

# A Study of Talent Management Practices Influence on Private Sector Commercial Banks Human Resource Management

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**Abstract:** *TM is a dynamic idea that comes from strategic human resource management. It is constantly being evolved to manage employees in a business. TM aims to enhance team performance, organizational effectiveness, and individual engagement, satisfaction, and commitment. Talent management is defined as a systematic approach encompassing attraction, identification, development, engagement, and retention of talented employees who contribute value to the organization and ensure sustainable success or competitive advantage. Given the increasing prevalence of technologically advanced concepts, banks require competent individuals to oversee financial operations. While this approach carries inherent risks, it necessitates the appropriate personnel in suitable roles to execute tasks efficiently. As a result, the talent management practices notion is incorporated, which naturally improves banking performance. Thus, this idea has a favorable link with banking performance for talent management. "By clearly defining the talent management activities and their role in the level of commitment, the study contributes to the consistent research paradigm of the topic."*

**Keywords:** Talent Management Practices, Talent Acquisition, Talent Development, Talent Engagement, Banking Performance.

## INTRODUCTION

TM is a dynamic idea that comes from strategic human resource management. It is constantly being evolved to manage employees in a business. "In order to guarantee the organization's continuous growth, it emphasizes long-term human resource development, regeneration, and rejuvenation. Additionally, the goal of TM is to improve team performance, the organization overall, and individual engagement, satisfaction, and commitment." (Ruchi Jain and Sunita Sharma, 2024). In the financial year 2024, private sector banks in India collectively employed 846,530 individuals. The most efficient HR procedures are information and technology (ICT)-oriented. Banking has become more customer-friendly and efficient thanks to the excellent staff at the banks.

## REVIEW OF LITERATURE

"Talent is more of an acquired ability rather than a natural ability". (Thanh et al., 2004) "Talent management within organizations extends beyond simply attracting top talent from the industry; it is a continuous process encompassing sourcing, hiring, development, retention, and promotion, all while meeting organizational needs. For example, to secure talent from a competitor, an organization must offer an incentive significantly exceeding the individual's expectations. Merely hiring an individual does not fulfill this objective; rather, achieving desired outcomes from them is paramount. Consequently, talent management represents a holistic process that governs both employee entry and departure." (Hitu & Satyawani Baroda, 2018) "Talent management's overarching goal is to fill critical roles that significantly impact an organization's ability to maintain a competitive advantage through the systematic recruitment, evaluation, development, engagement, and deployment of high-potential, high-performing individuals" (Agrawal, 2021). Attracting, developing, and maintaining a company's talent pool is the first step in talent management." (Agrawal, 2021). "Building Future Talent: Strategies and Insights for Sustainable Success" say "It aims to support sustainable economic progress by addressing skill shortages, encouraging inclusive practices, and promoting lifelong learning to enhance societal well-being". (Janardan Paudel, 2025). "The study emphasizes the importance of a comprehensive talent management approach that prioritizes not only acquiring and developing talent but also retention and succession planning. Organizations that adopt these

practices are more likely to foster an environment where employees feel engaged, loyal, and emotionally connected to the organization's goals and values." (Anju Sigroha and Surbhi Dahiya, 2024)

## GAP OF THE STUDY

Talent management, encompassing employee recruitment, development, retention, and advancement, is increasingly emphasized in current literature. However, the effective integration of these phases into a cohesive, long-term plan aligned with organizational objectives and employee aspirations remains poorly understood. Empirical research examining the real-world application and quantifiable effects of sustainable talent management strategies across diverse organizational settings is also uncommon. Consequently, there is a deficiency of robust, empirically supported research that connects traditional people management techniques with inclusive and sustainable approaches, particularly regarding their practical impact on long-term competitiveness and organizational success.

