

# HIRING OF HIGH-POTENTIAL PERSONNEL OF SMALL IT COMPANIES IN BANGKOK, THAILAND

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## **Abstract**

This research assessed the needs of high-potential personnel in small IT companies in Bangkok, Thailand, involving 354 participants. It found a strong link between personnel profiles and effective management systems, emphasizing the importance of considering individual qualifications. The study highlights the need for improved talent search and recruitment processes in small IT companies. Overall, the research underscores the significance of individual and organizational factors in managing high-potential personnel, suggesting strategies like comprehensive selection procedures, talent management systems, learning culture promotion, inclusivity, and regular system evaluation for optimizing talent management and gaining a competitive edge.

**Keywords:** High Potential Personnel, Learning Organization, IT Companies.

## **1. INTRODUCTION**

This research discusses Thailand's economic system, emphasizing the importance of improving technology-driven industries to enhance competitiveness. It highlights the need for a shift from labor-intensive services to technology-focused sectors. The text also underlines the growth potential in the digital services industry and the shortage of workers with high-level digital skills in Thailand.

Furthermore, the passage mentions the challenge of talent management in organizations, particularly in retaining high-potential personnel who can bring significant value to the organization. It emphasizes the importance of managing talent strategically through performance management, employee development, an open atmosphere, and a culture of recognition and communication.

Lastly, the text notes the global competition for talent and the adoption of HR technology to streamline talent succession processes and enhance workforce planning. It also touches on the concept of employer branding to create a positive organizational image and attract and retain top talent.

## **2. REVIEW OF LITERATURE**

In a rapidly changing economic, political, and social environment, organizations must navigate uncertainty and minimize risks. Talent management is crucial, with "talented" employees considered key drivers of organizational growth and success. These individuals exhibit exceptional performance, high potential, dedication, and the ability to create value for the organization.

The competition for high-potential employees, often referred to as the "war for talent," is intense, especially in advanced economies. Organizations seek strategies to retain these individuals, as their productivity is significantly higher than average performers.

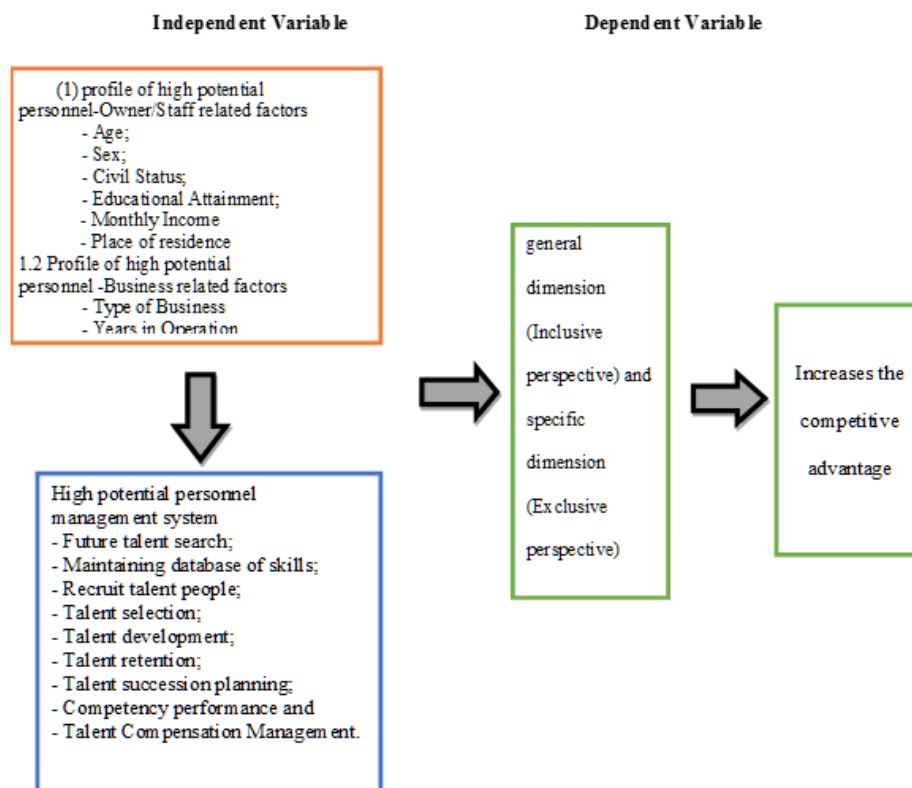
To retain talent, organizations focus on providing appropriate returns, fair performance appraisals, a good working environment, promotions, safety, and compensation. Factors affecting retention include creating a positive work culture and career advancement opportunities.

