

Talent Management Practices and Employee Retention: Mediating Role of Organization Commitment

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Abstract

Purpose: This study aims to determine how talent management practices affect staff retention and investigating the impact of organizational commitment on the relationship between talent management practices and employee retention is essential to gain a better understanding of how talent management practices can be leveraged to optimize employee retention. By delving deeper into this relationship, we can confidently determine the most effective talent management practices that can lead to improved employee retention rates.

Research Methodology: A quantitative study was conducted on 200 randomly selected workers from six private sector banks in the Jaipur Circle area. To gather data, a self-administered questionnaire was chosen as the research tool, which proved to be an effective method and convenience sampling was employed. To evaluate the proposed hypotheses, a structural equation model was used.

Findings: The results showed that talent management practices have a significant impact on the intention of employees to stay with the organization. Additionally, Talent management practices pave the way for fostering organizational commitment, which in turn leads to increased employee retention.

Social Implications: It is imperative for banking organizations to reassess their talent management strategies in response to the increasing turnover rates. This study presents compelling evidence of the critical role of organizational commitment traits in this context. Measuring an employee's level of loyalty and dedication towards their company can be achieved by assessing their organizational commitment. To retain top talent, companies must prioritize the implementation of practices that boost organizational commitment.

Keywords: Talent Management Practices, Employee Retention, Organization Commitment, Banks.

1. Introduction

According to the Cambridge Dictionary, organizations are groups of individuals who collaborate towards a common objective in an orderly manner. In order to guarantee the success of organizations, it is vital to have employees who are fully committed to their work. [1]. However, technological advancements, globalization, increased competition, demographic shifts, family concerns, compensation, and psychological and health issues have brought about significant changes in the workplace [2]. Therefore, it is imperative to investigate how these changes impact employees' emotional connections or their stay in

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the Organization [3]. The departure of an employee can cause significant psychological distress to all parties involved. It can lead to a breakdown in team dynamics, strained relationships between managers and subordinates, and the disbandment of informal groups. Furthermore, productivity may decline due to the time required for a new employee to learn their job and understand the organization's workings. Organizations use a variety of strategies for the retention of their talent. An expertly crafted strategic approach is key to confidently attracting and retaining top talent. [4]. Creating a distinct and powerful Talent Management strategy has proven to be an effective method for attracting and retaining employees in firms [5]. Investing in human resources strategically is a crucial factor in achieving success for an organization. Talent management has gained recognition since the 1990s and involves investing resources in recruiting and retaining highly skilled and innovative personnel. Many organizations face various challenges due to social developments such as globalization, increasing technology, and growing worldwide competition. To succeed,

businesses must be able to anticipate technological advancements and compete on a global scale. Furthermore, demographic shifts have placed significant pressure on businesses. The aging workforce and the number of young people entering the job market, coupled with the retirement of the baby boomers, have led to a shortage of labor and the potential loss of valuable expertise. Therefore, businesses must focus on retaining talent to maintain their knowledge and experience, as talent is a key factor in achieving the organization's objectives.

Employee Attrition Has Climbed At Major Private Banks

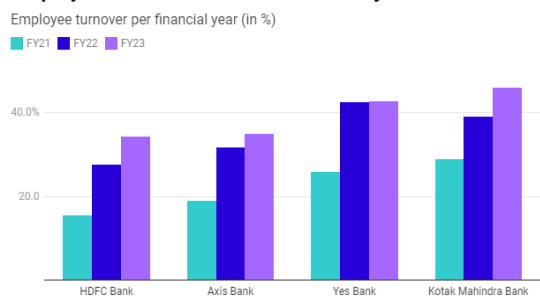


Fig 1.1 Source: Bank Annual Reports

Organizational commitment is crucial for sustaining employee performance [6]. With talent management and a strong sense of organizational commitment, the smooth running of the organization can be ensured. Extensive research indicates that an employee's deep-rooted commitment to an organization is a reflection of their active engagement and alignment with the organization's fundamental values and progressive goals. [7]. It is an ongoing process through which organizational members demonstrate their concern for the organization's success and continued growth [8]. A committed employee demonstrates psychological attachment to their work and identification with organizational objectives. [9]. High levels of organizational commitment are essential for any organization as committed staff members can guarantee progress and optimal performance according to research.

