to shrink the number of items, particularly those that may threaten the dimensionality of a scale (Byrne, 2010; Hair et al., 2010). Therefore, in this research, CFA was implemented on the measurement model to assess the uni-dimensionality and validity of measures. In order to do so, two broad approaches were performed in the CFA to assess the measurement model: (1) consideration of the goodness of fit (GOF) criteria indices; (2) evaluating the validity of the measurement model.
5.10.1.1  The Goodness of Fit (GOF)

In order to assess the measurement model, Structural equation modelling (SEM) provided three main clusters of fit measure indices to enable a comparison between the theory (hypothetical model) and reality (collected data). These indices are absolute fit indices, incremental fit indices, and parsimonious fit indices. To evaluate these criteria for the measurement model, the 81 items CFA model was run using AMOS version 20. The results and their recommended levels of fit measures in this research were obtained and are presented in Table 5.21.

5.10.1.2  The Initial Proposed Model

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Absolute Fit Measures</th>
<th>Incremental Fit Measures</th>
<th>Parsimony Fit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\chi^2$</td>
<td>DF</td>
<td>$\chi^2$/DF</td>
</tr>
<tr>
<td>Model GOF</td>
<td>2317.0</td>
<td>160</td>
<td>1.4</td>
</tr>
</tbody>
</table>

Note: $\chi^2$ = Chi-Square; DF = Degree of Freedom; P = Probability Value; GFI = Goodness of Fit Index; RMSEA = Root Mean Square Error of Approximation; NFI = Normated Fit Index; CFI = Comparative Fit Index; AGFI = Adjusted Goodness of Fit Index.

The first run of the measurement can be seen from the table (above) with initial results of CFA. The results revealed that Chi square statistics ($\chi^2 = 2317.091$), (DF = 1605), (P value = .000), (CFI = .948), (NFI = .943) and (RMSEA = .031) were within the acceptable range. (GFI = .867), (AGFI = 843), were only close to the acceptable recommended level. The proposed model had an average fit, which did not fit the data well. The absolute fit indices, for instance chi-square and GFI, are sample-based (Kline, 2005). However, it was unreasonable to rely on the Chi-square statistics as it is in essence a statistical significance test that is sensitive to sample size and nearly always rejects the model when large samples and a large number of observed variables are used (Bentler and Bonnet, 1980; Bagozzi and Yi, 1988; Joreskog and Sorbom,
1993). Consequently, the measurement model could be judged as providing an acceptable fit. Therefore, the results indicated further modifications in specification were needed in order to be consistent with the recommended values of the fit indices of the a priori specified measurement model.

5.10.1.3 The Revised Model

Though the focal goal of employing the CFA is to assess the fit and the validity of the measurement model, re-specification of the model is sometimes required. Since the goodness of fit (GOF) indices of the initial CFA run (e.g., GFI and AGFI) values were below the acceptable recommended level, the measurement model was revised. In order to achieve a better fit of the model and to improve the discriminant validity, further detailed evaluation was conducted to refine and re-specify the model (Kline, 2005). Accordingly, modification was based on modification indices and standardised residual covariances are advantageous diagnostic cues to identify problems with the measure (Hair et al., 2010). In this regard, modification indices and standardised residual covariances were applied.

The modification indices (MI) are calculations for every possible relationship that has non-estimated parameters; thus, it provides information with which to diagnose the correlations between the constructs and the error terms. In particular, MI with high covariance and demonstrating high regression weights are nominated for deletion (Hair et al., 2006). Modification indices of approximate values greater than 4.0 suggest potential means of model improvement. The high indicator variables of modification indices were deleted, as this indicated that the variables were cross-loading onto other constructs (Byrne, 2010). After the investigation of the modification indices, four items: INN4, DDM5, SDM3, SUP6, had high correlated measurement errors and therefore were removed.

The second alternative is standardised residuals which refer to the individual differences between the observed and estimated covariances (Kline, 2005; Hair et al., 2006). The residuals values are used to identify the error in the predication of covariance and can have either negative or positive values. According to Hair et al. (2010), the normal values of standardised residuals are suggested to be less than ± 2.5,
values between 2.5 to 4.0 deserve some attention and cause problems, while values greater than 4.0 indicate an unacceptable degree of error and should be dropped. Evaluation of standardised residuals indicated that the values of BUR1, PD2, RDM5, and IDM4 were not within the acceptable level (above 2.58 or below – 2.58) (Hair et al., 2010), therefore, those items which shared a high degree of residual variance were dropped. The dropping of items at this stage is not unusual; however, minor modifications and dropping of items is allowed in no more than 20% of the measured items (Hair et al., 2010). As a consequence, after the problematic items were dropped, the measurement model was re-run, as recommended (Kline, 2005; Byrne, 2010; Hair et al., 2010). The final CFA model indices are summarised in Table 5.2.

Table 5.22
Goodness of Fit Statistics of Revised CFA Model

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Absolute Fit Measures</th>
<th>Incremental Fit Measures</th>
<th>Parsimony Fit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\chi^2$</td>
<td>DF</td>
<td>$\chi^2$/DF</td>
</tr>
<tr>
<td>Model GOF (1st run)</td>
<td>2317.0</td>
<td>160</td>
<td>1.4</td>
</tr>
<tr>
<td>Model GOF (2nd run)</td>
<td>2022.8</td>
<td>143</td>
<td>1.4</td>
</tr>
</tbody>
</table>

Note: $\chi^2$ = Chi-Square; DF = Degree of Freedom; P = Probability Value; GFI = Goodness of Fit Index; RMSEA = Root Mean Square Error of Approximation; NFI = Normated Fit Index; CFI = Comparative Fit Index; AGFI = Adjusted Goodness of Fit Index.

It can be seen from the results in the above Table that the goodness of fit indices were improved and the revised model demonstrated a better fit with the data. Results of the respective measurement model after removal of redundant items indicated the absolute fit measures were i.e. (GFI = 0.91) and (RMSEA = .030), respectively, the incremental fit measures were i.e. (NFI = .943) and (CFI =.955), respectively and the parsimony fit measure was i.e. (AGFI = .90). All these measures surpassed the acceptable recommended values. Additionally, the ratio of $\chi^2$ / DF was 1.4, which was within the acceptable threshold level. In summary, these goodness of fit statistics therefore confirmed that the model adequately fitted the data, indicating no further refinement of the model was required.
5.10.2 Assessment of Reliability and Validity of Constructs

According to Nunnally (1978), reliability of measurement scales is assessed by examining the consistency between the respondents’ answers and all items in the measure. Construct reliability (CR) or composite reliability (Bagozzi and Yi, 1988) was used to measure the internal consistency of each measure. Cronbach’s alpha, the Construct Reliability and the Average Variance Extracted (AVE) were used to measure the reliability of the constructs. Reliability of 0.70 or more is deemed reliable and considered good; whereas, a construct of 0.60 reliability value can be accepted if the other constructs in the model have good reliability (Nunnally and Bernstein, 1994; Hair et al., 2006). The composite reliability is considered to be good when it exceeds the criterion value of 0.60 (Bagozzi and Yi, 1988) or 0.70 as suggested by Hair et al. (2010). The average variance extracted (AVE) is well above 0.50 for all constructs as suggested by Bagozzi, Youjae and Phillips (1991). As can be seen from the table below (Table 5.23), all estimation values of the constructs were above the recommended cut-off point. In detail, the composite reliabilities supported the criterion of .70, signifying strong reliability and high internal consistency in measuring relationships in the model, which suggested strong construct validity as recommended by Hair et al. (2010). Furthermore, the AVE values were all above .50. Thus, all constructs were found to have greater construct reliability than the acceptable level of .70.

<table>
<thead>
<tr>
<th></th>
<th>CR</th>
<th>α</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>FAI</td>
<td>0.919</td>
<td>0.918</td>
<td>0.792</td>
</tr>
<tr>
<td>UA</td>
<td>0.873</td>
<td>0.852</td>
<td>0.581</td>
</tr>
<tr>
<td>IC</td>
<td>0.792</td>
<td>0.774</td>
<td>0.541</td>
</tr>
<tr>
<td>IDM</td>
<td>0.882</td>
<td>0.813</td>
<td>0.600</td>
</tr>
<tr>
<td>MF</td>
<td>0.909</td>
<td>0.887</td>
<td>0.666</td>
</tr>
<tr>
<td>PD</td>
<td>0.852</td>
<td>0.801</td>
<td>0.593</td>
</tr>
<tr>
<td>RDM</td>
<td>0.847</td>
<td>0.822</td>
<td>0.526</td>
</tr>
<tr>
<td>INN</td>
<td>0.924</td>
<td>0.922</td>
<td>0.673</td>
</tr>
<tr>
<td>SUP</td>
<td>0.928</td>
<td>0.918</td>
<td>0.621</td>
</tr>
<tr>
<td>DDM</td>
<td>0.812</td>
<td>0.746</td>
<td>0.566</td>
</tr>
<tr>
<td>ADM</td>
<td>0.932</td>
<td>0.834</td>
<td>0.773</td>
</tr>
<tr>
<td>BUR</td>
<td>0.831</td>
<td>0.841</td>
<td>0.555</td>
</tr>
<tr>
<td>SDM</td>
<td>0.834</td>
<td>0.818</td>
<td>0.509</td>
</tr>
<tr>
<td>GD</td>
<td>0.920</td>
<td>0.925</td>
<td>0.744</td>
</tr>
</tbody>
</table>
Moreover, the convergent validity test was also performed as suggested by Fornell and Larcker (1981). As the AVE for all constructs is well above 0.50, it signifies that the constructs display a high degree of convergent validity. Constructs also have convergent validity when the standardised factor loadings are .50 and the squared multiple correlations (SMC) are greater than .30 (Hair et al., 2010). Results are presented in Table 5.24 and show that all Standardised Factor Loadings (SFL) were statistically significant at the minimum cut-off criteria .50. Further, the SMC were also greater than .30; therefore, the measures demonstrated convergent validity.

Table 5.24
Descriptive Statistics of Convergent Validity

<table>
<thead>
<tr>
<th>Construct</th>
<th>Item</th>
<th>SFL</th>
<th>SMC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spontaneous Decision-Making</td>
<td>SDM1</td>
<td>.79</td>
<td>.618</td>
</tr>
<tr>
<td></td>
<td>SDM2</td>
<td>.83</td>
<td>.683</td>
</tr>
<tr>
<td></td>
<td>SDM4</td>
<td>.71</td>
<td>.499</td>
</tr>
<tr>
<td></td>
<td>SDM5</td>
<td>.54</td>
<td>.305</td>
</tr>
<tr>
<td>Dependent Decision-Making</td>
<td>DDM 4</td>
<td>.68</td>
<td>.461</td>
</tr>
<tr>
<td></td>
<td>DDM 1</td>
<td>.67</td>
<td>.447</td>
</tr>
<tr>
<td></td>
<td>DDM 3</td>
<td>.67</td>
<td>.455</td>
</tr>
<tr>
<td></td>
<td>DDM 2</td>
<td>.50</td>
<td>.347</td>
</tr>
<tr>
<td>Intuitive Decision-Making</td>
<td>IDM 2</td>
<td>.66</td>
<td>.738</td>
</tr>
<tr>
<td></td>
<td>IDM 3</td>
<td>.57</td>
<td>.327</td>
</tr>
<tr>
<td></td>
<td>IDM 5</td>
<td>.58</td>
<td>.334</td>
</tr>
<tr>
<td></td>
<td>IDM 1</td>
<td>.80</td>
<td>.640</td>
</tr>
<tr>
<td>Rational Decision-Making</td>
<td>RDM 3</td>
<td>.74</td>
<td>.554</td>
</tr>
<tr>
<td></td>
<td>RDM 1</td>
<td>.72</td>
<td>.523</td>
</tr>
<tr>
<td></td>
<td>RDM 2</td>
<td>.70</td>
<td>.492</td>
</tr>
<tr>
<td></td>
<td>RDM 4</td>
<td>.67</td>
<td>.443</td>
</tr>
<tr>
<td>Avoidant Decision-Making</td>
<td>AMD 3</td>
<td>.75</td>
<td>.561</td>
</tr>
<tr>
<td></td>
<td>AMD 4</td>
<td>.72</td>
<td>.572</td>
</tr>
<tr>
<td></td>
<td>AMD 2</td>
<td>.76</td>
<td>.523</td>
</tr>
<tr>
<td></td>
<td>AMD 5</td>
<td>.83</td>
<td>.692</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
<td>--------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Homophily</td>
<td>HOM 1</td>
<td>.72</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HOM 3</td>
<td>.87</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HOM 4</td>
<td>.55</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HOM 2</td>
<td>.77</td>
<td></td>
</tr>
<tr>
<td>Masculinity vs. Femininity</td>
<td>MF 4</td>
<td>.85</td>
<td></td>
</tr>
<tr>
<td></td>
<td>MF 3</td>
<td>.77</td>
<td></td>
</tr>
<tr>
<td></td>
<td>MF 2</td>
<td>.79</td>
<td></td>
</tr>
<tr>
<td></td>
<td>MF 1</td>
<td>.71</td>
<td></td>
</tr>
<tr>
<td></td>
<td>MF 5</td>
<td>.68</td>
<td></td>
</tr>
<tr>
<td>Power Distance</td>
<td>PD 4</td>
<td>.61</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PD 1</td>
<td>.68</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PD 5</td>
<td>.71</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PD 3</td>
<td>.58</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PD 6</td>
<td>.80</td>
<td></td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>UA 3</td>
<td>.76</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UA 4</td>
<td>.54</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UA 2</td>
<td>.61</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UA 1</td>
<td>.65</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UA 5</td>
<td>.81</td>
<td></td>
</tr>
<tr>
<td>Supportive</td>
<td>SUP 3</td>
<td>.92</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SUP 4</td>
<td>.88</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SUP 8</td>
<td>.75</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SUP 5</td>
<td>.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SUP 1</td>
<td>.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SUP 7</td>
<td>.71</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SUP 2</td>
<td>.62</td>
<td></td>
</tr>
<tr>
<td>Innovative</td>
<td>INN 6</td>
<td>.90</td>
<td></td>
</tr>
<tr>
<td></td>
<td>INN 2</td>
<td>.89</td>
<td></td>
</tr>
<tr>
<td></td>
<td>INN 5</td>
<td>.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td>INN 3</td>
<td>.93</td>
<td></td>
</tr>
<tr>
<td></td>
<td>INN 7</td>
<td>.78</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>BUR 3</td>
<td>.79</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BUR 5</td>
<td>.71</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BUR 6</td>
<td>.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BUR 7</td>
<td>.60</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BUR 2</td>
<td>.65</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BUR 8</td>
<td>.52</td>
<td></td>
</tr>
<tr>
<td>Geographical Distance</td>
<td>GD 4</td>
<td>.86</td>
<td></td>
</tr>
<tr>
<td></td>
<td>GD 3</td>
<td>.78</td>
<td></td>
</tr>
<tr>
<td></td>
<td>GD 2</td>
<td>.85</td>
<td></td>
</tr>
<tr>
<td></td>
<td>GD 1</td>
<td>.95</td>
<td></td>
</tr>
<tr>
<td>Social Network Position</td>
<td>SNP 3</td>
<td>.92</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SNP 1</td>
<td>.49</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SNP 2</td>
<td>.53</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SNP 4</td>
<td>.91</td>
<td></td>
</tr>
<tr>
<td>Fairness</td>
<td>FAI 2</td>
<td>.88</td>
<td></td>
</tr>
<tr>
<td></td>
<td>FAI 1</td>
<td>.75</td>
<td></td>
</tr>
<tr>
<td></td>
<td>FAI 3</td>
<td>.74</td>
<td></td>
</tr>
</tbody>
</table>
In addition, discriminant validity is another part of assessing the validity of a construct in confirmatory factor analysis. Discriminant validity, according to Hair *et al.* (2003), is the extent to which constructs are distinctive; also the measures of each construct are not correlated to other constructs. Discriminant validity was assessed by comparing the corresponding squared inter-construct correlation (SIC) with the square root of the AVE by a construct (Fornell and Larcker, 1981 and Hair *et al.*, 2006). The rule is that when the correlations are lower than the square root of the AVE, the constructs are supposed to exhibit discriminant validity (Fornell and Larcker, 1981). The estimation of AVE should be greater than the squared correlation estimates (Hair *et al.*, 2006). In the present case, these requirements were met for all constructs, with the AVE ranging from 0.70 as reported in Table 5.25, thereby confirming discriminant validity.

Correspondingly, the nomological validity of the constructs is also supported as long as all constructs are significantly correlated (Pihlstrom and Brush, 2008). Following acceptable cut-off criteria of the convergent and discriminant validities, the assessment of the structural model then comprises a confirmatory assessment of nomological validity (Anderson and Gerbing, 1988). Consequently, the results in this study indicate that the measures used in the measurement model possessed adequate reliability, convergent, discriminant and nomological validity; therefore, the constructs are theoretically and empirically distinct from each other.
Table 5.25
Discriminant Validity

<table>
<thead>
<tr>
<th></th>
<th>FAI</th>
<th>UA</th>
<th>IC</th>
<th>IDM</th>
<th>MF</th>
<th>PD</th>
<th>RDM</th>
<th>INN</th>
<th>SUP</th>
<th>DDM</th>
<th>ADM</th>
<th>BUR</th>
<th>SDM</th>
<th>GD</th>
<th>SNP</th>
<th>HOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>FAI</td>
<td>0.890</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UA</td>
<td>0.160</td>
<td>0.762</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC</td>
<td>0.070</td>
<td>0.519</td>
<td>0.664</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDM</td>
<td>0.111</td>
<td>0.058</td>
<td>0.163</td>
<td>0.774</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MF</td>
<td>0.014</td>
<td>-0.076</td>
<td>0.175</td>
<td>0.150</td>
<td>0.816</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PD</td>
<td>0.111</td>
<td>-0.219</td>
<td>0.091</td>
<td>0.147</td>
<td>0.656</td>
<td>0.702</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RDM</td>
<td>0.127</td>
<td>0.367</td>
<td>0.154</td>
<td>0.170</td>
<td>-0.117</td>
<td>-0.227</td>
<td>0.725</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INN</td>
<td>0.002</td>
<td>-0.016</td>
<td>-0.022</td>
<td>0.051</td>
<td>-0.063</td>
<td>-0.016</td>
<td>-0.011</td>
<td>0.821</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUP</td>
<td>-0.015</td>
<td>0.055</td>
<td>0.027</td>
<td>-0.130</td>
<td>-0.093</td>
<td>-0.113</td>
<td>-0.030</td>
<td>0.011</td>
<td>0.788</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DDM</td>
<td>0.063</td>
<td>0.251</td>
<td>0.307</td>
<td>0.176</td>
<td>0.063</td>
<td>0.021</td>
<td>0.232</td>
<td>-0.060</td>
<td>-0.003</td>
<td>0.683</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADM</td>
<td>0.010</td>
<td>-0.051</td>
<td>0.117</td>
<td>0.254</td>
<td>0.400</td>
<td>0.446</td>
<td>-0.042</td>
<td>-0.022</td>
<td>-0.070</td>
<td>0.201</td>
<td>0.879</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUR</td>
<td>0.285</td>
<td>0.132</td>
<td>-0.014</td>
<td>-0.006</td>
<td>-0.132</td>
<td>-0.156</td>
<td>0.133</td>
<td>-0.012</td>
<td>0.087</td>
<td>0.070</td>
<td>-0.061</td>
<td>0.675</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DMS</td>
<td>0.110</td>
<td>-0.138</td>
<td>0.042</td>
<td>0.244</td>
<td>0.258</td>
<td>0.331</td>
<td>-0.101</td>
<td>0.048</td>
<td>-0.163</td>
<td>-0.011</td>
<td>0.306</td>
<td>0.046</td>
<td>0.713</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GD</td>
<td>0.086</td>
<td>0.113</td>
<td>-0.024</td>
<td>0.015</td>
<td>0.037</td>
<td>0.012</td>
<td>0.049</td>
<td>0.064</td>
<td>-0.012</td>
<td>-0.053</td>
<td>-0.015</td>
<td>0.041</td>
<td>0.076</td>
<td>0.862</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNP</td>
<td>-0.057</td>
<td>0.130</td>
<td>0.108</td>
<td>0.139</td>
<td>0.029</td>
<td>0.097</td>
<td>-0.011</td>
<td>0.025</td>
<td>-0.007</td>
<td>0.125</td>
<td>0.120</td>
<td>-0.041</td>
<td>0.224</td>
<td>0.139</td>
<td>0.799</td>
<td></td>
</tr>
<tr>
<td>HOM</td>
<td>0.068</td>
<td>0.104</td>
<td>0.102</td>
<td>0.106</td>
<td>0.169</td>
<td>0.098</td>
<td>-0.075</td>
<td>-0.051</td>
<td>-0.026</td>
<td>0.234</td>
<td>0.088</td>
<td>-0.001</td>
<td>0.092</td>
<td>0.109</td>
<td>0.056</td>
<td>0.890</td>
</tr>
</tbody>
</table>

Squared square root of the AVEs appear on the diagonal, whilst the Correlations are below the diagonal.

