Effects of Transformational Leadership Styles on Talent Management: A Case of Micro, Small and Medium Size Enterprises in Migori County, Kenya

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Abstract
Organizational Development depends on the quality of leadership and effective management of talents. This is because employee’s talents are crucial for innovation and strategy development that guides the output or profitability of the organization. This study therefore sought to determine the causal relationship between participative leadership style and talent management in Micro, Small and Medium Size Enterprises in Migori County. Charismatic leadership theory and descriptive survey research design were used in this study. Key informants for this study included top, middle and lower cadre employees of Micro, Small and Medium Size Enterprises located in rural areas in Migori County. Stratified Simple Random Sampling was used to select 20 top management, 80 middle management staff and 120 lower cadre employees giving a total sample unit of 220 respondents. Structured questionnaires were used to collect data from the respondents. Out of the 220 structured questionnaires issued, 211 were returned for analysis giving questionnaire return rate of 95%. The study found out that Majority of the respondents Somehow Agreed that their leaders recognize their talents (32.2%). The research further found out that Majority of respondents Strongly Agreed that their organization promotes staff development (64.9%). The study also found a positive and significant relationship ($r=0.447$) exists between Leadership Style and Talent Management. The study recommends that Micro, Small and Medium Size Enterprises should embrace transformational leadership style in order to enhance talent management.

Keywords: Participative, Leadership Style and Talent Management.

1.1: Background
In this modern economy, organizations face a myriad of challenges such as high staff turnover, wastage, and resistance to change and de-motivated staff, (Choi, Lee, Wan and Ahmad, 2012). This calls for adoption of leadership styles that ensures that teams work seamlessly for smooth attainment of the organization’s vision and core mandate while remaining relevant in the ever changing market dynamics. In this regard there is need to understand and manage employees better. Therefore neglecting talent management is suicidal if the organization intends to develop, (Bula and Kireru, 2014). Talent management aims at improving the calibre, flexibility and utilization of exceptionally capable employees who deliver quality results, (Collings and Vaiman, 2011). It is critical to underline the fact that Management on one hand is concerned with developing, controlling and planning organization resources and leadership on the other hand is about aligning manpower to the expected deliverables within the organization frameworks, (Ngethe, Namusonge and Iravo, 2013). Talent management is strategic (Lewis and Heckman, 2006) and therefore, organizations should have the right and motivated talent in order to increase their profitability and relevance in the market, (Duchan, 2007). It is also important to note that the history of talent management can be traced to early 90s with the emergence of strategic human resource management, (Kumar and Shani, 2012). Spend Love (2007) and Kauda, (2010), reason out that leadership as an art of influencing employees or followers in a particular direction that involves casting a vision, motivating them towards the shared vision and goal setting while (York, 2005) perceives leadership as a process of interaction between subordinates and leaders where a leader attempts to influence subordinate’s behavior towards a particular organization’s vision. Northhouse (2010) and Warrilow (2012) argue that some scholars conceptualize leadership from trait aspect hence perceives leadership as a set of behavior, trait or personality that makes one a leader. Transformational Leadership style was the independent variable in this study was and it revolves around a common purpose through self reinforcing behaviors that employees or followers gain from successfully achieving a task. A transformational leader is therefore a role model and mediator in the talent management process as he/ she inspires followers and provides meanings towards attainment of the organizational goals. Talent Management has been defined by Njoroge (2012) as the process of putting the right people with the right skills in the right position at the rights time while Uren (2007) postulates that talent management is all about attracting, identifying, developing and engaging talent. Cappelli (2009) views talent management as the process of anticipating the need for manpower and setting out plans to meet the needs. According to Gupta (2006), Jones and George (2010) and Riaz and Haide (2010) talent management is a significant predictor of staff and organization performance because it integrates new workers, retain current employees and attract future talents.

Research has consistently shown that leadership styles influence organization culture, pace of
development and the quality of the human resource, (Bichange, Okibo and Shikanda, 2014 and Were, 2014). Owiso and Mukulu (2014) and Dawo (2012) argue that leadership adopted by any manager lays the foundation for effective learning environment which permits people to draw resources, make sense of things done in the firm and construct meaningful solutions. Chemobo, Chege, Musiega and Mute (2014) add that leadership style is the most important aspects of management and a major factor which contributes immensely to the general wellbeing of the employees. Organizations should therefore endeavor to empower employees and in this regard participative leadership was viewed as the best. However, it is important to note that leadership can be broadly divided into two main groups: Transactional and Transformational, Ngethe, Namusinge and Iravo (2012). Transactional leadership styles focuses on leader-follower exchanges in which subordinates are expected to carry out duties and perform according to instructions. Failure to deliver may attract punishment and rewards depend on results and subjective judgment by the leader, Akinyi, Yambo and Onyango (2014). This study intended to find out whether a relationship exist between participative leadership style and talent management by drawing samples from small and medium enterprises in Migori County Kenya with a view to create knowledge.

