Relationship between Talent Management and Organizational Commitment among Bankers of Khyber Pakhtunkhwa, Pakistan

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Abstract

This research examines the correlation between talent management (TM) techniques and organizational commitment (OC) among 354 bankers in Khyber Pakhtunkhwa (KP), Pakistan. Data was gathered using time tested questionnaires, and statistical analysis was performed to assess the influence of TM on employee commitment to their organizations. The results indicate a substantial positive correlation between TM practices and OC, underscoring the need of effective TM methods in promoting employee loyalty and engagement.

Keywords: Talent Management; Organizational Commitment; Banks; KP; Pakistan Introduction

TM is an essential aspect of human resource management, concentrating on the attraction, development, retention, and use of competent personnel to fulfil organizational objectives. TM is a systematic process that entails identifying critical positions, cultivating a pool of high-potential and high-performing individuals, and establishing a differentiated human resource framework to effectively fill these roles with capable candidates while ensuring their ongoing commitment to the organization (Lewis & Heckman, 2006). TM is the process by which organizations forecast their human resource requirements and take measures to fulfil them (Cappelli, 2008). TM is the systematic identification of critical jobs that substantially contribute to the organization's enduring competitive advantage. It involves the development of a talent pool consisting of high-potential and high-achieving people qualified for these essential roles. Moreover, TM requires the development of a specialized human resource framework to guarantee the careful selection of skilled people and to cultivate their long-term devotion and allegiance to the organization. (Tarique & Schuler, 2010). TM is a set of carefully coordinated actions and procedures aimed at systematically identifying key roles that enhance the organization's long-term competitive advantage. It entails developing a pool of high-potential and high-achieving persons specifically for these essential tasks, and creating a customized human resource framework to facilitate the smooth integration of skilled workers into these positions. Simultaneously, TM aims to cultivate

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and maintain their steadfast commitment and loyalty to the organization. (Collings & Mellahi, 2009). people management is a cohesive array of systems, initiatives, and cultural standards inside an organization, formulated and executed to recruit, develop, deploy, and retain people in order to fulfil strategic goals and address future business requirements (Silzer & Dowell, 2009). TM is the methodical acquisition, identification, development, engagement, retention, and allocation of persons who hold significant value for an organization, either due to their great potential or their fulfilment of essential business duties (SPARROW, Scullion, & Farndale, 2011). TM is a multifaceted notion that includes several procedures and techniques designed to recruit, develop, retain, and efficiently use personnel. Various scholars have delineated multiple facets of TM. The following are essential parameters suggested by various writers.

1. Talent Identification: Identifying high-potential personnel.
2. Talent Development: Facilitating training and advancement.
3. Talent Allocation: Designating individuals to essential positions.
4. Talent Retention: Ensuring the engagement and commitment of premier talent (Cappelli, 2008; Collings & Mellahi, 2009; Gallardo-Gallardo, 2018; Lewis & Heckman, 2006; Michaels, Handfield-Jones, & Axelrod, 2001; Silzer & Dowell, 2009; SPARROW et al., 2011; Tarique & Schuler, 2010; Ulrich & Smallwood, 2012). TM significantly impacts organizations, workers, and overall company success. Effective implementation may provide favorable results, but inadequate TM may have adverse repercussions. TM guarantees the optimal placement of individuals in appropriate positions, resulting in enhanced production, efficiency, and creativity. High-performing personnel facilitate the attainment of organizational objectives and sustain a competitive advantage (Collings & Mellahi, 2009). Efficient personnel management strategies, including career advancement and acknowledgement, enhance employee engagement and motivation. Employees that are engaged exhibit more commitment to their tasks and the organization (Macey & Schneider, 2008). Inadequate TM results in employee discontent, leading to increased turnover rates. The departure of key personnel may disrupt operations and elevate recruiting expenses. Insufficient professional advancement chances and acknowledgement might dishearten workers. Decreased morale diminishes production and increases absenteeism (Pfeffer, 1998). OC is characterized by the degree of an individual's identification with and engagement in a certain organization. It is defined by three factors:

1. A strong conviction in and endorsement of the organization's objectives and principles.
2. A readiness to invest significant effort for the organization.
3. A fervent wish to retain affiliation with the organization (Porter, Steers, Mowday, & Boulian, 1974). OC refers to the extent to which an employee aligns with the organization and is prepared to invest effort for its benefit. It signifies a psychological connection to the organization and an inclination to maintain membership (Mowday, Steers, & Porter, 1979). Allen and Meyer (1990) developed a triadic model of OC, comprising:

1. Affective Commitment: Emotional attachment to, identification with, and involvement in the organization.
2. Continuance Commitment: The anticipated costs associated with leaving the company.
3. Normative Commitment: An obligation to remain in the organization.

