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Talent Management Practices: An Empirical Study on Employee Performance

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Abstract

The primary objective of this study is to examine the impact of talent management practices on employee performance in Bangladesh, specifically in selected private-sector organizations. A structured questionnaire with open- and closed-ended questions was used to collect primary data and gain a comprehensive understanding of the impact of talent management practices on employee performance. A study of 35 top- and mid-level executives from various firms was conducted using purposeful sampling. The investigation used a five-point Likert scale. The data were analyzed using the correlation coefficient, descriptive statistics, and a t-test. The study's conclusions indicate that talent management improves overall employee performance. The study suggests that the talent management idea be applied to all employee categories within the company who possess a particular talent, and that businesses separate their talent management strategy from the company's broader human resources management approach. The government should encourage private companies to adopt talent management practices to support their business development and employee satisfaction. The study's practical implications include the potential to develop a new skilled workforce, secure financial gains for businesses, and contribute to the positive outcomes of the national economy.

***Keywords**: Compensation · Employee Performance · Employee Retention· Selection & Recruitment · Talent Management · Talent Learning & Development*

1. Introduction

In an increasingly competitive global business environment, organizations are recognizing that human capital is one of their most vital strategic resources for achieving sustainable growth and maintaining a competitive advantage. Talent management (TM), which encompasses the systematic attraction, development,

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and retention of high-performing employees, has therefore emerged as a central focus within modern human resource management. As organizational structures become more complex and performance expectations intensify, TM practices play a critical role in bridging skill gaps, enhancing employee capabilities, and ensuring that the right individuals occupy the right roles at the right time. Recent studies affirm this strategic value, noting that effective TM initiatives significantly contribute to improved employee productivity, organizational commitment, and long-term performance outcomes (Scullion & Collings, 2018; Tazin & Hakim, 2022).

In Bangladesh, the growing diversification of industries—ranging from banking and manufacturing to healthcare, education, and consumer goods—has heightened the need for robust TM systems. The rapid expansion of the private sector and the growing demand for skilled professionals have intensified competition for talent. Research indicates that Bangladeshi organizations adopting structured TM practices experience higher levels of employee engagement and operational efficiency, particularly in sectors facing high turnover or skill shortages (Islam et al., 2023). However, despite rising interest in TM, many organizations struggle to implement it effectively due to constraints such as limited resources, insufficient training opportunities, lack of strategic alignment, and inadequate HR planning. These challenges impede firms from fully leveraging TM as a driver of employee performance and organizational success.

Employee performance remains a crucial indicator of organizational effectiveness, influencing productivity, service quality, innovation, and overall competitiveness. Scholars argue that employees' capabilities, motivation, and developmental support significantly shape performance outcomes (Shaikh & Shah, 2017). TM practices—such as merit-based recruitment, structured coaching and mentoring, and performance-linked compensation—are widely recognized as essential mechanisms for improving these outcomes. Several international and local studies highlight a positive linkage between TM initiatives and employee performance, underscoring the importance of continuous development and effective retention strategies (Ndolo & Ibua, 2017; Hossain & Islam, 2023). Nevertheless, empirical evidence on how these specific TM dimensions influence performance across diverse industries in Bangladesh remains limited.

Given this backdrop, this study aims to examine the influence of three critical TM dimensions—recruitment and selection, coaching and mentoring, and compensation—on employee performance in selected private organizations in Bangladesh. By analyzing primary data collected from experienced professionals across multiple sectors, the research seeks to address existing gaps in scholarly understanding and offer practical insights for enhancing TM strategies. The findings of this study are expected to contribute to the theoretical discourse on TM within developing economies, support organizational leaders in designing more effective HR frameworks, and guide policymakers in fostering a more talent-driven national workforce.

