

## **Talent Management and Innovation in Indigenous Hotels in Port Harcourt, Rivers State**

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**Abstract:** *This study sought to investigate the extent of relationship that exists between talent management and innovation in indigenous hotels in Port Harcourt. In order to achieve this, a cross-sectional survey was conducted on managers of indigenous hotels in Port Harcourt. The data gathered therefrom were analyzed using the simple Mean score and Spearman's Rank Order Correlation via the Statistical Packages for Social Sciences software (SPSS) V 20. Findings from the analyses showed that there are positive and significant relationships between variables of talent management (i.e. talents identification, development, utilizations and retention) and corresponding variables of innovation (i.e. service, process, market and product innovations) in indigenous hotels in Port Harcourt ( $r=0.784; 0.674; 0.784;0.791; p<0.05$  for the four hypotheses respectively).The implications of these findings are that proper identification, development, utilization and retention of talents in indigenous hotels in Port Harcourt would very likely translate into higher innovations in terms of services, processes, marketing and products respectively; and this will also lead to better performance and profitability of these hotels. Consequently, the study recommends that any hotel organization whose objective is to survive overtime should pay attention to innovation by ensuring that employees' talent is effectively managed.*

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### **I. Introduction**

Whereas, the history of commercial hospitality in Europe could be traced to the establishment of public lodging facilities called "INN", in Nigeria, the hospitality industry has its origin in the establishment of rest-houses for Christian missionaries. Further growth of the industry was made possible by the development of the railway system in the late 1920's, the importation of cars into Nigeria as from 1945, and the operations of civil aviation from 1958. These activities and developments increased/facilitated traveling, which in turn meant an increase in the demand for accommodation, lodging and catering services and therefore, demands for commercialized hospitality. As service-oriented sector, guests' patronage is crucial to the profitability and sustainability of the business, which derives significantly from innovation and quality service delivery by trained, motivated and committed employees. Conversely, declining patronage, could among other things, be traceable to poor service delivery by untrained, undeveloped, underutilized and poorly remunerated employees, leading to staff emigration to other sectors, which is a common trait in many hotels in Nigeria.

Innovation is a key factor for garnering competitive advantage by business organizations that operate in an intensely competitive capitalist business environment. It is also impossible for certain businesses in certain industries like hospitality and tourism industries to remain in operations without carving out a niche for themselves. The past 10 years (2007-2016), have shown that most hospitality and tourism firms have adopted different marketing strategies such as branding, promotion and distribution as well as re-structuring to help them gain higher profit in the long-run through customer patronage. While the role of marketing, funding, government policies, ownership structure and restructuring have been acknowledged to have influenced innovative behavior (McWright, 2010), it is also argued that the human factor as expressed by the way employees' talent is managed in an organization can be a predictor of corporate innovation since it is human being that drives organizational process. In the ever-changing and competitive business environment, innovation is perceived to be the only way forward for any purpose-driven organization. Perhaps that is why Drucker (2003) opined that innovation is a panacea for business mortality in the marketplace in any mixed or capitalist economy. The truism of this statement applies to every business in every sector of the Nigerian economy. The importance of innovation in the tourism industry cannot be over emphasized as successfully implemented innovation strategies can generate superior performance, and ensure market leadership. Today, many tourists and customers have travelled wide, are more educated, more exposed and with higher discretionary income than their peers of the past three decades. Consequently, they expect high quality hospitality and tourist services as

are available in advanced economies. Thus, forward-looking hospitality organizations appear to have imbibed the management maxim of emphasizing and adopting continuous innovations as a competitive business strategy in an environment that is ever-changing (Adams, 2014). One strategy cum tactic of fast-tracking and cultivating innovative tendencies is talent management.

Human talent, its development and utilization has been recognized as one of the factors driving innovation in many business organizations in developed and developing economies. Vietrovic and Kuffel (2013) averred that the human elements i.e. talents, were one of the major organizational characteristics influencing innovative behaviours and capabilities in service oriented organizations. These talents include all the acquired skills that employees display from all their training exposures. Such talents may include cooking skills, professional stewardship skill, financial prudence, acting, singing, dancing, comic and other entertainment skills. These talents require harmonization with the strategic visions of the firms if they must succeed (Buki, 2013). Consequently, talent management has become a very important human resource management function.

