



ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE

**The Effect of Talent Management Practices on Employees Performance: The Case of
Dashen Bank S.C.**

**A Thesis submitted to Addis Ababa University, School of Commerce in Partial
Fulfilment of the Requirements for the Award of Masters of Arts Degree in Human
Resource Management**

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Student's Declaration

I Fitsum Girma Temesgen, hereby declare that the thesis entitled “*The effect of talent management practices on employee performance in case of Dashen Bank S.C*” is submitted to college of business and economics school of commerce at Addis Ababa university for partial fulfilment of the Degree of Master of Arts in Human Resources Management is my original work and all the materials I used in this study have been duly acknowledged.

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Date

Letter of Certification

This is to certify the thesis entitled “*The effect of talent management practices on employee performance in the case of Dashen Bank S.C.*” is thesis bone fide work has carried out by Fitsum Girma Temesgen, student of Master of Arts Degree in Human Resource Management under my guidance and supervision. Finally this research paper has been presented for examination with my approval as university appointed me as advice and supervision.

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We, the undersigned members of the Advisor and Examiners of the final defence by Fitsum Girma Temesgen, entitled “*The effect of talent management practices on employee performance in the case of Dashen Bank S.C.*” have read and evaluated, his thesis is the bona fide research work and the thesis has not formed the basis for the award previously of any diploma, degree, master, associate ship, fellowship or any other similar title. This is therefore to certify that the thesis has been accepted in partial fulfilment for the award of the degree of Master of Art in Human Resource Management.

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Abbreviations

| | |
|------|--|
| AAU | Addis Ababa University |
| CSR | Corporate Social Responsibility |
| DB | Dashen Bank S.C. |
| EP | Employees Performance |
| HCT | Human Capital Theory |
| HRM | Human Resource Management |
| RBV | Resource Based View theory |
| SPSS | Statistical Package for Social Science |
| TCR | Talent Compensation and Reward |
| TLD | Talent Learning and Development |
| TM | Talent Management |
| TP | Talent Planning |
| TRS | Recruitment and Selection |

Abstract

The majority of businesses worldwide are now drawn to the idea of talent management since it is a vital component of competitive advantage. Talent management is the ability to attract, retain, and develop people within the organization to increase company value and employee performance. The purpose of this study was to examine the effect of talent management practices on employee performance at Dashen Bank. In this study an explanatory research design with descriptive survey research design and quantitative and qualitative research method were used to meet specific objective of study and to answer research questions. The target populations of this study were employees of Dashen bank that found at Head Office and Lideta Area Branches, specifically those who work as Managerial, HR expert and Employees; to meet the objective of study, based on stratified sampling method, 245 respondents were employed for this study. Accordingly, those 241 valid responses obtained from respondents were used for data analysis with Statistical Package for Social Science (SPSS) Version 27.0 for both descriptive and inferential analysis. The finding of descriptive analysis depicted that, the mean score for overall talent management practice (TP=.59, TRS=3.69, TLD=3.78, TCR=3.056) is above the average. The regression findings reveal a significant positive correlation between talent management practices and employee performance. Particularly, talent planning (B=0.147), recruitment (B=0.260), and compensation (B=0.034) demonstrate statistically significant effects on employee performance. However, talent learning and development show no significant (B=0.94) correlation with performance. According to the study, in order to improve employee performance, the bank should place a strong emphasis on all aspects of talent management procedures, including talent recruitment, talent planning, talent learning, and talent remuneration. Furthermore, it suggested that improving recruitment procedures, streamlining compensation and reward systems, prioritizing funding for learning and development initiatives, and refining talent planning techniques to better match company objectives. For Dashen Bank and other comparable firms looking to enhance their human resource management strategies, these findings fill in knowledge gaps about the influence of talent management techniques on employee performance. Finally, the researcher recommended that this study explore new research areas especially on the relationship of talent learning and development and employee performance.

Key Words: *Talent, Talent Management practices, Talent planning, Talent recruitment and selection, Talent learning and development, Talent compensation and reward, Employee performance.*

CHAPTER ONE

1. INTRODUCTION

This chapter is presenting the introduction of the area under study. In this section, the rationale or driving reason for conducted the research will be discussed under sub headings of: - background of the study, statement of the problem, research questions, objective of the study. Moreover, this chapter incorporates scope of the study, and definitions of key terms and organization of the research report.

1.1. Background of the Study

Talent management in a present-day mostly focused on investing in an organization most important resource, its human resources. The organizations preparing and engaging talent to optimize productivity and also effectively managing this talent in the originations. Talent management practice helps align the knowledge, skills and capabilities of employees with the strategic goals and objectives of the organization, ensuring that human resource contribute effectively to the overall mission.

Talent management in some ways referred to as human capital management, is the strategic practice of recruiting, on boarding, developing, retaining, and transitioning employees to help build an organization's culture, engagement, capability, and capacity. This talent fosters an organization competence that when the skills, knowledge and attitude of human capital effectively identified and maintained in an organization. However, it depending on organizational context and structure, broad partnerships with HR professionals and line leaders might be needed. As to (Thunnisen, Boselie and Fruyitier, 2013) stated that the Talent management has been a major part amongst most debates and arguments in human resource management. According to Armstrong (2006), talent management is a relatively new concept, only emerging in the 2000's. It was derived from the phrase, the war for talent", which originated in the late 1990's as a means of highlighting the problems that organizations were having in attracting and retaining talented people. Erkut Altındağ et al. (2018) found that effective talent management practices have important influences on human resources, which is the most critical element in a company's survival.

Johennesse & Chou (2017) contributed many insights to prove that there is strong relation between talent management and performance management. The better the talent management practices employed to value the potentials of the talented employees the more efficient is the performance of the employee in the organization. The motivated employees display good retention rate and thereby increase the productivity of the organization. It is suggested that there should be constant evaluations of talent management practices exercised in the organization, as there exists continuous transformation of working environments, changing market set up, which alters the work culture and performance outcome of any organization. If the organizations can consider, the motivational theories that drive

the employees' performance while designing the talent management practices then the outcome of the programs would bear the desired fruit.

Hitu and Satyawati Baroda (2018) indicates that talent management practices have direct effect on employee motivation, employee creativity, and employee satisfaction and employee competency. When the talent practices are well executed, they can directly vary various aspects of an employee's experience, for instance, in an organization the properly employees are placed in roles that align with their skills and interest then this alignment enhance intrinsic motivation, on the other example when employee engaged in different commitment, develop their skills through continue learning and compensate based on their effort can enhance the competencies of their workforce. These not only benefits individual employees but also contributes to the overall capability and competitiveness of the organization. According to Yalcin Vural et al., (2012) conducted survey on how talent management affects to the employee commitment and the study revealed that talent management integrated human resources procedures and performance systems have positive effect on employee commitment

Heba Makramet al. (2017) evaluated the value placed by the organization on Talent Management Practices and is there a move from Talent Practice to practice of talent. The issue of limited understanding about talent management and how well it can be nourished was the source of the emergence of various interpretations and definitions of Talent Management. These indicate that there was little participation from the top management and human resource practitioners. The practices included hiring the right talent, performance management, succession planning and development and retention were closely studied to identify the gap and corrective measures that could stabilize the efforts taken towards the contribution of such practices. The generalization arrived in the due course of the study invoked different ways of thinking about the effect and essence of Talent Management and how it could take form in an organization.

Talent management is often considered a subset of human resource management. While human resource management focuses on various aspects of managing people within an organization, talent management specifically emphasizes the strategic identification, development, and retention of high potential employees to ensure the organization long term success. Talent management goes beyond traditional human resource management functions by placing a strong emphasis on individual growth and organizational needs.

In Ethiopian, talent management practice may vary across organizations but common elements include employee planning, recruitment and placement, training and development, performance management and employee compensation, organizations often focus on identifying and nurturing local talent,

adapting strategies to the culture and economic context of Ethiopia. However, most of an organization one common issues face is the integration of talent management practices into the broader human resource management framework. Not only this but also the challenges of an organization are to identified which talent practice successfully contributed to employee's performance.

Dashen bank is carrying out the talent management practice to recruit and on board, engage in, learning and develop its employees, and compensate them to enable employee's performance and optimize profit to the organization. These practices are aligned with the business and human resource management strategic; these integrated talent management practices contribute to a more holistically to employees' performance and organizational growth. However, there are challenges like to what extent the effect of talent practices is enhance employee's performance, which talent is contributing a lot and the understanding of talent management practices also a problem by itself for this reason the study was conducted, based on empirical research. Moreover, Dashen bank Human resource, functioning in this challenging and competitive environment which calls for effective Talent Management practices. Thus, nowadays, investing the effect of Talent Management practices on employee performance which can possibly direct to organizational performance and effectiveness is vital for HR professionals and researchers to guide their effort in their valuable resources. So that, the researcher aim is to investigate the effect of talent management practice on employee's performance in Dashen bank, this study contributes to future researcher as a reference document and also it creates big insight and input for the company which talent management practice more effect on employee's performance.

1.2. Background of the Organization

Dashen Bank was founded in September 1995, by eleven visionary shareholders and veteran bankers with initial capital of Birr 14.9 million with the purpose of providing commercial banking service to the public. Upon securing license from the National Bank of Ethiopia, Dashen opened its doors for service on the 1st of January 1996 with eleven fully-fledged branches. Dashen Bank coined its name from the highest peak in Ethiopia, mount Dashen, and aspires to be "Best in class Bank in Africa". The Bank aimed to be among the leading banks in Africa and it will extend its reach across Africa both for competitive benchmarking and business.

Ras Dashen is Part of the Simien Mountains National Park, an exotic setting with unique wildlife and breath-taking views on a landscape shaped by nature and traditional agriculture. The Simien Mountains is home to endemic wild life including the Walia Ibex, Simien Fox or Ethiopian Wolf and

the Gelada Baboon. Dashen aspires to set new heights in banking services through the delivery of unique value propositions second to none.

Headquartered in Addis Ababa, the Bank is among the biggest private Banks in Ethiopia. Dashen is the most reputable brand in the domestic banking market; a reputation earned Ethiopia. It operates through a network of more than 800 plus Branches, more than nine dedicated Forex Bureaus, 400 plus ATMs and 1,300 plus Point-of-Sale (POS) terminals spread across the length and breadth of the nation. The bank provides various product and service of conventional banking, interest free banking, digital banking and international banking for its customers.

The bank measures its success not only in terms of financial criteria, but also in building customer satisfaction and employee engagement, and supporting the communities it operates in. Dashen Bank's Corporate Social Responsibility (CSR) is fully integrated into the Bank's core values. The Bank spends millions of Birr every year to support national and local development initiatives. The Bank is also contributing immensely in its CSR endeavour by launching the Ethiopian Power Talent Series Program, which is aimed at addressing the issue of entrepreneurship.

Dashen bank is carrying out the talent management practice to recruit and on board, engage in, learning and develop its employees, and compensate them to enable employee's performance and optimize profit to the organization. This talent management practices integrated and contribute to a more holistically to employees' performance, engagement and organizational growth. However, there are challenges like to what extent the effect of talent practices is enhance employee's performance and engagement, which talent is contributing a lot and the understanding of talent management practices also a problem by itself for this reason the study will examine the effect of talent management practices on employees performance in Dashen bank. The study was considered different characteristic of population such as: Managers, HR experts, and employees that found at Head Office and Lideta area Branches.

1.3. Statement of the problem

In today's competitive business, the talent management practice is one of the greatest challenges that organizations are facing to successfully attract, assess, train and retain talented employees. The concept of talent management incorporates in itself the entire process of planning, recruiting, developing, managing, and compensating employees throughout the organization. Effective talent Management, then, calls for management commitment, a pleasant working environment, engaging all employees and managerial staff, good organizational culture and communication with Talent

Management metrics (Abdul-Kareem, 2016). According to Abdul-Kareem (2016), Talent Management practice is the key to organizational success and sustainable growth as it allows organizations to retain high potential and top talent employees while increasing their effectiveness. However, talent management schemes have proven to be very challenging to incorporate, particularly though caution is taken to include senior management and key stakeholders in the design and deployment process. According to Ferguson and Reio (2010) human resource inputs and processes prioritize teamwork and collective action rather than individual target accomplishment during execution.

Many of the studies investigating the effect of talent management activities on performance of employees in developed countries. But slightly conducted and not get attention on talent management in developing countries like Kenya, Ethiopia, Tanzania and Nigeria. Talent management helps to enhance the performance of employees within the organizations. Human talent at every level is considered more important than ever to raise their competitiveness, both globally and locally, as organizations face global, complex, dynamic, highly competitive, and extremely volatile environment (Dayel et al., 2020). Globalization, labour regulation and shifts in the social makeup of the population, for example, all changed how talent has to be handled (Hashim, 2013). Commenting further, Erasmus, Naidoo and Joubert (2017) argue that, although the concept of talent management has gained popularity in recent times, there is still a lack of research into how it is implemented. On the other hand, employee performance is one of the challenging issues of most of today's business sector, public and private institutions; because employees are the soul of any organization. Several organizations have faced this problem and maximum time of high management and directors is consumed over it in order to minimize it to some extent or reduce its negative and damaging effects (Khan, 2014). Consequently, to sustain outstanding business results in a global economy, as Ashton and Morton (2005) suggested, organizations should rethink and reinvent their approaches to management and retention of their talent. The performance appraisal uses to as a tool for talent management system, it because performance appraisal is a measurement of actual results achieved within those areas for which the employee is held accountable and/or the competencies deemed critical to job and organization success. Potential Forecast: A prediction of how many levels (organization/job) an employee can progress within an organization based on his/her past/current, so if the employees successful perform their jobs the organization successful in its overall business.

Moreover, Talent management is getting important to organization, due to the scarcity of talented employees organization are fighting for getting the right talent at the right place at right time to achieve the organizational goal through maintaining performance (Mervat, 2018). The process of managing

the supply and demand of talent to achieve business goals represents one of the greatest opportunities for organizations to not only overcome these critical issues, but most importantly, survive and thrive for years to come (Onafowokan, 2014). The functions of the talent management department are very difficult as it deals with man power. Particularly in the banking sector, the employees are talented and educated. The role of the department in acquiring, developing and retaining the talented employees are important. The role of the management to achieve its organizational goal, it is required to implement the talent management practices at the different level. It becomes importance to study the talent management practices in the private banks and different elements so the talent management implemented.

The previous research on talent management carried out in Ethiopia did not focus on the effect of talent management practices on employees' performance in private banks. And also, to have a better understanding of the effect of talent management practices in private banks. Dashen Bank Sc is a knowledge-based organization since it has a vision to be best in-class Bank in Africa. Additionally, the talent management practice and its effect on employee's performance were not examined in Dashen Bank Sc. To answer to what extent to and which talent management practice is increase employees performance. Therefore, this study was conducted to fill the aforementioned research gap by investigating the effect of talent management practices namely, talent planning, talent recruitment and Selection, talent learning and development, and talent compensation and reward on employee performance in Dashen Bank Sc.

1.4. Research Questions

This study tries to seek answers for the following research questions:

1. What is the practice of talent management (talent planning, talent recruitment and selection, talent learning and development, and talent compensation and reward) in Dashen Bank S.C?
2. What is the effect of talent planning on employee performance?
3. What is the effect of talent recruitment and placement on employee performance?
4. What is the effect of talent learning and development on employee performance?
5. What is the effect of talent compensation and reward on employee performance?

1.5. Objectives of the study

1.5.1. General Objective

The general objective of the study is to determine the effect of talent management practices on employee's performance in Dashen Bank S.C.

1.5.2. The Specific Objectives

The specific objectives of the study are to:

1. Assess the current status practice of talent management practice (talent planning, talent recruitment and selection, talent learning and development, and talent compensation and retention) in Dashen Bank S.C?
2. To examine the effect of talent planning on employee performance in Dashen Bank S.C.
3. To analysing the effect of talent recruitment and placement on employee performance in Dashen Bank S.C.
4. To determine the effect of talent learning and development on employee performance in Dashen Bank S.C.
5. To examine the effect of talent compensation and reward on employee performance in Dashen Bank S.C.

1.6. Significant of the study

This research will add knowledge to existing information about the effect of talent management practices on the employee's performance in an organization as an anchor to effective in the business administration especially in the bank industries. In addition to business service companies, it helps to like insurance and financial organization, any business organizations will also benefit by understanding how they can as well manage their workforce better and increase their performance and commitment by adopting these knowledge management practices. Furthermore, this study will help as a reference to future academic studies for the researchers who seek to understand better the issues of talent management practices on employee performance.

For the researcher, this study will not only enhance the understanding of the effect of talent management practices influencing performance of employees in organization but also enable the development of further areas of research interest. The findings of this research would help Dashen Bank and other financial service providers to understand the concept of talent management is and how it can be used to achieve high employee and organizational performance.

The major purpose of this research is to investigate the effect of talent management practice on employee's performance in Dashen bank. It is crucial for several reasons. It helps identify specific practices within the bank that contribute to employee productivity, job satisfaction, competitive advantage, employee retention and overall performance. In Dashen bank the Talent management practice is playing a crucial role to manage the human resources activities in the all over the bank. However, the Talent management are almost there is no different from the usual human resources

practice and also it has a gap of identifying which talent practice increase performance of employees this study is believed to help in filling such gap in its area of focus. Moreover, the study is expected to provide crucial inputs for the Dashen Bank at large, other financial institutions and other stakeholders on the picture of Human resource delivery in the bank under study.

To sum up, this study would add knowledge on the importance of using talent management practices namely talent planning, talent recruitment and selection, talent learning and development, talent compensation and reward. The best human resource potential will enable organizations to understand how they can more effectively achieve long-term competitive advantage.

1.7. Scope of the study

Human resources Management function is very wide, it incorporated different activities in to organization overall strategic framework to ensure the effective recruitment, deployment, development, compensation and retention of skilled individuals. In doing so, this research is limited to investigate the effect of talent management practice on employee performance in Dashen Bank S.C. It doesn't address some other HRM variables aspects other than Talent Management practices (talent planning, talent recruitment and selection, talent learning and development, and talent compensation and retention). So that, the researcher also will gathered full data from the head offices and branches staff found in the city. This data can be representing all the head office and its branches of Dashen bank. The study due to time, money and other resource constraints the researcher focuses in this specific area. In addition to this, the researcher will use an explanatory research design and the survey method.

1.8. Definitions of Key Terms

- **Talent:** it is related to characteristics of a person, or indicative of individual employees' valuable skills and capabilities, pivotal roles and positions, or its entire workforce (Wiblen 2016, p. 96)
- **Talent Management:** It is defined as a deliberate approach usually undertaken by human resource managers to attract, develop and retain people with the right skills, attitude and competencies in order to facilitate achievement of current and future organizational needs (Barkhuizen et al., 2014).
- **Talent Management Practices:** it refers to the anticipation of required human capital for an organization and the planning to meet those needs through recruitment, development, retention and performance management (Gelens, Hofmans, Dries, & Pepermans, 2014)
- **Talent planning:** is a processes it seeks to employ should focus on technical or generic

competencies; an exclusive approach that focuses on planning for specific elite individuals or an exclusive approach that focuses on key positions, roles and develops talent to fulfil future roles (Garavan, 2012).