For the purpose of this research, micro, small and medium enterprises consisted of organizations with maximum employees of 10 people for Micro, Small Enterprises with staff of 10-50 and Medium 50-100. These enterprises are important for economic development and increased level of innovation necessary for growth of any county especially in rural areas in Kenya.

1.2: Problem Statement
Micro, Small and Medium Size Enterprises in Migori County and anywhere in Kenya would wish to maximize profits and attract the best manpower needed to achieve this goal. However, most of these enterprises face a lot of challenges related to management and leadership style. It is also important to note that most of these enterprises are governed by several legislations ranging from the County Government by laws, Kenyan Constitution 2010, Acts of Parliament to international labor laws and other legislations. These organizations are also crucial for economic development of the nation and as result they have received a lot attention by previous scholars from different fields of study. However, majority of this previous research studies on this topic in Kenya has mainly dwelt on leadership styles and organizational performance as key variables, (Marachi and Guyo, 2013). Most of these studies again have strongly recommended further research in this area especially those studies that aim at testing the hypotheses. It was against this backdrop that the study sought to investigate the relationship between talent management and leadership with a view to fill this critical research gap and create new knowledge.

It is also important to note that most of these studies have concentrated on service and manufacturing industries at the expense of Micro, Small and Medium size industries. These categories of industries due to their size, human resource and capital base may be different from the well established international or local corporations and learning institutions such as universities that previous studies focused. Furthermore most of these studies were located in urban areas in Kenya while this study targeted mainly on those enterprises located in remote centers in Migori County.

1.3: Research Objectives
This study pursued only one specific objective:-

a) To determine the causal relationship between participative leadership style and talent management in Small and Medium Size Enterprises in Migori County.

1.4: Hypothesis
The study tested the null hypothesis below:-

H₀: There is no causal relationship between participative leadership style and talent management in Small and Medium Size Enterprises in Migori County.

1.5: Literature Review
1.5.1: Empirical Studies in Kenya
Research done by Owiso and Mukulu (2014) on the effects of Learning Resources and Leadership styles on Organizational Learning in Public Universities employed questionnaires to collect data from 94 employees of Kenyatta University. The study findings revealed that management leadership styles do not have significant effect on the provision of learning resources in Public Universities. However, this study found a positive correlation between organization learning and provision of learning resources. Wakahiu and Salvaterra (2012) investigated the sustainable leadership lessons and implications of leadership development programmes for women religious organizations in Africa. The study selected three women religious programmes in Kenya, Tanzania and Uganda and collected data through in-depth face to face interview, observations and site visits. Findings of the study revealed that leadership development promoted sustainable leadership initiatives,
promulgation of development programmes and dissemination of skills through mentoring. Chemobo, Chege, Musiega and Mute (2014) investigated the effects of transformational leadership style on teacher efficiency in Public Secondary Schools in Kakamega Central Sub County. The study sampled 24 secondary school teachers and 184 Head teachers. The study found out that transformation leadership style had significant effect on teacher performance.

Makworo and Abok (2014) investigated factors affecting talent management in state corporations. The study used stratified random sampling to select 224 staff of Kenya Power and Lighting Company Limited. The regression coefficients of the study indicated that recruitment and selection, developing and compensation have positive and statistically significant effect integrated talent management at Kenya Power and Lighting Company Limited. Bula and Kireru (2014) conducted an empirical study on challenges affecting implementation of talent management in Public Sector in Kenya. The study found out that factors such as organization culture, reward system, career development and workforce environment significantly affect implementation of talent management. Ngethe, Namusonge and Iravo (2012) while investigating the influence of leadership styles on academic staff retention in Public Universities in Kenya found out that a significant linear relationship exist between leadership style and staff retention. Even though this study did not include autocolinearity statistics, it present the much needed data needed to further research in this area and for knowledge creation.

