



Effective Talent Management Practices of Small- and Medium-Sized Businesses

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Abstract

Seventy-three percent of U.S. business leaders identified that good human resource practices, such as acquiring, developing, and retaining employees, are essential to the efficiency and effectiveness of business operations. Based on the people capability maturity model (P-CMM) and transformational leadership theory, this qualitative multiple case study purpose explored successful strategies that leaders of small- and medium-sized businesses (SMBs) used to acquire, develop, and retain employees. The case population was comprised of five SMB leaders in the Cayman Islands who successfully used talent management strategies to acquire, develop, and retain employees for more than 5 years, as well as four employees who had worked with the SMBs for more than 5 years. The selected leaders participated in face-to-face semistructured interviews, while the employees participated in a focus group. The data analysis process followed Yin's five-phase analysis cycle; it entailed an analysis of interview responses from individual interviews, the focus group interview, and a review of related documents. Four themes emerged from the data analysis: conducting management assessments, following recruitment and selection guidelines, empowering and enabling employees, and fostering workplace loyalty. A recommendation is that SMB leaders prepare training manuals from their successful procedures to be used internally and for benchmarking with other SMBs. The study's findings could contribute to positive social change by enabling leaders to improve employee development and retention for more productive employees and higher revenues to benefit society through employees becoming mentors and volunteers in local communities.

Keywords: *talent management strategies, employee recruitment, employee retention, employee development*

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Introduction

Business leaders who prioritize talent management strategies have expressed the need to successfully acquire, develop, and retain employees (Krishnan & Scullion, 2017), as talent management is a vital strategy for any organization. Prioritizing talent management strategies is a way to affect performance and reinforce strategic objectives (Glaister et al., 2018), which are essential to successful business leaders. The purpose of this study was to explore strategies used by small- and medium-sized business (SMB) leaders to implement effective talent management practices.

In the United States, 73% of business leaders agreed that effective talent management strategies promote business effectiveness (Masa'deh et al., 2018), as SMBs continue to underperform because their leaders do not manage talent effectively. Therefore, identifying SMB leaders in the Cayman Islands who successfully developed and implemented efficacious talent management strategies to acquire, develop, and retain employees was a key study requirement.

Conducting a study on talent management practices in SMBs was critical because human resources are essential to any organization, regardless of size. According to Claus (2019), acquiring the right talent and engaging efforts to maintain and retain talent can become problematic for leaders due to the competitiveness of globalization. This means that talent management strategic actions, taken by business leaders, are essential to supporting and facilitating success in the organizations (Krishnan & Scullion, 2017). Obtaining the right talent is essential to fulfilling the goals of organizations (Goswami, 2018). Using the findings from this study, SMB leaders may gain insights into successful talent management practices—those used to acquire, develop, and retain employees.

Literature Review

Extensive research was conducted to obtain information about published authors' views on enhancing talents within SMBs, as there are different facets to consider when examining effective talent management strategies. This literature review includes a discussion of the composite conceptual framework using two theories: the people capability maturity model (P-CMM) and the transformational leadership theory.

Capability Maturity Model (CMM)

The predecessor of the people capability maturity model (P-CMM) is the capability maturity model (CMM), where *capability* refers to an individual's ability to complete activities associated with their level of maturity (Proença & Borbinha, 2016). Originating from a computer science study, the CMM was used to improve software development (Proença & Borbinha, 2016), as developing and maintaining software became a priority for the software developers to ensure successful operations from a disciplined approach (Paulk et al., 1993).

Developed in 1986, the CMM is a system of continuous activity and process improvement for the realization of optimal performance (Akhlaghpour & Lapointe, 2018), and it also provides strategies to enhance quality at all

developmental process levels (Paulk et al., 1993). The CMM has become so versatile that its use is evident in various business disciplines transcending engineering and computer science (Paulk et al., 1993). For example, the use of CMM is appropriate for assessing a business leader's readiness to initiate, plan, manage, evaluate, and engage employees (Nelson et al., 2015).

Following the CMM, one strategy is to have performance-based funding for motivating worker participation and retention, as the CMM was the software maturity model that professionals used for depicting the stage for further development (Nelson et al., 2015). Humphrey (1989) postulated a rule basis to make software development predictable, with the development steps identified as (a) initial, (b) repeatable, (c) defined, (d) managed, and (e) optimized. These five levels of maturity allow organizations to assess current performance and determine the scope and focus for necessary improvements (Paulk et al., 1993). Humphrey (1989) described the five principles as useful to managers and business leaders in different areas by highlighting the effectiveness of the five levels used as leadership strategies to improve business operations.