High-potential personnel, identified as having exceptional abilities and growth potential, are nurtured through training, mentorship, challenging assignments, and career progression opportunities. Organizations groom these individuals for future leadership roles.

While organizations face limitations in promotional opportunities, they strive to identify, develop, and retain high-potential employees through succession planning and retention management. It is essential to prioritize their development and integrate talent management into the overall corporate strategy.

In summary, managing high-potential personnel is critical for organizational success, and organizations must invest in their growth, foster a learning culture, and make talent management a shared responsibility to thrive in a competitive environment.

### Conceptual Framework



### **3. METHODOLOGY**

#### **3.1 Research Design**

This paper conducts an analysis of the recruitment of high-potential personnel in small IT firms in Bangkok, Thailand. The research methodology involves a review of relevant literature to establish the foundation for the study, focusing on high-potential personnel definitions, management systems, and small IT companies in Bangkok. The study targets owners, executives, and HR managers of these small IT firms as the primary information sources.

#### **3.2 Research Locale and Sampling Procedures**

The study surveyed owners, managers, and staff working in small IT companies located in Bangkok, Thailand. The sample size of 354 respondents was determined using records from the Department of Business Development, Ministry of Commerce, Thailand, in 2021.

#### **3.3 Scope and Delimitation**

This research investigates high-potential personnel management systems in small IT companies in Bangkok, focusing on 354 respondents, including business owners, managers, and staff. The study uses a closed-ended questionnaire with sections covering personal qualifications, management systems, dimensions, and models. Limitations include the questionnaire's potential to limit in-depth responses and insights. Data analysis employs descriptive and inferential statistics but does not consider external factors beyond the questionnaire's scope or industry changes over time. The study's timeframe and the assumption of truthful responses are potential limitations.

#### **3.4 Research Instrument**

This research focuses on business owners, executives, and HR managers of small IT companies in Bangkok, using a questionnaire as a research tool. The questionnaire was designed by structuring it to address research objectives, drawing from past research on high-potential personnel management models for enhancing competitive advantage. To ensure quality, preliminary testing determined information delivery and language use duration. Content validity was checked by five experts, followed by a reliability test and questionnaire revisions. The questionnaire was adapted from a previous academic meeting and translated into Thai by qualified individuals.

#### **3.5 Content Validity Test and Reliability Test of the Questionnaire**

**Content Validity Test:** This test assesses whether the questionnaire's questions accurately match the subject being measured. In this study, experts in the field evaluated the questionnaire to ensure its accuracy. The questionnaire used a 5-point Likert scale, where respondents rated their agreement with statements about high-potential personnel management systems. Five experts in relevant fields evaluated the questionnaire for content validity.

**Reliability Test:** Reliability measures the consistency or stability of the values obtained through the instrument. To assess reliability, the questionnaire was tested with a sample group, with a minimum sample size of 30 people from the same population as the research. The questionnaire

was distributed to 354 individuals working in small IT companies in Bangkok. Before this, test interviews were conducted with 30 individuals to assess the questionnaire's reliability. Cronbach's Alpha Coefficient was used to assess internal consistency, with a desired coefficient of not less than 0.80 and item-total correlations between 0.30 and 0.70.

These tests ensure that the questionnaire is both valid and reliable for collecting data in the research.

### **3.6 Data Analysis**

The study utilizes descriptive statistics to analyze various variables, including percentages, frequencies, mean, and standard deviation, to understand the characteristics of different groups under investigation. In addition, inferential statistics are employed for hypothesis analysis. Exploratory Factor Analysis is used to confirm the factors related to hiring high-potential talent in small IT companies in Bangkok, with the goal of enhancing their competitive advantage.

## **4. RESEARCH RESULTS AND DISCUSSIONS**

### **4.1 The Profile of High-Potential Personnel in Small IT Companies in Bangkok Reveals the Following**

**Gender:** The majority of respondents (86.72%) are males, while only 13.28% are females. This suggests a higher male interest in working in the IT industry in Bangkok.

**Age:** The largest age group among respondents is between 20-30 years old (49.72%), followed by 31-40 years old (33.62%). This indicates a younger workforce in small IT companies.

**Civil Status:** Most respondents are single (62.15%), with married individuals comprising 29.66%. Separated and divorced individuals make up a smaller portion.

**Educational Attainment:** The majority of respondents hold bachelor's degrees (83.62%), followed by master's degree holders (13.56%). A smaller percentage holds doctoral degrees, while very few have only completed high school.

**Monthly Income:** The most common monthly salary range is between 15,001 – 30,000 baht (77.12%), followed by 30,001 – 45,000 baht (20.90%). Few respondents fall into higher or lower income brackets.

