



**ASSESSMENT OF TALENT MANAGEMENT PRACTICES IN
AWASH BANK**

A Thesis Submitted to the Addis Ababa University, School of Commerce in
Partial Fulfillment of the Requirements for the Masters of Art Degree in
Human Resource Management

By: Eyerusalem Jembere

Advisor: Solomon Markos (PhD)

ADDIS ABABA UNIVERSITY,
SCHOOL OF COMMERCE

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Declaration

I, Eyerusalem Jembere, hereby declare that this research paper entitled “Assessment of Talent Management Practices in Awash Bank” is my own and I have the courage to say that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted at any university for a degree.

Signature: _____ Date: _____

Addis Ababa University
School of Graduates Studies

This is to certify that the thesis prepared by Eyerusalem Jembere, entitled Assessment of Talent Management Practices in Awash Bank, submitted in partial fulfillment of the requirements for the Masters of Arts Degree in Human Resource Management complies with the regulations of the University and meets the accepted standards with respect to originality and quality

Signed by the examining committee:

External Examiner: _____Signature_____Date_____

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Letter of Certification

This is to certify that Eyerusalem Jembere has properly completed her research project work entitled “**Assessment of Talent Management Practices in Awash Bank**” under my supervision. In my opinion, her project work is appropriate to be submitted to Addis Ababa University, School of Commerce, Department of Business Administration and Information System as partial fulfillment requirement for the award of Degree in Masters of Human Resource Management for examination with my approval as a university advisor.

Advisor: Solomon Markos (PhD)

Date _____

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ABBREVIATIONS AND ACRONYMS

ATM-	Automated Teller Machine
CEO-	Chief Executive Officer
HR-	Human Resource
HRM -	Human Resource Management
IT-	Information Technology
POS-	Point of Sale
TA-	Talent Acquisition
TM-	Talent Management
SD-	Standard Deviation
SPSS -	Statistical Package for Social Sciences
TMS -	Talent Management Strategies

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Abstract

This study was designed to assess talent management practices in Awash Bank. Data were collected from both primary and secondary sources. Population to portion size formula methods were used for selecting sample branches which the researcher believed to be representative. The target population were 622 employees and sample size of 255 employees were selected based on the formula adopted by Yamane on how to determine sample size. The sampling technique employed to collect primary information were proportionate stratified simple random sampling technique. The data were gathered through a combination of both direct personal interviews and self-administered questionnaires in order to obtain adequate and valid data for the study. The 249 responses obtained were subjected to analysis with the use of Statistical Package for Social Sciences (SPSS). The study was employed descriptive design and these data were analyzed and presented by using descriptive statistics method such as frequency, percentage, mean and standard deviation. The study examined how best Awash Bank can retain and manage talented employees to ensure survival and growth in the banking industry and came up with the following finding. The findings of the study revealed that managerial controllable factors such as insufficient rewards like salary and benefits; and limited opportunity for training and development contribute to employee turnover in Awash Bank. Management should provide a right combination of intrinsic (such as opportunity for advancement, skill variety, feedback, recognition, autonomy, etc.) as well as extrinsic factors (such as attractive pay, good working conditions, harmonious superior-subordinate relations), which can help to increase job satisfaction and commitment, which in turn reduces intention to leave.

Key Words: Talent Management, Talent Management Practices, Talent Planning and Acquisition, Talent Development, Talent Retention, Performance Management, Succession Planning,

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Every organization and business wants to be successful and have desire to get constant progress. The current era is highly competitive and organizations regardless of size, technology and market focus are facing employee retention challenges. For decades organizations have faced various challenges and undergone numerous battles to survive, achieve competitive advantage and sustain it. These challenges occur on different levels and grounds; whether on business lines, technology and innovation, people management, and new trends in society and markets. To overcome these restraints a strong and positive relationship and bonding should be created and maintained between employees and their organizations. Human resource or employees of any organization are the most central part so they need to be influenced and persuaded towards tasks fulfillment. For achieving prosperity, organizations design different strategies to compete with the competitors and for increasing the performance of the organizations. Very few organizations believe that the human personnel and employees of any organization are its main assets which can lead them to success or if not focused well, to decline. Unless and until, the employees of any organization are satisfied with it, are motivated for the tasks fulfillment and goals achievements and encouraged, an organization cannot progress or achieve success (Manzoor,2011).

Since human resources are one of the major valuable capitals of organizations, they often have to compete among themselves for these resources for the fact that human capital can enable them to advance and gain bigger market values and shares. In a number of markets, the availability of talented employees is decreasing, as the need is emphasized not for obtaining any kind of employees whom can work, but on bringing in resources that can add value to the company with the skills, capabilities and the progression potential that they possess.

Due to the challenge or difficulty in having talented employees available as a consequence of their demand in global labour markets, organizations have started to develop human resources to be at the right level of knowledge and capabilities that they need. With internal and external acquired resources aligned for these strategic developments and investments, organizations have started thinking and acting differently in protecting these resources from leaving. As a result a set of practices have evolved to address these challenges and needs, labeled in the Talent Management Practices concept, which is the focus and subject of this study.

Talent management is recognizing employees' personal skills, abilities and offering him/her a suitable job. Its primary responsibility is to employ the right talent at the right place. It is a systematic and well-organized practices of attracting, identifying, developing, engaging, retaining and deploying of those who are of particular value to the organization, either in view of their 'high potential' for the future or because they are fulfilling business/operational-critical roles. Thus talent management is important for both the organization and employees as it helps to increase productivity of the organization and develop the personal skill of employees as well.

According to Taleo Research with Human Capital Institute (HCI) published in June 2012, there are six key practices that organizations such as banks can implement with technology support to retain their top talent:

1. Recruit the right people in the first place.
2. Improve the line manager's ability to manage.
3. Give employee's constant feedback about clear, meaningful goals.
4. Empower employees to manage their own careers.
5. Proactively drive talent mobility.
6. Continuously measure and improve retention strategies.

According to NHS Leadership Academy insights on Talent Management published in 2015, talent management practices in organizations are not only about attracting the best people from the industry but it is a continuous process that involves sourcing, hiring, developing, retaining and promoting them while meeting the organization requirements simultaneously. Therefore, it can be said that talent management practice is a full-blown process that not only controls the entry of

an employee but also his or her exit. Talent is accredited to those individuals that have the potential to make a positive impact on organizational performance either through their immediate contribution or in the longer term by demonstrating the highest levels of potential. Talent, in the context of the workplace, provides a distinction between those individuals that have the potential to make a difference, and the rest of the workforce. Those identified as talented are usually linked with leadership and managerial, technical or specialist positions. Thus, talent also serves to refer to those limited number of people who possess the highest quality of managerial and leadership skills who take the organization to the next level.

1.2 Background of the Organization

Awash Bank S.Co. is the pioneer private commercial bank in Ethiopia after the downfall of the military regime, Derg, and introduction of market economic policy in 1991. It was established by 486 founder shareholders with a paid-up capital of Birr 24.2 million and started banking operations on February 13, 1995. It was named after the popular river “**Awash**” which is the most utilized river in the country.

Awash Bank’ is progressing with a VISION ‘To Be the First Choice World Class Bank’, MISSION ‘To Provide innovative, competitive and diversified banking services accessible to the society with qualified and dedicated staff in a profitable and socially responsible manner’ and CORE VALUES ‘**A**-Accessibility, **W**-Wisdom, **A**-Accountability, **S**-Socially Responsible, **H**-Honesty’. In line with the newly,2018, adopted International Financial Reporting Standards, the bank’s profit before tax stood at Birr 1.96 billion from Birr 131 billion of 2017/18. In 2018/19, the paid-up capital of the bank reached Birr 2.94 billion from Birr 2.64 billion of last year, 2017/2018.

The major banking service packages are saving account, current account, special saving account, time deposits with negotiable interest rate, foreign currency account (including retention accounts), managing payroll and provident fund, forex bureau services, international money transfers with 13 agents, local transfer and cheque clearance, collection of cash from sales outlets, credit services, international banking services, safe deposit box services are some of the services given by the bank.

Branches are the main service channels used by the bank as mechanism of taking banking services to areas within customers' reach. The 2017/18 Annual Report indicated that its total branch networks to 366 as at June 30, 2018. The human resource department report of 2018 indicated that the bank is currently having 7,881 employees all over the country.

Currently Awash bank has already started card banking service and providing 24/7 services through ATM, POS terminals, mobile and internet banking. These non-traditional touch points offer 24 hour convenient access to banking services. The ATM and POS services are accessible not only from Awash's machines but also from machines installed by all private banks. This will give an edge to customers as they can access their account from any corner of the town and outlying branches where such service is available.

1.3 Statement of the Problem

The key success of banking institutions in terms of performance, growth and sustained competitive advantage is as a result of the quality and competency of skilled employees (Holenbeck, 2015). Onah and Anikwe (2016) are of opinion that an organization's employees can be regarded as the primary reason of competitive advantage, and effective attraction is key to development, integration and retention of skilled employees. Recruitment of skilled employees is one of the critical human resources functions. However, most organizations today face major challenges to retain their highly skilled and talented employees. In the global era, retaining human resources requires that organizations should embark upon special skills and strategies in order to achieve its objectives. According to Stan (2012), some issues cited as contributors to the high attrition rate are the lack of developmental prospects, low salaries, poor benefit packages, poor working conditions, failure to adjust to the organization and high turnover.

The bank is implementing different mechanisms to attract, develop and retain talented employees through the provision of incentives, benefit packages like housing and vehicle loans, medical insurance, transportation allowance, mobile allowance, representation allowance, personal and emergency loans, yearly bonuses and training and career developmental systems.

In addition, the bank has been allocating 2% of its capital budget for training and development starting from 2017 G.C. onwards. This allocated budget has been utilized by the bank's human

resource department for experience sharing activities to higher level management employees, branch managers, directors and other concerned employees through exposure visit to countries within Africa and outside, capacity building trainings at local and international level. The proper utilization of this budget made the bank to be the one of the few banks which effectively and efficiently used the budget for the concerned training and developmental purposes.

According to data gathered from the human resource department, the bank has been making efforts to attract talented employees through:-

‘Pull’ factors such as the offer of a new job that may be attractive enough, in terms of reward or development to provide an incentive to the individual not to look outside of the organization. Others will include attractive working environment, development opportunities or the reputation/good will and brand of the bank, quality of job design, enjoyable team relationships, positive/proactive leadership style and flexible working conditions. Head-hunting for the skilled personnel and recommendations are also part of the talent acquisition techniques used by Awash Bank.

Awash Bank develops and retains talented employees through the provision of incentives, benefit packages like housing and vehicle loans, medical insurance, transportation allowance, mobile allowance, representation allowance, personal and emergency loans, yearly bonuses, career based training and development programs (both locally and internationally), experience sharing through exposure visit to countries within Africa and outside have been conducted by the bank..

Even if the bank is doing its best to maintain its talented employees through different techniques, the data from the human resource department indicates that employees are still leaving the bank to other private banks or to the government owned banks in search of better benefits, promotion, training opportunities and the like; and there is a difficulty faced by the bank in terms of minimizing the talented staff attrition rate due to the expansion of banking sector.

According to the data obtained from the bank’s human resource department,

- In 2015/16, total of 355 employees left (19.5%)
- In 2016/17, total of 376 employees left (20.7%)
- In 2017/18, total of 291 employees left (16%)

The above data is for clerical employees within Addis Ababa only and excluding non-clerical employees within Addis Ababa and outlying/regional as well. The total number of clerical employees of the bank in Addis Ababa as of June 2018 were 1,819 and non-clericals were 1,552.

Having 16 privately owned banks in the country and the aggressive branch expansion by those banks show how the industry is expanding and how the competition would be higher. The human resource department of the bank believe that due to the expanding nature of the banking industry, employees are leaving in search of better benefit packages, working environment and also highly relying on other attracting mechanisms used by these different banks. Proceeds of exit interview conducted with employees who left the bank on different occasions reveal that reward schemes such as unattractive benefit packages particularly pay, lack of recognition, poor supervision/leadership, poor working conditions, perceived shortfalls in basic satisfiers such as career and promotional opportunities are the major reasons for quitting the bank.

Talent retention is critically important for all organizations for two main reasons:

1. Turnover is expensive.
2. Top performers drive business performance.

Research Gap

Talent management is the process of attracting, selecting, developing and retaining the employees. But before that, an organization should find out what types of employees are required, which are currently available, what would be the future need, etc. Depending on the requirements of the organization, it should fill the gap of employees that it needs with the help of talent management. This study will also try to:-

1. Put pressure on the banking industry how to attract the best talent and ensure that employees join the company and choose to stay in the organization rather than look for opportunities elsewhere.
2. Awash Bank's talent management scenario so as to analyze its emerging challenges and trends.
3. There are no previously research done on talent management practices in the private banking industry in Ethiopia, especially in the case of Awash Bank.

1.4 Research Questions

1. Does the bank adequately address workforce planning and talent acquisition practices?
2. Does Awash Bank successfully implement workforce acquisition, development and retention practices?
3. What are the challenges faced in managing talent in Awash Bank?
4. Does Awash Bank properly exercise human resource development and performance management practices?

1.5 Objectives of the Study

1.5.1. General Objectives

The general objective of this study is to assess the practices of talent management at Awash bank

1.5.2. Specific Objectives

- To assess the talent management (talent planning & acquisition, development and retention) practices of Awash Bank
- To examine challenges of talent management practices
- To identify factors that drive talent retention.

