



# Influence of Talent Management and Organisational Performance on Employee Retention among First Bank Employees in Osogbo, Osun State

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## Abstract

**Background:** This study investigated the influence of talent management and organisational performance on Employee Retention in First Bank Plc, Osun State, Nigeria.

**Objectives:** The study was meant to achieve the following objectives: assess the influence of talent management on employee retention among employees of First Bank Plc, Osun State, Nigeria; determine the influence of organisational performance on employee retention among employees; assess the influence of talent planning on employee retention among employees; investigate the influence of workplace culture on employee retention among employees; assess the influence of talent recruitment and retention on employee retention among employees; determine the influence of talent development on employee retention among employees; investigate the influence of talent development on employee retention among employees; determine the influence of professional advancement and rewarding the employees on employee retention.

**Methods:** The study was a survey in which an Ex-post facto design was employed. A total of 100 bank employees took part in the study. A questionnaire format was used to collect data in the study. Collected data were subjected to both Descriptive and Inferential statistics, with the adoption of Statistical Package for Social Sciences.

**Results:** The results revealed there was a significant influence of talent management on employee retention in First Bank Plc [ $t(98)=6.73, p<.01$ ]; there was a significant influence of organisational performance on employee retention in First Bank Plc [ $t(98)=8.65, p<.01$ ]; there was a significant influence of talent planning on employee retention in First Bank Plc [ $t(98)=4.15, p<.01$ ]; there was a significant influence of workplace culture on employee retention in First Bank Plc [ $t(98)=3.74, p<.01$ ]; there was a significant influence of talent recruitment on employee retention in First Bank Plc [ $t(98)=3.75, p<.01$ ]; there was a significant influence of talent development on employee retention in First Bank Plc [ $t(98)=8.87, p<.01$ ].

**Conclusion:** Hence, it is concluded that talent management and organisational performance significantly influence employee retention. It was recommended that management teams of Banks ensure that outstanding performance is awarded in the organisations, and employee participation and engagement should be emphasised for talent management to be successfully implemented.

**Keywords:** Talent Management, Organizational Performance, Employee Retention, Bank Employees



Open Access

## Introduction

Employee retention is seen as a phenomenon that is increasingly getting the attention of many organisations (Samuel, 2012) as it leads to a serious problem when high-performing employees leave the organisation (Samuel, 2012). Organisations face adverse outcomes when good, talented workers opt to leave, including decreased efficiency and productivity, increased costs and threats to the long-term survival and sustainability of the organisation (Tibeliu, 2011). Therefore, talent retention has become increasingly crucial for management (Samuel, 2012). Retaining employees is a critical issue, and if handled properly and effectively, it would add value and competitiveness to any organisation (Sandhya, 2011). Employees are considered to be the top assets of the organisation. As such, it is pertinent for organisations to exert efforts to retain existing talents to prevent new recruitment management (Sandhya, 2011). Employee retention is a global concern for organisations, and having the right human capital in place is essential for them to stay competitive (Oladapo, 2014). Effective retention strategies are necessary to retain skilled employees with institutional knowledge (Aamir, Hamid, Haider, & Akhtar, 2016). A low employee retention rate is a growing concern for many organisations (Presbitero, Roxas, & Chadee, 2016).

The loss of human capital damages businesses with scarce strategic resources (Onkelinx, Manolova, & Edelman, 2016). Approximately 49 million employees are projected to leave their place of work worldwide by 2021 (Tanwar & Prasad, 2016). This is also well stressed by PwC Global (2023), which was expressed thus: ... “Meanwhile, many workers are restless: fully 26% say they plan to quit their job in the next 12 months, up from 19% last year.” Similarly, Workleap (2023) notes, “High employee turnover and employee retention issues can be devastating for organisations”. Gallup estimates that it costs businesses one-half to two times the employee’s annual salary to replace them due to hiring costs, training fees, and lost productivity. Against this backdrop, this study uses First Bank Plc as a case study to investigate the influence of talent management and organisational performance on employee retention.

Organisational performance is a general structure which refers to the operations of an enterprise (Neo, 2012). Daft (2000) states that performance is the same as efficiency and effectiveness for a specific program or activity. Daft (2000) states that organisational performance is an effective and efficient manner for an organisation’s activity to achieve goals using resources. Increasing and intense competitiveness in the market has made performance the most important issue for business for both profit and non-profit organisations. It comprises three specific areas of firm outcome: financial performance, product market performance and shareholder return (Richard, Simon & Brut, 2009). It is, therefore, vital for managers to know which factors influence an organisation’s performance so that they can take appropriate steps to initiate them (Richard, Simon & Brut, 2009). Organisational performance guarantees the organisation’s continuity to be competitive in a global marketplace (Richard, Simon & Brut, 2009).

Talent management is one of the crucial, vital drivers of organisational growth and success (Kaur, 2013). Similarly, talent management has equally been linked with organisational performance (organisational performance (Čizmić and Ahmić, 2020). However, the organisation should largely focus on forecasting its opportunities much before its competitors for long-term survival. So, the current scenario creates a way for talent management, which is considered an emerging challenge for “people managers” (Schiemann, 2014). The organisation is largely required to ensure that talent management is efficiently aligned or associated with the business goals to achieve the targets within the stipulated timeline (Sheehan, 2012). The organisation is required to make initiatives where talented employees are abundantly given opportunities for career development that lead to increased performance (Joyce & Slocum, 2012). The increased work performance increases the organisation’s productivity, which generates better revenue (Woodward, 2009).