5.11 Assessment of Model Fit and Hypotheses Test

The purpose of conducting CFA was to identify and confirm that the measurement model supports the validity of measures and the underlying dimensions of the research constructs. The key driver of this phase of data analysis is to test relationships among these latent constructs as hypothesised in the conceptual framework. In order to estimate those relations, the measurement model was transferred to the structural model (Hair et al., 2010). SEM provides an appropriate and most efficient estimation technique for a series of separate multiple regression equations estimated simultaneously (Hair et al., 2006). It is determined by the transformation of covariances between latent constructs into path estimations; the hypothesised causal relationships. The latent constructs are considered as the key variables of concern in SEM, which are not measured directly. The underlying constructs were classified into two types of latent construct, including exogenous constructs and endogenous constructs. Exogenous constructs (independent constructs) are identified as the variables in all equations in which they appear with no prior causal variable (Hair et al., 2010; Garson, 2012). On the other hand, endogenous constructs (dependent constructs) are variables in at least one equation (Kline, 2011). The exogenous constructs that were in the proposed theoretical model (see chapter 3) were individual culture dimensions (power distance, individualism vs. collectivism, masculinity vs. femininity, uncertainty avoidance), organisational culture dimensions (innovative, supportive, bureaucratic), homophily, social network position and geographical distance, while the endogenous constructs were decision-making styles (rational, intuitive, dependent, avoidant, spontaneous) and fairness. SEM and other parameter estimates will be used to examine the hypothesised structural model and presented in detail as follows.

5.11.1 Model Fit Assessment

The overall fit of the model indices and statistics are summarised in Table 5.2, while the model is depicted in Figure 5.2. The model fit indices for the first run were the chi-
square ($\chi^2 = 1960.50; \text{DF} = 130; P = 0.000$). The absolute fit measures ($\text{GFI} = .877$) and ($\text{RMSEA} = .037$). The incremental fit measures ($\text{NFI} = .890$) and ($\text{CFI} = .894$), were the parsimony fit measure ($\text{AGFI} = .873$). Looking at the indications, most of estimates were a poor fit, and the regression weights paths between decision-making styles and the other factors were slightly insignificant (see Table 5.27), however there is room for refinement.

Table 5.26  
First Run of the Structural Model Indicators

<table>
<thead>
<tr>
<th>Criteria</th>
<th>$\chi^2$</th>
<th>DF</th>
<th>$\chi^2$/DF</th>
<th>$P$</th>
<th>GFI</th>
<th>RMSEA</th>
<th>NFI</th>
<th>CFI</th>
<th>AGFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model GOF</td>
<td>1960.5</td>
<td>130</td>
<td>1.6</td>
<td>.000</td>
<td>.877</td>
<td>.037</td>
<td>.890</td>
<td>.894</td>
<td>.873</td>
</tr>
</tbody>
</table>

Note: $\chi^2$ = Chi-Square; DF = Degree of Freedom; $P$ = Probability Value; GFI = Goodness of Fit Index; RMSEA = Root Mean Square Error of Approximation; NFI = Normated Fit Index; CFI = Comparative Fit Index; AGFI = Adjusted Goodness of Fit Index.

Table 5.27  
Selected Text Output of the Regression Weights for Insignificant Path Structural Model

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>$P$</th>
</tr>
</thead>
<tbody>
<tr>
<td>DDM</td>
<td>&lt;---</td>
<td>PD</td>
<td>.422</td>
<td>.265</td>
</tr>
<tr>
<td>SDM</td>
<td>&lt;---</td>
<td>MF</td>
<td>-.309</td>
<td>.169</td>
</tr>
<tr>
<td>IDM</td>
<td>&lt;---</td>
<td>SUP 1</td>
<td>-.208</td>
<td>.109</td>
</tr>
<tr>
<td>SDM</td>
<td>&lt;---</td>
<td>HOM</td>
<td>.179</td>
<td>.102</td>
</tr>
<tr>
<td>DDM</td>
<td>&lt;---</td>
<td>HOM</td>
<td>.407</td>
<td>.160</td>
</tr>
<tr>
<td>ADM</td>
<td>&lt;---</td>
<td>UA</td>
<td>-.256</td>
<td>.235</td>
</tr>
<tr>
<td>RDM</td>
<td>&lt;---</td>
<td>UA</td>
<td>-.015</td>
<td>.156</td>
</tr>
<tr>
<td>IDM</td>
<td>&lt;---</td>
<td>SNP</td>
<td>-.162</td>
<td>.111</td>
</tr>
<tr>
<td>RDM</td>
<td>&lt;---</td>
<td>IC</td>
<td>.165</td>
<td>.098</td>
</tr>
<tr>
<td>ADM</td>
<td>&lt;---</td>
<td>BUR 1</td>
<td>.301</td>
<td>.199</td>
</tr>
<tr>
<td>DDM</td>
<td>&lt;---</td>
<td>INN 1</td>
<td>.099</td>
<td>.189</td>
</tr>
</tbody>
</table>

In other words, the factors that influence talent decision-making have no impact on decision-making styles which indicates a lack of support for some hypotheses. Therefore, this supports the decision to treating decision-making styles as first-order factors. Decision-making styles, in turn, can be included in several first-order latent
variables such as rational, intuitive, dependent, avoidant and spontaneous style that can be represented by the observed indicators (the items). Managers can aggregate their evaluations of first-order latent variables to form their perceptions of the second-order dimensions and consequently aggregate evaluations of second-order dimensions to derive perceptions of a higher-order overall construct. The second-order model is applicable when there is a higher-order factor that is hypothesised to account for the relations among the lower-order factors (Koufteros, Babbar and Kaighobadi, 2009). The second-order model also supported the current research hypotheses which were considered as the aggregate perception of the managers about their decision style. The following analysis incorporates the decision-making styles concept as a higher order structure.

5.11.2 CFA for Second-Order Decision-Making Styles Structure

To introduce a higher-order structure (decision-making styles) into the research model, Hair et al. (2010) suggest that CFA should be applied first for the first order and then a higher order is familiarised followed by the incorporation of the higher order into the hypothesised research model (Byrne, 2010). Following these steps, a CFA run of the first-order constructs (decision-making styles) resulted in the following model specifications (Figure 5.2 and Table 5.28). Note that the approach is the same as with a single group analysis.

After the paradigm for examining the second-order factor is prepared, the CFA is ready to run. The model fit indices indicate a good fit. The results shows that the indicated absolute fit measures were i.e. (GFI = .923) and (RMSEA = .045), respectively, the incremental fit measures were i.e. (NFI = .915) and (CFI = .939), respectively and the parsimony fit measure was i.e. (AGFI = .910). All these measures surpassed the acceptable recommended values (see Table 5.27). Moreover, all of the estimated paths are significant, while all of the standardised factor loadings (SFL) are above .5 which is acceptable (Hair et al., 2010) (see Table 5.29). The results confirm that the five first-order constructs (rational, intuitive, dependent, avoidant and spontaneous style) represent a second-order factor that is labelled “DMStyle” which therefore, contribute and are significantly related to decision-making style. Having
established that, the next step is to incorporate the decision-making style structure into the research model and assess the measurement model fit and research hypotheses.

**Figure 5.2**
Higher-Order Model of the Decision-Making Styles Perceptions Factorial Structure

**Table 5.28**
CFA for Second-Order Decision-Making Style Structural Indicators

<table>
<thead>
<tr>
<th>Criteria</th>
<th>$\chi^2$</th>
<th>DF</th>
<th>$\chi^2$/DF</th>
<th>$P$</th>
<th>GFI</th>
<th>RMSEA</th>
<th>NFI</th>
<th>CFI</th>
<th>AGFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model GOF</td>
<td>463.50</td>
<td>165</td>
<td>2.8</td>
<td>.000</td>
<td>.923</td>
<td>.045</td>
<td>.915</td>
<td>.936</td>
<td>.910</td>
</tr>
</tbody>
</table>

*Note:* $\chi^2 =$ Chi-Square; DF = Degree of Freedom; $P =$ Probability Value; GFI = Goodness of Fit Index; RMSEA = Root Mean Square Error of Approximation; NFI = Normated Fit Index; CFI = Comparative Fit Index; AGFI = Adjusted Goodness of Fit Index.
Table 5.29
Summary Results of Validity

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>SFL</th>
</tr>
</thead>
<tbody>
<tr>
<td>IDM</td>
<td>&lt;--- DMS</td>
<td>1.00</td>
<td></td>
<td></td>
<td>.452</td>
</tr>
<tr>
<td>ADM</td>
<td>&lt;--- DMS</td>
<td>2.747</td>
<td>.533</td>
<td>5.158</td>
<td>***</td>
</tr>
<tr>
<td>RDM</td>
<td>&lt;--- DMS</td>
<td>.386</td>
<td>.113</td>
<td>4.390</td>
<td>***</td>
</tr>
<tr>
<td>DDM</td>
<td>&lt;--- DMS</td>
<td>.713</td>
<td>.185</td>
<td>3.859</td>
<td>***</td>
</tr>
<tr>
<td>SDM</td>
<td>&lt;--- DMS</td>
<td>.975</td>
<td>.195</td>
<td>4.995</td>
<td>***</td>
</tr>
<tr>
<td>ADM5</td>
<td>&lt;--- ADM</td>
<td>1.000</td>
<td></td>
<td></td>
<td>.781</td>
</tr>
<tr>
<td>ADM4</td>
<td>&lt;--- ADM</td>
<td>.953</td>
<td>.058</td>
<td>16.487</td>
<td>***</td>
</tr>
<tr>
<td>ADM3</td>
<td>&lt;--- ADM</td>
<td>.933</td>
<td>.058</td>
<td>15.969</td>
<td>***</td>
</tr>
<tr>
<td>ADM2</td>
<td>&lt;--- ADM</td>
<td>.843</td>
<td>.062</td>
<td>13.654</td>
<td>***</td>
</tr>
<tr>
<td>IDM5</td>
<td>&lt;--- IDM</td>
<td>1.000</td>
<td></td>
<td></td>
<td>.604</td>
</tr>
<tr>
<td>IDM3</td>
<td>&lt;--- IDM</td>
<td>1.089</td>
<td>.104</td>
<td>10.495</td>
<td>***</td>
</tr>
<tr>
<td>IDM2</td>
<td>&lt;--- IDM</td>
<td>1.162</td>
<td>.091</td>
<td>12.796</td>
<td>***</td>
</tr>
<tr>
<td>IDM1</td>
<td>&lt;--- IDM</td>
<td>1.040</td>
<td>.083</td>
<td>12.553</td>
<td>***</td>
</tr>
<tr>
<td>DDM5</td>
<td>&lt;--- DDM</td>
<td>1.000</td>
<td></td>
<td></td>
<td>.614</td>
</tr>
<tr>
<td>DDM4</td>
<td>&lt;--- DDM</td>
<td>.879</td>
<td>.093</td>
<td>9.483</td>
<td>***</td>
</tr>
<tr>
<td>DDM2</td>
<td>&lt;--- DDM</td>
<td>.856</td>
<td>.107</td>
<td>7.969</td>
<td>***</td>
</tr>
<tr>
<td>DDM1</td>
<td>&lt;--- DDM</td>
<td>1.051</td>
<td>.111</td>
<td>9.477</td>
<td>***</td>
</tr>
<tr>
<td>RDM4</td>
<td>&lt;--- RDM</td>
<td>1.000</td>
<td></td>
<td></td>
<td>.654</td>
</tr>
<tr>
<td>RDM3</td>
<td>&lt;--- RDM</td>
<td>1.267</td>
<td>.101</td>
<td>12.560</td>
<td>***</td>
</tr>
<tr>
<td>RDM2</td>
<td>&lt;--- RDM</td>
<td>1.144</td>
<td>.095</td>
<td>11.987</td>
<td>***</td>
</tr>
<tr>
<td>RDM1</td>
<td>&lt;--- RDM</td>
<td>1.187</td>
<td>.098</td>
<td>12.147</td>
<td>***</td>
</tr>
<tr>
<td>SDM5</td>
<td>&lt;--- SDM</td>
<td>1.000</td>
<td></td>
<td></td>
<td>.547</td>
</tr>
<tr>
<td>SDM4</td>
<td>&lt;--- SDM</td>
<td>1.681</td>
<td>.193</td>
<td>8.730</td>
<td>***</td>
</tr>
<tr>
<td>SDM2</td>
<td>&lt;--- SDM</td>
<td>1.992</td>
<td>.218</td>
<td>9.145</td>
<td>***</td>
</tr>
<tr>
<td>SDM1</td>
<td>&lt;--- SDM</td>
<td>1.924</td>
<td>.212</td>
<td>9.038</td>
<td>***</td>
</tr>
</tbody>
</table>


5.11.3 Testing the Structural Model with the Second-Order Structure

Table 5.30
Final Structural Model Indicators

<table>
<thead>
<tr>
<th>Criteria</th>
<th></th>
<th>Absolute Fit Measures</th>
<th>Incremental Fit Measures</th>
<th>Parsimony Fit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>χ²</td>
<td>DF</td>
<td>χ²/DF</td>
<td>P</td>
</tr>
<tr>
<td></td>
<td>&lt; 3.00</td>
<td>≥0.90</td>
<td>&lt; .05</td>
<td>≥0.90</td>
</tr>
<tr>
<td>Model GOF</td>
<td>1960.48</td>
<td>130</td>
<td>1.5</td>
<td>.000</td>
</tr>
</tbody>
</table>

Note: χ² = Chi-Square; DF = Degree of Freedom; P = Probability Value; GFI = Goodness of Fit Index; RMSEA = Root Mean Square Error of Approximation; NFI = Normated Fit Index; CFI = Comparative Fit Index; AGFI = Adjusted Goodness of Fit Index.
The final model consists of 11 constructs in addition to the higher-order factor of decision-making style perceptions as shown in Figure 5.3. Overall the model fit of the observed data was examined with the aim of assessing whether the model was valid. By running SEM, the results yield an adequate level of fit, as demonstrated in Table 5.30. The model fit indices readings are: The chi-square ($\chi^2 = 1960.48$) with (DF = 130) and a (CMIN/DF = 1.5), which is < 2 indicating a good fit as recommended by Tabachnick and Fidell (2006). However, other fit measures indicated that the model adequately fits the observed data. The absolute fit measures (GFI = .941) and (RMSEA = .033) respectively, indicating a good fit of model. The incremental fit measures (NFI = .937) and (CFI = .945) were both accepted and the parsimony fit measure (AGFI = .947) was also above the cut-off point. It can be determined that the proposed model maintains a good fit with the observed data.

Figure 5.3
The Structural Model
5.11.4 Testing the Hypotheses

The main driver for using the SEM technique in this research was to examine hypotheses about potential relationships between variables (Kline, 2011). Therefore, a good fit and the validation of the model in this research indicates its suitability to represent the gathered data. The analysis proceeds to examine the relationships between the independent and dependent variables as they are proposed in the conceptual model to support or reject the associated statements in the hypotheses. Thus, in order to test the structural model, the standardised estimates in AMOS can be retrieved. Based on the values ($p < 0.05$), the research hypotheses are considered acceptable to a given level of significance and the opposite is also true. Additionally, the estimated value (the regression weight) indicates the relative strength of the relationship. The results of hypotheses testing are summarised in the following Table 5.31.

At this point, the last research hypothesis regarding gender differences was tested using MANOVA, while the rest of the hypotheses were tested using a full structural model (SEM). It can be seen from the results in Table 5.30 that the estimated weightings and the associated levels of significance (e.g., $p$ value) for each estimated link (hypothesis) in the conceptual model is reported (except the last hypothesis). This revealed that nine hypothesised paths between independent and dependent variables were statistically significant. In contrast, three hypotheses failed to receive statistical support from the present data because they did not exceed the cut-off point required for statistical significance. As shown in Figure 5.4, the main model estimations show that nine hypotheses were significant while three were not significant.
Table 5.3
Results of Hypotheses Testing

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Hypotheses</th>
<th>Path</th>
<th>Standardised Regression Weights ($\beta$)</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual culture</td>
<td>H1 a</td>
<td>DMS $\leftarrow$ PD</td>
<td>.509 ***</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H1 b</td>
<td>DMS $\leftarrow$ MF</td>
<td>.820 ***</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H1 c</td>
<td>DMS $\leftarrow$ UA</td>
<td>.224 **</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H1 d</td>
<td>DMS $\leftarrow$ IC</td>
<td>.500 ***</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td>Organisational Culture</td>
<td>H2 a</td>
<td>DMS $\leftarrow$ SUP</td>
<td>.081 .132</td>
<td>Rejected</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H2 b</td>
<td>DMS $\leftarrow$ INN</td>
<td>.291 **</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H2 c</td>
<td>DMS $\leftarrow$ BUR</td>
<td>.052 .330</td>
<td>Rejected</td>
<td></td>
</tr>
<tr>
<td>Geographical Distance</td>
<td>H3</td>
<td>DMS $\leftarrow$ GD</td>
<td>.202 **</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td>Homophily</td>
<td>H4</td>
<td>DMS $\leftarrow$ HOM</td>
<td>.244 ***</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td>Social Network Position</td>
<td>H5</td>
<td>DMS $\leftarrow$ SNP</td>
<td>.289 *</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td>Fairness</td>
<td>H6</td>
<td>FAIR $\leftarrow$ DMS</td>
<td>.477 ***</td>
<td>Accepted</td>
<td></td>
</tr>
<tr>
<td>Gender Differences</td>
<td>H7</td>
<td>DMS $\leftarrow$ GEN</td>
<td>NS</td>
<td>Rejected</td>
<td></td>
</tr>
</tbody>
</table>

Note: *** Regression is significant at 0.001 level ($P < 0.001$), ** Regression is significant at 0.01 level ($P < 0.01$), * Regression is significant at 0.05 level ($P < 0.05$).
NS = Not Significant.
DMS = Decision-Making Styles, PD = Power Distance, IC = Individualism vs. collectivism, MA = Masculinity vs. Femininity, UA = Uncertainty Avoidance, HOM = Homophily, SNP = Social Network Position, GD = Geographical Distance, INN = Innovative, SUP = Supportive, BUR = Bureaucratic, FAI = Fairness, GEN = Gender Differences.
Figure 5.4
Path Analysis Results of the Structural Model
As outlined in Figure 5.4, the main model estimations revealed that 9 of the 12 hypotheses were significant, while three were not supported. The implications of these results are further discussed in Chapter 6. Meanwhile, here are brief results of hypotheses testing.