Bichanga and Shikanda (2014) conducted a study on the effects organization culture on innovation in service industry. The study sampled 92 respondents from Postal Corporation of Kenya. The study found out that leadership skill, organization culture, recognition and reward affect the level of innovation in a firm. Akinyi, Yambo amd Onyango (2014) investigated the role of principal’s instructional leadership style on facilitating acquisition of learning materials and coordination of personnel on student’s performance. The study used descriptive survey research design and collected data via questionnaires, document analysis, interview schedules and observation. The study found out that the principal’s leadership style influence the provision of learning materials and coordination of personnel. Maluti, Warentho and Shiundu (2011) carried out a research study on the impact of employee commitment on retention in state financial corporations in Kenya. The findings revealed that there is a significant relationship between the impact of employee commitment and retention. Kamau, Gakure and Waititu (2013) studied the influence of Institutional Leadership on Talent Management in Public Universities in Kenya. Results further indicated that a strong positive relationship exist between institutional leadership and talent management. The study recommends that leaders should promote openness to enhance motivation and productivity in the organization.

1.5.2: Transformational Leadership Style

Leadership is about formal and informal exercise of authority under laws, policies and rules that explain rights and responsibilities of parties involved in any activity within the framework of the firm, (Eurydice, 2008). However, Leadership style refers to a particular behavior applied by a leader to motivate subordinates to achieve particular organizational goals, (Muindi, 2010, Hamed and Ismi, 2013). Leadership therefore is concerned with responsibility of initiating and leading the dynamics of an organization, fostering desired behaviors, responsive to the change process and ensures that the vision of the firm is realized, (Limsila and Ongunlano, 2009). A good leader regardless of the style adopted should be resourceful, a quick learner, decisive, firm, focused, confronts problems, manage change, compassionate, manage careers and build relationships, (CCL, 2011 and Wangombe, Elegwa and Kahiri, 2013). There are several methods that have been used by other scholars to group leadership styles. However this paper will briefly discussed transactional, transformational and sustainable leadership styles. According to Fiedler’s (1967), transactional leaders motivate their subordinates in the direction of established goals by clarifying task requirements, offering rewards and dispensing appropriate punishment deviant employees. This implies that this type of leadership style emphasis on bureaucracy and rule of law while performing duties of an organization. According to Davis (2008) and Hargreaves (2007) sustainable leadership style is close to transformational in the sense that it empowers others to improve their capacity by providing opportunity for leaders and stakeholders to network, learn from and support each other in achieving organization goals for future.

According to Castanheira and Costa (2011) transformational leader’s style has three basic functions. These functions include to charismatically leading others by establishing trust and inspiring follows to greater heights, (Geijsel et al, 2007 and Amboke and Ssemungenyi, 2014). It inspires followers to believe in their own potential so as to create a better future while believing in the leader personally. It also offers intellectual stimulations and serves the needs of others. Jonson (2009) argues that this type of leadership provides vision, consultative in nature, always demand for power sharing, collective decision making and democratic in tits approach to management. It also provides vision to followers by developing their self esteem, trust and respect.

1.5.3: Talent Management

The concept of talent management has gained strategic importance in human resource management since talents in individuals can make a significance difference to the current and future performance of an organization, (Schullin, 2010, Morton, 2005, Capelli, 2008). However talent management has been recognized as a major
challenge for emerging markets, (Vaiman, 2010). The aim of talent management is to develop the right people and equip them with skills to meet the demands of the current task and future challenges, (Chen, 2007 and Duchon, 2007). Talent management is centered on resourcing, selection, training and development of employees, (Njoroge, 2012 and Kibui and Kanyiri, 2013). It is also concerned with identifying talent gaps, succession planning, diversity, motivating and retaining current and future workforce, (Ringo et al, 2010). Therefore top management should be able to reinforce positive behaviors by rewarding high achievers while noting their strengths and weaknesses so as to match talents with ability, ( Kinyanjui, 2013, Ongori, Iravo and Munene, 2013 and Waiganjo, Elegwa and Kahiri, 2012).

According to Lewa, (2010), Kimani and Waithaka (2013) and Tarique and Schuler, 2014) talent management emphasizes on growth from within and development as key elements of business strategy, maintaining clear career paths, coaching, clear competencies, mentoring and demanding quantifiable results from employees. This means that right from the time of recruitment employees should be made aware of talent management policies and the induction process should instill these values that enhance staff development and performance. Desler (2011) adds that talent management is the automated end-to-end process of planning, recruiting, developing and rewarding high performing employees. It is automated in the sense that all employees work harmoniously as a team during the mentoring or coaching process to enhance and nurture talents for better leadership necessary for succession planning, (Mathenge, 2013). It is important to note that all these can only be achieved if the mindsets of the top management view talent as a crucial element of organizational development.