1.6 Significance of the Study

Most of the organizations aim to achieve the sustained results after investing time, effort, and money in service improvement initiatives. However, failure often happened due to lack of long-term commitment by customer service representatives. The commitments of employees are a major element in evaluating the success of a business (Olajide, 2014). The success of the company is inseparable with employees' commitment because there is a relationship or connection between customer service representatives and firms' customers.

The findings of this study will increase the understanding and awareness of Awash bank's talent management practices and how it leads to employee/talent retention. This study will serve as a guide for organizations especially those in servicing industry like the banking sector as to how to manage talent, retain talent and contributions of talent management practices to both employees and the organization. It also contributes in decision making on talent management and employee

retention practices whereas organization that have yet to have talent management, this will serve as a new opportunities for the retention of talent.

This study will also be able to provide support to academicians, scholars and other industries to further explore and investigate the impact of talent management and employees' retention. This study will be able to contribute additional knowledge and insight on theory and practice of human resource management by providing a detailed analysis on how talent management can influence employees' retention in organizations.

1.7 Scope of the Study

This study is limited to the talent management (talent acquisition, talent development and talent retention) practices implemented by Awash bank at its Addis Ababa branches without including regional branches.

Dimensions to be assessed as part of talent acquisition, development and retention mechanisms considered for this study:-

1. Payment – concerned with employees' satisfaction with their salaries.
2. Merit based Promotion – probes for the opportunity that the organization offers for promotion.
3. Recognition - probes whether employees are receiving the recognition and feedback for the job they perform.
4. Benefits – focuses on whether benefits such as medical schemes, tuition privileges, pension, provident fund, and leave are satisfactory..
5. Working Condition- looks at opportunity to mix with colleagues and interpersonal relations.
6. Leadership/high potential development- level of recognition and chance of getting a higher position

The bank has classifications of branches, described as Special class, Class 1 and ends up with Class 4, based on the financial transactions (number and volume of cash and non-cash transactions, volume of deposits and loans, number of accounts.. etc) and by the number of employees that each branches comprised of. Accordingly, this study will focus on Special class, Class 1, Class 2, Class 3 and Class 4 branches as considering each will make the study be cross-cut and more representative.

1.8 Limitations of the Study

- Due to time and budget constraints, the study was limited to branches within Addis Ababa only and outlying branches were not part of this study.
- Talent management data is often difficult to access because it is scattered among a variety of disparate IT systems.
- The study is restricted to 255 respondents which will encompass all category groups of employees of the bank starting with senior management, managers, clerical and non-clerical employees.
- Lack of access to secondary data in the bank due to confidentiality issues like fearing of exposing its strategic plans and HRM practices to be copied by other competing banks.

Though these and other minor problems might be some of the limitations, the student researcher will try to exploit any option that helps to curb the problems.

1.9 Organization of the Study

This research paper has five chapters. The first chapter consists of the brief introduction about the research topic, which consists of a general background on talent and talent management practices, problem statement, research objectives (both general and specific), research questions, significance and limitation of the study, organization of the study & definition of terms. The second chapter focuses on the literature reviews that are interrelated to the research topic and the third chapter deals with data collection technique, research sample, measurement scales and approaches of analyzing data that emphasis on the methodology of the study. Ethical considerations are also included on this chapter.

The fourth chapter focuses on the results that are collected from the questionnaire and direct personal interview conducted. All the complete data that are collected from the questionnaire are entered into Statistical Package for Social Science (SPSS) software. And the fifth chapter consists of major findings, conclusion and recommendation of the study results. This chapter mentions and concludes the implications, recommendations, recommendation for future reference and research.

CHAPTER TWO

REVIEW OF LITERATURES

2.1 Theoretical Review

The various articles on different aspects of talent management practices appeared in journals/magazines are restrictive in nature and do not give a comprehensive picture. Heinen and Neill (2004) stated that managing the talent is difficult and time-consuming, but very rewarding. Senior management might have the best intentions for developing people but failed to invest the time and resources needed to realize the benefits. Organizations with long-term and sustained success are those that focus on growth and achievement by attracting and retaining the best talent. They concluded that the talent management is business task not a human resource or administrative task. They gave more preference to 'A' grade employees and focused on developing talent pools and career path as also tried to create a balance between organization and individual needs. They also introduced talent review session annually for high potential professionals to review the talent policies.

In order for talents remain in the same organization, an employee experience both extrinsic and intrinsic rewards from the job plays bigger roles. Another, hidden force that enables organization to retain its talent is through motivational techniques. Different employee has different view on motivation as different employee has different beliefs, values and attitudes which differ among individuals (Vaiman & Vince, 2008).

2.1.1 Concept and Definition of Talent and Talent Management

The concept of internally growing an organization's talent involves a very different understanding of what "talent" means. For organizations that adopt talent management systems necessarily underline the importance of human resource development and make use of a diverse set of human resource practices that aim at expanding employees' knowledge, skills, and abilities, They concentrate more on developing the potential of talented employees and making them ready to take on more challenging roles and place less importance on externally recruiting talented candidates (Meyers, 2013).

Talent is the most important factor that drives an organization and takes it to a higher level. The definition of ‘talent’ can also vary between organizations, or within the same organization over time. Many organizations seek to map individuals across the organization in terms of performance and potential, and it is those who are identified as high performers with high potential who are most often the focus of talent management.

Talent management is the use of integrated set of activities to ensure that the organization attract, retains, motivates and develops the people it needs now and in the future (Armstrong, 2006). Warren (2006) described talent management as the identification, development, engagement, retention and deployment of talent. It is also the means through which organization systematically identified the key positions within the organization which separately play a role in the development and gives the organization more strength to face their rival which gives an organization hedges over is rivalry. According to Heathfield (2010) and SHL (2008), talent management involves every aspect of human resource planning process ranging from Planning, recruiting, selecting, placement, orientation, training and development. For talent management to effectively take place, organization must first attract right candidate, then retain excellence performance and start nurturing such talent for organization success.

2.1.2 The Importance of Talent and Talent Management

Managing talent through the appropriate processes of attraction, development, management and retention will lead an organization to achieve its desired successes. Since employees are the main resources required for success, well-organized talent management procedures should be implemented.

For many organizations talent and talent management are high on the corporate agenda. There is a good business case for a strategic approach and CEOs as well as HR directors regard talent management as a priority.

An organization’s strategy will be difficult to achieve without the right people in the right place at the right time with the right skills. Talent management can deliver operational benefits. According to McKinsey (2008), effective talent management is one of the factors that could be

positively correlated with a range of performance indicators and success to the organization. If employees are let to perform at their best by making the work place conducive, they will be sources of competitive advantage to the organization.

In order to achieve the objective of the organization, a skillful crafting and identification of talented employees through the involvement of professionals who specialize on talent management practices is mandatory. A worldwide shortage of talent; an imbalance between the demand for talent and its supply, key skills shortages caused by the huge demand of knowledge, economies and significant changes in workforce demographics have combined to form a perfect storm of factors that will influence the approach to talent management.

2.1.3 Dimensions of Talent Management Practices

According to Scullion and Collings (2009), several scholars have investigated three talent management practices: talent attracting, talent developing, and talent retaining that have a positive effect on firm performance. In line with the literature, this study has also adopted the above three practices attracting, developing and retaining, as they fit its objective.

2.1.3.1 - Talent acquisition and selection - Talent acquisition or selection is the process of attracting the required talent, internally or externally, and identifying or selecting them to be part of the organization's talent pool. Several studies though show that few companies rigorously adopt either an internal or external approach to identify talent and even more rarely do they implement a combination of both. Talent management practices are strongly influenced by the management and human resource management practices that different organizations follow. According to the studies developed by Meyers, 2013, senior managers prefer to recruit talented candidates who already possess the required competencies and skills that don't exist in the organization, and are less enthusiastic about systems and practices for developing such talent in people based on the concept of the "war of talent" developed by McKinsey. "Innate talent" as they refer to it is based on the notion that talents in individuals cannot be developed, talented people according to the study are born talented and their natural or native talent grows with them, distinguishing them among other job seekers or employees. Thus talent management processes

based on this assumption focuses mainly on attracting and hiring the most talented individuals available in the work force and retaining them in the organization thereafter.

Organizations who believe in talent as innate character concentrate on building a highly attractive image of the organization to be perceived as an “Employer of choice” so as to gain the interest of the most talented candidates available in the market (Meyers, 2013). The concept of the organization growing its own talent internally involves a very different understanding of what “acquired talent” means. For organizations that adopt this approach “talent management systems necessarily underline the importance of HR development and make use of a diverse set of HR practices that aim at expanding employees' knowledge, skills, and abilities”, They concentrate more on developing the potential of talented employees and making them ready to take on more challenging roles and place less importance on externally recruiting talented candidates (Meyers, 2013). Another study argues that this approach of identifying potentially talented individuals internally, and to “promote from within”, in creating the organization’s talent pool means strongly connecting the talent ‘selection’ process with talent ‘development’ (Lewis & Heckman, 2006).

While both of the concepts, perceiving ‘talent as innate’ and ‘acquired talent’, seem valid on the face of it; adopting exclusively only one approach to talent management, in the view of the current market situation, staff shortages, the time and cost involved in employees’ training and development, and the general level of mobility of candidates all seem limiting factors to organizations that intend to grow faster in the market and gain a competitive advantage.

Acquiring talent from external sources has the potential to expand the organization’s scope for acquiring different talents that might open new fields for the firm to operate in and gain their business a top of the range market position. Whereas, on the other hand, grooming the organization’s currently employed staff will help them commit to supplying their employer with talent as needed since they know the culture, systems and requirements of the organization very well.

2.1.3.2 - Talent development - Talent Development practices are designed to develop talented employees, that have been selected either internally or externally to be part of the talent pool, and motivate them to excel by fostering an environment that provides them with chances to prove themselves and grow. This employee development is attained through the common HRM practices of training and mentoring, along with more distinctive practices such as staff mobility that gives that staff opportunities wherever they exist if the organization operates in several countries, or on temporary assignments like “secondments” that will encourage talented employees to express their skills and to apply them (Chabault, 2012).

After attracting talented people, the organization should work to develop these talents through education, training and development to enhance their abilities, skills and knowledge to achieve high performance for the organization. The process of talent development builds on the talent abilities, the organization's needs and the job requirements of the talented, limiting their weaknesses and working to fill these gaps with education and training that increase their chances of continuing productive and distinctive work that meets the needs (Williamson, 2011). Makri and Yehiaoui (2014) defined developing talents as "one of the of HR management areas for selection procedures using appropriate tools for selecting talented individuals on the basis of competence. This stage of talent development process includes the subjects associated with learning and development. Here employees need to clear their career development path. Also, organizations need to invest more in the staff to create learning and development opportunities so as to use them for responding the future expectations and requirements (Tajaldin & Eghbali, 2008). It can be defined by the researchers as a way for the organization to choose talented people using appropriate testing and interviewing tools.

As part of talent development mechanism, training and development is one which is related to the improvement or advancement of the job or job holder’s responsibility. Training is the provision of getting the skilled knowledge and skills in order to increase the level of responsibility. Training provides the general guidelines to employees for doing the work or accomplishing the organizational objectives. Training is a systematic process of changing the behavior, knowledge and/or motivation of present employees to improve the match between employee characteristics and employment requirement. Training is the process by which employees learn skills,

techniques, information and behaviors needed to do their specific tasks or jobs. According to M. Armstrong- "Training is the systematic development of knowledge, skill and attitudes required by an individual to perform adequately a given task or job".

2.1.3.3 - Talent Retention – Talent retention's focus is on retaining the best talents that will help the organization to get the desired objectives. It has been argued by researchers that retaining the talented employees is in the organizations' best interest (Collings & Mellahi, Strategic talent management: A review and research agenda, 2009). The main reason is that individuals possess talents hence once they leave the organization cannot benefit or utilize those talents anymore (Chabault, 2012). Unlike the traditional retention measures, using employee internal mobility approaches and rotating talent within the organization have been adopted in few organizations and found to be valid, if somewhat uncommon, means of retention (Chabault, 2012). These retention tools can help the organization maintain its talent after all and benefit from it across the entire organization rather than solely in particular departments or countries.

According to Blackman and Kennedy (2005), talent management strategies will result in the possibility of growing tension between employee progression and capability development. These two researchers focused on potential problems with the implementation of talent management systems which emerge through overly fast promotion, reduction in development effectiveness, feelings of inequity by those not recognized as 'talented' staff and lack of support within the organization. They also discussed the solution for retention of talented people which are succession planning, career development, good salary and work life balance.

Also Lewis and Heckmen (2006) identified three distinct strains of thought regarding talent management. First and foremost are those who consider talent management as substitute of human resource management. They also limited their focus to particular HR practices such as recruitment, selection, leadership development and succession planning. A second perspective emphasized on development of talent pool focusing on projecting employee/staffing needs and managing the progression of employees through positions. The main focus is on understanding of internal workforce. The third perspective focused on management of talented people.