- It was hypothesised that there would be a significant relationship between individual culture dimensions and decision-making style. This hypothesis was divided to four sub-hypotheses. Thus, dimension one (power distance) was supported ($B = .50, p = .001$), dimension two (masculinity vs. femininity) was supported ($B = .82, p = .001$), dimension three (uncertainty avoidance) was supported ($B = .22, p = .01$), and the fourth dimension (individualism vs. collectivism) was supported ($B = .50, p = .001$).

- It was hypothesised that there would be a significant relationship between organisational culture dimensions and decision-making style. This hypothesis was divided to three sub-hypotheses. Thus, dimension one (supportive) was not supported ($B = .081, p = .131$), the second dimension (bureaucratic) was not supported, as the parameter estimates were non-significant ($B = .050, p = .324$), while the third dimension (innovative) was supported ($B = .29, p = .01$).

- It was hypothesised that there would be a relationship between geographical and institutional proximity and talent decision-making style. This hypothesised relationship was found to be significant ($B = .20, p = .01$).

- It was hypothesised that there would be a relationship between homophily and decision-making style. This hypothesised relationship was found to be significant ($B = .23, p = .001$).

- It was hypothesised that there would be a relationship between social network position and decision-making style. This hypothesised relationship was supported ($B = .28, p = .05$).
• It was hypothesised that there would be a relationship between decision making style and the fairness of the decision. This hypothesised relationship was found to be significant ($B = .47$, $p = .001$).

• It was hypothesised that there would be a relationship between the gender diversity and decision-making style. This hypothesised relationship was rejected.

5.12 Further Analysis

The dominant concern in this section was to assess if the results obtained from the measurement model are equivalent across different groups (i.e., male and female managers) in the sample. The validated SEM model was tested according to group differences using AMOS 20 by comparing the chi-square of the unconstrained and fully constrained models. In order to assess the differences between groups, the sample was divided into groups based on gender. Due to the enormous differences between the sample size of males (N = 402) and females (N = 68), the comparison had to be made between the entire sample and the males. The female sample was excluded since the required sample size to guarantee robust structural equation modelling is at least 200 (Harris and Schaubroeck, 1990; Hair et al., 1998; Kline, 2005). In addition, Saudi females in the labour force are considered to be of very low status (Achoui, 2009) especially in managerial positions (SAMA, 2012), thus, this sample was not surprising. Accordingly, the comparison here is based on two groups (entire sample and the male sample) between unconstrained and constrained model. As shown in Table 5.32 the results indicate insignificant differences between the entire sample and the males, from which we assume the small sample of females did not make a significant difference. According to Hair et al. (2010), an insignificant difference does not support the existence of moderators, while a significant difference between models indicates the existence of moderators. Therefore, this application was to (dis) prove if the model holds regardless of sample differences; however, it can be argued that the scale is generalisable among males and females in their talent decision-making identification process. Nevertheless, with a small sample size of female participants, caution must be applied.
<table>
<thead>
<tr>
<th>Model</th>
<th>N</th>
<th>$\chi^2$</th>
<th>DF</th>
<th>RMSEA</th>
<th>CFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entire</td>
<td>470</td>
<td>1960.48</td>
<td>130</td>
<td>.033</td>
<td>.945</td>
</tr>
<tr>
<td>Male</td>
<td>402</td>
<td>1904.32</td>
<td>130</td>
<td>.036</td>
<td>.922</td>
</tr>
</tbody>
</table>

### 5.13 Concluding Remarks

This chapter has provided a detailed discussion of the statistical procedures of quantitative data analysis and presented the findings from final purified scales and hypotheses testing in this thesis. Several statistical tests were applied in order to achieve the aim of the chapter. These included a general descriptive analysis of the sample, a reliability test of the survey instruments using Cronbach’s alpha, correlation analysis, normality issues, principal components analysis (PCA), CFA, and second-order analysis. The measurement model is then transferred to the structural model for hypotheses testing.

The first phase of data analysis was screening the data, but no missing data were found due to the technical specification (mandatory settings) of using an online survey. The results also revealed that there were very few outliers, however, there was no evidence that the outliers were aberrant and subject to deletion; therefore, all were retained. The normality of the data was investigated using Skewness and Kurtosis tests and the results suggested that all the data were normally distributed. To test for reliability, Cronbach’s alpha was applied to all construct measurements. The reliability of all constructs was above the minimum requirement which gives an indication of the quality of the internal consistency. The findings of the correlation analysis indicated fair correlations between the research constructs, in other words, they were significantly related to each other. Furthermore, MANOVA tables provided evidence of the relationship between the gender differences and the decision-making style.

In the second phase, EFA was performed using SPSS version 20 to show the relationship of variables to factors. This was followed by an explanation of factor
loading to purify and reduce the data and identify groups or clusters of variables. The results suggested that five items should be deleted, as they were highly cross-loaded on to another latent factor. The eigenvalues and scree plot helped the extraction of the factors. PCA and orthogonal model with Varimax rotation method were applied to rotate the factors which showed maximum variance of factor loading. The finding showed significant results from which 16 factors were extracted.

Structural equation modelling analysis was then performed in two stages, the measurement model and the structural model using AMOS version 20. Starting with CFA, the fit of the measurement model was assessed. At this point in the assessment, the standardised regression weights for all measurement items were above the recommended levels. Evaluation of standard residuals indicated that the values of some items were not within the acceptable level and were therefore dropped, which resulted in a final set of 73 items. CFA was then performed again for the measurement model after dropping these problematic items. At this point, the results indicators were highly loaded on to their specified factors and the overall goodness-of-fit (GOF) indices suggested acceptance of the model. Each latent construct was then tested for reliability and validity. By examining each of these using Cronbach’s alpha, composite reliability and average variance extracted, the assessment indicated that all constructs were reliable. Additionally, the convergent, discriminant and nomological validity for each construct were also confirmed. Furthermore, a second-order analysis was employed in this study in order to amalgamate the decision-making styles (rational, intuitive, dependent, avoidant and spontaneous style) to one variable to aggregate the managers’ perception about their decision style which was parallel the research hypotheses. CFA was required in this step for the second-order structure. The results of the model fit of the new construct were accepted. Accordingly, the modification based on this step changed the model which required further confirmatory factor analysis to assess the goodness of fit. The results of the model revealed that goodness of fit indices were a better fit to the data.

Finally, the measurement model was then transferred to the structural model for testing the hypothesised relationships between latent constructs. The results of the structural model provided a good fit of the data. However, while the majority of the pathways were significant, other pathways were non-significant, i.e., 3 out of the 12 hypotheses
(included the main and the sub-hypotheses) were rejected. Hence, the model showed a robust test of the hypothesised relationships between the constructs of interest. Detailed discussion of the findings and the results of this study will be presented in the next chapter.
Chapter Six
DISCUSSION AND REFLECTION

6.1 Introduction

The previous chapter set out the systematic statistical procedures in order to empirically test the factors that influence talent decision-making within the talent identification process. By using structural equation modelling the model presented a set of significant predictors between the dependent and independent constructs, and the findings were generally supportive of the research objectives and hypotheses. The aim of this chapter is to draw together all the various components of the research to provide an opportunity to reflect on the literature with the findings of the research. Beginning the chapter with an overview of the main objectives of this research, the key findings of this study will then be discussed. The descriptive statistical findings of the significance and/or insignificance of the hypothesised relationships will be deliberated. Finally, conclusions will be drawn at the end of the chapter.

6.2 Overview of the Research Study

The purpose of this research study was to determine the underlying contextual and cultural factors that are most likely to have a significance influence on talent decision-making style and their impact on the fairness of talent decision-making within the context of private organisations across the Kingdom of Saudi Arabia. By drawing on the theoretical model of Makela, Bjorkman, and Ehrnrooth (2010) of the talent identification process, this study also incorporated factors from other well-known theories. To date, there are a numbers of factors that have largely been examined separately in the literature. This study is the first to attempt to investigate these factors collectively to develop a comprehensive model to address the nature of talent decision-
making. These factors have different kinds of influences and so the researcher categorised them into four groups: (1) individual factors included individual culture; (2) organisational factors comprised organisational culture and geographical and institutional proximity; (3) social factors such as homophily and social network position; and (4) psychological factors which encompassed gender diversity. The relative importance of each of these factors in predicting the fairness of talent decision-making was also evaluated. From this background, the study tested the hypothesised model empirically to validate the model by exploring the relationships between studied factors. In addition, the research has fulfilled its objectives as is summarised in table 6.1.

Table 6.1
The Fulfilment of the Research Objectives

<table>
<thead>
<tr>
<th>Chapter 2</th>
<th>Undertaking a review of the talent management literature with a particular focus on talent decision-making.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Identifying the talent identification processes.</td>
</tr>
<tr>
<td></td>
<td>Examining the key findings from previous studies to identify the factors that shape and influence talent decision-making.</td>
</tr>
<tr>
<td></td>
<td>Examining the effect of decision-making style on fairness of talent decision-making.</td>
</tr>
<tr>
<td>Chapter 3</td>
<td>Developing a theoretical model of the determinants of the talent decision-making process and the factors in addition to their relative importance on the fairness of decisions.</td>
</tr>
<tr>
<td>Chapter 4</td>
<td>Developing a measurement scale for the ‘social network position’ construct.</td>
</tr>
<tr>
<td>Chapter 5</td>
<td>Empirically testing and validating the proposed research model in a developing economy context i.e., Saudi Arabia.</td>
</tr>
<tr>
<td>Chapter 6</td>
<td>Extrapolate the results and suggest theoretical and managerial implications for academics and practitioners.</td>
</tr>
</tbody>
</table>

With the purpose of achieving the above-mentioned research objectives, a literature review was conducted, as reported in chapter 2. The literature suggested that the talent identification process consisted of two stages, performance appraisal evaluation and a talent review meeting process. However, it was identified that the final decision of identifying talent is influenced by a number of factors, due to the nature of decision-makers’ ability to access knowledge and the limitations of their experience and cognition. This study therefore takes one step forward towards understanding how the complex relationship between different kinds of decision-making style is associated
with different attitudes towards justice in organisations. Accordingly, those factors were identified in the literature and they were incorporated into the model (Chapter 3). In other words, those factors were identified and adopted from different research areas, e.g., cross-cultural (sociology) and decision-making (psychology) to be applied to the context of talent management.

The study suggested a quantitative approach using a cross-sectional survey to collect primary data. As mentioned earlier in chapter 4, the questionnaire was developed on the basis of the reviewed literature by adopting all existing measurement scales reported in previous research studies except one construct (social network position) which was developed for this study. The theoretical model was then operationalised in this stage. The data was collected and then analysed using two statistical software tools i.e., SPSS version 20 was used for the descriptive analysis and exploratory factor analysis, while AMOS version 20 was used for structural equation modelling (SEM) analysis including confirmatory factor analysis (CFA) and testing the model fit to the data and hypotheses testing. Furthermore, the newly developed scale was tested applying statistical data reduction techniques, i.e., exploratory factor analysis (EFA) in the pilot study and CFA in the main survey. Reliability and validity of the constructs were assessed in addition to using the path analysis technique for testing the hypothesised causal relationships among the constructs proposed in the research model. The findings of the empirical study were found to be valuable in explaining the factors that influence talent decision-making by an adequate fit between the data and the proposed model.

A conceptual model was developed that showed the impact of the antecedents (individual, organisational, social and psychological factors) on the focal construct (talent decision-making style) which, in turn, influenced the fairness of talent decisions as a consequence. The outcomes of this study were mostly supportive of the hypothesised relationships proposed in the conceptual model. The overall structural model was evaluated and a discussion of the findings is presented in the next section in detail by summarising the supporting evidence for the hypotheses, followed by the conclusions of this chapter.
6.3 Discussion and Findings

After the data analysis of had been performed (in the previous chapter), the results needed to be interpreted. The following sections discuss and interpret the findings in greater detail including: the population and response rate, profile of respondents, measurement scale purification and hypotheses tested in this study.

6.3.1 Population and Response Rate

This study was conducted in selected private sector organisations including the oil and banking industries in Saudi Arabia. The targeted sample was chosen from a variety of managerial levels including HR managers, talent managers, line managers, senior managers and directors. The total Saudi labour force in these positions in private sector organisations across the Kingdom is about 0.06 million of the total number of workers in the main occupations (SAMA, 2011). In Saudi Arabia, data collection is seriously challenging as indicated by previous researchers working in this context (e.g., Sohail 2005; Abdul-Muhmin and Umar, 2007). Therefore, convenience sampling (Bryman and Bell, 2007) and Snowball sampling (Collis and Hussy, 2009; Saunders, Lewis and Thornhill, 2012) were considered to be the most appropriate sampling methods to yield satisfactory responses.

Primary data was collected employing a quantitative approach using a cross-sectional survey. Out of 1960 surveys distributed, a total of 486 respondents completed the questionnaire. However, after deducting the non-matching population sample and incomplete answers, only 470 responses were included in the data analysis. As a result, the final response rate in this study was 25%. In this regard, this study covered a large sample and provided a substantive representation of the total population of private sector organisations. Consistent with Comery and Lee (1992), a sample size of 50 - 100 is considered poor, 200 as fair, 300 as good, 500 as very good and 1000 is considered excellent. In other words, this sample was large enough to represent the population and underlying structure because of examining the reliable correlations and prediction power of factors (Hair et al., 2006; Tabachnick and Fidell, 2007). Therefore, the overall useable response rate in this study seems relatively respectable bearing in
mind the selected population (managers), the method of collecting the data (online- and-paper-based survey questionnaire) in addition to the length of the survey.

6.3.2 Profile of Respondents

The results of participants’ demographic characteristics revealed that the majority of the respondents were male (85.5%); only 14.5% were females. This finding is not surprising since the latest gender labour force population statistics in private sector organisations in the kingdom of Saudi Arabia for the year 2012 indicate that the total number of male employees exceeds the number of females by about 88.5% especially in managerial positions (SAMA, 2013). Accordingly, this variance in the ratio between male and female groups probably explains the high percentage of male responses obtained in this survey. Furthermore, this finding supports figures that indicate that there are more males working in the private sector, particularly at managerial levels, than females in Saudi Arabia.

In addition to the gender diversity of the sample, the age, level of education and years of experience of the respondents produced some interesting results. They revealed that about 52.6% of respondents in this survey were between 30 years and 39 years. Most of the participants in this survey reported the highest level of education as a Master’s degree 45.7%, followed by a Bachelor’s degree 38.7%. This finding suggests that more than half of the respondents were young (30-39 years old) and indicated that the managerial level in Saudi Arabia, generally, have a high level of education. The findings also revealed that the majority of respondents 45.1% had good work experience of between six and 10 years. Similarly, a majority of respondents were HR managers 34.5%, followed by directors 23.0%. It can possibly be explained that the education level of respondents and good rate of experience at managerial level, particularly in HR, is the result of greater awareness and exposure to human resource management and, therefore, in the identification of key talents as part of their experience.

The findings also revealed that the majority of respondents were working in the banking and financial sectors which accounted for 77.9.0% (N = 366) of the
respondents, followed by the oil and gas industries which represented 22.1% (N = 104) of the respondents. Results revealed that the highest percentage of participants 80.2% (N = 377) were located in head office, while about 19.8% (N = 93) of participants were located in branch offices.

In terms of the decision-making process, the majority of participants (79.6%) agreed that the performance appraisal system is generally used in their organisation as a process of identifying talent. This finding corroborates the ideas of Cascio (2006); Azzara (2007); Stahl et al. (2007) and Makela, Bjorkman, and Ehrnrooth (2010), who suggest that the performance appraisal system is crucial to successfully identifying the key talents. Likewise, 77.0% of participants believed that the evaluation and the results of the performance appraisal system assist managers to make the right decision when identifying talented employees. On the other hand, while 54.0% of respondents believed that the performance appraisal system in their organisation was an accurate and effective approach for identifying talent, some 45.3% did not believe in the accuracy of the performance appraisal. The present findings seem to be consistent with other research which has found that the accuracy of performance appraisals might form the basis for the evaluation of talent (Sanchez and De La Torre, 1996; Jawahar, 2006). Those findings further support the idea of the importance of performance appraisal evaluation as the fundamental process for many important administrative decisions (Murphy and Cleveland, 1995) included talent decision-making (Makela, Bjorkman and Ehrnrooth, 2010; Mcdonnell and Collings, 2011; Ahmed et al., 2013; Gelens et al., 2014).

Along with talent decision-making, the majority of respondents (77.0%) indicated that managerial decision-making regarding identification of talent in their organisation is usually made at the head office. This finding further supports the ideas of Makela, Bjorkman, and Ehrnrooth (2010), who claimed that talent decision-making usually takes place in head office. As a final point, most of the participants (31.4%) in this survey remarked that the final decision for identifying talent in their organisations is either made by a director, or by HR managers (28.2%). This study produced results which corroborate the findings of a great deal of the previous work in the field of talent management. These results are consistent with those of other studies and suggest that the talent identification process both engages and is supported by a range of
managerial levels including senior management and HR managers (Azzara 2007; Makela, Bjorkman, and Ehrnrooth, 2010; Mcdonnell and Collings, 2011).

6.3.3 Materials and Methods of Purification the Measurement Scale

The scale measurements for this study comprised decision-making style, individual culture, organisational culture, geographical distance, homophily and fairness and were developed primarily on the basis of conceptual articles. However, the scale of social network position was developed by the researcher. It has been suggested that social network position is one of the key factors that influence decision-making in the talent identification process. No instruments are, however, available to evaluate this construct. Therefore, this study developed a reliable and valid instrument for measuring social network position within a talent management context. The point made in this study, though, is that developing such a scale should be based on well-established literature to exploit the opportunity of comprehensiveness and generalisability across talent management studies (Churchill, 1979).

Accordingly, the key issue to be deliberated was the operationalisation and validation of the concepts in this study. The pool of items for the scales was subjected to quantitative refinement. Content and face validity for all measurement scales were assessed in both a pre-test and pilot study in which participants were asked to give their opinions about the items. Furthermore, the survey instrument was assessed by expert PhD field researchers at Brunel University (Hardesty and Bearden, 2004) at the initial stage of research. However, more attention was paid to the newly developed scale in that special interviews with professionals in the area of HR and talent management were conducted. Experts and HR professionals were asked to comment on the lists of scale items.

In addition, all measurement scales were subjected to two circles of data reduction via exploratory factor analysis (EFA) and confirmatory factor analysis (CFA). Similarly, several statistical tests including convergent validity, discriminant validity, composite reliability, Cronbach’s alpha reliability and average variance extracted were performed. These statistical tests resulted in the removal of 13 items. The final scales
of the study constructs and items were reported in the previous chapter in Table 5.23. Overall, theoretical and operational validity and reliability scales were developed and hypotheses testing were performed with the scale (see chapter 5 for more statistical details).

Thus, it can be seen that the findings from the scale purification reflect three main ideas. First, in order to develop a new measurement scale it essential to follow Churchill’s four steps which include (a) literature search, (b) experience survey (interview with experts), (c) conduct a pilot study, and (d) perform coefficient alpha and exploratory factor analysis (Churchill, 1979). Second, with regard to adopting and applying existing scales to another culture and region (e.g., Saudi Arabia), it is necessary to assess the relevance of the context of the scale to achieve the validity of inferences by accomplishing a pilot study (Singh, 1995). Third, to ensure the applicability of the measurement scales, it is fundamental to assess external validity along with internal criteria such as reliability and validity (Craige and Douglas, 2000).

