The Impact of Talent Management on Employee Performance: The Mediating Role of Job Satisfaction of Middle Managers in State Owned Business Enterprises in Sri Lanka

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ABSTRACT

In current dynamic business environment, the development of talent pool is to be a source of competitive advantage. The ultimate role of talent management has been emerging with the recognition of significance. Though a plethora of studies have been conducted on human resource management and organisational/individual performance, there is a dearth of studies investigating on talent management and its impact on desirable employee performance. This study aims to bridge the existing research gap by examining the impact of talent management on employee performance in the context of state-owned business enterprises in Sri Lanka; specifying the middle level managers. The study sheds light on the mediation role of job satisfaction on the relationship between the talent management and employee performance. Furthermore, the study aims to identify the importance of different determinants and the current degree of status of all three variables. The quantitative approach was employed and the data was collected from a sample of 481 middle managers of state-owned business enterprise. The data was analysed using SPSS 24 and AMOS 23 software.

The findings reveal that talent management has a significant positive impact on employee performance and job satisfaction. Also, it divulges a significant positive relationship between employee performance and job satisfaction. Significantly, job satisfaction has mediated the relationship between the talent management and the employee performance. Accordingly, it is suggested to employ the talent management principals to inculcate a satisfied middle managers and improved performance at work. Limitations of this study are identified as the

expand the context in to other sectors, utilization of various human resource related variables, conduct of longitudinal studies, use of mixed method approach rather than quantitative deductive approach. Therefore, future researches may address to overcome such limitations.

Keywords:Talent management, Employee performance, Job satisfaction, State owned business enterprises.

1. Introduction

In today's organisations, there is a mounting force to perform better than earlier as the current stimulation has become a vital tool in quickening competitiveness and increasing organizational competencies to respond to environmental fluctuations. The employees' talents, expertise and personalities are appropriately arranged to boost performance and satisfaction (Klein & Miles, 2003). Hence, the Talent Management (TM) is a vital concept in the era of digitalisation and globalization.TM refers to the expectation of essential human capital of the organization essentials to reach organizational success (Vance, 2006). According to Schuler, et al., (2011) organizations are facing challenges when making decisions on recruiting, training and developments and retaining the best talent. According to Mkamburi&Kumaara (2017), TM has become a dominant element of the human resource management seeking to cultivate, enhance or sustain competitive advantage over the competitors.Therefore, TM has progressively become strategically important to organizations (Dixit &Arrawatia, 2018).Another challenge is the proportion of individuals with their employments as disproportionate character lead to under performance and dissatisfaction. Employee Performance (EP) is a construct that refers to how an employee behaves in the respective employment. In the modern competitive environment, organizations seek mechanisms on how to boost EP (Mkamburi&Kumaara, 2017) and enhance Job Satisfaction (JS) (Tash, et al., 2016). Therefore, proper handling of talent is considered as one of the best options that organizations can adopt to enhance performance and success at the competition (Mkamburi & Kumaara, 2017). Many scholars have considered TM as an instrument of enhancing employees performance (Dixit & Arrawatia, 2018),thus JS directly as a mediating factor (Tash, et al., 2016; Arocas & Morley, 2018). Hence, TM has been initiated to stimulus the EP in organizations both directly and indirectly though JS. It becomes stress-free to invest in their professional development when an organization educates to find out high potentials (Mangusho, et al., 2015). Organisations need to invest on training and development (T&D), performance management (PM), performance enhancement, growth, succession planning etc., TM makes this easier for leaders to make investment a success (Phillips, 2001). Consequently, employees become satisfied and loyal towards the organisation if they are positive on TM practices of the organisation (Mangusho, et al., 2015). As a result, workforce become more committed, engaged and determined with exceptional performance to compete with the competitors while ensuring the competitive advantage and enhancing the market share (Boekaerts, 2007). The credence theme of the present study is to investigate that what extent, the TM influences

the EP whilst examine the mediating role of the JS on that relationship in the context of State-Owned Business Enterprises (SOBEs) in Sri Lanka.

1.1. Background of the Study   Concerning the public sector in Sri Lanka, theyare often faced with competition regarding selection, training, performance appraisal, rewards and remuneration comparing the private sector organizations. SOBEs should recruit employees on the merit of their qualifications and provide training, rewards and so on to gain extra talents. TM strategies may help in developing employees' potentials and also retain existing employees for a long tenure and to attract skilled workers (Bist & Shrivastava, 2013). It provides SOBEs to win in today's competitiveness and renew strategies for tomorrow challenges (Collings & Mellahi, 2010). The study investigates the impact of TM on EP which is fundamental as a timely need for making significant decisions on enhancing performances in the public sector. Unfortunately, a fewer attention has been paid to study the linkage between TM practices and EP, mediating role of JSamong employees in SOBEs in Sri Lanka. Accordingly, it is obvious that there is an empirical knowledge gap in the Sri Lankan context with regard to the TM, EP and JS. Moreover, it is essential to identify the impact of TM on EP with the mediating role of JS of middle managers in SOBEs in Sri Lanka.

1.2. The Research Problem and Research Questions In order to fill the existing gap, the identified research problem, addressed under this study is "do talent management impact on employee performancewith the mediating role of job satisfaction of middle managers in SOBEs in Sri Lanka?" Having considered the literature, and research problem, the following research questions were developed.

- What are the determinants of talent management, employee performance and job satisfaction of middle managers in SOBEs Sri Lanka?

- What is the degree of talent management, employee performance and job satisfaction of middle managers in SOBEs in Sri Lanka?

- How talent management practices impact on employee performance of middle managers in SOBEs in Sri Lanka?

- What is the mediating role of job satisfaction between talent management and employee performance of middle managers in SOBEs in Sri Lanka?

1.3. Objectives of the Study

- To identify the determinants of talent management, employee performance and job satisfaction in SOBEs in Sri Lanka.