According to Beechler and Woodward (2009) described talent retention as the rapid, complex and pervasive changes that will continue to impact labour and talent both in terms of quality and quantity. Global demographic and economic forces to the increasing mobility of people and organizations, the business environment is more demanding and complex. There are knowledge-driven industry transformations as well as cultural changes within businesses and in individuals' views on career life cycles. These require higher cognitive capabilities, extensive relationship management, leadership skills and new human resource, development and career processes. There is a much wider diversity in culture, gender, working generations and modes of employment than ever before. These can be sources of advantage to be leveraged or conflict to be managed. Despite today's global financial circumstances, the capacity of organizations to attract, develop, motivate and retain talent will remain a critical strategic issue for the 21st century's knowledge economies.

2.1.4 Sub-Dimensions of Talent Management Practices

Different researchers identify the sub-dimensions of talent management practices in the following manner:

2.1.4.1 Succession Planning – according to Armstrong (2006), succession planning involves selecting from pools of promising candidates those employees best suited to fill higher-level management positions in business firms. As a first step in the process, a projection of future needs for senior managers is made. Next, planners try to assess which short-listed employees are most likely to be successful in the positions that are expected to open up.

2.1.4.2 Recruitment and Selection - An effective and efficient source of recruiting the people should be used by the organization. The most reliable source generally used by the organization is the internal source and mostly current employees are promoted to the higher level and for the lower positions fresher are selected. In other words, an organization should use the most trusted and reliable source for the recruitment of the people. Also, the task of recruitment is not easy, utmost care is to be taken while recruiting the employees (Collings & Mellahi, 2009),

2.1.4.3 Development and Training- according to Zhou (2009), banks that want to strengthen their employee base and elicit commitment, must invest in the training and development of their employees. Training is defined as the systematic planned effort to facilitate employees' acquisition of job-related knowledge and skills so as to improve productivity. According to Zhou

(2009), employees' skills development through training enhances their competitive advantage in the labour market hence their confidence of their job security. Once organizations like banks have increased employees' productivity through training and development, the resultant effect usually tips in favor of loyalty to the bank, which significantly reduce employee turnover.

2.1.4.4 Compensation and Rewards System - According to Zhou (2009), rewards system are mechanisms through which organizations show appreciation towards employees for their commitment, performance, skills, knowledge or loyalty towards the organization. O'Reilly (1980) uses intrinsic motivation theory to argue that banks rewards system significantly enhance employees' commitment to their organizations, or significantly enhances turnover rates.

2.1.4.5 Performance Management- Performance management contributes in increasing employee engagement and to motivate employee by giving positive feedback and recognition (Armstrong, 2006). According to Mathias & Jackson (2006), performance management is also define as a method in creating shared vision of the organization by assisting employee in understanding and role in contributing the performance of both the employee and organization. According to Armstrong (2006), he stated that performance management is used to identify the potential of an employee, develop the employee individual development plan and to associate the employee performance with the succession planning or talent pool. Mathias and Jackson (2006) added that performance management consists of processes such as identifying, measuring and communicating then to train and develop the employee and reward the employee for their

2.2 Empirical Review

According to the research made by an Indian researchers Jyoti and Rani (2009), Indian banks are increasingly beginning to recognize that human resources, especially talented ones, as valuable asset and continuously strive to retain them. Managers viewed that talent retention is becoming more difficult task for all levels of management.

Jyoti and Rani (2009) revealed that among 58 Indian companies, banking and IT sector have highest voluntary employee turnover, which was 2.9 times more than engineering and manufacturing sector. In addition, this survey also revealed that if any organization is able to manage talent turnover, they will gain more benefits from investments made on development. For beating today's overseas competition, banking sector managers have to customarily maintain their appropriate components for massive redeployment and retaining of talented employees. According to their research, bank managers who take active part in employee development and in other activities, which are directly or indirectly related to employees are able to decrease their intention to turnover as compare to those who don't.

This article also argue that career development programs, promotion process and skill development opportunities are not enough to retain talented employees at middle as well as lower level. To answer this argument, our research suggests number of managerial implications to the top and to the middle level managers, which promote talented employees retention.

As per the research made by Collings & Mellahi on Strategic Talent Management (2009) in their review of talent management studies, linking the organization's objectives for talent management and developing a strategy for implementing them are key steps to commence the process. These researchers identify talent management strategy as requiring the development of human resource measures and procedures for methodically identifying critical roles in the organization that are considered to be of greatest influence in achieving the organization's objectives. This talent management process requires building up the 'talent pool of high potential and high performing' candidates for future roles, and implementing a customized human resource management structure and design that will positively contribute to recruiting and retaining the right candidates for the identified roles.

And some literatures clearly described talent management (attraction, development and retention) practices with respect to other banks in the following manner.

Abraham E.S.J. (1988), in his article entitled “Human Resource Development Climate in Banks” surveyed 14 different banks and observed that there is a wide gap between the belief of top management and their practices about human resource development. The belief and philosophy are of the ideal order, the practice of it falls way below expectations. The training practices are adopted in the bank for overall development of the employees. Besides, training the widely used mechanism in human resource development in banks needs to be evaluated from time to time to verify its effectiveness, the author opines.

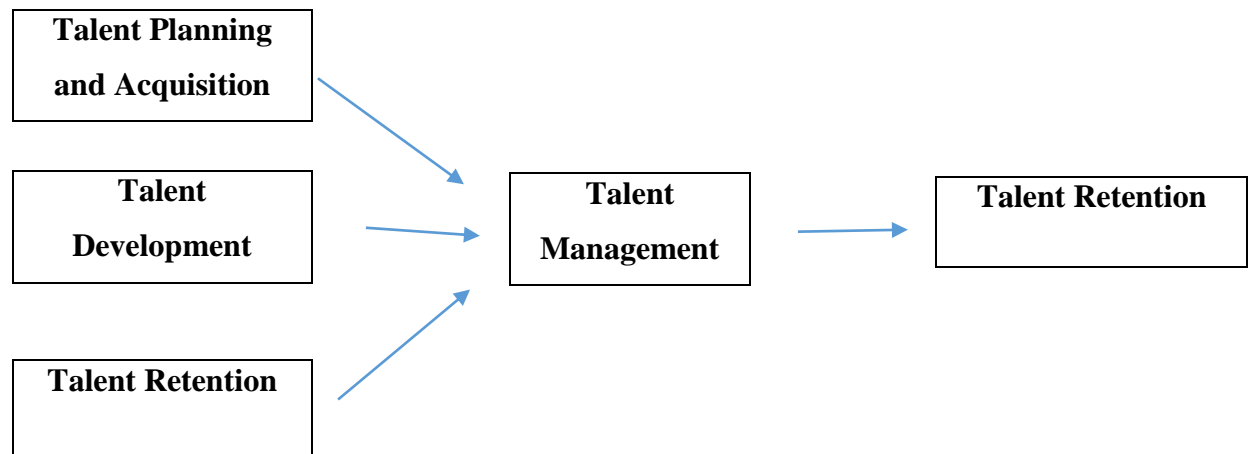
According to Prathiba and Balakrishnan (2014) in their research concerning talent management strategies in privately owned banks, they tried to pick out major challenges that private banks faced during their practices on managing talent and also identifying how to overcome these challenges and minimize or avoid them so as to achieve the strategic objectives of the banks. Their studies also tried to fill the challenge gaps of private banks and what are the strategies that need to be devised in order to reform their talent. Their paper reviewed and discussed about existing employee engagement strategies adopted by private sector banks and the way in which they retain their core talent. It further aims to provide suggestions as to what should these banks focus on to ensure winning the war for talent.

According to the Indian researchers, Swapna and Raja (2007) have stated that high-performing companies place management of organizational talent as a top priority. Strategic and talented management is the corner stone for success in the new talent-based economy.

2.3 Conceptual Framework

Employee turnover can be caused by various factors which in turn can have impacts in the performance and the future of the bank. These causal factors can be insufficient salary and benefits, availability of alternative and high paying jobs, lack of recognition for better performing staff, lack of access to financial and loans and lack of promotion.

These factors may lead to employee low morale and employee turnover which on the other hand may affect the organization by causing low organizational performance, loss of experienced employees, high administrative hiring costs and shift of customers to other banks.



Source: Conceptual framework developed by the researcher (2019)

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter focuses on the discussion of the research methodology and research design, population of the study, sampling technique used in selection of the sample for the study, methods of data collection, data analysis techniques and ethical considerations. This chapter is important as it serves as the road map of how the research was conducted.

3.1 The Study Design

The research design used for this study was descriptive. It was designed to assess the existing talent management practices in the platform of Awash Bank with a hope lessons learnt will be applicable in the wider context of financial sector.

3.2 Study Approach

A cross-sectional study involving both qualitative and quantitative research approaches were employed to achieve the objectives of the study and to answer the major research questions. Quantitative research approach helps to understand both the “what” and “how” of the detailed individual intentions behind the study pillars of talent management practices based on numerical data. Qualitative approach was also employed to capture the deeper, more subjective and less observable aspects that are required to answer the “why” question to enrich the finding.

3.3. Validity and Reliability of the Instrument

Reliability refers to the consistence, stability, or dependability of the data (wikieducator.org). The reliability of an instrument is increased by identifying the precise data needed and repeated use of the instrument in field testing. Also, validity refers to the extent to which a measurement does what it supposed to do (Kothari, 2003). Data need not only to be reliable but also true and accurate.

3.3.1 Reliability

To generate accurate results, data gathering instrument must be valid and reliable. Cronbach’s coefficient alpha was calculated and the result shows 0.957. Nunnaly (1978) stated that the threshold value is 0.65. Hence, the instrument can be considered as a reliable one.

3.3.2 Validity

The study used content validity of the scales in the questionnaires to ensure that every necessary information were covered and administered to the targeted respondents of Awash Bank. On the other hand, the instrument used was reliable in terms of consistency obtaining similar result from respondents each time the instrument was used. The summary of the scales determining objective areas covering questionnaire are shown in Table 3.1 below:

Table 3.1: Reliability Test

Ser. No	Construct	Number of items	Cronbach's Alpha
1	Talent Strategy	4	0.835
2	Workforce Planning	4	0.802
3	Talent Acquisition policies in place	4	0.802
4	Retention policies in place	6	0.841
5	Capability development and Performance management	5	0.846
6	Leadership and high potential Development	4	0.851
7	Total Reward and compensation	4	0.869
8	Learning and development	6	0.834
9	Career management	7	0.816
	Overall talent management	44	0.957

Source: Own survey (2019)

As illustrated in the above table, the individual talent practices as subscales of talent management, also tested for their reliability in measuring talent management practices in Awash bank. Accordingly, they were found reliable with Cronbach's coefficient alpha score of 0.835 for talent strategy, 0.802 for workforce planning, 0.802 for talent acquisition practices, 0.841 for retention policies, 0.846 for capability development, 0.851 for leadership and development, 0.869 for rewards & compensation, 0.834 for learning and development and 0.816 is for career management. As Zikmund (2009) noted, scales with a coefficient alpha between .70 and .80 are

considered to have ‘good’ reliability and scales with a coefficient alpha between 0.80 and 0.95 are considered to have ‘very good’ reliability.

Therefore, based on the above test results, it can be concluded that, both TM and subscales of TM scored an acceptable Cronbach’s coefficient alpha and the instrument were found to be reliable.

3.4 Source of Data and Data Collection Tools

The study was compiled with the help of primary and secondary data. Primary data was collected through direct personal interview and questionnaires. A structured pre-tested questionnaire was adopted from Zheng (2009). The questionnaire had two parts. Part I was dedicated to capture socio-demographic characteristics of researcher participants and profile of their branch office. While Part II consisted of questions useful to measure talent management practices in Awash Bank, Ethiopia. In addition, questionnaire developed in Part II was based on 5-point Likert Scale ranging from strongly disagree to strongly agree based on 45 items. The sub categories of developed items were: talent Strategy; Workforce Planning; Talent Acquisition; Retention Policy in place; Capability development & Performance Management; Leadership Development; Total Rewards, Compensation & Recognition; Learning Development and career Management. The scale values were: 1=Strongly Disagree; 2 = Disagree; 3= Neutral; 4= Agree; and 5 = Strongly Agree. The researcher provided information sheet and completed set of questionnaires to selected staff at their workplace and collected later.

Also, there were direct personal interview sessions held with human resource department heads and senior management staff as they were highly linked to the talent management practices, training and development issues and staff benefits and packages. Moreover, the study covered various published and unpublished materials on the subject, the bank’s human resource manuals, books, annual report of the fiscal year 2017/2018, academic journals written by researchers.

3.5 Target Population

According to McLeod (2014), target population is the total group of individuals from which the sample might be drawn. And target population is a specified group of people or objects for whom the findings from a sample will be generalized (McLeod, 2014). For this study, 622 employees of Awash Bank working in branches located in the four zones (East, West, North and South) within Addis Ababa, Ethiopia (based on the classification criteria of the bank) were considered

as target population. The researcher assumed that the branches of Awash Bank operate in similar and equivalent manner in terms of talent management policies, strategies, and practices.