The Rationale for the Study

Employee turnover rates for large private banks grew to more than 30% in FY23, owing to growing market competitiveness and significant churn, particularly in technology and sales areas. The majority of players, including “Axis Bank”, “Kotak Mahindra Bank”, and “HDFC Bank”, have reported an increase in turnover rates. In the fiscal year ending March 31, India's largest private-sector lender, “HDFC Bank Ltd.”, recorded a 34.15% attrition rate among its workforce. According to the bank's most recent annual report, up to 53,760 employees left the bank in 2022-23, including 42,457 males and 11,303

women. A sizable proportion of those who left the bank were from non-supervisory positions, such as sales officers.

2. Literature Review & Hypothesis Development

2.1 Talent

Recognizing talent is a complex process that can be viewed from different angles. Scholars from the past characterized talent as a combination of acquired knowledge, innate abilities, and cognitive skills. However, modern-day researchers have adopted a more inclusive and exclusive approach to evaluating talent. The inclusive method focuses on identifying the potential of all employees, whereas the exclusive method is used to identify top performers and high potentials. Most authors have employed the exclusive approach, where talent is defined by superior performance and potential. This approach helps to identify the most promising individuals who can contribute significantly to the organization's growth and prosperity. [10] classified talent into four distinct categories, providing a clear framework for organizations to identify and develop their top performers. [11] The definition of talent is comprehensive and leaves no room for doubt - high achievers and high-potential individuals with exceptional strategic thinking, leadership, interpersonal, and operational skills, as well as a track record of dedication and exceptional performance, are the ones who truly make a difference in any organization.

2.2 Management of Talent

Efficiently handling talent is a crucial element for a business to thrive continuously. This entails performing various tasks such as succession planning, personnel retention, team member development, human resource management, and performance monitoring. Identifying, nurturing, and retaining top talent is an ever-evolving and demanding process that requires a consistent and ongoing commitment. Keeping and cultivating skilled employees are essential components of any talent management strategy [12].

2.3 Employee Retention

Employee Retention is a scenario in which employees wish to stay with the company where they work [13]. As a result, the company must maximize retention by increasing the number of employees who truly want to stay with the company and not due to pressure from the company. Employee retention has emerged as a key issue of conversation in the academic discipline of Human Resource Management today, and it has grown in importance as knowledge has evolved into a major corporate asset [14]. Employee retention is commonly characterized as the ability to keep a consistent human resource. This is frequently linked to organizational passion and trust.

2.4 TM Practices & Retention

Talent Management (TM) is a crucial and dynamic process that covers all significant phases of the employee life cycle in an organization, including selection, development, utilization, succession planning, and performance management. The ultimate aim of TM is to improve employee performance and commitment to their current position as well as prepare them for future career prospects [15], [16], [17]. TM involves a set of various practices, such as “talent attraction”, “identification,” “development”, “engagement”, “retention”, and “deployment”, that work together to make the process of TM effective [18], [19], [20], have provided further insights into the detailed definition of TM.

2.4.1 Talent Attraction & Employee Retention

To stay competitive, companies must prioritize recruiting and selection, making talent management techniques crucial. Hiring exceptional individuals who are qualified for the

position is an effective way for organizations to showcase their sustainability and innovation [21].

2.4.2 Talent Identification and Employee Retention

Discovering and acquiring individuals whose skills and priorities are aligned with a company's immediate and long-term goals is a key differentiator in the business world [22]. Employing techniques such as the supervisory ability model, “skills inventory”, “performance evaluations”, and “human resource planning” within the organization, and external tactics such as various interviewing approaches, talent centers, discussions, and evaluations can help unlock the potential for greatness in any team.

2.4.3 Succession Planning and Employee Retention

Research has demonstrated that enterprises that implement succession planning strategies experience a notable improvement in staff loyalty [23].

2.4.4 Talent Development & Employee Retention

In order to cultivate capable employees, the company incorporates a blend of practical work experience and formal/informal educational programs, diverse training sessions, demanding tasks, career advancement opportunities, and enhanced mentorship and guidance programs for individuals with high potential [24], [25]. By providing avenues for professional growth, the company aims to boost employee loyalty and retention rates [26].

