

The Impact of Talent Management Initiatives on Employee Performance: The Mediating Role of Employee Engagement in the Banking Sector, Sri Lanka

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Development of talent pools is a critical success factor of today's dynamic business environment. The study aims to examine the impact of talent management initiatives on employee performance in banking sector, Sri Lanka. Also, it uncovers a theoretical gap of mediating role of employee engagement with Ability-Motivation-Opportunity and Social Exchange theoretical bases. Structured self-administered questionnaire is used to collect data from a sample of 245 talented banking employees in 17 Sri Lankan licensed commercial banks. Structured Equation Modeling with AMOS is used for data analysis. The findings reveal talent management initiatives have significant and positive impact on employee performance and engagement. Talent management-performance link has bridged from employee engagement resulting a partial mediation. The findings propose adopting and investing on talent management initiatives is worthwhile to gain engaged and improved performance of talented bankers in organizational context.

Keywords: Talent management Initiatives, perceived employee performance, employee engagement, banking sector, Sri Lanka