Table 3.2: Distribution of Research Sample at Awash Bank Branches based on Zones

S.No	Zones and Their Respective Branches	No. of Branches Included	Questionnaire Distributed	Questionnaire Collected
1	East <ul style="list-style-type: none"> • Bole Medhanialem • 22 Mazoria • Wuha Limat • Shalla • Bole Friendship 	5	64	61
2	West <ul style="list-style-type: none"> • Merkato • Sebategna • Kolfe • Merab Merkato • Lideta 	6	64	63
3	North <ul style="list-style-type: none"> • Arat Kilo • Sidist Kilo • Yared • Shiromeda • Piassa • Mehal Arada 	6	64	64
4	South <ul style="list-style-type: none"> • Gofa Sefer • Gotera • Sarbet • Gofa Mebrat Haile • Laphto 	5	63	61
	TOTAL	22	255	249

Source: Own Survey (2019)

3.6 Sampling Frame

Sampling frame is a list of sampling units from which selection of sample is made. In addition, the sampling frame assisted the student researcher to enumerate all branch offices and the staff for which a sample of participants were selected. In this research, considering the time, financial and other resource constraints, the student researcher selected branches from each zone (East, West, North & South) located only in Addis Ababa. Then to identify study participants sampling

frame of staff was developed using payroll. The number of research participants was allocated using population to portion size formula.

3.7 Sample Size Determination and Sampling Techniques

Since the sample size for the quantitative aspect of the study will be obtained from a known population of the number of workers in the targeted operational units, with the basic population parameters unknown the following assumptions and Yamane's (1967) formula is adopted to determine the sample size.

The formula:

$$n = \frac{N}{1 + N(e)^2}$$

where;

n= designates sample size for the study

N= designates total number of employees

e= designates maximum variability or margin of standard error at 95% Confidence Interval

l= designates the probability of the event occurring.

Therefore;

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{622}{1 + 622 * (0.05)^2}$$

n= 622/ 2.83 = 243; and 5% (non- response, refusal and drop outs) made the sample size of 255 out of which 249 were responsive. The determined sample size was allocated based on population proportion to size to selected Awash Bank branches located in Addis Ababa. Based on sampling frame of staff, individual researcher participants were identified using proportionate stratified simple random sampling technique.

3.8 Pilot Study

A pilot study of the questionnaire was performed in order to validate the contents of the questionnaire by giving an initial feedback about the questions and items of the questionnaire and measuring its clarity and effectiveness to respondents. A pilot sample of 10 questionnaires has been used.

This was done in order to identify questions that might be unclear or ambiguous to the respondents. The questions that gave ambiguous answers were revised and formatted again so that they could give reliable answers during the final process of data collection.

The pilot study results revealed that the questionnaire was clear and understandable and all items were completely answered in a correct way.

3.9 Design of an Interview

The interview was conducted through the efficient collection of a diversity of opinion on the talent management practice topics. This was carried out with a mix of respondents from officials of the bank who have direct responsibilities on the human resource issues, especially on talent management practices. This was done to deeply understand the nature of interlocking sets of institutional, behavioral and contextual factors of talent management practices in the bank. As explained above, qualitative approach was employed to capture the deeper, more subjective and less observable aspects that are required to answer the “why” question to enrich the findings.

3.10 Methods of Data Analysis and Presentation

The data was entered into computer software called Statistical Package for Social Science (SPSS) and analyzed using descriptive statistical techniques. The data was presented using frequencies and percentages. In order to measure the level of talent management practices mean and standard deviation were calculated. The results were presented with tables and figure.

3.11 Ethical Consideration

In this study, ethical issues were given high considerations. The respondents were assured that the responses they gave be used with complete confidentiality of the research and the participants were informed about the purpose of the questionnaire by the researcher. The willingness of the respondents was given a high emphasis for this study.

Also requests for names and employees' identification number or position were prohibited at any part of the data collection so that participants are certain that he/she cannot be traced by employers. This would offer them enough room to express their ideas and point out their responses freely and safely.

The researcher also took individual responsibility to conduct the research by adhering to the time schedule agreed upon with the supervisor and management. The researcher was open and honest when communicating with the respondents.

CHAPTER FOUR

RESULTS AND DISCUSSION

This chapter analyses, interprets and presents the data as per the research objectives presented in chapter one. It first presents the profiles of the respondents and later it discusses the findings.

Data were collected from primary sources by undertaking survey from employees of the bank. 255 questionnaires were distributed and 249 were responded back and 6 questionnaires were unfilled. Moreover, an interview was conducted with 4 officials (2 HR officers, 1 HR manager and 1 vice president), who directly involves with formulation of strategies and HR activities of the bank. The student researcher had a direct personal interview with these officials concerning talent management practices being exercised by the bank. Secondary sources were HR manuals and annual reports issued by the bank and other related literatures.

Response Rate of Respondents

For this study, a total of 255 questionnaires were distributed to the respondents and 249 questionnaires were received, indicating a response rate of 97.6%. The remaining 6 questionnaires weren't filled and were not included in the analysis.

4.2 Demographic Characteristics of the Respondents

Based on the sample procedure described in the previous chapter, 249 copies of a questionnaire were distributed to employees located in 4 zones within Addis Ababa. The analysis of data was processed in line with basic research questions and objectives of the study.

The demographic information for this study includes gender, age, respondents work department, years of work at the bank, and respondent's title at the bank. The following are some of the findings that were obtained with regards to demographic information.

Table 4.1: Demographic Characteristics

Variable	Characteristics	Frequency	Percent
Sex	Male	152	61.0
	Female	97	39.0
Age in four categories	18 – 30 Years	102	41.0
	31- 40 Years	106	42.6
	41- 50 Years	38	15.4
	51 – 60 Years	3	1.2
Department	Customer services	78	31.3
	Operations	60	24.1
	Marketing and Sales	51	20.5
	Finance	25	10.8
	Information Technology	23	9.2
	Others	12	4.8
Tenured services in five categories	1-3 years	30	12.0
	4- 6 Years	56	22.5
	7-9 years	20	8.0
	10-12 years	94	37.8
	13-15 years	49	19.7
Position	Manager	59	23.7
	Supervisor	68	27.3
	General Employee	122	49.0

Source: Own Survey (2019)

4.2.1 Classification of Respondent by Gender

The gender of the respondents in demography was 61 % male, while female respondents were 39%. The study indicated that the majority of respondents were male. This shows that the number of male respondent is by far greater than the number of female respondents. The percentage of female employees shows an increased awareness about the importance of gender and role of female in society's development. Therefore, the bank's HR department should keep the proportionality of employees' gender. However, the student researcher believed that both genders were adequately represented in this study.

4.2.2 Respondent Age Classification

The study respondents were classified according to age groups. The distribution of respondents by age group is shown on Table 4.1. Accordingly, respondents' age distribution was as follows: 31 to 40 were the slightly high at 42.6%, followed by those aged 18 to 30 years at 41%. The study indicated that the bank has high number of employees whose ages range between 18-40 (total of 84%). The study also shows that 15% of the respondents were aged 41 to 50 years, while 51 years and above only 1%.

The age category data showed that most of the respondents were young which can be referred to the understanding of bank's management about the youth abilities and skills especially millennial who were interacting with new technological revolution and the importance of utilizing such skills in ideas innovation and enhancing bank's performance. Also, having employees within the active age range helped the bank to have energetic workforce and this group of age obviously could be useful and productive for quite a long period of time if was to be managed properly.

4.2.3 Respondent Work Department

Table 4.1 above shows the distribution of respondents based on their work department. Most of the respondents who participated in the study were from customer service at 31.3% followed by operations department at 24.1% and then marketing and sales department at 20.5%. While 10% was from finance department, 9.2% of the respondents were from IT department and only 4.8% was from other unspecified departments.

4.2.4 Respondents Years at the Bank

Respondents in the study were asked to indicate the number of years they had worked at Awash Bank. According to the study findings, the highest number of years spent by respondents at Awash Bank was 4 to 6 years at 37.8%, which impacts the interest of bank's management towards recruiting an entry level employees and provide them with needed skills and training that help engage with banking work environment and follow rules and policies. Based on the data showed on table, 10 to 12 years at 22.5%, and 7 to 9 years at 19.7%. Such respondents who have long experiences will benefit the bank in transferring experiences to lower experience employees. 12%

of the respondents indicated they had been at the bank for 1 to 3 years, while only 8% of respondents indicated 13 to 15 years of work experience.

Referring the HR manuals of the bank, due to the emerging branch expansion, this leads to high level of manpower demand and consequently the bank is hiring aggressively employees to fill different positions for the last three years. Fortunately, there is no employees participated in the study who is below one service year. Therefore all participants have a better understanding regarding talent management practices in the bank.

Based on the data collected, the implications indicated that most of the employees were experienced enough to work productively and efficiently. The findings revealed that most of the respondents belonged to a medium experience (assumed to belong to a medium age). And those at the medium age have number of requirements because it is assumed that, it is the age where people start life in terms of having their own properties and want to lead a sustainable life. Those requirements, in most cases need to be fulfilled using salaries and other compensation otherwise, they tend to look for alternatives jobs to meet their expectations.

4.2.5 Respondents Designation/Work Department at the Bank

In the study respondents were asked to indicate their designation at Awash bank. Table 4.1 above illustrates the findings; and the findings indicated that 49% of respondents were general employees, 27.3% were supervisors, while 23.7% were managers. The result illustrated that the majority of respondents were general employees which matches the nature of banks services that requires a high number of employees to interact with agents and customers. However, it is obvious that this group is aware on what their colleagues are been paid and when it comes to employment opportunities, they have greater probability of quitting their jobs due to ever-increasing number of new finance and banking institutions which offer the best benefit packages compared to Awash bank. These results show that the bank should make lots of efforts to recognize its general employees as they took 50% of the total employees, provide them with better benefit packages and working conditions, creating a smooth employee-manager/leader relationship so that they will work with all their capabilities. By doing so, the bank can minimize its staff turnover rate because most employees are leaving in search of these benefits and conditions.

4.3.2 Types of Employee Turnover at Awash Bank

Based on the findings of this study, the respondents provided different opinions on the types of employee turnover taken place in the bank.

Table 4.2 Types of Turnover

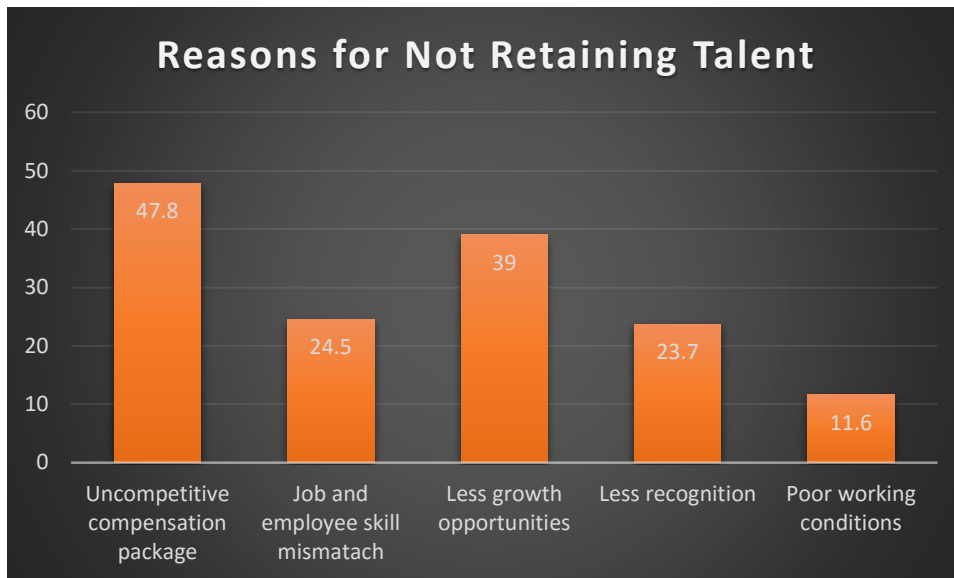
Distributions	Frequency	Percentage
Avoidable turnover	85	34
Dysfunctional turnover	57	23
Functional turnover	92	37
Unavoidable turnover	15	6
TOTAL	249	100

Source: Own Survey (2019)

According to the findings on table 4.2 above, respondents indicated that 37% of the turnover was functional turnover while 34% was avoidable. 23% or respondents indicated the turnover was dysfunctional and only 6% of the respondents believe that turnover is unavoidable.

Functional turnover occurs when people leaving the firm are underperformers. This is common in large consulting and financial firms that employ an "up or out" philosophy. Employees in such a company must develop and improve to move up in the ranks. Those who are unable to progress are let go. Consequently, these firms have high turnover, but the employees who remain are the best and brightest. Thus, most of the respondents believed that employees are leaving due to their underperforming natures and those who are still working are the best.

4.3.3 Reasons for Employee Turnover at Awash Bank Employees were asked to indicate reasons they believe cause employee turnover at the bank. The results are shown in figure 1 below.



Source: Own Survey (2019)

According to figure 1 above, 47.8% of respondents at Awash bank indicated that employee turnover at the bank is due to uncompetitive packages and 39% believe that opportunity for growth is less, While 24.5% believe the turnover was due to job and skills mismatch. 23.7% believed that less recognition is another factor for employee turnover. Only 11.6% indicated that employees leave the bank due to poor working conditions.

According to the data gathered during the interview, the interviewees expressed their views on the relative causes of employee turnover. They believed and even experienced that although pay and benefits initially attract employees, it is not the primary reason given for retaining them. Employees depart because their current employment proposition--some mixture of tangibles (pay and benefits), and intangibles (supervisor relationship, work/life balance, work content, career path, trust in senior management)--is unsatisfactory, and they have the opportunity to join another organization where, presumably, that employment proposition is better. In the current situations, the banking industry is expanding and most of them are offering best benefit/incentive packages and attractive working environments.