- **Talent recruitment:** is recruitment refers to the process of identifying, attracting, interviewing, selecting, hiring and on boarding employees. Recruitment is simply the act of filling near-term vacancies across one's org. (August 10, 2023 by Jobvite blogger)
- **Talent acquisitions:** is deals with the strategies, tactics and processes for identifying, recruiting and retaining the human resources a company needs. It includes developing, implementing and evaluating programs for sourcing, recruiting, hiring and orienting talent. (SHRM Definition)
- **Talent placement:** is referring to the process of joining the selected person and the employer in order to create an ongoing employment relationship.
- **Talent learning:** is “a process that leads to change, which occurs as a result of experience and increases the potential for improved performance and future learning” (Ambrose et al, 2010, p. 3).
- **Talent development:** is a method of strategically developing the employees’ abilities and skills in order to aligns with the company's strategic priorities, helping them reach their full potential.
- **Talent compensation:** is refers to the complete pay package company offers to talented people in the organization in order to attract, motivate and retain them.
- **Talent reward:** is a process of retaining the talented employees with the organization based on the total reward or incentive in order to be more effective (Rabbi, Ahad, Kousar, & Ali, 2015).
- **Employee performance:** refers to what an employee does or does not do. Employee performance common to most jobs includes quantity of output, quality of output, timeliness of output, presence at work and cooperativeness (Mathis & Jackson, 2004).
- **Human Resource:** is managing and performing human resource management functions, such as finding, hiring, training, and supporting employees in the organization
- **Human resource Business partner:** is a human resources expert who aligns a company’s human resource strategy with their business strategy.

1.9. Organization of Study

The study have five chapters. Chapter one of this study covers the background of the study, problem of the statement, research questions, research objectives, significance of the study, scope of the study and definitions of terms are all included. Whereas Chapter two deals with the relevant literature review of the study which includes theoretical and empirical part, this part briefing an overview of the talent management practice in the Dashen bank. The third chapter gives the research methodology and data collection method, the fourth chapter have concerned with the presentation, analysis and interpretation of the data collected to assess the practice of talent management and its effect on employee performance in Dashen Bank. The final chapter is incorporated Summary of findings, conclusion, recommendations, limitation and future research direction.

CHAPTER TWO

2. LITERATURE REVIEW

This section of the study tries to address the theoretical review that pertinent to the topic of the study, the empirical review of the practical study also briefly discussed, the theoretical development that support the research hypothesis also stated and finally the conceptual framework of the study clearly depicted in this section.

2.1. Theoretical Review

2.1.1. Definition and Concept of Talent Management

The concept of “Talent Management” became popular a few years ago and since then organizations have used this phrase to describe an integrated approach to recruiting, development, performance management, compensation, development planning and learning. The goal here is not only to make the Human Resources function, operate more efficiently, but more importantly to create an ‘integrated system’ for managing people which lets the organization grow rapidly and to effectively respond to business needs. Talent management theory is clearly in the early developmental stages, despite massive popularity among both the practitioner and academic literatures. Lewis and Heckman (2022). Talent management originated during World War II (Cappelli, 2008 and Hailu Mengistu 2018). In the current century it is becoming a fast-growing strategy which is implemented in almost all organizations throughout the world (Bhatnagar, 2007 and Hailu Mengistu 2018).

Talent management practiced in organizations consists of several processes including attracting, developing, and retaining the talents of employees (Luna-Arocas, 2018). At the heart of talent management is the simple idea of identifying high potential employees, training them well and placing them in influential positions where they can best effect on organizational and employee performance (Collings et al. 2017). According to Mellahi and Collings (2010) identify barriers to effective global talent management in multinational enterprises, including issues related to cross-cultural differences, talent identification, and knowledge transfer. Addressing these challenges is crucial for optimizing talent management strategies and maximizing employee productivity. Sparrow et al. (2016) emphasizes the role of talent management in fostering employee engagement. They argue that organizations that prioritize talent management practices, such as career development opportunities and recognition programs, are more likely to create an engaging work environment that enhances employee productivity and loyalty. Guest (2017) defines employee engagement as the emotional commitment employees have toward their organization, resulting in higher discretionary effort and performance. Engaged employees are more likely to be motivated and satisfied with their work, leading to improved productivity levels. Cascio (2018) argues that effective talent management involves a proactive approach to workforce

planning, where organizations identify critical roles and the competencies required to fill them. This strategic alignment enables organizations to focus their resources on developing the skills and capabilities that are essential for achieving business objectives.

Concerning public sector banks, it can be observed that they are often faced with competition regarding rewards, remuneration, and selection process than private sector banks. So, talent management strategies may help in developing and fostering a new worker through improved on boarding, developing their potentials and also keeping current workers for a long time and lastly, to attract highly skilled workers for their organization (Bist and Shrivastava, 2013). Today, human resources professionals face vast pressures of acquiring, utilizing, developing and retaining the talented employees in their organizations. It helps to know the employee's abilities, skills, knowledge, experience, intelligence, judgment, attitude, character, drive and ability to learn and grow (Parthasarathy and Zimmermann, 2012). So that, Talent management practices play a crucial role in enhancing employee performance within the banking sector. As organizations face increasing challenges in attracting, developing, and retaining talented individuals, the implementation of effective talent management strategies has become imperative. This essay aims to explore the effect of talent management practices on employee performance in the case of Dashen Bank, examining the various aspects and strategies implemented to optimize workforce performance. Through a comprehensive review of relevant scholarly literature and empirical research, this study will shed light on the relationship between talent management practices and employee performance within the banking industry.

There are numerous definitions of the term talent and talent management practice that define by different scholars and practitioners.

2.1.2. What is Talent

Talent refers to individuals who can make a significant difference to organizational performance, either through their immediate contribution or by reaching their potential. According to Ali and Guha (2018), it can only be ascribed to the top performers among the workforce. Ali and Guha (2018) explained, an organization needs qualified personnel at all levels to gain a competitive advantage. Their contributions to the business contribute directly to their competitive positioning. People who are talented, tend to be proactive and responsive to a volatile business climate are needed by the organizations (Rawashdeh, 2018, Franza T. & Ekkra B, 2022).

2.1.3. Talent Management

Talent management is a process of attraction, identification, engagement, development, retention, and deployment of those talents are considered as particular value to a company in order to achieve strategic, long-term success (Gallardo-Gallardo, Thunnissen, & Scullion, 2020). Talent management is one of the

most effective methods for keeping employees engaged and devoted to their jobs (Pandita & Ray, 2018). Talent management has come to be understood as "a set of sustainable organizational strategies that use human capital to the organization's competitive advantage, as well as a portfolio of integrated HR activities that result in putting the right people with the right competencies in the right job in the right place, at the right cost," as practiced by global and innovative firms (Claus, 2019).

The term talent management refers to the process associated with strategic human capital planning that increases business value and helps organizations and companies reach what they want. It is the organization's ability to retain, recruit, reward, organize, and deploy high potential talented individuals for future leadership positions available in organization. Talent management is a strategic approach that consists of a number of actions like finding, keeping, and developing talented individuals who can perform above and beyond expectations. Talent management is one of the most effective methods for keeping employees engaged and devoted to their jobs (Pandita & Ray, 2018). Talent management is an ongoing process that includes finding and keeping exceptional workers, helping them advance their careers, and consistently inspiring them to do better work. The main goal of talent management is to develop a motivated workforce that will work for your business for many years to come. The precise method used by each company to accomplish this will vary. According to Mensah (2016), adopting an effective talent management practice leads to higher satisfaction, commitment, retention rate and increase employee performance. Counter research argued that the segmentation nature of the talent management, can negatively affect the performance, satisfaction, productivity of employees who do not belong to what's called talent pool and increase worker stress (Mensa, et al., 2016). The strategic, methodically organized process of bringing on the right people and assisting them in developing to the fullest extent possible while keeping organizational goals in mind is known as talent management.

In order to ensure the success of the company, a number of components and subdivisions that fall under the talent management umbrella must cooperate. The points of contact such as assessing the appropriate skill gaps for the future and the present, locating talent pools and ideal candidates, luring them in, and then maximizing their current abilities and strengths while fostering their development are all equally crucial. Even if one sub process went out of sync, the others would still be there to support the entire structure.

2.1.4. Importance of Talent Management

Anannya Saraswat (2023) describes that the importance of talent management as following

- a) Value Addition and Creation

An adequate talent management process tests the employee's potential and adds a little more value to his skill set. This reduces the chances of errors and creates a learning opportunity. The employee himself gets the reality check of his abilities and strives to perform better by creating newer values.

b) Effect on Employee Engagement

Poor employee engagement is directly linked to problems with staff retention levels. This can cost the business considerably. In this economic environment, training and development opportunities can be of significant importance to the job seekers and to the present employees. Therefore, providing the employees with the platform to express and connect can increase employee engagement levels to a considerable level.

c) Increase in productivity of the organization

A requisite pool of talented employees can simplify the process of achieving a goal by increasing productivity in a given span of time. This further helps in saving time to focus on other business development techniques.

d) Client satisfaction

It has been observed that companies with a systematic approach to talent management have overall organizational integration which leads to higher client satisfaction. This is because the whole process divides the tasks among the employees based on their abilities and skills and the clients would then have to deal with fewer people which helps in meeting their needs rapidly.

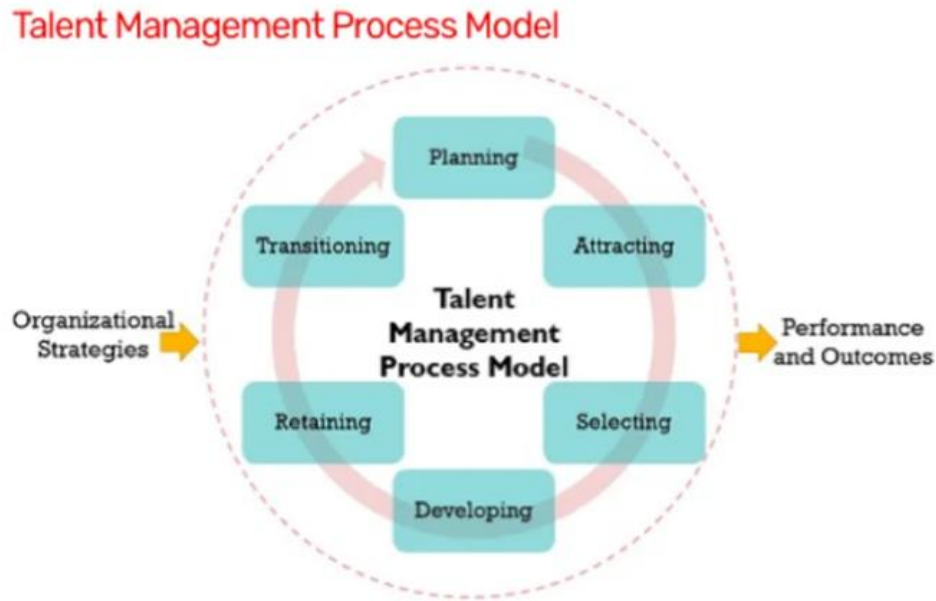
e) A long-term investment

Investing in talent management has long term benefits. It leads to significant growth in revenue generation, the emergence of innovative ideas and increased efficiency in employee's performance. This helps in to maintain and retain the company's position and reputation in the ever-expanding market.

Overall, the importance of talent management practice in the banking sector, employee performance plays a crucial role in the banking sector, as it directly effects the overall success and growth of the organization. High-performing employees contribute to increased productivity, customer satisfaction, and profitability, while underperforming employees can hinder the bank's performance and reputation. Effective talent management practices, such as recruitment, training, and performance evaluations, are essential for enhancing employee performance and ensuring a competitive edge in the banking industry (Azizi, M., Razak, R. C., & Yaacob, S. N.,2019).

2.1.5. Talent Management Process Model

The workforce is an organization's most valuable resource and should be managed by it. As such, human resources are the most valuable asset of any kind. As a result, the company uses the talent management model to help employees within it reach their full potential are: planning, attracting, developing, retaining and transitioning.



Picture 1.0. The talent management process model

Source: expert360.com

I. Planning

The planning stage of talent management is comprised of 3 key areas: Understanding the organizational/business strategy, Evaluation and measurement/analytics, developing a Workforce Plan.

Planning helps to ensure that the talent management model is in line with the organization's overarching objectives. If an organization makes effective plans for its human resources, it is able to ensure that it recruiting talent with the right education and experience. It's because, the planning is a fundamental organizational process that involves setting objective, identifying actions to achieve those goal. And also allocating resource effectively. According to Gray Dessler (2017), planning is the conscious, systematically process of making decision about goals and activities that an individual, group, work unit, or organization will pursue in the future.

II. Attracting

Not all situations can be resolved by the organization looking for a replacement for a departing employee. For example, staff members may take on new duties or organizational needs may change. Talent management makes sure that a company has enough employees to handle all of its tasks and avoids overwork that can lead to employee demotivation. The appropriate approach will draw in the exact kind of employees that the company is looking for. These hires will be motivated, competent, and eager to progress within the business. According to Richards Branson's (2022), train people well enough so they leave, treat them well enough so they don't want to.

Creating a positive employer brand is the key to attracting talent. To project the company as the greatest place to work, it will need to figure out how to become more visible. Making the company more approachable is the primary factor to take into account here. The organization still needs to make the experience great even if it decides not to hire someone for a specific position. This will allow it to use these candidates as ambassadors to find other talent or hire them for other positions.

III. Developing

The model's development component entails actions taken to support talent development within the organization. It should be in line with the employee development plan and involve determining future roles that specific employees might transition into and thinking about ways to increase workers' skill and knowledge to meet new challenges your company may face. Talent management also considers what will motivate staff members to go above and beyond for your business. Giving value to employees is essential.

In order to give new hires a positive first impression of your business, motivation also requires proper onboarding. This will raise their likelihood of sticking with the company and putting in a lot of effort.

IV. Retaining

Increasing employee retention is another goal of talent management. Workers must still believe that working for the company is fulfilling and enjoyable. Workers have the opportunity to advance their careers without quitting the company by participating in training and other forms of engagement. You can do this by emphasizing both the corporate culture and remuneration, both in monetary terms and in non-monetary terms.

V. Transitioning

After hiring someone and helping them advance their career, you must prepare for their transitions. Keeping their knowledge inside the organization is your goal at this point; this is known as knowledge management. When it comes to promoting staff members or moving them to a different position, division, or office, you must have a plan in place. If an employee does choose to quit, you must find out why.

2.1.6. Talent Management Strategy

As to Prarthana Ghosh (2023). A talent management strategy involves attracting, developing and retaining skilled individuals to meet organization goals. It's a systematic approach to identifying, nurturing, and deploying talents within an organization, aligning individual skills with business objectives to enhance overall performance and competitiveness. According to Peter Cappelli and John Boudreau, (2022) stated that they emphasize the strategic importance of effectively managing human capital for organization success. Moreover, talent management strategy involves creating an inclusive and engaging work environment that fosters continuous learning, diversity, and innovation, ensuring the organizations adaptability to evolving business needs.

Talent management is a strategy that requires careful implementation, frequent checks, and ongoing improvement. It is not just a checklist of requirements that must be met. The five main talent management strategy that support people functions are listed here below:

1. Detailed job descriptions

The information that must be a part of the job descriptions includes: Job title and location, Overall duties, Skills required, Reporting lines, Tools and equipment used and Salary and benefits, this gives insight about the job and well informed about the role.

2. Person-organization fit

An employee cannot be the happiest or most sustainably productive if they do not align with the organizational culture. Even though the culture can be hard to put into words, it is evident in behaviour, making it simple to determine whether or not a candidate would fit in.

3. Collaborate-coach-evolve

Establishing a collaborative, coaching, and mentoring (even reverse mentoring) culture is a key tactic for improving the effectiveness of talent management. Giving employees constructive feedback can greatly aid in their professional development and evolution. Thus, developing talent also entails preparing them for the organization's future by teaching them how to rely on one another and be flexible in the face of change.

4. Reward and recognize right

A key component of the plan to better manage, inspire, and engage staff is the process of rewards and recognition. This extends beyond cash pay-outs and incentive packages. Research indicates that workers frequently desire R&R programs that provide them with "prizes" that are most relevant to them personally.

5. Opportunities for continuous improvement

The organization's self-envisioned future must be taken into consideration when managing talent. Therefore, in order for employees to reach their full potential, they must be provided with the appropriate tools. The organization must provide its employees with opportunities and scope for ongoing development if it is to continue improving.

2.1.7. Advantages and Disadvantage of Talent Management

There are a lot of advantages and disadvantages of talent management in different ways for organization and employees, different scholars also described about benefit and drawback of talent management. According to Sumit Yadav (2023) depicted that the talent management practice has the following advantage and disadvantage:

2.1.7.1. Advantages of Talent Management

➤ Organizational Performance

Talent management team helps the organization in identifying and improving the skillset and knowledge of the employees through various approaches. They also help to leverage the manpower in hand with the right growth strategy to help create an aligned structure within the organization for enhanced organizational performance. The core idea of talent management is to create an effective strategy for the betterment of the skills and competencies of the employees in line with the goals and objectives of the company.

➤ Improved Employee Retention

One of the major issues seen with the workforce is the constant attrition and the turnover of the staff these days. These things are more often in the start-up where a proper effective way of employee retention approach is often lacking. This is where talent management can help the company improve its employee retention part. With an effective talent management approach, a company can carve better career development plans, a skill-building approach, and effective mentoring allowing the workforce to improve their morale and ultimately commit to a good cause sensing the growth opportunity in the company. They also help in identifying potential leaders and future managers within the team by evaluating and nurturing them from an early age.

➤ Competitive Edge for the company

With such a dearth of skilled manpower and hard timing finding the right talent for the job, the right companies who want to progress need to identify the right talent and the skillset in the market. This often goes unnoticed in the talks of operation and revenues, but getting your hiring and talent acquisition correct is a very important task. Thankfully, the talent management team can help in that by making it

easier for the organization to find a high calibre of talent and prospects for the job. They can also help in building a talent-rich organization by building an engaging and skilled team in line with the changing market conditions. The role of talent management in providing a competitive edge for the business and the growth of the company is often underrated.

➤ Increased Employee Engagement

The talent management team helps in fostering a culture of continuous learning and development along with various engaging and interaction-building approaches within the organization. This helps in levelling up the job satisfaction and creating a happy working environment. Keeping the employees and workforce motivated and happy to work is critical for the organization's growth and improvement. Talent management also helps in building team bonding events and activities on a timely basis alongside offering various up skilling and growth opportunities for employees to improve on.

➤ Reducing Recruitment Costs

With talent management setup or team working in an organization, the overall recruitment cost for the company as a whole decrease by a larger number. The talent management team helps in effectively planning any succession for employee vacancy and future migration whilst also building the next stage of leaders within the company by identifying the right core group of people. It also helps plan the proper recruitment strategy to help reduce the burden and the overall cost of hiring.

2.1.7.2. *Disadvantages of Talent Management*

➤ Difficulty in Implementation

The talent management concept as a whole is a complex topic and not many organizations and companies have the right team, time, resources, and capacity to run it to its full potential. It requires a specific individual or a team of individuals with a core focus on managing the talent. Such an aspect can be hard for hard for downsized human resource team that has to cater to tons of work and other intricacies to handle. This creates a strain on the workload and often brings about difficulty in the implementation of it.