OC denotes the psychological bond a person has towards their organization, affecting their propensity to persist with the organization and contribute to its objectives. Diverse scholars have examined the ramifications of OC, emphasizing its effects on both people and organizations.

OC is closely associated with employee retention. Employees exhibiting elevated commitment levels are less inclined to depart from the organization, hence decreasing turnover rates (Meyer & Allen, 1991). OC favorably affects work performance, since dedicated individuals are more inclined to enhance organizational success. Mathieu and Zajac (1990) performed a meta-analysis

revealing a favorable link between OC and work performance, especially when employees have a strong emotional connection with the organization. Employees exhibiting robust OC are less prone to absenteeism, since they possess a feeling of obligation towards the organization. Steers and Rhodes (1978) emphasized that dedicated personnel exhibit reduced absence rates owing to their intrinsic drive and congruence with organizational objectives.

The correlation between TM and OC has been extensively examined in the literature on organizational behavior and human resource management. TM denotes the methodical approach of discovering, cultivating, and maintaining high-potential personnel, while OC signifies the psychological connection and loyalty that workers have towards their organization. Al Ariss, Cascio, and Paauwe (2014) emphasized that proficient TM practices, including career development opportunities and recognition, augment employees' emotional connection to the organization, resulting in increased OC. Employees who believe their organization invests in their development are more inclined to feel valued and committed. Thunnissen, Boselie, and Fruytier (2013) discovered that TM strategies, including mentorship and leadership development, are important predictors of affective commitment (emotional connection to the organization). Employees designated as "talent" and given development chances are more inclined to cultivate a strong feeling of belonging and loyalty. Similarly many studies have developed a strong positive relationship between TM and organizational commitment (Ahmad et al., 2024; Almaaitah, Alsafadi, Altahat, & Yousfi, 2020; Khan & Ali, 2023; Luna-Arocas, Danvila-Del Valle, & Lara, 2020; Pa'wan & Said, 2020).

Research Methods
Population, sample and data collection procedure
Individuals employed in the banking sector in the province of Khyber Pakhtunkhwa (KP), Pakistan. Bankers made up the sample size of 354. The data collection process consisted of using convenience sampling to obtain information from bankers in the key cities of KP, such as Peshawar, Abbottabad, and Mardan. Questionnaires were disseminated to them physically. Over the course of two months, responses were gathered from the bankers.

Measurement
The OC Scale developed by Allen and Meyer (1990) was used to measure OC. This scale incorporates three different types of commitment: affective, continuous, and normative commitment. For the purpose of measuring TM, a scale that was developed from earlier research (Cappelli, 2008) was used. Items included succession planning, talent acquisition, and development, as well as retention and retention of personnel.

Data analysis
For the purpose of data analysis, the statistical software known as SPSS (Statistical Package for the Social Sciences) was used using statistical tools. The purpose of descriptive statistics is to provide a summary of statistical information and important factors. As part of the reliability analysis, Cronbach's alpha was used to determine the degree to which the scales were internally consistent. To investigate the connection between TM and OC for the purpose of conducting a correlation analysis was used. The purpose of the regression analysis is to assess the influence that TM has on the commitment of employees to the organization.

Results
Descriptive Statistics

The gender breakdown is as follows: 65% male and 35% female. 45% of the population is between the ages of 26 and 35, 30% is between the ages of 36 and 45, and 25% is above the age of 46. In terms of experience, forty percent of the individuals had between one and five years of experience, thirty-five percent had between six and ten years, and twenty-five percent had more than ten years. In terms of TM practices, the average score for TM practices was 4.2 on a Likert scale of five points, which indicates that bankers rated their organizations as being fairly competent in managing talent. The average score for OC was 3.8 (on a scale from 1 to 5), which indicates that workers have a moderate degree of commitment to the organization.

Reliability Analysis

Cronbach's Alpha for TM Scale was 0.89 while for OC Scale 0.91. Both measures exhibited substantial internal consistency.

Correlation and regression

A substantial positive association exists between TM techniques and OC ($r = 0.67$, $p < 0.01$). Regression Analysis - TM was a significant predictor of OC ($\beta = 0.63$, $p < 0.001$), accounting for 42% of the variation in OC ($R^2 = 0.42$).

Conclusion and Discussion

The findings demonstrate that proficient TM practices, including talent acquisition, development, and retention, substantially improve OC among bankers in KP, Pakistan. This corresponds with prior research indicating that workers exhibit greater commitment to organizations that priorities their growth and development.

Practical Implications:

Financial institutions should priorities the recruitment of people who resonate with organizational values and long-term objectives. Consistent training and development initiatives may augment workers' competencies and bolster their devotion. Competitive remuneration, opportunities for career advancement, and a favorable work environment are essential for talent retention.

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