People Capability Maturity Model (P-CMM)

Researchers have used the people capability maturity model (P-CMM) as the conceptual framework in exploring talent management strategies to acquire, develop, and retain talent. Curtis et al. (1995) introduced the P-CMM for Carnegie Mellon University, and it has been used to develop, classify, motivate, and retain human resources (Curtis et al., 1995). The P-CMM includes guidelines for talent improvement (depending on the level of maturity and its underlying themes): identifying and improving talents, developing teams to appreciate organizational culture, motivating and leading employees, and aligning the workforce to meet the organization's goals and objectives (Curtis et al., 1995). The adaptation of these levels of maturity may provide significant benefits for firms.

Surega (2019) and Chen and Wang (2018) noted that the five levels of the model are: initial, managed, defined, predictable, and maturity, and that leaders applying these five levels can significantly affect talent management within organizations. The philosophy behind the P-CMM is that human resources management practices exist in progressive stages when identifying, selecting, developing, and maintaining the workforce to align with an organization's strategic goals for greater efficiency (Dutta et al., 2018). The P-CMM within any organization could influence the development and implementation of policies that result in human capital development in a strategic format (Vakaslanti, 1997).

Although leaders and other professionals use P-CMM to foster continuous improvements for employee talents, criticisms of the theory exist. For example, Wademan et al. (2008) noted that even though the Carnegie Mellon University Software Institute's goal was to develop the P-CMM for improving people management, the planned activities did not result in achieving predetermined goals. Still, planning is critical to advance any function (Wademan et al., 2008), as an efficient management structure system might signify leader proactivity within a competitive environment and result in minimized disruptions. Businesses could also experience continuous improvement in talent pools necessary for innovation and performance (Surega, 2019).

According to Surega (2019), the use of the P-CMM could be essential in establishing an employee performance management system for SMBs that utilize the five levels as a major performance management strategy. Lee (2017) underscores its importance in identifying competencies in a talent pool: identifying ways to improve and maximize employee capabilities and suggesting that competent employees promote and improve the operations necessary to meet business goals and objectives.

Malik et al. (2018) studied the significance of innovation adoption for business sustainability from leader perspectives in India's information technology industry. A key finding was that people power, as the driving force, was critical for participating organization profitability. Therefore, the effective management of human resources

for achieving benefits that far outweigh the costs (Malik et al., 2018) should be enshrined in business models. Business leaders should realize that improving employee competencies is a significant feat in achieving enhanced performance (Shet et al., 2019). From a leadership style perspective, transformational leaders could be essential to promoting and improving the operations to meet the goals and objectives of the SMBs (Shet et al., 2019).

Transformational Leadership

The type of leadership adopted by an organization is a critical factor in securing success. Burns (1978) introduced the concept of transformational leadership as a synergy that results in employee performance for a common purpose. Bass (1999) posited that a leader should emphasize the derived value to all stakeholders upon the completion of assignments. Hetland et al. (2018) found that transformational leaders portray idealized influence, inspirational motivation, individual consideration, and intellectual stimulation. According to Burns (1978), the leader takes the follower from self-interest to inspiring and influences followers to bring about change for themselves—and others—who filter into the organization, the wider community, and society.

According to Ng and Kee (2018), transformational leadership is a driving force that motivates subordinates to be the best at what they do and to become inspirational leaders. Transformational leadership also emanates influence and success for all stakeholders, which may be evident in leadership behavior and affect all aspects of the organization—whether a product, process, or behavior (Ng & Kee, 2018)—including employee confidence and output. Yıldız and Şimşek (2016) found that job satisfaction is largely dependent on the type of leadership, as it motivates employees to become confident in their role and increases self-trust, as well as mutual trust among leaders and employees. Transformational leaders often influence business culture (Ramsey et al., 2017), cultivating respect and confidence, and should be integrated and engraved in the policies of businesses, such as SMBs.