### 6.3.4 Discussion of Hypotheses Testing

The presentation of the results of testing the research hypotheses are discussed in this section. After examining the antecedents (individual culture, organisational culture, geographical distance, homophily and gender diversity) on the focal construct (decision making style), the consequences (fairness of the decision) are examined. The discussion continues with the implications as to how these antecedents affect talent decision-making styles which, as a result, have an impact on the fairness of the final decision. The standardised estimates for 9 out of 12 hypotheses (included the main and the sub-hypotheses) were statistically significant in the hypothesised direction. As a consequence, these hypotheses were supported. Conversely, three hypotheses failed to receive statistical support, and therefore were rejected. The next section presents a detailed discussion about hypotheses testing.
6.3.4.1 Individual Culture Dimensions Findings

In the first hypothesis it was expected that cultural dimensions have a significant impact on talent decision-making among private sector organisations in Saudi Arabia. Cultural dimensions were chosen as one antecedent of decision-making in this research. The important role of culture on decision-making has received significant attention in previous studies (e.g., Hofstede, 1980; Hunt et al., 1989; Vitell, Nwachukwu and Barnes, 1993; Lu, Rose and Blodgett, 1999; Christie et al., 2003; Leo, Bennett and Hartel, 2005). On the other hand, although many historians have emphasised the importance of the cultural context, it has not been systematically studied (e.g., Heller et al., 1988; Hayes and Kleiner, 1989; Ali, 1993). However, because this study is the first in the talent management area, it assumes that the cultural dimension has a direct impact on talent decision-making. The results reveal great support for the impact of the cultural dimension on talent decision-making.

According to Clugston, Howell and Dorfman (2000), the characteristics of culture vary among countries and across regions and, not unnaturally the culture in Saudi Arabia differs from Western culture in numerous respects. The majority of cultural studies carried out are national-level analyses to compare countries to explore cultural values and norms (Schwartz, 1999; Hofstede, 2001). In addition to macro-level cultural dimensions, including values and beliefs, culture may also manifest itself on an individual basis (Triandis, 1995). In this regard, to empirically study cultural dimensions within one country, it is necessary to have measurement instruments that capture individual-level manifestations of cultural values. Specifically, when culture is used as an independent variable that predicts and influences dependent variables, individualised measures of culture are needed (Bochner and Hesketh, 1994). Therefore, because cultural dimensions are hypothesised to affect talent decision-making style in the context of individual managers, individualised measures of culture were used in this study.

Along similar lines, culture has been proven to significantly affect an individual’s life experiences, attitudes and values (Geerz, 1973; Hofstede, 1980), and therefore, has a significant influence on decision-making (Sagie and Aycan, 2003; Bennett and Hartel, 2005; Correia, Kozak and Ferradeira, 2011). The experiences and perceptions of
individuals are rooted in a cultural setting; however several attitudinal variables studied in decision-making research, such as decision-making style, are affected by culture. Therefore, as previously mentioned, decision-making style represents a relatively consistent pattern of affective and cognitive responses (Bennett and Kassarjian, 1972; Harren, 1979; Hunt et al., 1989; Thunholm, 2004). Thus, the culture of decision-makers potentially has a significant impact on their decisions either as a main effect or as an interaction within the decision domain or context, which might be interpreted in different ways by individuals or different cultures (Weber and Hsee, 2000). However, market research does not tell us if culture influences talent managers’ attitudes and behaviour (Dickmann, Brewster and Sparrow, 2008; Scullion and Collings, 2011). The scope of this factor was to impartially investigate whether managers’ attitudes and behaviours in a talent management context are influenced by the cultural dimensions identified by Hofstede (1997-1980). Hofstede’s index identifies four cultural dimensions which are considered relevant from previous studies in decision-making (Vitell, Nwachukwu and Barnes, 1993; Lu, Rose and Blodgett, 1999; Christie et al., 2003; Sagie and Aycan, 2003), namely, power distance, individualism vs. collectivism, uncertainty avoidance and masculinity vs. femininity which were employed in this research.

In this study, the results provide evidence that cultural dimensions exert a significant influence on talent decision-making style. The results showed that the relationship between these four dimensions and decision-making style indicates strong support for this hypothesis. The main hypothesis here was that individual cultural dimensions have a significant influence on the decision-making style of talent decision-makers. This hypothesis was broken down into four sub-hypotheses. Specifically, there are differences in (a) the power distance dimension. The parameter estimate results for this hypothesis (H1a: PD→DMS) was statistically significant ($B = .50, p = .001$). This result suggested that there is an association between the power distance dimension and talent decision-making. Thus, this hypothesis was accepted. Likewise, (b) the individualism vs. collectivism hypothesis (H1b: IC→DMS) was found statistically significant ($B = .50, p = .001$). The result shows a strong relationship between this dimension and talent decision-making, so this hypothesis was supported. The dimension of (c) uncertainty avoidance was also tested (H1c: UA→DMS) and indicated a partly significant impact on talent decision-making ($B = .22, p = .01$).
Consequently, this hypothesis was accepted. Masculinity vs. femininity was the final sub-hypothesis in individual cultural dimensions. The parameter estimate results for this hypothesis (H1d: MF\(\rightarrow\)DMS) was statistically significant \((B = .82, p = .001)\). The results indicated that masculinity vs. femininity was a strong predictor of talent decision-making. Hence, this hypothesis was proved valid and thus accepted. The present study was designed to determine the effect of individual cultural dimensions on talent decision-making, and the results suggested that cultural dimensions have a significant effect on talent identification decisions.

The results show that the highest average cultural dimension score occurs for uncertainty avoidance (UA) (4.15) and that the lowest mean is for power distance (PD) (2.48). The mean scores for individualism vs. collectivism (IC) and masculinity vs. femininity (MF) were (3.69) and (3.62), respectively. These results suggest that Saudi private sector organisations exhibit a high level of uncertainty avoidance and moderate-to-high degree of collectivism and masculinity. In contrast, the mean score for power distance was relatively low. The scores of the four dimensions were the outcome of the responses mean of each dimension out of 5.00 (see Table 6.2)

### Table 6.2
Hofstede’s Cultural Dimensions Scores in Arab Countries and Saudi Arabia

<table>
<thead>
<tr>
<th>Cultural Dimension</th>
<th>Hofstede Index for Arab Countries</th>
<th>Hofstede Index for Saudi Arabia</th>
<th>Mean Score of Cultural Dimensions in the Current Study*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Distance</td>
<td>80</td>
<td>95</td>
<td>2.48</td>
</tr>
<tr>
<td>Individualism vs. Collectivism</td>
<td>38</td>
<td>25</td>
<td>3.69</td>
</tr>
<tr>
<td>Masculinity vs. Femininity</td>
<td>53</td>
<td>60</td>
<td>3.62</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>68</td>
<td>80</td>
<td>4.15</td>
</tr>
</tbody>
</table>

* Total mean score is out of 5 on a Likert-type scale measure.

**Source:** Arab scores Hofstede (2001); Saudi scores Hofstede Centre (2012).

It is interesting to note that these findings are consistent with previous studies conducted in the Middle East (Bjerke and Al-Meer, 1993; Cohen, 2007). For Hofstede’s (2001) index for Arab countries and Saudi Arabia see Table 6.2. Saudi Arabia indicated that 80 scores in the uncertainty avoidance dimension which places Saudi Arabia firmly among high uncertainty avoiders. According to Hofstede (2001),
when individuals encounter a high uncertainty culture, they seek job security and prefer formal rules as well as higher than average seniority in their jobs.

The results indicate that uncertainty avoidance (UA) is significantly associated with talent decision-making. The results provide full support for the hypothesis that talent decision-makers in Saudi Arabia showed the highest average uncertainty avoidance, which has a significant influence on their decisions.

With regard to masculinity vs. femininity, Hofstede’s (2012) index 60 for Saudi Arabia, includes the fact that Saudi Arabian society shows a tendency towards a masculine cultural orientation. These results, as stated earlier, indicate a relatively a moderate mean score for masculinity vs. femininity (MF). This was supported with more contemporary research that used Hofstede’s formulas to measure cultural dimensions (Bjerke and Al-Meer, 1993; Al-Twaijri and Al-Muhaiza’s, 1996, Al-Qurashi, 2009) which revealed that Saudi society is more masculine. In other words, this hypothesis is fully supported because the results reveal a significant connection between masculinity and talent decision-making. An additional explanation for these results could be that the respondents were 85.5 per cent males. Thus it can be seen that these results seem to support the notion that the Saudi sample scores comparatively highly in masculine work values.

In line with individualism vs. collectivism (IC), this study produced results which corroborate the findings of many previous studies in the field of culture. Saudi Arabia’s scores in individualism which were based on the scores of Hofstede’s of Saudi culture (see Table 6.2), which means that, with a score of 25, Saudi Arabia may be considered as a collectivist society. However, the mean score for IC in the present data was relatively high (3.69 out of 5.0), which indicate a relatively high score for collectivism. These results are consonant with Hofstede’s index, in which Saudi Arabia is, in general, a collectivist society. Consequently, this hypothesis was fully supported. A significant relationship exists between IC and talent decision-making ($B = .50, p = .001$) as collectivism is significantly associated with talent decision-making. It is amply documented in the literature that managers in collectivist societies tend to aspire to conformity, orderliness and security (Hofstede, 1984). Furthermore, these societies inspire individuals to demonstrate normative commitment more than affective
and continuance commitment (Clugston, Howell and Dorfman, 2000; Wasti and Can, 2008). It has been demonstrated that Saudi managers typically live in a society where family and friendship remain imperative and influential factors in the functioning of groups and institutions (Bjerke and Al-Meer, 1993). In sum, the results support the notion that the Saudi sample scores collectivism highly, and the notion of a significant relationship between IC and talent decision-making was reinforced.

For the final dimension, power distance (PD) in the current study is significantly associated with talent decision-making. The regression path, as discussed earlier, showed that PD exhibited a significant relationship with talent decision-making ($B = .50, p = .001$). However, the mean score for PD in this study was relatively low (2.48 out of 5.0), and this appears to contradict the Hofstede index, according to which Saudi Arabia is, in general, a high-power distance nation with an index score of 95 (see Table 6.2). Consistent with Hofstede, power distance is defined as the extent to which a society accepts the unequal distribution of power in organisations and institutions. Saudi society, however, displays a tendency towards low power distance. These results echoed those of Al-Twaijri and Al-Muhaiza’s (1996) and Al-Qurashi (2009) study. They also used Hofstede’s formulation in measuring the four dimensions of culture in Saudi Arabia, and also found power distance to be lower than Hofstede’s index.

This variation may be related to the fact that Hofstede’s study commenced over 35 years ago, while the data for the current study was collected in 2013. Another explanation for this variation may be associated with cultural changes in Saudi Arabia. For example, the government established the Al-Shura Council at the beginning of the 1990s which is a consultative assembly that discusses important issues before they are finally decided. This is in line with Hofstede (1984), who argues that managers in countries with low power distance only make decisions after consulting with subordinates and employees less afraid of disagreeing with their boss (Ali, Brooks and Alshawi, 2008). This indicates that Saudi society is moving in the direction of decentralising decision-making and therefore reducing the conditions for high power distance (Al-Qurashi, 2009). Additionally, huge numbers of Saudis now have more exposure to Western education and interact with different cultures, whereas in the past they behaved according to traditional cultural patterns. Perhaps, with this new exposure PD is reduced among them. In addition, the data for this research was
conducted within large organisations in the Saudi private sector; where a number of those organisations are multinational environments as well as some who have adopted American or Western practices which might reduce the power distance.

In short, the findings of the current study have proved that cultural dimensions have a significant impact on managers’ decision-making to identify talent. Therefore, there is a significant relationship between individual culture dimensions and talent decision-making style in private sector organisations in Saudi Arabia. This interpretation that culture has an impact on managers’ behaviour and perceptions also influences their decision-making style (e.g., Sprotles and Kendall, 1986; Mau, 2000; Yi and Park, 2003; Leo, Bennett and Hartel, 2005; Correia, Kozak and Ferradeira, 2011). In other words, managers in private sector organisations in Saudi Arabia are more likely to be affected by their individual culture which, in turn, has an influence on their decisions about identifying talent.

6.3.4.2 Antecedents of Organisational Culture on Talent Decision-Making

The model in this research hypothesised that organisational culture has a significant impact on talent decision-making style in the talent identification process (Hypothesis 2). This hypothesis presents three different types of organisational culture: (a) bureaucratic, (b) supportive (c) and innovative. It was hypothesised that these three constructs constituting the elements of organisational culture will have a significant direct impact on talent decision-making. The hypothesis was broken down into three sub-hypotheses. Starting with the influence of an innovative organisational style on talent decision-making style, the parameter estimate results for this hypothesis (H2a: INN→DMS) was statistically significant ($B = .29, p = .01$). This result suggested the existence of an association between the innovative organisational type and talent decision-making. Consequently, this hypothesis was accepted. On the other hand, the other two organisational types (supportive and bureaucratic) were statistically found not significant. The parameter estimate results for the supportive hypothesis (H2b: SUP→DMS) were not significant ($B = .081, p = .131$). This hypothesis was therefore rejected. This finding suggests that a supportive organisational culture does not influence talent decision-making style. Similarly, the results for the bureaucratic
hypothesis (H2c: \( \text{BUR} \rightarrow \text{DMS} \)) were not supported, as the parameter estimates were non-significant \( (B = .050, p = .324) \). These two hypotheses were drawn from previous studies, as applied in management studies (e.g., Koberg and Chusmir, 1987; McClure, 2010), and other research studies on decision-making (e.g., Shadur, Kienzle and Rodwell, 1999; Taormina, 2008) and more specifically in decision-making style (e.g., Ogbonna and Harris, 2000; Erkutlu, 2012). However, the findings of the current study have proved that only one type of organisational culture (innovative) has a significant influence on talent decision-making style, while the other two types (supportive and bureaucratic) do not support the results in previous research.

With regard to the innovative type of organisational culture (INN), this finding supports previous research which links organisational culture and decision-making. Prior research has empirically proved the existence of an association between organisational cultures, consciously and/or subconsciously, and individual behaviour, not only in making decisions, but ultimately in the way in which they perceive, feel and act (Ferrell and Skinner, 1988; Akaah, 1992; Delaney and Sockell, 1992; Ford and Richardson, 1994; Lok and Crawford, 2003; Sagie and Aycan, 2003; Garza and Morgeson, 2012). It has also been proven that managerial styles and organisational culture are linked (Westwood and Posner, 1997; Ogbonna and Harris, 2000). Consistent with those empirical findings, the significant effect of organisational culture on decision-making behaviours and decision style was also confirmed in this study albeit in only one organisational type. These findings suggest that managers who adopt an innovative type of organisational culture are likely to have more a positive attitude towards the decision to evaluate and identify talent. In other words, it can be said that talent decision-makers would be influenced by an innovative type of organisation. Therefore, it can rationally be concluded that talent decision-making and decision style in private sector organisations in Saudi Arabia are influenced by an innovative type of organisational culture.

Surprisingly, the two other types of organisational culture, the bureaucratic and supportive were found statistically not significant in this research. Therefore, those two sub-hypotheses were not supported (H2b: \( \text{SUP} \rightarrow \text{DMS} \), \( B = .081, p = .131 \)), (H2c: \( \text{BUR} \rightarrow \text{DMS} \), \( B = .050, p = .324 \)). Contrary to expectation, this study did not find a significant association between bureaucratic and supportive organisational culture.
styles and talent decision-making. Although previous studies have asserted a significant relationship between organisational culture style and decision-making and decision style (Schein, 1990; Bass and Avolio, 1993), the results of the present research suggest that bureaucratic and supportive organisational culture styles were not significant determinants of the talent identification process which, in turn, does not significantly influence talent decision-making in private sector organisations in Saudi Arabia.

There are several possible explanations for these results. This inconsistency may be due to the fact that the ‘innovative’ organisational culture type is the type that Saudi private organisations have adopted. Certainly, the analysis showed that the mean degrees of the responses in the organisational culture questions tended to be towards an innovative culture (see Table 6.3). This result may be explained by the fact that organisations with innovative climates tend to have innovative HR practices (Kanter, 1983). For instance, employees perceive innovative behaviours by their managers as strongly associated with possible promotions and rewards (Quinn, 1988). These findings have been reinforced in more recent research, which indicates that team members in an innovative climate interact with each other more rather than relying on senior managers for decisions and this increases the speed of innovation by hastening the decision-making process (Dunphy and Bryant, 1996). This view is supported by Hofstede (1984), who reported that managers in low power distance countries typically make decisions after consulting with subordinates and employees less afraid of disagreeing with their boss. Because innovative climates are likely to facilitate participation in decision-making, teamwork, and communications, Saudi organisations would be generally moving in the direction of an innovative, low power distance culture.

Another plausible explanation for inconsistent results centres on the relationship between organisational culture and talent decision-making may be the influence of national culture on organisational culture. Hofstede (1991), Trompenaars and Hampden-Turner (1998) and Chen (2001) argue that the differences in national cultures are reflected in organisational culture in terms of structure and management, which could include talent decision-making. Organisations in cultures like those in China, South Korea or Taiwan tend to be paternalistic, collectivist and exhibit high
power distance, in addition to having bureaucratic control and centralised decision-making with little worker empowerment (Somers, 1995; Sommer, Bae and Luthans, 1996; Chen, 2001; El-Kahal, 2001). In contrast, Western firms tend to be flatter in structure, promote individualism, are less bureaucratic, decentralise decision-making and empower their workers (Chen, 2001; El-Kahal, 2001). Thus, it can reasonably be suggested that the impact of national culture on organisational culture may possibly assist organisations in formulating their organisational type which, in turn, could be to adopt an innovative culture.

A possible justification for the lack of evidence of bureaucratic and supportive organisations in Saudi organisations which do not have a significant impact on talent decision-making may be due to: (1) bureaucratic culture is typically hierarchical and compartmentalised with clear lines of responsibility and authority. This culture is usually based on power and control (Wallach, 1983), as well as less likely to attract and retain innovative and ambitious talent. However, these characteristics of bureaucratic culture are in opposition to the low PD of Saudi culture. On the other hand, (2) supportive cultures are categorised as trusting, safe and open (Wallach, 1983), and these factors might not match Saudi organisations as long as Saudi Arabia firmly scores highly as an uncertainty avoidance culture.

Table 6.3
Mean Score of Organisational Types in the Current Study

<table>
<thead>
<tr>
<th></th>
<th>INN</th>
<th>SUP</th>
<th>BUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>4.48</td>
<td>2.74</td>
<td>3.32</td>
</tr>
</tbody>
</table>

Note: INN = Innovative, SUP = Supportive, BUR = Bureaucratic.

In short, the findings from this study fully support the relationship between innovative organisational culture and talent decision-making; however, no support was found for bureaucratic and supportive cultures. Overall, it can be stated that ‘innovative’ climates would generally tend to be located in private sector organisations. Thus, there is a significant relationship between an innovative culture and talent decision-making style in private sector organisations in Saudi Arabia. In other words, this means that managers in private sector organisations in Saudi Arabia have adopted an innovative culture rather than supportive or bureaucratic cultures. In addition, they are more likely
to be affected by their innovative culture which therefore has an influence on their decision to identify talent.

6.3.4.3 Geographical and Institutional Proximity on Talent Decision-Making

From the theoretical model proposed in this study the effect of geographical and institutional proximity on talent decision-making is determined. It was hypothesised that geographical distance has an impact on talent decision-making. The parameter estimate results (H3: GD→DMS) were statistically significant ($B = .20$, $p = .01$). It can thus be suggested that the degree of geographical and institutional proximity between the location of talent decision-makers and the candidate will significantly affects managers’ decision within talent decision-making. This hypothesis was therefore accepted.