### The study's problem

"In today's resource-constrained environment, organizations are tasked with effectively managing operations by minimizing unnecessary inputs and prioritizing efficient resource utilization. Human capital is increasingly recognized as a pivotal asset for firms and stakeholders" (Cairncross, 2000; Vijayalakshmi & Hanuman Kennedy, 2023). "Talent, being rare, valuable, and challenging to replace, has become a cornerstone for organizational success" (Barney and Wright, 1998; Vijayalakshmi, R and Hanuman Kennedy, 2023). "The evolution of technology and global competition drives shifts in employment paradigms, intensifying competition among employers to attract and retain talented individuals" (Osborn-Jones, 2001). "India's banking sector stands on the brink of robust growth, fuelled by increased infrastructure spending, swift project execution, and ongoing reforms. This environment indicates a forthcoming Human capital in the banking industry, as talent management practices influence on banks performance". (Vijayalakshmi, R and Hanuman Kennedy, 2023). This study assesses the performance of private sector commercial banks in Virudhunagar district, Tamil Nadu.

## OBJECTIVES

- To analyze employee profiles in private sector commercial banks
- To examine talent management practices within commercial banks in the private sector.
- Analyze banking performance and talent management.
- To offer finding and suggestion of the study

### Hypothesis of the Study

- There is no positive impact on talent management practices and banking performance

## METHODOLOGY AND DESIGN OF THE STUDY

The research is both qualitative and quantitative. The information was gathered from both primary and secondary sources. A well-structured questionnaire was used to gather primary data, and magazines, books, government

papers, articles, media, the internet, etc. were used to gather secondary data. The district of Virudhunagar is home to 11 private sector commercial banks, sample is 423 of the workers who work for Private Sector Commercial Banks in the Virudhunagar district, were investigator chosen by used census technique method. "The Census Method is also known as a Complete Enumeration Survey Method. In this method each and every item in the universe is selected for the data collection. The selected data might constitute a particular place, a group of people, or any specific locality that is the complete set of items and which are of interest in any particular situation. This method is most commonly used by the government in connection with the national population, housing census, agriculture census, etc. where vast knowledge about these fields is required. The process used in the census method includes the statistical compilation of all units or members of the target population under the survey. In this case, population relates to the entire set of observations connected to a particular study. For instance, if students of a university have to give feedback on teaching faculty, the former will be held as the population of that study" (Dimple Tiwari, 2025). Since it is feasible to get information from every private sector bank employee in the Virudhunagar area. Eleven Private Sector Banks and have 61 branches. Thus, workers from Virudhunagar district's Private Sector Commercial Banks were chosen as the study's population. The Virudhunagar district's private sector banks employ 423 people in total. The profile of the employees' is presented in Table 1 (Raja, K, 2019).

**Table 1**

**The list of private sector commercial bank in Virudhunagar district**

S. No.	Banks	Branches	Man	Feminine	Total
1.	Axiz Bank	4	19	15	34
2	CSBL Bank	1	6	1	7
3	City Union Bank	6	25	18	43
4	Federal Bank	3	13	9	22
5	HDFC Bank	5	18	12	30
6	ICICI Bank	4	17	14	31
7	Karur Vysya Bank	7	23	19	42
8	Lakshmi Vilas Bank (DBS)	6	24	15	39
9	South Indian Bank	4	19	13	32
10	Tamilnad Mercantile Bank	19	82	49	131
11	IndusInd Bank	2	7	5	12
	Total	61	253	170	423

## DATA ANALYSIS

The data were collected from various respondents and analyzed using tables, percentages, regression, and reliability tests, all conducted with SPSS.

## THEORETICAL ASPECTS:

"Talent is defined as the combination of cognitive skills, beliefs, and a willingness to work and is widely perceived as an important resource contributing to sustained advantages and outstanding performance within an organization." (Arrawatia, M, A 2017)

## OUTCOMES AND DISCUSSION

To examine employee profiles, the researcher gathered details pertaining to employees in private sector

commercial banks within the study area. Table 2 reveals the employee profiles.