➤ Resistance to Change

The concept of a human resource department or team has been around for a long. However, the key ideology of talent management has been often scrutinized and been subject to various debacles. Many companies focus on other aspects of human resources and do not cater to the need for time for talent management. This is why there has been a reluctance or resistance to change for talent management ideas. That in itself raises a hard time and a drawback for this field.

➤ Difficulty in balancing short-term and long-term goals

The duty calls and responsibilities of talent management vary between short-term and long-term goals. This in itself can be a hard thing to plan for in the right manner. Overemphasis on one aspect of it can lead to the detrimental effect on the other side. Most often or not, it's also bound by the direction of the company and the talent management has to balance it out in that. For say, focusing on short-term goals can help realize immediate needs but will dampen long-term plans.

➤ Lack of Numerical Metrics

Modern-day organizations run on stats and data. Each function or department and its coherent output are compared based on data to find its effective performance and its overall standing. That being said, there's no such effective metric or measurement tool for the performance of talent management. This makes it hard for the calculation of the effectiveness and performance of the talent management team or personnel and as such companies can't put a number to it in terms of contribution or costing analysis.

2.1.8. Overview of Talent Management Practices in Banks

An effective talent management practices can significantly effect employee performance in the banking sector by ensuring the right individuals are in the right positions and providing opportunities for growth and advancement (Govaerts, N., Kyndt, E., Dochy, F.,& Baert, H.,2011).

Talent management practices in banks encompass a range of strategies and initiatives aimed at attracting, Developing, and retaining high-performing employees. These practices typically include talent acquisition, performance management, learning and development programs, career planning, and succession planning. Talent acquisition involves the identification and recruitment of individuals with the right skills and competencies to fill key positions within the organization. Performance management entails setting clear performance objectives, providing regular feedback and coaching, and evaluating employee performance. Learning and development programs focus on enhancing employees' skills and knowledge through training, workshops, and other learning opportunities. Career planning involves assisting employees in mapping out their career paths within the organization, while succession planning ensures a pipeline of qualified successors for key leadership positions. Overall, effective talent management practices facilitate the optimal utilization and development of human resources, resulting in higher employee performance and organizational success.

The most effective talent management practices should be organization specific and be responsive to the organization's unique business and its human capital context as to Hailu M. (2018). Once employees are hired, talent management will emphasize their training and development. In some organizations, training and development initiatives might solely focus on particular employees. An organization that mainly depends on the performance of its technical experts, for instants, can choose to extensively train all employees holding a degree in engineering, while providing only a standard package of trainings to other

employees. In other organizations like Dashen bank, training is offered to all employees. The rationale for such an inclusive talent management system is that every member of an organization's workforce can potentially become a highly performing, highly valuable employee if the right kind of experiences or the right kinds of learning opportunities are offered. Moreover, advocates of inclusive talent management approaches argue that it should be the declared task of talent management to bring out the best in all employees (Edward E.Lawler (2017). Talent management can be a planning tool for human resource management, as a planning tool talent management looks very similar to workforce planning, but where HR will experience a real opportunity for contribution to the organization is in the quality of implementation supporting the plan. TM is 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 potential for the future or because they are fulfilling business/operation-critical roles. (McCartney, 2006; Cappell, 2008). Dashen bank provides training for its employees based on the forced by National bank of Ethiopia to give training for staff in line with its annual budget of the training. The bank obligation emanating from the perception of to create nationwide competence, to foster upgraded know how of global competition, band to prepare the workforce for future comparative advantage of either internal or external banks. The bank has functional department for facilitate the developmental or technical training throughout the bank, overall performing of talent activities in Dashen bank are: in term of talent planning, recruitment and selection, compensation and retention, engagement and learning and development.

2.1.9. Element of Talent Management Practices

Talent management is a strategic approach to human resources that involves the attraction, development and retention of skilled individuals to meet an organization current and future business needs. It encompasses activities such as recruitment, training, performance management, succession planning, and employee engagement to optimize the overall effectiveness and productivity of the workflow. The goal is to ensure that the organization has the right positions at the right time.

Generally, talent management serves as a comprehensive framework that addresses the entire employee lifecycle, from recruitment to retirement. It involves strategic decision-making, continuous adaptation to market demands and a commitment to nurturing a skilled and motivated workforce. The overarching aim is to create a workplace where individual thrive, contribute meaningfully to organization goals, and evolve alongside the evolving needs of the business landscape. For the purpose of this study the researcher explains the overview of the major element of talent management practices such as: talent planning, talent recruitment and selection, talent learning and development, and talent compensation. These elements presented in detailed here below as follows.

2.1.9.1. Talent Planning

For organizations to achieve successful talent development, Iles, Chuai and Preece (2010) emphasize four possible approaches to talent planning: an inclusive approach that focuses on each potential employee; an inclusive approach that emphasizes the planning of social capital more generally in the organization; an exclusive approach that focuses on planning for specific elite individuals or an exclusive approach that focuses on key positions, roles and develops talent to fulfil these roles. According to Bersin (2010) insists that talent planning must first incorporate the organizations mission, vision and strategic objectives.

This, according to the author, enables the employees to be aware of the organizations intended direction and therefore align their skills and competencies with the company's goals.

In addition to the various approaches to talent planning, an organization must decide whether the talent planning processes it seeks to employ should focus on technical or generic competencies (Garavan, 2012). The term "generic competencies," according to the same author, refer to possession of a range of qualities that are important in the workplace which include skills such as problem solving, analytical, communication and teamwork. In order to understand the scope of talent development, managers should not only select the appropriate approach and competency, but they should also determine the purposes of development and whether the learning needs are organizational, individual or some combination (Garavan, Carbery, & Rock, 2012).

In their study on the talent gap in insurance firms, Cole and McCullough (2012) raised a concern among financial firms in the United States that there is disconnect within companies as to how integrate managing the talent gap problem with the overall business strategies. The findings of their study indicated that while 78 percent of management in professional services indicated they had an existing process for managing critical talent, 80 percent indicated that there was no integration of human capital management, business development, and resource management. Bersin (2010) adds that for efficient talent planning, Human Resource managers must determine and allocate the right number of people for every task to avoid understaffing or overstaffing. According to the author, overstaffing reduces task efficiency while understaffing leads to reduced morale and low- quality production.

With the growing percentage of financial industry executives facing retirement in the coming years, Appel (2007) urges that issues related to developing top talent to create the next generation of industry leaders are of critical importance. In his study on firms in Kenya, Kigo (2016) urges that insurers must assess critical talent needs, determine performance profiles, source and screen candidates, and then hire and on-board people.

2.1.9.2. Recruitment and Selection of Talent

Finding, luring, and selecting people with the appropriate qualities and abilities to fill organizational needs are the processes of recruitment and selection. To create a pool of eligible candidates, recruitment tactics include networking, outreach, and job postings. The next step in the recruitment process is talent selection, wherein organizations evaluate and select the best candidates from the pool of applicants. Recruitment and selection, employer branding, value proposition, and options are all components of talent attraction (Rop, 2015, Edward. S. & Nur D. 2023). According to Armstrong (2011), various procedures are required for selecting the best talents based on organizational values and culture. The goal of talent attraction is to attract prospective employees who have the necessary qualifications for open positions (Songa & Oloko, 2016, Edward. S. & Nur D. 2023). They provide better benefits than other companies in the same market. Meanwhile, some real estate executives believe that the initial investment for attracting top talent and paying high dividends may be higher. Rastgoo (2016), Moghtadaie and Taji (2016), investigated the relationship between Talent Management Practices and organizational performance. Their findings revealed that attracting talent influences organizational performance. Prospective employees with the necessary qualifications must be attracted by organizations. Aposporia et al. (2018) then conducted research on human resource management and organizational performance in Southern and Northern Europe. Their research found a link between talent attractiveness and organizational performance. In the case of the bank industry, talent recruitment and selection processes play a critical role in shaping the performance and success of employees in the banking industry. Effective recruitment strategies enable organizations to attract and identify high-potential candidates who possess the necessary skills and qualifications for the job, while the selection process ensures that those individuals are chosen based on fair and objective criteria. Employee performance in banks is greatly influenced by the quality of recruitment and selection practices, as it directly effects the talent pool and the overall competence of the workforce. Many studies have shown that organizations with well-designed and rigorous recruitment and selection processes tend to have higher-performing employees who are more likely to contribute to the success of the organization. Additionally, an effective recruitment and selection process ensures that individuals are placed in roles where their strengths and skills are best utilized, contributing to higher job satisfaction and engagement

2.1.9.3. Compensation and Reward of Talent

Reward of talent is of greater importance for organization to maintain competitiveness this is possible through executing compensation practice to avert employees from exiting the job (Chiekezie, Emejulu, & Nwanneka, 2017; Nzewi & Chiekezie, 2016). On the other hand, (Mabaso, 2016) also asserted that retention of valuable employees has ascended as the prime challenge for organizations. Thus,

compensation appear to be viable approach in retaining talented employees to the growth and accomplishment of organizational goals. Compensation is demarcated as returns arising from employee's employment (Dessler, 2013). A process through which personnel for their input are compensated in organization (Sharma, 2013). According to (Osibanjo, Adeniji, Olubusayo, & Heirsmac, 2014), compensation is considered as an effective technique adopted by organization because it effects performance and retention of talented employees. For performance of employee, compensation play a vital role in improving their performance in organization. (Hameed, Ramzan, Zubair, Ali, & Arslan, 2014) did a study to inspect the effect of compensation on employee performance. They revealed a positive effect of compensation on employee performance. (Sulaefi, 2018) performed an explanatory study to determine the effect of compensation, organizational commitment and career path on employee job performance. Outcomes of study specified a significant effect of compensation, organizational commitment & career on employee performance.

2.1.9.4. Learning and Development of Talent

Learning and development of talented employee has become a mainstay for organizational success, without unceasing learning & development it may become problematic for employees to maintain their performance in today's competitive era. Therefore, learning and development is important for employees towards upgrading the skills to meet the needs of continuously changing environment (Rabbi et al., 2015). On the other hand, (Mangusho et al., 2015) asserted two main aspects for learning & development of talent i.e., coaching and mentoring. According to (Khakwani, Aslam, Azhar, & Mateen, 2012), coaching and mentoring are vital tools used in many corporations to advance employee performance. Perhaps, employees not perform well due to lack of skills and capabilities. Therefore, execution of mentoring and coaching practices by organizations aids workers to develop skills to meet the existing and anticipated performance requirement at work. Coaching is one-to-one intervention for learning and development that utilize a goal-focused approach in developing the potential employees' skills and competency (Achi & Sleilati, 2016; Jones, Woods, & Guillaume, 2016). Coaching is elucidated as a process to improve skills & capabilities of individuals to enhance work-related performance (Utrilla, Grande, & Lorenzo, 2015). According to (Jyoti & Sharma, 2015), mentoring is valuable means for learning and managing the changes in organization with advancement in career and performance of employees. Presently, it has become an approach for development of employee talent (Ofobruku & Nwakoby, 2015). (Neupane, 2015) did a study to inspect the effect of coaching and mentoring on performance of employee in UK. Outcomes of study revealed a positive effect of coaching and mentoring on employee performance. Another study conducted by (Mundia & Iravo, 2014) regarding the effect of mentoring on the employee performance. They specified a positive influence of mentoring

on performance of employee. Therefore, mentoring plays an imperative role in enhancing the employee performance through transfer of knowledge and guidance. Similarly, (Raza, Ali, Garrison, Ahmed, & Moueed, 2017) examined the association between coaching and performance of employee. The findings of study showed that coaching positively influence job performance of employee. In case of the banking industry, talent

Training and development is playing a crucial role in enhancing employees' performance in the banking sector. These programs provide employees with the necessary knowledge and skills to effectively carry out their job responsibilities (Noe, R.A., 2021). Moreover, a well-designed training and development program can lead to improved job satisfaction and motivation among employees, which ultimately translates into better performance (Alavi, N. S., Atashak, M., & Mansour, S., 2020). By investing in the development of their workforce, banks can ensure that their employees are equipped with the skills and knowledge needed to meet the evolving demands of the industry.

2.1.10. Performance Management Definition and Practice

The general consensus is that performance management is just one human resource management activity among many. However, because it helps management by evaluating the workforce's strengths and weaknesses, PM is a crucial practice that can have an effect on the effectiveness of the organization. The definition of performance management is an ongoing process of communication between managers and staff members. Additionally, the organization makes it very evident that upper management values the PM process by investing in training and emphasizing the value of human capital.

2.1.10.1. Employee Performance

The notion of performance is highly important and of significant relevance for both the employee and the organization. Taking into consideration the importance of performance and the increasing interest for defining the concept and identifying best practices considerable research has been published (Mensah, 2015). Commonly, performance is seen as the association of the employee's ability to perform his tasks, meet the management expectation and reach the job targets (Mensah, et al., 2016). Mensash 2015 prefers to define performance as "the positive contribution of an employee to the performance of the organization". Empirical research revealed that performance is a multi-dimensional concept (Suliman, 2001) (Mensah, 2015) (Mensah, et al., 2016). Moreover, an increase attention has been given to study behaviours taking into consideration its correlation with individual tasks performed. In recent years, negative work behaviour that may harm the organization, and negatively affect the work and the organizational performance alike; as well as the work stress, captured the attention of both researchers and practitioners (Mensah, 2015). On the other hand, stress has become an important subject, with many researchers focusing on identifying the causes and factors contributing to workplace stress. Several

studies have connected work stress to undesirable individual performance and organizational ineffectiveness and thus entail the necessity to identify and develop strategies to manage and prevent work stress and its negative implications (Gbadamosi & Ross, 2012).

2.1.10.2. Effects of Talent Management on Employee Performance

Employee performances direct how resourcefully or effectively a person acts and contributes to the job with their behaviour (Dries, 2013 and Farzana T. & Ekkra B. 2022). Farzana T. & Ekkra B. (2022) mentioned on their study employee performance as a dimension of the fulfilment of the work that defines the worker's job. Talent management facilitates improving employee performance in a positive way towards the achievement of employee and organizational goals (Amankwah Amoah & Debra, 2011 and Farzana T. & Ekkra B. 2022). A person's ability to have the information, skills, and attitudes that allow a business to thrive and increase individual performance has become the primary asset of organizational competitiveness, through talent management (Crook et al., 2011 and Farzana T. & Ekkra B. 2022). Implementing a talent management system contributes to employee performance, according to James Kwame Mensah (2015), however, a talent management result arbitrates the connection among talent management and performance of employees. Talent management strategies, according to James Kwame Mensah et al. (2016), improve positive contextual and adaptive performance of talented individuals while lowering counterproductive conduct. Employee motivation, creativity, contentment, and skills are all affected by talent management strategies, according to Hitu and Satyawati Baroda (2018). The findings of Pamela T. Elia et al. (2017) showed that initiatives of talent management in banks of Lebanese had an effect on the leadership quality, business unit productivity, and company cooperation. Syed Hussain, Al-Hussaini et al. (2019) found that the talent management techniques have a large and beneficial effect on the employee performance, whereas talent management results reflect the correlation between the talent management and employee performances.

2.2. Empirical Review

Sakinah Mat Zin & et al, (2023). This study aimed to examine the effect of talent management practices, such as talent acquisition, talent development and talent retention on the job performance of State Government employees in Kelantan. This study gathered data from 385 employees using a self-administered survey questionnaire and applied a convenience sampling approach. This study tested its hypotheses through tests of validity and reliability and multiple regression analysis. The study found that talent management has a positive and significant effect on employee performance. However, contrary to previous research, the study concluded that developing employees does not have a significant effect on employee performance.

Edward S. & Nur D., (2023). Had studied that investigates the effect of human resource management on talent attraction, talent management, and talent management on organizational performance in largescale and coal mining companies. Results of this study are talent attraction significantly effects talent management; talent retention significantly influence talent management. Talent attraction significantly affects organizational performance, talent retention did not influence employee performance

Hewitt's on his book of Human Capital Consulting published, (October 2008). Effective workforce planning requires a clear understanding of what talent is currently in place and what is required to be successful in the future. By matching future demand to current supply, organizations can effectively identify their hiring needs and use these projections to inform their sourcing efforts. While 69% of companies say they conduct workforce planning broadly across all divisions and business units to some or a considerable degree, only 15% report doing so consistently throughout the organization.

Farzana Tazin1 & EkkraBinte Hakim, (2022). The purpose of this study is to investigate the effect of adopting talent management strategies on employees and to know to what extent it can benefit developing, retaining or increasing the performance of the employee of the banking industry in Bangladesh. This research adopted a quantitative survey research design and respondents received a pre-coded close-ended questionnaire by using 5-points Likert scale. The questionnaire was set in Google form for the ease of online survey and also a hard copy questionnaire was made to survey employees of different banks. The statistical population sample size was 83 employees from the banking industry. Responses to the questionnaire were recorded and analysed using SPSS 27.0 version for Windows. For investigating, measuring and analysing the variables used in the questionnaire the researcher used descriptive methods such as frequency distribution as well as inferential methods such as correlation, and regression tests. Key results showed that talent management effected the performance of the employees of the banking industry in Bangladesh. The results also showed that there is a potential correlation between talent retention, talent management strategies in the implementation of employee performance. But the talent retention and acquisition have no significant coefficient effect on the employee performance.

Dheafani Arnila P., (2021). It takes proper management starting from hiring employees, placing, maintaining up to promotion for those who are talented and perform well. This study aims to determine and analyse the effect of the talent management practice consisting of workforce staffing, workforce development and workforce management on employee performance through employee engagement. This research is causal research with a quantitative approach. The types of data used are primary data and secondary data obtained from questionnaires and literature studies. The populations in this study were 890 officer of Bank XYZ Region I. The samples in this study were 276 people using the taro Yamane

method with purposive sampling technique. The data analysis method used is path analysis. Data analysis was carried out through SPSS using the SPSS 27.0 program. The results showed that Workforce Staffing, Workforce Development, Workforce Management had a positive and significant effect on Employee Engagement simultaneously and partially. Workforce Staffing, Workforce Development, Workforce Management have a positive and significant effect on Employee Performance simultaneously or partially. Employee engagement has a positive and significant effect on employee performance. Workforce Staffing, Workforce Development, Workforce Management have a positive and significant effect on Employee Performance through Employee Engagement. The variables of workforce staffing, workforce development, workforce management, and employee engagement have explained the employee performance variable as much as 87.2%.

Nzewi, Chiekeze and Ogbeta, (2015) worked on 'Talent Management and Employees Performance in selected Commercial Banks in Asaba, Delta State. This study assessed the relationship between talent management and employee performance in selected commercial banks in Asaba, Delta State. Descriptive survey design was adopted. Data were generated from Guaranteed Trust Bank, Plc and First Bank of Nigeria, Plc Staff on a 5-point Likert scale structured questionnaire. Hypothesis was tested with Pearson Product Moment Correlation coefficient. Regression technique was used to analyse the data collected. The findings revealed a positive relationship between talent management and employee performance. The study concluded that talent management was significantly related to employee performance. The authors advocated that the banks and other corporate organizations should enrich job contents and offer growth opportunities, in order to retain their top talents. Besides, talented employees are productive resources capable of adding value and competitiveness in organizations.