2.4.5 Talent Engagement and Retention

Talent engagement will be one of the biggest and most important organizational challenges over the next ten years, as noted [27] depending on the organization's capacity to effectively engage employees in order to execute business activities with the company. Gemma Robertson-Smith and Carl Markwick conducted a groundbreaking study on employee engagement in organizations. Their research, the IES Engagement Survey of 2005, identified several critical factors that directly impact employee engagement. These factors include job satisfaction, feeling valued and involved in the workplace, opportunities for career advancement, safety and wellness, cultural background, positive interactions with colleagues, and collaborative working. Organizations that prioritize these factors and take deliberate steps to foster a culture of engagement will experience increased productivity, higher employee satisfaction, and better overall performance. It's time for companies to take employee engagement seriously and make it a top priority for success. [28] assert that greater employee engagement reduces staff turnover, which in turn boosts employee retention, productivity, and revenues. More employee engagement, according to a study [29] reduces staff turnover, which raises employee profitability and productivity.

2.4.6 Leadership and Employee Retention

According to [30], treating employees inappropriately induces a rise in turnover. As a result, leaders should consider their own conduct when interacting with others. With regard to their own assessment, assumptions, and prejudicial attitudes, this ultimately results in significant drive and organizational success [31]. Furthermore, a participative leadership style is essential for retaining personnel [32]. According to “Ellett”, “Ellis, Westbrook”, and “Dews” (2007), "supportive, exemplary monitoring" Leadership styles that prioritize employee well-being have a positive effect on reducing employee turnover rates. [33]. Leadership styles that prioritize employee well-being have a positive effect on reducing employee turnover rates.

2.4.7 Compensation & Employee Retention

Retaining employees is greatly influenced by monetary compensation as emphasized [34]. Meanwhile, employee retention is dependent on extrinsic incentives such as the amount of remuneration and other benefits [35].

2.4.8 Performance Management & Employee Retention

The incorporation of performance reports can lead to a notable enhancement in employee productivity. To retain top talent, both financial incentives, such as pay bumps, and non-financial perks like recognition, incentives, advancement opportunities, and support from management, are essential [36].

2.4.9 Work-Life Balance & Employee Retention

It's important for employees to feel satisfied with their work-life balance to reduce their intentions of leaving their jobs [37]. [38] suggests that providing flexible working hours and arrangements, as well as ample resources, can help support this balance. Additionally, offering training opportunities, manageable workloads, and breaks throughout the day, as well as allowing time off for personal needs like parental leave or sabbaticals, can all contribute to employee contentment. A healthy balance can not only improve competence and productivity but also promote loyalty and overall happiness among staff [39].

Hypothesis 1: Talent Management practices have considerable effects on employee retention.

2.5 Organizational Commitment

The sensation that an employee has an obligation to stay with the company is known as organizational commitment. This emotion is the result of embracing the normative pressure that is placed on people prior to entering or taking part in an organizational activity [40]. Three types of organizational commitment are possible. Employees with high affective commitment remain with the company because they want to [41]; affective commitment is defined as identification with, engagement within, and emotional attachment to the organization. A commitment that is ongoing is one that is founded on the employee's understanding of the costs involved in quitting the company. Organizational citizenship, or the behavior of being useful in the organization, is a long-term result of commitment as a sort of loyalty to the organization [42].

2.5.1 Organizational Commitment and Retention

As employees, we all have a desire to feel connected to our workplace, to be committed to our work, and to align with the goals of our organization [40] define this connection as Organizational Commitment (OC Research has demonstrated that employees who exhibit strong Organizational Citizenship Behavior (OC) can be highly beneficial to their respective organizations. This is because they play a key role in driving better performance, improving profitability, and enhancing overall competitiveness. [43]. It is employees' commitment that drives them to stay loyal and devoted to our work and to become important contributors to the success of our organization. OC has a significant impact on organizational retention rates. Therefore, it is crucial to develop and maintain a high level of commitment to our work, as it will not only benefit our organization but also contribute to our personal and professional growth [44].

Hypothesis 2: The link between Employee Retention and Organization Commitment is significantly moderated.