- To investigate the degree of talent management, employee performance and job satisfaction of middle managers in SOBEs in SOBEs in Sri Lanka.

- To examine the talent management practices impact on employee performance of middle managers in SOBEs in Sri Lanka?

- To identify the mediating role of job satisfaction between talent management and employee performance of middle managers in SOBEs in Sri Lanka.

1.4. Significance of the Study Many researchers (Mkamburi & Kumaara, 2017; Dixit & Arrawatia, 2018; Sadri et al., 2015) have conducted numerous studies on TM and EP; and the mediating role of JS as well (Tash, et al., 2016; Arocas & Morley, 2018; Luna-Arocas & Morley, 2015). The main concern of modern competitive organisations is the need of achieving highest performance through employees by satisfying them. Hence, as an emerging trend, TM is fast gaining a higher priority for organizations globally (Mkamburi & Kumaara, 2017). With such significance, it is essential to gain new knowledge and update on these phenomena to help employees and management to aware the importance of TM practices on their satisfaction and performance to reach the objectives. Whilst considering the empirical grounds, in the Sri Lankan context there arefewer amount of researches executed regarding TM and EP especially with the mediating role of JS. Significantly, it is difficult to identify studies to investigate the impact of TM on EP with the mediating role of JS of middle managers in SOBEs in Sri Lanka. With this study decision makers, human resource managers, career counsellors, and scholars will be benefited by broaden their horizon which will help them to develop comprehensive TM programmes to facilitate their stakeholders, customers, clients, employees and students. On the theoretical grounds, the study may be significant to public sector to identify the impact of TM on EP and how JS mediates this impact among middle managers. On the empirical ground, the findings and judgements of this study may be significance for organisations to make their employees attract, develop and retain. Further, this study could be used to influence the government to implement policies which support to achieve TM, EP and JS among managers and other employees as well.

2. Literature Review

The related literature revealed that the reason supporting the act of TM practices are key functions to enhance EP of an organization and the mediating role of JS of the employees.

2.1. Talent Management   Talent has been defined by various scholars on different contexts, depending on the strategy used by the firm, nature of the organization and the firm competes in and other elements (Chartered Institute of Personal and Development, 2007).TM is a systematically approach of human resource management that formalizes the mechanism of sourcing, screening, selection, on boarding, deploying and retention; through succession planning, career progression and motivation (Abbasi, et al., 2013).Despite the various definitions of TM, there are two main approaches such as individualistic focus and strategic focus. The individualistic approach initiates from the McKinsey research (Michaels, et al., 2001) which perceives organizational performance as the collective individual efforts within an organization. Devine & Powell (2008), states that TM perspectives within organizations influence how the organisation perceives, executes and engages TM into operation. Williamson (2011) states that organizations need to invest on TM according to manage the talent to gain benefit in the competitive business environment.

2.2. Employee Performance   EP is a record of the results produced in a specific job function or activity during a specific time period associated with organizational objectives (Koopmans, 2014). It is the result produced by a specific functional unit or individual activity over a given period and not the personal characteristics of employees (Shephered & Gunter, 2006). As cited in Dixit & Arrawatia (2018), EP refers to how resourcefully an employee make actions and contributes to the behaviors that are in line with the objectives of the organization (Viswesvaran & Ones, 2000).

2.3. Job Satisfaction   Skalli, et al., (2008) cited in Buthelezi (2014) and Kabir (2011) states that overall JS is a result of fractional satisfactions associated to numerous aspects of the employment. Locke (2007) outlines JS as the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job value. JS could be simply described as when employees like what they do which is a result of the two

emotional concepts; fondness of the employees' work and level of their passion with occupation (Bakotic & Babic, 2013) cited in Buthelezi(2014).

2.4.   Conceptual Framework   According to Sekaran & Bougie (2010)the groundwork of complete research project which aids to identify and describe the important variables and their connotations which are appropriate to a specific problematic area. TM is the independent variable and dependent variable is EP while JS is being the mediating variable of this study. TM consists of talent attraction, talent development and talent retention (Rabbi et al., 2015; Lyria, 2013; Nakhala, 2013). EP contains task performance, contextual performance, adaptive performance and counter-productive work behaviour dimensions (Koopmans, 2014; Sinclair & Tucker, 2006). JS comprised with satisfaction of peers, salary, immediate supervisor, nature of work and promotions (Tash, et al., 2016; Arocas& Morley, 2018)

Figure 1: Conceptual Framework
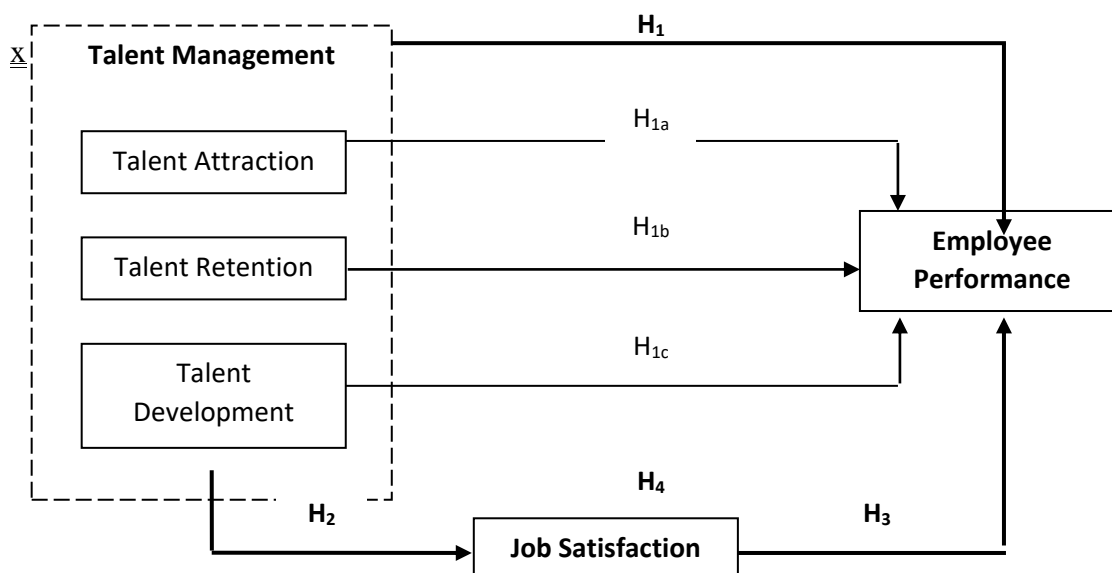
2.5.   The Research Hypothesis   Dimensions of TM were identified as the independent variables, dimensions of EP were identified as the dependent variable and the dimensions of JS were identified as the mediating variable.