These findings are in accordance with the findings of previous research studies. Kostova (1999) and Kostova and Roth (2002) claim that geographical and institutional proximity influence the way organisational practices are internalised and implemented. Specifically, geographical proximity remains necessary and beneficial for successful collaboration, knowledge transfer and for the process of innovation (Ponds, Van Oort and Frenken, 2007; Torre, 2008). It also has a significant impact on the building of mutual trust due to frequent interaction and direct contact (Ponds, Van Oort and Frenken, 2007). Moreover, geographical proximity is expected to increase knowledge acquisition, foster strengthened relational ties and heighten face-to-face communication (Ganesan, Malter and Rindfleisch, 2005) and influence the criteria used by human resource managers to assess performance (Cascio, 2006). Numerous empirical studies on the determinants of inter-firm trust have been provided some indirect evidence for the relevance of geographical proximity for the emergence of trust (Hewett and Bearden, 2001; Dyer and Chu 2003; Bonte, 2008), especially, exchange of information between individuals and firms (Cummings, 1983; Sako, 1998; Fisman and Khanna, 1999; Macey and Schneider, 2008), therefore influencing decision-makers’ cognition by affecting the views and trust of performance appraisal evaluations (Makela, Bjorkman, and Ehnrooth, 2010). There are illustrations that the
lack of trust that decision-makers possibly have towards the source of appraisal from a more distant location will negatively influence the decision for identifying key talent (Mellahi and Collongs, 2010; Makela, Bjorkman, and Ehrnrooth, 2010). Thus, geographical proximity creates physical barriers between decision-makers at the centre of an organisation and talented candidates located throughout its branches which influence talent identification decisions.

In brief, talent decision-makers are more likely to trust the evaluations of performance appraisal from nearby cultures rather than distant locations. The former will positively increase the possibility of a candidate being included in a talent pool. It is therefore likely that decision-makers in the private sector organisations in Saudi Arabia are more likely to trust performance appraisal information from a short geographical distance and/or institutional proximity than those who come from distant locations. Thus, it can safely be concluded that the shorter the distance between firms, so the more trust and accuracy of the appraisal is accepted, which would help increase the potential of candidate to be labelled as a talent.

6.3.4.4 Significant Effect of Homophily on Talent Decision-Making

In the proposed model, this researcher hypothesised that homophily between the talent decision-makers and the candidate will have a significant impact on the possibility of being included in a talent pool (H4: HOM → DMS). The parameter estimate results ($B = .23, p = .001$) for this hypothesis was found statistically significant. This finding suggests the existence of the positive effect of homophily on the decision-making process for identifying talent. Hence, this hypothesis was supported. As implied in the theoretical model (See Figure 5.4), homophily was found to have a significant, direct effect on talent decision-making style.

These results are consistent with the prior research. Several studies have provided evidence of the significant effect of homophily on people’s relationships with each other in the workplace; therefore they are likely to develop positive feelings owing to the apparent confirmation of their interests, values or beliefs (Prisbell and Andersen, 1980). Conceivably, this may also have an important and significant effect within
organisations (Shah and Jehn, 1993; Podsakoff et al., 2000). In line with social identity theory, perceived similarity leads to more positive evaluations of group membership (Rokeach and Mezei, 1966; Henderson-Kinget et al., 1997). This is particularly true in new recruitment (Mael and Ashforth, 1995), in organisational decisions and outcomes (Ashforth and Mael, 1989), and in identifying talent (Makela, Bjorkman, and Ehrnrooth, 2010). The similarity between people is often found to create significant relationships with each other, rather than with people who are dissimilar (Lazarsfeld and Merton, 1954; Makela, Kalla and Piekkari, 2007). Moreover, this similarity can be based on demographic or geographical proximity, similarity of culture, social class, position, education, occupation, values, attitudes or abilities. Consequently, these attributes can possibly have influential implications on people’s attitudes which are related to their background (McPherson and Smith-Lovin, 1987; McPherson, Smith-Lovin and Cook, 2001). Along with organisational environment, one could argue that the systematic bias in how decision-makers evaluate the future potential of employees in a talent pool is an outcome of homophily (Watts, 1999b). This is supported by Tsui, Porter and Egan (2002), who claim that there is ample evidence in the evaluation of performance appraisals that superiors have a tendency to rate more positively people who are similar to themselves, and therefore, they are more likely to receive promotion (Wakabayashi, Graen and Graen, 1988). Traditionally, decision-makers view candidates who are similar to them, rather than dissimilar, as more visible, which facilitates their identification (Singh, Hansen and Podolny, 2008); for instance, a shared language has been associated positively with perceived trustworthiness within the MNCs context (Marschan-Piekkari, Welch and Welch, 1999; Barner-Rasmussen and Bjorkman, 2007). Furthermore, decision-makers might unconsciously exhibit stronger belief in candidates similar to themselves, for the reason that they are influenced by stereotypical negative perceptions or through projection of the competencies of managers from dissimilar cultural backgrounds (Makela, Kalla and Piekkari, 2007; Roberson, Galvin and Charles, 2007; Makela, Bjorkman, and Ehrnrooth, 2010).

This significance of homophily in this research suggests that managers believe that the similarity between talent decision-makers and the candidates has a significant impact on identifying talent, hence are more likely to be included in an organisational talent pool. In summary, the result of this hypothesis are in agreement with the prior research
indicating that the cognition of decision-makers and therefore the decision style of
talent decision-making to identify and evaluate talent candidates is significantly
affected by homophily. In other words, the more similarity between talent decision-
maker and the candidate, the more likely the candidate is to be included in a talent
pool. That means, in private sector organisations in Saudi Arabia, when managers are
making a decision about identifying talent, they are more likely to be influenced by
homophily which significantly increases the likelihood of the candidate to be identified
and included in an organisational talent pool.

6.3.4.5 Effects of Social Network Position

This study is concerned with examining the influence of social network position on the
talent identification process. The theoretical model is based on the hypothesis that the
visibility and the centrality of the candidate’s network position are significantly
associated with the likelihood of the candidate being included in organisational talent
pools (H5: SNP→ DMS). The parameter estimate results ($B = .28$, $p = .05$) for this
hypothesis were found to be statistically significant. This analysis of the empirical
study gives results for hypotheses testing which support the significant impact of the
social network position of the candidate on talent decision-makers. This finding
suggests the existence of a significant impact of the social network position of the
candidate on the decision-making identification process. Hence, this hypothesis was
accepted.

Earlier research in sociology and economics studies has claimed that social networks
are important to people’s life chances, including their chances in the labour market
(Boxman, De Graaf and Flap, 1991). In addition to human resource studies, Burt
(1992) and Kim (2002) suggest that social network position enables individuals to be
better informed, highly visible when valuable job opportunities arise, get promoted and
is optimistically associated with career progress (Seibert, Kraimer and Liden, 2001).
Makela, Bjorkman, and Ehrnrooth (2010) also propose that social networks arbitrate
the effect of human resource practices on talent decision-making. Therefore, talent
decision-makers are potentially affected by candidates’ social network positions, a
relationship that seems to remain largely unexplored to date. Recent findings
recommend that performers in central network positions benefit from higher knowledge inflows and outflows than performers positioned more peripherally (Tsai, 2001; Kildruff and Tsai, 2003; Reinhold, Pedersen and Foss, 2011). More specifically, in talent management research, Makela, Bjorkman, and Ehrnrooth (2010) and Mellahi and Collings, (2010) suggest that there is a similar tendency of network position to influence the possibility of more centrally located employees to have higher visibility, which has consequences for being more readily identified as talent.

Consistent with the earlier research, the significant effect of the social network position of employees having more relationships to draw on for the purpose of being labelled as a talent was also confirmed in this study. These findings suggest that the centrality and the visibility of the internal candidate are likely to have a more significant impact on talent decision-makers and therefore be included in a talent pool. The above results indicate that all organisations in this study demonstrated significant relationships with social network position and talent decision-making. In other words, this means that managers in private sector organisations in Saudi Arabia are more likely to interact with and to be affected by the social network of the candidate which therefore means identifying and including them in the organisational talent pool. Conversely, employees who are low in network centrality have fewer opportunities and are unlikely to be included in the talent pool.

6.3.4.6 Gender Diversity and Talent Decision-Making

It was hypothesised that gender diversity has an impact on talent decision-making processes to identity talent. By testing the hypothesis using MANOVA, the results of testing this hypothesis (H6: GEN→DMS) were surprisingly not statistically significant. Thus, this hypothesis is not supported and was rejected. This finding suggests that gender difference does not have a significant effect of talent decision-making, which may imply that gender of decision-makers do not relate with talent decision-making with regard to the talent identification process.

Although previous studies have asserted a significant relationship between gender differences and decision-making (Johnson and Powell, 1994; Sanz de Acedo
Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007), the results of the present research suggest that diversity of gender was not a significant determinant of talent decision-making which, in turn, does not significantly influence the talent identification process. According the psychological literature, decision-making is affected by the characteristics of gender differences (Johnson and Powell, 1994; Sanz de Acedo Lizarraga, Acedo Baquedano and Cardelle-Elawar, 2007). In addition to the business perspective, researchers in gender differences studies argue that substantial gender trait differences do exist in the nature and outcomes of management decisions (Estes and Hosseini, 1988; Masters, 1989; Stinerock, Stern and Solomon, 1991; Johnson and Powell, 1994). However, the finding of the current study did not support the previous research. There are, however, other possible explanations. At the opposite extreme, a number of philosophers feel gender is not a significant factor in behaviour and attitudes, while others disagree. Some researchers have assessed gender without finding significant outcomes in business (Hubbard and Armstrong, 1994). Barnett and Karson (1989) also found that diversity of gender was not a significant factor in discriminating business managers. As this debate is still inconclusive, further research dealing with the impact of gender on talent decision-making should authenticate or refute these findings using different contexts. One plausible explanation for the inconsistent results centring on the relationship between gender differences and talent decision-making may be the insufficient percentage of females in this study.

In summary, no evidence of gender diversity on talent decision-making was detected. Therefore, identifying gender as a factor that has an influence on managers in terms of their judgment in identifying talent in Saudi private sector organisations was rejected. However, with an inadequate female sample size, caution must be applied, as the findings might not be supported.

6.3.4.7 Decision-Making Style and Fairness of Talent Decisions

In this research, the proposed model hypothesised that decision-making styles will interact significantly with organisational justice in talent decision-making (H7: DMS→FAI). The parameter estimate results of this hypothesis \( B = .47, p = .001 \) were found to be statistically significant. The results proposed the existence of a
significant relationship between decision-making style and the fairness of talent decisions. Thus, this hypothesis was fully supported.

This study confirms that decision-making style is associated with the organisational justice of talent decision-making. The present findings seem to be consistent with other research which found a relationship between decision-making styles and organisational justice (Tatum et al., 2003; Eberlin and Tatum, 2005; Eberlin and Tatum, 2008). The results of this study also accords with Eisenhardt (1989); Driver, Brousseau and Hunsaker (1990); Gilliland (1993) and Dane and Pratt (2007), who acknowledge that management style is a fundamental element of the inputs and the outputs associated with decision outcomes. In other words, individuals usually adopt different decision-making styles depending on a combination of information use and solution focus which therefore affect decision outcomes. Tatum et al. (2003) and Eberlin and Tatum, (2008) also suggest that there is an intimate connection between decision-making style and organisational justice patterns. In this sense, managers’ decision-making style and the aggregate information they use to determine an organisational outcome are associated with organisational justice. Fairness is associated with positive attitudes towards a decision, such as satisfaction, commitment and agreement (Lind and Tyler, 1988; Folger and Konovsky, 1989; McFarlin and Sweeney, 1992). However, different kinds of decision-making style are linked with attitudes towards justice in organisations.

There are similarities in this research between the significant impact of decision-making style on the fairness of talent decisions and these earlier findings. The findings of the current study support the idea that decision-making style has an impact on the fairness of organisational outcomes, which also influence the fairness of talent decision-making. In other words, this means that the fairness of talent decisions in private sector organisations in Saudi Arabia is affected by the decision style of managers towards the talent identification process.

The findings in this research contribute to theoretical and practical research on the talent management decision-making process by testing and providing empirical support for justice in the talent management decision choices in Saudi Arabia. The current research framework presents and suggests that the talent identification process
whereby an individual is included in a corporate talent pool consists of two stages: where a performance appraisal evaluation is an input into managerial decision-making. Thus, talent pool inclusion is not just determined by performance appraisal evaluation, it is also an outcome of a number of factors that influence the decision-making in the second stage. The findings of the empirical research identified three categorical variables that influence decision-making in talent identification processes; i.e., cultural, organisational, and societal factors. Further, decision-making style has a significant relationship with the fairness of talent decisions. These outcomes are produced by the combination of decision-makers’ cognitive limitations and the nature of organisation.

### 6.4 Restatement of Research Questions

Given the discussion of the research findings in the previous sections, the research questions can now be reiterated in an attempt to find answers to these questions. As stated in the introductory chapter, the research problem comprises three main questions. These questions are as follows:

1. What is/are the process (es) followed by organisations to identify internal talent?
2. What factors influence the decision-making process in talent identification?
3. What effect does decision-making style have on the fairness of talent management decision-making?

To address the key research questions of this study, a theoretical framework was proposed and research hypotheses were developed and tested quantitatively. The theoretical framework describes the relationships between the key contextual and cultural factors and talent decision-making style and, in turn, the impact of talent decision-making style on the fairness of the talent decision. Hence, the results of testing the hypotheses provide an understanding and various insights into the nature of talent decision-making and the talent identification process in private sector organisations in the Kingdom of Saudi Arabia, in which the study was conducted. Based on the research findings, these insights assist in reaching optimal answers to the research questions.
The first research question seeks to confirm the process (es) followed by organisations to identify key talent, as it is not clear from the literature whether the suggested process (es) exist or not in all types of organisations and context. However, the debate in the field of talent management lacked empirical evidence on this issue. In order to address this research question, direct questions were asked to measure managers’ experience about using the performance appraisal system as a process to identify talent within their organisation. The results suggest that the performance appraisal process is particularly applicable to private sector organisations in Saudi Arabia. Accordingly, it can be concluded that the present findings seem to be consistent with previous research which found that the evaluation and the results of performance appraisal systems is considered as the first process to assist managers when making decisions to identify key talent.

The second research question seeks an answer about factors influencing talent decision-makers during the talent identification process. To address this question, the researcher first determined the key factors that potentially have a direct impact on talent decision makers, and then examined the association between them and talent decision-making in a sample of Saudi private sector organisations. This research investigated four categories of factors including (1) individual factors (individual culture); (2) organisational factors (organisational culture and geographical and institutional proximity); (3) social factors (homophily and social network position); and (4) psychological factors (gender diversity). The results suggest a significant relationship between the four dimensions of individual culture (uncertainty avoidance, individualism vs. collectivism, masculinity vs. femininity and power distance) and talent decision-making style. However, in organisational culture the results suggest that only one type of organisational culture (innovative) has a significant impact on talent decision-making style while the other two types, i.e., supportive and bureaucratic were found statistically not significant, whereas the relationship between geographical distance and talent decision-making was significantly supported. With regard to social factors, the results indicate that homophily and social network position have a significant impact on talent decision-making. However, no significant relationship was found between gender diversity and talent decision-making. The results, in general, provide evidence that not all the predicted relationships are supported, although a large number of the proposed relationships were supported.
The third question was about the impact of decision-making style on the fairness of talent decision-making. To examine these relationships, the structural relationship between decision-making style and fairness of decision were tested. The results showed support for the significance of the link between the decision-making style and the fairness of talent decisions. The answer to the main research questions have important implications for academia and practice, since they overcome a lack of talent management research in general and the scarcity of research investigating talent decision-making in Middle Eastern countries.

6.5 Concluding Remarks

This chapter aimed to provide a detailed explanation of the key results obtained by analysing the research data in the previous chapter. In addition, the population and response rate, profile of the respondents, measurement scales purification and hypotheses testing were illustrated. All hypotheses developed in this research were drawn from the literature and suggestions were made for the future. The model in this research proposed eight determinants (i.e., decision making style, individual culture, organisational culture, homophily, social network position, geographical distance, gender diversity and fairness) of talent decision-making. The flow of the factors used in this study might be enriched by considering managers perceptions, experience and attitudes towards the talent identification process.

The results obtained from this research study revealed that three out of 12 hypotheses (included the main and the sub-hypotheses) were not significantly related to talent decision-making. Among these three predictors, two types of organisational culture (bureaucratic and supportive) and gender diversity did not appear to affect managers’ talent decisions in private sector organisations in Saudi Arabia. However, individual culture, organisational culture (innovative), homophily, social network position and geographical distance indicated a strong effect on talent decision-making and the talent identification process. In addition, the significant impact of decision-making style on the fairness of decisions was fully supported.
Arguably, this study confirms that the talent decision-making process consists of two stages: the performance appraisal evaluation as an input into talent decision-making. This is because a majority of participants agreed that performance appraisal systems in their organisations were generally used as an approach for identifying talent. However, talent pool inclusion is not only determined by the rating of the performance appraisal evaluation; it is also an outcome of a number of factors that influence decision-makers during the second stage as has been examined and proved earlier. Finally, the findings of this study confirm that decision-making style is associated with the justice of the talent decision in Saudi organisations.

In the next chapter, a summary of this research and conclusions will be presented. Research limitations and implications will also be noted and other potential research directions will be discussed in more detail.
Chapter Seven

Conclusion

7.1 Introduction

The aim of this study was to make a significant contribution to the development of a broader theoretical and empirical understanding into the nature of talent decision-making in different contexts. The motivation of this study was to understand the talent decision-making process as a comprehensive concept and investigate a number of influential factors that can affect talent decision-makers. With this in mind, this research has developed a multidimensional measurement for the talent decision-making process and then tested it in a conceptual model that combines the key contextual and cultural factors that shape the perception and the experience of talent decision-making in the organisational talent identification process.

This chapter begins with an overall summary of this research, by drawing together the research questions and the key findings into a broad conclusion. Then, the theoretical and methodological contributions are discussed. Afterwards, managerial implications are presented to draw managerial attention to potential practices that may help to gain a competitive advantage. The chapter concludes by addressing the limitations of the study and, finally, recommendations for future research areas are identified.

7.2 Overview of the Research and Key Findings

In order to frame the nature of the present study in more novel ways, an overview of the research is provided by drawing together the research outlines and the key findings into a comprehensive conclusion. This research has been developed in a number of stages that were supported and linked to the stated research objectives to deliver a
cohesive work which offers a valid contribution to the field of talent management. Each of the research stages is summarised as follows.

Research Aim

The intention of this study was to provide a holistic understanding of the nature of the talent decision-making process and an analysis of the key factors that influence decision-makers involved in the identification of talent which facilitate or inhibit the likelihood of an individual being labelled as a ‘talent’. The research was developed with a clearly defined aim to explore the underlying contextual and cultural influences on talent decision-making style and determines the factors that shape the perceptions and the experience of managerial decision-making and its effect on the fairness of talent decisions. Further supporting the research objectives, useful scales are included for measuring the key constructs of significance in talent decision-making.

A Review of the Literature

Based on the limitations and the propositions of past research, this study began with an extensive review of the published literature on talent management with a primary focus on the conceptualisation of talent decision-making. This was considered indispensable in order to understand the nature of talent decision-making and for establishing an integrative measurement that incorporates the various determinants of the talent identification process.

Research acknowledges that ‘talent management’ has become a top priority issue in organisations worldwide and it is therefore of growing interest for academics and practitioners (Michaels, Handfield-Jones and Axelrod, 2001; Chuai and Preece, 2010a). Previous studies report that the knowledge, skills and abilities of talented employees is the major source of organisational competitive advantage (Lewis and Heckman, 2006; Collings and Mellahi, 2009). Along with that, shortage of talent has emerged as one of the critical challenges that face organisations as they seek successful operations on a global scale (Scullion and Brewster, 2001; Burke and Ng, 2006; Stahl et al., 2007). Hence, the challenge is to motivate organisations to try to identify and manage talent effectively to include them in organisational talent pools. From the
managers’ perspective, the practice and the process of identifying and managing talented employees is seldom articulated (Bryan, Joyce and Weiss, 2006; Makela, Bjorkman and Ehrnrooth, 2010; Tarique and Schuler, 2010).