2. Literature Review

2.1 Talent Management Practices

Talent Management (TM) refers to a strategic approach that involves attracting, developing, retaining, and effectively utilizing employees to achieve organizational objectives. Cappelli and Keller (2014) define talent management as a structured set of organizational processes that involve hiring, developing, deploying, and retaining employees, with a focus on aligning individual careers with future organizational needs. The central aim is to place the right person in the right role. Muriithi and Makau (2017) emphasize that businesses must develop effective talent management strategies as a key component of human resource development to remain competitive. Similarly, Gupta and Aggarwal (2012) view talent management as a strategic foundation of human resource management, essential for achieving corporate objectives through capable individuals. Stahl et al. (2017) further emphasize that effective recruitment, development, and retention practices are crucial for organizations to meet current and future talent demands and remain competitive in a rapidly evolving business landscape. Ultimately, hiring skilled and experienced personnel is a crucial factor in maintaining a competitive edge.

In Bangladesh, the adoption of TM practices is on the rise as organizations seek to boost employee performance and overall effectiveness. However, as noted by Islam et al. (2023), several challenges hinder successful implementation in the private sector, including high costs, limited government support, low awareness, and a shortage of qualified trainers. Despite these obstacles, organizations are increasingly recognizing TM's critical role in enhancing workforce performance.

2. 2 Employee Performance

Employee performance reflects how efficiently and effectively individuals carry out their job responsibilities. The term "employee performance" refers to the outcomes that result from an individual's efforts over a specific period to complete assigned duties or achieve the organization's objectives (Shaikh & Shah, 2017). In their 2017 study, Ndolo and Ibua examined the impact of talent management practices on employee productivity. They concluded that programs such as talent development, career development, and work-life balance were highly effective in increasing workforce productivity. In the Bangladeshi context, research indicates a positive correlation between talent management (TM) practices and employee performance. For instance, Tazin and Hakim (2022) found that TM strategies significantly enhanced performance within the country's banking sector. Likewise, Hossain and Islam (2023) reported that effective performance appraisal systems in private banks contributed to higher employee motivation and retention, ultimately driving improved performance outcomes.

2.3 Relationships between Talent Management and Employee Performance

The relationship between talent management (TM) practices and employee performance has been widely explored in the research literature. Dixit and Dean (2018) found that talent management practices not only enhance employee productivity but also improve job satisfaction. Similarly, Mangusho et al. (2015) reported a strong link between talent management strategies and increased employee productivity. In Bangladesh, several studies underscore the positive influence of TM on workforce outcomes. Tazin and Hakim (2022) found that initiatives like training and development significantly improved employee performance in the banking sector. Similarly, Hossain and Islam (2023) highlighted the effectiveness of performance appraisal systems in boosting motivation and enhancing performance in private banks.

This study is grounded in two key theoretical frameworks: Human Capital Theory and Maslow's Hierarchy of Needs, both of which underpin effective talent management.

2.3.1 Maslow's Hierarchy of Needs Theory

Maslow's hierarchy of needs outlines five categories of human desires: physiological, safety, belongingness, esteem, and self-actualization (Kaur, 2013). Among these, physiological needs such as food, water, and shelter take precedence and must be addressed first. Organizations can fulfill these needs by offering competitive salaries and benefits (Jiang, Qi, & Xiao, 2009). Employers also play a crucial role in supporting employees' personal and professional growth by helping them develop their skills and reach their full potential (Ibidunni et al., 2016; Taormina & Gao, 2018). Enhancing organizational support services can further motivate employees to pursue new opportunities for performance improvement (Jerome, 2013). To attract and retain skilled talent, companies must understand employee needs and implement effective competitive strategies (Haque et al., 2014). Neglecting these needs may lead to lower performance, dissatisfaction, frustration, and increased turnover intentions (Ibidunni et al., 2016). By aligning organizational resources and practices with employee needs, businesses can build, nurture, and retain a committed and productive workforce.

2. 3. 2 Human Capital Theory

Human capital plays a crucial role in enabling organizations to fulfill their responsibilities, thereby enhancing overall productivity and performance (Paleri, 2018). In response to globalization and demographic changes, organizations must focus on identifying talented individuals, nurturing potential employees, and optimizing human capital performance to drive productivity and generate value (McCracken et al., 2017; Thomas & Diez, 2013). According to Oladapo (2014), effective talent management involves five key areas: recruitment, selection, engagement, development, and retention. To build a strong workforce, businesses must implement diverse talent management strategies that aim to attract, develop, and retain skilled employees (Buta, 2015). As a result, this framework has become fundamental in understanding the behavioral dimensions of human capital (Teixeira, 2014).