Hypothesis 1 (H_1): Talent management has a positive impact on employee performance.

Sub hypothesis 1a (H_{1a}): Talent attraction has a positive impact on employee performance.

Sub hypothesis 1b (H_{1b}): Talent retention has a positive impact on employee performance.

Sub hypothesis 1c (H_{1c}): Talent development has a positive impact on employee performance.

Hypothesis 2 (H_2): Talent management has a positive impact on job satisfaction.

Hypothesis 3 (H_3): Job satisfaction has a positive impact on employee performance.

Hypothesis 4 (H_4): Job satisfaction mediates the relationship between talent management and employee performance.

3.   Research Methodology

3.1. Approaches to the Research Study

Saunders, et al, (2019) defined research as a process of finding new things by following a systematic procedure to enhance their knowledge. The researcher needs to plan the study to answer the questions or solve the problem related to the research study following a systematic procedure. Thus, provides an original contribution to the existing knowledge through a systematic method of discovering a solution to the research problem (Kothari 2019). Hence, processes and procedures are to be developed scientifically to achieve the generally accepted solution which can be used to generalize the specified study.

3.2. Research Method, Philosophy and Paradigm

According to Gill & Johnson (1997) and Sekaran & Bougie (2016), the research method is explained simply as a technique for collecting data. The research methodology is defined as a systematic approach or a procedure for studying a research phenomenon. It can involve a specific instrument, such as a self-administrated questionnaire or a structured/semi-structured interview or a participant observation etc for data collection. Accordingly, the research methodology of this study governs the entire research process and is greatly planned and comprehensively adopted to meet the research objectives and answer the research questions promptly. Saunders, et al., (2019) elaborated the term research philosophy as a system of beliefs and assumptions concerning the development of new knowledge.Ontological

assumptions include the realities encountered in the research study by the researcher and epistemological assumptions include human knowledge whereas axiological assumptions include the extent and ways in which the researcher's values influence the research process. Therefore, the research philosophy in this study can be explained in three significant means as epistemology, ontology and axiology. Saunders, et al., (2019) acclaimed that a conscious and consistent choice of assumptions will compose a credible research philosophy which makes a solid foundation for the methodological choice, strategy, data collection techniques and data analysis procedures for designing a comprehensive research study.

Bryman & Bell (2015) mentioned the research paradigm for a researcher in a respective discipline to be the form and nature of reality, acceptable knowledge and utilized methods of the research. The research onion of Saunders, et al., (2018) was adopted as cited by Saunders, et al., (2019), and this study was directed under a proper path. It illustrates the stages involved in the process of research.
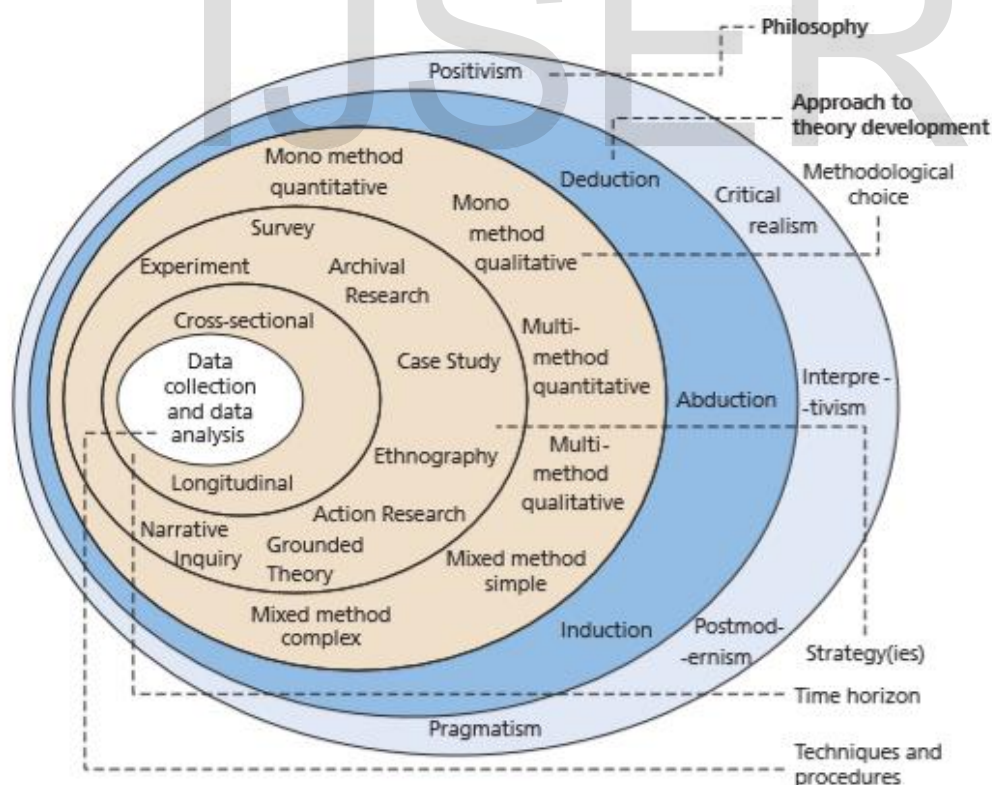
Figure 2. The Research Onion

Figure 4.1 The 'research onion'
Source: ©2018 Mark Saunders, Philip Lewis and Adrian Thornhill

Alongside the reviewed literature, the study engrossed the different layers of the onion and serve as the philosophical orientation of the researcher, the adopted research approach, appropriately engaged research strategies, the research timelines and the data collection techniques utilized. Accordingly, the following criteria have been made available for the respective phases of the current study as framed in table 1.