Augustis and Jaja, (2015). Examined talent management and corporate survival of the Nigerian banking industry. Sample of 132 managerial staff from a survey of licensed banks in Rivers State. The cross-sectional survey design was adopted for the study as the main instrument for data generation was the structured questionnaire. The predictor variable; talent management; was operationalized using two dimensions, namely – talent planning and talent acquisition with each dimension assessed on a set of 6 indicators each; while the criterion variable - corporate survival is also assessed on a set of 18 indicators. Two null hypotheses were postulated for the study and tested using the Spearman rank order correlation coefficient with results showing significant associations in both instances. As a result of the investigation, it was revealed that both dimensions of talent management have significant 25 relationships with corporate survival. The study shows that respondents rate talent management practices as very important and necessary for maintaining business progress and thus survival therefore the study recommends that emphasis should be laid on various policies as regards efficient talent planning and acquisition.

Oladapo, (2014). Carried out a study on the effect of talent management on retention in Strayer University, Nigeria. This study sought to understand the challenges and successes of talent management programs and the reasons why some companies choose not to have a program. This study also tested the predictive power of job security, compensation and opportunity on retention rates. Findings revealed that for the organizations sampled with a talent management program (69% of those studied), participants overwhelmingly recognized the strategic value of an effective talent management program despite significant challenges to implementation. Participants cited opportunity for job advancement as the most significant factor affecting retention rate. For the organizations sampled without a talent management program (the remaining 31% of those studied), indicated absence of executive management support. The study further revealed that job security, compensation, and opportunity for advancement were not found to have predictive value for employee retention rates. Though data confirmed Lockwood's findings that although pay and benefits initially attract employees, it is not the primary reason given for retaining them.

Mellahi and Collings, (2010). This research paper was focused on talent management failure by multinational enterprises (MNEs) in Nigeria. The study examined the barriers to corporate advancement of talents located in subsidiaries and more specifically on promotion of talent already employed by the MNE to be part of the upper echelon management team at its center. Causes of failure of talent identification and management recounted in the available literature includes Lack of knowledge about what motivates talented people, fitting talent management into the organization strategy, eliminating time-consuming processes, raising expectations of qualified people having exceptional abilities. Low credibility towards the job and organization among the workers. Finally, the researcher pointed out that difficulty in identifying the real 'talented' people are the issues related to talent management.

David, Gakure and Waititu, (2014). This study has been to find out the role of talent management on competitiveness of public universities in Kenya. Stratified sampling was adopted to obtain a representative sample of the study which was made up of both the teaching and non-teaching staff of the Public Universities in Kenya. A questionnaire that employed Likert scale was used to collect data. Factor analysis revealed that all the 16 items used had a loading value above 0.4 as recommended hence they were all included in the analysis. The instrument was determined to be reliable since the data collected had a Cronbach's alpha value of 0.942. Data analysis revealed a positive relationship $R = 0.498$ (p -value < 0.05) indicating a significant linear relationship between talent management and competitiveness.

Mohammed, (2016). Researched on the effect of leadership style on talent management practices in Egypt. An exploratory study aims to investigate the effect of leadership styles on talent management processes by comparing between public and private sector in Egypt. The paper surveyed literature review of the talent management (TM) concept and Hersey & Blanchard leadership model. The study found

leadership styles more likely effects talent management processes in private sector than public sector as illustrated through papser. Which, deeply interwoven and opens up new questions to be explored by future research identified through paper.

Maya, (2015). Wrote on characteristics of a good talent management system on Indian information technology companies- an empirical study. This paper investigates the characteristics essential for a good talent management system. For measuring the characteristics of Talent Management system in Indian Information Technology organizations, twenty-five variables were measured. In the present study twenty-five variables are reduced into seven factors which would explain the original data in detail. Principal Component analysis with vari-max rotation is used to group the factors.

Marta Tadesse, (2021). Study was conducted to investigate or explore the effect of talent management practices on employee performance: the case of commercial bank of Ethiopia and to test the research hypotheses, the researcher has used linear regression analysis. This is supported by descriptive statistics. The results were described as follows. The R (Coefficient of Correlation) which is simply a measure of the degree of association or co- variation that exists between independent variables (Talent Management practice) and dependent variable (employee performance). It only measures degree of association or variation between the two variables. In this case the value of R which is 0.86 shows, there is a very strong relationship between the independent variables and dependent variable. This indicates that the level of relationship between Talent Management practice and employee performance is on banking sector is high.

The result of Pearson correlation indicates that there was only a significant positive correlation between talent engagement and employee performance ($r=0.215$, $P\text{-value} < 0.05$). However, employee performance does not have a statistically significant relationship with talent planning, talent engagement and talent retention.

The study had also discovered from the data analysed; talent management practices have a significant association with employee performance except the fourth variable i.e. Talent retention. It also revealed that Talent audit & Talent engagement, has positive significant association with employee performance. Talent Planning were found negative and statistically significant relationship with the dependent variable (employee performance). In addition to that Talent retention has no statistical relationship with the employee performance. To identify the relationship between Talent Management practice and employee performance in CBE employees Pearson correlation analysis was used. It was found that the three dimensions of Talent Management practice are important for employee performance of CBE.

Armstrong, (2009). Pointed out that learning and development policies and programmers are essential

components in the process of developing talent guaranteeing that employees obtain and improve their skills and competencies they need to perform their duties effectively and efficiently. Formulation of policies with reference to employee success profiles. These are defined in terms of competencies and describe the qualities needed to be developed. Learning and development activities can be termed as deliberate move to develop managerial skills and gaining the engagement and commitment of talented staff by giving them opportunities to growing their present roles and to progress to higher level roles (Cole, 2005)

Rawashdeh, (2018). The purpose of this study is to examine the relationship between talent management practices, attractiveness, develop, maintain and performance of banks in Jordanian commercial banks. This study reveals that talent management is very significant for the survivors of the banking sector in very high countries competitive business environment today. Therefore, a total of 101 the questionnaire used in the analysis process, which is considered a research sample, provides a response rate 84% are considered very satisfying.

Andualem Kidanie, (2017). This study has to investigate the effect of talent management practice on employees' turnover intention in Ethiopian Management Institute in Addis Ababa University, School of Commerce. The study concludes that based on descriptive analysis revealed that the mean score for overall talent management practice is slightly below the average. From the seven components of talent management practices (talent acquisition, talent development, talent deployment, talent engagement, talent retention, Strategy and talent review process) strategy and talent engagement are the only items that fall slightly above the midpoint, whereas, the remaining facets fall slightly below the average. Talent retention is the least rated component of talent management, which scored far less from the midpoint. The correlation analysis result showed that there is a significant negative relationship exists between talent management practices and employees' turnover intention.

Hailu Mengistu, (2018). The study investigates the Effect of Talent Management Practices on Employee Performance in Case of Commercial Bank of Ethiopia. The descriptive analysis result shows that, the mean score of components of talent management practices (TA, TDP, TD and TR) fall within ranges between 2.90 and 2.63 average of mean. With the regard to highest average mean score talent attraction (M= 2.906, SD= .772) and the lowest average mean score (M= 2.63, SD=.754) is for talent deployment, which is illustrated that, from the four component of talent management practice, "talent attraction" was well introduce in the CBE, and depend on research finding "talent deployment" is the least practiced of component of talent management practice in CBE. This study also found that, 2.87 sum average mean score for talent retention and standard deviation=.775 is introducing in CBE next to talent attraction is TR fall at medium mean of score; followed by talent development of overall average, the mean score of

($M=2.72$, $SD=.811$) which shows talent development falls below at the midpoint. Moreover, the descriptive statistics employed to examine the current level of employee performance at CBE, the result is portrayed that, the mean score of the performer is falling quite their job performance below the average with the aggregate mean score of $= 1.87$ and $SD=.755$ respectively.

The study found out that talent attraction had a positive influence on the employee performance. There is strength in understanding importance of talent attraction such as, branding, recruitment and selection strategy, share mission, values and vision of CBE, and setting clearly goals of objectives well practices in the institute. The result indicates that talent retention had a positive and significant influence on employee performance. Also had the greatest influence on employee performance as compared to talent attraction, talent development and deployment.

Based on the finding of study, in component of talent developing items, there are weakness on measuring the result after the organization giving trainings for the employees or to what extent the trainings enhance employee performance is not evaluate in the CBE, there are limitation to coaching and mentoring, rarely giving education opportunity for employees, all these revealed that, why the reason talent development is not score intended level, or not introduce very well in the organization. The study concluded that talent development had a positive and significant effect on organization performance. The study also draws conclusion that, components of talent attraction which included, there are verbal and written recognition for individual contribution where appropriate, and the institute facilitation of work-life balance as well as social networking and the assurance of employee's job security had positive influence on the organization performance in CBE. However, there are weaknesses around overall good knowledge on the HR, compensation and organization climate to attract talent are not score intended level in the organization. When we conclude, the component of talent attraction there could be more other components of talent attraction which could influence employee performance.

2.3. Research Gap and Prior

Despite the fact that TM research has garnered more attention in recent years, there is still a dearth of empirical studies on the topic. Furthermore, there is still a lack of a widely accepted definition and theoretical framework in the TM literature. Gallardo-Gallardo and Thunnissen (2015) also underline these shortcomings on their empirical review, by urging scholars to make deliberate choice in terms of theoretical framing and apply these consistently within the project. By doing so, it can surely help the field to surpass descriptive research designs and to identify and clarify correlations between variables and explorative qualitative question. It is frequently more effective to concentrate on a single, solid theoretical framework rather than applying several frameworks or theoretical concepts. The fact that the organizations under investigation were big, internationally recognized companies with private ownership

is another significant finding in the TM literature that was noted during the literature review. On the other hand, the organization did not look into how talent management practices affected employees' performance, nor did it prioritize human resource management.

In this regard, there is observable empirical gap to generalize the findings and to use theoretical frameworks and models for small and government owned public organizations. Due to this reason, researchers, such as: Gallardo-Gallardo and Thunnissen, call for more research on TM issues and approaches in small and medium-sized, as well as non-profit and/or public organizations. On the other hand, from the start of HRM focus and introduction of SHRM concept, researchers have attempted to answer the question of what determines employee's intention to stay or quit an organization, but there has been little consistency in findings and major conclusions. Some of the reasons for employees' intention to leave or stay identified by the researchers are; job satisfaction, employer branding, hiring practices, working conditions, organizational commitment, engagement and reward and recognitions. Surprisingly, little research has addressed TM practices and its effects on employee performance. Moreover, there is also a research gap in investigating individual TM practices' influence over employee performance. Furthermore, the reviewed literature demonstrates that, while there is much prescription about the need for integrated approaches to TM practices, there is still a little research on relationship between TM practices and employee performance in the private bank. This has therefore left a major research gap on how TM practices influence employee's performance in Ethiopian private banks. At last, Thunnissen (2015) suggests that TM needs to be explored in more detail in empirical research, for example by comparing the outcomes at the individual level (in terms of employee, development, job satisfaction, recruitment and commitment etc.). and also, according to Adnan M. Rawashed (2018) studied the effect of talent management strategy on bank performance in Jordanian commercial bank, he advised to maintain developing the motivation system according to the labour market conditions and competitiveness in order to retain talented staff and to avoid labour turnover. On the other hand, in our country scenario the organization did not look into how talent management practices affected employees' performance nor did it prioritize human resource management. Still there is incremental improvement on the area, so that, the researcher observed that there is little study were conducted on the effect of TM on employee's performance. Therefore, this study helps the future researcher as a reference document. Thus, by addressing the research problem, this study also aims to fill the gap resulted by lack of empirical researches, through investigating the effect of TM practice on employee performance in Dashen Bank.

2.4. Theoretical Development

2.4.1. Resource Based View Theory

The RBV theory suggests that the most important determinant of a firm's performance are the resources that the firm possess which are more of a competitive advantage to the firm (Wenerfelt, 2007). According to Ling and Jaw (2011), the firm's resources can be categorized in several ways from all the assets, the processes and even the knowledge that is possessed by the firm that facilitates effective and efficient performance.

The basis of this theory is the research that acknowledged the importance of specific resource of an organization in developing competitive advantage and organizational success. The theory was developed by Penrose (1959) and Demstet (1973). The Resource Based View (RBV) posits that sustainable superior performance and competitive advantage of any firm is the result of the accumulation and utilization of resources, managerial choices, factor market imperfections and strategic industry factors (Dhanaraj and Beamish, 2003). Internal factors of firm instead of external environmental factors are considered relatively more important determinants of the performance and competitive position of a firm both in the local and international market place (Barney, 2001, Tseng et al, 2007; Lu et al., 2010). The Resource Based View (RBV) views an organization as a combination of skills, resource and capabilities. Therefore, resourcing, integration and utilization of these resources and capabilities are expected to influence the performance of an organization. These resources are expected to be rare, inimitable, valuable and unbendable (Grant, 2002; Yaprak & Karademir, 2010). This implies organization performance and behaviour is influenced by organization specific factors instead of market structures. Therefore, organizations will always strive to identify, acquire, exploit, utilize and retain rare, valuable and inimitable resources, skills and proprietary assets (Dhanaraj and Beamish, 2003; Tseng et al., 2007; Barney, 1996). The theory supports the employee development factor since they are seen as a resource, it also indicated that how talent management practice valuable to enhancement employee's performance in and an organizational productivities, the resources-based view theories believe the organization recognize that talent itself is a valuable resource that, when managed strategically, can contribute significantly to sustained competitive advantage.

In general, the RBV theory underscores the importance of effectively managing human capital as a strategic resource. Talent management practices effect employee's performance and contribute to organizational success.

2.4.2. Human Capital Theory

The proponent of human capital theory is Schultz (1961) but was developed extensively by Becker (1964). Schultz (1961) in an article entitled “Investment in Human Capital” introduces his theory of Human Capital. Schultz argues that both knowledge and skills are a form of capital, and that this capital is a product of deliberate enterprise growth. Therefore, the concept of human an organization should invest in people through education and training. According to Schultz acquisition of knowledge and skills is compared to acquiring the means of production. The difference in earnings between people relates to the differences in access to education and health. In the theory Schultz argues that investment in education and training leads to an increase in 112 Journal of Human Resource Management ISSN:2314-2896 Volume 5, Issue 2, pg. 107-120, 2021:<https://grandmarkpublishers.com/> human productivity, which in turn leads to a positive rate of return and hence of growth of organizations. The theory stresses the value addition that people contribute to an organization. According to this theory people are regarded as assets and it stresses that investments by organizations in people will generate worthwhile returns. These must be retained in the organization if it has to perform well. The theory is associated with the resource-based view of strategy developed by Barney (1991) who proposes that sustainable competitive advantage is attained by an organization if it has a human resource pool that cannot be imitated or substituted by its competition. Therefore, organization should always strive to attract the best talent through investment in training and development. This will always help retain the people who have the best skills that can create a competitive advantage for the organization that will improve its returns. These returns are expected to be improvements in performance, productivity, flexibility and the capacity to innovate that should result from enlarging the skills base and increasing levels of knowledge and competence. The theory supports talent retention in the organization.

Human capital theory is concerned about the development of employees through training and education, career development program, performance-based incentive and also recruitment and selection criteria which is to enhance individual’s productivities and to gain economic value.

In summary, the human capital theory believes strategic investment on employees’ development to enhance their skills and productivity is retention of talented people in the organization in line with this the organization benefited from the employees. Carefully investing and managing talent has effect on employee’s performance, this developing key asset area are incorporated like recruitment and selection, training and development, compensation and retention.

2.5. The Proposed Conceptual Framework

This study has constructed a conceptual framework based on two underpinning theories: human capital theory and resource-based theory. Figure 1.0 depicts the conceptual framework of talent management (Meyers et. al, 2020; Khoreva, Vaiman, & Van Zalk, 2017) and links them to employee performance (Saffar & Obeidat, 2020; Chen et. al, 2020

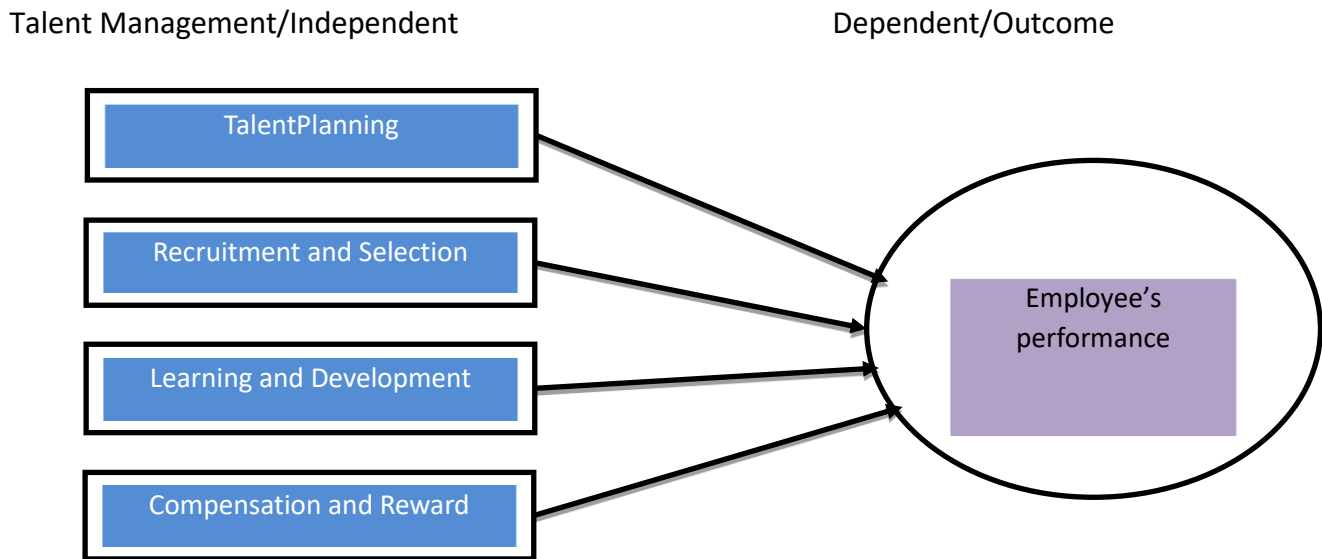


Figure: 2.5.1. The conceptual framework of Talent management and employee's performance

Source: by using conceptual framework model, Marta T., (2021). Effect of talent management on employee's performance and the researcher is constructed own framework for this research

Employee performance is commonly determined through the aforementioned listed variables. However, the listed types of talents have different level of effect on the employee's performance within the organization. This performance may be affected by Talent management practices such as talent planning, talent recruitment and selection, talent learning and development, talent compensation and reward.