4.3.4 What Awash Bank Can Do to Reduce Turnover

Respondents were asked to indicate the things that they believe Awash bank can do to reduce turnover. Table 4.3 below shows the study findings.

Table 4.3 Mechanisms to Reduce Employee Turnover

Distributions	Frequency	Percentage
Treat each employee with respect regardless of their job	85	34
Offer competitive pay package	108	43.4
Offer good working environment	97	39
Offer opportunity for growth	66	26.5
Offer flexible working hours	66	26.5

Source: Own Survey (2019)

According to Table 4.3 above, 43% of respondents felt that offering competitive pay package was the best way of reducing employee turnover. 34% believed treating employee with respect regardless of their jobs is another method of retaining talent at Awash Bank. Equally 26.5 also indicated that both offering growth opportunities and flexible working hours would reduce turnover. On the other hand, 39% believed that offering good working environment would play a big role in retaining talent. Based on the findings, almost half of the respondents believed that the uncompetitive payment packages given by the bank is the major reason for employees' turnover. This shows if employees are given competitive payment packages, talent will be kept and turnover will be very low. During the interview conducted, the officials believed that one of the main reason for talent turnover is unattractive packages being offered by other banks and this was indicated while conducting an exit interview to leaving employees. They also added that in the current context, the bank hired consultants and worked on such turnover issues. As per their statement, after market survey being done, it can be noted that the bank has become the highest payer among the private banks and also the first highly profitable bank in 2018/19 and this is a result of better management of talent as it's hard to achieve objectives without talents. They also added that those who left the bank are applying to re-join and this is an indication that there are better working conditions and benefit packages offered by the bank.

In today's hiring market, benefits package are essential for attracting and retaining top talent. According to Glass door's 2015 Employment Confidence Survey, about 60% of people report that benefits and perks are a major factor in considering whether to accept a job offer and to stay in the organization. The survey also found that 80% of employees would choose additional benefits over a pay raise.

Based on the survey conducted by Glass door’s 2015, it is found out to be that employees place the highest value on benefits that are relatively low-cost to employers, such as flexible hours, more paid vacation time, and work-from-home options. Furthermore, certain benefits can win over some job seekers faced with higher-paying offers that come with fewer additional advantages. Thus, from the report cited, the student researcher believed that pay packages only might not motivate employees to stay in the bank. Instead, provision of flexible working hours, vacation times, work-life balance schedules are part to be mentioned which will help the bank to minimize its staff attrition rate.

4.3.5 The Cost of Turnover

Respondents were asked to indicate which cost(s) they believed had the highest impact on the organization in terms of turnover. The findings are shown in Table 4.4.below:

Table 4.4: The Cost of Turnover

Distributions	Frequency	Percentage
Cost of recruitment and interview	4	1.6
Cost of Recr + interview + training	7	2.8
Cost of recur + interview+training+admin.	3	1.2
Cost of recruitment & training	19	7.6
Cost of recu+training+admin	6	2.4
Cost of recur+training+separation	1	0.4
Cost of separation+recur+ trainin	1	0.4
Cost of separation	7	2.8
Cost of training	62	24.9
Cost of training and admin	12	4.8
Cost of training+admin+interview+recruit	1	0.4
Cost of training and interview	7	2.8
Cost of training and recruitment	22	8.83
Cost of training and separation	2	0.8
Cost of training + separation+admin	1	0.4
Cost of administration	26	10.4
Cost of admin + interview	5	2
Cost of interview	12	4.8
Cost of recruitment	29	11.3
Cost of recruitment + admin +training	8	3.6
Cost of interview and training	14	5.6
	249	100

Source: Own Survey (2019)

The findings in Table 4.4 above show that 62 of the respondents felt that training was the highest cost organizations incur after employee turnover followed by 29 respondents who believed that

recruitment costs the bank. 26 respondents believed administrative costs were the highest, while the rest of the respondents gave different opinion concerning the cost incurred at the bank.

4.3.6 Cost of Recruiting New Talents

Similarly respondents were asked to indicate the cost of recruiting new employee after turnover. The results are shown in Table 4.5 below.

Distribution	Frequency	Percent
High	133	53.4
Low	48	19.3
No cost	9	3.6
Very high	38	15.3
Very low	21	8.4
TOTAL	249	100

Source: Own Survey (2019)

The findings of this study shows that 53.4% of respondents indicated that cost of recruiting new employee after turnover to be high, while 19.3% believed the cost to be low. 15.3% of respondents indicated the cost of recruiting to be very high, while 8.4% of respondents only indicated the cost of recruiting new employee as very low. Only 3.6% of the respondents believe that the bank has no cost of recruiting new employees.

4.3.7 Organizations Employees Join after Leaving the Bank

The study sought to find out the kind of organizations employees join after they leave the bank. The findings are shown in Table 4.6 below:

Distributions	Frequency	Percentage
An organization in the same sector	144	58
An organization in a different sector	42	17
Further study	33	13
Self employment	29	10
Not working	1	2
	249	100

Source: Own Survey (2019)

The findings indicate that 58% of respondents believe that employees who leave the bank join organizations in the same banking industry. 17% of respondents indicated that employees leaving join organizations in different sectors, while 13% said employees leaving go for further studies and 12% of respondents indicated that employees who leave are self-employed. Only 1% of respondents felt that employees who left did not join any organization or are not working and the whereabouts of these employees are unknown. The findings of this study revealed that openings

of different banks can be considered as a factor for staff attrition as employees look outside in search of better & attractive benefit schemes, promotions, work-life balanced atmosphere, recognitions and leave Awash Bank.

According to the results from the interviews, the officials believed that most of Awash bank employees are leaving to these existing and newly opened banks in search of better benefits, higher positions, working environment and for other related reasons. All of the reasons listed for why employees leave organizations fall under the purview of talent management and understanding employee sensitive buttons should provide insight into where organizations could deploy resources to reduce turnover.

Therefore, it can be said that due to the high expansion of the banking industry offering attractive benefit packages, better working environment, promotion to higher positions, job rotations, employees who are leaving Awash bank tend to join these newly or already available banks on the market. Failing to meet employee's needs at any level in the hierarchy can create a lack of fulfillment in employees' professional lives, causing them to eventually try to fulfill these needs on their own, possibly by finding a new employer who provides better opportunities.

4.4 Talent Management Practices

In order to capture talent strategies which were adopted by Awash Bank administration in retaining its employees, the respondents were asked to rate the level of satisfaction on talent strategies adopted by their employer. The respondents were supposed to rate the question depending on whether he/she strongly agreed, disagreed, neither agree nor disagree, agree or strongly agreed. Table 4.7. Below presented the detail results on availability of talent strategy in Awash Bank.

Table 4.7: Talent Strategy

Ser. No	Question	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean	SD
		Fre (%)	Fre (%)	Fre (%)	Fre (%)	Fre (%)		
1	Our Organization has a talent strategy which constantly guide, providing direction on how organization will acquire, develop, and retain employees	9 (3.6)	70(28.1)	52(20.9)	102(41.0)	16(6.4)	3.18	1.03
2	The talent strategy is formal, well documented and shared with all employees	25(10.0)	72(28.9)	60(24.1)	74(29.7)	18(7.2)	2.95	1.13
3	Senior executives spend significant amount of time devoted to managing talent management issues	16 (6.4)	50(20.1)	80(32.5)	87(34.9)	16(6.4)	3.15	1.02
4	Talent strategy is embedded in the overall strategic plan	5 (2.0)	35(14.1)	83(33.3)	108(43.4)	18(7.2)	3.40	0.88
	Overall Mean						3.17	0.83

Source: Own Survey (2019)

According to the findings of the study, 36.9% of the respondents agreed that talent strategy is available and shared to all employees at Awash Bank. However, 38.9% and 24.1% of the respondents did not agree and indifferent on availability of talent strategies, well documentation and being shared to all in their organization, respectively. This result showed that slightly near to half of the respondents do not know the presence of talent strategy in Awash Bank.

Concerning the question if the executives of the bank are spending time to manage talent issues and whether it is included in the overall strategic plan, 40% and 50.5% believed that enough time

has been given on handling talent management issues and inclusion on the overall strategic plan respectively. On the contrary, almost sum of 50% from each questions concerning time devotion by the executive management and embedment in the strategic plan, were not agreed and not known by the employees. This indicates that there is a need to aware all employees about the overall talent management systems implemented by the bank. Management should, therefore, seek to educate the rest of the employees who are not aware of the company's policy on talent management as it helps to build commitment in employees.

During the interview session taken place, the officials indicated that priority has been given on embedding talent related issues, highest mean of 3.40, in the overall strategies and senior executives and directors of the bank are highly involved on how to deal with talent management practices while mean of 2.95 indicated that talent strategy isn't formally documented and not shared to all employees. They also stated that the bank is implementing attractive talent attraction, development and retention mechanisms using its brand as well as one of the best way to exercise talent management practices.

The overall results also showed that the bank has a proper talent strategy in place in which senior executives spend their time in relation to talent management issues and to include in the overall strategic plan. On this regard, it can be said that Awash bank is excellent in its talent strategies and policies.

A good knowledge about the organization's talent management policy is key to effectively identifying and managing individual talents in the organization. When employees do not know whether there is a talent management policy in the organization it indicates that talent management has not been effectively practiced or comprehended by the organization. Therefore, management of the bank should seek to educate the rest of the employees who are not aware of the company's policy on talent management in order to build commitment in employees.

When Collings and Mellahi proposed a strategic TM model in 2009, they underlined that the starting point for every TM system should be the consideration of the business strategy with systematic identification of key positions which differently contribute to an organization's

sustainable competitive advantage. Thus, as a primary function of TM, strategic linkage between business objective and human capital, communication of strategy to the entire workforce and crafting mission and values in accordance with valuing TM is essential, if there is a need to manage talent effectively. In this regard, the data obtained from the respondents' shows that the strategy component of TM is at its intended level, as it is a starting point or a primary function for TM.

Accordingly, the result signaled that the remaining components also affected and may follow the same pattern, since, as Slizer and Dowell (2010) coined, the strategy component surely demonstrate top managers' perspective (orientation) towards the TM practice of the organizations. And competitive advantages can be achieved through the creation of a strong organizational policy and culture which attracts the kinds of people inclined to performing efficiently within the business environment

4.4.2 Workforce Planning

Respondents were asked if their organization is implementing a well-organized workforce planning system to maintain its talent and stay competitiveness in the industry. Table 4.8 describes the findings as follows:

Table 4.8: Workforce Planning

Ser. No	Question	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean	SD
		Fre (%)	Fre (%)	Fre (%)	Fre (%)	Fre (%)		
1	Our Organization has the right people with right skills in the right places	23 (9.2)	69(27.7)	52(20.9)	80(32.1)	25(10.0)	3.06	1.17
2	Workforce planning in our organization is long-term focused and there is an understanding of what talent is currently in place and what is required to be successful in future	10 (4.0)	48(19.3)	65(26.1)	101(40.6)	25(10.0)	3.33	1.02
3	Talent in our organization is seen as a source of competitive advantage and the organization caters for its growing talent needs	21 (8.4)	46(18.5)	53(21.3)	103(41.4)	26(10.4)	3.27	1.13
4	Workforce planning is carried out broadly and consistently across all divisions and business units	7 (2.8)	39(15.7)	72(28.9)	113(45.4)	18(7.2)	3.39	0.93
	Overall Mean						3.26	0.84

Source: Own Survey (2019)

Based on the findings of the study, 52.6% (slightly more than half of the respondents) agreed that there is a consistent and widely used workforce planning system being implemented by the bank across all sections. However, 18.5% of the respondents believed that the bank has no workforce planning that will make the bank competitive enough. Also, 28.9% of the respondents are indifferent about the consistency of the workforce planning system within Awash bank. This result showed that almost slightly higher than half of the respondent do believe that workforce planning has been implemented in a consistent and appropriate manner by all divisions of the bank.

During the interview conducted, it was expressed that the bank is implementing appropriate workforce planning systems which will lead talent to be placed at the right place and time. They also mentioned that, as part of workforce planning strategies, the bank has avoided the traditional system of keeping retired and low potential employees and replacing with new blood who have excellent performance which leads the bank to be successful. Thus, it can be observed that there is a systematic way of identifying employees' talent and knowing who will be replacing top performers for filling strategic positions with prospective successors in advance being implemented by Awash bank. The result showed that the bank is able in segmenting its workforce based on potential, performance and value they created during their career. To be more realistic, if organizations are aware of their workforce based on certain predetermined criteria, it could be easier to identify candidates for key positions and it significantly facilitates the replacement process and Awash bank seems to be successful on its workforce planning system.

Among the components indicated on the table concerning workforce, highest mean of 3.39 indicated that workforce planning is carried out broadly and consistently across all divisions and business units. On the contrary, the lowest mean of 3.06 showed that the bank doesn't have right skill at the right place.