Table 1. Study Approaches to Research Onion

Techniques and Procedure	Data Collection – Questionnaire Data Analysis –SPSS 23 Validity – FA, SEM, Expert opinion Reliability – Cronbach Alpha Multivariate, Bivariate, Categorical Data - Path Analysis, Pearson Product Movement, Chi-Square Statistics AMOS 23
Time Horizon	Cross-Sectional
Strategies	Survey
Methodological Choice	Quantitative
Approach to Theory Development	Deductive
Philosophy	Positivism

Source; (Developed by the Study)

3.3. Justification of the Selected Research Philosophy

This study adopted positivism as the research philosophy due to various facts involved. It is supported to generalize the findings using numbers. Therefore, a quantitative approach has been applied with deductive reasoning. Thus, the study is to be highly structured with a large sample maintaining an objective stance (Saundars, et al., 2019). In positivism, the study uses the excising theory to develop hypotheses that are to be tested and confirmed.

3.3.1. Deductive vs. Inductive Approach of the Study

The investigation method determined depends on the study problem or the question; it is defined by the nature of the connection between the theory and the research. The clarity of the theory involved and the reason for collecting data are based on this relationship (Bryman & Bell, 2015). Moreover, the advantages of adopting a deductive approach are the possibility to explain causal relationships among the variables and concepts, the possibility to measure concepts quantitatively and the possibility to generalize the findings of the study.

3.3.2. Justification to the Research Approach

This study focuses on the institute and describes the determinants of TM, EP and JS and the relationships among them. To link with this purpose, the study employs the deductive approach. The theory related to human resource management and competitive advantage and the literature reviewed under the aforementioned variables were supported to articulate and develop a conceptual model and the hypotheses of the study. Therefore, the study applied the deductive approach for the research to find answers to the research questions whilst considering the advantages of the deductive approach over the inductive approach.

3.3.3. Methodological Choice of the Study

There are two major methodological choices in the research study, the quantitative approach and the qualitative approach, both methods have advantages and disadvantages; neither of them is wrong or right but each may be more or less useful for precise for the study (Kothari, 2019). According to Bryman (2015), quantitative research is a strategy that focuses on the quantification of data in terms of their collection and analysis whereas the focus of qualitative research relates to words rather than quantification of data. Supportively, Yilmaz (2013) defines quantitative research as a phenomenon based on numerical data that can be analyzed statistically.

3.3.4. Rationale for Quantitative Approach

The research method utilized during this study is the quantitative method. Walliman (2011) explains the approach of quantitative research approach as testing theories, determining facts, demonstrating relationships among the variables and predicting the outcomes. In this research study, the quantitative research approach was adopted to test the articulated hypotheses and explain the relationships between the variables.

3.3.5. Use the Survey Method as the Research Strategy

Survey research is an appropriate tool used to conduct quantitative research to gather standardized data to explore the relationships between the hypotheses and the variables through a sample population (Pinsonneault & Kraemer, 1993). Zikmund, et al., (2013) highlighted the advantages of survey research which provides a quick, inexpensive, efficient, flexible and accurate means of assessing information concerning the population which is valuable for the decision-making process.

3.3.6. Cross-Sectional Data Collection as a Type of Time Horizon

This study was conducted to collect data using self-administrated questionnaires at a single point in time. According to the literature on research, this method is defined as the cross-sectional survey method (Babbie, 1990). Saunders, et al, (2019) recommended that during the study of a particular phenomenon at a particular time a cross-sectional time horizon can be utilized to avoid time constraint. Therefore, employing a large sample size is a significant consideration for the research study as it provides accurate values, identifies outliers that could skew the data and provide a smaller margin of error.

3.4. Research Design

Aaker, et al, (2000) noted that the research design is intended to provide a pertinent framework for study. Extremely decisive action in the research design process is a choice to be made with regard to the research approach as it determines the means of data collection. Sekaran & Bougie (2016) have demonstrated the fundamentals of research design such as the purpose of the study, researcher interference, study settings, unit of analysis, time horizon and so on. Accordingly, this study employed a correlation research design which can evaluate the direction by statistical analysis, strength of relationships among the variables in a single group of subjects except controlling the variables of the study. Thus, this study uses confirmatory correlation research design as the researcher needed to establish the relationships between closely connected variables, to employ a deductive approach and to test the hypotheses developed in this study context.

3.5. Justification of Correlation Research Approach

Ary, et al., (2014) suggested that the studies aim to acquire the relationships, influences, causes and consequences in a group of respondents at non-experimental conditions should use the quantitative approach with correlation research design. This process is strictly connected with the linear regression analysis which is a statistical approach for modelling the

relationship between the variables. The widely used measure of correlation is Pearson product moment correlation which is utilized when only the data are parametric and normally distributed.

Hence, the operationalization of variables, instrumentation, sample selection, data collection and data analysis of the present study were designed by the study whilst adhering to and following the norms of the exploratory correlation research method.