1.6: Theoretical Framework

There are several theories that have been advanced to explain leadership styles and their relationship with talent management as a major component of Human Resource Management. These theories can be grouped into essentialist, relationist, critical and constructivist theories, (Kirk, 2009). According to Kauda (2010) constructivist theorists looks at the manner in which leadership is utilized to construct shared meanings that make sense to an organization. According to Stogdill (1974), essentialists rely on objectivism which seeks to identify and define what leadership is all about while critical theorists focus on the underlying dynamics of power and politics within the organization. Relationist theorists advance the opinion that leadership resides not within leaders but in the relationships they create with others at the workplace. Other scholars have classified leadership theories based on timelines with the first being the trait theory which emerged in 1930s, behavioral in 1940s, contingency in 1960s, Leader- Member- Exchange, Charismatic and lastly substitute foe theory in 1990s. Despite these competing viewpoints advanced by the proponents of these theories, there is no consensus on which theory best explain the concept of leadership style and talent management. Therefore the researcher adopted charismatic leadership theory based on its merits and assumptions.

Charismatic leadership Theory as explained by Conger and Kanungo (2007) was adopted because of its emphasis of transformational leadership style which was the independent variable in this study. This theory postulates that charismatic leaders are concerned with transforming the organization because they possess charm and grace that magnetize employees around them, (Dierkes et al, 2004). This theory assumes that a self belief is fundamental need of a leader. Therefore the leader must be able believe in himself or herself in order to develop self esteem and inspire other as required for effective talent management process in the organization, (Geijsel et al, 2007). The theory also posits that people follow others that they personally admire. This is critical for the success of the mentoring and coaching activities that enhances talent management ion an organization.

1.6: Conceptual Framework

The study adopted the conceptual framework below:-

![Conceptual Framework](source)

Source: Author, 2015

Figure 1: Conceptual Framework Showing Relationship between participative Leadership and Talent Management
2.0: Methodology

2.1: Research Design
Descriptive survey research design was used in this study. Descriptive survey research design was used because it presented an opportunity to the researcher to fuse both quantitative and qualitative data as a means to explain the variables under study, (Cooper and Schindler, 2006 and Explorable, 2015).

2.2: Location of the study
This study was located in Migori County. According to Kenya Open Data (2015) Migori County has a population of 917,170 and is located in South Western Part of Kenya. The county covers a landmass of approximately 2,285Km². The County has five constituencies which include Uriri, Nyatike, Rongo, and Kuria.

2.3: Target Population
Key informants for this study included top, middle and lower cadre employees of micro, small and medium size enterprises located in rural areas in Migori. These organizations with employees ranging from 10-250 will be included in the study. These enterprises may range from sole proprietorship, companies or partnerships which are recognized by County and Kenyan Government to fall within the categories of MSMEs.

2.4: Sample and Sampling Strategy
Stratified Simple Random Sampling was used to select 20 top management, 80 middle management staff and 120 lower cadre employees giving a total sample unit of 220 respondents. Stratified random sampling was used because the researcher intended to representatively sample even the smallest and most inaccessible or the rare extreme subgroups in the population of MSMEs in Migori County.

2.5: Data Collection Tools
Structured questionnaire was used to collect data from the respondents. Compared to interview schedule which is prone to variations in responses, structured questionnaire which was adopted in this study have high reliability and consistency, (Office of Auditor General of Canada, 2015).

2.6: Reliability and Validity
Since there was only hypothesis to be tested, the researcher adopted parallel form to measure the reliability of the structured questionnaire. This was done by the developer of the tool using a large set of items related to leadership styles and talent management. This form was then split into two parts to represent the parallel questionnaire. The form was then administered to randomly selected 26 staff of MSMEs in Migori County. Results were then correlated to evaluate consistency. The form that yielded higher Cronbach alpha of 0.79 was then adopted for the study.

Sampling and face validity was achieved through panel of expert and stakeholders assessment procedures, (Cooper and Schindler, 2006). Experts in this study included two peers with advanced knowledge in Human Resource and stakeholders that included 2 respondents with experience in leadership and talent management. The researcher first developed the tool based on samples used by previous scholars which was then presented to the panel for critique. The consensus and concurrence by the experts was perceived by the researcher as a sign of a valid tool. These experts also ensured that only items that related to leadership style and talent were included so that the tool achieves construct validity. Finally, the questionnaire was subjected to factor analysis and only those items with Cronbach alpha of 0.74 and above were included in the final tool.