Interest in talent management in the business context is of recent origin. It emerged in the 1990s with the ground-breaking work of McKinsey (2001) which was titled "The war for talent". The study reflecting on the high tech boom of the late 1990s, observed that demand for talented employees in England exceeded available supply, thus leading to the problem of talent shortage. Several human resource practitioners and consultants recognized the importance of this trend, and as a result, excellent studies were done in subsequent years by researchers to examine talent shortages (Tarique and Schuler, 2010). The peculiarity of the industry an organization operates in determines the criticality of the firm's talent management practice. The hotel sector in Nigeria in general, and Port Harcourt in particular is a rapidly growing one which provides a home away from home to tourists and visitors. The sector which is dominated by many national and international brands, has created job opportunities and generated revenue for their owners and contributed immensely to the gross domestic products (GDP) of Nigeria through lodging, food/beverages and entertainment activities.

Extant literature (Obinna, 2015 and Carter, 2009) reveals growing and cumulative studies on talent management in many sectors in advanced economies. Unfortunately, little attention is given to talent management practices in many sectors in Africa. Furthermore, Port Harcourt the capital of Rivers State is one of the pride cities in Nigeria after Abuja and Lagos. It plays a significant role to both local and foreign investors as a result of her geographical location towards the coast of the Niger Delta region. As a result of that, most of the multi-national oil and manufacturing oil companies locates their offices in Port Harcourt which in turn impacts on the economy of the state through the buildings of hospitality industries for their logging, entertainment, picnicking and adventures while in Port Harcourt. If talented employees of those hospitality (hotel) organizations are not properly recognized and managed in terms of their talent resources as to reflect in their innovative abilities, it will affect the services rendered and hence low patronage of customers in the hospitality businesses in Port Harcourt. Therefore, there is limited knowledge with regard to the influence of talent management on organizational innovation in the context of the Nigerian hospitality industry. This has created a yawning gap in the literature which needs to be bridged.

## **II. Statement of the Problem**

Achieving and sustaining competitive advantage in the marketplace through continuous innovation and customer patronage is an ever-abiding challenge to many business organizations in Nigeria. This concern appears to be more critical to the creative and hospitality businesses that are in the service sector. In Port Harcourt, Rivers State for instance, it has been observed that majority of the indigenously owned hotels have not been able to compete favorably on sustainable basis in the past 10 years (2007-2016) as no significant improvement in service delivery has been observed. Consequently, customer patronage and by extension, profit has been on a decline and ultimately affecting the survival of these hotels with attendant loss of many skilled employees to their competitors (Etuk and Igwe, 2016).

It has also been observed that recruitment processes in majority of the hotels in Port Harcourt is highly characterized by ethnic and subjective considerations. The effect of this is that talents are jettisoned, and there are usually misplacements of employees as regarding their department; innovations in services are slow, because employees are often times unable to think out better ways of serving customers since they lack the required talents. There is also an observed abysmal decline in market innovations in majority of these hotels in Port Harcourt. These hotels make little or no efforts at all to break new grounds or discover new sets of customers by innovating new products or services as the case may be. Similarly, it has been observed that in some of these hotels, bureaucratic and centralized approaches are adopted, therefore, limiting flexibility, that there is sufficient non-proper utilization of talents, and that the rate of employee attrition is high – all indices of non or inappropriate adoption and application of talent management.

Experts in the hospitality industry have linked the innovative capacity of hotels in Nigeria in the areas of service innovation, market innovation, process innovation and product innovation, among other things to

talent identification, talent development, talent utilization and retention. It is widely believed that the quality of human resource and way it is selected, trained, utilized and retained is critical to innovation in any organization. Thus, failure to continuously develop employees' skill and knowledge on service improvement and non-retention of certain caliber of employees has been known to have adverse effect on sales. By intuition, it is conjectured that innovation and organizational performance are impossible without the human factor. However, considerable empirical support for this assertion is limited. It is against this background that this study is designed to examine how talent management affects organizational innovation in the hospitality sector in Port Harcourt, Rivers State.