**Table 2**  
**Profile of the Employees**

	Details	Regularity	Percents
Gender	Man	247	58.4
	Feminine	176	41.6
	Total	423	100.0
Age	21 - 30	126	29.8
	31 - 40	196	46.3
	41 - 50	87	20.6
	above 50	14	3.3
	Total	423	100.0
Working experience	Below 5 years	116	27.4
	5 to 10 years	130	30.7
	11 to 15 years	60	14.2
	16 to 20 years	46	10.9
	21 years above	71	16.8
	Total	423	100.0
Educational qualification	UG Degree	285	67.4
	PG Degree	108	25.5
	Professional Course	30	7.1
	Total	423	100.0
Monthly income	Below 25000	86	20.3
	26000 - 30000	50	11.8
	30001 - 35000	71	16.8
	36000 - 40000	45	10.6
	40001 - 45000	64	15.1
	Above 46000	107	25.3
	Total	423	100.0

Source: SPSS output

Table 2 indicates that 58.4% of the 423 employees are male, 46.3% fall within the 31-40 age group, 30.7% have 5-10 years of working experience, 67.4% have an undergraduate education status, and 25.3% earn an income above 46000.

“Talent management encompasses sourcing, integrating, and aligning talent, developing and retaining skilled talent, strategically deploying talent, and ensuring an adequate talent pipeline to support business objectives. (Ulrich and Brockbank, 2005).”It focuses on fostering employee engagement and satisfaction, which enhances the likelihood of successful recruitment across all organizational levels. However, it is not enough to enhance the performance of an organization; the real success comes when the heart and minds of individuals in an organization are engaged. Talent Management strategies help in getting employees engaged with both heart and souls to their work tasks with complete enthusiasm” (Altman, 2008). The below table 3 represent that talent acquisition, development, engagement, performance appraisal and succession planning and then banking performance for employee’s opinion measured in scale.

**Table 3**  
**Talent Management Practices**

	Particulars	Frequency	Percent
TA	1Strongly Disagree	80	18.9
	2Disagree	27	6.4
	3Neutral	23	5.4
	4Agree	145	34.3
	5Strongly agree	148	35.0
	Total	423	100
TD	1Strongly Disagree	64	15.1
	2Disagree	33	7.8
	3Neutral	28	6.6
	4Agree	298	70.4
	Total	423	100
TE	1Strongly Disagree	64	15.1
	2Disagree	18	4.3
	3Neutral	23	5.4
	4Agree	318	75.2
	Total	423	100
PAPSFPL	1Strongly Disagree	56	13.2
	2Disagree	34	8.0
	4Agree	333	78.7
	Total	423	100
BAP	1Strongly Disagree	43	10.2
	2Disagree	44	10.4
	4Agree	336	79.4
	Total	423	100

Source: SPSS output

According to Table 3, 423 workers expressed strong agreement with talent acquisition and development, talent engagement, performance evaluation, effective planning, and banking performance.

#### RELIABILITY

Alpha 0.70 is generally considered dependable; alpha values above 0.60 are typically regarded as reliable, while values below 0.59 are considered unreliable. To evaluate the validity of the five-point Likert scale, used to gauge employee opinions, Cronbach’s Alpha test was conducted using SPSS within talent management practices in private sector banks. Table 4 presents the Alpha test results.

**Table 4**  
**Reliability of TMP and BP**

Variables	Cronbach's Alpha	N of Items
TA	0.903	13
TD	0.904	10
TE	0.929	11
PASP	0.911	14
BP	0.894	16

Source: SPSS Output

Table 4 indicates that the Likert scale, used to gauge opinions regarding the Cronbach's Alpha value, is considered highly reliable for assessing the trustworthiness of talent management practices in the private sector commercial banks.

#### REGRESSION

The following null hypothesis has been developed

in order to determine the association between talent management techniques and banking performance, since there is no beneficial influence. “There is no positive impact on talent management practices and banking performance”. Regression analysis, conducted using SPSS, was employed to investigate this null hypothesis; the results are presented below.

**Table 5**  
**Descriptive Statistics of TMP and BP**

Variables	Mean	Std. Deviation
BP	78.6430	3.08685
TAC	61.6407	4.79172
TD	47.9551	3.77324
TE	52.9314	4.24236
PASP	68.4563	3.40996

Source: SPSS Output

Table 5 presents the descriptive statistics for banking performance, which had a mean of 78.64 and a standard deviation (SD) of 3.086. The analysis demonstrated that bank performance was significantly influenced by talent management techniques. Specifically, the second highest ranking was achieved by mean=68.45 and SD=3.409; third place was awarded to TAC, with a mean of 61.64 and an SD of 4.791; fourth place went to TE, with a mean of 52.93 and an SD of 4.242; and fifth place Tableld by TE, with a mean of 47.95 and an SD of 3.773.