3.0: Findings
Data collected was cleaned, coded and subjected to descriptive analysis. Data was further computed via Pearson moment correlation and finally hypothesis was tested using linear multiple regression technique.

3.1: Questionnaire Return Rate
Out of the 220 structured questionnaires issued, 211 were returned for analysis giving questionnaire return rate of 95%. This is a very return rate which is acceptable in social research.

3.2: Leadership Style and Talent Management
Respondents were requested to indicate their opinion based on the statements provided in the five point Likert scale and descriptive results were as follows:-

55
In figure 1, majority of the respondents somehow agree that their leaders recognize their talents (32.2%), their leaders encourage teamwork (38.9%) and rewards good performance. Majority also Strongly Agreed that their Leaders are Democratic (32.7%), inspire them (44.5%) and to the statement that participative leadership enhances talent management (50.7%). This implies that leader’s behavior to some extent enhances talent management in MSMEs. Therefore organizations should put in place mechanisms that promote leadership style that recognizes employee’s talents as a valuable asset that needs to be properly management for efficient and effective delivery of services.

In figure 3, the results shows that majority of the participants strongly agreed to all the statements. Majority of respondents strongly agreed that their organization promote staff development (64.9%) and organization has a clear induction process (46%). These findings reflect the results of the study done by Chemobo et al (2014) who found out that transformational leadership style accounts for 30.1% of variance in efficiency.

3.3: Correlation between Leadership Style and Talent Management
Relationships between the variables were tested based on Pearson Moment Correlations and the results were as follows:-

Table: 1. Leadership Styles

<table>
<thead>
<tr>
<th>STATEMENT</th>
<th>STRONGLY DISAGREE</th>
<th>SOMEHOW DISAGREE</th>
<th>NEUTRAL</th>
<th>SOMEHOW AGREE</th>
<th>STRONGLY AGREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our Leaders recognize my talent</td>
<td>15(7.1%)</td>
<td>20(9.5%)</td>
<td>59(28%)</td>
<td>68(32.2%)</td>
<td>49(23.2%)</td>
</tr>
<tr>
<td>Our leaders encourage teamwork</td>
<td>25(11.8%)</td>
<td>27(12.8%)</td>
<td>22(10.4%)</td>
<td>82(38.9%)</td>
<td>55(26.1%)</td>
</tr>
<tr>
<td>Our Leaders are democratic</td>
<td>13(6.2%)</td>
<td>27(12.8%)</td>
<td>60(28.4%)</td>
<td>42(19.9%)</td>
<td>69(32.7%)</td>
</tr>
<tr>
<td>Our organization encourages consultation</td>
<td>40(13.3%)</td>
<td>21(7%)</td>
<td>36(12%)</td>
<td>72(24%)</td>
<td>95(31.7%)</td>
</tr>
<tr>
<td>Our leaders inspire us to work hard</td>
<td>30(6.2%)</td>
<td>14(6.6%)</td>
<td>15(7.1%)</td>
<td>58(27.5%)</td>
<td>94(44.5%)</td>
</tr>
<tr>
<td>Our leaders appropriately reward good performance</td>
<td>6(2.8%)</td>
<td>34(16.1%)</td>
<td>54(25.6%)</td>
<td>50(23.7%)</td>
<td>67(31.8%)</td>
</tr>
<tr>
<td>Participative Leadership Style enhance Talent Management</td>
<td>15(7.1%)</td>
<td>34(16.1%)</td>
<td>17(8.1%)</td>
<td>87(41.2%)</td>
<td>58(27.5%)</td>
</tr>
</tbody>
</table>