### **III. Objectives of the Study**

The general objective of this study is to examine the relationship between talent management and innovation in indigenous hotels in Port Harcourt.

The specific objectives were to:

1. Determine the relationship that exists between talent identification and service innovation in indigenously owned hotels in Port Harcourt.
2. Establish the relationship that exists between talent development and market innovation in hotels owned by "locals" ;
3. Ascertain the relationship that exists between talent utilization and process innovation in indigenously owned hotels.
4. Ascertain the relationship that exists between talent retention and product innovation in locally owned hotels in Port-Harcourt

### **IV. Review of Related Literature**

Talent management refers to human capital systems that leverage talent to achieve the greatest return from individual and collective employee capabilities. Talent management is also the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organization, either in view of their 'high potentials' for the future or because they are fulfilling business/operation-critical roles. Therefore talent management are management activities and practices put in place by the employer in other to retain, maintain, sustain, and attract exceptional employees for greater performance.

For Obinna (2015), talent management encompasses four variables namely; talent identification, talent development, talent utilization, and talent retention. Talent identification refers to the process of recognizing current participants with the potential to become elite managers. It entails predicting performance over various periods of time by measuring physical, physiological, psychological and sociological attributes as well as technical abilities either alone or in combination (Regnier, Salmela and Russell, 2013). Talent may not be evident at an early age but there will be some indicators that enable trained people to identify its presence. These early indicators (skills, knowledge, intelligence and exposures) of talent may provide a basis for predicting those individuals who are more or less likely to succeed at some later stage.

Talent Development is the process of changing an organization, its employees, its stakeholders, and groups of people within it, using planned and unplanned learning in order to achieve and maintain competitiveness for the organization (Rothwell and Kazanas, 2004). According to Garavan, Carbery, and Rock (2012) talent development is a "significantly under-developed and under-researched concept". However, many seem to agree that it is better to develop talents in-house rather than trying to acquire them from outside the organization, since the talent or high potential in another organization need not be a talent/high potential in your organization (Burkus and Osula, 2011) They also contend that the organization should create deliberate practice opportunities, and that training programs should be open to all employees.

Garavan, Carbery, and Rock (2012) are of the opinion that there are four future important areas in the field of talent development as follows:

- I. The new focus on strategic talent, where talent development processes need to be integrated with business strategy.
- II. The trend of differentiation of talent development,
- III. Shifting the responsibility and control over talent development from the organization to the individual-who to a higher extent will self-manage his/her development and
- IV. A just-in-time talent development process is suggested, since there will be a continuous demand for talent development i.e. timing of talent development is as important as the strategy itself. .

Meanwhile, talent utilization is said to be a practice whereby organizations match employees' skill and knowledge with appropriate job roles for effective and efficient performance (Kingston and Jones,2012). Simply put, it refers to the utilization of employees' competency in the areas that are most suitable to their skills and knowledge. For example, a well-trained chef will be more relevant and productive in the catering section of

hotels than at the reception. On the other hand, talent retention connotes a state whereby employees of their own free will decide to work and stay with their organizations. Retention entails a voluntary decision by an organization to create an environment which engages employees for long term. According to Chaminade (2007), this attachment/relationship should be durable and constant and link the employee to the organization by common values and by the way in which the organization respond to the needs of the employees. The main purpose of talent retention is to prevent the loss of competent employees from the organization which could have an adverse effect on productivity and service delivery; therefore, organizations ought to put in place effective manpower retention mechanisms to retain their staff. The retention plan should address each of the areas in which lack of commitment and dissatisfaction can arise such as pay, job performance, training, career development, commitment, and conflict with management etc.

Meanwhile, Sipe and Testa (2009) quoting Schumpeter (1964), perceived innovation as the major characteristic of enterprising organization. He captured innovations as product, process and organizational changes that do not necessarily originate from new scientific discoveries. In spite of various perspectives of scholars, there is a consensus that innovation is at the heart of modern concept of entrepreneurship (Newmann, 2012). Innovation has been conceptualized as the effort to create purposeful, focused change in an enterprise's economic or social potential (Drucker, 2003). It is the specific function of entrepreneurship, whether in an existing business of a public product institution, or a new venture started by an individual. It is the means by which the entrepreneur either creates new wealth-producing resources or endows existing resources with enhanced potential for creating existing more wealth.