The impact of transformational leadership on its followers depends on the extent to which a leader is transformational. For example, effective leadership might result in efficient resource management with appropriate remuneration consideration to motivate employees to meet business goals and objectives (Shabane et al., 2017). These views are supported by Krishnan and Scullion (2017) who introduced a system in which leaders prioritize human resources in their businesses and encourage employees to increase output with commensurate remuneration. Considering the positive results, the incorporation of talent management policies and practices could become standard practice in different industries. So, for effectiveness, leaders should embrace policies and practices that facilitate organizational development for the benefit of the stakeholders, as leadership style affects employee remuneration and retention within a business (Shabane et al., 2017).

Transformational leadership is a fundamental premise that could form the basis for leadership strategies in SMBs. As Burns (1978) noted, transformational leaders help motivate employees to believe in themselves and, therefore, become more productive. Transformational leaders also seek to enhance their followers' values, morals, and inspiration to advance individually, professionally, and socially (Burns, 1978). Furthermore, Bass (1999) argued that leaders should describe the role of value in the task, focusing on the organization and not on the individual. In addition, individuals should seek to satisfy needs at a higher level within a hierarchical pyramid of needs.

When it comes to organizational performance, both professional and academic spheres place strong emphasis on transformational leadership. Transformational leadership is popular given the evidence in the volume of global articles that range from education to politics (Bush, 2018). Employee receptiveness to transformational leadership depends on leadership traits and attitudes (Aydogmus et al., 2016), as employees become proactive and efficient when they enjoy both the working environment and the assigned tasks. Identifying transformational leaders is one of the significant factors that influence employee satisfaction (Aydogmus et al., 2016).

In a study of 166 participants from organizations in different countries, Abelha et al. (2018) found no relationship between employees' level of training or the type of organization and job satisfaction; however, transformational leadership significantly influenced job satisfaction. The results were not the same for participants of both genders. Female employees were more receptive to transformational leadership than their male counterparts (Abelha et al., 2018). According to Yıldız and Şimşek (2016), transformational leaders appear to be more influential for people harboring intrinsic motivators (such as, job satisfaction) rather than external factors (such as, the job itself). Nevertheless, transformational leaders seem to display characteristics that promote job satisfaction, depending on their leadership style.

The positive effects of transformational leadership are not limited to specific industries or individual stakeholders. For example, Jordan et al. (2015) presented a synopsis of the benefits of transformational leadership in health-care units, where the effects extended to the patients. They also found that transformational leaders motivated employees, resulting in more employee enthusiasm and greater satisfaction to the patients. Gözükara and Şimşek (2015) also emphasized the benefit of transformational leaders who do not seek to be autonomous but, instead, work to enhance employee engagement to transform their followers. Gözükara and Şimşek (2015) also noted that the leaders led in such a way that brought about a change in organizational culture, and followers were more committed to the job. The satisfaction that inspired employees enjoyment could have a positive effect that could filter to other areas in the business (Gözükara & Şimşek, 2015). Gözükara and Şimşek showed that inspired employees may gain experience and remain committed as they serve in the SMBs.

The composition of the dynamics in SMBs is dependent on several factors. Abdullah et al. (2015) examined the relationship between culture, organizational commitment, and transformational leadership among employees in SMBs and concluded that the effect a transformational leader has on organizational commitment is not associated with the organization's culture. Abdullah et al. (2015), however, did not consider the mediating effect of organizational culture on transformational leadership and commitment. In another study, Mesu et al. (2015) examined the relationship between transformational leadership and employee commitment in service and manufacturing companies. They found a positive relationship between transformational leadership and commitment for service SMBs but not for manufacturing SMBs. In most organizations, regardless of the size, employee engagement could be critical to the organizational success made possible by transformational leaders.

The level of employee commitment depends on the use of the transformational leadership style within the organization. There is a significant positive relationship between transformational leadership and employees' affective commitment (Long et al., 2016). Employees admire and respect leaders influencing, empowering, and enabling employees to be productive individuals (Ribeiro et al., 2018). The transformational leadership theory therefore served as one of the conceptual frameworks for the current study on talent management strategies.

Purpose of Study and Research Question

The purpose of this qualitative multiple case study was to explore efficacious talent management strategies that SMB leaders used to acquire, develop, and retain employees. The targeted population consisted of five SMB leaders who had successful experiences using talent management strategies to acquire, develop, and retain employees. In addition to the SMB leaders, other participants consisted of a four-member focus group with a participant from four of the five SMBs.