**Place of Residence:** A significant number of respondents live in East Bangkok (55.37%), with Central Bangkok being the second most common residence (13.56%). Other areas, such as North Bangkok, South Bangkok, North Thonburi, and South Thonburi, have fewer respondents.

**Types of Business:** The majority of respondents (68.36%) represent corporations, while partnerships make up the remaining 31.64%. None of the respondents are sole proprietors.

**Years of Business Operation:** The most common range for years of business operation is between 6 – 10 years (51.98%), followed by 11 – 15 years (30.51%). A smaller percentage of respondents have businesses with less than 5 years or over 15 years of operation.

#### **4.2 Status of the High-Potential Personnel Management System of a Small IT Company in Bangkok**

The study conducted among owners, managers, and staff members in small IT companies in Bangkok, Thailand, assessed the status of high-potential personnel management in various aspects:

**Talent Search:** The respondents strongly agreed that their organizations have effective talent search processes, including competition for talent, higher salary offers for talented individuals, and partnerships with leading universities for talent recruitment. This aligns with the importance of data-driven and objective approaches in identifying and developing future leaders.

**Maintaining a Database of Skills and Competencies:** Respondents described their organizations as strongly agreeing with the maintenance of a database of skills and competencies, ensuring real-time information across departments. This is essential for strategic human resource planning.

**Talent Recruitment:** The respondents strongly agreed that their organizations have a talent recruitment process that is fair and well-communicated. Effective recruitment practices align with long-term goals and strategic priorities.

**Talent Selection:** The respondents strongly agreed that their organizations have a unique selection technique for talent selection and analyze future changing scopes of work when selecting talents.

**Talent Development and Retention:** The respondents strongly agreed that their organizations prioritize talent development and retention, including competency development, benchmarking, and strategic planning for talent development.

**Talent Succession Planning:** The respondents strongly agreed that their organizations have talent succession plans that lead to the development of a talent pool, ensuring key organizational roles are filled strategically.

**Talent Performance Management:** The respondents strongly agreed that their organizations have performance management capabilities that create a competitive advantage, support high potential individuals, and adapt to continual change. This aligns with fostering employee engagement and performance.

**Talent Compensation Management:** The respondents strongly agreed that their organizations have strategic talent compensation management that aligns with the organization's goals, recruitment efforts, and market surveys. This emphasizes the importance of aligning compensation practices with strategic objectives.

### **4.3 Level of General Dimension (Inclusive Perspective)**

The respondents strongly agreed with the general dimension (Inclusive perspective), with an overall mean of 4.53 and a standard deviation of 0.31. This suggests that respondents generally understand and value this perspective. Notably, they expressed a high level of agreement with statements emphasizing the need for equally developed employees (statement No. 3), employees who constantly improve themselves (statement No. 4), highly capable employees in all positions (statement No. 1), all employees being developed to support future growth (statement No. 5), and employees consistently demonstrating their potential (statement No. 2). These findings align with the growing influence of Employer Branding (EB) on talent management practices, including dimensions such as recruitment, engagement, retention, and rewards, both within organizations and on a national scale, as highlighted by Reis et al. (2021).

### **4.4 Level of Specific Dimension (Exclusive Perspective)**

The exclusive perspective of respondents, as depicted in Table 5, was strongly agreed upon, with an overall mean of 4.51 and a standard deviation of 0.32. Specifically, they expressed strong agreement with the organization's need for employees possessing outstanding position attributes useful to their operations (statement No. 2), employees who stand out from competitors in the same industry (statement No. 1), and employees with specific characteristics exceeding normal assessment criteria (statement No. 3). Furthermore, they also affirmed the need for employees with specific job characteristics different from those in the organization (statement No. 5). The lowest agreement was with the statement that the organization needs high-performing employees occupying key positions (statement No. 4), although it still garnered strong agreement. These findings align with Schultz et al.'s (2020) emphasis on utilizing designated talent for various aspects of talent management to meet employment equity targets and align with competency and skills needs.

### **4.5 Level of Increase in the Competitive Advantage**

The high-potential personnel management model's data to enhance the competitive advantage of small IT companies in Bangkok was strongly agreed upon, with an overall mean of 4.53 and a standard deviation of 0.33. This indicates a positive perception of the model's effectiveness in terms of both innovative thinking and work process development. In the context of competitive advantage in innovative thinking, the respondents strongly agreed with statements related to niche market focus and long-term organizational advantage. Similarly, in terms of work process development, they strongly agreed that the organization has developed key strategic resource management processes and promotes innovation-driven organizational management. These findings align with Erkut Altındağ et al.'s (2018) research, emphasizing the positive impact of talent management and fair performance evaluation systems on employee satisfaction and loyalty, highlighting the importance of clear visions, missions, job descriptions, and proactive feedback for creating a positive work environment.