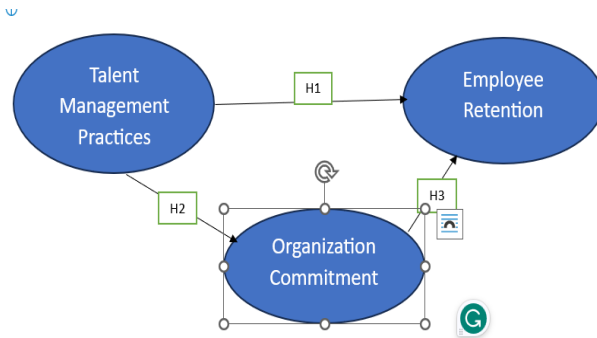


Fig 1.2: Source: Author's Literary Model

3. Objectives of the Study

1. Identify the key TM practices that are responsible for employee retention in the banking industry.
2. To study the effect of organizational commitment on employee retention with talent management practices.

4. Research Methodology

4.1 Population and Sample Size

The study pertains to the private sector banks operating within the Jaipur Circle, namely "HDFC Bank", "ICICI Bank", "Yes Bank", "Axis Bank", "IndusInd Bank", and "Kotak Mahindra Bank". These banking institutions were selected based on their significant contributions to the private banking industry in the area. The sample size of the study is 200 individuals, chosen using purposive sampling to ensure practicality, usefulness, and resource accessibility. Participants were recruited from the aforementioned banks, taking into account their availability and willingness to participate in the research.

4.2 Measurement of Variables:

The survey utilized in the study covered a wide range of topics related to talent management practices, employee retention, job satisfaction, leadership, performance management, succession planning, training & development, talent attraction, talent engagement, talent identification, and work-life balance (WLB). The study participants were requested to provide their ratings on a five-point Likert scale, ranging from strongly disagree to strongly agree, in order to better understand their perspectives. This method of quantifying the factors helped in understanding the respondents' opinions and viewpoints on various ideas concerning talent management programs and staff retention. Overall, the survey provided valuable insights into the key factors that influence employees' commitment and retention in an organization.

4.3 Analysis Applied

Using the program Smart PLS 4, the data obtained from structural equation modelling (SEM) was assessed. A statistical tool called structural equation modelling (SEM) enables one to evaluate the complex associations between latent variables and observable variables. It helps to analyze both the short- and long-term effects of many constructs on staff retention by using work satisfaction as a mediating variable. Structural equation modelling allows for the simultaneous examination of correlations between a number of constructs, which aids in understanding the relationships among talent management techniques, job satisfaction, and employee retention. An in-depth analysis of the impact

of talent management methods on employee retention in private-sector banking is done in this study using SEM.

4.4 Respondent Demographics

To improve the understanding of the private sector banking workforce, demographic information was collected from the respondents. With 62.0% of male respondents, the age group of 31-40 years accounted for the majority (43.5%). It was found that 28% of the respondents possessed postgraduate degrees. Further, the responses were mostly from middle-level management of the chosen institutions, accounting for 55.5% of the total. These demographic insights provide a valuable framework for analyzing any disparities in the experiences and perspectives of different groups in the private sector banking business.

5. Results

In this study, the researcher utilized an SEM approach to assess both the observable and latent variables. To create the measurement model, a two-step technique was employed [45]. The validity and reliability of the measurement model were thoroughly examined using SEM techniques, while the statistical significance of the factors' loadings and path coefficients was determined through a bootstrapping method (n=10000), as outlined [46].

5.1 The validity and outer loadings

Table 1.1 presents the factor loadings for each component in the construct. The analysis shows that all loadings exceed the threshold value of 0.55 [46]. Most factor loadings are notably high, ranging from 0.714 to 0.850, indicating that the factors effectively capture a significant amount of variance from the variables. Additionally, the table provides VIF to evaluate the model's collinearity, which shows that the VIF values obtained in this investigation are 3.5, demonstrating the lack of a large common method bias, [47]. These findings suggest that the model is effective in capturing the underlying construct and that the results are reliable and valid.