Research Question

Business leaders who prioritize talent management strategies have expressed the need to acquire, develop, and retain employees (Krishnan & Scullion, 2017). In the United States, 73% of business leaders agreed that effective talent management strategies used to acquire, develop, and retain employees promote business effectiveness (Masa'deh et al., 2018). The overarching research question for this study focused on the successful talent management strategies that SMB leaders used to acquire, develop, and retain employees to promote business effectiveness.

Methods

The goal of this study was to gain insights from an inductive method; therefore, the qualitative method was the most suitable approach. Qualitative researchers focus on induction to gather insight and patterns from data collected (Bansal et al., 2018). Qualitative research results in gaining greater insight into information gathering regarding participant feelings and behaviors (Queirós et al., 2017). Qualitative research can be an independent method or a complement to the quantitative approach as a mixed method (Bristowe et al., 2015).

Regarding the research design for this study, the multiple case study design was used, which involves conducting in-depth research in real-life contexts (Elkatawneh, 2016; Ridder, 2017; Yin, 2018). Ridder (2017) posited that researchers use the qualitative case studies to explore a phenomenon in real-life contexts by interviewing participants. Although a case study design is not exhaustive, it is relevant to identifying strategies that shape specific functions within one or more case units (Patton, 2015). In a multiple case study, the researcher uses different cases to explore and compare the phenomenon among them from a contextual perspective (Thomas, 2015). The multiple case study design was ideal for this study because the goal was to explore the similarities and differences in talent management strategies that the participating leaders used to acquire, develop, and retain talent in SMBs.

The determining factor for a sufficient sample size in qualitative research is data saturation, where even one participant can compellingly provide an informed decision for addressing a case study's purpose (Boddy, 2016). An adequate sample can be as small as two participants in qualitative research (Yin, 2018), although achieving data saturation was a crucial element in this qualitative study. The need for data saturation drives the determination of the sample size in qualitative research (Malterud et al., 2016). Fusch and Ness (2015) defined data saturation in a qualitative study as exhausting new material findings for the study. Data saturation is having exhausted all aspects of a category with no new themes arising (Nelson, 2016). Data collection from all participants in the interviews, the focus group, and the company documents occurred until reaching data saturation.

Data Collection

To gather pertinent data and for the purpose of methodological triangulation, we conducted semi-structured interviews, moderated a focus group, and reviewed company documents. We transcribed participant responses to interview questions to identify and verified themes through data analysis. The interviews, focus group, and document reviews allowed for data gathering from participants on talent management efficacious strategies to acquire, develop, and retain talent. To gather in-depth data, we used open-ended questions in semi-structured interviews.

Using a member-checking protocol in the focus groups, we encouraged the group members to answer the interview questions. With focus groups, participation rates increase, so they are cost-effective when gathering essential qualitative data (Flynn et al., 2018).

Interview Questions

The following open-ended interview questions were used during the semi-structured interviews with study participants:

1. What strategies do you use to identify the talent needs of your business?
2. What strategies do you use to recruit candidates for your business?
3. What strategies do you use for your selection process?
4. What strategies do you have in place to develop your employees?
5. What strategies do you use to retain employees?
6. What modifications, if any, did you apply to any strategy to acquire, develop, or retain employees?
7. What were the main barriers to implementing strategies to acquire, develop, and retain employees?
8. How did you overcome the key barriers to implementing strategies to acquire, develop, and retain employees?
9. What additional information would you like to contribute about talent management strategies to acquire, develop, and retain employees in your business?

Data Analysis

Methodological triangulation is an essential concept in qualitative research designs (such as case studies) and involves gathering multiple types of data from multiple sources to study a phenomenon (Yin, 2018), which is beneficial for confirming findings, ensuring comprehensive data, increasing validity, and enhancing understanding of studied phenomena (Fusch & Ness, 2015; Heesen et al., 2019; Marshall & Rossman, 2016). Methodological triangulation also helps the researcher produce a thorough analysis of the phenomenon, even if the perspective is slightly different for each data collection technique (Drouin et al., 2015).

In this study, the *within method* methodological triangulation was used, where the focus is on using only qualitative data sources (Yin, 2018). For the purpose of methodological triangulation, we gathered data from semi-structured interviews with five SMB leaders and a four-member focus group. We also gathered data from reviewing related company documents.