Talent management positively influences organisational management by ensuring the identification of essential skills and competencies to be developed in all employees, the recruitment process by distinguished high calibre candidates, minimising attrition as talented employees are retained, and organisational performance is achieved (Hilal, 2012).

Thunnisen, Boselie & Fruytier (2013) found that identifying, selecting, developing and retaining the best employees in the organisation who perform consistently must be given the opportunity for capacity building to ensure their future roles, which is a general concern of talent management (Thunnisen, Boselie & Fruytier, 2013). Effective talent management requires linking organisations' strategy and talent management policy (Huges & Rog, 2008). This will enable stakeholders to clearly understand the organisation's position in the market environment. Ideally, the business strategy must include the product's overall goal and the firm's competitive advantage, such that talent management traces the strategy through attracting, selecting, and engaging qualified personnel for the identified gaps (Cameron & Pierce, 1996).

However, the study's main objective was to investigate the influence of Talent Management and Organizational Performance on Employee Retention in First Bank Plc, Osun State, Nigeria. The specific objectives were to assess the influence of talent management on employee retention among employees of First Bank Plc, Osun State, Nigeria; determine the influence of organisational performance on employee retention among employees; assess the influence of talent planning, workplace culture, talent recruitment and retention, talent development and professional advancement on employee retention among employees respectively.

### ***Research Hypotheses***

- Talent management would significantly influence employee retention in First Bank Plc, Osun State, Nigeria.
- Organisational performance would have a significant influence on employee retention.
- Talent planning has a significant influence on employee retention.
- There would be a significant influence of workplace culture on employee retention.
- Talent recruitment and retention would significantly influence employee retention.
- Talent development would significantly influence employee retention.
- Professional Advancement and Rewarding would significantly influence employee retention.

## **Review of Related Literature**

### ***Concept of Talent Management***

Talent management is seen as the methodically organised, strategic process of getting the right talent on board and helping them grow to their optimal capabilities, keeping organisational objectives in mind. Essentially, talent management involves identifying talent gaps and vacant positions, sourcing and onboarding suitable candidates, growing them within the system and developing needed skills, training for expertise with a focus on the future, and effectively engaging, retaining and motivating them to achieve long-term business goals (Ghosh, 2021). Importantly, analysing the right talent gaps for the present and the future, identifying the right talent pools and best-fit candidates, getting them to join and then optimising their existing skills and strengths while helping them grow are touch-points have been found essential (Ghosh, 2021).

However, according to ADP, in their work on 'What is Talent Management?', talent management is important because businesses that take the time to develop their employees and keep them engaged tend to be innovative and profitable. Conversely, those unable to source or retain talent generally have poor customer satisfaction and limited growth potential (<https://www.adp.com/resources/articles->

and-insights/articles/w/what-is-talent-management.aspx). Based on some key components of talent management, ADP notes that they entail.

- Aligning talent goals with larger business objectives
- Fulfilling employee expectations and delivering on hiring promises
- Relying on data to make better workforce decisions

Further, talent management encompasses the following as identified by ADP:

### ***Workforce Planning***

Most talent strategies are known to begin with defining the skillsets that will be required to achieve the business's objectives.

- **Recruitment**  
Acquiring talent is known to consist of representing the employer brand effectively, determining where the right candidates can be reached, prescreening applicants and interviewing promising prospects.
- **Onboarding**  
This is identified as the structured onboarding program that introduces employees to the workplace culture and helps them feel connected to and comfortable with their team and organisation, which is essential to retention.
- **Training and Development**  
Many workers today expect their employers to provide the tools, guidance, and support they need to further their careers.
- **Performance Management**  
Reviews and check-ins with team leaders are known to help employees build upon their strengths, thereby increasing engagement, reducing turnover, and making it possible for employers to meet key business objectives.
- **Compensation and benefits**  
Fair compensation is important, but employers interested in attracting and retaining talent should take a holistic view of the perks and benefits they offer beyond a paycheck.
- **Succession planning**  
Preparing for the next step in the employee journey – whether it's career advancement, retirement or resignation – can help people transition to new roles quickly and limit disruptions (<https://www.adp.com/resources/articles-and-insights/articles/w/what-is-talent-management.aspx>).

### ***Concept of Organizational Performance***

Market Business News says organisational performance involves analysing a company's performance against its objectives and goals. In other words, organisational performance is said to comprise real results or outputs compared with intended outputs. The analysis focuses on three main outcomes: first, shareholder value performance; second, financial performance; and third, market performance (<https://marketbusinessnews.com/financial-glossary/organizational-performance-definition-meaning/>).

Accordingly, organisational performance is known to have three types: financial performance, market performance, and shareholder value. Below is an explanation of the three main areas that comprise organisational performance (as cited in <https://marketbusinessnews.com/financial-glossary/organizational-performance-definition-meaning/>):

### **Financial performance**

Financial performance refers to measuring a company's operations and policies in monetary terms, in other words, in terms of value in dollars, pounds, euros, and others. A firm's financial performance could be assessed by looking at its return on assets and investment. This can be gauged by measuring the value added to its financial performance.

### **Market performance**

Market performance measures how well a company or product performs in the marketplace: whether a product's market share has been found to rise if product upgrades are found to boost sales, and more. Accordingly, talking specifically about a product rather than the whole company is termed 'product market performance.'

### **Shareholder Value**

Shareholder value performance looks at how much a company enriches its shareholders. Many say it is the ultimate organisational performance measure. In this same vein, shareholder value may also refer to a company's market capitalisation.