#### 4.6 Profile of High Potential Personnel Significantly Influenced by the Level of High Potential Personnel Management System

The study aimed to explore the relationship between respondents' personal profiles and the level of a high-potential personnel management system. Table 7 presents the collected data and Pearson correlation coefficients. The results indicated that respondents' sex did not significantly influence the high-potential personnel management system. However, civil status, educational attainment, place, type of business, and years of business operation showed varying degrees of significant positive or negative relationships with different aspects of the management system. These findings are consistent with Siriwan et al.'s (2019) emphasis on adaptability, personnel budgeting, knowledge enhancement, practical application, collaboration, and creating a conducive work environment for high performance within an organization.

#### 4.7 Level of High Potential Personnel Management System Significantly Influenced by the General Dimension (Inclusive Perspective) and Specific Dimension (Exclusive Perspective)

Table 1

		GD Inclusive	GDExclusive
PFuture	Pearson Correlation	.774**	.625**
	Sig. (2-tailed)	0.000	0.000
	N	354	354
Pmaintaining	Pearson Correlation	.847**	.849**
	Sig. (2-tailed)	0.000	0.000
	N	354	354
Precruit	Pearson Correlation	.698**	.716**
	Sig. (2-tailed)	0.000	0.000
	N	354	354
PTSelection	Pearson Correlation	.728**	.847**
	Sig. (2-tailed)	0.000	0.000
	N	354	354
PtalentDevt	Pearson Correlation	.730**	.729**
	Sig. (2-tailed)	0.000	0.000
	N	354	354
PtalentSuccess	Pearson Correlation	.711**	.718**
	Sig. (2-tailed)	0.000	0.000
	N	354	354
PtalentPerf	Pearson Correlation	.695**	.712**
	Sig. (2-tailed)	0.000	0.000
	N	354	354
PtalentCompensation	Pearson Correlation	0.03	.181**
	Sig. (2-tailed)	0.569	0.001
	N	354	354

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

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

The study examined the correlation between the status of the high-potential personnel management system in small IT companies in Bangkok and the level of the general dimension (Inclusive perspective) and the level of the specific dimension (Exclusive perspective). Correlation analysis revealed various positive relationships between aspects of the management system and these dimensions. However, it was found that the status of the high-potential personnel management system does not significantly influence these dimensions in small IT companies in Bangkok.

#### 4.8 General Dimension (Inclusive Perspective) and Specific Dimension (Exclusive Perspective Significantly Influenced by the Increases the Competitive Advantage of Small IT Companies in Bangkok

**Table 2**

		<b>Competitive Advantage In Innovative Thinking</b>	<b>Competitive Advantage In Work Process Development</b>
General Dimension Inclusive	Pearson Correlation	.741**	.749**
	Sig. (2-tailed)	0.000	0.000
	N	354	354
General Dimension Exclusive	Pearson Correlation	.499**	.504**
	Sig. (2-tailed)	0.000	0.000
	N	354	354

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

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

Table 2 revealed positive correlations between the level of general dimension inclusive and exclusive and the competitive advantage in innovative thinking and work process development. This suggests that higher levels of these dimensions are associated with better competitive advantages in innovative thinking and work process development, rejecting the hypothesis of no significant relationship.

## CONCLUSION AND RECOMMENDATION

### Conclusion

This study highlights the importance of aligning high-potential personnel management practices with individual profiles in small IT companies in Bangkok, Thailand. Key findings emphasize the need for improved talent search and recruitment processes, the establishment of a comprehensive talent management system, the promotion of a learning organization culture, fostering inclusivity and diversity, and regular evaluation and adaptation of talent management strategies. Implementing these recommendations can enhance organizational success and competitiveness in the industry.



## Recommendations

Recommendations for small IT companies in Bangkok, Thailand include promoting diversity, optimizing recruitment, addressing single employees' needs, emphasizing education, aligning salaries, focusing on local talent, exploring corporate structures, and encouraging knowledge sharing. High-potential personnel management should maintain talent search, bolster skills databases, improve recruitment, prioritize talent development, and optimize compensation. Foster an inclusive culture with equal opportunities, self-improvement, equitable development, and clear communication. Cultivate an exclusive culture emphasizing excellence, key attributes, and recognizing performance. Leverage high-potential personnel management for competitive advantage through innovation, efficient processes, cost leadership, niche markets, service innovation, and innovation-driven management.

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