A synthesis of the various viewpoints, however, shows a consensus among the scholars that innovation, generally speaking, is the adoption of an entirely new ideas, techniques, or ways by the organization in carrying out its operations. It is therefore possible to summarize that according to these definitions, innovations do not cover only technical and technological changes and improvements.

Organizational innovation has been operationalized to include product, service, process, market and technological innovations, depending on the industry or sector the firm operates (Namusonge, 2014). Thus, in the context of this study, service, process, market and product innovations shall be considered.

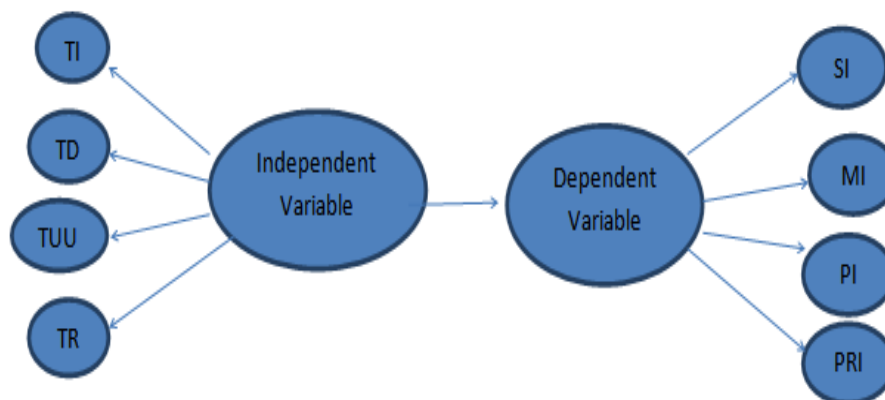
**a. Service Innovation:** service innovation is related to the development of new methods of production or service to improve service quality. Sipe and Testa (2009), defines service innovation as the ability to bring new or improved services to the hospitality and tourism marketplace. Hospitality service innovation is an outcome of that which is totally new to the hospitality service borne out of a well thoughtout process of modifying an existing product(s)/service. Therefore, service innovation is a crucial aspect of the ability of the hospitality organizations to differentiate itself (to stand out) from its competitors.

**b. Process Innovation:** Process innovativeness is related to the introduction of new production methods, new management approaches and new technologies that can be used to improve production and managerial processes. Thus, hospitality organizations can introduce process innovation to enhance the capability of their production processes or their supply chain operations (Susman and Warren, 2006) e.g. increase reliability or reduce cost.

**c. Market Innovation:** This includes the use of new channels of distribution and new advertising approaches for selling current or new products. This kind of innovation is applicatory in nature as it involves applying existing technology for new uses in new markets. For example, these hospitality businesses in Port-Harcourt do have viewing centers in a bid to increase their market base.

**d. Product Innovation:** Product innovation or product improvement as sometimes called is the introduction of a new good; one in which the consumers are not familiar with. Product innovation is the introduction of new functions, enhanced performance or the addition of new features into the existing products (Susman and Warren, 2006). They also define product innovation "as all the activities involved in applying new ideas and creativity to develop new product, improvement on or modification of the existing product in a way that is perceived as new by customers or consumers, which provides strategic advantage and profit for the organization". For example, many hotels introduce new tangible products in their catering section such as shawama, African and inter-continental dishes or produce their own bottling water, etc. for the purpose of being relevant in meeting the changing needs of their customers.

The conceptual framework of the study is captured thus;



**Fig 1:** Conceptual framework showing the link between Talent Management (TM) and Organizational Innovation (OI)

From Figure 1 above, it can be seen that the independent variable (Talent Management) was decomposed into Talent Identification (TI), Talent Development (TD), Talent Utilization (TU) and Talent Retention (TR); whereas the dependent variable (Innovation) was decomposed into Service Innovation (SI), Market Innovation (MI), Product Innovation (PI) and Process Innovation (PRI) respectively. These decompositions were further matched with corresponding variables and these formed the hypotheses for this study.