4.4.3 Policies of Talent Acquisition

Respondents were asked if their organization attracts best talent by developing innovative recruitment strategies and policies. Table 4.9 describes the findings as follows:

Table 4.9: Talent Acquisition Policies in Place

Ser. No	Question	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean	SD
		Fre (%)	Fre (%)	Fre (%)	Fre (%)	Fre (%)		
1	Our Organization has recruitment and selection practices that attracts the best talent	24(9.6)	58(23.3)	51(20.5)	95(38.2)	21(8.4)	3.12	1.15
2	Recruitment practices follow an already created internal talent pool in readiness to occupy identified or vacant positions	12(4.8)	32(12.9)	77(30.9)	104(41.8)	24(9.6)	3.39	0.99
3	Managers at all levels are involved in the recruitment process	16 (6.4)	66(26.5)	78(31.3)	74(29.7)	15(6.6)	3.02	1.03
4	Our organization develops innovative recruitment strategies to find the best people e.g having close ties with leading universities to attract top talent	21 (8.4)	57(22.9)	79(31.7)	84(33.7)	8(3.2)	3.00	1.01
	Overall Mean						3.13	0.80

Source: Own Survey (2019)

The findings of the study indicated that slightly higher than half of the respondents (51.4%) believed that the bank has recruitment and selection practices and policies from which talent is pulled out from the already developed internal talent pool. But, 17.7% of the respondents do not agree that the bank has an appropriate recruitment policies in place. 30.9% of the respondents are not sure whether the bank has an appropriate recruitment policies in place or not. The highest mean among the components indicated that the existence of internal talent pool from which the right talent will be pick for the right position at the right time. This result showed that almost slightly higher than half of the respondent do believe that the bank has a recruitment policy in

place from which talent will be pulled out from the already-developed talent pool from which vacant positions will be filled out accordingly. Effective recruitment and selection of talents help to bridge the talent gap in the organization adding up to the pool of talents already developed by the organization.

Recruitment practices follow an already created internal talent pool in readiness to occupy identified or vacant posts scored a mean of 3.39 while 3 mean score indicated the innovation of recruitment strategies to find talented employees from academic centers. Based on the findings of this study, Awash bank is making an effective talent acquisition policies by distinguishing between recruitment and talent acquisition. More than half of the respondents agree that talent is pulled out from the already developed internal talent pool.

During the interview sessions, the officials indicated that the bank is applying best recruitment and selection practices to attract best talent. But they mentioned that managers are not involved in recruitment and selection processes. Even if there is an internal talent pool, the bank does look for best talents from outside through recommendations and head hunting. Also they indicated that years back, there was a trend of creating a link with universities to get best talent but due to high number of graduates from different private and government universities, these trends are no more being implemented.

4.4.4 Retention Policies

Series of questions were given to respondents of this study concerning retention policies being in place by the bank. The table below shows:-

Table 4.10: Retention Policies in Place

Ser. No	Question	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean	SD
		Fre (%)	Fre (%)	Fre (%)	Fre (%)	Fre (%)		
1	Our Organization has a Talent development-oriented culture that encourages retention	11(4.4)	56(22.5)	76(30.5)	96(38.6)	10(4.0)	3.15	0.96
2	Employees are aware of their responsibilities and are trained for retention	6 (2.4)	60(24.1)	53(21.3)	103(41.4)	27(10.8)	3.34	1.03
3	The organization is concerned with retaining competent committed people/knowledge workers	17 (6.8)	47(18.9)	63(25.3)	107(43.0)	15(6.0)	3.22	1.04
4	The Organization has policies in place that describe the approach to ensuring it keeps the talent it needs	8 (3.2)	37(14.9)	64(25.7)	115(46.2)	25(10.0)	3.45	0.97
5	The retention strategy includes data on why employees leave the organization	11 (4.4)	51(20.5)	92(36.9)	78(31.3)	17(6.8)	3.16	0.97
6	In our organization there is a high employee turnover because of attractive retention schemes in place	39(15.7)	78(21.3)	66(26.5)	55 (22.1)	11(4.4)	2.68	1.11
	Overall Mean						3.16	0.76

Source: Own Survey (2019)

The findings of the study indicated that only 26% of the respondents do believe that there is attractive retention scheme that will help to lower turnover rate by the bank. But 37% of the respondents do not agree that the bank is implementing attractive retention scheme in order to minimize staff attrition. 26.5% of the respondents are indifferent concerning retention policies and schemes are actually implemented by the bank or not. This result showed that higher number

of respondents do believe that the bank isn't making efforts to lower staff attrition through the provision of attractive retention mechanisms and schemes.

As per the findings from the interviewees, they indicated that the bank gives high attention to talent retention policies and making efforts to retain its talented and competent employees. Due to the openings of new private banks, employees are leaving in search of better payments, positions. According to the interviewees, they believed the bank's management is taking such pushing reasons into consideration and trying to provide attractive retention schemes in place.

Sheryl and Hewitt (2012) argue that retaining treasured employees is one of the main challenges that affect organizations in the competitive market place. They further argue that employee retention can be defined as an effort by an employer to keep wanted employees in order to meet business objectives. Employee retention entails taking measures to motivate employees to remain in the organization for a longer period of time.

According to Hejase (2016), recent studies revealed that focusing on short-term extrinsic motivations is not a sustainable solution, but the organization requires the strategy to have a long-term focus. Therefore, it is vital for Awash bank to constantly re-evaluate its retention policies and its employee value propositions to establish the changing preferences of employees in order to manage talent more effectively.

4.4.5 Performance Management and Capacity Development

The respondents were asked series of questions on what they thought the company's performance management and capacity development systems and their effect on employee turnover. Table 4.11. below presented the detail results on performance management systems

Table 4. 11: Capability Development & Performance Management

Ser. No	Question	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean	SD
		Fre (%)	Fre (%)	Fre (%)	Fre (%)	Fre (%)		
1	Line Managers are responsible to develop skills and knowledge of employees they contributed in recruiting	9(3.6)	51(20.5)	41(16.5)	133(55.4)	15(6.0)	3.38	0.99
2	Our Organization encourages Promotion from within of nurtured talent below executive levels	16(6.4)	45(18.1)	74(29.7)	106(42.6)	8(3.2)	3.18	0.98
3	Performance management is aligned to the need to nurture and retain talent	10(4.0)	52(20.9)	75(30.1)	97(39.0)	15(6.0)	3.22	0.97
4	Performance management is aimed at developing individual and team capabilities	13(5.2)	48(19.3)	51(20.5)	105(42.2)	32(12.9)	3.38	1.09
5	Managers coaching and job rotations are made to develop capability and performance	15(6.0)	24(9.6)	28(11.2)	127(51.0)	55(22.1)	3.73	1.09
	Overall Mean						3.37	0.65

Source: Own Survey (2019)

According to the findings of the study, 55% of the respondents agreed that there is performance management system implemented to develop performance and manage capabilities of individual employees and team as well talent. However, 24.5% and 20.5% of the respondents did not agree and indifferent on the performance management and capability development exercised by their organization, respectively. This result showed that a bit more than half of the respondent do

believe that Awash Bank works on developing capabilities and managing performance of employees through implementing its performance management system.

Using organizational support theory, Dwomoh and Korankye (2012) argue that when an organization commits its resources to help develop its employees' capability and performance, employees will in turn feel obliged to commit their time to the organization hence reducing organization employee turnover.

Performance review is fundamental to talent management given that it gives insight for the reward system, staff development and succession plans. Employee performance management helps to assess competencies of the employees and provide relevant feedback to the employees, thus serving as a tool to assist in the overall management of performance. Bali and Dixit (2016) assert that organization's that are managing their talent deliver better results for shareholders. The human resources manager, as a key strategic business partner and the line managers of the functional business units, must assume the responsibility and accountability for preserving talent needs and worker retention within organizations.

4.4.6 Leadership and Potential Development

Respondents were asked if their organization has strong leaders which will make it to be competitive, successful and help to attain its banking objectives. Table 4.12 describes the findings as follows:

Table 4. 12: Leadership and High Potential Development

Ser. No	Question	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean	SD
		Fre (%)	Fre (%)	Fre (%)	Fre (%)	Fre (%)		
1	Our Organization has a strong leadership team	15(6.0)	31(12.4)	53(21.3)	104(41.8)	46(18.5)	3.54	1.11
2	The Organization ensures a strong pipeline of leadership by developing its talent	12(4.8)	40(16.1)	62(24.9)	111(44.6)	24(9.6)	3.38	1.02
3	The organization has Leadership programs focus on high potential employees to grow	21(8.4)	45(18.1)	60(24.1)	102(41.0)	21(8.4)	3.23	1.10
4	A list of potential leadership candidates exist on file and regularly updated	10(4.0)	27(10.8)	105(42.7)	90(36.1)	17(6.8)	3.31	0.90
	Overall Mean						3.37	0.74

Source: Own Survey (2019)

According to the findings of the study, almost half of the respondents, i.e 49.4% agreed that the bank has strong leadership programs which focuses on helping high potential employees to grow (providing recognition and promotion). Only 26.5% of the respondents do believe that there is no as such leadership programs aimed to develop and grow employees who has high potentials. 24.1% of the respondents are indifferent whether the bank has leadership programs or not. This result showed that half of the respondents indicated that there are programs organized by the bank which focuses on promoting and developing potential employees to the higher level. More than half of the respondents, 54% and higher mean of 3.38, believed that there is a strong leadership pipeline achieved through the development of talent while 20% and 25% of respondents don't believe in the existence of pipeline of leadership and no clue about the ever existence of the pipeline respectively.

From the table above, 3.54 highest mean score indicated that the bank has strong leadership team. During the interview conducted, the interviewees mentioned that the bank has leaders who have the required banking experience, appropriate educational background and leading skills in which their expertise and strong leadership techniques make the bank be the most competitive with popular brand. They also mentioned that the current leaders are known for their commitments and interactive behaviors in which they are transparent enough in handling clients and employees regardless of their hierarchy.

It is believed that when employees get recognition and promoted based on their respective talents, they will be highly motivated and will serve the bank with all their capacities, which will in return will help the bank to achieve its established objectives. Thus, the human resource managers and other concerned bodies of the bank have to provide development opportunities for employees to enhance their career. This brings about trust, improved commitment, motivation and high retention rate. Otherwise the tendency that employees will seek such opportunities and personal development elsewhere is high (Zorlu, 2009).

4.4.7 Total Rewards and Compensations

A number of questions were given to respondents of this study concerning reward and compensation schemes being implemented by the bank. The table below shows:-

Table 4.13: Total Reward Compensation

Ser. No	Question	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean	SD
		Fre (%)	Fre (%)	Fre (%)	Fre (%)	Fre (%)		
1	In our Organization, compensation and rewards are both financial and nonfinancial	19(7.6)	35(14.1)	52(20.9)	119(47.8)	24(9.8)	3.38	1.08
2	There exists a clear compensation and rewards policy which includes all types of rewards	15(6.0)	47(18.9)	59(23.7)	106(42.6)	22(8.8)	3.29	1.06
3	Our Organization attracts and retains key workers by applying total rewards strategy	15(6.0)	59(23.7)	57(22.9)	103(41.4)	15(6.0)	3.18	1.05
4	Our Organization pays less competitive rates and other flexible benefits	108(43.4)	59(23.7)	38(15.3)	37(12.4)	13(5.2)	3.05	1.17
	Overall Mean						3.22	0.85

Source: Own Survey (2019)

According to the findings of the study, 17.6% of the respondents believed that the bank pays competitive salaries and has other benefit schemes. However, 67% and 15.3% of the respondents did not agree and indifferent on the salary and benefit schemes being given by the bank respectively. This result showed that slightly more than half of the respondents do believe that the bank isn't paying competitive salaries and benefits to its employees. The highest mean of 3.38 (58.8%) of respondents indicated the bank has compensation and rewards schemes which are of both financial and non-financial in nature. 20% of the respondents don't agree about the compensation and rewards being both financial and non-financial whereas 21% don't have any clue of compensation and rewards being financial and non-financial. From the overall responses given, it can be said that the rewards and compensation system is properly implemented by the

bank to attract and retain talents through the provision of compensation and different rewards schemes that have a nature of both financial and non-financial. Lowest mean of 3.05 (17.5%) believed that

Employee compensation is related to an amount that employee can expect to receive from the organization. There are different types of compensation packages that an employer will suggest employees. The factors that are covered under compensation are relevance of compensation package to market, disbursement of salary within in time, relevance salary with qualification, etc. Based on the data gathered from the respondents, the student researcher concluded that compensation given by the bank isn't competitive enough which leads more than half of the respondents are not satisfied at all. This means that compensation has influenced on overall talent management practice in Awash bank.

All the interviewees agreed that the bank is making all its efforts to retain its employees through different provisions of retention mechanisms such as housing and vehicle loans, medical insurance, transportation allowance, mobile allowance, representation allowance, personal and emergency loans, yearly bonuses, career based training and development programs (both locally and internationally). They also believed that the bank is offering the competitive payment packages and yearly significant salary adjustments to all employees and that really helped the bank to retain its best talents. The interviewees also mentioned that providing excellent rewards system will enhance employees' commitment and boost their morale to perform effectively so that turnover rates can be minimized.

According to Zhou (2009), rewards system are mechanisms through which organizations show appreciation towards employees for their commitment, performance, skills, knowledge or loyalty towards the organization.