2. 4 Challenges in Implementing Talent Management Practices

The implementation of effective talent management (TM) practices in Bangladesh is hindered by several key challenges. According to Islam et al. (2023), major obstacles in private organizations include high costs, limited government support, low awareness, and a shortage of skilled trainers. Overcoming these barriers is essential to successfully adopting TM practices that can drive improvements in employee performance.

The literature indicates a positive relationship between TM practices and employee performance in the Bangladeshi context. While organizations face challenges in implementing effective TM practices, addressing these barriers can improve employee performance and organizational effectiveness. Further research is needed to identify the specific TM practices with the greatest impact on employee performance across industries in Bangladesh.

3. Statement of the Problem

While organizations in Bangladesh are investing in TM practices, the extent to which these practices translate into improved employee performance remains unclear. This research aims to investigate the relationship between TM practices and employee performance, providing empirical evidence to inform HR strategies in the Bangladeshi context. The study provides valuable insights for top management by identifying the aspects of talent management with the greatest impact on organizational success. By leveraging these findings, companies can reduce the need for additional research, saving both time and cost. While directly relevant to the sampled firms in Chattogram, the results also hold significance for businesses across Bangladesh, especially those operating within similar cultural, economic, and political contexts. Furthermore, the study provides a useful reference for potential investors evaluating business opportunities in the country. In a landscape marked by a scarcity of local data, it also serves as a valuable resource for researchers and academics, while contributing to the broader goal of addressing Bangladesh's leadership challenges and nurturing future leaders.

4. Significance of the Study

By highlighting the link between talent management and organizational success, the research encourages participating companies to better appreciate the strategic value of talent in today's dynamic business environment. The study's findings indirectly enable firms to assess the impact of personnel management on key performance indicators, including profitability, productivity, sales growth, return on investment, and overall competitiveness. Its relevance extends to a broad spectrum of stakeholders. Moreover, it offers practical insights into effective talent management practices, such as attracting and retaining top talent, fostering learning, and implementing coaching and mentoring initiatives, that can drive improved organizational performance. By providing insights into the impact of TM on employee performance in Bangladesh, this research makes a significant contribution to the current body of knowledge on Technology Management (TM). The findings will be valuable for HR practitioners, policymakers, and organizational leaders seeking to develop effective TM strategies that align with organizational goals and enhance employee performance.

5. Scope of the Study

The study focuses on selected industries in Bangladesh, including Banking, manufacturing (such as steel mills and consumer goods producers), Education (universities), Health, finance, and the Ready-made garment (RMG) sector, among others. These industries were chosen for their significant contributions to the national economy and for the varied nature of their operations, which provide a diverse perspective on TM practices and their impact on employee performance.

6. Research Objectives

The primary objectives of this study are:

a. To assess the impact of TM practices on employee performance in selected industries in Bangladesh.

b. To identify the specific TM practices that most significantly influence employee performance.

c. To provide recommendations for enhancing TM strategies to improve employee performance.

7. Research Questions

This study seeks to answer the following research questions:

a. What is the relationship between TM practices and employee performance in selected industries in Bangladesh?

b. Which TM practices have the most significant impact on employee performance?

c. How can organizations in Bangladesh optimize their TM practices to enhance employee performance?

8. Research Methodology

8. 1 Research Design

This study employs a quantitative research design to investigate the impact of talent management (TM) practices on employee performance across selected industries in Bangladesh. Quantitative research is well-suited for examining relationships between variables through numerical data analysis, thereby enabling the generalization of findings to a larger population (Bryman, 1984).

8. 2 Research Approach

A deductive approach is employed, where existing theories and literature on TM and employee performance inform the development of hypotheses. This approach facilitates testing these hypotheses by collecting and analyzing empirical data (Creswell & Creswell, 2017).

8. 3 Population and Sampling

The target population comprises employees from various industries in Bangladesh, including banking, manufacturing, Education, RMG, Health, Finance, and retail sectors. To ensure that different levels and sectors of the organization are adequately represented, purposive sampling is used. To collect primary data, a questionnaire combining open- and closed-ended questions was created and used. In addition to being well-known in their respective fields, many of these CEOs were also successful business owners and former chief executives.