### ***Concept of Employee Retention***

Employee retention is seen as a phenomenon where employees choose to stay on with their current company and don't actively seek other job prospects (BasuMallick, 2021). The opposite of retention is turnover, where employees leave the company for various reasons. Retention is how a company ensures that its employees do not quit their jobs. Every company or industry has a varying retention rate, which indicates the percentage of employees who remain with the organisation during a fixed period (BasuMallick, 2021).

In a similar vein, Holliday (2021) defines employee retention as an organisation's ability to prevent employee turnover or the number of people who leave their jobs in a certain period, either voluntarily or involuntarily. Increasing employee retention has a direct impact on business performance and success. ability to achieve goals in a state of constant

### ***Review of Theoretical Perspectives***

#### **Theories of Talent Management**

##### **Social Exchange Theory (SET)**

Social exchange theory (SET) is among the most influential conceptual paradigms for understanding workplace behaviour (Somech, 2007). Social Exchange Theory can be traced back to the early work of Malinowski and Mauss in 1925 (Shore, 2006; Shore, Coyle-Shapiro, 2009; Shore, William, 2009). Since then, various researchers have widely studied the social exchange theory (SET), and several researchers have challenged it in recent years (Brimhall, Lizano & Barak, 2014; Cheng & Waldenberger, 2013; Singh, Fouad, Fitzpatrick, Liu, Cappaert & Figueredo, 2013).

Based on the SET view on organisational commitment and engagement suggests that individuals remain or attach themselves to an organisation in return for positive rewards from the organisation (Malinowski & Mauss, 1925). SET explains that an employment relationship involves social or economic exchanges (Aryee, Budhwar & Chen, 2002; Cropanzano & Mitchell, 2005). The economic exchange relationships contain the economic exchange benefits of the employees' efforts and depend on legally enforceable formal contacts. In contrast, social exchanges are 'voluntary actions' initiated by the organisation's treatment of the employees, with the expectation that the employees will be obligated to reciprocate the organisation's good deeds (Gould & Davies, 2005).

SET has been widely used to explain the relationship of an organisation's members. It is a theory related to understanding workplace behaviour and how employers and employees communicate and interact (Biron & Boon, 2013). Wittmer, Martin & Tekleab (2010) explained that the rationale of SET and employee turnover intention decision is the mutual process between employees and employers.

Besides, SET is also used to explain the employees' attitudinal engagement with the organisation (Brimhall, Lizano & Barak, 2014). The Theory is used to explain how employees decide to be more or less engaged in their work. Shiau & Luo (2012) argue that the Theory opposed to responsibility is developed through various interactions between two parties. The basic principle of SET is that relationships grow stronger over time, turning into trusting, loyal and mutual understanding as long as parties stand by certain instructions of exchange (Shiau & Luo, 2012).

According to the SET perspective, employees exchange their identification, loyalty and attachment to the organisation in exchange for incentives (Shiau & Luo, 2012). This indicates that an employee's decision to remain a member is determined by the employee's view of fairness in the organization and the employee's contribution. Meyer & Smith (2000) argued that they will not be committed to the organisation until the employees believe they have been treated fairly by the organisation.

Based on SET, the organisation accepts or employs employees with specific skills, desires and goals (Brimhall, Lizano & Barak, 2014). The employee then expects to find a working environment where they can utilise their skills, satisfy their desires and achieve their goals (Meyer & Smith, 2000). If the working environment fulfils the desires and goals of the employee, this leads to favourable exchange or rewards from the employees' view (Luo, 2012). As a result, this will increase the engagement of the employees in the organisation (Luo, 2012). On the other hand, if the organisation fails to provide sufficient rewards for the employee's efforts, it is likely to reduce employee engagement with the organisation (Haar, 2006).

From this perspective, SET suggests that if the employee perceives the working environment as favourable, the employee will behave in a way that is beneficial for the organisation and other employees (Meyer & Smith, 2000). Likewise, suppose the employee does not feel satisfied with the working conditions. In that case, this may lead to negative working attitudes such as being late to work, increased absenteeism, searching for new employment and preparing to leave the organisation (Haar, 2006).

### **Person-Environment Fit Theory (P-E Fit)**

Person-Environment Fit (P-E fit) theory is one of the theories related to talent management. P-E fit can trace its roots to the study of vocational choice conducted by Parsons (1909) at the turn of the twentieth century. Fitting to a particular working environment is a multi-dimensional perception which includes person-job fit (PJF), person-organisation fit (POF), person-vocation fit (PVF), person-supervisor fit (PSF) and person-group fit (PGF) (Kristof, Zimmerman, & Johnson, 2005). Kristof, Zimmerman, & Johnson (2005) found that a higher level of PJF showed that the employee feels job satisfaction, and it also showed a negative relationship with employee turnover.

Holland's Theory is commonly used to explain the P-E fit theory (Holland, 1959). Holland's Theory (1959) explains the interaction between people and the environment. The researcher further claimed that if there is any change in the employee's current job, the employee may also consider changing jobs (Kamau, 2013). The Theory also assumes that people constantly search for an environment where they can practice their skills and capabilities, express their thoughts, and take on a role (Kristof, Zimmerman, & Johnson, 2005). Holland revealed that employees are searching for a working environment that matches their values and attitudes, allowing them to showcase their skills and abilities (Holland, 1959).