Based on the review of literature, the following 4 null hypotheses were formulated to guide this study:

- Ho1: Talent identification does not significantly affect service innovation in the indigenously owned hotels in Port-Harcourt, Rivers State.
- Ho2: Talent development does not significantly affect market innovation in the indigenously owned hotels in Port-Harcourt, Rivers State.
- Ho3: Talent utilization does not significantly affect process innovation in the indigenously owned hotels in Port-Harcourt, Rivers State.
- Ho4: Talent retention does not significantly affect product innovation in the indigenously owned hotels in Port-Harcourt, Rivers State.

## V. Theoretical Framework of the Study

This study sought to examine the talent management-organizational innovation relationship from the view point of the Human Capital Theory as proposed by Theodore Schultz in 1961. The human Capital Theory is of the view that “Although it is obvious that people acquire useful skills and knowledge, it is not so obvious that these skills and knowledge are a form of capital, or that this capital is in substantial part a product of deliberate investment.” This invariably implies that the humans resources within an organization are a sources of capital like machines and other resources, and needs to be properly managed if optimal utilization is to be achieved. The theory is also of the view that key components of human capital is the possession of knowledge that is specific and not easily appropriable, and which yields competitive advantage (Wright, Smart, and McMahan, 2015, Barney, 2011; Pennings, Lee, and Witteloostuijn, 2008;). Human capital theory generally draws a distinction between training in general-usage and firm-specific skills. The imports of these assumptions of the theory to this study is that employer’s view talents within the organizations as capital, and are willing to invest in these talents because they believe that these talents can help them to achieve their goals. The study is of the view that through investing in specific talent management, the managements of various indigenous hotels in Port Harcourt, Rivers State shall be able to enhance their innovative capabilities.

## VI. Methodology

This study adopted the cross-sectional (survey) research design. The population was made up of 64 hotel managers drawn from 30 indigenous hotels operating in Port Harcourt, Rivers State. The purposive sampling technique was used to delineate the sample size from 30 indigenous hotels operating in Port Harcourt, Rivers State. The hotels were selected based on their “size” (50-100 rooms), years of operation (5-10years) and ownership structure (Nigerian). Based on the above mentioned criteria, a total of 17 managers from 8 hotels in Aba Road were selected; a total of 27 managers from 13 hotels in Port Harcourt Township were selected; a total of 12 managers from 5 hotels in D Line area of Port Harcourt were selected; while a total of 8 managers from 4 hotels from Ikwerre Road were selected. The data for this study were obtained from the respondents through the use of a questionnaire. A pilot study was conducted on 20 hotel managers in Port Harcourt, Rivers State to

determine the reliability of the research instrument as well as the chances of success of the main study in a test-retest method. A Cronbach alpha reliability co-efficient of 0.78 was obtained using the SPSS software, implying positive correlation between the test-retest efforts. The success recorded in the pilot study outside the study suggested that the main study might be successful as well.

In the study, the simple percentage, frequency, tables and spearman rank order correlation coefficient and mean score were used for analyzing the data of the study. The simple percentage, frequency, tables and mean score were used for the analysis of questions' items contained in the questionnaire, while the spearman rank order correlation coefficient techniques was employed for the test of the hypotheses of the study. The purpose of spearman rank order correlation coefficient method is to test the degree of relationship between the independent and dependable variables measures at the ordinal scale.

## VII. Descriptive and Empirical Result

**Table 1: Questionnaire Administration and Response Rate**

Location	No. of Copies Distributed	No. of copies Retrieved	% of Retrieved	Copies Not Retrieved
Aba Rd.	17	14	21.90	3
PH Township	27	21	32.80	6
D/Line	12	10	15.63	2
Ikwerre Rd,	8	7	11.00	1
Total	64	52	81.33%	18.67 (19%)

Source: Field survey, 2017

As table 1 reveals, a total of 64 copies of questionnaires were distributed to a total of 64 hotel managers that were drawn from 30 hotels from Port Harcourt. Out of this number, 52 copies were duly completed and returned to the researcher. And this number represents a response rate of 81.33%. However, 12 copies (18.67%) were not returned. The analysis of the study was, therefore, based on the retrieved 52 copies.