8. 4 Data Collection

The data collection process for this study was designed to ensure reliability, relevance, and representation across multiple private-sector industries in Bangladesh. Primary data were gathered using a structured questionnaire comprising both open- and closed-ended items to capture diverse and nuanced insights into talent management practices and employee performance. The questionnaire was developed by adapting validated measurement scales, particularly those from Bibi (2018), to ensure conceptual clarity and alignment with established TM constructs. A five-point Likert scale ranging from "Strongly Disagree" to "Strongly Agree" was used to quantify responses and facilitate robust statistical analysis.

The survey was administered to senior-level executives—including CEOs, Directors, COOs, Managers, and other decision-making officers—across 35 prominent private organizations in sectors such as banking, manufacturing, healthcare, education, finance, and consumer goods. These respondents were deliberately selected through purposive sampling to ensure rich professional insights grounded in extensive industry experience. To increase accessibility and participation, questionnaires were distributed in both printed and digital formats.

Data were collected over four months, from January to April 2023. During this time, special measures were taken to maintain respondent anonymity and ensure unbiased responses. A total of 50 questionnaires were distributed, of which 35 were returned fully completed and deemed usable for analysis, representing a 70% effective response rate. Secondary data were also gathered from academic journals, organizational reports, websites, and previously published studies to complement the primary data. This mixed evidence base strengthened the overall interpretation of findings and ensured the study's validity and credibility.

8. 5 Variables and Measurement

8. 5. 1 Independent Variable: Talent Management Practices

TM practices are measured through dimensions such as recruitment and selection, coaching and mentoring, and compensation and rewards. These dimensions are adapted from established TM frameworks (Collings & Mellahi, 2009).

8. 5. 2 Dependent Variable: Employee Performance

Employee performance is evaluated based on individual productivity, work quality, and achievement of performance targets. These indicators are commonly used in performance appraisal systems (Aguinis, 2013).

8. 6 Data Analysis

A statistical program frequently used in social science research is the Statistical Package for the Social Sciences (SPSS) version 25.0. This program is used to analyze the data obtained. Calculating descriptive statistics, including means and standard deviations, enables summarising the data and gaining insights into respondents' responses. These statistics helped explore the sentiments expressed in comments on various topics. Inferential statistics, such as Pearson's correlation and multiple regression, are used to test hypotheses and determine relationships between TM practices and employee performance (Field, 2013).

9. Development of Research Hypotheses

9. 1 Attraction of Talent

Recruitment and selection form the cornerstone of effective skills management within an organization (Alruwaili, 2018). While there are multiple ways to attract talented individuals, recruitment and selection remain among the most critical methods (Armstrong, 2016). Creating a talent pool and selecting the right candidate from it are crucial processes, as they significantly impact an organization's success or failure (Rabbi et al., 2015). A key element of talent management is attracting suitable candidates through recruitment to identify individuals best suited to meet organizational needs. According to Bratton and Gold (2017), selection involves choosing the most qualified individual based on their ability to perform job tasks effectively. Oaya, Ogbu, and Remilekun (2017) distinguish between the two by defining recruitment as the process of identifying potential candidates and selection as the act of choosing the most capable among them. Thus, recruiting and hiring the right person directly impacts both individual and organizational performance (Anosh & Batool, 2014). Paphos and Galanaki (2018) emphasize that effective recruitment and selection not only help attract high-potential individuals but also empower them to succeed, thereby enhancing overall employee performance. In addition, they found a positive association between the recruitment techniques (both selection and recruitment) and workers' performance. Rahmany (2018) employed deductive reasoning to evaluate the influence of hiring and selection processes on employee performance. The findings provide support for the hypothesis that factors such as recruitment, employee performance, and selection are positively associated with one another. The researchers Jolaosho, Olayink, Raji, and Akintan (2018) conducted a survey to investigate the impact of recruiting and selection decisions on workers' performance. They presented research that demonstrated the benefits of selecting and recruiting people based on their performance throughout their employment. In addition, they concluded that to select and employ the appropriate individuals, it is necessary to attract skilled workers who can ultimately achieve the organization's goals. As a result, this research is expected to test the following hypothesis:

H1: Attraction of talent through recruitment and selection positively influences employee performance

9. 2 Learning and Development of Talent

Employees are finding it increasingly difficult to sustain excellent performance in today's fiercely competitive workplace without continual learning and development. The development and progress of high-performing personnel are now essential to an organization's success. As a result, learning opportunities are crucial for workers to enhance their skills and adapt to changing work demands (Rabbi et al., 2015). Coaching and mentoring are two key approaches that significantly contribute to talent development (Mangusho et al., 2020). As noted by Khakwani et al. (2013), many organizations rely on mentoring and coaching to boost employee productivity. Employees who lack the necessary skills may underperform, but targeted mentoring and coaching help them develop the competencies required to meet current and future performance expectations. Achi and Sleilati (2016) found that coaching, delivered through one-on-one, goal-driven sessions, is an effective strategy for enhancing employees' skills and capabilities. Similarly, Utrilla, Grande, and Lorenzo (2015) emphasize that coaching is a valuable method for enhancing workplace performance by fostering employees' talents and abilities.

Jyoti and Sharma (2015) argue that mentoring is an effective means of understanding and managing change within a firm, thereby enhancing employee performance and career advancement. It serves as an indicator that employees' effectiveness is significantly influenced by remuneration, organizational commitment, and career development, and it examines the impact of mentoring on workforce performance. In their research, they found that mentorship has a positive impact on employee performance. Because it provides guidance and facilitates knowledge transfer, mentoring is a crucial component in enhancing employee performance. In the same year, Raza et al. (2017) conducted research to evaluate the relationship between coaching and employees' overall performance. The study's findings revealed that coaching and mentoring are effective ways to enhance an employee's ability to perform their job as expected. As a consequence of this, the following hypothesis has been proposed:

H2: Employee performance is positively impacted by coaching and mentoring as a means of training and talent development

9. 3 Retention of Talent

In today's competitive business landscape, retaining talent has become more critical than ever. To discourage job-hopping and ensure long-term commitment, companies must implement effective compensation strategies (Chiekezie & Nwanneka, 2017; Nzewi & Chiekezie, 2016). However, retaining top talent remains a significant challenge for many organizations (Mabaso, 2016). Offering competitive pay is often considered a practical approach to retaining high-performing employees and supporting organizational growth. According to Dessler (2013), pay refers to the financial rewards employees receive for their work, while Sharma (2013) views it as a means for organizations to recognize and reward employee achievements. Osibanjo, Adeniji, Olubusayo, and Heirsmac (2014) argue that compensation serves as a strategic tool that not only enhances employee performance but also helps retain skilled personnel.

Their salary significantly influences a person's job performance for the organization. Hameed et al. (2014) investigated the relationship between employee performance and salary. They demonstrated that pay led to more optimistic employee performance. To investigate the impact of work effectiveness on employees' organizational commitment and career paths, Sulaefi (2018) conducted a study. The study's conclusions indicate that employees' effectiveness is significantly influenced by remuneration, organizational commitment, and career development. In this regard, the following hypothesis is taken:

H3: There is a favorable correlation between remuneration and employee performance to maintain talent.

10. Theoretical Framework

The following theoretical framework, including each of the dimensions illustrated in the literature, is proposed for the current study.

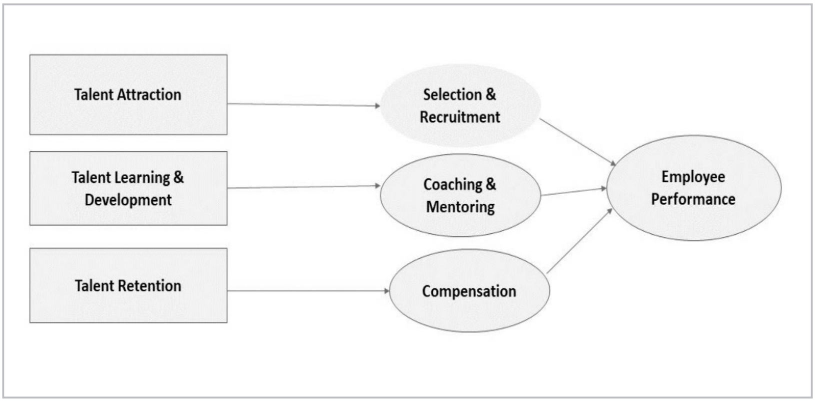

Figure 1. Model of Talent Management
Source: (Munaza, 2019)