Table 1.1 Construct Items Loadings with VIF value

Name	Outer loadings	Sample mean	Standard deviation	T statistics	P values	VIF
Comp_10 <- Comp	0.697	0.696	0.042	16.436	0.000	1.571
Comp_5 <- Comp	0.706	0.704	0.041	17.123	0.000	1.604
Comp_6 <- Comp	0.662	0.662	0.047	14.147	0.000	1.381
Comp_7 <- Comp	0.716	0.713	0.051	14.181	0.000	1.709
Comp_8 <- Comp	0.733	0.732	0.033	21.877	0.000	1.607
Comp_9 <- Comp	0.775	0.774	0.032	24.308	0.000	1.695
ER_10 <- ER	0.861	0.860	0.026	33.545	0.000	3.836
ER_2 <- ER	0.867	0.866	0.020	43.080	0.000	3.713
ER_3 <- ER	0.640	0.639	0.037	17.314	0.000	2.252
ER_5 <- ER	0.785	0.784	0.029	26.802	0.000	2.422
ER_6 <- ER	0.875	0.874	0.020	42.939	0.000	3.672
ER_7 <- ER	0.900	0.905	0.018	51.240	0.000	4.836
ER_8 <- ER	0.783	0.782	0.035	22.438	0.000	2.308

ER_9 <- ER	0.847	0.846	0.025	33.386	0.000	3.332
OC_1 <- OC	0.752	0.749	0.055	13.735	0.000	1.237
OC_3 <- OC	0.839	0.838	0.029	28.984	0.000	1.364
OC_4 <- OC	0.722	0.708	0.086	8.407	0.000	1.327
Lead_3 <- Lead	0.725	0.723	0.049	14.937	0.000	2.013
Lead_4 <- Lead	0.696	0.696	0.043	16.118	0.000	1.730
Lead_5 <- Lead	0.659	0.657	0.049	13.457	0.000	1.607
Lead_6 <- Lead	0.812	0.814	0.024	33.792	0.000	2.040
Lead_8 <- Lead	0.739	0.737	0.035	21.230	0.000	1.692
PM_4 <- PM	0.683	0.677	0.054	12.739	0.000	1.465
PM_5 <- PM	0.762	0.759	0.039	19.522	0.000	1.817
PM_6 <- PM	0.747	0.749	0.036	20.494	0.000	1.335
PM_7 <- PM	0.775	0.772	0.039	19.721	0.000	1.904
SP_2 <- SP	0.753	0.753	0.033	22.852	0.000	1.214
SP_3 <- SP	0.811	0.810	0.027	30.031	0.000	1.489
SP_5 <- SP	0.784	0.783	0.035	22.490	0.000	1.432
T&D_2 <- T&D	0.750	0.749	0.043	17.412	0.000	1.386
T&D_3 <- T&D	0.810	0.809	0.027	30.551	0.000	1.623
T&D_5 <- T&D	0.768	0.766	0.033	23.219	0.000	2.112
T&D_8 <- T&D	0.842	0.842	0.022	37.493	0.000	2.437
TA_2 <- TA	0.659	0.656	0.054	12.223	0.000	1.513
TA_4 <- TA	0.681	0.680	0.049	13.786	0.000	1.791
TA_5 <- TA	0.812	0.812	0.024	33.431	0.000	2.573
TA_6 <- TA	0.680	0.678	0.051	13.240	0.000	1.743
TA_7 <- TA	0.770	0.770	0.024	31.916	0.000	2.312
TA_8 <- TA	0.747	0.745	0.038	19.520	0.000	2.263
TA_9 <- TA	0.735	0.734	0.037	20.053	0.000	2.111
TE_4 <- TE	0.665	0.666	0.037	17.851	0.000	1.215
TE_5 <- TE	0.658	0.657	0.067	9.868	0.000	1.956
TE_7 <- TE	0.746	0.744	0.056	13.388	0.000	1.699
TE_9 <- TE	0.896	0.895	0.018	48.840	0.000	3.020
TI_1 <- TI	0.661	0.656	0.061	10.868	0.000	1.707
TI_2 <- TI	0.714	0.714	0.034	20.699	0.000	1.540
TI_3 <- TI	0.748	0.745	0.044	17.139	0.000	2.127
TI_6 <- TI	0.654	0.652	0.040	16.467	0.000	1.494
TI_7 <- TI	0.788	0.785	0.032	24.858	0.000	2.304

TI_8 <- TI	0.629	0.623	0.062	10.183	0.000	1.620
TI_9 <- TI	0.782	0.783	0.021	36.509	0.000	1.890
WLB_2 <- WLB	0.730	0.716	0.069	10.635	0.000	1.784
WLB_3 <- WLB	0.774	0.763	0.062	12.385	0.000	1.759
WLB_8 <- WLB	0.828	0.833	0.046	17.879	0.000	1.168