3.6. Research Instruments

It is essentially important to select the reliable, accurate, correct and suitable research instrument for the study especially connected with the data collection process (Zikmund, et al., 2013). Hence, this research study utilized the quantitative methodological choice for gathering data and the instrument of the research, selected for the current study is a questionnaire survey. By considering the advantages such as being less expensive and less time consuming, personally administrated questionnaires have been used to collect data in this study.

3.7. Sampling Design

Bryman & Bell (2015) described sample as a selected segment of the population, selected to ascertain conclusions which can be generalized to the population. Each member in a population is called an element whereas each member of the sample is called subject.

3.8. Population, Target Population and Sampling Frame

Population is considered as a group of individuals, objects or items among which samples are drawn for measurement (Singh, 2007). Bryman & Bell (2016) defined the sample as the segment of the population that is selected for investigation. It is a subset of the population. Further mentioned the sampling frame as the listing of all units in the population from which the sample have been selected (Bryman & Bell, 2016). Zikmund, et al., (2013) elucidated the list of elements from which a sample was drawn as the sample frame. Finally, based on the operational definition, the target population of this study has been drawn in accordance with the following operational criteria.

- Employees in SOBEs in Sri Lanka
- Employees who must have been the middle managers category in SOBEs in Sri Lanka in year 2019

- All managers should have been in the permanent cadre of the respective SOBEs in Sri Lanka in year 2019

3.9. Data Collection Methods

This study is based on a quantitative strategy applying self-administrated questionnaire in survey method. Initially, the data were gathered using a self-administrated questionnaire enabling to test the hypotheses and the relationship between the variables.

3.10. Unit of Analysis

Typical units of analysis include individuals, groups, organizations, social phenomena, and policies/values/principles. Unit of analysis refers to a number of objects of study such as a person, program or organization (Creswell, 2003; Graneheim&Lundman, 2004). The respondents involved in this study were all the employees within the middle manager categories employed in SOBEs in Sri Lanka.

3.11. Data Collection Process

3.11.1. Secondary Data Collection

Most of the literature and secondary data have been collected from the library materials and electronic databases of the library of the University of Kelaniya Sri Lanka, Library and the Knowledge Centre of the Chartered Institute of Personnel Management of Sri Lanka (CIPM-SL), Data base and publications of Ministry of Finance, Treasury, Department of Public Enterprises at Ministry of Finance Sri Lanka, and Department of Management Services in Sri Lanka. The researcher personally contacted the authorities at the Ministry of Finance to collect the required reports, memorandums, articles and so on.

3.11.2. Primary Data Collection

The study was designed to collect primary data using self-administrated questionnaires at a single point in time. According to Babbie (1990), in the literature on the research, this method is defined as the cross-sectional survey method. In order to select 481 elements for the main survey, the researcher obtained the list of middle managers enlisted to selected 15 SOBEs in Sri Lanka from the Department of Management Services which is functioning under the purview of the Ministry of Finance Sri Lanka.

3.12. Rationale for Cross Tabulation

Cross tabulation is considered a joint frequency distribution of cases based on two or more categorical variables with the use of contingency table analysis. The joint frequency distribution can be analyzed with the Chi square statistic in order to determine if either variable is statistically independent or dependent. After finding out the association between variables, the Cramer's V, Gamma, Sommer's D can be utilized to explain the degree of the strength of the values of one variable predict or vary on the other variable. Long linear models and multi-nominal regression can be used as the most advanced techniques to identify the relationships (Michael, 2001).

In general, bivariate and multivariate statistical methods have to be adhered to statistical assumptions. Especially path analysis and structural equation model are highly sensitive to these assumptions. Generally, to conduct path analysis, data have to be adhered to the assumptions on univariate - multivariate normality, univariate - multivariate outliers and missing values. The study also needs to satisfy the normality assumptions, linearity assumptions, multicollinearity assumptions, and homoscedasticity assumptions before analyzing the data (Kline, 2015). Therefore, prior to conduct inferential data analysis, the study has to conduct the Exploratory Data Analysis (EDA) to test the data for the required statistical assumptions using recommended techniques. In the current study EDA, objective related data analysis and path analysis were carried out using SPSS version 23, AMOS Graphics Version 23, PASS 2008 and NISEM Software packages.

4. Data Analysis and Findings

The data preparation and screening efforts of the research are including; missing data, outliers, testing for multivariate assumptions (normality, linearity, homoscedasticity and multicollinearity), sample adequacy, exploratory factor analysis and reliability testing were carried out in order to minimize the bias and non-significance in the final results(Hair et al., 2014; Kline, 2005).Box plot diagrams produce a graphical representation of the data distribution for each construct of which highlights the extreme values of a set data (Saunders, Lewis & Thornhill, 2009). There were no missing data found and outliers were treated accordingly by omitting extreme value of observed one case.

4.1. Normality   Assessment of the normality of data was carried out using the statistical method of skewedness and kurtosis. Skewness refers to "the tendency of the deviations from

the mean to be larger in one direction than in the other" and Kurtosis is a "measure of the relative peakedness or flatness of the curve defined by the frequency distribution" (Malhothra & Birks, 2010). Table2 and figure 3 show that skewness and kurtosis were within an acceptable level. Thus, the data seemed to be distributed normally enough.

Table 2; Assessment of Normality of Study Variables

Variable	Skewness	Kurtosis
TM	-0.529	-0.067
EP	-0.045	0.076
JS	-0.188	-0.146

Figure 3: Normal Q-Q Plot
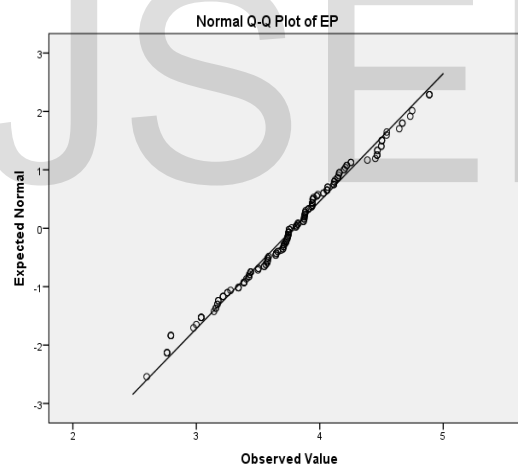
4.2.   Linearity   Linearity exists when a linear relationship among independent and dependant variables. Assumption of all multivariate techniques based on correlational measures of association, including regression and factor analysis, is linearity (Hair et al., 2014). The current study opted to identify the linearity using scatter plot. The scatter plot was drawn between TM (exogenous variable) and EP (endogenous variable) as depicted in figure 4 and found in order.