11. Sample Enterprises at a Glance

In emerging and poor countries, the private sector's route to growth and development is extremely crowded. Private-sector businesses play a crucial role in promoting and accelerating Bangladesh's economic growth. The following categories are used to group the sample businesses:

Table 1. Categories of the Sample Organizations

Sample Organization	Name of the Private Enterprises	Category
1	Imperial Hospital Ltd.	
2	Max Hospital Ltd	Health
3	Epic Health Care	
4	Bangladesh Eye Hospital	
5	KB Fan Industry	
6	BSB Cable Ltd	Electrical
7	Bizli Cable	
8	Modhumati Bank PLC	
9	Prime Bank PLC	Banking sector
10	NRB Global Bank. PLC	
11	Peninsula	Service
12	Hotel Agrabad Ltd	
13	Guardian Life Insurance.	
14	Delta Life Insurance.	Insurance
15	Rankon Properties Ltd.	Real Estate
16	Equity Property Management Ltd.	
17	Bangladesh Steel Re-rolling Mill (BSRM)	
18	RSRM	Steel
19	GPH Ispat	
20	BGC Trust University Bangladesh	
21	Chittagong Independent University	
22	Premier University	Education
23	East Delta University	
24	Dainik Azadi	Media
25	Samoy TV	
26	Vintage Textile	Textile
27	KDS Textile	
28	City Group	
29	Mostafa Group	
30	S. Alam Group	
31	Square Group	Consumer Goods
32	Abul Khair Group	
33	NGS Group	
34	Lanka Bangla Finance	Non-banking (Financing Sector)
35	IDLC Finance	

Source. Field Study, 2024

12. Data Analysis and Findings

12. 1 Respondents' Demographic Information

This section presents an analysis of the respondents' feedback. To achieve the study's objectives, a combination of closed-ended and open-ended questions was utilized. The responses were organized and explained through relevant tables. Demographic information—including age, gender, marital status, and academic background—was collected to better understand the sample profile. Table 2 below presents this demographic data along with corresponding descriptions. A total of 50 questionnaires were distributed to executives who have been employed at the institution for over 15 years. Of these, 70% were returned. After excluding incomplete responses, 35 fully completed questionnaires were available for analysis. Among the respondents, only three were female, while the remaining 32 were male. The demographic statistics of the sample are shown in Table 2.

Table 2. Demographic Data of Respondents and Type of Organization

Gender		Qualification		Experience		Type of Employment	
Male	Female	Graduate	Post-Graduation and Above	15-20 yrs	20 yrs +	Part-time	Full time
30	05	9	26	15	20	03	32

Business Type	No.
Banking	3
Non-banking	2
Insurance	2
Media	2
Steel	3
Textile	2
Service	2
Health	4
Consumer Goods Producers	6
Education	4
Electrical	3
Real Estate	2
	Total = 35

Source. Field Study, 2024

The age range of the 35 survey participants was 45 to 55 years of age or older. These responders were 85.7% male; 25.72% had a graduate degree, and 74.28 % had a postgraduate degree or higher, according to demographic data. Table 2 shows that 57.15% of respondents had worked for more than 20 years, and 42.85% had worked for more than 15 years. The data shows that the majority of respondents (91.42%) were employed full-time by the companies.

12.2 Reliability Statistics

The reliability of the scales is measured using Cronbach's alpha, with values above 0.70 indicating acceptable reliability (Nunnally & Bernstein, 1994). In this paper, an internal consistency examination was conducted by analyzing the reliaility of specific variables.