Source: Authors' Calculations

5.2 Evaluation of the Construct Integral Validity

In assessing the psychometric properties of a measurement model, various measures of validity and reliability are employed. Cronbach's alpha, CR (rho_a), CR (rho_c), and AVE are commonly used to assess the psychometric properties of a measurement model. Cronbach's alpha is a frequently used measure of internal consistency reliability that demonstrates the degree to which components of a construct are interrelated. In this study, most of the constructs exhibit strong internal consistency (>0.7) reliability according to Cronbach's alpha [47]. To accurately evaluate a construct's internal consistency, composite reliability is a key parameter that should be considered. This parameter is determined by both rho_a and rho_c values, with high composite reliability ratings indicating excellent internal consistency for most constructs [48]. Another important parameter to assess is AVE, which measures the extent to which the items in a construct measure the same underlying construct and provides an estimate of convergent validity. All constructs evaluated in this investigation meet the acceptable AVE values criteria, ranging from 0.509 to 0.680 [49]. It is worth noting that all the constructs have AVE values above 0.5, indicating a high level of accuracy in measuring the underlying construct.

Table 1.2: Convergent Validity Testing

Construct Name	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Compensation (Comp)	0.809	0.811	0.863	0.512
Employee Retention (ER)	0.931	0.942	0.944	0.679
Organization Commitment (OC)	0.667	0.693	0.816	0.597
Leadership (Lead)	0.779	0.792	0.849	0.530
Performance Management (PM)	0.736	0.756	0.831	0.551
Succession Planning (SP)	0.684	0.683	0.826	0.613
Training & Development (T&D)	0.805	0.812	0.871	0.629
Talent Attraction (TA)	0.851	0.858	0.887	0.530
Talent Engagement (TE)	0.729	0.749	0.833	0.559
Talent Identification (TI)	0.838	0.843	0.878	0.509
Work-Life Balance (WLB)	0.706	0.757	0.821	0.606

Source: Authors' calculations

5.3 Evaluation of discriminant validity

In the context of structural equation modelling (SEM), the heterotrait-monotrait ratio (HTMT) is a metric used to evaluate discriminant validity. It looks at how closely related constructs within a model are to their own indicators—a relationship known as a monotrait relationship—as opposed to indicators of other constructs, which is a heterotrait relationship.

Table 1.3 Discriminant Validity- HTMT Matrix

	Comp	ER	Lead	OC	PM	SP	T&D	TA	TE	TI
Comp										
ER	0.595									
Lead	0.743	0.612								
OC	0.691	0.732	0.696							
PM	0.565	0.600	0.715	0.343						
SP	0.568	0.719	0.780	0.517	0.579					
T&D	0.648	0.536	0.393	0.590	0.311	0.792				
TA	0.564	0.778	0.695	0.636	0.524	0.899	0.510			
TE	0.835	0.773	0.889	0.537	0.878	0.869	0.487	0.867		
TI	0.742	0.689	0.607	0.553	0.504	0.771	0.675	0.776	0.846	
WLB	0.418	0.480	0.472	0.699	0.269	0.365	0.241	0.473	0.451	0.465

Source: Authors' calculations

Table 1.4: Discriminant validity - Fornell-Larcker

Fornell-Larcker Criterion											
	Comp	ER	Lead	OC	PM	SP	T&D	TA	TE	TI	WLB
Comp	0.715										
ER	0.530	0.824									
Lead	0.602	0.548	0.728								
OC	0.503	0.590	0.535	0.773							
PM	0.465	0.526	0.566	0.179	0.743						
SP	0.431	0.585	0.574	0.347	0.444	0.783					
T&D	0.520	0.489	0.321	0.426	0.293	0.611	0.793				
TA	0.474	0.700	0.586	0.492	0.434	0.685	0.424	0.728			
TE	0.660	0.650	0.681	0.371	0.659	0.616	0.359	0.710	0.748		
TI	0.618	0.622	0.511	0.421	0.430	0.600	0.568	0.669	0.682	0.713	
WLB	0.320	0.396	0.376	0.524	0.201	0.293	0.134	0.391	0.387	0.356	0.778

Source: Authors' calculations

The HTMT matrix sheds light on the discriminant validity between construct pairs in the following table 1.4. Good discriminant validity is often regarded as an HTMT value below the threshold of 0.9, indicating that the constructs are different from one another [50]. These results point to a potential problem with discriminant validity between the concept pairings indicated above. To ensure accurate measurement of underlying concepts, it is advised to look into and address any overlap or probable conceptual resemblance between these notions.