The relationship between the working environment and employees is related to similarity, reinforcement, satisfaction and suggestion. If a person and the working environment have a conflict, it is resolved through changing jobs, behaviour, and perceptions (Holland, 1959). Applying Holland's Theory to this

study based on the context of talent management and employee retention means that employees tend to remain in an organisation if they have a sense of achievement through personal development by the organisation in which the employee is provided with an opportunity of career growth and appropriate use of the employee's skill (Kaur, 2013). Suppose the employee perceives that the environment is compatible with their personality and individual needs, and this increases the possibility of the employee staying with the organisation for a longer period (Kaur, 2013).

However, Kamau (2013) argued that Holland's Theory remains unclear as there is no clear emphasis or explanation on the reasons for this and the tenure of the hierarchies that have developed personal model styles. He further argued that the Theory concentrates on the factors influencing career choice rather than the employee's development process leading to career choice (Kaur, 2013). Besides, this Theory is also being criticised for not being able to address career development in a holistic way in terms of gender, race and ethnic group (Kamau, 2013).

This Theory is related to competency mapping and career development (Kaur, 2013). Tarique & Sculer (2014) claimed that talent management emphasises career growth from within and development as key elements of business strategy, clear competencies, career paths, coaching and demanding quantifiable results from employees.

## ***Theories of Organizational Performance***

### **Hannan and Freeman's Theory of Organizational Performance**

A natural measure of the effectiveness of an organisation is how well it achieves its goals, indicated by measuring performance (Pucher, Candel, Krumeich, Boot, & DeVries, 2015). Organisational researchers Michael Hannan & John Freeman (1980s) used the concept of organisational ecology to argue that organisational performance depends on the environment in which the organisation operates. An organisation that delivers adequate performance in a challenging environment may be more effective than one that performs well without encountering problems (Mc Gray, 2015). To Hannan and Freeman, there are three important variables (Constraint, Adaptation, Inertia and Selection) to organisation performance (Wang, 2007).

According to Hannan and Freeman (1980), an organisation faces constraints from internal and external factors. It may not have money for optimal solutions or the people or raw materials you need, your physical plant and equipment may be inadequate, or you may face competition or regulatory action. Hannan and Freeman call such constraints one aspect of the environment, or ecology, in which your company operates (Wang, 2007). The most effective organisations deliver the required performance despite constraints on their freedom to act in the most efficient manner possible (Hannan & Freeman, 1980).

According to Hannan and Freeman, one of the ways organisations achieve performance by dealing with constraints that prevent them from reaching their goals is to adapt to their ecology (Hannan & Freeman, 1980). When organisations do not have the financial resources for the best and most efficient solution, they need a less expensive way to achieve the results needed (Neo, 2012). Organisations find ways to perform adequately by adapting to their environment and using their resources (Joe, 2000).

Hannan and Freeman identify "organisational inertia" as the obstacle preventing organisations from adapting (Hannan & Freeman, 1980). Such inertia can consist of a physical plant that is hard to change, employees who are specialised in a particular field, the lack of knowledge or capability at the management level and the company's history that resulted in a particular culture and attitude (Triola, 2004). Organisations must recognise these limitations and consciously work to minimise their effect to operate effectively. Such a strategy frees the organisation to adapt to changing conditions and performance challenges (Triola, 2004).

According to the Hannan and Freeman ecology concept, most organisations achieve performance by adapting to constraints and performing well under challenging conditions (Mc Gray, 2015). Because all organisations eventually experience challenges, those that can successfully adapt are the ones that survive. To ensure that your company survives this selection process, you must promote organisational characteristics that leave your company free to adapt to changes and difficult conditions (Thomas, 2013).

### ***Parsons' Social System Theory***

According to Parsons' Social System Theory, the organisation's primary orientation toward goal attainment serves as the basis for its linkage to the larger social system in that organisational goals emerge as functions performed for the larger system (i.e., adaptation, goal attainment, integration, latency) (Yuchtman & Seashore, 1967). Organisational performance is defined as whether organisations meet the four functions required for social systems to survive or work effectively (Ghorpade, 1970).

Parsons' approach to organisational performance has been criticised most strongly by Yuchtman & Seashore (1967). Their primary criticism concerns parsons' use of an external frame of reference (i.e., the organisation's benefit to society) to evaluate organisational performance. Yuchtman & Seashore also noted other limitations of Parsons' Theory, including its tendency to overemphasise the interdependence among the parts of a system and its failure to give adequate consideration to the conceptual problem of the relations between the organisation and its environment (Yuchtman & Seashore (1967).

Katz & Kahn (1978) sought to develop an organisational performance model that would overcome the limitations of both rational and organic models. While they recognised that Parsons' writings moved away from the older closed system theories, they also claimed that Parsons does not provide the operational procedures for dealing with environmental transactions. Therefore, they expanded some notions expressed by theorists such as parsons and general system theorists to emphasise that organisational functioning must be studied concerning the continuing transactions with the environment (Katz & Kahn, 1978). Their open system approach maps the repeated cycles of input, transformation, output, and renewed input, which comprises the organisational pattern (Katz & Kahn, 1978).

Like Parsons, they consider the organisation as a system in its own right and as a subsystem of the larger society (Katz & Kahn, 1978). Organisational performance is seen as maximising return to the organisation by all means, including economic, technical, and political means (Katz & Kahn, 1978). Performance indicators are typically observable in terms of energy storage, organisational growth, organisational endurance and survival, and organisational control of the surrounding environment (Katz & Kahn, 1978). While this model is widely cited, it also has received some criticisms. Notably, Yuchtman & Seashore (1967) proposed that Katz and Kahn's notion of maximisation is a limitation of their model because an organisation that fully actualises its exploitative potential may deplete its environment of necessary resources, hence risking its survival. They prefer to emphasise the "ability to exploit" rather than the maximum use of this ability (Yuchtman & Seashore, 1967).