2.5.1. Effect of Talent planning on Employee Performance

An effective talent planning can significantly affect employee's performance. By identifying and developing the right skills within the workforce, employees are better equipped to meet job requirements and contribute to organizational goals. This process helps in aligning individual strength with job roles, fostering sense of purpose and engagement among employees. Moreover, talent planning allows for strategic workforce readiness, ensuring that the organization has the right people in the right positions at the right time. This proactive approach can enhance employee retention, productivity and overall job satisfaction, ultimately positively influence performance outcomes. Thus, the following statement can be made:

H1: Talent planning will positively effects to employee performance

2.5.2. Effect of Talent recruitment and selection on Employee Performance

The process of talent recruitment and selection is the process to acquire, estimate and recruit best candidates for the roles to achieve organization goals and the need to carry out the activities. The recruitment and selection process will have direct effect on employee performance in their job roles. The quality of hire is enhancing employee performance, right man for the right job is required which can only be ensured by implementing best talent acquisition strategies. Thus, the following assertion can be made:

H1: Talent recruitment and selection will positively effects to employee performance

2.5.3. Effect of Talent Learning and Development on Employee Performance

Training is a planned learning process of an activity or set of activity which is used to upgrade skill, behaviour or knowledge to achieve the best performance. Development is the learning process of experiences that is used to enhance the skill and task attitude of individual through the results of his or her learning experience. The training effectiveness is one indicator of the effect of training and development on employee's performance, this tends to enhance the employee skills and knowledge employees for sustainable organizational productivity. Thus, the following hypothesis can be made:

H1: Talent learning and development will positively effects to employee performance

2.5.4. Effect of Talent Compensation and Talent Reward on Employee Performance

Talent compensation and retention is the organization's ability to retain its employees through direct and indirect rewards. The lack of satisfaction and commitment to the organization will result in the employee's quest for new opportunities. Therefore, talent compensation and retention engaged employees through motivation and helps them to understand their value at organization. Talent retention is also helpful to identify the performance shortfalls before these issues becomes a serious kind of problems and may lead high turnover rate regarding the performance of other employees. The investment on the employee's growth based on the ongoing performance boost the employee satisfaction, engagement and retention. This keeps employee more connected with the organization for the long-term growth of the organization and goodwill. Thus, the following assertion can be made:

H1: Talent Compensation and Retention will positively effects to employee performance

To sum up, an effective talent management practices can significantly enhance employees' performance. Several organizations have faced this problem, and the maximum amount of time spent by high management and directors is consumed over it in order to minimize it to some extent or reduce its negative and damaging effects (Khan, 2014). In order to foster performance of organizations give

attention to talent management practice in a highly competitive business environment. The research will focus on specific questions such as the extent to which talent management practices effect individual and collective employee performance. By employing a robust research methodology, including both qualitative and quantitative approaches, the study aims to provide a nuanced understanding of the mechanisms through which talent management strategies influence outcomes. The findings of this study not only serve as a valuable reference document for future research endeavours but also offer practical insights for Dashen Bank. Understanding the dynamics between talent management and employee performance can guide the bank's human resource strategies, fostering an environment where employees are not only recruited and developed effectively but also motivated to contribute to the bank's overall success. Ultimately, this study contributes to the broader discourse on talent management practices within the banking sector and provides actionable insights for organizational improvement.

CHAPTER THREE

3. RESEARCH METHODOLOGY

This chapter highlights the research methodology that was utilized in this study. This section further gives details about the research design of the study, the target population, the sampling design that was employed, the real data collection methods that was used, the research procedures that are employed, and, finally, the data analysis and presentation methods that are used in this research process are described.

3.1. Research Design

This research aims is to study the effect of talent management practices on the employee's performance in Dashen Bank. Thus, the research design is strategically use to answering this research question by using theoretical and empirical data. As to Zikmund, Babin, Carr, & Griffin (2009) noted, choosing for a research design which can specifies the methods and procedures for collecting and analysing the needed information and provides a framework or plan of action for the research is essential. The research design that was used in this study the combining or integration of explanatory research design with the descriptive survey research design.

Explanatory research design help to identify the relationship between the variables. Whereas, descriptive surveys are designed to describe accurately the characteristics of particular individuals, situations or groups (Alhassan et al. 2006). So that, it is appropriate method which enhance the research in assess the effect of talent management practices on employee's performance in Dashen Bank SC, and also it allows researcher to paint a detailed picture of the subject and understand both its features and the effect of the variables.

3.2. Research Approach

According to Creswell (2009), there are three basic research approaches; these are quantitative, qualitative and mixed research approaches. To achieve the aforementioned objectives, this study was adopted a mixed research approach which means the quantitative and qualitative approach. This approach integrates the strengths of both methods to provide a more comprehensive understanding of the research question, it involves collecting and analysing both numerical data and non-numerical data, both open- and closed-ended questions, both emerging and predetermined approaches, and both quantitative and qualitative data, mixed research method could neutralize the bias of any single quantitative data.

Therefore, to reveal the effect of talent management practices on employee performance was employed qualitative and quantitative research approach.

3.3. Population

In any study the word population refers to the entire number of people, events, groups or organizations who have the chance to be selected as a data source in the study (Cooper & Emory, 1995). The entire number of employees in Dashen Bank is 10,800 permanent staffs and more than 1000 agency or contractual staffs. However, due to the large number of populations, the staffs found in different across the country, and Time constraint. The researcher will utilize the Head office staffs members as a population to draw sample. Accordingly, the target population that the research will use as primary and secondary data sources are Dashen Bank HO: 80 managers, 50 HR Experts that direct responsibility of the study area , 500employees that are working at Head Office in the formal structure of the Bank

Table 3.3.1. Target Population

| Target Population | Population |
|-------------------|------------|
| Employees | 500 |
| Managers | 80 |
| HR Experts | 50 |
| Total | 630 |

3.4. Sampling and Sampling Techniques

Concerning the determination of the sample size, this study considered some important factors such as the larger the sample size, the more precise the estimation would be the difference in the characteristics of the population. Accordingly, from our target population Dashen bank Head Office managers, HR experts, and employees will take determine sample size by using simple formula as per Yamane (1967:886) cited by Glenn D’Israel on determining sample size, from University of Florida (1992). Yamane sampling formula will be used as follow with 95 % confidence level and 5% sampling error:-

To determine sample size will use $n = \frac{N}{1+Ne^2}$ formula.

Where, n = sample size, N = population, e = error tolerance

$$n = \frac{630}{1 + (630)(0.05)^2}$$

$$n = 245$$

Based on the above determined sample size the entire population is split up into homogeneous groups by using the probability sampling technique that known as stratified sampling. This subgroup called as ‘strata’ and each of these stratum is based on similar attributes or characteristics like Managers, HR Expert and Employees, However, the researcher use the following formula to find the sample size of

each subgroup involving one or more strata

Stratified sub-group sample size = (Total Sample Size / Entire Population) * Population of Subgroups

$$\text{Managers} = 80/630 * 245 = 31.11$$

$$\text{HR Expert} = 50/630 * 245 = 19.44$$

$$\text{Employees} = 500/630 * 245 = 194.44$$

Hence, using the above formula, the researcher determined the simple size of each sub-group in proportion to the size of each sub-group (Manager, HR expert and employees) where the stratum is job Position.

| Target Population | Sample size |
|-------------------|-------------|
| Employees | 194 |
| Managers | 31 |
| HR Experts | 20 |
| Total | 245 |

Figure 3.4.1. Target population

Then, stratified random sampling is the technique that the researcher was used to select sample from head office and lideta area branches. Accordingly, subgrouping the sample based on their position (employees, HR experts and managers). These three parties were involved in the accomplishment of data collection through structured questionnaire and interviewed.

The study also is applied the non-probability sampling technique that significant to get direct information from specific respondent, i.e. purposive sampling is one of the techniques that we will use to gather data from managers and selected expertise to have the required information with respect to the objectives of the study. Accordingly, in line with the questionnaires fill by the target group the researcher also will collect the data by interviewing from Managers, HR experts and Employees.

3.5. Data types and Sources

3.5.1. Primary Data

Primary data was collected by using questionnaires. The questionnaires included closed ended questions prepared in line with the objectives of the study, and other five open ended questions. The choice of the method was on the premise that data collected using a questionnaire is easily understood and therefore perceived as authoritative. Additionally, using questionnaire provide greater control over the research process. Finally, the well-prepared questionnaires will distribute to employee of Dashen banks whose works in Head Office (around Biherawi), it included some part of Head Office departments are found at Lideta.

3.5.2. Secondary Data

Secondary data from such as Dashen Bank HR policy, organization of website, online data source, the bank portal, internet, reports, unpublished/published researches, journal articles, and dissertation and hand books will be used for literature review parts.

3.6. Procedures of Data Collection

For this study, primary and secondary data was collected by using questionnaires. According to Mugenda (2003), the accuracy of data to be collected largely depends on the data collection instruments in terms of validity and reliability. There are various methods of data collection will be used. These include

Interviews – the HR experts who have direct relation to policy objectives implementation at HO are playing a significant role in our information need and may give us reliable data

Questionnaire –questions related to the variables mention for this research will be included in the questionnaire that distribute for the selected samples from employees and Managers. Similarly, some HR experts who have direct task in HR Department. The questionnaire used for this research is pre constructed questionnaire due to time constraints.

Document analysis - it is systematic way of examining different documents related to our objectives plus who gives as meaningful use for our study. It may contain by consulting other people and personal or public records.

3.6.1. Validity and Reliability of the Research Instrument

3.6.1.1. Validity

Validity refers to the extent to which a test, measurement, or study accurately measures what it is intended to measure. High validity means that the conclusions drawn from the research are accurate and can be generalized to the broader population or context. Validity is essential for ensuring the credibility and applicability of research findings. Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure (Kothari, 2004). Validity refers to the accuracy of inferences, judgments, or choices made in light of test findings. It entails measuring various constructions. It describes the degree to which variations discovered using a measuring instrument accurately represent actual variations among test takers. In this study, the researchers employed questionnaires whose validity and reliability had been examined and adjusted in accordance with literature pertaining to the particular research aims.

3.6.1.2. Reliability

Reliability is the measure of the consistency or dependability of the results obtained from a study or measurement. It indicates how our data is consistent to perform its intended function without failure under specified conditions. It indicates the extent to which the findings of a study can be replicated under similar conditions. High reliability means that the research results are stable and consistent across different occasions, researchers, and measurement instruments. Kothari (2004) noted, sound measurement is essential to conduct a good research and test of reliability is important test of sound measurement. Therefore, after comprehensive data collection, reliability analysis was carried out on both talent management practices on employee performance in order to preserve the instrument's reliability and ensure that the data collection tool produces consistent results.

3.7. Methods of Data Analysis

After data collection, the collected raw data was systematically organized, summarized, processed and interpreted by using appropriate data analysis techniques to make them meaningful and to draw sound conclusion based on the research findings. Therefore, in this study, the raw data will be analysed by use both qualitative & quantitative method of analysis.

Qualitative analysis: the interview and open-ended question responses were incorporated in the discussion part. However, the information obtained from the respondents in the interview session is almost similar to the quantitative data due to that the researcher considered only quantitative one.

Quantitative analysis: the close ended questions and structured interview, the study was conducted percentage and table. Based on the questionnaires five-point Linkert scale items the data was analysed by using IBM Statistical Package for Social Sciences (SPSS) Version 27.0 program and will presents by using tables and pie charts to give a clear understanding of the research finding. This data analyse though the descriptive statistical and inferential statistical tools.

CHAPTER FOUR

4. RESULTS AND DISCUSSION

This section dealt with the analysis of the data. The study results and findings are presented in this chapter specifically, the data analysis was in line with specific objectives were investigated, interpreted and implications drawn on them. The purpose of this study was to investigate the effect of talent management practices on employee performance in the case of Dashen Bank. This result of the application of the variable descriptive analysis for quantitative research design and explanatory for qualitative design.

Accordingly, this section discussion first Socio-Demographic Characteristics of Respondents was presented and analysed followed by general questions about factors determine the employee performance. Demographic information was analysed by using frequency and percentile. Then the descriptive analysis on both dependent and independent variables are presented along with its explanation. IBM Statistical Package for Social Sciences (SPSS) Version 27.0 program was also used to analyse the data. The results are shown by using tables and graphs. Based on the sample the researcher select at the first under methodologies for all 245 Dashen bank staff that found at Head Office and Lideta Area Branches. The questionnaire were distributed more than the sample size and 245 respondents were fully filled and returned. However, when the data was checked for its completeness and practical response pattern, only 241 valid responses were found. Therefore, 4 responses were rejected and cancelled from this study, because it's incomplete responses. Also based on that, 241 valid returned responses were found; which make the response rate to be 98.36%. Finally, those 241 valid responses obtained from respondents were used for data analysis with Statistical Package for Social Science (SPSS) Version 27.0 for both descriptive and inferential analysis thus, conclusion and recommendation was made based on the findings.

4.1. Demographic Profile of Respondents

The following tables summarize the demographic information of survey respondents by gender, age, educational level, work experience and the performance of employees regarding their work. The analysed data shown as the frequency and percentage were used to present the demographic characteristics of survey respondents.

4.1.1. Gender of the respondents

| Gender | | | | | |
|---------|--------|-----------|---------|---------------|--------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Male | 138 | 57.5 | 57.7 | 57.7 |
| | Female | 99 | 41.3 | 41.4 | 99.2 |
| | 5 | 2 | .8 | .8 | 100.0 |
| | Total | 239 | 99.6 | 100.0 | |
| Missing | System | 1 | .4 | | |
| Total | | 240 | 100.0 | | |

Table 4.1.1. Gender of the respondents

Source;-own survey2024

Ensuring complete and accurate data collection regarding gender is essential for meaningful analysis and interpretation. Based on the provided data on gender distribution:

- Male: 138 respondents, accounting for 57.5% of the total sample.
- Female: 99 respondents, accounting for 41.3% of the total sample.
- Other/Not Specified: 2 respondents, accounting for 0.8% of the total sample.

As it is depicted in table 1, the gender representation in the bank specifically in the Head office and lidea area branches is a predominant representation of males (57.5%) compared to females (41.3%) in the sample and also a small percentage (0.8%) of respondents did not specify their gender. The cumulative percentages indicate that 99.2% of respondents provided valid gender information, while 0.4% was missing. This result is not the problem of the sample data distribution and collection rather than showing the real target sample during the questionnaires distribution and collection. So that the sample's gender distribution not suggests a potential gender bias in the dataset, with a higher representation of males. This may not influence the generalizability of findings to the broader population. And the researcher consider conducting further analyses to understand how gender demographics has huge difference between male and female in the Head office and lideta area branches. Generally, the majority of the respondents of the employee are males and the remaining are females. The gender distribution data provides valuable insights into the composition of respondents within the study or organization. By recognizing and acting on these insights, the organization can promote inclusivity, equity, and a supportive environment for individuals of all gender identities.

4.1.2. Age of the Respondents

| Age | | | | | |
|-------|----------|-----------|---------|---------------|--------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | 20-25 | 21 | 8.8 | 8.8 | 8.8 |
| | 26-30 | 99 | 41.3 | 41.3 | 50.0 |
| | 31-40 | 109 | 45.4 | 45.4 | 95.4 |
| | 41-50 | 8 | 3.3 | 3.3 | 98.8 |
| | 51-Above | 3 | 1.3 | 1.3 | 100.0 |
| | Total | 240 | 100.0 | 100.0 | |

Table 4.1.2. Age of the respondents

Source;-own survey2024

The sample response shows that 8.8% of the respondents are in age range between 20-25 years old followed by 41.3% of the respondents who's their age range between 26-30 years. And also 45.4% of the respondents are within the age range of 31-40 years old, 3.3% and the remaining 1.3% of the respondents age is 41-50 years and greater than 51 years respectively. From the above information we have seen that most of them are 31-40 age range. This age distribution data highlights the predominance of the 26- 30 & 31-40 age groups in the organization, which directly effects on the organization should interpret the results and make decisions. By focusing on the needs of this demographic while addressing the gaps in representation of other age groups, the organization can create more effective, inclusive, and balanced strategies. This approach not only ensures the relevance and applicability of the study's findings but also promotes broader engagement and satisfaction across all age groups.

4.1.3. Education Level of the Respondents

| Educational qualification | | | | | |
|---------------------------|-----------------|-----------|---------|---------------|--------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Diploma | 5 | 2.1 | 2.1 | 2.1 |
| | Bachelor Degree | 148 | 61.7 | 61.7 | 63.7 |
| | Master Degree | 87 | 36.3 | 36.3 | 100.0 |
| | Total | 240 | 100.0 | 100.0 | |

Table 4.1.3. Age of the respondents

Source;-own survey2024

When we see the educational level of the respondents, 2.1% of the respondents are diploma holders,

61.7% of the respondents have first degree, and 36.3 of the respondents have Master degree. From this data, we can see that most of the employees of the head office and branches are bachelor and Master Degree holders. The educational qualification data reveals a highly educated people, with the majority holding bachelor’s and master’s degrees. This has several implications for the organization, including the need to design advanced programs and services, employ sophisticated marketing strategies, and focus on continuous learning and career development for employee engagement. Additionally, the organization should address the underrepresentation of individuals with lower educational qualifications to ensure inclusivity and diversity. By recognizing and acting on these insights, the organization can effectively meet the needs of its educated audience while fostering a more inclusive environment.

4.1.4. Work experiences of the Respondents

| How many years have you worked in this bank? | | | | | |
|--|--------------------|-----------|---------|---------------|--------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Less than 2 years | 57 | 23.8 | 23.8 | 23.8 |
| | 3-5 years | 32 | 13.3 | 13.3 | 37.1 |
| | 6-10 years | 120 | 50.0 | 50.0 | 87.1 |
| | More than 10 years | 31 | 12.9 | 12.9 | 100.0 |
| | Total | 240 | 100.0 | 100.0 | |

Table 4.1.4. Work experience of the respondents

Source;-own survey2024

According to the result of table 4. 50% of the respondents have from 6-10 years of work experience then the second 23.8% of the respondents less than 2 years working experience & 13.3% of the respondents have 3 -5 years of experiences and finally 12.9% of respondents have more than 10 years experiences. The largest number of the respondent range is from 6-10 years’ work experience. The distribution of years of experience within the bank not only reflects the stability and depth of institutional knowledge but also presents opportunities and challenges for organizational management. By strategically addressing the implications outlined above, the organization can effectively harness the strengths of its workforce, promote continuous development, ensure leadership continuity, and foster a collaborative and inclusive workplace culture. These efforts contribute to sustained employee engagement, organizational resilience, and long-term success in achieving strategic objectives.

4.1.5. The respondents job category in the organization

| What is your job category in the organization | | | | | |
|---|------------|-----------|---------|---------------|--------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Employees | 177 | 73.8 | 73.8 | 73.8 |
| | Managerial | 31 | 12.9 | 12.9 | 86.7 |
| | HR expert | 32 | 13.3 | 13.3 | 100.0 |
| | Total | 240 | 100.0 | 100.0 | |

Table 4.1.5. Job category of the respondents

Source;-own survey2024

As per the table 4.5 shows as, the 73.8% of the respondents were employees, the 12% of the respondents were managerial and also the 13.3% of the respondents were HR experts. The organization can strengthen its operational effectiveness, enhance employee satisfaction and engagement, foster innovation, and ensure alignment with strategic goals. Recognizing the unique contributions and needs of each job category enables the organization to cultivate a supportive and productive work environment, ultimately driving sustained growth and success.

4.2. Reliability Test

In order to know the reliability test the researcher was inserted the coded variables in to SPSS software. The Cronbach alpha was used to measure internal reliability as it is a widely used measure of internal consistency. A Cronbach Alpha above 0.7 is considered acceptable for most research objectives .Allen & Bennett, (2012). Overall, the internal reliability coefficients for the entire constructs are very strong as all alpha coefficients are more than 0.70, Singh, (2007).