5.4 Hypothesis Testing

The hypothesis for multiple sets of variables is shown in table 1.5 below. In the picture below, the outcomes of the SEM path analysis are also depicted. The significance of the correlations between the variables is indicated by the T statistics.

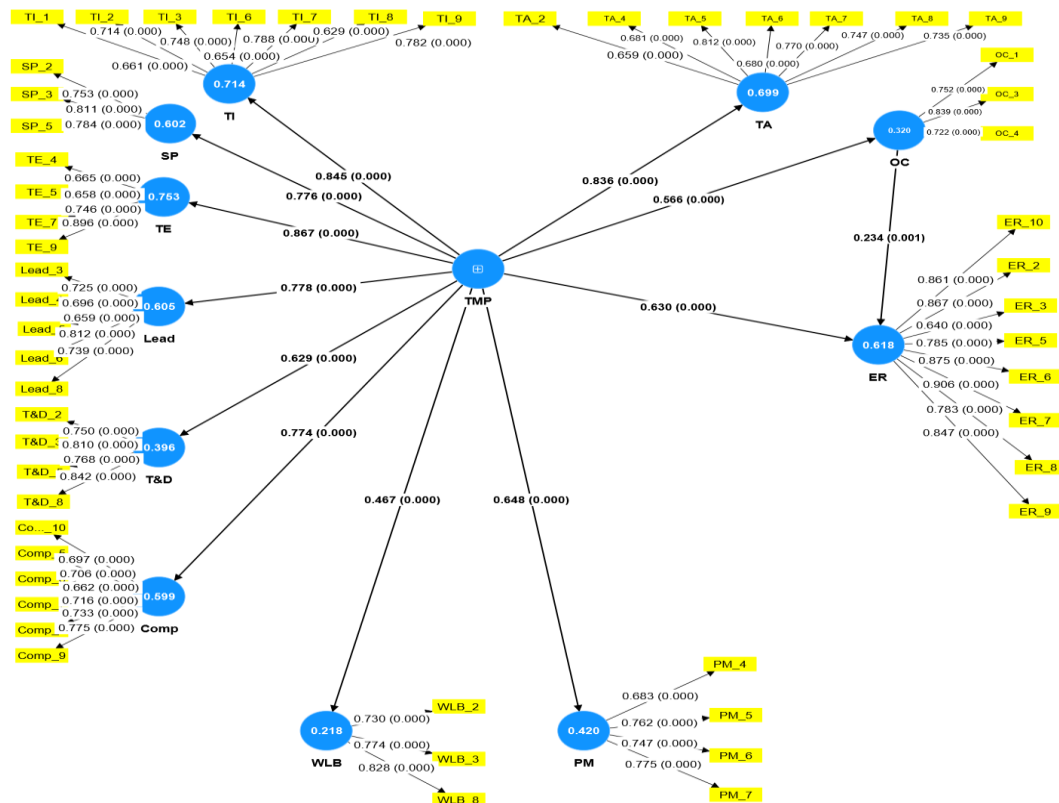


Fig:1.3 Structure Equation Modelling

Source: Author’s Illustration

First, there is a positive correlation between Organization Commitment (OC) and Employee Retention (ER) ($\beta = 0.234$, $T = 3.275$, $p < 0.001$), indicating that organization commitment is linked to longer employee retention. Second, Talent Management Practices (TMP) significantly improve a variety of variables. It has a positive impact on a number of variables, including

Compensation ($\beta = 0.774$, $T = 28.647$, $p < 0.001$), ER ($\beta = 0.630$, $T = 11.661$, $p < 0.001$), OC ($\beta = 0.566$, $T = 12.631$, $p < 0.001$), Leadership ($\beta = 0.778$, $T = 32.022$, $p < 0.001$), Performance Management ($\beta = 0.648$, $T = 18.717$). Additionally, Talent Management practices play a critical role in encouraging engagement within

the organization as evidenced by its notably substantial positive influence on Talent Engagement ($\beta = 0.867$, $T = 57.881$, $p < 0.001$). These results highlight the importance of TMP in influencing different organizational outcomes.