Figure 4: Assessment of Linearity by Scatter Plot
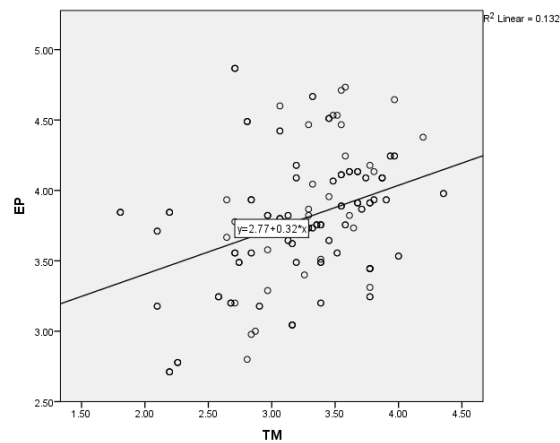
4.3. Homoscedasticity

Homoscedasticity refer to the extent to which the residuals appear to be constant across an exogenous variable's range of values (Hair et al., 2014). Homoscedasticity ensures the standardize residuals are equally split across the exogenous variable as presented in figure 5.

Figure 5: Assessment of Homoscedasticity
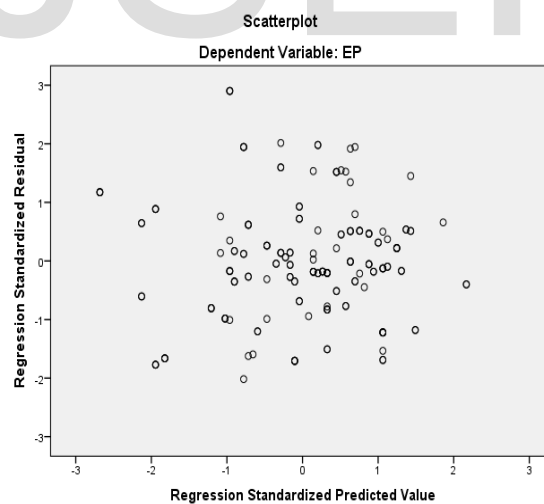
4.4.   Multicollinearity   As stated by Hair, et al., (2014), multicollinearity occurs when the particular exogenous variable is highly correlated with a set of other exogenous variables. Presence of high correlation (0.90 and above) provides the indication of multicollinearity among the exogenous variables (Hair et al., 2014). The correlation values of current variables are presented in Table 3below.

Table 3: Correlation Matrix of the Study Variables

		TM	EP	JS
TM	Pearson Correlation	1		
	Sig. (2-tailed)			
EP	Pearson Correlation	.363**	1	
	Sig. (2-tailed)	.000		
JS	Pearson Correlation	.679**	.199**	1
	Sig. (2-tailed)	.000	.007	

**. Correlation is significant at the 0.01 level (2-tailed).

The correlation values are consistent with the rule of thumb (>0.90) ensure the absence of the multicollinearity of the data. Further, as the common measures of multicollinearity, tolerance and VIF (Hair et al., 2014) was used in the study. As shown in the Table 4, the VIF values are between 1 and 10, determining that there are no symptoms of multicollinearity.

Table 4: Collinearity Statistics for the Study Variables

Construct	Collinearity Statistics	
	Tolerance	VIF
TM	0.540	1.853
JS	0.540	1.853

Dependent Variable: EP

The tolerance and VIF values of the variables ensure the absence of multicollinearity and multivariate assumption was proved in the current study.

4.5. Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's Test

KMO is measured for single and multiple variables and describes the square correlation of variables to the square partial correlation of variables (Field, 2009). According to Hutcheson &Sofroniou (1999), the minimum value of KMO should be 0.5, the values from 0.5 to 0.7 are medium, the values from 0.7 to 0.8 are good and value above 0.9 shows great. Bartlett's sphericity test is to test the sphericity assumption which examines whether a covariance matrix of variance is proportional to an identity matrix which should be significant at less than 0.05 (Field, 2009).KMO and Bartlett's test results of the current study are presented in Table 5.

Table 5: KMO and Bartlett's Test of Sphericity

Variable	Number of items	KMO (>0.5)	Bartlett's test (P<0.05)
TM	31	0.734	0.000
EP	45	0.798	0.000
JS	5	0.533	0.000

With reference to the Table 5.6, the value of KMO were above the cut-off point which indicates a good range of sample adequacy and the values of construct s were significant according to Bartlett's Sphericity Test.

4.6.   Exploratory Factor Analysis   EFA is a technique of interdependence primarily used to describe the underlying structure among the component analysis (Hair et al., 2014). This technique is one of the traditional techniques to test the uni-dimensionality which is treated to be an excellent starting point (Hair et al., 2014). It is used as data reduction technique based on factor loadings whereas loading less than 0.5 can be omitted one by one (Hair et al., 2014). EFA was conducted for the current study to ensure the items are associated with each other and considered minimum factor loadings (>0.5). Principle component analysis was employed to perform EFA. VARIMAX was used as the rotation method as it gives clearer separation of elements (Hair et al., 2014). KMO value for TM and EP constructs were greater than 0.7 and JS was greater than 0.5 which was within the acceptable limit of 0.5. Based on the EFA results, few items related to the study constructs were removed due to lower loading factor. Communality is a degree of the percentage of variance explained by the extracted factors (Field, 2009).