Yuchtman & Seashore (1967) called for an improved conceptual framework for describing and assessing organisational performance and proposed their system resource approach as an alternative. Organisational performance is, therefore, seen as an organization's ability to exploit its environment (optimisation) by acquiring scarce and valued resources (Yuchtman & Seashore, 1967). Price (1972) noted three major limitations of Yuchtman and Seashore's approach: (1) optimisation, a central idea in the system resource approach, has not been measured; (2) general measures are purported to be a strength of their model; these are seldom used; and (3) the basic rule of mutual exclusiveness is violated in the definition of argument over semantics. The acquisition of resources is based on what the organisation is trying to accomplish (i.e., its goals), which is accomplished through the operative goals (Price, 1972).



## *Theories of Employee Retention*

### **Baby Boomers and the Y Generation Theory on Staff Retention**

The Theory was developed by Ken Dychtwald (1946) but was made popular by Harry Dent (1964). The study by Hewlett (2009) explores the similarities between the baby boomers and the Y generation. It confirms that together, they constitute the biggest number of employees in the workforce of companies today. Organisations whose employment offers align best with the shared values of the baby boomers and the Y generation will enjoy a major talent advantage. According to Hewlett (2009), there are five elements that companies need to focus on:

**Modularity:** This can be defined as the “chunking” of work that allows the baby boomers to scale back their working hours and breadth of control but still tackle the sophisticated tasks their years of experience have equipped them to handle. This can be achieved by delaying retirement or calling people back to assist on specialised projects requiring particular skills and knowledge (Hewlett, 2009).

**Flexibility:** This can and should come in many forms. This could mean allowing people to work where and as they want. This should be supported by trust and clear goal-setting so that the people are held accountable for results, not the particular hours they keep at the office (Hewlett, 2009).

**Opportunities to Give Back:** Many companies support their people’s favourite causes, whether with release time for volunteering or matching funds for contributions. However, it was hard to top the satisfaction derived from using vocational strengths to make a difference for a worthy cause. The sense of giving back was important for people who wanted to make a difference in the lives of less fortunate people (Hewlett, 2009).

**Progressive Policies:** People are becoming more concerned about global climate change. Many companies that have discovered this find that the workforce appreciates a progressive work environment. This can also be achieved by designing the workspace to foster collaboration and innovation, for example, by having many open spaces that keep people circulating so that they can get together informally and, as a result, spark ideas (Hewlett, 2009).

**Intergenerational Mentoring:** Boomer-aged executives have been partnered with the younger generation of the workforce. Both groups are learning from cross-pollination: the older generation is imparting its experience from the working world to the younger generation, and the newer generation has to expose the boomers to the new marketing technologies available in communities and cyber networks (Hewlett, 2009).

The five elements Hewlett (2009) put forward do not require a capital increase. However, they would require a shift in the mindset of the individuals from a manager and human resource point of view to ensure staff retention in an organisation.

### *Equity Theory*

Equity theory was first developed in 1963 by John S. Adams, who asserted that employees seek to maintain equity between the inputs they bring to a job and the outcomes they receive from it against the perceived inputs and outcomes of others (Adams, 1965). It is very important to apply equity theory if one wants to retain employees because the belief that people value fair treatment about the amount of work that has been assigned to them, and this causes them to be motivated in maintaining relationships with their co-workers and the organisation, as the structure of equity in the workplace is based on the ratio of inputs to outcomes (Mitchell, 2001).

An individual will consider that he is treated fairly if he perceives the ratio of his inputs to his outcomes as equivalent to those around him (Allen & Griffeth, 2001). People base their experience on job satisfaction by comparing themselves to the people they work with (Allen & Griffeth, 2001). If an employee notices that another person is getting more recognition and rewards for their contributions,

even when both have done the same amount and quality of work, it would persuade the employee to be dissatisfied (Allen & Griffeth, 2001). This dissatisfaction would make the employee feel underappreciated and worthless (Allen & Griffeth, 2001). This is in direct contrast with the idea of equity theory, which is to have the rewards (outcomes) directly related to the quality and quantity of the employee's contributions (inputs). If both employees were rewarded the same, it would help the workforce realize that the organisation is fair, observant, and appreciative (Allen & Griffeth, 2001).

Employees who perceive themselves as being in an inequitable situation will seek to reduce the inequity by distorting inputs and outcomes in their minds by directly altering inputs and outputs or by leaving the organisation (Carrell & Ditttrich 1978).

## **Methodology**

### ***Research Design***

The study was a survey that employed an ex-post facto design. The independent variables were Talent Management and Organizational Performance. The dependent variable was Employee Retention. However, talent management was further categorised into (i) Talent Planning, (ii) Talent Development, (iii) Workplace Culture, (iv) Talent Recruitment and Retention, (v) Talent Development, and (vi) Professional Advancement and Reward.

### ***Population of the Study***

This study's targeted population is all the employees working in First Bank Plc, Osogbo Area, Osun State, Nigeria. These employees included the employees of all the branches in the Osogbo Area, Osun State, with the first bank having a total of 4 branches in the Osogbo area (the Oke-fia Branch, Aiyetoro Branch, Station Road Branch, Gbodofan Branch). According to the bank's profile, the total number of employees is 200. These numbers included both contract and non-contract staff.

### **Sample Size and Sampling Techniques:**

The sample size was calculated using Taro Yamane's formula (Yamane, 1973) with a 95% confidence level.