N=211

Source: Field Data, 2015

Table: 2. Talent Management

<table>
<thead>
<tr>
<th>STATEMENT</th>
<th>STRONGLY DISAGREE</th>
<th>SOMEHOW DISAGREE</th>
<th>NEUTRAL</th>
<th>SOMEHOW AGREE</th>
<th>STRONGLY AGREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our Organization has a clear selection process</td>
<td>10(4.7%)</td>
<td>13(6.2%)</td>
<td>62(29.4%)</td>
<td>63(29.9%)</td>
<td>63(29.9%)</td>
</tr>
<tr>
<td>Our Organization has a recruitment process</td>
<td>18(8.5%)</td>
<td>16(7.6%)</td>
<td>9(4.3%)</td>
<td>73(34.6%)</td>
<td>95(545%)</td>
</tr>
<tr>
<td>Our Organization has a clear career management systems</td>
<td>10(4.7%)</td>
<td>15(7.1%)</td>
<td>32(15.2%)</td>
<td>71(33.6%)</td>
<td>83(39.3%)</td>
</tr>
<tr>
<td>Our Organization has a clear induction process</td>
<td>17(8.1%)</td>
<td>10(4.7%)</td>
<td>14(6.6%)</td>
<td>73(34.6%)</td>
<td>97(46%)</td>
</tr>
<tr>
<td>Our Organization promotes staff training</td>
<td>6(2.8%)</td>
<td>30(14.2%)</td>
<td>53(25.1%)</td>
<td>39(18.5%)</td>
<td>83(39.3%)</td>
</tr>
<tr>
<td>Our Organization promotes staff development</td>
<td>21(10%)</td>
<td>6(2.8%)</td>
<td>15(7.1%)</td>
<td>31(14.7%)</td>
<td>137(64.9%)</td>
</tr>
<tr>
<td>Our Organization has a clear succession planning policy</td>
<td>14(6.6%)</td>
<td>32(15.2%)</td>
<td>31(14.7%)</td>
<td>66(31.3%)</td>
<td>68(32.2%)</td>
</tr>
</tbody>
</table>

N=211

Source: Field Data, 2015
Table 3: Correlation between Leadership Style and Talent Management

<table>
<thead>
<tr>
<th>Talent Management</th>
<th>Leadership Style</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.000</td>
<td>.447**</td>
</tr>
</tbody>
</table>

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

Source: Field Data, 2015

The Pearson Moment correlations results as indicated in table 3 confirmed that a positive and significant relationship \( r=0.447 \) exists between Leadership Style and Talent Management. This implies that participative leadership style accounts for 44.7% of talent management in MSMEs. This finding is similar to the studies done by Kimani and Waithaka (2013).

3.4: Hypothesis Testing

Hypothesis was tested via multiple regression and the results were as follows:-

Table 4: Multiple Regressions Model

<table>
<thead>
<tr>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
</tr>
<tr>
<td>(Constant)</td>
<td>2.806</td>
<td>.156</td>
</tr>
<tr>
<td>Leadership Style</td>
<td>.303</td>
<td>.042</td>
</tr>
</tbody>
</table>

Model Summary

R Square: .200
R Adjusted: .196
Durbin Watson: 1.170
F Change: 52.130
Sig. F Change: .000

DV= Talent Management

Source: Survey Data, 2014

Based on the p values as shown in the table 3, the study found out that the relationship between Transformational Leadership Style and Talent Management is statistically significant \( p=0.000 \) and positively \( (\beta=0.303) \) related. Since the p value is <0.05 we reject the null hypothesis. This finding is similar to the results of the study done by Bula and Kireru (2014). However, it is important to note that the study done by Choi et al (2012) found that transformational leadership style is insignificant \( (p=0.55) \) on employee turnover intention. These findings by Choi et al (2012) even though investigated the relationship between transformational leadership style and turn over intentions, it presents a fertile ground for future research especially on moderating effects of talent management on leadership style and employee turnover intention.

The Equation was as follows:-

\[
T = \alpha + \beta_1X_1 + \epsilon
\]

Where:-

\( T \) = Talent Management
\( \alpha \) = a constant or intercept;
\( \beta_1 \) = Regression Coefficients;
\( X_1 \) = Leadership Style
\( \epsilon \) = Error

\( Y = 0 + 0.303X_1 + + \epsilon \)

This implies that for every unit increase in leadership style there is an equivalent increase of 0.303 of talent management. The R square value in this study was 0.20. This means that Leadership Style accounts for 20% of talent management in an organization. Other variables which were investigated by the researcher accounted for 80%. The study therefore recommends future research to be done in this area. However, the findings present the much needed evidence of an empirical study and confirms findings of past scholars such as Chemobo, Chege, Musiege and Mute (2014) and Ngethe, Namusinge and Iravo (2012).

3.4: Recommendations

The study recommends that:-

a) Micro, Small and Medium Enterprises should embrace transformational leadership style in order to enhance talent management. This will not improve productivity but will also improve employee
commitments to duty. When organizations have clear frameworks that support talents management and it is backed by top management as demonstrated by the transformational style, then the organization is bound to compete favorably with others in same market terrain.

b) This study only tested one hypothesis and did not take into account of other variables. Therefore future research should be done in this area with a view to generate new findings.

References


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