**Table 6**  
**Pearson’s Correlations of Coefficient**

Talent Management Practices	Pearson Correlation	Sig. (1-tailed)	N
TAC	0.271	0.000	423
TD	0.405	0.000	423
TE	0.385	0.000	423
PASP	0.511	0.000	423

Source: SPSS Output

The relationships between the dimensions chosen as factors influencing banking performance are presented in Table 6. Banking performance and performance appraisal & succession planning exhibit a strong, positive, and significant relationship. The relationship among talent

development and banking performance is demonstrated using correlation tests. As shown the table 6, the Pearson correlation between talent engagement and banking performance is TAC - 0.271, TD – 0.405, TE – 0.385, PASP – 0.511, indicating a significant correlation is 0.01 level. This indicates thattalent managementpractices dimensions then banking performances have a strong connection. Consequently, the findings in Table 6 conclude that the four dimensions examined in this study have significant relationships with the dependent variable, banking performance.

**Table 7**  
**Regression analysis of TMP and BP of Private sector commercial Banks**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.543 <sup>a</sup>	0.295	0.288	2.06433

Source: SPSS Output

Table 7 reveals that there is a significant connection (R=0.543) between the dependent variable, banking performance, and the predictors of talent management techniques. Talent management techniques account for 29.5% of the variance in banking performance, as indicated by an R <sup> 2 </sup> value of 0.294. Furthermore, the predictor factors demonstrate a notable impact on bank performance.

**Table 8**  
**ANOVA for TMP and BP**

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	1185.993	4	296.498	43.715	0.000 <sup>b</sup>
	Residual	2835.104	418	6.783		
	Total	4021.097	422			

a. Dependent Variable: BP  
b. Predictors: (Constant), PASP, TAC, TD, TE

Source: SPSS Output

Table 8 indicates that the F-statistic ‘s significance level is less than 0.05. Consequently, the null hypothesis is rejected, and it is determined that talent management practices positively impact banking performance.

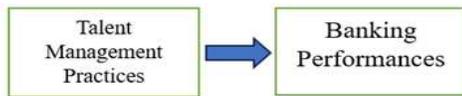
**Table 9: Coefficients of TMP and BP**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error				Beta	Lower Bound
1	(Constant)	43.867	2.739		16.015	0.000	38.483	49.251
	TAC	0.046	0.030	0.072	1.536	0.125	-0.013	0.106
	TD	0.156	0.045	0.190	3.441	0.001	0.067	0.245
	TE	-0.037	0.046	-0.050	-.797	0.426	-0.127	0.054
	PASP	0.386	0.050	0.426	7.654	0.000	0.287	0.485

a. Dependent Variable: BP  
b. Predictors: (Constant), PASP, TAC, TD, TE

Source: SPSS output

Regression analysis reveals that talent management practices are the strongest predictor of banking performance, exhibiting a beta weight of 0.426 (42.6%). Performance appraisal and succession planning constructs significantly impact banking performance.



**Figure -1 Talent management practices influence the banking performance**

To support the aforementioned statistical test, the researcher created a graphic illustrating the direct impact of talent management services on banking performance.

## CONCLUSION

Since the world has shifted toward more technologically advanced concepts, banks must expect competent individuals to oversee financial operations. This proposition carries some risk, as banking operations require the appropriate person in the correct role to perform tasks efficiently. Consequently, talent management practices have been incorporated, which naturally improves banking performance. Therefore, this concept demonstrates a positive correlation with banking performance when considering talent management. “By clearly defining the talent management activities and their role in the level of commitment, the study contributes to the consistent research paradigm of the topic.” (Surbhi Dahiya and Anju Sigroha, 2024) Furthermore, the banking industry must inform beneficiaries and other stakeholders about the methodical processes and well-reasoned judgements employed. People who are not considered talented for the current talent pool should be trusted since Tabley may play a significant role in the future. Furthermore, the results show that authorities should adopt a management perspective that is in line with the successful implementation of the TM program”. (Qazi, N et al<sup>6</sup>, 2021).

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