Table 3. Statistics of Reliability

Variables	Alpha Cronbach Value	Number of Objects
Recruitment & Selection	0.749	6
Compensation	0.909	5
Mentoring & Coaching	0.888	12
Employee Performance	0.850	8

Source. Field Study, 2024

Table 3's internal consistency analysis revealed that, with sample sizes of 12 and 6, the alpha values for mentoring and coaching, and for recruiting and selection, were 0.888 and 0.749, respectively. Cronbach's alpha was 0.850 for employee performance and 0.909 for remuneration, and N = 5. The alpha values for all variables were above the suitable cutoff point of 0.7, indicating the reliability of the research's questionnaires (Nunnally & Bernstein, 1994).

12. 3 Correlation Coefficient among Study Variables

Table 4. Pearson Correlation

Variables		Employee Performance	Recruitment & Selection	Coaching & Mentoring	Compensation
Employee Performance (N=34)	Pearson correlation	1	.789	.810	.854
	Sig. (2-tailed)		.000	.000	.000

Source: Field Study, 2024

Table 4 displays the correlation coefficient for each variable. The examination of correlations demonstrates a positive relationship between employee performance and recruiting and selection ($r = 0.810$, $p < 0.05$), as well as between coaching and mentoring ($r = 0.789$, $p = 0.05$). A favorable relationship was found between employee rewards and performance ($r = 0.854$, $p < 0.05$).

12. 4 Multiple Regression Analysis Table

Table 5. Multiple Regression Results Predicting Employee Performance

Predictor Variables	Unstandardized Coefficient (β)	Std. Error	Standardized Beta (β*)	t	Sig.
	.402	.048	0.491	7.589	.000
Coaching and Mentoring	.168	.044	0.328	3.689	.000
Recruitment and Selection	.262	.053	0.364	4.702	.000

Model Summary: R = 0.857, $R^2 = 0.734$, Adjusted $R^2 = 0.719$, F (3. 31) = 332.93, p < .001 Dependent Variable: Employee Performance

Source: Field Survey, 2024

The multiple regression model was estimated to determine the combined and individual effects of the three dimensions of talent management—recruitment & selection, coaching & mentoring, and compensation—on employee performance. The overall model was statistically significant (*F = 332.93, p < .001),* indicating that talent management practices collectively exert a substantial influence on employee performance in the sampled organizations.

The coefficient of determination ($R^2 = 0.734$) shows that 73.4% of the variance in employee performance is explained by the three talent management dimensions included in the model. This represents a strong explanatory power, confirming the critical role of talent-related HR practices in shaping workplace outcomes.

Among the independent variables, compensation emerged as the strongest predictor of employee performance (β = 0.402, β* = 0.491, p < .001). This suggests that attractive and competitive compensation packages directly enhance motivation, commitment, and overall performance. The result aligns with prior research indicating that reward systems significantly influence effort, productivity, and retention among skilled employees.

Recruitment and selection also demonstrated a significant positive impact on employee performance (β = 0.262, β* = 0.364, p < .001). This implies that organizations that implement structured, merit-based, and competency-focused hiring practices tend to attract employees whose abilities and job fit contribute to better performance outcomes.

Similarly, coaching and mentoring showed a meaningful positive effect (β = 0.168, β* = 0.328, p < .001). This finding highlights the importance of continuous development, capacity building, and supportive learning environments that help employees enhance their competencies, adapt to changing job requirements, and improve performance.

Overall, the results confirm that compensation, recruitment & selection, and coaching & mentoring significantly predict employee performance, supporting all three hypotheses (H1, H2, and H3). Organizations seeking sustainable performance improvement should therefore prioritize competitive reward systems, robust talent acquisition processes, and structured coaching and mentoring initiatives as integral components of their talent management strategies.

13. Discussion

The findings of this study provide strong empirical evidence that talent management practices significantly improve employee performance in private organizations in Bangladesh. All three hypotheses—recruitment and selection, coaching and mentoring, and compensation—were supported, indicating that each TM dimension plays a vital role in shaping workplace outcomes.

First, the positive and statistically significant relationship between recruitment and selection and employee performance demonstrates that investing in structured, merit-based hiring processes leads to improved job outcomes. This aligns with previous research suggesting that selecting competent, high-potential individuals enhances organizational capability and long-term productivity. When firms emphasize job-fit, competency evaluation, and transparent selection procedures, employees are more likely to perform effectively and contribute meaningfully to organizational success.