Further progress in the talent management literature suggests that the talent decision-making process consists of two stages (Makela, Bjorkman and Ehrnrooth, 2010): the first is performance appraisal evaluations (Mcdonnell and Collings, 2011; Ahmed et al., 2013; Gelens et al., 2014) as an input into the second stage which is managerial decision-making (Azzara, 2007; Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010). Through the talent identification process, the decision-maker plays a central and active role in the success of organisational talent pools. Academics and talent management practitioners have extensively advocated managers as the key source in the talent identification process (Vaiman, Scullion and Collings, 2012).

Within the talent identification process, there are a number of factors and circumstances that influence decision-makers and therefore influence the outcome of organisational talent pools (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010). These factors appear to be largely tacit and unintended as the perception and cognition of decision-makers is driven and limited by their experience and cognition (Gavetti and Levinthal, 2000). A decision-maker’s cognitive ‘decision style’ is thought to influence the selection among alternative courses of action (Mason and Mitroff, 1973; Henderson and Nutt 1980), and also affect the decision process (Andersen, 2000; Thunholm, 2004; Mohammed et al., 2007). Decision-making style is known as a cognitive precursor to behaviours that usually reveal his or her attitudes, beliefs, and perceptions towards talent decision-making. Consistent with the bounded rationality theory, therefore, the cognitive limits of managers’ experience frequently limits their ability to interpret and process complex information and regularly results in poor decisions (Simon, 1979; Smith and Winkler, 2006). With regard to these limitations, managers typically make their decisions based on a subset of the information available, which frequently leads to bias and unfair decisions (March and Shapira, 1987; Bukszár and Connolly, 1988; Hammond, Keeney and Raiffa, 1998; Hilary and Menzly, 2006).
Therefore, talent pool inclusion is not only determined by the rating of the performance appraisal evaluation; it is also an outcome of a number of factors that influence decision-makers during the second stage of the talent identification process (Azzara, 2007; Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Zander et al., 2010). Four categories of factors have been identified from the literature including: (a) Individual factors, which include the individual culture of the managers (Vitell, Nwachukwu and Barnes, 1993; Lu, Rose and Blodgett, 1999; Christie et al., 2003); (b) Organisational factors including organisational culture (Ford and Richardson, 1994; Sagie and Aycan, 2003) and geographical proximity (Kostova and Roth, 2002; Nes, Solberg and Silkoset, 2007; Mellahi and Collings, 2010); (c) Societal factors, which include homophily (Makela, Kalla and Piekkari, 2007; Singh, Hansen and Podolny, 2008) and social network position (Tsai, 2001; Kim, 2002; Kildruff and Tsai, 2003) and, last (b) psychological factors which include gender differences (Stinerock, Stern and Solomon, 1991; Johnson and Powell, 1994). Thus far, however, few of these factors have been conceptually identified within the talent management arena, while no empirical study exists which generalises these factors as relevant in talent decision-making (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010).

Numerous limitations then surfaced as a consequence of the extensive review of literature on talent management from the talent decision-making perspective. First, there is little or no evidence that organisations implement the practices of identifying and developing key talents in an effective manner (Sparrow, Brewster and Harris, 2004; Cohn, Khurana and Reeves 2005; Lewis and Heckman, 2006; Scullion and Collings, 2006; Cappelli, 2008b; Collings and Mellahi, 2009). Second, there is an absence of investigations of talent identification processes, or exploration of the factors that have an influence on talent decision-making (Azzara, 2007; Makela, Bjorkman, and Ehrnrooth, 2010; Mellahi and Collings, 2010; Zander et al., 2010). Third, another limitation noted concerns the lack of studies testing the fairness and justice issue related to the talent identification process (Vaiman, Scullion and Collings, 2012; Thunnissen, Boselie and Fruytier, 2013a). Fourth, there is a lack of a comprehensive framework which can explain the key factors facilitating or inhibiting the likelihood of an individual being labelled as a talent. Thus, this study helps to overcome the limited sources of academic literature on the topic. This research also draws out realistic
implications for managers based on the research findings when seeking to identify talent and improve the talent identification process.

**Model Development**

Drawing upon theory and supported literature, a conceptual model was then proposed to overcome the salient gaps found in the talent management literature. The model consists of eight constructs representing antecedents (individual, organisational, societal and psychological factors) of the focal construct (talent decision-making style) and consequences (fairness of the talent decision) in this research i.e., talent decision-making. Within this framework, seven main hypotheses were formulated to test how the endogenous and exogenous variables influence talent decision-makers, and how their decision-making style, in turn, affects the fairness of talent decisions. The proposed conceptual framework provided an opportunity to obtain a superior understanding of the key factors which impact talent decision-making.

**Data Collection and Analysis**

To test the theoretical model a positivist approach was adopted. Using a cross-sectional survey design, information regarding the talent decision-making process, decision-making style, influential factors and the fairness of decisions was obtained from a large number of participants with different perceptions and experiences. A questionnaire survey was the main research method used in this study using multiple methods including an online survey and paper-based survey. The research sample was drawn from different managerial levels in private sector organisations (oil and banking industries) in Saudi Arabia from three main cities in the country (Jeddah, Riyadh and Dammam). Saudi Arabia was an interesting context in which to conduct this study, as no research in the area of talent decision-making has been conducted there before. In this context, a significant contribution to the literature on talent management has been made by clarifying the concept of talent decision-making, along with conducting a more culturally based study, which makes a significant contribution in that it yields a new perspective. The English questionnaire was back-translated into Arabic and pretested by two expert bilinguals and four professionals in the higher education sector in Saudi Arabia and the UK. The questionnaire was designed with appropriate
wording, response formatting and two different languages (English and Arabic) to select the questionnaire language that best approximated to the level of the respondents’ understanding (Sperber, 2004; Sekaran and Bougie, 2010). Several rounds of face validity and content development with HR professionals and experts was employed before conducted the main survey. In addition, the translation of the questionnaire into Arabic was done with the help of bilingual professors and PhD students. A pilot study with 40 managers from different managerial levels was conducted, followed by 470 complete questionnaires which were satisfactory and eventually used for the analysis.

A variety of statistical techniques were used in this study including SPSS and AMOS in order to test the research hypotheses. Exploratory factor analysis was conducted as a preliminary test to refine and purify the measures using principal component analysis in SPSS, and a total of 81 items were proved to represent the 11 constructs of talent identification process model. This combination of items were then subjected to a validation phase though confirmatory factor analysis using AMOS. This confirmed that 73 items better represented the discriminant and convergent validity of the measurement scales. After refinement, the final phase was to apply structural equation modelling to assess the model fit and test the hypotheses.

**Findings**

The final stage before discussing the contributions of this study was discussion of the key findings of the research. First, the findings suggested that performance appraisal systems are typically used in organisations as an approach to identifying talented employees. The results also indicated that the evaluation and the results of performance appraisal systems assist managers to make appropriate decisions for identifying talented employees. These suggestions confirmed that the performance appraisal system is used as first step in the talent identification process which is primarily an input into the cognition base of managerial decision-making.

For the statistical support of the hypotheses, the findings of this study broadly confirmed the hypotheses and demonstrated some consistency with the findings that have been previously acknowledged in parallel literature. While nine hypotheses
including the sub-hypotheses were supported and thus generally confirmed, three hypotheses were rejected. The findings are summarised below:

- **Hypothesis 1**, states that the individual measures of Hofstede’s cultural dimensions are significantly associated with talent decision-making style which could be significant predictors of the talent identification process. However, the significant results of this hypothesis were an aggregate of four sub-hypotheses including the following: (H1a) the results indicated the highest average cultural dimension score occurs for uncertainty avoidance, which means that the top-level managers in Saudi private sector organisations are uncertainty avoiders. (H1b) the dimension of masculinity vs. femininity indicated that Saudi Arabian society shows a tendency towards a masculine cultural orientation. Hence, these results seem to support the notion that the Saudi sample scored comparatively highly in terms of masculine work values. (H1c) the measures of individualism vs. collectivism showed that the attitudes of Saudi managers are more collectivist, which reinforced the notion that there is a significant relationship between IC and talent decision-making. The examination of (H1d) revealed a significant relationship between power distance and talent decision-making.

- **Hypothesis 2**, predicted that organisational culture has a significant impact on talent decision-making style. However, the results suggested that only one type of the organisational culture (innovative) (H2a) has a significant impact on talent decision-making style while the other two types, supportive (H2b) and bureaucratic (H2c), were found statistically not significant in this research.

- **Hypothesis 3**, with regard to the influence of geographical distance on talent decision-making style, the results of this research suggested that the degree of geographical and institutional proximity between the location of talent decision-makers and the talent candidate will significantly affects managers’ decisions within the talent identification process.

- **Hypothesis 4**, the results confirmed the effect of homophily on talent decision-making to significantly predict that the similarity between talent decision makers
and the candidates increases the likelihood of the candidate being identified as a talent and included in organisational talent pool.

- **Hypothesis 5**, the social network position of the candidate is significantly associated with talent decision-making. Specifically, the finding suggests that the centrality and the visibility of internal candidates are more likely to have a significant impact on the talent decision-makers and therefore, include them in an organisational talent pool.

- **Hypothesis 6**, no evidence was found for a significant association between gender diversity and talent decision-making. Thus, the gender difference of managers in terms of their judgment to identify talent was rejected.

- **Hypothesis 7**, statistical support was found to confirm that decision-making style significantly predicts an interaction with the organisational justice of talent decision-making.

### 7.3 Implications for Talent Management

This study has highlighted some of the distinctive features of talent management and adds substantially to understanding how the talent identification process is linked to fairness outcomes. Furthermore, the aim of the present study was to contribute to the development of a broader, more balanced approach to talent management and talent decision-making that will help in studying and implementing talent decision-making across different contexts. To that end, a number of implications of this study will be presented under three headings i.e., theoretical, methodological and managerial implications, which are described as follows.
7.3.1 Theoretical Implications

The present study makes several noteworthy contributions for academics researching in the area of talent management and talent decision-making. This study has gone some way towards enhancing our understanding of research which has sought to examine the talent decision-making process and has identified important factors that influence talent decision-makers from the extant literature in various domains.

- The novelty of this research is based on the development of a holistic model that examines the factors that influence managers’ perceptions in private sector organisations. This model addressed the lack of research by offering a holistic and thorough examination of how the identification process may be influenced by a number of key factors that facilitate or inhibit the likelihood of an individual being labelled as a ‘talent’. To the best of the researcher’s knowledge, no study has previously examined these factors collectively. Thus, the comprehensive and parsimonious model developed for this research is particularly important in light of increasing attention into the literature on talent management, and it permits an integrative and coherent understanding of the talent decision-making process. Further, the integration of these factors is both theoretically appealing as well as empirically significant.

- The findings of this study have revealed that the implementation and internalisation of relevant practice such as ‘performance management’ is a crucial and essential step of talent identification in private organisations (Stahl et al., 2007). This issue of implementing the process of performance appraisal within the talent identification process has been contentious within the field of talent management. However, no empirical evidence has affirmed the decision processes involved in the identification of internal talent. The present study, by examining the talent identification process, highlights how the performance appraisal evaluations associated with decision makers are formed which, in turn, demonstrate that performance appraisal is considered as the initial stage in assisting managers to make the right decision for identifying potential talent.
An integrative model was developed that combines factors associated with decision-making style and the justice of talent decisions. This model not only provides an all-inclusive measurement for the talent identification process, however, it also proposes a practical basis for the development of components appropriately. Although a number of studies have provided evidence of the validity of a variety of these factors in decision-making contexts (e.g., Dorfman and Howell, 1988; Wood, 1990; Loo, 2000; Ogbonna and Harris, 2000; Tsui, Porter and Egan, 2002; Sagie and Aycan, 2003; Bonte, 2008; Dickmann, Brewster and Sparrow, 2008), an extensive review of talent management research contends that these factors have not been utilised empirically in talent decision-making measurement research as yet. Moreover, although a few studies about talent decision-making have been theoretically conducted (e.g., Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Zander et al., 2010; Vaiman, Scullion and Collings, 2012), they suggest only specific factors such as societal factors but ignore cultural, organisational, and psychological factors.

In addition, this research is the first study to employ Hofstede’s cultural dimensions and Wallach’s typology of organisational culture to the literature of talent management specifically in an Arab culture. Consequently, adopting these cultural dimensions that differ substantially from a Western culture has illuminated the importance of and the effect on talent decision-making.

Another theoretical contribution of this study is an examination of the relationship between talent decision-making and the fairness of the decision as this has been recommended by a number of talent management researchers including Makela, Bjorkman and Ehrnrooth (2010); Mellahi and Collings, (2010); Vaiman, Scullion and Collings (2012); and Thunnissen, Boselie and Fruytier (2013b). Accordingly, they have investigated the relative influence of the fairness of talent decision-making. They emphasise the fact that fairness may be critical to talent decision-making. Thus, they elaborate on the perceived fairness of talent decision-making and how such perceptions will result in positive talent decision outcomes.
This study examines the determinants of talent decision-making for organisational talent pools to support and strengthen the existing literature. To this end, this study bridges the theoretical gap between different disciplines including decision-making, culture, social, psychology and fairness, through developing a conceptual model in the area of talent management which is under-researched in the literature.

To the knowledge of the researcher, this study is the first empirical work that has synthesised concepts from four key cultural, organisational, societal and psychological factors to assess managers’ perceptions, experience and attitudes in a more holistic manner, and in a Saudi Arabian context. Hence, it can be claimed that no such comprehensive measurement scale for the talent decision-making process exists, neither has any empirical study been conducted.

This research study also contributes to knowledge by highlighting the importance of a country-specific context of talent management in action (Dickmann, Brewster and Sparrow, 2008; Collings, Scullion and Vaiman, 2011; Scullion and Collings, 2011). This is in contrast to the narrow nature of much of the talent management literature. Thus, this is the first study of its kind collecting valuable data from the Kingdom of Saudi Arabia in the context of talent decision-making. In addition, the study contributes to the limited knowledge on how managers of private organisations in Saudi Arabia conduct the process of evaluating and identifying talent.

This research also contributes to talent management literature by highlighting the relevance of considering private sector organisations. It is the first study to report valuable data on how decision-makers in private sector organisations in Saudi Arabia develop their perceptions, experiences and attitudes for the talent identification process. Several researchers have emphasised the importance of developing a global mindset among the top management team which will reveal interesting talent management patterns (Anderson and Boocock, 2002; Dimitratos et al., 2003; Makela, Bjorkman and Ehnrooth, 2010; Mellahi and Collings, 2010; Zander et al., 2010). However, the setting of this study was private organisations, which is significant for a wider validity of findings.
7.3.2 Methodological Implications

At the methodological level, this research can claim to have a number of methodological implications.

- This is the first study that tests talent decision-making process predictor variables either in/outside a Western cultural set-up, but specifically in Saudi Arabia. Talent management scholars, in general (Michaels, Handfield-Jones and Axelrod, 2001; Collings, Scullion and Morley, 2007; Collings and Scullion, 2009) and talent decision-makers, in particular (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010; Zander et al., 2010) have highlighted the real dearth of empirical research on talent management and raised concerns about the necessity of cross-cultural research. Examining the model in the context of a developing country such Saudi Arabia could create new insights into the extant literature of talent management, since cultural studies explore the important differences in terms of management, values, attitudes and individual perception.

- This research study is the first of its kind to operationalise the talent decision-making constructs based on integrating perspectives from the extant literature and theories. Additionally, it develops and tests a new cohesive scale, termed ‘social network position’ to measure the visibility of the candidate within organisations. Indeed, the introduction of this measurement scale to the talent management literature would open new windows for complementary research.

- This research partially responds to calls for global investigations to develop knowledge of talent management by testing a talent decision-making process model in Saudi Arabia, an Arab country in the Middle East (Ali, 2008) which may be useful for generalising these predictors.

- The study also contributes in the methodology used by examining the conceptual model using a powerful statistical technique of multivariate data analysis (SEM). The use of the SEM technique enables examination of multiple relationships between constructs simultaneously and offers advantages superior to those of traditional analysis, and therefore obtains robust findings. Use of this methodology
employing sophisticated statistical tools is absent in previous literature on talent management; thus, this research study is the first of its kind to examine a new pattern in the research on talent decision-making.

7.3.2 Managerial Implications

The model of the talent identification process in the current study has mostly been formulated from cultural, organisational, societal and psychological factors. However, the examination of the factors that influence managers’ perceptions and experience within the talent decision-making process is an important endeavour. Consequently, significant implications for practitioners can be drawn from the findings including the following:

- First and most importantly, managers clearly need to pay more attention to identify ‘who’ and ‘why’ and ‘what’ talent means in their particular organisations and not only focus on ‘how’ i.e., the different practices that are involved in attracting and identifying talented employees (Makela, Bjorkman and Ehrnrooth, 2010; Mellahi and Collings, 2010). By considering the question of ‘who’, organisations can understand how to develop a balanced set of strategic terms and a diversified group of key talents who will be able to lead the firm in the coming years.

- Second, management needs to identify the key challenges to the effectiveness of their talent decision-making initiatives. This study provided useful practical guidelines and valuable insights for managerial decision-makers to better understand the talent identification process that often needs to take critical decisions with regard to talent decision-making. By cautiously and holistically understanding the key factors which impact on the talent decision-making process, greater awareness of these will enable managers to make more accurate decisions (Zander et al., 2010). Indeed, by making managers in private organisations aware of the challenges evidenced of operational and cognitive biases in talent decision-making, it is our hope that this study assists and inspires managers in framing their decision-making of talent management.
This study also highlighted a number of emergent factors that are likely to influence talent decision-making. The results showed that managers in private sector organisations in Saudi Arabia develop their positive attitudes and behaviours on the basis of cultural and societal factors such individual and organisational culture, geographical and institutional distance, homophily, and social network position. When managers are engaged in the talent identification process, they are more likely to act significantly accordingly. Furthermore, consideration of the impact of these factors on the fairness of talent decisions will help organisations to understand what the key factors are that influence the likelihood of an individual being labelled as a talent. It also helps organisations to restructure the talent identification process to improve the fairness of organisational talent pool outcomes to ensure smooth succession.

This study also suggests the need to develop a more holistic approach to the effect of decision-making style on the fairness of talent decisions, which takes more fully into account the characteristics of each managerial decision-making style and, in turn, its impact on the fairness of the decision. It is worth noting explicitly, that the reaction of managers towards talent decision-making is likely to be mediated by their management style and their perceptions as to whether the talent decision was carried out fairly. It is therefore important to consider the potential implications of talent identification processes (Beechler and Woodward, 2009), and to counterbalance the focus on decision-makers with creative solutions that capitalise on the diversity of management styles and involve more inclusive approaches to talent decision-making (Bjorkman et al., 2013). Certainly, large private organisations are currently making remarkable investments in identifying and developing talent, and the importance of securing talent pools both accurately and equitably is critical for the future competitiveness of the firm. However, the present study is not without limitations. These limitations and avenues for future research will be explained in detail in the next two sections.
7.4 Research Limitations

Despite the promising results, a number of caveats need to be noted regarding the current study which could be addressed in future research. First, this study provides an extensive examination of the underlying factors, its antecedents and the consequences of managers’ perspective of talent decision-making, which is only one side of the talent identification process in the context of the private sector. A limitation of this research is the difficulty of conducting a study that provides a comprehensive investigation of all the elements causing a phenomenon. Thus, a bilateral perspective, to include organisational or employees’ perspectives would probably be more effective and permit a balanced understanding and fuller examination of the two sides of the relationship.

The second limitation is that since this study is the first empirical study which simultaneously examines the factors that affect the decision-makers’ perception, experience and attitude towards the talent identification process and the influence of their decision style on the fairness of the decision, a large sample with actual talent decision-makers would strengthen and support the research findings. In addition, this study does not examine the effect of the factors on each decision-making style separately and, in turn, its impact on the fairness of the decision. Therefore, more studies are required to examine these relationships in more depth to gain insights into the talent identification process.