To analyze the data for this study, we used thematic analysis, which deciphers meanings based on similarities from the data collected in qualitative research (Buetow, 2010). Buetow (2010) noted that patterns and recurrences were significant in developing the themes. Since thematic analysis reveals the depth of information obtained from participants regarding the phenomenon (Castleberry & Nolen, 2018), it is the most suitable data analysis approach for this study—guided by Yin’s (2018) five-phase analysis process. Yin identified five stages to conduct data analysis: data compilation, data separation into categories, contextualization, draw interpretation, and conclusion.

Reliability and Validity

Research quality depends on several factors. Reliability and validity are two criteria that researchers use to assure quality within a study (Patten & Newhart, 2017). Researchers are responsible for maintaining and demonstrating quality throughout the research process through reliability and validity (Bengtsson, 2016). Triangulation also plays a critical role in ensuring reliability and validity in qualitative studies (MacPhail et al.,

2016). Dependability, credibility, confirmability, and transferability are criteria used to evaluate the quality of qualitative research (Healy & Perry, 2000).

Reliability

Researchers use various techniques to assure reliability in qualitative research. In qualitative research, reliability means replicability, dependability, and consistency (Lincoln & Guba, 1985; MacPhail et al., 2016). Yin (2018)—who had a similar view—also pointed out that researchers sought reliability to ensure consistency in the research process. Given that reliability relates to consistency in the research process (Lincoln & Guba, 1985), ensuring consistent application of transcript reviews; using the interview protocol; and documenting research procedures to permit future researchers to follow, audit, and critique the research process are essential (MacPhail et al., 2016). Qualitative researchers use an interview protocol to enhance dependability and to ensure that the process is the same for all the participants (Silverman, 2017). In this study, interview protocols were developed and used with all participants to ensure consistency when conducting individual interviews and the focus group.

Validity

Qualitative researchers assure validity by establishing and demonstrating credibility, confirmability, and transferability of their studies' findings (FitzPatrick, 2019). Credibility is the means of truthfulness (Bengtsson, 2016), and credibility in qualitative research is evident through member checking by ensuring that the researcher's interpretation of the participants' responses is accurate (MacPhail et al., 2016; Varpio et al., 2017). Through member checking, each participant had the opportunity to review the interpretive reports of the initial interviews to ensure accuracy.

Qualitative data are not generalizable but are transferable from one context to another (Varpio et al., 2017). In qualitative research, transferability refers to the extent to which findings are transferable to different environments or contexts (Yin, 2018). To enable readers and other researchers to determine whether the findings from a study are transferable to other settings, people, and contexts, researchers must provide adequate and detailed descriptions of essential aspects of the study (Patton, 2015). Researchers can use the procedures of demonstrating the use of and findings from triangulation, member checking, and achieving data saturation to enable other researchers' determination of transferability (Varpio et al., 2017).

To enable readers to determine if the findings from this study are transferable, we provided a detailed description of the study participants, the research context, and the data analysis process. Five SMB leaders and four focus group members, with successful experience in talent management in the Cayman Islands, were selected as participants for this study. To gather data on the study topic, semi-structured interviews were conducted and secured, interview protocols were closely followed, and member checking and triangulation were also conducted.

Confirmability refers to the extent to which the study findings are free from bias (Yates & Leggett, 2016). In addition, confirmability addresses the objectivity and accuracy of the data (Patton, 2015). One way to ensure accuracy and objectivity of the findings is through member checking (Yates & Leggett, 2016). Member checking was conducted by sharing with participants interviewer interpretations of participant responses to interview questions, which allowed participants to review, validate, and confirm the accuracy of such interpretations.

Data saturation is the point in the data gathering and analysis process at which no new information is forthcoming (Saunders et al., 2017). Data saturation is critical in qualitative research. Data saturation is one essential way to ensure validity in a qualitative study (Fusch & Ness, 2015). The depth and richness of the data, not the length, enable researchers to reach data saturation (Burmeister & Aitken, 2012). For this study,

data saturation was achieved when additional data and information became repetitive as a result of data collection efforts.

Discussion of Findings

From the analysis of the data collected from the interviews, focus group, and the review of administrative documents, four main themes emerged: (a) conducting management assessments, (b) following recruitment and selection guidelines, (c) empowering and enabling employees, and (d) fostering employee loyalty.