Table 1.5: Hypothesis Testing

Relationship	Path Co-efficient	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	C.I 2.5%	C.I 97.5%
OC -> ER	0.234	0.227	0.071	3.275	0.000	0.317	0.511
TMP -> Comp	0.774	0.776	0.027	28.647	0.000	0.722	0.824
TMP -> ER	0.630	0.633	0.054	11.661	0.000	0.452	0.636
TMP -> Lead	0.778	0.780	0.024	32.022	0.000	0.411	0.599
TMP -> OC	0.566	0.570	0.045	12.631	0.000	0.729	0.825
TMP -> PM	0.648	0.654	0.035	18.717	0.000	0.593	0.724
TMP -> SP	0.776	0.777	0.033	23.291	0.000	0.707	0.838
PM-> T&D	0.629	0.631	0.044	14.411	0.000	0.538	0.708
TMP -> TA	0.836	0.836	0.021	39.397	0.000	0.790	0.874
TMP -> TE	0.867	0.870	0.015	57.881	0.000	0.842	0.899
TMP -> TI	0.845	0.846	0.018	45.843	0.000	0.807	0.878
TMP -> WLB	0.467	0.473	0.063	7.349	0.000	0.344	0.592

Source: Authors' calculations

Table 1.6: Indirect effect (Mediation effect)

Specific indirect effects and Total indirect effects						
Hypotheses		“Original sample (O)”	“Sample mean” (M)	“Standard deviation”	“T statistics”	“P values”
H1	TMP -> ER	0.132	0.130	0.044	2.993	0.000
H2	TMP -> OC -> ER	0.132	0.130	0.044	2.993	0.000
H3	OC -> ER	0.132	0.130	0.044	2.993	0.00

Source: Authors' calculations

Based on the analysis, it has been established that Talent Management Practices (TMP) have a significant and positive impact on Employee Retention (ER) through the mediating factor of Organization Commitment (OC) ($\beta = 0.132$, $T = 2.993$, $p < 0.001$). This implies that TMP has a direct and beneficial effect on ER by enhancing the level of organizational commitment.

Conclusions

This study delves into the challenges faced by the banking sector, with a particular focus on employee retention. The research suggests that employees who deeply value their professions are more likely to remain committed to their employers. The study also highlights the strong correlation between employee retention and various talent management practices, such as talent attraction, talent identification, succession planning, training & development, leadership, compensation, work-life balance, performance management, and talent engagement. The study further reinforces the role of organizational commitment as a factor in mediating the relationship between talent management practices and employee retention. The results show that when workers feel their potential is recognized and promoted by the organization, motivation increases. Higher degrees of commitment are the result of this motivation. Employee retention rises when workers are devoted to their work since they are more likely to stick with the company. It emphasizes that in order to optimize employee retention, businesses must focus on TMP and create a climate that encourages greater commitment from their staff. Employee retention in the private banking industry has benefited from talent management practices that emphasize talent engagement.

Retaining employees is crucial for companies, and the study's findings highlight the importance of effective talent management practices

By providing employees with the necessary tools and support, companies can improve organizational commitment and ultimately lead to longer employment tenures. In the private banking industry, banks need to focus on employee retention strategies that prioritize the development and growth of their current workforce. This may involve implementing performance management systems that recognize and reward talent, promoting work-life balance, cultivating strong leadership skills, and investing in extensive talent development initiatives. By prioritizing employee retention, banks can maintain a competitive advantage in the market.

Limitations and Suggestions for Future Research

The study's findings offer valuable insights that can be applied to various organizations, including private-sector banks, public-sector banks, and those with high attrition rates. Through the use of a quantitative technique, the research provides a framework that can benefit others in their talent management efforts. While future research can benefit from a mixed-method approach, such as combining qualitative and quantitative interview questions, the author recommends using open-ended questions and employee-focused interviews to gain deeper knowledge. By examining talent administration practices like coaching, organizations can further improve their talent management strategies. Overall, the study inspires us to continuously learn and improve our talent management practices to ensure success and growth in our organizations.

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