## VIII. Data Presentation and Analysis

### 4.1 Uni-variate Analysis:

**Table 2: Adoption of Talent Management Practices of Indigenous Hotels**

S/No	Items of Talent Identification	SA 4	A 3	D 2	SD 1	U 0	WTS	$\bar{X}$
1.	The identification of employees' skills is critical for role performance in this hotel.	(23) 92	(17) 51	(5) 10	(7) 7	(0) 0	160	3.08
2.	We consider the recruitment and selection processes of the skills needed very important.	(21) 84	(18) 54	(4) 8	(9) 9	(0) 0	155	2.99
3.	Employees are often evaluated to discover newly developed skills and initiatives.	(26) 104	(15) 45	(9) 18	(2) 2	(0) 0	169	3.25
Items of Talent Development								
4.	This hotel provides career advancement opportunities through regular on-the-job and off-the-job training	(30) 120	(16) 48	(3) 6	(3) 3	(0) 0	177	3.40
5.	In this hotel, workers skills and techniques are easily transferred among workers.	(26) 104	(21) 63	(3) 6	(2) 2	(0) 0	175	3.36
6.	Workers are rotated on many jobs roles	(28) 112	(17) 51	(2) 4	(5) 5	(0) 0	172	3.30
Items of Talent Utilization								
7.	In this hotel, workers perform tasks that are equitable to their skills.	(23) 92	(19) 57	(3) 6	(7) 7	(0) 0	162	3.12
8.	Staff are sometimes rotated on the job.	(29) 116	(16) 48	(2) 4	(5) 5	(0) 0	173	3.32
9.	We work on shift basis in this hotel so that staff are not stressed out,	(27) 108	(15) 45	(6) 12	(4) 4	(0) 0	169	3.25
Items of Talent Retention								
10.	The condition of service in this hotel makes our exceptional workers to stay.	(10) 40	(21) 63	(19) 38	(2) 2	(0) 0	143	2.50
11.	Our exceptional workers do leave in spite of this hotel's effort to retain them.	(15) 60	(12) 36	(14) 28	(11) 11	(0) 0	135	2.60
12.	We always employ new skilled workers to replace those that left.	(11) 44	(8) 24	(30) 60	(3) 3	(0) 0	131	2.52

Source: Field survey, 2017

As table 2 shows, the mean score of 3.00 suggest that the indigenous hotels practiced talent management to a moderate extent in the areas of talent identification, development and utilization. Unfortunately, the level of talent retention was low as reflected by the mean score of 2.5.

**Table 3: Mean ( $\bar{X}$ ) Extent of Organizational Innovation in Indigenous Hotels**

S/No	Measures of Org. Innovation	SA 4	A 3	D 2	SD 1	U 0	TOTAL	$\bar{X}$
	Service Innovation							
1.	This hotel has a team that continuously creates new and improves our services in all units to be relevant in the business.	(15) 60	(24) 72	(9) 18	(4) 4	(0) 0	154	2.76
	Process Innovation							
2.	Our workers always speed up their activities to achieve good results in a short time.	(13) 52	(18) 54	(15) 30	(6) 6	(0) 0	142	2.63
	Market Innovation							
3.	This hotel always creates new service experience to appeal to new group of customers and guests	(18) 72	(19) 57	(10) 20	(5) 5	(0) 0	154	2.86
	Product Innovation							
4.	This hotel produces its bottled water and other ranges of tangible products to enable them serve their customers' needs.	2 (8)	8 (24)	32 (64)	10 (10)	0	106	2.04

Source: Field Survey, 2017

From the above table, the mean values for all the questions were below the criterion mean of 3 point. This implies that the level of service, process, market and product innovations was low.