The third limitation of this study is that the number of female participants was very small due to cultural reasons. With a sample size of females in this study of 14.5 percent, caution must be applied. The low female response rate compromised the generalisability of the findings to the population (Saudi private organisations). However, by including more female managers the findings might be different and more comprehensive.

Another limitation lies in the fact that the sample in this study is restricted to a single geographical location (i.e., Saudi Arabia). In addition to the limitation to a sample of private sector organisations only, it is believed that the findings might be applicable
only to those contexts. Consequently, the findings need to be interpreted with caution. However, the study contributes to the understanding of the talent decision-making process in a non-Western cultural context, and discovers the different cultural impact on individual decisions. Thus, it is recommended that future research be undertaken with a wider geographical scope and in different sectors.

Fifth, the findings of this study are limited by the use of a cross-sectional design. The causality between constructs cannot be fully demonstrated and thus, caution is required about inferring the exact direction of cause and effect in the relationships among the variables in this research. Accordingly, the use of a longitudinal design in future research may be beneficial in order to understand the development and the implications of the talent decision-making process over the time.

Finally, this study was only based on the use of the survey technique; however, this might imply common method bias, as is the case in other research using the same method. Though, collecting the data from a single source will possibly be problematic for causal prediction based on the questionnaire since the measures are taken on one occasion only. This limitation proposes multiple methods might be more beneficial to further clarify the strategy of this research. Thus, in-depth interviews with top-management along with quantitative data would be more valuable.

7.5 Avenues for Further Research

The field of talent management has received a great deal of attention in academic literature in the past decade. However, there is still only a limited amount of empirical research. The current academic research is empirical; examining the nature of the talent decision-making process. The study findings contribute to the literature on talent management, human resource management, decision-making and cross-cultural research. By providing an in-depth account of managerial experience, perception and attitudes, this study examined the talent decision-making process and the significant factors that influence talent decision-makers and, in turn, the influence of management style on the fairness of talent decisions; all of which is helpful for an organisation
wishing to develop a new pattern in their talent identification process. However, the researcher could conclude that the field of talent management is still narrow and a relatively new and continually evolving area of research. New perspectives are essential for a theoretical framework as well as more empirical studies to better understand the nature of talent decision-making in relation to the context in which it takes place.

This research has thrown up several avenues in need of future investigation. What the talent management field needs first and foremost is to mature with more theory development, in-depth literature reviews, conceptual development and empirical studies. However, the literature of talent management is already attached to a range of HRM theories; scholars in the field do not speak the same talent management language. Therefore, consensus on talent management principles is hard to find. To add a lasting contribution to the field of talent management, more theoretical foundation must be built, integrated and applied to pinpoint the specific added value of talent management above and beyond established concepts.

A second avenue for further research is to explore other factors that may influence talent decision-making other than those analysed in this research such as environmental, functional and organisational politics factors. Additionally, to examine the effect of the factors on each of decision-making styles separately and, in turn, their impact on the justice of decisions. Indeed, diversity and demographic variables within talent decision-making may have important effects on talent pool inclusion, and should be further examined.

Third, future research might aim to contribute by examining the applicability of the patterns and factors of the talent decision-making process in similar, but not identical conditions. It would be interesting to compare the talent identification process in different sectors, including the public sector to see the variations in how they engage in talent management, or to investigate the applicability to all practices.

A fourth suggestion to advance the field of talent management is to expand talent management research beyond the context of developing countries (i.e., Saudi Arabia) and scope of multinational and private organisations. Differences might be examined
at the country or at a cultural level, societal, organisational or departmental. Future research could be conducted in other countries where people have different perceptions, cultures and characteristics. In addition to different contexts, for example, in different branches of industry, public organisations, non-profit and voluntary organisations would verify the findings of this study and may yield additional interesting and complementary insights. Conducting a cross-cultural study would enable researchers to obtain an overall picture of the phenomenon and its challenges worldwide. In addition, comparative research designs such as between the public and private organisations, multinational enterprises (MNC) and small and medium-sized enterprises (SME) will allow for a critical examination of the talent management frameworks dominating the existing literature.

A fifth direction for further research is concerned with the data for this study, as it was collected using a cross-sectional survey. However, longitudinal studies could investigate what factors will influence managerial perspectives and perceptions in continuing to use talent identification processes. Such an approach would be in a position to see how those factors develop and change over time. It is recommended also that future research uses in-depth interviews with HR managers and CEOs complemented by questionnaire surveys across a range of contexts which might infer more about talent decision-making within the organisational talent identification process and help unveil the organisational rationale underlying specific talent management decisions. Considerably more future work needs to be done to validate all the measurement scales purified in this research to facilitate and help provide evidence about the generalisability of these concepts. It is our hope that present study inspires other scholars and researchers to build on this study in order to augment our understanding of the important field of talent management.

7.6 Summary and Concluding Remarks

It is noteworthy that the success of talent identification decisions is one of the key talent management decisions as it is critical to the enhancement of overall talent pool inclusion (Mellahi and Collings, 2010; Vaiman Scullion and Collings, 2012). Indeed,
competitive advantage today, perhaps more than at any time in the past, recognises ‘talent’ as a powerful resource for organisational success (Tarique and Schuler, 2010; Scullion and Collings, 2011). There is considerable evidence that organisations around the world are facing an enormous shortage of professional and managerial talent and it has emerged as the key challenges in respect of talent management (Scullion and Brewster 2001; Cappelli 2008a; Gelens et al., 2014). The decision-making and talent identification process are critical themes in the talent management domain, and the question of what factors affect the process of talent pool inclusion has been asked. However, the extent to which factors interact with each other and contribute to the success of talent decision-making remains under-researched.

So far, however, there has been little, if any, empirical research that seeks to understand the decision process (es) involved in the identification of talent. This study, therefore, contributes to the growing literature on talent management by using the Saudi context as an example to highlight the importance of contingent factors that influence talent pool decision-making and its impact on the fairness of talent decisions. As one of the first studies in this field, it sheds light on the talent decision-making approach in terms of the talent identification process, comparing these results to existing knowledge about talent management and decision-making in private sector organisations, particularly in the oil and banking industries.

More important, there is no research that analyses the effects these factors may have on the talent decision-makers themselves and, in turn, on the justice of talent decisions. This is a serious omission since decision-makers perceptions and experience of the practices and decisions of talent management are likely to influence attitudes that are significant for the organisational talent identification process (Makela, Bjorkman and Ehrnrooth, 2010; Bjorkman et al., 2013). Though based on the research framework and the findings of this study, this chapter has provided a conclusion for the thesis and deliberated the implications for academics and practitioners alike.

Being one of the first studies that empirically determines and examines the contextual and cultural factors that influence and shape the perceptions and the experience of managerial decision-making and its effect on the fairness of talent decisions in talent management research, this study has also provided a comprehensive model for
measuring the talent decision-making process construct and broken it down into individual, organisational, societal and psychological levels. In particular, a new measure has been developed in this study for the social network position construct. Apart from that, appropriate scales were adopted from the pertinent literature to measure the other constructs in the study, with considerable adaptation to the research context through a pilot study with group of managers from different managerial levels. As a final point, at the empirical level, an online and paper-based questionnaire was designed for this study in order to obtain a reasonable sample size and response rate for data analysis (targeting different managerial levels).

One major finding is that most private organisations apply the process of performance appraisal as the initial stage in talent identification. Within the talent decision-making process, this study also identified three clusters of factors that have a potential influence on talent decision-making style (i.e., individual, organisational and societal factors) and that showed clearly the strong link between those factors and the fairness of the decision. This underlines the importance of analysing the talent decision-making process using an individual, organisational and societal lens and explicitly examining different types of organisations, i.e., in this case in Saudi private organisations. In addition to academic contributions, some managerial suggestions have also been discussed in this chapter. It has been suggested that by thoughtfully and holistically understanding the key factors which impact the talent decision-making process, this awareness will enable managers to make more accurate and fair decisions.

Despite the promising results, a number of caveats need to be noted regarding the current study which could be addressed in future research. Theoretically, encompassing a wider number of variables would possibly influence talent decision-making other than those analysed in this research such as environmental and functional factors etc. Indeed, examining the effect of the factors on each decision-making style separately would provide more clarity and accuracy regarding the constructs and consequently give greater value to the explained variance. Methodologically, the geographical scope of the current study limits the generalisability of the findings. It is limited to Saudi managers in selected firms in the private sector which cannot be generalised to the Saudi Arabian context as whole. Further research may wish to assess whether the results obtained here can be extrapolated across other private or public
sector organisations in Saudi Arabia. Future studies are suggested also to be conducted cross-culturally. Longitudinal studies are still rare and needed to provide evidence of causation in future research. The findings from such research are likely to have a key impact on academic and practitioner discourse.

In summary, the future research agenda has shown that there is a need for more in-depth research and studies in talent management to provide differentiated academic insights on the several levels concerned. Hence, it is hoped that the reported findings in this doctoral research, demonstrating the significant effect of factors that determine the talent decision-making, will provide an encouraging base from which to conduct further talent management research.
REFERENCES


Hofstede, G. (1979) “Value Systems in Forty Countries: Interpretation, Validation, and Consequences for Theory”, in Eckensberger, L.H., Lonner, W.J. and Poortinga,


Margerison, C. (1979) *How to Assess Your Managerial Style*. West Yorkshire: UK, MCB.


Mellahi, K., Demirbag, M., Collings, D.G., Tatoglu, E. and Hughes, M. (2013) “Similarly Different: A Comparison of HRM Practices In MNE Subsidiaries and


Williams, R. (1985) *Keywords: A Vocabulary of Culture and Society*. Oxford University Press.


Dear Participant,

I am a PhD researcher at Brunel Business School, Brunel University in the UK. I am undertaking a study on managers’ attitude toward the talent identification process. As part of my thesis, I am conducting a survey to find out how managers make the decision for identifying talent and the factors that influence their decision. In this study, I am interested to find out your personal perception, experience and practices to talent decision-making process and the factors which influence such decision; weather from individual, cultural or organisational perspectives.

Your participation is voluntary and you have the right to withdraw at any stage of the study. All the information you provide will be treated as completely confidential and will be only used for academic research purposes.

The questionnaire is designed to be user-friendly. There is no “right” or “wrong” answers. It will only take 10 to 15 minutes to be completed. Please answer all questions as honestly and fully as possible. Your cooperation is highly appreciated and will contribute to the success of this study.

If you have any concerns or questions about the survey or require further details, please contact me on: Malak_abunar@hotmail.com

Thank you very much for taking the time to help!

Yours Sincerely,

MALAK ABUNAR
PhD Researcher
Brunel Business School,
Brunel University
London
UK
SECTION 1. Demographical Information:

Please tick the relevant box and answer the following questions:

1. Your Gender  ☐ Male  ☐ Female

2. Your Age
☐ 20-29  ☐ 30-39  ☐ 40-49  ☐ 50-59  ☐ > 60

3. Your Highest Level of Education
☐ Vocational/technical college  ☐ Bachelor’s degree
☐ Master’s degree or equivalent  ☐ PhD or equivalent  ☐ Other, please specify

4. Your Current Job Position
☐ HR manager  ☐ Talent manager  ☐ Line manager  ☐ Senior manager  ☐ Director
☐ Other, please specify  ………………………………………….

5. Years of Experience
☐ 1-5  ☐ 6-10  ☐ 11-15  ☐ 16-20  ☐ > 21

SECTION 2. Organisation Details:

1. What Sector Does the Organisation Belong To?
☐ Banking and Financial  ☐ Oil/Gas
☐ Other, please specify  ………………………………………….

2. Where is Your Office Located?
☐ Head Office  ☐ Branch Office  ☐ Other, please specify  ………………………………………….

SECTION 3. Decision Making Process:

1. In your Organisation, Do you Use the Performance Appraisal as a Process to Identify Talented Employees?
☐ Yes  ☐ No  (If No please specify your tool or process) ………………………………………….

2. In your Organisation, Do you Consider the Evaluation of Performance Appraisal as a Process that Assists you to Make the Right Decision of Identifying Talented Employees?
☐ Yes  ☐ No  (If No please specify) ………………………………………….

3. From your Experience, Do you Believe that the Performance Appraisal Process in your Organisation is an Accurate and Effective Way for Identifying Talented Employees?
☐ Yes  ☐ No  (If No please specify the reasons for this) ………………………………………….

4. Managerial Decision-Making of the Talent Identification Process in your Organisation is Usually Made in:
☐ Head office  ☐ Branch office  ☐ Other, please specify  ………………………………………….

5. Which of the following Managerial Level is Making the Final Decision for Identifying Talented Employees in your Organisation?
☐ HR manager  ☐ Line manager  ☐ Talent manager  ☐ Senior manager  ☐ Director
☐ Other, please specify  ………………………………………….

SECTION 4. Your Decision Making Style:

Please indicate your level of agreement with the following statement.

Strongly Disagree  Disagree  Neutral  Agree  Strongly Agree

1. I double-check my information sources to be sure I have the right facts before making decisions.
   1  2  3  4  5

2. I make decisions in a logical and systematic way.
   1  2  3  4  5

3. My decision making requires careful thought.
   1  2  3  4  5

4. When making a decision, I consider various options in terms of a specific goal.
   1  2  3  4  5

5. I explore all of my options before making a decision.
   1  2  3  4  5

6. When making decisions, I rely upon my instincts.
   1  2  3  4  5

7. When I make decisions, I tend to rely on my intuition.
   1  2  3  4  5

8. I generally make decisions that feel right to me.
   1  2  3  4  5

9. When I make a decision, it is more important for me to feel the decision is right than to have a rational reason for it.
   1  2  3  4  5

10. When I make a decision, I trust my inner feeling and reactions.
    1  2  3  4  5

11. I often need the assistance of other people when making important decisions.
    1  2  3  4  5
decisions.

12. I rarely make important decisions without consulting other people.
   1 2 3 4 5

13. If I have the support of others, it is easier for me to make important decisions.
   1 2 3 4 5

14. I use the advice of other people in making my important decisions.
   1 2 3 4 5

15. I like to have someone to steer me in the right direction when I am faced with important decisions.
   1 2 3 4 5

16. I avoid making important decisions until the pressure is on.
   1 2 3 4 5

17. I postpone decision making whenever possible.
   1 2 3 4 5

18. I often procrastinate when it comes to making important decisions.
   1 2 3 4 5

19. I generally make decisions at the last minute.
   1 2 3 4 5

20. I put off making many decisions because thinking about them makes me uneasy.
   1 2 3 4 5

21. I generally make snap decisions.
   1 2 3 4 5

22. I often make decisions on the spur of the moment.
   1 2 3 4 5

23. I make quick decisions.
   1 2 3 4 5

24. I often make impulsive decisions.
   1 2 3 4 5

25. When making decisions, I do what seems natural at the moment.
   1 2 3 4 5

SECTION 5. Social Network Position:

1. I am more likely to come across employees who are in a central network position in the organisation more often than those who are not.
   1 2 3 4 5

2. I am more likely to come across employees who are more visible in the organisation more often than those who are not.
   1 2 3 4 5

3. Employees in the organisation who are in a central network position benefit more in terms of their career progression, obtaining jobs, and promotion than others.
   1 2 3 4 5

4. Employees in the organisation who are in a central network position benefit more in terms of being selected as a talent than others.
   1 2 3 4 5

SECTION 6. Fairness of Talent Decision-Making:

1. Overall, I believe that the talent decision making in my organisation is fair.
   1 2 3 4 5

2. I feel good about the way the talent decision making process works.
   1 2 3 4 5

3. The talent decision making process is fair to candidates.
   1 2 3 4 5

SECTION 7. Individual Values:

1. It is important to have job requirements and instructions spelled out in detail so that employees always know what they are expected to do.
   1 2 3 4 5

2. Managers expect employees to closely follow instructions and procedures.
   1 2 3 4 5

3. Rules and regulations are important because they inform employees what the organisation expects of them.
   1 2 3 4 5

4. Standard operating procedures are helpful to employees on the job.
   1 2 3 4 5

5. Instructions for operations are important for employees on the job.
   1 2 3 4 5

6. Group welfare is more important than individual rewards.
   1 2 3 4 5

7. Group success is more important than individual success.
   1 2 3 4 5

8. Being accepted by the members of your workgroup is very
important.

9. Employees should only pursue their goals after considering the welfare of the group.

10. Managers should encourage group loyalty even if individual goals suffer.

11. Individuals may be expected to give up their goals in order to benefit group success.

12. Managers should make most decisions without consulting subordinates.

13. It is frequently necessary for a manager to use authority and power when dealing with subordinates.

14. Managers should seldom ask for the opinion of employees.

15. Managers should avoid off-the-job social contacts with employees.

16. Employees should not disagree with management decisions.

17. Managers should not delegate important tasks to employees.

18. Meetings are usually run more effectively when they are chaired by a man.

19. It is more important for men to have a professional career than it is for women to have a professional career.

20. Men usually solve problems with logical analysis; women usually solve problems with intuition.

21. Solving organisational problems usually requires an active forcible approach which is typical of men.

22. It is preferable to have a man in a high level position rather than a woman.

SECTION 8. Geographical Distance:

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Geographical distance between head office and branches is affecting the accuracy of the performance appraisal.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. Geographical distance between residing board members from head office and branches is associated with the trust the decision-makers have towards the accuracy of performance appraisal evaluation.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. Geographical distance between HR managers from head office and branches creates bias in talent decision-making.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. Geographical distance from head office to branches leads to ‘out of sight, out of mind’ in terms of identifying talent.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

SECTION 9. Tendency to Identify Talent:

<table>
<thead>
<tr>
<th>Tendency</th>
<th>Not at all</th>
<th>Slightly</th>
<th>Somewhat</th>
<th>Moderately</th>
<th>Extremely</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I tend to prefer a talented person who is similar to me.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. I tend to prefer a talented person who is different from me.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. I tend to prefer a talented person who represents something in me.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. I tend to prefer a talented person who behaves like me.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

SECTION 10. Perception of Your Organisation

<table>
<thead>
<tr>
<th>Organisation Type</th>
<th>Totally Does Not Describe My Organisation</th>
<th>Does Not Describe My Organisation</th>
<th>Neutral</th>
<th>Describes My Organisation a Fair Amount</th>
<th>Describes My Organisation Most of The Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Risk Taking Organisation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. Collaborative Organisation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. Hierarchical Organisation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
4. Procedural Organisation | 1 | 2 | 3 | 4 | 5
5. Relationships-Oriented Organisation | 1 | 2 | 3 | 4 | 5
6. Results-Oriented Organisation | 1 | 2 | 3 | 4 | 5
7. Encouraging Organisation | 1 | 2 | 3 | 4 | 5
8. Creative Organisation | 1 | 2 | 3 | 4 | 5
9. Sociable Organisation | 1 | 2 | 3 | 4 | 5
10. Structured Organisation | 1 | 2 | 3 | 4 | 5
11. Pressurized Organisation | 1 | 2 | 3 | 4 | 5
12. Ordered, (Organised) Organisation | 1 | 2 | 3 | 4 | 5
13. Stimulating Organisation | 1 | 2 | 3 | 4 | 5
14. Regulated Organisation | 1 | 2 | 3 | 4 | 5
15. Personal Freedom Organisation | 1 | 2 | 3 | 4 | 5
16. Equitable Organisation | 1 | 2 | 3 | 4 | 5
17. Safe Organisation | 1 | 2 | 3 | 4 | 5
18. Challenging Organisation | 1 | 2 | 3 | 4 | 5
19. Enterprising Organisation | 1 | 2 | 3 | 4 | 5
20. Established, (Solid) Organisation | 1 | 2 | 3 | 4 | 5
21. Cautions Organisation | 1 | 2 | 3 | 4 | 5
22. Trusting Organisation | 1 | 2 | 3 | 4 | 5
23. Driving Organisation | 1 | 2 | 3 | 4 | 5
24. Power-Oriented Organisation | 1 | 2 | 3 | 4 | 5

Thank You for Taking Part in Completing the Questionnaire

If you have any further comments or suggestions about the survey, please contact Malak_abunar@hotmail.com or indicate them below:

................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
كلية إدارة الأعمال

عملية صنع القرار التنظيمي لإدارة المواهب

عزيزي المشارك/ المشاركة

أود أن أفيدهم علمًا بأنني بحثة في كلية إدارة الأعمال التابعة لجامعة برونيل في المملكة المتحدة، أقوم حالياً بإعداد دراسة حول موقف المدراء تجاه عملية تحديد المواهب. وكجزء من أطروحتي، تم إعداد دراسة مسحية لمعاينة كيفية اتخاذ المدراء لتقريرات تحديد المواهب، ومواد العامل الذي تؤثر على قراراتهم.