4.4.8 Learning and Development

Respondents were asked if their organization does make efforts on the development and learning aspects. Table 4.14 describes the findings as follows:

Table 4.14: Learning and Development

Ser. No	Question	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean	SD
		Fre (%)	Fre (%)	Fre (%)	Fre (%)	Fre (%)		
1	Our Organization has in-house development programs to develop its employees	125(49.4)	36(14.5)	42(16.9)	15(6.0)	31(12.1)	3.49	1.08
2	Our organization encourages Coaching and mentorship by managers	6(2.4)	22(8.8)	50(20.1)	147(59.0)	24(9.6)	3.65	0.86
3	Personal growth and development is encouraged	17(6.8)	34(13.7)	47(18.9)	116(46.6)	35(14.1)	3.47	1.10
4	Department heads are evaluated and compensated for their efforts to develop talent	7(2.8)	37(14.9)	72(28.9)	119(47.8)	14(5.6)	3.39	0.90
5	There is policy on sponsorship of trainings/programs to development identified talent. Training is done for retention	5(2.0)	26(10.4)	51(20.5)	122(49.1)	45(18.1)	3.47	0.97
6	There is reasonable allocation of funds to learning and development	10(4.0)	32(12.9)	61(24.5)	122(49.1)	24(9.6)	3.71	0.95
	Overall Mean						3.53	0.52

Source: Own Survey (2019)

The findings of this study indicated that 63.9% of the respondents do believe that the bank has no in-house development programs to develop its employees. Whereas 18% of the respondents do agree and believe that there is in-house developmental programs aimed at developing employees. 24.5% are indifferent and not sure whether the bank is has developmental programs or not. Based on the result, it is observed that, talent development approaches are not fully introduced and implemented by the bank. As the literature on talent management depicted, comparing to the

formal class room training and education, it is far better to deploy coaching, mentoring and challenging assignments to bring the desired level of talent in the organization. But, the result shows that these methods are not primary development approaches at Awash bank.

Besides, the findings of the study asserts the bank's dedication to allot sufficient time for training and development program is not fair. The result demonstrates that the management of the bank focuses on routine work and they develop the assumption of gaining qualified personnel from the market through attracting high salary instead of focusing on in-house developmental activities which will help the bank to extract talent from within through the appropriate utilization of effective developmental programs.

During the interview sessions, all the interviewees emphasize the need for training assessment as a means of retaining talent. They mentioned even if the bank is providing different request formats for training demands, the supervisors and managers are not well aware of the overall picture of training needs for themselves and to their subordinates. The interviewees believed that the bank should make awareness discussions on how to utilize training policies and procedures with their respective benefits to the employees and to the bank as well.

Management or human resource department of the bank should have training and development scheduled for every employees and continuously up skill and develops the talent in the organization. Through training and development program the employee will be more capable and this will indirectly help the organization to increase in the organization productivity and eventually lead to profit making.

4.4.9 Career Management

The respondents were asked series of questions on what they thought the company's career management practices and their effect on employee turnover. Table 4.15 below presented the detail results on career management systems.

Table 4.15: Career Management

Ser. No	Question	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean	SD
		Fre (%)	Fre (%)	Fre (%)	Fre (%)	Fre (%)		
1	In our Organization, progress and career development policy is clearly outlined and known to all employees	23(9.2)	46(18.5)	69(27.7)	94(37.8)	17(6.8)	3.14	1.09
2	Succession is done through development of strong talent pool	6(2.4)	54(21.7)	51(20.5)	117(47.0)	21(8.4)	3.37	0.99
3	Job rotations, transfers are done to increase employees value and preparedness for succession	10(4.0)	47(18.9)	37(14.9)	112(45.0)	43(17.3)	3.53	1.10
4	Selection for promotion is based on personal relationships and network ties	7(2.8)	49(19.7)	77(30.9)	82(32.9)	34(13.7)	3.35	1.03
5	Promotion is based on past performance	21(8.4)	51(20.5)	48(19.3)	106(42.6)	23(9.2)	3.24	1.13
6	Promotion is based on range of experience	19(7.6)	35(14.1)	51(20.5)	113(45.4)	31(12.4)	3.41	1.11
7	Promotion is based on ability	25(10.0)	45(18.1)	48(19.3)	97(39.0)	34(13.7)	3.28	1.20
	Overall Mean						3.33	0.57

Source: Own Survey (2019)

According to the findings of the study, 62.3% of the respondents agreed that there is a job rotation and transfer to increase career development and succession to employees. However, 22.9% and 14.9% of the respondents did not agree and indifferent on the availability of job rotations exist to increase career development to employees, respectively. This result showed that slightly higher to half of the respondents do believe that there is job rotation within the bank so that employees will develop their careers that will lead them to succeed or grow within the bank.

According to Armstrong, 2009, career management strategies are meant to optimize both the effectiveness of employees careers while at the same time enhancing organizations growth objectives. Organizations that lack contingency plan in managing employees' career growth, most often suffer the consequence of employee turnover. Career management is the combination of structured planning and the active management choice of one's own professional career. The outcome of successful career management should include personal fulfilment, work/life balance, goal achievement and financial security. An individual's career is the sole source of one's natural expression of self and it has been described as a purpose of life and the source of one's expression and the purpose of being or existence.

Based on the data gathered for the study, the bank hardly exercises job rotations and employees are obliged to stay on specific positions for long. The respondents believe that career management is hardly been exercised by the bank. Such experiences will make employees feel demotivated and might not work with all their capacities. To this end, if employees get difficulty in changing job positions, it may possibly hinder to allow employees to give opportunity do what they do best in the bank. It also hampers the bank's capability, as it diminish in making use of individuals' strength, aspiration and knowledge towards strategic objectives, a most literatures describe.

During the interview conducted, the interviewees believed that job rotations and transfers are done to increase employees' value based on their ability, range of experience and past performance. They believed that, unlike the old times where rotation was unthinkable, the current situation exercised by the bank is different and the management started to believe in rotating talent so that employees will be motivated and proactive to do their jobs. Currently, the bank is implementing gender based rotation in which females are rotated and became highly positioned like branch managers and directors. The responses from the questionnaires also indicated, with the highest mean of 3.53, that there is job rotation and transfers in place to increase employees' value and preparedness for succession. On the other hand, the lowest mean of 3.14 score indicated the outlining and disclosure of bank's career development policies to all employees.

Overall Talent Management Practices Based on Their Mean Scores in Awash Bank

According to Rawashdeh, A. (2018) Motivation application: the key to stimulating work productivity in Jordanian private universities. *Modern Applied Science, volume 12*(2018), scale determine the relative importance of mean in the following manner:-

<u>Level of Effect</u>	<u>Mean</u>
Low	2.33 and less
Medium	2.34 to 3.67
High	3.68 to 5

Table 4.16: Overall Talent Management Practices

Ser. No	Talent Management Practices	Low	Medium	High
		<= 2.33	2.34 – 3.67	>= 3.68
		Freq (%)	Freq (%)	Freq (%)
1	Talent Strategy	48(19.3%)	121(48.6%)	80(32.1%)
2	Workforce Planning	44(17.7%)	114(45.8%)	91(36.5%)
3	Talent Acquisition policies in place	45(18.1)	129(51.8%)	75(30.1%)
4	Retention policies in place	42(16.7%)	146(58.6%)	61(24.5%)
5	Capability development and Performance management	30(12.0%)	123(49.4%)	96(38.6%)
6	Leadership and high potential Development	37(14.9%)	98(39.4%)	114(45.8%)
7	Total Reward and compensation	48(19.3%)	99(39.8%)	102(41.0%)
8	Learning and development	19(7.6%)	124(49.8%)	106(42.6%)
9	Career management	27(10.8)	125(50.2%)	97(39.0%)
	Overall Ratings of Talent Management Practices	20(8.0%)	153(61.4%)	76(30.5%)

(Source: Own survey 2019)

Accordingly, the above table illustrates the summary scores of talent management practices for each dimension in Awash bank. Based on the findings, the practices fall under a medium level of effect as their mean falls within 2.34 to 3.67. 8% out of the total talent management practices falls under 'low' level of effect whereas 61% (more than half of the talent management practices) fall in 'medium' level of effort. Under the low level of effect, each of the talent management practices weigh not more than 20%. The final 30% of the practices fall under 'high' level of effect of which leadership and high potential development as well as total rewards and compensations scored the highest percentage 45.8% and 41% respectively. The overall rating of the talent management practices show that the bank is operating under a medium level of effort. Here the percentages range from 39 to the highest of 58.6.

According to the data on table, it is indicated that talent management practices fall under medium level of effect. While comparing talent management practices' overall rating in an individual manner, placement of retention policies took the leading with 58.6% followed by talent acquisition practices being implemented by the bank scoring 51.8%. Career management will take the third position with a score of 50%. Slight percentage difference with learning and development, 49.8, capability development and performance management scored 49.4%. The following talent management practices with scores of 48.6% and 45.8% are for talent strategies and workforce planning respectively. The final ones are those which falls under the least scores with a slight difference of percentages of 39.8 is for total reward compensation and the last one is 39.4 is for leadership and high potential development. According to the studies developed by Meyers, 2013, senior managers prefer to recruit talented candidates who already possess the required competencies and skills that don't exist in the organization, and are less enthusiastic about systems and practices for developing such talent in people based on the concept of the "war of talent" developed by McKinsey. This result is an indication that the bank needs to assess its talent management practices individually with their respective challenges and benefits as part of talent retention mechanisms.

CHAPTER FIVE

MAJOR FINDINGS, CONCLUSION AND RECOMMENDATION

This chapter begins with a summary of the entire study by focusing on the findings arising from data analysis of chapter 4. The findings are structured according to the purpose of the study and based on the responses from the questionnaires filled and information gathered from the research questions. The discussions are along the specific objectives of the study as set out in chapter one. In this chapter the study then makes recommendation for practice and future research.

5.1 Major Findings of the Study

The purpose of the study was to investigate and assess the talent management practices (acquisition, development and retention) adopted by Awash bank, to examine challenges of talent management practices and factors that drive talent retention. Based on modern applied science, volume 12, the level of effect of the overall rating of talent management practices of Awash bank falls under the medium category indicating that the bank is exercising the practices in an average manner. But from the findings, uncompetitive package and benefits as well as training and developments are part of reasons for staff attrition. On the other hand, the interviewees mentioned that among all the banks in Ethiopia, they believe Awash is offering the best benefit packages, most successful compared to other private banks with high profit (ranked by the National Bank be the first in its profit margin) and they have come to observe those who left the bank want to re-join.

As some of the challenges in retaining talent, more than half of the respondents believed that the bank is incurring training costs while recruiting new talents. And also, leaving and joining other banks within the same industry can be considered as the biggest challenges faced by the bank as there will be a tendency of copying the Awash bank's best practices and other confidential documents/ideas/data to the banks they join.

Matching tasks and talents and also less growth opportunities are some of the challenges to be mentioned. Talent management ensures that the existing employees in the organization rotate properly and proper person is assigned for proper job in a proper time. Referring the findings, it

can be said that training and development programs may increase retention as they meet the specific needs of the personnel and also helps to match tasks with talents by providing specific trainings addressing the gaps. When employees offered growth opportunities, they will be motivated to work and employees will do their responsibilities proactively leading to talent attrition be reduced. Proper assignment enhances integration of person and the role, which in turn increases role effectiveness and satisfaction Also, the main key to retain employees is the rewards both psychological and financial that firms should concentrate on (Haider, 2015).

The study finds on the various aspects of the talent management practices which include talent attraction/acquisition, talent development and talent retention. Accordingly: -

1. The study findings revealed that most of the respondents were concerned with issues of learning/training and development opportunities; and total rewards scheme being provided by the bank. According to the findings of this study, poor rewards and unorganized learning and developments areas were the key issues that resulted to employees' turnover in workplace. Although findings to those key issues were not agreed by 100% to be the causes of employees' turnover from the workplaces, but those a few who disagreed must not be ignored since they can bring great impact towards attainment of set objectives.
2. This study identified that total rewards can be one of the factors for talent turnover, which most research claimed, are important ingredients in the productivity. More than half of the respondents, 67%, believed that the bank doesn't offer competitive benefit packages and payments to its employees and which led to high staff attrition rate. As far as insufficient salary and benefits are concerned, the findings conform to the findings by Sutton (1985) to the effect that employee benefits reduced turnover in large firms of USA. This is due to the fact that, salary and benefits are essential elements in everyday life of the employee together with his/her family. The aspiration for more money to meet life necessities extremely influences the decision of the employee whether to remain or quit the present job.
3. Also findings of this study indicated that 63.9% of the respondents (more than half of respondents) do believe that the bank has no in-house development programs to develop

its employees. The management or human resource department of the bank should have training and development scheduled for every employees and continuously up skill and develops the talent in the organization. Through training and development program the employee will be more capable and this will indirectly help the bank to increase in the productivity and eventually lead to profit making.

4. The study found out that Awash bank has adopted different programmes to manage its talents. Some of the programmes were strategies and policies, retention mechanisms implemented, career development, training and development, performance management and rewards management. .

5.2 Conclusion

The purpose of the study was to assess the talent management practices adopted by Awash bank and to identify the extent to which talent management practices are linked to talent retention. The population for this study was employees of the bank at 22 branches working under different capacities and officials of the bank who have a direct link to talent management. The student researcher used sample population of 255, out of which 249 were responsive, respondents taken using proportionate stratified simple random sampling technique. The data for the study was collected by a self-administered questionnaire and direct personal interview targeting officials of the bank. The data collected was analyzed using SPSS and the analysis was done according to the specific objectives of the study. The data was presented in forms of tables and figures.