### Bivariate Analysis

In this section, analysis is carried out to test previously hypothesized relationships and bivariate correlations. As a two-tailed and non-directional study, evaluation of the result is based on correlations and not the direction of such correlations. The study adopts a 95% confidence interval therefore a significance level of 0.05 is used in the acceptance or rejection of previously stated hypotheses. As a result of the nature of our data distribution, which makes no assumptions about the population distribution and the variable skewness and kurtosis coefficients, the Spearman's rank order correlational statistical tool, a non-parametric statistical test tool, is adopted in the test for correlations and strength of relations.

### Test of Hypotheses

H01: There is no significant relationship between talent identification and service innovation.

**Table 4: Test of Relationship between Talent Identification and Service Innovation**

	TalentIden	Correlation Coefficient	TalentIden	ServInno
Spearman's Rho			1.000	.784
		Sig. (2-tailed)	.	.000
	N		52	52
	ServiceInnov	Correlation Coefficient	.784	1.000
		Sig. (2-tailed)	.000	.
	N		52	52

Source: SPSS Data output

Shown in the table is output for the bivariate relations and hypothesized relations between talent identification and service innovation (**rho: 0.784, P-value: 0.000**); The result shows that talent identification significantly correlates with service innovation, and based on a  $p < 0.05$  value, we reject the null hypothesis H02: There is no significant relationship between talent development and market innovation.

**Table 5: Test of Relationship between Talent Development and Market Innovation**

	TalentDev	Correlation Coefficient	TalentDev	MktInno
Spearman's Rho			1.000	.674
		Sig. (2-tailed)	.	.000
	N		52	52
	MktInno	Correlation Coefficient	.674	1.000
				.

		Sig. (2-tailed)	.000	
		N	52	52

Source: SPSS Data output

Shown in the table is output for the bivariate relations and hypothesized relations between talent development and market innovation (**rho**: 0.674, **p value**: 0.000). From the above, the result shows that talent development significantly correlates with market innovation and based on a  $p < 0.05$  value, we therefore reject the previously stated null hypothesis.

H03: There is no significant relationship between talent utilization and process innovation.

Table 6: Test of Relationship between Talent Utilization and Process Innovation

			TalentUtility	ProcessInnov.
Spearman's Rho	Talent Utilization	Correlation Coefficient	1.000	.784
		Sig. (2-tailed)	.	.000
		N	52	52
	ProcessInnov	Correlation Coefficient	.784	1.000
		Sig. (2-tailed)	.000	.
		N	52	52

Source: Data output

Shown in the table is the SPSS output for the bivariate relations and hypothesized relations between talent utilization and process innovation (**rho**: 0.784, **P-value**: 0.003); The result shows that talent utilization, significantly correlates with process innovation and based on a  $p < 0.05$  value, we therefore reject the null hypothesis.

H04: There is no significant relationship between talent retention and product innovation\

Table 7: Test of Relationship between Talent Retention and Product Innovation

			TalentRetention	ProductInnov.
Spearman's Rho	Talent Utilization	Correlation Coefficient	1.000	.791
		Sig. (2-tailed)	.	.000
		N	52	52
	Product Innov.	Correlation Coefficient	.791	1.000
		Sig. (2-tailed)	.000	.
		N	52	52

Source: SPSS Data output

Shown in the table is the SPSS output for the bivariate relations and hypothesized relations between talent retention and product innovation (**rho**: 0.791, **P-value**: 0.003); Based on the result, we reject the null hypothesis and accept the alternative that talent retention also significantly correlates with product innovation.

### IX. Discussion of the Results

This study has made salient findings on the status of talent management and organizational innovation in the indigenous hotel organizations in Port Harcourt. As regard the status of talent management in the indigenous hotels, our analysis in table 2 show that the hotels actually practiced talent management, in terms of skill identification, development, utilization and retention at an appreciable level. With respect to the status of innovation in the indigenous hotels, it was found in the study that the level of service, market, process and product innovations was low. This may be due to small size, inadequate finance arising from declining sales and profit. This finding is corroborated by Banjo (2013) who found that the innovative capacity of SMEs in Nigeria (most of the hotels studied come under this category) was low compared to their large-scale counterparts. This is because it takes much to train innovative, creative workers and to retain them. Right now, Nigeria is in an economic recession and many firms are just managing to survive, let alone invest in innovation, which is an expensive activity.