The Cronbach - alpha coefficient ranges between 0 & 1. In this study, the reliability coefficients for each of the factors exceed 0.70 indicating acceptable internal consistency and reliability for the six factors. The four variable are independent and the remaining two are dependent as per the below table presented as.

Table 4.2.1. Cronbach alpha test for study variable

| No | Independent variables | Number of items | Cronbach Alpha value | Status |
|----------------------------|----------------------------------|-----------------|----------------------|--------|
| 1 | Talent Planning | 5 | 0.879 | Good |
| 2 | Talent Recruitment and Selection | 5 | 0.851 | Good |
| 3 | Talent Learning and Development | 5 | 0.807 | Good |
| 4 | Compensation and Reward | 5 | 0.837 | Good |
| Dependent variables | | | | |
| 5 | Employee Performance | 5 | 0.806 | Good |

4.3. Descriptive statistics

Descriptive statistics was used to assess the current status of talent management practices in the Dashen Bank. This sub section of the analysis provides the effect of talent management practices on employee performance. For talent management practices analysis mean score and standard deviations was made in the analysis.

On the basis of a five points Likert scale, the overall mean (M) score between **1-2.33** is considered as low, the score between **2.34-3.67** is considered as moderate, and the mean score between **3.68-5** is taken as high value (Zaidatol et al, 2012). The interpretation of mean values is based on this criterion.

4.3.1. Descriptive statistics for talent planning

| S.n | Talent Planning | Mean | Standard deviation |
|-------------------|--|-------------|--------------------|
| 1 | Dashen Bank has a clear talent planning strategy | 3.73 | 0.993 |
| 2 | Dashen Bank regularly analyses talent needs | 3.62 | 0.991 |
| 3 | Dashen Bank has a succession plan for all management posts and critical positions | 3.64 | 0.979 |
| 4 | Chances and opportunity's offered by the bank are satisfactory for employees to fulfil their future roles in the company | 3.35 | 1.003 |
| 5 | The bank talent planning initiatives have positively effect on employee performance | 3.61 | 0.975 |
| Grand mean | | 3.59 | 0.988 |

Table: 4.3.1. Descriptive statistics for talent planning

In the above table 4.3.1; the respondents' response about the talent planning was rated and the data provided consists of mean and standard deviation values for various aspects of talent planning at Dashen Bank. Here is the interpretation of each aspect: Clear Talent Planning Strategy (Mean = 3.73, SD = 0.993): The mean score of 3.73 suggests that employees generally agree that Dashen Bank has a clear talent planning strategy. The standard deviation of 0.993 indicates a moderate level of variability in responses, meaning most employees have a somewhat consistent perception regarding this aspect. Regular Analysis of Talent Needs (Mean = 3.62, SD = 0.991): With a mean score of 3.62, employees agree that the bank regularly analyses talent needs. The standard deviation of 0.991 shows a moderate consistency in this agreement. Succession Plan for Management Posts and Critical Positions (Mean = 3.64, SD = 0.979): The mean score of 3.64 indicates agreement that Dashen Bank has succession plans in place for management and critical positions. The standard deviation of 0.979 suggests that responses are fairly consistent. Opportunities for Employees to Fulfil Future Roles (Mean = 3.35, SD = 1.003): A mean score of 3.35 suggests a slight agreement that the opportunities offered by the bank are satisfactory for employees to fulfil their future roles, but it is the lowest among the items. The standard deviation of 1.003 indicates the highest variability in responses, showing diverse opinions among employees. Positive Effect of Talent Planning Initiatives on Performance (Mean = 3.61, SD = 0.975): With a mean score of 3.61, employees agree that talent planning initiatives positively impact their performance. The standard deviation of 0.975 reflects a moderate level of consistency in responses. Overall mean of mean is = 3.59. This implies that employees of the bank pay much attention to talent planning as a significant asset to their performance. The value of the standard deviation, (SD=0.988) implies that the standard deviation value indicates that while there is some variability in how respondents rated the statements, the overall responses regarding talent planning at Dashen Bank are fairly consistent and centered around the grand mean value. Overall, employees generally support with the statements about the bank's talent planning strategies and their effects. This shows that not much more dispersed between the respondents.

4.3.2. Descriptive statistics for talent Recruitment and selection

| S.n | Talent Recruitment and selection | Mean | Standard deviation |
|-----|---|------|--------------------|
| 1 | Employees are fully satisfied with the recruitment and selection process of Dashen Bank. | 3.68 | 1.036 |
| 2 | Recruitment and selection processes adequately considers diversity and inclusion factors in hiring decision | 3.82 | 0.988 |

| | | | |
|-------------------|---|-------------|--------------|
| 3 | Qualified Employees are promoted and appointed based on merit from internal, external or referral | 3.45 | 1.042 |
| 4 | The bank provides sufficient support and on boarding assistance to integrate into the role and the bank culture | 3.77 | 0.826 |
| 5 | The bank recruitment and selection process has positive effect on employees performance | 3.7 | 0.995 |
| Grand mean | | 3.69 | 0.977 |

Table: 4.3.2. Descriptive statistics for talent recruitment and selection

Source: own survey 2024

In the above table 4.8; the respondents response about the talent recruitment and selection was rated and the analysis of talent recruitment and Selection practices at Dashen Bank, based on the survey data, reveals the following insights: Employee Satisfaction with Recruitment Process: Employees have a moderately positive perception of the recruitment and selection process, with a mean score of 3.68 (SD = 1.036). The moderate to positive scores across various aspects of recruitment and selection indicate that employees generally perceive these processes favourably. Diversity and Inclusion: Recruitment processes are perceived to consider diversity and inclusion factors adequately, with the highest mean score of 3.82 (SD = 0.988). The highest-rated aspect, which concerns diversity and inclusion considerations in hiring decisions, shows that Dashen Bank is perceived positively in this critical area. Merit-Based Promotion: There is moderate satisfaction with the promotion and appointment of qualified employees based on merit, with a mean score of 3.45 (SD = 1.042). While moderately rated, the perception that qualified employees are promoted based on merit indicates an acknowledgment of fairness in career progression. On boarding Support: The bank provides sufficient support and on boarding assistance, as indicated by a mean score of 3.77 (SD = 0.826). The positive perception of sufficient on boarding support suggests that new hires feel adequately prepared to integrate into their roles and the bank's culture. Impact on Performance: Employees believe the recruitment and selection process positively affects their performance, with a mean score of 3.7 (SD = 0.995) the belief that the recruitment and selection process positively affects employee performance underscores the importance of these practices. Overall mean of mean is = 3.69. This implies that employees of the bank pay much attention to talent recruitment and selection as a significant asset to their performance. The value of the standard deviation, (SD=0.977) implies that the standard deviation value also shown the response of all respondents was not far from the mean value. This shows that not much more dispersed between the respondents.

4.3.3. Descriptive statistics for talent Learning and Development

| S.N | Talent Learning and Development | Mean | Standard deviation |
|-------------------|---|-------------|--------------------|
| 1 | Sufficient budget (resources) are dedicated to employee training and development in my bank | 3.73 | 0.974 |
| 2 | The training need analysis incorporates the interests of the Bank as well as well as functions and employees to produces highly skill human capital | 3.75 | 0.8 |
| 3 | There is formal induction, orientation and familiarization program designed to help newly recruits employees in my Bank | 4.09 | 0.792 |
| 4 | My bank improves their employee talents and align their talents with the needs for the business at the current position. | 3.63 | 0.99 |
| 5 | Trainings and development provided by my bank boosted and positively affect my performance | 3.71 | 0.812 |
| Grand mean | | 3.78 | 0.874 |

Table: 4.3.3. Descriptive statistics for talent learning and development

Source: own survey 2024

In the above table 4.9; the respondents' response about the talent learning and development was rated and the analysis data provided that mean and standard deviation values for various aspects of talent learning and development at the bank. Here's the interpretation of each aspect: Sufficient Budget for Training and Development (Mean = 3.73, SD = 0.974) is a sufficient budget allocated for training and development. The standard deviation of 0.974 suggests a moderate level of variability in responses, indicating some variance in perceptions among employees. Training Need Analysis Alignment (Mean = 3.75, SD = 0.8) With a mean score of 3.75, employees agree that the training need analysis aligns well with both the bank's interests and employee functions, resulting in highly skilled human capital. The lower standard deviation of 0.8 indicates a higher level of agreement among employees on this aspect. Formal Induction and Orientation Program (Mean = 4.09, SD = 0.792): The high mean score of 4.09 suggests strong agreement that the bank has a formal induction, orientation, and familiarization program for newly recruited employees. The low standard deviation of 0.792 indicates a high level of consistency in positive perceptions among employees. Improvement and Alignment of Employee Talents (Mean = 3.63, SD = 0.99) the mean score of 3.63 suggests agreement that the bank focuses on improving employee talents and aligning them with current business needs. The standard deviation of 0.99 indicates moderate variability in responses, reflecting some diversity in opinions among employees. Positive Effect of Training on Performance (Mean = 3.71, SD = 0.812): With a mean score of 3.71, employees agree that

the trainings and development provided by the bank have a positive impact on their performance. The standard deviation of 0.812 suggests a moderate level of agreement among employees. The overall mean of mean = 3.78. This implies that employees of the bank pay much attention to talent learning and development as a significant asset to their performance. The value of the standard deviation, (SD=0.874) implies that the standard deviation value also shown the response of all respondents was around the mean value. This shows that not much more dispersed between the respondents

4.3.4. Descriptive statistics for talent Compensation and Reward

| S.N | Talent Compensation and Reward | Mean | Standard deviation |
|-------------------|--|--------------|--------------------|
| 1 | The compensation and benefit package provided by my bank in relation to my role is satisfactory | 3.13 | 1.132 |
| 2 | There is a clear rewards management policy in my organization | 3.05 | 1.110 |
| 3 | The salary and other variable payments compare well with the rest of the market | 2.74 | 1.205 |
| 4 | The bank gives a serious attention to the top performers in keeping them for a long time in order to be more effective in business | 3.14 | 1.028 |
| 5 | The compensation and incentives, which is offered to employees, positively affects their performance. | 3.23 | 1.185 |
| Grand mean | | 3.056 | 1.132 |

Table: 4.3.4. Descriptive statistics for talent compensation and reward

Source: own survey 2024

In the above table 4.10; the respondent’s response about the talent compensation and reward was rated and the data provided includes mean and standard deviation values for various aspects of talent compensation and reward at the bank. Here's the interpretation of each aspect: Satisfactory compensation and benefits (Mean = 3.13, SD = 1.132) the mean score of 3.13 suggests a neutral to slightly positive perception regarding the satisfaction with compensation and benefits relative to employees' roles. The standard deviation of 1.132 indicates a considerable variability in responses, reflecting diverse opinions among employees. Clear Rewards Management Policy (Mean = 3.05, SD = 1.110) with a mean score of 3.05, employees perceive that there is a clear rewards management policy in place. The standard deviation of 1.110 suggests variability in understanding or agreement among employees regarding this

policy. Competitive Salary and Payments (Mean = 2.74, SD = 1.205) the mean score of 2.74 indicates that employees perceive the salary and other variable payments as less competitive compared to the market. The higher standard deviation of 1.205 indicates significant variability in opinions among employees on this aspect. Retention of Top Performers (Mean = 3.14, SD = 1.028) the mean score of 3.14 suggests that employees agree that the bank gives serious attention to retaining top performers. The standard deviation of 1.028 indicates moderate variability in responses. Positive Effect of Compensation on Performance (Mean = 3.23, SD = 1.185) with a mean score of 3.23, employees agree that the compensation and incentives offered positively affect their performance. The standard deviation of 1.185 suggests variability in perceptions among employees regarding the impact of compensation on performance. The overall mean =3.056. This implies that employees of the bank pay much attention to talent compensation and reward as a significant asset to their performance. The value of the standard deviation, (SD=1.132) implies that the standard deviation value also shown the response of all respondents was around the mean value. This shows that not much more dispersed between the respondents.

4.3.5. Descriptive statistics for employee performance

| S.N | Employee performance | Mean | Standard deviation |
|-------------------|--|--------------|--------------------|
| 1 | I well understand and adhere to policies and procedures of the organization | 4.22 | 0.866 |
| 2 | My Bank conducts performance reviews regularly two times in a year | 3.88 | 0.957 |
| 3 | I effectively use resources including time and materials | 4.12 | 0.855 |
| 4 | The performance review focuses on evaluating my competencies and abilities | 3.70 | 0.965 |
| 5 | Employees are provided with constructive feedback based on their performance | 3.62 | 0.962 |
| Grand mean | | 3.908 | 0.92 |

Table: 4.3.5. Descriptive statistics for employee’s performance

Source: own survey 2024

Based on the above table 4.3.5, from effect on employee performance, talent planning, talent recruitment, talent learning and talent compensation have a positive correlation. Moreover, the above statistical result

revealed that, given the other variables constant, one unit increase in talent management practices will increase. The data suggests that employees at Dashen Bank have a good understanding of policies and procedures, and they believe performance reviews are conducted regularly and focus on evaluating competencies. They also feel they use resources effectively and receive constructive feedback, though there is some variability in opinions about the feedback and the focus of performance reviews. Overall, the responses indicate general agreement and satisfaction with these aspects of employee performance.

4.4. Inferential analysis

The main essence of inferential analysis in this study is to use data from a sample to make inferences or predictions about the population parameters (e.g., mean, proportion, correlation) that cannot be practically measured for the entire population. In the study first the hypotheses are statements or assumptions about the population, then next a representative sample from the population of interest is selected using appropriate sampling techniques. Statistical methods are applied to analyse the sample data. Based on the analysis of the sample data, conclusions are drawn or inferences are made about the population. These conclusions are made with a certain level of confidence, typically measured by p-values, confidence intervals, or other statistical measures.

4.4.1. Pearson Correlation Analysis

To investigate the effect of talent management practice and employee performance in the case of Dashen Bank, Pearson correlation was computed. The following table represents the results of Pearson correlation on the relationship between employee performance and talent management practices namely talent planning, talent recruitment and selection, talent learning and development, talent compensation and reward.

This study employs the correlation analysis, which investigates the strength of relationships between the studied variables. Pearson correlation coefficients reveal magnitude and direction of relationships (either positive or negative) and the intensity of the relationship (-1.0 to +1.0).

Correlations are perhaps the most basic and most useful measure of association between two or more variables Marczyk, et al., (2005). As per Marczyk, et al., (2005) general guidelines correlations of .01 to .30 are considered small, correlations of .30 to .70 are considered moderate, correlations of .70 to .90 are considered large, and correlations of .90 to 1.00 are considered very large.

4.4.2. Correlations

Table4.4.1: Correlation analysis

| Correlations | | | | | | |
|-----------------------|---------------------|-----------------|--------------------|-----------------|---------------------|--------------------|
| | | Talent Planning | Talent Recruitment | Talent Learning | Talent Compensation | Talent Performance |
| Talent Planning | Pearson Correlation | 1 | .538** | .552** | .531** | .410** |
| | Sig. (2-tailed) | | .000 | .000 | .000 | .000 |
| | N | 240 | 240 | 240 | 240 | 240 |
| Talent Recruitment | Pearson Correlation | .538** | 1 | .518** | .444** | .459** |
| | Sig. (2-tailed) | .000 | | .000 | .000 | .000 |
| | N | 240 | 240 | 240 | 240 | 240 |
| Talent Learning | Pearson Correlation | .552** | .518** | 1 | .402** | .360** |
| | Sig. (2-tailed) | .000 | .000 | | .000 | .000 |
| | N | 240 | 240 | 240 | 240 | 240 |
| Talent Compensation | Pearson Correlation | .531** | .444** | .402** | 1 | .307** |
| | Sig. (2-tailed) | .000 | .000 | .000 | | .000 |
| | N | 240 | 240 | 240 | 240 | 240 |
| Employees Performance | Pearson Correlation | .410** | .459** | .360** | .307** | 1 |
| | Sig. (2-tailed) | .000 | .000 | .000 | .000 | |
| | N | 240 | 240 | 240 | 240 | 240 |

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

As we can see from the above table the Pearson correlation coefficients between different aspects of talent management (Talent Planning, Talent Recruitment, Talent Learning, Talent Compensation, and employees Performance). Here's a breakdown of the correlations:

- Talent Planning has positive correlations with Talent Recruitment ($r = 0.538$), Talent Learning ($r = 0.552$), Talent Compensation ($r = 0.531$), and Talent Performance ($r = 0.410$). All correlations are statistically significant at the 0.01 level.
- Talent Recruitment shows positive correlations with Talent Planning ($r = 0.538$), Talent Learning ($r = 0.518$), Talent Compensation ($r = 0.444$), and Talent Performance ($r = 0.459$). All correlations are statistically significant at the 0.01 level.
- Talent Learning exhibits positive correlations with Talent Planning ($r = 0.552$), Talent Recruitment ($r = 0.518$), Talent Compensation ($r = 0.402$), and Talent Performance ($r = 0.360$). All correlations are statistically significant at the 0.01 level.
- Talent Compensation demonstrates positive correlations with Talent Planning ($r = 0.531$), Talent Recruitment ($r = 0.444$), Talent Learning ($r = 0.402$), and Talent Performance ($r = 0.307$). All correlations are statistically significant at the 0.01 level.

- Talent Performance displays positive correlations with Talent Planning ($r = 0.410$), Talent Recruitment ($r = 0.459$), Talent Learning ($r = 0.360$), and Talent Compensation ($r = 0.307$). All correlations are statistically significant at the 0.01 level.

These results suggest that there are strong positive relationships between various aspects of talent management within the organization, indicating that effective management in one area tends to coincide with effectiveness in others.

4.5. Regression Analysis

4.5.1. Robust Regression Analysis

In statistics, robust regression analysis is a method used to fit regression models to data when ordinary least squares (OLS) regression may not be appropriate due to violations of its assumptions. Robust regression techniques are particularly useful when dealing with outliers, heteroscedasticity (unequal variance of residuals), or non-normality of residuals.

| Parameter Estimates with Robust Standard Errors | | | | | | |
|---|-------|--------------------------------|-------|------|-------------------------|-------------|
| Dependent Variable: Talent Performance | | | | | | |
| Parameter | B | Robust Std. Error ^a | t | Sig. | 95% Confidence Interval | |
| | | | | | Lower Bound | Upper Bound |
| Intercept | 1.964 | .248 | 7.927 | .000 | 1.476 | 2.452 |
| Talent Planning | .147 | .052 | 2.858 | .005 | .046 | .249 |
| Talent Recruitment | .260 | .076 | 3.443 | .001 | .111 | .409 |
| Talent Learning | .094 | .094 | .996 | .320 | -.092 | .279 |
| Talent Compensation | .034 | .046 | .736 | .462 | -.057 | .126 |

a. HC3 method

Figure: 4.5.2. Employees Performance

From the above figure 4.5.2. We can say that the overall results suggest that Talent Planning and Talent Recruitment have significant positive effects on Talent Performance, while Talent Learning and Talent Compensation do not have significant effects at the 0.05 significance level. These findings provide insights into the relationship between various aspects of talent management and employee performance.