Conducting Management Assessments

Conducting management assessments is very important in acquiring qualified employees. Two management assessments—business growth and job audits—played an essential role in enabling SMB leaders to acquire employees, and hiring decisions were made after senior management consultations were conducted.

Business growth—a factor that drives the talent acquisition process in SMBs—was evident from increased customer demand, new clients, and new projects. With the increased demand, business operators encountered difficulty in running their activities efficiently without acquiring more personnel. Cascio and Boudreau (2016) postulated the necessity to conduct management assessments and plan accordingly, including determining recruitment needs arising from business growth. Recruitment strategies, resulting from this study, are consistent with the views Picken (2017) proposed: that qualified employee recruitment is positively related to business growth. Acquiring the necessary staff and conducting training are required strategies used to respond to the business growth.

Conducting job audits is an essential part of the management assessment strategy, which involves relevant persons looking at all job requirements, as well as analyzing, designing, and implementing strategies systematically (Persellin et al., 2019). Job audits are also used to plan the workforce required and conduct job and needs assessments to complete different projects. Through the use of job audits, business owners become involved in daily activities and become aware of the need for additional personnel when workloads become excessive. Management assessments are categorized as a means for business leaders to determine the need to acquire workers.

Following Recruitment and Selection Guidelines

Tafti et al. (2017) described talent management as recognizing needed skills and abilities, as well as finding workers to meet the organization's needs. According to van Zyl et al. (2017), manager roles and responsibilities in the recruitment and selection process need clear definitions, and effective business leaders must develop, implement, and follow recruitment and selection guidelines (Eva, 2018). The following six thematic areas of recruitment and selection guidelines emerged from this study: (a) advertising, (b) referral programs, (c) resume reviews, (d) candidate interviews, (e) candidate background checks, and (f) candidate selection.

Business leaders adopt advertising as a strategy, using a variety of media. When business leaders are unable to find qualified employment applicants, business leaders consider hiring employees from other countries. Also, business leaders use referrals as a method of recruiting talent. For example, current and former employees can be used as an informal recruitment agency, as they can refer persons for work when additional personnel are needed.

Resume review is another useful tool in guiding the recruitment process, as business leaders encourage potential job candidates to upload their resumes to an electronic portal, which increases their visibility and

begins the review process. Once resumes are reviewed, business leaders begin conducting interviews with job candidates.

Once candidates are chosen, business leaders conduct background checks to validate the authenticity of their information. Then, business leaders select the candidates after several rounds of interviews. Finally, managers adopt effective methods for attracting highly skilled employees—and retaining such talent (Maamari & Alameh, 2016).

Empowering and Enabling Employees

Fostering employee empowerment and enablement, within the SMB, is an effective strategy that participating business leaders used to support talent management strategies. The benefits of employee empowerment and enablement far outweigh the costs, because providing opportunities for employees to become empowered and enabled is a motivating factor for both employees and business leaders. Business leaders use techniques to empower and enable employees, such as training, promoting, and communicating openly.

Regarding training, business leaders use online training modules, on-the-job initiatives, and outside training such as the local chamber of commerce course offerings. Riyaldi and Auliya (2021) identified training as an essential element of empowerment and enablement within the workplace. Training is fundamental to promoting growth and employee development within an organization (Georgiadis & Pitelis, 2016). In terms of employee promotion, business leaders understand that employee promotion is essential to employee empowerment and enablement. Employees receive the reward of promotion when they dedicate themselves to the business, work hard to advance business operations, and engage in continuous improvement activities. Promoting human development and empowerment are strategic functions that facilitate the competitive advantage of businesses (Amarakoon et al., 2016).

Effective and open communication is vital for employee empowerment and enablement. An open-door policy is an important strategy that the participating business leaders used to empower and enable employees. Business leaders ask their communication specialists to conduct personality tests, analyze communication styles, and deliver communication workshops. These activities provide employees with the confidence to be more vocal and better communicators, addressing the problems associated with employees disregarding authority and conflicts. Employees must value themselves and adopt the concept of being internal customers. Open communication between employees and their leaders is essential. Business leaders should strive to achieve strategic success by creating a work environment that supports employee empowerment and enablement through open communication (Abuzaid, 2018).