The calculation formula of Taro Yamane is presented as follows:

$$n = N/(1+N (e)^2)$$

Where:

n = the sample size

N = the population of the study

e = the margin error in the calculation

$$200/(1+200(0.05)^2)$$

$$200/(1+200(0.0025))$$

$$200/(1.5)$$

$$= 133.33$$

$$= 133$$

After calculating the sample size by substituting the numbers into the Yamane formula, the sample size was 133 employees. To obtain reliable data, the sample size is 133.

### ***Research Instrument***

A well-structured questionnaire was used to collect data for this research. The questionnaire shall be made up of four (4) sections, namely:

**Section A: Socio-Demographic Measures:** This section contains the socio-demographic information of the respondents, which includes the name of the business enterprise, age, gender, marital status, educational qualification, working experience (in years), position held, and more.

**Section B: Talent Management:** The talent management measurement instrument developed by Mujdelen, Gulruh & Pinar (2017) was used in this section. The Talent Management measurement scale covered all dimensions of talent management. The scale was divided into six sub-scales: Talent Planning, Workplace Culture, Talent Recruitment and Retention, Talent Development, Professional Advancement and Rewarding. The items in the questionnaire were translated from English to Turkish and from Turkish to English by experts in the management area who speak fluent English. Thus, the research scale was formed, which contributes to Turkish companies. In addition, Cronbach's alpha value of the scale was found to be 0.968. The questionnaire shall be measured on a 5-point Likert Scale, namely Strongly Agree (SA), Agree (A), Undecided (U), Disagree (D) and Strongly Disagree (SD).

**Section C: Organisational Performance:** Under this section, the Measuring Organizational Performance from Balanced Scorecard to Balanced ESG Framework Scale developed by Charles Omondi (2015) was used. The scale covers a standard, broad spectrum and practical measure of organisational performance. Consequently, a 15-item scale was developed into ESG elements, environmental, social, and governance aspects, which are central to and at the heart of performance and performance measurement. They represent external and long-term performance perspectives. The BSC elements, Customer Perspective, Innovation Perspective, Internal Business Process Perspective and Financial Perspective, integrate with the ESG elements to deliver a comprehensive performance assessment framework. The seemingly large number of items for each model enables, where necessary, independent adoption of the models with an obtained reliability coefficient of the entire scale to be 0.94. The questionnaire shall be measured on a 5-point Likert Scale, namely Strongly Agree (SA), Agree (A), Undecided (U), Disagree (D) and Strongly Disagree (SD).

**Section D: Employee Retention:** The employee retention scale developed by Praveen Kumar Sharma & Rajnish Kumar Misra (2015) was used under this section. The scale identified four factors for measuring employee retention. The employee retention construct was measured by Appreciation and stimulation, career opportunities within the organisation, work-life balance, and intention to stay. The questionnaire shall be measured on a 5-point Likert Scale, namely Strongly Agree (SA), Agree (A), Undecided (U), Disagree (D) and Strongly Disagree (SD). The obtained reliability coefficient of the entire scale was 0.93.

### ***Procedure for Administration of Instrument***

The researcher obtained an authority letter from the Head of Department (HOD), Department of Human Resource Development, Osun State University and was present at the First Bank Branches, Osun State, Nigeria and administered the questionnaires afterwards.

The researcher explained all aspects of the questionnaire to the respondents and guaranteed the confidentiality of the information to be supplied. One hundred and thirty-three (133) copies of the questionnaire were administered to the respondents, while only one hundred copies were retrieved. The remaining thirty-three (33) copies were not returned.

### ***Method of Data Analysis***

The obtained data in this study was subjected to descriptive and inferential statistics. Descriptive statistics were used to obtain summary information from collected data such as mean, frequency distribution, standard deviation, and more. The inferential statistics was used to test the hypotheses. Specifically, a T-test for independent measures was used to test the stated hypotheses. However, the Statistical Package for Social Sciences (SPSS) Version 21.0 was used.

## Results

### *Socio-Demographic Characteristics of the Respondents*

The socio-demographic data revealed above that 47 (47%) of the respondents were male, while 53 (53%) were female. Also it was revealed that 20 (20%) of the respondents were within age bracket 20-24yrs; 22 (22%) of the respondents were within the age bracket 25-29yrs; 14 (14%) of the respondents were within age bracket 30-34yrs; 18 (18%) of the respondents were within age bracket 35-39yrs; 15 (15%) of the respondents were within age bracket 40-44yrs while 11 (11%) of the respondents were within age bracket 45yrs and above.

However, it has been revealed that 26 (26%) of the respondents were single, 67(67%) were married, 2(2%) of the respondents were divorced, 4 (4%) of the respondents were separated, while 1 (1%) of the respondents was a widower/widow. It was also revealed that 24(24%) of the respondents were holders of NCE/OND/Diploma; 43(43%) were holders of First Degree/HND; 18 (18%) of the respondents were holders of Postgraduate Diploma; 15 (15%) were holders of Master's Degree; none of the respondents was a holder of Doctoral Degree while none of the respondents was a holder of educational qualification.

The study showed that 42 (42%) of the respondents were of Christian faith, 50 (50%) of the respondents were of Islamic faith, and 8 (8%) of the respondents were of other religious faith. The study also showed that 19 (19%) of the respondents had worked between 0-4 yrs; 28 (28%) of the respondents had worked between 5-9yrs; 31 (31%) of the respondents had worked between 10-14yrs; 23 (23%) had worked between 15-19yrs while 4 (4%) of the respondents had worked between 20 yrs and above.