4.5.2. Multi-collinearity Test

In multiple regression analysis, multi collinearity refers to the correlation among the independent variables Kline, (1998). According to Kline, (1998) multi-collinearity is not a threat if a correlation value is less than 80%. Before conducting the multiple regression analysis, the researcher examined the result of multiple correlations among the independent variables and found out that, the pair wise correlation between the independent variables is less than 80%, as shown in the below table. VIF (Variance Inflation Factor) is another factor for diagnosis of collinearity so it is supposed to be less than ten which indicates no multi-collinearity problem exists among the independent variables. The following sub sections present the results of multiple regression analysis.

Coefficients

Figure:4.5.4 Multi-collinearity test

| Model | | Collinearity Statistics | |
|-------|---------------------|-------------------------|-------|
| | | Tolerance | VIF |
| 1 | (Constant) | | |
| | Talent Planning | .540 | 1.851 |
| | Talent Recruitment | .619 | 1.616 |
| | Talent Learning | .621 | 1.609 |
| | Talent Compensation | .677 | 1.478 |

Dependent Variable: Talent Performance

Figure: 4.5.5. Multi-collinearity test

The results as seen in the above table suggest that there are no significant multicollinearity issues among the independent variables in your model, which is generally a good sign. Multicollinearity can distort the interpretation of regression coefficients and lead to unreliable results. Since the tolerance values are all above 0.5 and the VIF values are all below 5, it indicates that the independent variables are not highly correlated with each other. So that VIF results of the independent variables are less than ten and tolerance value above 0.10 which indicate that there is no multicollinearity among them.

4.5.3. Test of independent of residuals (no auto correlation)

The Durbin-Watson statistic was used to test for the presence of serial correlation among the residuals. The value of the Durbin-Watson statistic ranges from 0 to 4. As a general rule, the residuals are not

correlated if the Durbin-Watson statistic is approximately 2, and an acceptable range is 1.50 - 2.50.

Figure: 4.5.7. Durbin-Watson test result Model Summary-Performance

| Model Summary ^b | | | | | |
|--|-------------------|----------|-------------------|----------------------------|---------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
| 1 | .506 ^a | .256 | .243 | .59002 | 1.50 |
| a. Predictors: (Constant), Talent Compensation, Talent Learning, Talent Recruitment, Talent Planning | | | | | |
| b. Dependent Variable: Talent Performance | | | | | |

The above shows that the assumption of independence of residuals is met. Durbin Watson value for this study is 1.50 is accepted since it falls within the required range.

4.5.4. Multiple Regression Analysis

Multiple regression analysis was employed to investigate the effect of talent management practice on employee performance in Dashen bank. The following subsections present the results of multiple regressions analysis.

4.5.5. : Model summary

Table4.5.3.ModelSummary

| Model Summary ^b | | | | | | |
|--|-------|-------|----------|-------------------|----------------------------|---------------|
| Dependent Variable | Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
| Talent Performance | 1 | .506a | .256 | .243 | .59002 | 1.467 |
| a. Predictors: (Constant), Talent Compensation, Talent Learning, Talent Recruitment, Talent Planning | | | | | | |

The above table represents the analysis of multiple regression models for the beta coefficients of each talent management dimensions. Independent variable accounted for 25.6% of the variance in employee performance ($R^2= 0.256$). Thus, 25.6% of the variation in employee performance is explained by the four talent management practices (talent recruitment, talent planning, talent learning, and talent compensation). Other unexplored variables may explain the variation in employee performance which accounts for about 25.6%, shown in the above table.

4.5.6. ANOVA table

Table 4.5.4-ANOVA Result for employee performance

| ANOVA ^a | | | | | | |
|--|------------|----------------|-----|-------------|--------|-------------------|
| | Model | Sum of Squares | Df | Mean Square | F | Sig. |
| 1 | Regression | 28.095 | 4 | 7.024 | 20.176 | .000 ^b |
| | Residual | 81.808 | 235 | .348 | | |
| | Total | 109.903 | 239 | | | |
| a. Dependent Variable: Employees Performance | | | | | | |
| b. Predictors: (Constant), Talent Compensation, Talent Learning, Talent Recruitment, Talent Planning | | | | | | |

As indicated in table 4.14 & 4.15, there is statistically significant effect of the independent variable (talent management) on dependent variable (employee performance) where, (F) value was (20.176) at 0.000 which states that there is significant effect of talent management on employee performance. Therefore, it can be said the regression model as a whole is meaningful for interpretation.

4.5.7. Coefficients of determination

Linear regression estimates the coefficients of the linear equation, involving one or more independent variables that best predict the value of the dependent variable. In multiple regressions we use an equation of:

$$y_i = b_0 + b_1X_1 + b_2X_2 + \dots + b_nX_n + E$$

Where:

- y_i = the outcome variable
- b_0 = the coefficient of the predictor (X_0)
- b_1 = the coefficient of the first predictor (X_1)
- b_2 = the coefficient of the second predictor (X_2)
- b_n = the coefficient of the nth predictor (X_n)
- E_i = the difference between the predicted and observed value of y for the i^{th} participant or an error term

Therefore, in this study the following multiple regressions were used:

Where: (y_i) = employee performance

TP(X_1) = Talent Planning

TR(X_2) = Talent recruitment

TL(X_3) = Talent Learning

TC(X4) = Talent Compensation

Employee performance= $b_0 + b_1(TP) + b_2(TR) + b_3(TL) + b_4(TC) + E$

Table 4.5.7. Regression Coefficients Result

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|---------------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.964 | .239 | | 8.234 | .000 |
| | Talent Planning | .147 | .064 | .176 | 2.303 | .022 |
| | Talent Recruitment | .260 | .062 | .298 | 4.163 | .000 |
| | Talent Learning | .094 | .073 | .091 | 1.274 | .204 |
| | Talent Compensation | .034 | .053 | .044 | .650 | .516 |

Dependent Variable: Talent Performance

$EP = 1.964 + 0.260TR + 0.094TL + 0.34TC + 0.1428$

4.5. Hypothesis Testing and Discussions

Proposed hypothesis are tested based on the results of the correlation analysis. By looking at the Sig. value in Table 13, it is possible to interpret whether the particular independent variable has a significant relationship with the dependent variables. Hypothesis is supported when the Sig. value is smaller than 0.05; and a null hypothesis is rejected when the Sig. value is equal or larger than 0.05. Based on that the researcher was finds the following results.

H1: Talent Planning (TP) has a positive and significant effect on employee performance.

Based on the result of the regression coefficient (B=0.147) the p-value of the Talent Planning is less than 0.05%. Based on the above result, talent planning has a positive and significance effect on the employee performance. As a result the hypothesis is accepted.

H2: Talent Recruitment and Selection (TRE) has a positive and significant effect on employee performance.

Based on the result of the regression coefficient, the p-value of talent recruitment and selection is less than 0.05%. Based on the above result, talent recruitment and selection has a positive and significance effect on the employee performance (B=.0260, $P < 0.05$), This implies that a one unit increase in the organization's effort to carryout talent recruitment and selection related activities leads to a 0.053 units

in employee performance. As a result the hypothesis is supported.

H3: Talent Learning and Development (TLD) has a positive and significant effect on employee performance.

Based on the result of the regression coefficient the p value of Talent audit is less than 0.05%. Based on the above result, talent audit has a positive and significance effect on the employee performance (B=.094, P>0.05). On the basis of the above result, talent learning and development has a positive but insignificance effect on the employee performance. As a result the hypothesis is rejected.

H4: Talent Compensation and Reward has a positive and significant effect on employee performance.

Based on the result of the regression coefficient (B=.044) the p value of the Talent Compensation and Reward is equal to 0.05%. On the basis of the above result, talent compensation and reward has a positive and significance effect on the employee performance. As a result the hypothesis is supported.

4.6. Discussion of Findings

This section discusses the research finding in the previous section based on the objectives and hypothesis of the study

4.6.1. Effect of Talent Planning on Employee Performance

This study established the existence of a statistically significant relationship between Talent Planning and employee performance. This finding is in line with Cascio (2010) who had observed that organizations that did promote efficient planning programs had higher levels of employee performance compared to those that did not.

Majority of respondents believed that Dashen Bank has a clear talent planning strategy and this talent planning is essential for enhancing employee's performance. The high mean score of 3.73 suggests that a significant portion of the respondents hold a positive perception regarding Dashen Bank's talent planning strategy. This likely indicates that they believe the bank has articulated and communicated its talent planning strategy effectively, providing clarity and direction regarding how talent is identified, developed, and managed within the organization. Furthermore, the mean score exceeding 3.68 places it in the "high" category based on the Likert scale interpretation provided earlier. This indicates that the majority of respondents view the bank's talent planning strategy favourably, considering it to be robust and comprehensive.

With a score falling within the "moderate" category based on the provided Likert scale interpretation, the mean score of 3.62, it's evident that a substantial portion of the respondents agree that Dashen Bank regularly analyses talent needs. This suggests that respondents perceive the bank as proactive in identifying and addressing talent requirements to meet current and future organizational objectives. The mean score of 3.64 suggests that a significant proportion of respondents believe that Dashen Bank has a succession plan for all management posts and critical positions. This indicates that there is a perception among respondents that the bank is proactive in grooming and preparing employees for leadership roles and critical positions within the organization. The mean score of 3.35 suggests that respondents are somewhat neutral or slightly leaning towards dissatisfaction regarding the chances and opportunities offered by Dashen Bank for employees to fulfil their future roles in the company. With a mean score of 3.61 falling within the "moderate" range, it suggests that while there is acknowledgment of the positive effects of the bank's talent planning efforts, there might still be areas for enhancement. This finding implies that the bank's talent planning initiatives are somewhat effective in boosting employee performance, although there is potential for further improvement to maximize their effect. All these talent planning activities translate to improved employee job performance leading to overall enhancement of overall organizational performance (Cheboi, 2014).

4.6.2. Effect of Talent Recruitment & Selection on Employee Performance

The findings of this study revealed the existence of significant effect of talent recruitment and selection on employee performance. This finding is in line with the findings by Agrela (2008) who noted that talent strategies enable an organization to pursue high performance and improved results through talent management. Employees are fully satisfied with the recruitment and selection process of Dashen Bank: This statement indicates a high level of satisfaction among employees regarding how Dashen Bank conducts its recruitment and selection processes. A score of 3.68 suggests that employees generally perceive the process positively, indicating that it meets their expectations and requirements to a considerable extent. This level of satisfaction can lead to increased employee morale, productivity, and retention, as employees feel valued and respected throughout the hiring process. A mean score of 3.82 indicates that employees believe Dashen Bank's hiring decisions are inclusive and considerate of various backgrounds, experiences, and perspectives. This perception suggests that the bank values diversity and strives to create an inclusive workplace environment, which can lead to improved innovation, employee satisfaction, and organizational performance.

While the mean score of 3.45 falls within the "moderate" category, it suggests that there may be some room for improvement in ensuring that promotions and appointments are strictly merit-based. This

feedback could indicate a perceived need for clearer criteria for advancement, increased transparency in the promotion process, or better alignment between performance and promotion opportunities and a mean score of 3.77, this statement indicates that employees generally feel supported during the on boarding process. Effective on boarding is crucial for new employees to quickly adapt to their roles, understand the organization's culture, and establish meaningful connections with colleagues. The statement reflects employees' perceptions of the recruitment and selection process as contributing positively to their performance. A mean score of 3.7 suggests that employees believe the process effectively identifies candidates who are a good fit for their roles and the organization, leading to higher levels of job satisfaction, motivation, and commitment. This positive effect on employee performance can ultimately contribute to the banks overall success and competitiveness in the market.

4.6.3. Effect of Talent Learning and Development on Employee Performance

The findings of this study revealed that majority of the respondents believed that when an organization has a well-articulated learning and development plan that enables employees to perform their roles, this enhances employees' performance. A study by Tunje (2014) had established similar findings. Tunje (2014) noted that there existed a relationship between Development planning practices and employee performance in large media houses in Kenya. The study findings revealed that a positive relationship actually exists between various practices of learning and development and employee performance. Based on the assessment result a mean score of 3.73, it indicates that employees generally believe the bank invests sufficiently in enhancing their skills and competencies. This investment in training and development can lead to improved employee performance,

The statement underscores the importance of aligning training needs with organizational goals and individual employee interests. A mean score of 3.75 suggests that employees perceive Dashen Bank's training needs analysis as effective in addressing both organizational and individual needs, resulting in the development of highly skilled talent.

With a mean score of 4.09, this statement indicates a high level of satisfaction among employees regarding the on boarding process at Dashen Bank. A formal induction program can help new employees feel welcome, informed, and prepared to contribute effectively from the start and the statement emphasizes the importance of talent development and alignment with organizational goals. While the mean score of 3.63 falls within the "moderate" category, it suggests that there may be some room for improvement in how Dashen Bank nurtures and utilizes employee talents effectively.

Training and development provided by my bank boost and positively affect my performance: With a mean score of 3.71, this statement indicates that employees perceive training and development initiatives at Dashen Bank as positively affecting their performance.

4.6.4. Effect of Talent Compensation and Reward on Employee Performance

Based on the assessment questionnaires' the respondents responded a mean score of 3.13, this statement suggests that employees perceive the compensation and benefits offered by Dashen Bank in relation to their roles as somewhat satisfactory and with a mean score of 3.05, indicates that employees perceive some clarity regarding the rewards management policy at Dashen Bank. The salary and other variable payments compare well with the rest of the market a mean score of 2.74, this statement suggests that employees perceive their salary and other variable payments at Dashen Bank as somewhat less competitive compared to market standards. With a mean score of 3.14, suggests that employees perceive Dashen Bank as giving some attention to retaining top performers and with a mean score of 3.23, this statement suggests that employees perceive compensation and incentives at Dashen Bank as somewhat positively effecting their performance.

CHAPTER FIVE

5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

In this chapter, an attempt is made to discuss the findings of the research based on empirical analysis of collected data by referring objectives of the study in a comprehensive way. As a result recommendations are given for the concerned bank.

5.2. Summary of major findings

This study was conducted to investigate the Effect of Talent Management practices on Employee Performance in the case of Dashen Bank & the results were described by the major findings as follows. To test the research hypotheses, the researcher has used linear regression analysis. This is supported by descriptive statistics.

The R (Coefficient of Correlation) which is simply a measure of the degree of association or co- variation that exists between independent variables (Talent Management practice) and dependent variable (employee performance). It only measures degree of association or variation between the two variables. In this case the value of R 0.506 (performance) shows, there is a very strong relationship between the independent variables and dependent variable. By testing the R square (Coefficient of Determination), as the proportion of the total variation or dispersion in the employee performance (dependent variable) that explained by the variation independent variables in the regression is 0.25.6 meaning, 25% of employee performance is explained by the linear relationship with all the independent variables (Talent Management practice).

The descriptive analysis result portray that, the mean score of component of talent management practices (TP, TRS, TLD and TCR) fall within ranges between 3.058 and 3.78 average of mean. With the regard to highest average mean score talent learning and development (Mean of mean= 3.8, SD= 4.368) and the lowest average mean score (Mean of mean= 3.058, SD=5.66) is for talent compensation and reward, which is illustrated that, from the four component of talent management practice, “talent learning” was high effected the employees performance in the Dashen bank, and depend on research finding “talent Compensation and reward” is the least practiced of component of talent management practice in Dashen bank. This study also found that, the next high practiced is Talent planning and talent recruitment which means the average mean=3.59, SD=4.94 and Mean=3.684, SD 4.488 respectively in Dashen Bank.

Adjusted R square is 0.447 which indicates the amount of variation in one variable that is accounted for by another variable. In another word, through the survey with 240 target respondents, their performance

is account for 44.7 percent of total variation in employee performance. Overall, the model appears to have a moderate level of explanatory power in predicting employee performance based on the included predictors.

The beta value shows that talent planning, talent recruitment & selection and compensation & reward have a positive as well as a significant correlation with the employee performance. The beta value of talent learning & development has a positive but no significant correlation with the employee performance.

The result of Pearson correlation indicates that there was only a strong significant positive correlation between talent management practices such as (Talent Planning, Recruitment, Talent Learning and compensation) and Performance.

Based on the result of regression analysis, only three out of four hypotheses tests are accepted & study found that talent management practices have a positive and significance effect on the employee performance ($B=0.147, P<0.05$, $B=0.260, P<0.05$ and $B=0.044, P=0.05$). This implies that a one unit increase talent planning, recruitment and compensation respectively increases 0.053 units in employee performance.

Generally speaking, the regression model developed under the study can be considered as a good predictor of employee performance of the bank. The individual effects of the independent variables can be explained by their respective beta coefficients. By looking its standardized coefficients (beta) talent planning, recruitment and compensation have the highest standardized coefficient and it means it is the best predictor for both employee performance. And slight effect of talent learning is the predictor of employee performance.

5.3. Conclusion

This study was conducted to investigate the effect of talent management practice on employee performance in the case of Dashen Bank, HO and Lideta Area Branches. This study is evaluated on the basis of Talent Management practice dimensions encompassing talent planning, talent Recruitment and selection, talent learning and development, and talent compensation and reward. Based on these, four talent management practice dimensions questionnaire is conducted to all aspects of the employee performance.

The analysis demonstrates a significant correlation between talent management practices and employee performance with a coefficient of correlation (R) of 0.506 indicating a strong relationship. Additionally, the Coefficient of Determination (R^2) reveals that 25.6% of the variation in employee performance is

explained by these talent management practices. This highlights the crucial role of talent management in driving employee performance and suggests that improvements in these practices could further enhance overall employee outcomes.

The descriptive analysis of talent management practices at Dashen Bank reveals that among the four components, "talent learning and development" has the highest effect on employee performance with an average mean score of 3.8 (SD = 4.368). Conversely, "talent compensation and reward" is the least practiced component, with the lowest average mean score of 3.058 (SD = 5.66). The study also indicates that "talent planning" and "talent recruitment" are moderately practiced, with average mean scores of 3.59 (SD = 4.94) and 3.684 (SD = 4.488) respectively. These findings suggest that while Dashen Bank excels in talent learning and development, there is room for improvement in compensation and reward strategies to better enhance overall employee performance.

The analysis of the survey data from 241 respondents reveals that the adjusted R square is 0.447. This indicates that 44.7% of the variation in employee performance is accounted for by the talent management practices included in the model. Thus, the model demonstrates a moderate level of explanatory power in predicting employee performance. These results suggest that while talent management practices significantly influence performance.

The analysis of beta coefficients reveals that within the context of talent management practices at Dashen Bank, talent planning, talent recruitment & selection, and compensation & reward are positively and significantly correlated with employee performance. These findings underscore the importance of these practices in driving and enhancing employee performance outcomes. However, while talent learning & development also shows a positive correlation with performance, its lack of statistical significance suggests that further investigation or refinement of these initiatives may be necessary to achieve measurable effects on employee performance within the organization.

The Pearson correlation analysis reveals a robust and statistically significant positive relationship between key talent management practices namely: talent planning, recruitment, talent learning, and compensation and employee performance at Dashen Bank. These findings emphasize the strategic importance of these practices in fostering higher performance levels among employees. By prioritizing effective planning, recruitment strategies, continuous learning opportunities, and fair compensation structures, Dashen Bank can further enhance its overall organizational performance and achieve its strategic objectives more effectively.