Fostering Employee Loyalty

The final principal theme identified was promoting employee loyalty through a cordial workplace atmosphere, mutual respect, compensation, social events, and rollover returns, which refers to persons who leave a country after their term limit expires and are allowed to return after a specified period. Business leaders must recognize the effect of a cordial workplace atmosphere on employee loyalty. A cordial organizational culture is an essential element that promotes employee loyalty (Saha & Kumar, 2018). Mutual respect is another critical aspect to foster employee loyalty. Mutual respect at the workplace leads to employee satisfaction and loyalty (Sharma et al., 2018). Business leaders must compensate their employees appropriately to foster employee loyalty. Akhigbe and Ifeyinwa (2017) discovered that regular compensation affected employees' cognitive loyalty while incremental salary ensured active loyalty.

At the SMB, organized social events are an avenue of fostering loyalty at the workplace. Business leaders facilitate staff meeting refreshments, birthday parties, Christmas parties, Friday evening happy hours, and

other events. When employees are allowed to socialize with each other, their job performance increases, and they develop loyalty to the organization (Tang et al., 2017). In the case of employees hired from other countries, a rollover policy was important to offer key employees the opportunity to stay in the United States for longer periods and to be able to return to the organization if immigration policy requires those employees to return home.

Limitations

One limitation of this study was the small number of participants. Obtaining data from five SMBs may not have provided insights into the problems that other SMBs experience and how they manage talent. Another limitation was that access to the businesses, at the outset, was difficult because of the COVID-19 pandemic, which delayed the data collection. Finally, one focus group member decided not to participate in the study. It is therefore not known whether the focus group participant who did not join the focus group would have provided information different from what the other participants shared in the focus group discussions. Because of these limitations, we do not recommend making generalizations and conclusions about the larger population. Future researchers should conduct quantitative studies to obtain data from a larger sample of SMBs or focus on particular types of SMBs. Future researchers should also conduct a comparative analysis on the effect of strategies to acquire, develop, and retain talent in SMBs versus large organizational strategies and processes.

Conclusion

The findings from this study may provide business professionals with information about strategies to use to develop employees, such as knowledge, competency, and promotion—which are critical factors used to achieve employee empowerment and enablement. Talent management practices, used to develop employees directly, affect satisfaction, creativity, motivation, and competency (Kaleem, 2019). Leaders should also ensure that they provide flexible developmental opportunities to meet varying employee schedules. The incorporation of strategies to enhance employee growth and promotion, within organizations, results in employer satisfaction and greater employee engagement and enablement (Sopiah et al., 2020). A significant value exists from employee training, whether on-the-job, online, or in a physical platform. Employees become more confident when open communication is fostered in a business organization.

The findings in the current study may also provide business professionals with an approach to retain employees. In particular, fostering workplace loyalty is paramount to employee retention. Essential areas that secure commitment are a cordial culture, mutual respect, social events, compensation, and rollover returns. A friendly environment, in which mutual respect and ongoing social events exist, reassures employees of their value to the organization. A working environment with team spirit, attractive compensation and benefits, and a good working relationship with managers are critical to achieving employee loyalty (Khuong et al., 2020). Business leaders can use or adapt these strategies to heighten their awareness of effective measures for employee retention. Investing in employee development and using measures to retain the employees can increase employee engagement, secure employee loyalty, and increase productivity.

Knowledge of effective strategies to acquire, develop, and retain employees could guide business leaders in planning and making sound managerial decisions. Sponsored organizational training is one aspect of employee empowerment and enablement that could exude into the wider community and society. More skilled and educated staff may result in increased employee earnings and enhanced benefits for individuals and society. Leaders use mentorship programs developed for children and youths to provide personal and social nurturing and life skills that strengthen the ability to succeed in career choices and recruitment in the

job market (Cunningham et al., 2020). Communities could benefit from similar programs by embracing social responsibility.

Social impact on organizations and communities could arise from increased employee empowerment and enablement and loyalty. Receiving attractive remuneration and other benefits could result in a cordial culture with mutual respect, which should increase employee performance. Empowered and enabled employees are more assertive, as they take charge and provide feedback while building social networks (Yin et al., 2017). These employees build networks internally and externally for benefitting their organizations and communities.

Strategies for employee development and retention produce more loyal employees, resulting in increased productivity (Sopiah et al., 2020). When there is a low turnover rate, employees tend to have greater job security with concomitant increase in loyalty to employers. This security is likely to improve employees' work-life balance and catalyze participating in civic engagement opportunities.

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