Second, coaching and mentoring were shown to significantly enhance employee performance. Organizations that provide structured developmental opportunities create an environment where employees acquire new skills, build confidence, and adapt to evolving job requirements. These findings are consistent with the international literature, which emphasizes the value of developmental support in promoting employee engagement, innovation, and career progression. The results highlight the need for organizations to view coaching and mentoring not merely as supportive tools, but as strategic investments that directly strengthen workforce performance.

Finally, compensation emerged as the strongest predictor of employee performance, indicating that competitive and equitable reward structures play a central role in motivating employees. When employees perceive compensation as fair and aligned with their contributions, they are more likely to demonstrate higher levels of commitment, productivity, and job satisfaction. This reinforces the importance of linking compensation strategies to organizational goals, employee achievements, and talent retention initiatives.

Overall, the findings reinforce the premise that talent management is a holistic and strategic framework. To maximize performance outcomes, organizations must simultaneously attract competent individuals, develop them through continuous learning, and retain them through effective reward systems. For Bangladeshi private organizations, particularly those facing high turnover and skill shortages, prioritizing TM practices can serve as a catalyst for sustained growth, improved service quality, and increased competitiveness.

14. Recommendations

Based on the study's findings, several recommendations can be proposed for private organizations, government agencies, policymakers, banks, financial institutions, and potential investors. Private sector companies should prioritize effective talent management strategies to enhance employee performance and productivity. These strategies should include robust recruitment and selection processes, thorough training and mentorship programs, and competitive compensation packages in order to retain qualified individuals. Decision-makers must develop and implement sound talent management practices to retain current and future talent, ensuring sustained competitiveness and market strength. Additionally, policymakers and business leaders should offer both moral and structural support to promote talent management across all sectors.

15. Limitations and Prospective Research Pathways

This study is subject to several limitations. Identifying the factors influencing employee performance through talent management practices in Bangladesh, particularly in Chattogram City, requires the use of more specialized and context-appropriate methodologies. While various strategies and tools exist in Western countries for assessing these elements, their relevance and effectiveness in a developing country context, such as Bangladesh, remain uncertain. Moreover, limited access to reliable primary data and a general lack of awareness regarding the importance of talent management practices posed significant challenges in obtaining insights from Bangladeshi executives and investors in Chattogram City.

Future research should consider examining the factors affecting employee performance through talent management practices across Bangladesh more broadly. Expanding the sample size and incorporating a more diverse range of participants would enhance the generalizability of the findings. As this study did not include other cities, comparative research across multiple regions could yield deeper insights, offering policymakers more comprehensive guidance for developing and retaining skilled talent to support economic and industrial growth. Furthermore, future studies should investigate the sector-specific impact of talent management practices, particularly in critical industries such as information technology, healthcare, and education. Further investigation into the different dimensions of talent management could also help expand knowledge in this field.

16. Conclusion

This study examined the influence of key talent management practices—recruitment and selection, coaching and mentoring, and compensation—on employee performance across various private-sector organizations in Bangladesh. The findings demonstrate that all three TM dimensions significantly and positively affect employee performance, underscoring the importance of adopting a holistic TM strategy that integrates talent acquisition, development, and retention mechanisms.

Recruitment and selection were found to enhance employee effectiveness by ensuring capable, well-qualified individuals are placed in roles that match their skills and organizational needs. Coaching and mentoring were shown to contribute meaningfully to performance by equipping employees with continuous learning opportunities, guidance, and confidence to meet professional challenges. Compensation emerged as the most influential factor, emphasizing its critical role in motivating and retaining high-performing employees.

Overall, the study highlights that effective talent management is essential for strengthening organizational productivity, maintaining competitive advantage, and fostering long-term sustainability. Organizations that strategically invest in attracting, developing, and retaining skilled employees are better positioned to respond to future challenges and achieve superior performance outcomes. The findings offer practical insights for policymakers, HR professionals, and business leaders seeking to design and implement talent-driven HR strategies that align with organizational goals and support national economic development.

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