ومن خلال هذه الدراسة، أنا مهتمة بالتعرف على وجهة نظركم الشخصية وخبرتكم وممارستكم العملية في مجال صنع القرار فيما يتعلق بالموهبة والتعامل التي تؤثر في اتخاذها سواء كانت وجهات نظر فردية، ثقافية أو تنظيمية.

مشاركتكم تطوعية ولكن الحق في الانسحاب في أي مرحلة من مراحل الدراسة. جميع المعلومات المقدمة من قبلكم سيتم التعامل معها على مستوى عال من السرية، وسوف تستخدم فقط لأغراض البحث العلمي.

تم تصميم الاستبان لكي يكون سهل الاستخدام، ليس هناك إجابة "صحبة" أو "خاطئة". سوف تستغرق الإجابة على الأسئلة ما بين 15 إلى 20 دقيقة. أمل منكم الإجابة على جميع الأسئلة المطروحة بصدق ووضوح، حيث أن تعاونكم معي في إتمام هذه الدراسة سوف يساعد في إنجازها بإذن الله.

في حال وجود أي أسئلة أو استفسارات حول موضوع الدراسة أو إذا كنت بحاجة إلى معلومات إضافية، الرجاء التواصل معي من خلال البريد الإلكتروني: Malak_abunar@hotmail.com

أتقدم لكم بوافر الشكر والامتنان على الوقت الثمين الذي سوف تشاركون به!

مع خالص شكري وتقديري ..

ملاك أبو نزار
كلية إدارة الأعمال
جامعة برونيل
لندن
المملكة المتحدة
القسم 1. المعلومات الشخصية:

الرجاء الإشارة إلى مستوى الاتفاق على العبارات التالية:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 2. تفاصيل المنظمة:

1. ما هو القطاع الذي تنتمي إليه منظمتك؟
   □ المالي والبنكي □ الغاز/النفط □ أخرى، الرجاء التحديد ...........................................

2. أين يقع مكتبك؟
   □ مبنى الإدارة الرئيسية □ فرع □ أخرى، الرجاء التحديد ...........................................

القسم 3. آلية اتخاذ القرار:

1. هل تستخدمون نظام تقييم الأداء (Performance Appraisal) كوسيلة لتحديد الموظفين الموهوبين؟
   □ نعم □ لا (إذا كانت الإجابة لا، الرجاء تحديد الآلية المتبعة) ............................................

2. هل تعتمدون على التقييم أو المعايير الأدبية من آلية تقييم الأداء (Performance Appraisal) كوسيلة لمساعدتك على اختيار القرار الصحيح لتحديد الموهوبين؟
   □ نعم □ لا (إذا كانت الإجابة لا، الرجاء تحديد الآلية المتبعة) ............................................

3. هل تعتبر أن آلية تقييم الأداء المستخدمة في منظمتك دقيقة وقعت لتحديد الموظفين الموهوبين؟
   □ نعم □ لا (إذا كانت الإجابة لا، الرجاء تحديد الآلية المتبعة) ............................................

4. اتخاذ القرار الإداري في آلية تحديد الموهوبين عادة ما يكون من خلال:
   □ الإدارة الإدارية الرئيسية □ الفرع □ أخرى، الرجاء التحديد ............................................

5. أي من الدرجات الإدارية التالية يكون لها أهمية في تحديد الموظفين الموهوبين في منظمتك؟
   □ مدير المراعي البشري □ مدير المواهب □ مدير أول □ مدير تنفيذي □ أخرى، الرجاء التحديد ............................................

الرجاء الإشارة إلى مستوى الاتفاق على العبارات التالية:

القسم 4. أسلوب اتخاذ القرار:

<table>
<thead>
<tr>
<th></th>
<th>أفراد □</th>
<th>إعترض □</th>
<th>متعدد □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 5. المشاركات التدريسية:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 6. المعلومات الإحصائية:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 7. التحليل الإحصائي:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 8. النتائج:

الرجاء إشارة إلى مستوى الاتفاق على العبارات التالية:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 9. الردود الإحصائية:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 10. التحليل الإحصائي:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 11. النتائج الإجمالية:

الرجاء إشارة إلى مستوى الاتفاق على العبارات التالية:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 12. التحليل الإحصائي:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 13. النتائج الإجمالية:

الرجاء إشارة إلى مستوى الاتفاق على العبارات التالية:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 14. التحليل الإحصائي:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

القسم 15. النتائج الإجمالية:

الرجاء إشارة إلى مستوى الاتفاق على العبارات التالية:

<table>
<thead>
<tr>
<th></th>
<th>ذكر □</th>
<th>أنثى □</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
سماحة الأخرين أثناء اتخاذ قرارات هامة.
13. عندما يتواجد لدى الأخرين أو آخرين صحة عندما راجع قرارات هامة.
14. أُعجب بنجاح القرارات المتاخمة، أعتذر عن بعض القرارات ذات.
15. قرارات قرينة، أعتذر عن بعض القرارات الصعبة.
16. البحث عن التحليلاتつけ المسار الصحيح عندما يكون الموضوع متعلقًا.
17. أحتل لنيل التحليل، أعتذر إذا أعلنت قرارات هامة.
18. علامة على الحالة المستمرة عندما يكون الموضوع متصلًا بتحقيق مطالعات قرارات هامة.
19. شكل عام راهن القرارات في الناحية الأخرى.
20. احتل عن هذا المدى من القرارات، لأن مجرد التفكير فيهم يشعرني بعدم الراحة.
21. نشاط أبحاث قرارات خاصة.
22. علامة على القرارات التي أعتذر.
23. اتخاذ قرارات سريعة.
24. دلالة القيادات في الناحية الأخرى.
25. عندما أتخذ قرارات أقل ما قد يبدو محايدًا في تحقيقها.

القسم 6. العلاقات الاجتماعية داخل المنظمة:

القسم 7. قيم الأفراد.

القسم 5. العلاقات الاجتماعية داخل المنظمة:

القسم 6. العمل في اتخاذ قرارات الموظفين:

القسم 7. قيم الأفراد.
إذا، يجب أن يكون المدراء قادرين على اتخاذ القرارات دون التشاور مع مرؤوسيهم، لأن هذا الأمر قد يكون ضرورياً في كثير من الأحيان. وقد يكون من الأفضل استخدام صلاحيته وسلطة المسئولية عند التعامل مع الأمور.

من الضروري في كثير من الأحيان أن يستخدم المدير صلاحيته وسلطته عند التعامل مع الموظفين.

يجب على المدراء أن يأخذوا أراء الموظفين، ولكن بشكل نادر.

يجب على المدراء تجنب العلاقات والاتصالات الاجتماعية مع الموظفين خارج ساعات العمل.

يجب على الموظفين عدم الاعتراض على قرارات الإدارة.

عادات ما دار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما تكون الشخصيات مستقلة وتحمل أساسية من حصول الرجل على حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصول المرأة عليه.

عادة ما يكون الرجل على حفل المشارك باستخدام المنطق والتحليل، بينما تميل النساء إلى حل المشكلات وفقاً للانطباع والحب.

يجب على المدراء عدم تفويض الأعمال الهامة إلى الموظفين.

عادة ما تدار الاجتماعات بطريقة أكثر فعالية عندما يترأس الرجل، الحصول الرجل على مسار مهني محترف ووظيفي أكثر أهمية من حصلو
تشكر لكم وقتكم الثمين ومشاركتكم في تعبئة هذا الاستبيان.

في حال وجود أي ملاحظات أو اقتراحات إضافية تتعلق بهذا الاستبيان، الرجاء التواصل معى من خلال البريد الالكتروني: Malak_abunar@hotmail.com

……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
## **APPENDIX C**

### REVIEW OF TALENT MANAGEMENT STUDIES

<table>
<thead>
<tr>
<th>Year</th>
<th>Author(s)</th>
<th>Description of The Study</th>
<th>Sample</th>
<th>Context</th>
<th>Design</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>Lewis and Heckman</td>
<td>Address the question of what is talent management and what basis does it have in scientific principles of human resources and management?</td>
<td>-</td>
<td>-</td>
<td>Systematic literature review</td>
<td>- Guides talent decisions, developing systems-level models that illustrate the multi-pool impacts of talent choices, and developing reliable, validity, and theoretically meaningful measures researchers can markedly improve the quality of talent conversations in organisations.</td>
</tr>
</tbody>
</table>
| 2007 | Bhatnagar          | Investigate talent management and its relationship to levels of employee engagement.       | (350)  | India   | Survey and Focus group interview (Mixed Method) | - A good level of engagement may lead to high retention.  
- The need for a more rigorous employee engagement construct is indicated by the study.                                                                                                            |
| 2008 | Hughes and Rog     | Clarify what is meant by talent management, why it is important, and what large multinational | -      | -       | A review of the academic and popular talent management literatures | - Talent management is an espoused and enacted commitment to implementing an integrated, strategic and technology enabled approach to HRM.  
- Talents are the organisation’s |
hospitality organisations might do in support of its effective implementation.

**2008 Chuai, Preece and Iles**

<table>
<thead>
<tr>
<th>Explore whether talent management practices are fundamentally different from traditional approaches to HRM.</th>
<th>Employees China Case study (Interviews)</th>
<th>Talent management emerges as being different from traditional HRM, incorporating new knowledge rather than being a simple repackaging of old techniques and ideas with new labels. This study challenges the idea that talent management is yet another struggle by HR professionals to enhance their legitimacy, status and credibility within their organisations.</th>
</tr>
</thead>
</table>

**2008 Maxwell and MacLean**

<table>
<thead>
<tr>
<th>Explore the operational implications and strategic actions involved in talent management.</th>
<th>Members of the Board of the Tourism Forum Scotland Literature review and focus groups</th>
<th>Talent management in attracting, developing and retaining people has significant potential to contribute to changing approaches to managing people and to improving opinions on careers.</th>
</tr>
</thead>
</table>

**2008 Hughes and Rog**

| Clarify what is meant by talent management and | - | Review of the academic and popular | The benefits of an effectively implemented talent management strategy include improved... |
why it is important, as well as to identify factors that are critical to its effective implementation.

<table>
<thead>
<tr>
<th>Year</th>
<th>Authors</th>
<th>Methodology</th>
<th>Sample Size</th>
<th>Data Collection</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>Collings and Mellahi</td>
<td>Clarify the definition and clear conceptual boundaries of talent management.</td>
<td>-</td>
<td>A review of the current body of talent management literatures</td>
<td>Developing a clear and concise definition of strategic talent management and also develops a theoretical model of strategic talent management.</td>
</tr>
<tr>
<td>2010</td>
<td>Iles, Chuai and Preece</td>
<td>Clarify how ‘Talent’ and talent management has been conceptualised in the literature.</td>
<td>(21) Employees China</td>
<td>Case study (Interviews)</td>
<td>Identifies four main perspectives on talent management: exclusive-people; exclusive-position; inclusive-people; social capital.</td>
</tr>
<tr>
<td>2010</td>
<td>Tymon, Stumpf and Doh</td>
<td>Examining organisational and intrinsic influences on talent retention</td>
<td>(4811) Employees India</td>
<td>Survey (Questionnaire)</td>
<td>Four antecedents were explored of intrinsic talent rewards: the social responsibility of the employer, pride in the organization, manager support, and performance management (PM).</td>
</tr>
<tr>
<td>2010</td>
<td>Mellahi and Collings</td>
<td>Examines barriers to corporate advancement of talents and on promotion of talent to be part of the upper echelon management team at</td>
<td>-</td>
<td>A review of the academic and popular talent management literatures</td>
<td>By marking managers aware of some of the cognitive and operational biases and challenges evident in decision making around global talent, this study assists managers in framing their decision making with regard to talent management.</td>
</tr>
</tbody>
</table>
Seeks to understand the decision processes involved in the identification of MNC talent.

- Developed a framework suggesting that the decision to include an employee in a corporate talent pool is a two-stage decision process in which mostly experience-based and performance appraisal evaluations are used as an input in largely cognition-based managerial decision making.

Explore how western MNCs identify, develop and retain their talented employees.

- MNCs transfer their talent management practices to China without many changes, focusing specifically on the development of talented employees and the creation of an organisational culture.
- Integrated and strategic talent management strategies have not yet been fully implemented.

Consider the ways the notion of ‘talent’ has developed over many years.

- There is no single or universal contemporary definition of ‘talent’ in any one language; there are different organisational perspectives of talent.
- Current meanings of talent tend to be specific to an organisation and highly influenced by the nature of the work undertaken.

Identify some of the most critical outstanding issues.

- Identified a number of research questions and themes would make a strong contribution to our
<table>
<thead>
<tr>
<th>Year</th>
<th>Authors</th>
<th>Objective</th>
<th>Methodology</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>Preecea, Iles and Chuai</td>
<td>Explore whether talent management practices are similar terms from traditional approaches to HRM.</td>
<td>Case study (Interviews)</td>
<td>Talent management did exemplify certain characteristics of management fashion; it could not be adequately explained by management fashion theory alone.</td>
</tr>
<tr>
<td>2012</td>
<td>Vaiman, Scullion and Collings</td>
<td>Understand the key issues that emerge in the context of decision making.</td>
<td>Literature review</td>
<td>Examined some of the main factors currently influencing decision making in talent management. Seek to identify some future research areas that will inform future decision making in talent management.</td>
</tr>
<tr>
<td>2013</td>
<td>Poorhosseinzadeh and Devi Subramaniam</td>
<td>Investigate the determinants of successful talent management in the MNCs.</td>
<td>Survey (Questionnaire)</td>
<td>Developing talents is the most important and significant predictor of successful talent management in MNCs.</td>
</tr>
<tr>
<td>2013</td>
<td>Skuza, Hugh and McDonnell</td>
<td>Investigate talent management from the perspective of organisations.</td>
<td>Telephone survey and focus group (Mixed method)</td>
<td>Talent management is likely to challenge many traditional management practices and attitudes which continue to dominate Polish culture in the period of transition to a market economy.</td>
</tr>
<tr>
<td>2013</td>
<td>Thunnissen, Boselie and Fruytier</td>
<td>Provide a critical review of the academic literature</td>
<td>Systematic literature review</td>
<td>Three dominant themes have found: the exploration of the concept of talent (definitions), the</td>
</tr>
<tr>
<td>Year</td>
<td>Authors</td>
<td>Study Type</td>
<td>Methodology</td>
<td>Findings/Contributions</td>
</tr>
<tr>
<td>------</td>
<td>---------</td>
<td>------------</td>
<td>-------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>2013</td>
<td>Thunnissen, Boselie, and Fruytier</td>
<td>Conceptual paper</td>
<td>-</td>
<td>This study has presented a multilevel, multi-value approach to talent management clarifying the potential economic and non-economic (i.e., social and moral) value created by talent management at three levels: individual, organisational, and societal.</td>
</tr>
<tr>
<td>2013</td>
<td>Van den Brink, Fruytier, and Thunnissen</td>
<td>Case study</td>
<td>Interviews and Academics</td>
<td>This study has identified three key dilemmas in talent and performance management for universities: (a) transparency versus autonomy, (b) power of HR versus power of academics, (c) equality versus homogeneity.</td>
</tr>
<tr>
<td>2013</td>
<td>Gallardo-Gallardo, Dries, and Gonzalez-Cruz</td>
<td>In-depth review</td>
<td>-</td>
<td>Group different theoretical approaches to talent into ‘object’ (i.e., talent as natural ability; talent as mastery; talent as commitment; talent as fit) versus ‘subject’ approaches (i.e., talent as all people; talent as some people) and identify dynamics existing within and between them, as well as implications for talent management theory and practice.</td>
</tr>
<tr>
<td>2013</td>
<td>Tansley and Tietze</td>
<td>Case study</td>
<td>Interviews and Talent (6 interviews)</td>
<td>Successful transitions through such rites of passage are the necessary</td>
</tr>
</tbody>
</table>
organisational ‘talent’ as employees advance through progressive stages of a talent management programme.  

<table>
<thead>
<tr>
<th>Year</th>
<th>Authors</th>
<th>Methodology/Research Question</th>
<th>Sample/Settings</th>
<th>Findings and Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>Valverde, Scullion and Ryan</td>
<td>Study the concept and practices of talent management in medium-sized organisations.</td>
<td>Employees (six Companies), Spain</td>
<td>Case study (Interviews)</td>
</tr>
<tr>
<td>2013</td>
<td>Bjorkman et al.</td>
<td>Examine the effect of talent identification on employee attitudes.</td>
<td>Managers and professionals, (769) Nordic countries</td>
<td>Web-based survey (Questionnaire)</td>
</tr>
<tr>
<td>2013</td>
<td>Festing, Schafer and Scullion</td>
<td>Investigate the nature of talent management in SMEs.</td>
<td>(700) German chief executive officers (CEOs)</td>
<td>Case study (Interviews)</td>
</tr>
<tr>
<td>2013</td>
<td>Vaiman and Collings</td>
<td>Review the best papers from international workshop on talent</td>
<td>-</td>
<td>In-depth review of the literature on talent management</td>
</tr>
<tr>
<td>Year</td>
<td>Authors</td>
<td>Research Focus</td>
<td>Methodology</td>
<td>Key Findings</td>
</tr>
<tr>
<td>------</td>
<td>---------</td>
<td>----------------</td>
<td>-------------</td>
<td>--------------</td>
</tr>
<tr>
<td>2014</td>
<td>Lacey and Groves</td>
<td>Discusses the inadvertent hypocrisy of organisations seeking to demonstrate corporate social responsibility actions for their employees while simultaneously barring the vast majority of employees access to targeted development opportunities.</td>
<td>-</td>
<td>Revealed that organisations seeking to simultaneously pursue talent management best practices and corporate social responsibility initiatives must tackle several fundamental issues, including expanding employee access to high potential programs.</td>
</tr>
<tr>
<td>2014</td>
<td>Zhang et al.</td>
<td>Investigate the effect of leadership styles on talent retention strategies and on the effectiveness of post-mergers and acquisitions integration.</td>
<td>Executives (nine international and local firms)</td>
<td>Proposed that an authoritative, coaching, task-focused and relationship-focused approach has a positive influence on talent retention and effective post-mergers and acquisitions integration.</td>
</tr>
<tr>
<td>2014</td>
<td>Gelens et al.</td>
<td>Examine how perceived distributive and procedural justice affected the relationship between an employee’s identification as a high potential employee.</td>
<td>(203) Employees</td>
<td>Perceptions of distributive justice were significantly higher for employees identified as a high potential. Revealed that perceptions of procedural justice moderated the relationship between perceived distributive justice and work effort.</td>
</tr>
<tr>
<td></td>
<td>Clarify what is meant by talent management, its importance and how as a strategy influences employee engagement and in turn what are the organisational outcomes.</td>
<td>-</td>
<td>-</td>
<td>Conceptual paper</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>2014</td>
<td>Dhanalakshmi and BalanagaGurunathan</td>
<td>high potential, job satisfaction and work effort.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>