The regression analysis confirms that talent management practices significantly influence employee performance at Dashen Bank. The study supports this with statistically significant findings for talent planning, recruitment, and compensation, where each unit increase in these practices corresponds to an increase in employee performance by 0.147, 0.260, and 0.044 units, respectively. These results highlight the critical role of strategic talent management in driving positive outcomes for employees, underscoring the importance of continued investment and refinement in these areas to optimize organizational performance effectively.

In general, the regression model developed in this study effectively predicts employee performance at the bank. The standardized coefficients (beta) reveal that talent planning, recruitment, and compensation exert the strongest influence on employee performance, making them the most significant predictors among the studied variables. While talent learning also predicts employee performance, its effect is comparatively modest based on its standardized coefficient. These findings underscore the strategic importance of robust talent planning, effective recruitment practices and fair compensation policies in fostering and predicting higher levels of employee performance within the organization.

5.4. Recommendations

Based on the results of the analysis concerning about talent management practice and employee performance the following recommendations are forwarded.

It is recommended that Dashen Bank continues to enhance its talent management practices by focusing on tailored training programs, competitive compensation packages, effective recruitment strategies, and continuous feedback mechanisms. By doing so, the bank can further improve employee performance and achieve better overall organizational outcomes.

To optimize employee performance at Dashen Bank, it is crucial to build upon the strengths in talent learning and development while addressing the gaps in compensation and reward strategies. By implementing competitive and fair compensation packages, introducing performance-based incentives, and enhancing recognition programs, the bank can motivate employees and improve overall satisfaction. Additionally, maintaining and refining the existing talent planning and recruitment practices will ensure that the right talent is attracted and retained, further driving performance. Emphasizing a balanced and comprehensive approach to all aspects of talent management will enable Dashen Bank to achieve its strategic goals and enhance employee outcomes.

Talent Management practices are critical drivers of performance, the findings underscore the need for a comprehensive approach that considers both these practices and other influential factors. Dashen Bank should continue to refine its Talent Management strategies while also exploring and addressing additional factors that could further enhance employee performance and organizational effectiveness. This holistic approach will ensure a more nuanced understanding and effective enhancement of overall performance within the organization

It is recommended that Dashen Bank conducts a detailed review of its talent learning & development strategies, possibly incorporating feedback from employees and aligning these initiatives more closely with measurable performance metrics. By doing so, the bank can ensure that its investments in talent development yield more substantial and demonstrable effects on overall employee performance, thereby enhancing organizational effectiveness and competitiveness in the long term.

These results underscore the critical role of strategic talent management in driving positive outcomes for employees within the organization. By focusing on effective talent planning, robust recruitment strategies, and fair compensation structures, Dashen Bank can not only enhance individual employee performance but also optimize overall organizational effectiveness.

The findings of this research would help Dashen Bank and other financial service providers to understand the concept of talent management is, how it can be used to achieve high employee and organizational performance and its filling a gap of identifying which talent practice increase performance of employees,

Talent Compensation and Reward showed a lower effect compared to other factors, it's important for Dashen Bank to review and optimize its compensation and reward practices. Ensuring competitive and fair compensation packages can help attract and retain top talent, while effectively rewarding high performance can boost employee performance and motivation.

Given the significant positive effect of talent recruitment on the employee performance. Dashen Bank should invest in enhancing recruitment processes. This may involve leveraging innovative recruitment techniques, targeting top talent, and ensuring a seamless candidate experience to attract and retain skilled employees. Talent Learning and Development emerged as the highest effecting factor on employee performance in the study. Dashen Bank should prioritize investing in robust learning and development programs that empower employees to enhance their skills, knowledge, and capabilities. This can lead to improved performance, higher performance levels, and increased employee satisfaction.

This study enable the development of further areas of research interest and will help as a reference to future academic studies for the researchers who seek to understand better the issues of talent management practices on employee performance.

This research will add knowledge to existing information about the effect of talent management practices on the employee's performance in an organization and increase the participation of senior management and key stakeholders

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Addis Ababa University
School of commerce
Human Resource Management Department

Questionnaires to be filled by managerial and non-managerial employees

Dear Respective Respondents

I am a post graduate student in MA HRM program and I am conducting a study entitled “*The Effect of Talent Management practices on Employee Performance in the case of Dashen Bank*”. To this end, questionnaire is used to collect pertinent data from Dashen Bank employees that help me to evaluate the effect of talent management practice on employee performance. Your response will be used for research purpose only and shall not be disclosed in any way and utmost confidentiality will be maintained. Thank you for your willingness to spare 10 minutes from your precious time to participate in this survey.

Part: Socio-Demographic Characteristics of Respondents

1. Gender: a) Male b) Female
2. Age: a) 20-25 b) 26-30 c) 31-40 d) 41-50 e) 51 & Above
3. Educational qualification
 - a) Diploma
 - b) Bachelor degree
 - c) Master Degree
 - d) PhD
4. How many years have you worked in this bank?
 - a) Less than 2years
 - b) 3-5years
 - c) 6-10 years
 - d) More than 10 years
5. What is your job category in the organization?
 - a) Employees
 - b) Managerial
 - c) HR expert
6. How do you rate your performance?
 - a) Excellent
 - b) Very Good
 - c) Good
 - d) Room for improvement
 - e) Not to my satisfaction
 - f) Poor

Part II: Talent Management Practices (Rating)

The research has established that talent management practice has four key components namely: talent planning, talent recruitment and selection, talent learning and development, talent compensation and reward. And also two dependent variables.

Pease indicate the extent to which you perceive that the following statements by using five points Likert scale
(5=strongly Agree, 4=Agree, 3=Neutral, 2=Disagree, 1=Strongly Disagree)

2.1. Talent Planning

| S/n | Talent Planning in Dashen Bank | 5 | 4 | 3 | 2 | 1 |
|-----|--|---|---|---|---|---|
| 1 | Dashen Bank regularly analyses talent needs | | | | | |
| 2 | Dashen Bank has a clear talent planning strategy | | | | | |
| 3 | Dashen Bank has a succession plan for all management posts and critical positions | | | | | |
| 4 | Chances and opportunity’s offered by the bank are satisfactory for employees to fulfil their future roles in the company | | | | | |
| 5 | The bank talent planning initiatives have positively effect on employee performance | | | | | |

2.2. Talent Recruitment and Selection

| S/n | Recruitment and Selection of Talent in Dashen Bank | 5 | 4 | 3 | 2 | 1 |
|-----|--|---|---|---|---|---|
| 1 | Employees are fully satisfied with the recruitment and selection process of Dashen Bank. | | | | | |
| 2 | Recruitment and selection processes adequately considers diversity and inclusion factors in hiring decision | | | | | |
| 3 | Qualified Employees are promoted and appointed based on merit from internal, external or referral | | | | | |
| 4 | The bank provides sufficient support and onboarding assistance to integrate into the role and the bank culture | | | | | |
| 5 | The bank recruitment and selection process has positive effect on employees performance | | | | | |

2.3. Talent Learning and Development

| S/n | Learning and Development of Talent in Dashen Bank | 5 | 4 | 3 | 2 | 1 |
|-----|---|---|---|---|---|---|
| 1 | Sufficient budget (resources) are dedicated to employee training and development in my bank | | | | | |
| 2 | The training need analysis incorporates the interests of the Bank as well as well as functions and employees to produces highly skill human capital | | | | | |
| 3 | There is formal induction, orientation and familiarization program designed to help newly recruits employees in my Bank | | | | | |
| 4 | My bank improves their employee talents and align their talents with the needs for the business at the current position. | | | | | |
| 5 | Trainings and development provided by my bank boosted and positively affect my performance | | | | | |

2.4. Compensation and Reward

| S/n | Compensation and Reward Talent in Dashen Bank | 5 | 4 | 3 | 2 | 1 |
|-----|--|---|---|---|---|---|
| 1 | The compensation and benefit package provided by my bank in relation to my role is satisfactory | | | | | |
| 2 | There is a clear rewards management policy in my organization | | | | | |
| 3 | The salary and other variable payments compare well with the rest of the market | | | | | |
| 4 | The bank gives a serious attention to the top performers in keeping them for a long time in order to be more effective in business | | | | | |
| 5 | The compensation and incentives, which is offered to employees, positively affects their performance | | | | | |

2.5. Employee performance

| S/n | Employee performance in Dashen Bank | 5 | 4 | 3 | 2 | 1 |
|-----|--|---|---|---|---|---|
| 1 | I well understand and adhere to policies and procedures of the organization | | | | | |
| 2 | My Bank conducts performance reviews regularly two times in a year | | | | | |
| 3 | I effectively use resources including time and materials | | | | | |
| 4 | The performance review focuses on evaluating my competencies and abilities | | | | | |
| 5 | Employees are provided with constructive feedback based on their performance | | | | | |

Thank you!

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Questions to be answered by managerial and non-managerial employees through interview

Part I: Talent Management Practices (open ended questions)

1. How do you describe the effectiveness of Talent management practices that affect the employee's performance?
2. To what extent to the effect of talent management practices on employee's performance in Dashen Bank S.C.?
3. Which Talent management practices are increase more employee's performance in Dashen Bank? How?
4. What are the challenges your bank faced during the implementation of Talent Management practices?
5. Would you describe any specific Talent management practices or initiatives that have positively effected your job performance?
6. How satisfied are you with the banks talent management practices and do you believe they positively effect your performance in your role?
7. Please, if you have any comment and suggestion regarding the Talent Management practices with employee's performance tell us

Thank you!

| Case Processing Summary | | | | | | |
|-------------------------|-------|---------|---------|---------|-------|---------|
| | Cases | | | | | |
| | Valid | | Missing | | Total | |
| | N | Percent | N | Percent | N | Percent |
| Talent Performance | 240 | 100.0% | 0 | 0.0% | 240 | 100.0% |

| Descriptive Statistics | | | |
|------------------------|--------|----------------|-----|
| | Mean | Std. Deviation | N |
| Talent Performance | 3.9083 | .67812 | 240 |
| Talent Planning | 3.5875 | .81143 | 240 |
| Talent Recruitment | 3.6817 | .77664 | 240 |
| Talent Learning | 3.7823 | .65904 | 240 |
| Talent Compensation | 3.0558 | .88311 | 240 |

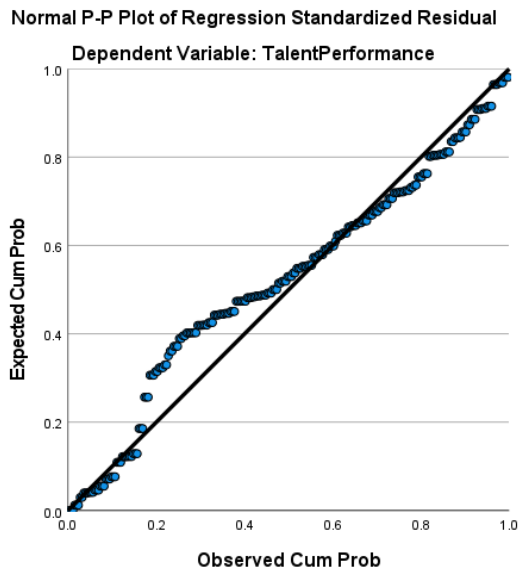
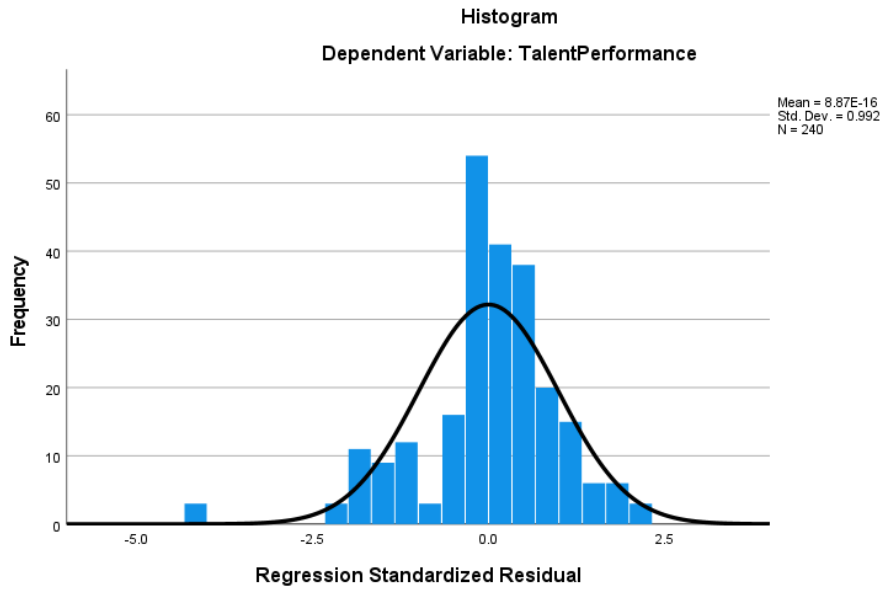
| Variables Entered/Removed ^a | | | |
|---|---|-------------------|--------|
| Model | Variables Entered | Variables Removed | Method |
| 1 | Talent Compensation, Talent Learning, Talent Recruitment, Talent Planning ^b | | Enter |
| a. Dependent Variable: Talent Performance | | | |
| b. All requested variables entered. | | | |

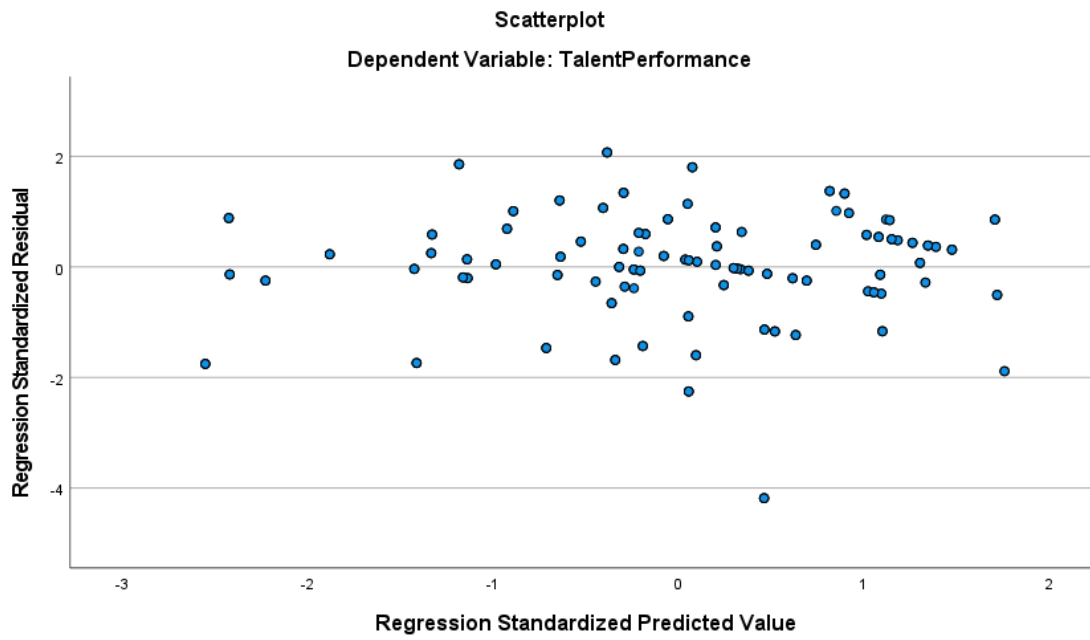
| Coefficients ^a | | | | | | | | | | |
|---|---------------------|-----------------------------|------------|---------------------------|-------|------|---------------------------------|-------------|-------------------------|-------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. | 95.0% Confidence Interval for B | | Collinearity Statistics | |
| | | B | Std. Error | Beta | | | Lower Bound | Upper Bound | Tolerance | VIF |
| 1 | (Constant) | 1.964 | .239 | | 8.234 | .000 | 1.494 | 2.434 | | |
| | Talent Planning | .147 | .064 | .176 | 2.303 | .022 | .021 | .273 | .540 | 1.851 |
| | Talent Recruitment | .260 | .062 | .298 | 4.163 | .000 | .137 | .383 | .619 | 1.616 |
| | Talent Learning | .094 | .073 | .091 | 1.274 | .204 | -.051 | .238 | .621 | 1.609 |
| | Talent Compensation | .034 | .053 | .044 | .650 | .516 | -.069 | .138 | .677 | 1.478 |
| a. Dependent Variable: Talent Performance | | | | | | | | | | |

| Collinearity Diagnostics ^a | | | | | | | | |
|---|-----------|------------|-----------------|----------------------|-----------------|--------------------|-----------------|---------------------|
| Model | Dimension | Eigenvalue | Condition Index | Variance Proportions | | | | |
| | | | | (Constant) | Talent Planning | Talent Recruitment | Talent Learning | Talent Compensation |
| 1 | 1 | 4.898 | 1.000 | .00 | .00 | .00 | .00 | .00 |
| | 2 | .045 | 10.388 | .09 | .00 | .02 | .03 | .84 |
| | 3 | .023 | 14.556 | .41 | .54 | .08 | .01 | .15 |
| | 4 | .020 | 15.487 | .05 | .32 | .87 | .03 | .00 |
| | 5 | .013 | 19.179 | .46 | .13 | .02 | .93 | .00 |
| a. Dependent Variable: Talent Performance | | | | | | | | |

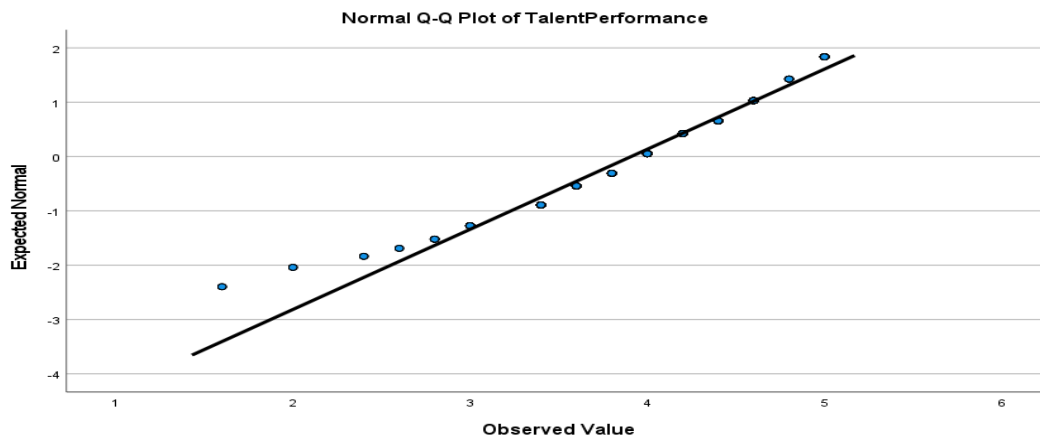
| Residuals Statistics ^a | | | | | |
|-----------------------------------|----------|---------|--------|----------------|-----|
| | Minimum | Maximum | Mean | Std. Deviation | N |
| Predicted Value | 3.0343 | 4.5121 | 3.9083 | .34286 | 240 |
| Residual | -2.46756 | 1.22267 | .00000 | .58506 | 240 |
| Std. Predicted Value | -2.549 | 1.761 | .000 | 1.000 | 240 |
| Std. Residual | -4.182 | 2.072 | .000 | .992 | 240 |

a. Dependent Variable: Talent Performance





Normal Q-Q Plots



Detrended Normal Q-Q Plots