The study showed that 24(24%) of the respondents were in Junior Cadre, 32(32%) were in Intermediate Cadre, 14 (14%) of the respondents were Senior Staff, and 14 (14%) of the respondents.

### *Hypothesis Testing*

#### **Hypothesis One**

This stated that talent management would significantly influence employee retention at First Bank Plc. The hypothesis was tested using a T-test for independent measures. The result is shown in Table 1 below.

**Table 1: A Summary table of T-test for Independent Measures Showing the Influence of Talent Management on Employee Retention in First Bank Plc**

Talent Management	N	$\bar{X}$	SD	Df	t	P
HIGHER	62	27.76	8.54	98	6.73	<.01
LOWER	38	23.32	6.87			

*Source: Authors' Fieldwork, 2020*

The result in Table 1 above revealed that there was a significant influence of talent management on employee retention in First Bank Plc [ $t(98) = 6.73, p < .01$ ]. This indicated that bank employees with higher levels of talent management ( $\bar{X} = 27.76$ ) reported more employee retention than bank employees with lower talent management ( $\bar{X} = 23.32$ ).

Therefore, hypothesis one was supported by the result of the study.

#### **Hypotheses Two**

This stated that organisational performance would significantly influence employee retention at First Bank Plc, Osun State, Nigeria. The hypothesis was tested using a T-test for independent measures. The result is shown in table 2 below:

**Table 2: A Summary table of T-test for Independent Measures Showing the Influence of Organizational Performance on Employee Retention in First Bank Plc**

Organisational Performance	N	$\bar{X}$	SD	df	t	P
HIGHER	56	38.52	11.34	98	8.65	<.01
LOWER	44	31.86	10.08.			

Source: Authors' Fieldwork, 2020

The result in Table 2 above revealed that there was a significant influence of organisational performance on employee retention at First Bank Plc [ $t(98) = 8.65, p < .01$ ]. This indicated that bank employees with higher levels of organisational performance ( $\bar{X} = 38.52$ ) reported more employee retention than bank employees with lower organisational performance ( $\bar{X} = 31.86$ ).

Therefore, hypothesis two was supported by the result of the study.

### Hypotheses Three

This stated that talent planning would significantly influence employee retention at First Bank Plc. The hypothesis was tested using a T-test for independent measures. The result is shown in Table 3 below:

**Table 3: A Summary table of T-test for Independent Measures Showing the Influence of Talent Planning on Employee Retention in First Bank Plc**

Talent Planning	N	$\bar{X}$	SD	df	t	P
HIGHER	42	8.79	3.05	98	4.15	<.01
LOWER	58	6.86	2.33			

Source: Authors' Fieldwork, 2020

The result in Table 3 above revealed that there was a significant influence of talent planning on employee retention in First Bank Plc [ $t(98) = 4.15, p < .01$ ]. This indicated that bank employees with higher levels of talent planning ( $\bar{X} = 8.79$ ) reported more employee retention than bank employees with lower talent planning ( $\bar{X} = 6.86$ ).

Therefore, hypothesis three was supported by the result of the study.

### Hypotheses Four

This stated that workplace culture would significantly influence employee retention at First Bank Plc. The hypothesis was tested using a T-test for independent measures. The result is shown in table 4 below:

**Table 4: A Summary table of T-test for Independent Measures Showing the Influence of Workplace Culture on Employee Retention in First Bank Plc**

Workplace Culture	N	$\bar{X}$	SD	Df	t	P
HIGHER	47	8.54	3.46	98	3.74	<.01
LOWER	53	7.73	3.73			

Source: Authors' Fieldwork, 2020

The result in Table 4 above revealed that there was a significant influence of workplace culture on employee retention in First Bank Plc [ $t(98) = 3.74, p < .01$ ]. This indicated that bank employees with higher levels of workplace culture ( $\bar{X} = 8.54$ ) reported more employee retention than bank employees with a lower workplace culture ( $\bar{X} = 7.73$ ).

Therefore, hypothesis four was supported by the result of the study.

### Hypotheses Five

This stated that talent recruitment and retention would significantly influence First Bank Plc, Osun State, Nigeria employee retention. The hypothesis was tested using a T-test for independent measures. The result is shown in table 5 below:

**Table 5: A Summary table of T-test for Independent Measures Showing the Influence of Talent Recruitment on Employee Retention in First Bank Plc**

Talent Recruitment and retention	N	$\bar{X}$	SD	Df	t	P
HIGHER	60	9.23	3.98	98	3.75	<.01
LOWER	40	6.54	2.77			

Source: Authors' Fieldwork, 2020

The result in Table 5 above revealed that there was a significant influence of talent recruitment and retention on employee retention in First Bank Plc [ $t(98) = 3.75, p < .01$ ]. This indicated that bank employees with higher levels of talent recruitment and retention ( $\bar{X} = 9.23$ ) reported more employee retention than bank employees with lower talent recruitment and retention ( $\bar{X} = 6.54$ ).

Therefore, hypothesis five was supported by the result of the study.

### Hypothesis Six

This stated that talent development would have a significant influence on employee retention at First Bank Plc. The hypothesis was tested using a T-test for independent measures. The result is shown in table 6 below:

**Table 6: A Summary table of T-test for Independent Measures Showing the Influence of Talent Development on Employee Retention in First Bank Plc**

Talent Development	N	$\bar{X}$	SD	df	t	P
HIGHER	62	10.53	4.65	98	8.87	<.01
LOWER	38	5.74	2.76			

Source: Authors' Fieldwork, 2020

The result in Table 6 above revealed that there was a significant influence of talent development on employee retention in First Bank Plc [ $t(98) = 8.87, p < .01$ ]. This indicated that bank employees with higher levels of talent development ( $\bar{X} = 10.54$ ) reported more employee retention than bank employees with talent development ( $\bar{X} = 5.74$ ).