4.7.   Assessing Reliability of Constructs

Reliability denotes to the degree of measure is consistent and replicable when results are repeated over the time of studies (Bryman, 2008). Coefficient alpha (Cronbach alpha) is the widely used measure for measuring reliability by the researchers (Hair et al., 2014). Reliability ranging from 0 to 1 and according to Hair et al. (2014), of which the values from 0.60 to 0.70 are deemed to be the lower limit of acceptability. Cronbach alpha was used in the analysis to calculate the reliability of the constructs and values are ensured the reliability.

4.8.   Assessing Validity   Validity refers whether the findings are relying about what they appear to be about (Saunders, et al., 2009). Content validity and construct validity are widely appeared in studies (Mason, 2002).The study marked high content validity as this study has hypothesized based on quality literature and specially conceptualised and operationalized

based on literature. The convergent validity of constructs is established based on the cutoff values for factor loading, CR and AVE accordingly.The correlation coefficients among the concepts in this study denotes different conceptions without serious problems with discriminant validity.

4.9.   Demographic Profile of the Sample

The majority of the respondents were females which accounts for 62% of the total sample. As a result, more and more females tend to enter the employment. As to age group, 93% were fallen into age group of 1987 to 1993. According to the marital status 66% were married. As to educational level, 68% of respondents has Bachelor degrees while 12% have professional qualification which are compulsory required entry level qualification. Regarding the working experience 77% were having one to two years of experience as majority were born in 80s and 90s.

4.10.   Examine the Determinants of Variables

This section explains importance of the determinants of the independent variable (TM), dependent variable (EP) and mediating variable (JS) of the study. All the dimensions of respective variables are ranked according to the importance of the sample.

4.11.   Hypotheses Testing

Based on the results of standardized path coefficients and corresponding significance levels, used to investigate the relationships between constructs. Further regression testing was performed to discover the impact between variables. It is found thatthe observed Pearson Correlation Coefficient is 0.402, implying that a positive relationship occurs between the TM and the EP. Additionally regression analysis was used to find out the impact in between independent variable and dependent variable.The outcomes of the multiple regression

coefficients (R) of the TM related independent variables and EP was 0.402 and the R Square was 0.161. It indicates that about 16.1 percent of the variance (R Square) in the EP is explicated by TM. There is a significant relationship between TA and EP can be statistically claimed. The p-value is below 0.05 which ensures TA can be used to forecast EP. There is a significant relationship between TR and EP and statistically claimed. The p-value is below 0.05, which ensures TR can be used to forecast EP. There is a significant relationship between TD and EP can be statistically claimed. The p-value is below 0.05 which ensures TD can be used to forecast EP. Based on Pearson movement correlation findingsfor two variables is 0.753 which discovered that there is a positive connection between TM and JS. Also, a significant relationship between these two variables can be statistically claimed. The p-value is below 0.05 which ensures which TM can be used to forecast JS. Based on Pearson movement correlation findings for two variables is 0.237 which discovered that there is a positive connection between JS and EP. Also, a significant relationship between these two variables can be statistically claimed. The p-value is below 0.05 which ensures JS can be used to forecast EP. Hayes' PROCESS Macro v3.3 with SPSS was used to perform mediation analysis of JS between TM and EP at 95 confidence level. The mediation was exist between TM and EP with a total effect 0.379, p < 0.05. Both direct and indirect paths were significant, resulting mediation between two constructs.

5. Conclusion and Recommendations

5.1. Theoretical Implications

The findings of this study have provided an insight in to the existing theory of TM and EP. Consequently, this study extends the JS literature by examining the relationship of TM on EP. Limited amountof studies were observed as per the search of literature, testing the extract context relating to mediating effect of JS on the impact on TM and EP (Tash, et al., 2016; Arocas& Morley, 2015; Dixit &Arrawatia, 2018)when considering both Asian and non-Asian context. Thus, the findings provide an addition to the dearth of existing literature cover on

TM and EP link with the mediating effect of JS.The results of the study are consistent with some important theories in the context of human resource management. AMO theory was used to provide the consistency for opting the constructs for the study as TM consist with enhancing the abilities, motivation and create career advancement opportunities to utilize the skills of talented middle managers in SOBEs for improved performance. SET theory was used to draw the line of connection between TM, JS and EP as it induced positive and beneficial actions targeted at employees by the organization creates conditions and motivation for employees to reciprocate in positive ways (Kuvaas, 2008). Further a few motivational theories such as reinforcement theory, goal setting theory, equity theory etc. were used to support role of JS at the mediating role of it. In this ground improved performance, better engaged works were predicted along with the mediating role of JS in the present study.Moreover, practical implications for practitioners were ensured using Human Capital Theory (Becker, 1964) for deciding investment in TM which benefits the organization in the long term. Further the findings are consistent with the Resource-based-view (Barney, 1991, cited in Luna-Arocas& Morley, 2015) of gaining sustainable competitive advantage through satisfied talented force with effects of TM.