The study further revealed that the way indigenous hotels acquire skilled workers, greatly affected service innovation as this was confirmed by the hypothesis test result in table 4. This is understandable because innovation is made possible by “Innovative Champions” who constitute a team in an organization. The way they are recruited and selected goes a long way to determine the future of an organization. It was also found in the study that talent development significantly influenced market innovation as shown in the test of hypothesis result in table 5. This revelation finds support in Garavan et al, (2012), and Kibui, et al, (2014), who posited that the level of training given to special workers, determine whether they will perform better in their jobs or not. The inability of many indigenous hotels to train their workers negatively affects the ability of the workers to create or improve on their service offerings or create new customer groups for the organization.

Again, the study revealed that a significant relationship exist between talent utilization (how employee skills are deployed) and process innovation. This is done in many hospitality organizations through matching job roles with appropriate skill, e.g. a trained caterer is most suitable in the catering section of the organization. In the same vein, marketing officers are charged with the responsibility of marketing hospitality services individuals and corporate organizations. Sometimes, staffs are rotated on the job to enrich their appreciation of the problem and opportunities in other units. When this is sustained, it can birth process innovation or improvement in the way customers are served.

Furthermore, it was also found in the study that a strong relationship exist between talent retention and product innovation, as validated by test of hypothesis in table 7. This finding is in line with the previous finding of Banjo (2013), who revealed that most innovative champions who help in the introduction of new products in their organizations had developed emotional attachment to their organizations due to the provision of adequate career advancement opportunities, attractive salaries, job security, etc. At present, many workers do not stay long in some hospitality organizations as a result of poor conditions of service. When they leave, then the innovative capacity of that organization is diminished.

## **X. Conclusion and Recommendations**

Extant Literature, as well as the empirical analysis/results of this study shows that organizational innovation derives largely from the performance of exceptional employees which is a function of employees’ skills, knowledge, education, attitude and situational factors. The change in the competitive business environment and marketplace occasioned by innovations makes it necessary for organizations that wish to survive, grow and prosper to continually acquire talent, develop it, utilize it and retain it. Both literature and empirical review suggest that it is important to upgrade employees’ skills and knowledge for them to remain relevant and contribute towards organizational innovative goals and objectives. Concern over the innovative capacity and performance of exceptional staff is hinged on the fact well-developed and motivated as talented employees are the lifeblood and agent of innovation and growth of the organizations. Thus, inability to innovate among other things could be traced to the low extent to which hospitality organizations recognizes, adopt and implement talent management strategies.

The study has revealed that the innovative capacity (in term creating new services, improvement and developing customer segment) of indigenous hotels is low in spite of the fact that they practice some forms of talent management as expressed by talent identification, development, utilization and retention. This was largely inhibited by inadequate finance, arising from declining sales and profit. In such a situation, effective innovation may not be possible in the small-scale indigenous hotel organizations. Similarly, such a state of financial predicament will not permit the employment of high skilled and creative workers to drive innovation. Unfortunately, this is the sorry state of many small-scale indigenous hotel organizations in Rivers State. Thus, on the basis of the findings of the study, it is concluded that talent management significantly affects organizational innovation in the small-scale indigenous hotel and influenced by organizational factors (e.g. finance),

In the light of the results and conclusions of the study, it is recommended as follows:

1. Owners/Managers of indigenous hotel Hospitality organizations should adequately provide budgetary allocation to acquire, develop, utilize and retain talented staff for innovation if they must compete effectively.
2. We suggest that indigenous hotel organizations should engage experienced human resource managers who recognize the importance of acquiring, developing, utilizing and retaining exceptional staff that can drive the innovation process for competitive advantage.
3. Efforts should be made by these organizations to secure, at least in the long run, the services of consultants
4. Hospitality organizations should motivate their exceptional staff adequately through good working conditions to guard against defection to other sectors.
5. The hospitality organization should carry out a periodic reward for their employees through recognition award.

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