Therefore, hypothesis six was supported by the result of the study.

### Hypothesis Seven

This stated that professional advancement would significantly influence employee retention at First Bank Plc. The hypothesis was tested using a T-test for independent measures. The result is shown in Table 7 below:

**Table 7: A Summary Table of T-test for Independent Measures Showing the Influence of Professional Advancement on Employee Retention in First Bank Plc**

Professional Advancement	N	$\bar{X}$	SD	Df	t	P
HIGHER	55	7.45	3.75	98	3.35	<.01
LOWER	45	6.53	2.68			

Source: Authors' Fieldwork, 2020

The result in Table 7 above revealed that there was a significant influence of professional advancement on employee retention in First Bank Plc [ $t(98) = 3.35, p < .01$ ]. This indicated that bank employees with higher levels of professional advancement ( $\bar{X} = 7.45$ ) reported more employee retention than bank employees with lower professional advancement ( $\bar{X} = 6.53$ ).

Therefore, hypothesis seven was supported by the result of the study.

## **Discussion, Conclusion And Recommendations**

### ***Discussion of Findings***

This research explored the influence of talent management and organisational performance on employee retention in First Bank Plc, Osun State, Nigeria. The findings are captured under the objectives, which are discussed below.

The first hypothesis considered for the study stated that talent management would significantly influence employee retention at First Bank Plc. The results of the study supported hypothesis one. The finding indicated that bank employees with higher levels of talent management reported more employee retention than those with lower talent management. This finding was supported by the work of Karemu, Kachorii, & Josee (2014) on critical analysis of talent management on medical employee retention in public hospitals in Kenya, which indicated that talent management strategies positively impact the retention of doctors and nurses at Kenyatta National hospital in Kenya. Also, Tiwari & Shrivastara (2013) supported this finding in their study on strategies and practices of talent management and their impact on employee retention and effectiveness.

Hypothesis two stated that organisational performance would significantly influence employee retention at First Bank Plc, Osun State, Nigeria. The finding indicated that bank employees with higher organisational performance reported more employee retention than those with lower organisational performance. The result was supported by Christian, Hera, & Dedi (2020) study. Christian, Hera, & Dedi's (2020) findings show that talent management influences organisational performance. As a result, an optimal talent management process is needed to improve organisational performance in Indonesia and face the industrial revolution. The result was also supported by the study conducted by Chiboiwa (2009).

Hypothesis three stated that talent planning would significantly influence First Bank Plc, Osun State, Nigeria employee retention. The study findings supported the hypothesis. The finding indicated that bank employees with higher levels of talent planning reported more employee retention than those with lower talent planning. The finding was supported by the study of Najm & Alaa (2017), which revealed that talent planning significantly influences employee retention. Also, Brimhall, Lizano, & Barak (2014) revealed that the turnover of employees is deeply dependent on the talent planning of an organisation.

Hypothesis four stated that workplace culture would significantly influence employee retention at First Bank Plc. The finding indicated that bank employees with higher levels of workplace culture reported more employee retention than bank employees with lower workplace culture. The finding was supported by the study conducted by Saloni (2017). Saloni's research immensely contributes to the banking sector by providing insight into how workplace culture as a dimension of talent management enhances bank employees.

### ***Conclusion***

This study focused on the influence of talent management and organisational performance on employee retention in First Bank Plc, Osun State, Nigeria. The major findings in this study concluded that talent management and organisational performance positively relate to employee retention.

- Talent management significantly influenced employee retention at First Bank Plc, Osogbo, and Osun State.
- Organisational performance significantly influenced employee retention in First Bank Plc, Osogbo, and Osun State.
- Talent planning significantly influenced employee retention at First Bank Plc, Osogbo, and Osun State.
- Workplace culture significantly influenced employee retention in First Bank Plc, Osogbo, and Osun State.
- Workplace culture significantly influenced employee retention in First Bank Plc, Osogbo, and Osun State.
- Talent development significantly influenced employee retention at First Bank Plc, Osogbo, and Osun State.
- Professional advancement significantly influenced employee retention at First Bank Plc, Osogbo, and Osun State.

### ***Recommendations***

The study investigated the influence of talent management and organisational performance on employee retention in First Bank Plc, Osogbo, Osun State. It is therefore recommended that:

- Top management should provide regular feedback to employees regarding their performance. In addition, the feedback should be accurate and have both the employees' strengths and weaknesses.
- Management of First Bank PLC, Osogbo, and Osun State should ensure outstanding performance is awarded to the organisation.
- Top management should ensure that employees prefer the training methodologies employed. Moreover, training manuals should be simple and understandable, and the delivery method should be convenient for the employees. In addition, training and evaluation should be conducted at the end of each training program to determine the program's effectiveness and make improvements.
- Top management should value the input and ideas of employees. Valuing the ideas and inputs of employees will entwine them with the organisation, which will result in a higher retention rate. In addition, employees are motivated to perform effectively when their inputs and ideas are valued; thus, employee performance will also improve.
- Employee participation and engagement should be emphasised for the successful implementation of talent management. Employee engagement and participation result in improved decision-making by broadening inputs. It also promotes the individual's commitment to the outcomes of the decision-making process and improves motivation, communication and employee engagement in the workplace.

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