5.2.   Practical Implications

The study had suggested several possible managerial implications which will specially interest the practitioners. The findings of this study indicates that TM is reliably, significantly and positively related to EP. Hence the performance of MTs is directly links or depends on the TM practices at public sector. Employer branding, effective recruiting efforts, EVP, employer of choice, compensation management, supportive culture, changing work, WFB, T&D, PM and CM were considered as the main sub dimensions underneath of TA, TR and TD under the broader concept of TM. Hence during the employment contract relevant authorities need to increase the understanding on employees work roles and nature of jobs and execute appropriate TM strategies with match with EP enhancement. To enhance the EP, higher managers need to pay attention on different EP dimensions such as TP, CP, AP and CWB of performance. The relationship between the construct was mediated by JS.The context advocates gaining the desired effect, such as improved EP, it is vital for organisations to carefully capitalise on TM as discussed in the study. This is consistent with the human capital theory which emphasises that the whole cost spent for employee development and retention efforts should necessarily be considered as an investment from the view point of the

organisation (Sparrow & Makram, 2015). Hence this concern enables the decision makers or managers pay more attention on TA, TR and TD practices which are more contemporary concerns. In these days, shedding light on problem areas that are not seen by companies as dysfunctional but viewed as such by high-potential employees. To illustrate one of the facts, employer branding is the formation of an organization's brand image to attract potential employees (Armstrong, 2006). In addition, there are jobs which are considered as more important towards organisation. Hence high potential employees are required to do multiple and complicated tasks and company reflect it from high salary and status (Berger & Berger, 2004; Ulrich & Brockbank, 2012). Development and transparency in the process of TM is another vital concern (Sparrow & Makram, 2015). Hence such groups of people are more sensible and concerned towards their career aspects and advancement, thus proper allocation of funds or investment on TM are crucial to be concerned by the relevant authorities. Perceiving the importance of TM, many banks have operated separate division or personnel called 'talent acquisition and learning managers', 'talent management executive', 'talent assessment and development managers' etc, under the department of human resource to executive TM initiatives could be observed in the process of the current study.Since the demand for talented individuals has continued to increase day by day, TM has progressively become of strategic importance to organizations (Dixit & Arrawatia, 2018). In such strategic direction to TM, TM strategies should be directed towards the organisational ultimate objectives and goals which also might lead to gain sustainable competitive advantage through the development of a unique talent base. Further as a strategic decision now a days banks are moving towards the digitalisation features with the modern technology which provide the newest financial infrastructure to the customers. Hence TM is a vital concept in the era of digitalisation and globalization. In this endeavour, the economic value of TM practices (utility theory) should be examined by the practitioners. Even though talent is viewed as a strategic asset, it is associated with a default risk of investing since the asset is not owned by the organisation and having high mobility at its own discretion (Wright &Boswell, 2002).

Even though practitioners should focus more to induce TR strategies, specific findings of the study revealed, the most affecting dimension of TM on EP. It is revealed that TA has the highest impact in EP in the public banking context in Sri Lanka. Thus it indicates the importance of investing on employer branding, EVP, employer of choice and selective staffing effort under TA which can lead to a higher positive impact on EP. Thus, the findings produce more specific indication to banking contexts whereas managers can re-think on

investment on careful section of talent and make use of their branding power and EVP to attract the best pool of talents in the modern era.

5.3.   Contribution of the Study

It has been argued that researches on TM and EP are scarce and not well grounded in empirical studies. Especially there is a lack of researches in the Sri Lankan context. The current study has contributed to the HRM literature from a theoretical perspective by examining TM on EP among the middle managers in SOBEs in Sri Lanka.

The current study has used theoretical perspectives of AMO, SET, Reinforcement, Goal setting theories mainly in order to validate the relationship between constructs and the mediation role of JS. The alignment of above theories was comprehensively explained in Chapter two. Further Human Capital Theory embedded in providing practical implications with better rationale for investing on TM in work places.

Based on the search of literature to the best capability of the researcher, very few studies have included JS as a mediator between TM and EP or JP. Hence this study indicates new avenue for linkage of TM and EPof which the direct and indirect paths were significant results of mediation between the constructs. By analyzing the practices the research added to the literature which complied with the construct of TM along the three main dimensions which majority scholars used as TA, TR and TD. Employer branding, selection and recruitment, EVP and employer of choice were considered under TA. Competitive pay, challenging work, supportive culture, WFB and employee engagement were concerned under TR. T&D, CM and PM were considered under TD. The practices were considered in a different blend for creating the construct of TM as per the scholastic studies. The current study has more rationale of selecting each indicator under main dimensions for better and clear understanding, hence providing a new contribution for TM through comprehensive conceptualization and operationalization for the variable. Further dependent variable of the study, EP was concerned in four dimensions as TP, CP, AP and CWB of which the dimensions were not frequently tested in empirical studies relating to the TM context according to the researcher's survey of literature. Most of the scholars have used job specific performance. The EP can be better reflecting the above four dimensions including 24 different indicators. Hence the current study has contributed to the rare measuring of the construct.

The current study has examined the importance of variables and the current degree of variables as discussed under the research questions of the study. These were not frequently tested in empirical studies relating to the TM context according to the researcher's survey of literature even those were tested in the management researches. Hence, the current study has contributed to the rare research questions and objective for the constructs.

Under quantitative studies, previous researchers tested hypotheses only for main relationship and the mediation role. But in the current study, TM dimensions were separately tested with the EP. These were not frequently tested in empirical studies relating to the TM context according to the researcher's survey of literature even those were tested in the management researches. Hence the current study has contributed to the rare hypothesis for the constructs.

5.5.   Directions for Future Research

Firstly, it could be suggested to conduct a longitudinal study to observe the real impact on EP. Any variations can be observed with the subjective data with the use of multiple techniques of assessing responses.

Although this study has clearly examined the relationship and mediation in the relationship between TM, JS and EP; but to gain a better understanding of these relationships, further research is needed. In addition, the scope of study needs to be expanded, creating more complex models that can include financial and economic metrics in combination with staff-related outcomes.

In contrast to the current study, it can test the negative effects of TM which may not really improve the performance or satisfaction rather increasing job related stresses and pressure.

For the betterment and modern techniques in analyzing researchers should pay more attention on modern analyzing tools and techniques such as structural equation modeling, AMOS etc.

In order to increase the generalizing of the findings, the study sample can be extended to the whole public sector organizations and private sector organizations with in the local boundaries as well as the Asian context to examine the real impact.

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