The overall level of effect of talent management practices exercised by the bank fall under an average range indicating, at least, its normal operations are in place. This rating is also an indication that lots of efforts should be done to improve these practices. Based on the results, talent acquisition, which shows a lower mean among the rest practices, is an indication that the bank should look through its talent acquisition practices to attract and retain talent. Having an excellent acquisition practice will lead to acquiring excellent talent which will help Awash bank to achieve its strategic objectives and being most competitive among all private and even governmental banks. Also, the finding of this study indicated that employees' turnover in Awash bank is more influenced by management controllable factors, such as insufficient salary and benefits and limited opportunity for training and development. Awash bank's management is

advised to keep developing the learning and development and total rewards mechanisms they have applied in order to cope with the changes in their business environment and stay competitive.

5.3 Recommendations for the Study

This study mainly focused on assessing talent management practices and their implications on retention of talent, challenges faced and identifying factors that drive talent retention. Any organization's success bases on mapping KSA's (knowledge, skill and ability) for diverse work areas, building up abilities through sustained strategies and drawing out dormant possibilities optimally. Since the overall rating of talent management practices fall under medium/average level, it is an indication that all the practices should not be neglected and more effort and dedication from the management's side is mandatory. The following courses of actions are believed to be helpful on every aspect of the practices, especially competitive benefit packages and training and development areas, that played high role in talent attrition.

Course of action recommended to Awash bank to optimize the potential of its human resources:

From the responses given, the student researcher came up with the following courses of actions which are believed to help the bank to stay competitive and maintain its talent.

- Management should provide a right combination of intrinsic (such as opportunity for advancement, skill variety, feedback, recognition, autonomy, etc.) as well as extrinsic factors (such as desirable pay, good working conditions, harmonious, superior-subordinate relations), which can help to increase job satisfaction and commitment, which in turn reduces intention to leave.
- Awash bank must not only focus in terms of having an excellent talent pool but also in their ability to draw the best from their talent. Effective recruiting is the beginning of effective retention. Matching tasks and talents is a great challenge. Talent management ensures that the existing employees in the organization rotate properly and proper person is assigned for proper job in a proper time. The recruitment process may be a forerunner of a successful talent management strategy. This may include identification of key positions and the turnover risks associated with these positions, and competency-based selection criteria that support the retention strategy.

- Management of the bank should facilitate competitive payment packages surveys through hiring of consultants and also focusing on training/learning and development aspects through experience sharing, considering the remuneration packages and training and development areas done by different banks and bring these experiences to its own system so that staff attrition can be minimized. Learning and development areas should be of a great concern to the bank because it is through people that the bank can achieve its banking objectives.
- The bank should be committed to provide organized training and developmental programs by allocating sufficient budget and the governing human resource planning and development manual of the bank which should be revised and guided by professional consultants who specialize on human resource development activities.
- The talent strategies should be communicated and shared to all employees so that employees will have a clear understanding of the bank's strategy and needs. When employees do not know whether there is a talent management policy in the organization it indicates that talent management has not been effectively practiced or comprehended by the organizational members.
- Rotate and promote talented people frequently, especially early in their careers, to give them a holistic view of the work and as much experience as possible. By doing so, employees will be motivated and proactively perform their duties by hoping that they can be promoted to higher or better positions, which in turn, benefits the bank to achieve its desired objectives. Unless otherwise, employees are encouraged to work with all their efforts, it is difficult to achieve the targeted objective.
- The total rewards of the bank should be competitive enough compared to other financial institutions because that will help to retain talent not to look for other work opportunities. The bank should make market surveys on benefit packages and payments so that it can adjust itself accordingly. Also, motivational packages such as bonuses and rewards help not only to attract talented employees but to also maintain them on their jobs. In addition, staff benefits like housing and other loans with least interest rates, attractive medical insurance coverage, tuition allowances and others should be considered as a retention mechanisms.

- Before allocating positions to an individual, his/her senior manager must match the qualification, skills and talent according to the job demand. This needs management effort to identify right talent at the right place and time. Proper assignment enhances integration of person and the role, which in turn increases role effectiveness and satisfaction

Finally, the student researcher strongly recommended that Awash Bank must act upon talent management practices and devise strategies to satisfy its employees to get maximum output from them and utilize their skills in a better way. This is only possible when the employees feel satisfied and devote their overall efforts to satisfy the customers and enhance value creation for their organizations.

5.4 Suggestions for Further Studies

The finding of this study covered only on Awash bank and left a large number of banks, both from private and government, uncovered. Therefore, large area should be studied included by considering both classifications among the banks found in the country so that such studies will help to identify other factors that lead to employee turnover in a workplace. Furthermore, future research may examine whether aspects in demographic such as age group, race and employee levels have significant different in perception of talent management practices in employee retention.

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APPENDIX I: RESEARCH QUESTIONNAIRE

SECTION A: GENERAL INFORMATION

Kindly respond to the questions below by ticking in the boxes. Where space is provided you can write your answer

(A). BACKGROUND INFORMATION.

1. Name (optional) _____

2. Gender. Male

Female

3. Age

18- 30 yrs.

31- 40 yrs.

41- 50 yrs.

51- 60 yrs.

Over 61 yrs.

4. Which department do you currently work in the Bank?

Finance

Customer Service

Marketing and sales

Operations

I T Department

Other (specify) _____

5. How many years you have worked for the bank?

1-3 years 4-6 years 7-9 years 10-12 years 13-15 years

6. Please indicate your designation at the bank

- Manager
- Supervisor
- General Employee

SECTION B:

Kindly answer the following questions to the best of your knowledge by ticking (v) the box that represents your answer.

7. In the last one year have you had employees leave the Bank?**(HR manager only)**

- A). YES
- B). NO

8. If YES, how many employees left?**(HR manager only)**

9. Kindly indicate how many of these employees left **(HR manager only)**

- A). Voluntarily
- B). Involuntarily/Dismissed

10. Kindly indicate the type of employee turnover for those who left the bank?**(HR manager ONLY)**

- A). Functional turnover
- B). Dysfunctional turnover
- C). Avoidable turnover
- D). Unavoidable turnover

11. According to you, what are the reasons for not be able to retain talent at the bank?

- a) Uncompetitive Compensation package
- b) Job and employee skill mismatch
- c) Less growth opportunities
- d) Less recognition
- e) Poor working conditions

Other (please specify) _____

12. Kindly indicate some of the things which the bank can do to reduce attrition of talented employees?

- a) Offer competitive Pay Package
- b) Treat each employee with respect regardless of their job
- c) Offer flexible working hours
- d) Offer good working environment
- e) Offer Opportunities for growth

13. Of the turnover costs, which one(s) costs the organization more (Tick more than one)

- a) Recruitment costs
- b) Interview Costs
- c) Training Costs
- d) Administration costs
- e) Separation Costs

14. What do you think is the cost of recruiting a new employee?

- A). Very Low
- B). Low
- C). No Cost
- D). High
- E).Very High

15. Please indicate the type of organizations employees join when they leave the bank?

- An organization in the same sector
- An organization in a different sector
- Further study
- Self-employment
- Not working

Other (please specify) _____

Instruction:

Listed below are the probable talent management practices that Awash Bank practices. To what extent has Awash Bank put in place these practices? Please tick in the spaces provided for the answer that best represents your view. Please rank them using the key guideline below;

- [1] - Strongly disagree
- [2] - Disagree
- [3] - Neither agree nor disagree
- [4] - Agree
- [5] - Strongly agree

Ser no	Item description	Strongly disagree [1]	Disagree [2]	Neither agree nor disagree [3]	Agree [4]	Strongly agree [5]
	Awash Bank has the following Talent Management Practices in place					
TS	Talent strategy					
TS1	Our Organization has a talent strategy which constantly guide, providing direction on how organization will acquire, develop, and retain employees					
TS2	The talent strategy is formal, well documented and shared with all employees					
TS3	Senior executives spend significant amount of time devoted to managing talent management issues					
TS4	Talent strategy is embedded in the overall strategic plan					
WFP	Workforce planning					
WFP1	Our Organization has the right people with right skills in the right places					
WFP2	Workforce planning in our organization is long-term focused and there is an understanding of what talent is currently in place and what is required to be successful in future					
WFP3	Talent in our organization is seen as a source of competitive advantage and the organization caters for its growing talent needs					
WFP4	Workforce planning is carried out broadly and consistently across all divisions and business units					

Ser no	Item description	Strongly disagree [1]	Disagree [2]	Neither agree nor disagree [3]	Agree [4]	Strongly agree [5]
	Awash Bank has the following Talent Management Practices in place					
TA	Talent acquisition policies in place					
TA1	Our Organization has recruitment and selection practices that attracts the best talent					
TA2	Recruitment practices follow an already created internal talent pool in readiness to occupy identified or vacant positions					
TA3	Managers at all levels are involved in the recruitment process					
TA4	Our organization develops innovative recruitment strategies to find the best people e.g having close ties with leading universities to attract top talent					
RP	Retention policies in place					
RP1	Our Organization has a Talent development-oriented culture that encourages retention					
RP2	Employees are aware of their responsibilities and are trained for retention					
RP3	The organization is concerned with retaining competent committed people/knowledge workers					
RP4	The Organization has policies in place that describe the approach to ensuring it keeps the talent it needs					
RP5	The retention strategy includes data on why employees leave the organization					
RP6	In our organization there is a high employee turnover because of attractive retention schemes in place					

Ser no	Item description	Strongly disagree [1]	Disagree [2]	Neither agree nor disagree [3]	Agree [4]	Strongly agree [5]
	Awash Bank has the following Talent Management Practices in place					
CDPM	Capability development & performance management					
CDPM1	Line Managers are responsible to develop skills and knowledge of employees they contributed in recruiting					
CDPM2	Our Organization encourages Promotion from within of nurtured talent below executive levels					
CDPM3	Performance management is aligned to the need to nurture and retain talent					
CDPM4	Performance management is aimed at developing individual and team capabilities					
CDPM5	Managers coaching and job rotations are made to develop capability and performance					
LPD	Leadership and high potential development					
LPD1	Our Organization has a strong leadership team					
LPD2	The Organization ensures a strong pipeline of leadership by developing its talent					
LPD3	The organization has Leadership programs focus on high potential employees to grow					
LPD4	A list of potential leadership candidates exist on file and regularly updated					
TRC	Total reward compensation					
TRC1	In our Organization, compensation and rewards are both financial and nonfinancial					
TRC2	There exists a clear compensation and rewards policy which includes all types of rewards					
TRC3	Our Organization attracts and retains key workers by applying total rewards strategy					
TRC4	Our Organization pays less competitive rates and other flexible benefits					

Ser no	Item description	Strongly disagree [1]	Disagree [2]	Neither agree nor disagree [3]	Agree [4]	Strongly agree [5]
	Awash Bank has the following Talent Management Practices in place					
LD	Learning and development					
LD1	Our Organization has in-house development programs to develop its employees					
LD2	Our organization encourages Coaching and mentorship by managers					
LD3	Personal growth and development is encouraged					
LD4	Department heads are evaluated and compensated for their efforts to develop talent					
LD5	There is policy on sponsorship of trainings/programs to development identified talent. Training is done for retention					
LD6	There is reasonable allocation of funds to learning and development					
CM	Career management					
CM1	In our Organization, progress and career development policy is clearly outlined and known to all employees					
CM2	Succession is done through development of strong talent pool					
CM3	Job rotations, transfers are done to increase employees value and preparedness for succession					
CM4	Selection for promotion is based on personal relationships and network ties					
CM5	Promotion is based on past performance					
CM6	Promotion is based on range of experience					
CM7	Promotion is based on ability					

Comments or any additional information/suggestion to be included, if any,

Thank you very much for taking your time to fill in the form and to take part in this research.

APPENDIX II:
INTERVIEW QUESTIONS FOR MANAGERS/DIRECTORS/SENIOR MANAGEMENT
OF AWASH BANK

INTERVIEW GUIDE ON CHALLENGES OF TALENT MANAGEMENT
ACQUISITION/RECRUITMENT, DEVELOPMENT AND RETENTION) PRACTICES

- How does your company currently recruit its employees? Would you say the methods used are effective?
- How does your company currently retain its employees? Would you say the retention mechanisms are effective?
- How does your company currently develop its employees? Would you say the techniques implemented are effective?
- Which problems or challenges do you or your company experience with the acquisition of its skilled employees?
- Which problems or challenges do you or your company experience with the retention of its skilled employees? Why do you think people leave the bank?
- What do you recommend to address the challenges or problems of the recruitment and retention of talented employees at your company?
- Does your company address talent turnover challenges? If yes, tell me more about it. If no, why not? Would you say that staff turnover at this your company is problematic? Are there any specific interventions to address talent retention challenges? In your view are any of these interventions successful in terms of improvement in both effectiveness and efficiency? Are some interventions more successful in terms of improvement in both effectiveness and efficiency than others?
- Does your company address skills shortages? If no, why not? If yes tell me more about it. What do you think can be done to address the skills shortages in your company? Is there anything you think you or your company could do to improve the situation?
- In your view are there any organizational factors that facilitate or impede skill acquisition, development and retention?
- Does your company invest in the training and development of its staff? How does your company train and develop its staff? Who will participate in these training and development interventions? Do you think training and development influence employees to stay or leave this company?

