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The Strategic JOURNAL of Business & Change MANAGEMENT
ISSN: 2312-9492 www.strategicjournals.com
Vol. 7, Iss. 3, pp 1583 – 1599. September 24, 2020. www.strategicjournals.com, ©Strategic Journals

TALENT MANAGEMENT STRATEGIES AND EMPLOYEE PERFORMANCE IN COMMERCIAL BANKS IN KAKAMEGA TOWN

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Accepted: September 22, 2020

ABSTRACT

The aim of this study was to review the literature and attempt to understand the concept of strategies for talent management and highlight its effects on employee performance in commercial banks in Kakamega town. The study was carried out in Kakamega town with the following five banks: Kenya Commercial Bank, Equity Bank, Absa Bank, Cooperative Bank, Standard Chartered Bank, Kenya. The research embraced a descriptive type of analysis, with the overall workforce making up a target group of actual bank workers. This involved staff at all ranks starting with the top management. The key tool for data collection was a formal questionnaire. For the analysis of the findings, descriptive statistics (frequencies and percentages) and inferential statistics (correlation analysis) were used. Study of Pearson correlation and regression was used in determining the influence of independent variables and dependent variables. To analyze the findings, the Social Sciences Statistical Package (SPSS) program was used. The data was coded for ease of analysis according to the various variables and descriptive statistics such as mode, mean, frequencies, variances and standard deviations. Tables and figures were used to evaluate and classify results. This thesis provided a foundation of further studies in the area of talent management. The results were talent acquisition techniques impact employee efficiency in commercial banks in kakamega town. The outcomes of the regression revealed that there is a significant and optimistic association with employee performance with the methodology of talent attraction. As seen in the results, the talent management strategy significantly affected employee performance in commercial banks in Kakamega town. The connection showed that talent growth policy had a favorable and important relationship on employee success commercial banks in Kakamega. The study suggested that human resource division must set aside adequate budget to cater for costs related to foreign recruiting and other initiatives which would be part of the organizations talent pool. The additional recommendation was that strategies for talent management should be emphasized as this leads to superior performance of employees.

Key Words: *Talent Management, Talent Attraction, Talent Retention, Talent Development*

CITATION: Rapando, E. (2020). Talent management strategies and employee performance in commercial banks in Kakamega Town. *The Strategic Journal of Business & Change Management*, 7(3), 1583 – 1599.

INTRODUCTION

The world's increasing globalization requires organizations to be at stake with their human capital. This has not only increased competition among organizations but also created opportunity for the workforce. Globalization has also contributed to rivalry in today's business environment (Businei, 2013). He further notes that for organizations to remain stable they must work much harder on their competitive qualities to create sustainable long term strategies. Such organizations should put resources into talent management strategies for their employees (Venkatachalamet 2016). Performance of talented employees play a key role towards maintaining a competitive lead (Mkamburi and Kamaara 2017).

In Africa talent management strategy concept is not new either. A study with the Price Water House Coopers in 2012 on Africa revealed that Chief Executive Officers are hiring but it is becoming more difficult to find the right potential employees. Thus talent management strategy has become Chief Executive Officers' top agenda. The study further revealed that 85 percent of CEOs said that they plan to focus on talent management strategies over the next years, while 75 percent said that lack of talent management strategies was a threat to the company's growth (Price Water House Coopers, 2012). There is a major market for specialists of all styles, according to Koranteng (2014). The talent deficit faced in Egyptian organizations has led the organizations to have low results. The Business Management Magazine disclosed that Kenya also experiences a shortage in recruiting, retaining and improving employees through talent management techniques (BRMM, 2013).

Commercial banks in Kenya are not an exemption on this. In the recent years commercial banks in Kenya have faced many challenges. The biggest challenge they are facing is change in technology (Muthina (2017). The technological change often makes banks to lose their employees as they are not well equipped to face the changes. Another challenge that is facing commercial banks is stiff competition in their environment. These have made banks to be criticized for non – performance with several performance gap that may be resulting to challenges related to implementation of talent management strategies. Karuri (2015) revealed that talent management affect performance outcome. Commercial banks in Kakamega town have faced similar challenges.

Commercial banks in Kakamega town just like other organizations who want to have a competitive advantage have to develop a talent management strategy culture. They should realize the worth of attracting, developing and retaining competent employees. This now drags commercial banks into a "war of talent" (Gardner 2002) hence the need to examine talent management strategies on employee performance in commercial banks in Kakamega town. Armstrong (2012) argues that the practice of talent management strategy should be a continuous process to be able to fill up any gap in future. Nanzy (2014) agrees to it that talent management involves the organizations efforts towards improvement of employees unique capabilities and nurturing them for achievement of both organizational and employees goals. Commercial banks are committed to preserving their leadership in the areas of customer care, product differentiation and profitability Ernst and Young 2018). In this respect, talent management has been ingrained as part of their growth strategy. Talent management is important as well as succession planning, as this guarantees long-term continuity of business (Chepkwony, 2016). Techniques for talent management are important and essential in organizations seeking to enhance and optimize employee output.

Lilian Onwudinjo (2013) conducted a study on the effects of talent management on organizational performance at Eco Bank Kenya and found that commercial banks will need to rethink their approach to talent management and its effects on employees in order to achieve business results in the banking sector (Elham, 2016). A similar study by Faith Ndolo (2017) on the effect of talent management practices on employee performance among Kenyan state-owned enterprises also seems to agree that talent management practices have a major impact on employee performance. In a related survey, Njoroge (2012) found that 38 per cent of workers shift each year from one company to another in search of greener pasture due to lack of individual satisfaction. In his report, Mwaura (2012) found that low pay and working conditions had contributed to the loss to competitors of the most qualified pilots and cabin crew in Kenya Airways.

Kireru (2013) further reveals that Kenya Broadcasting Corporation lost 330 eligible and trained employees to competitors between 2006 and 2008. These cases have, however, seen slight improvement, but without ignoring talent management, some challenges need to be solved (Koketso et al., 2012). There is evidence that some change has been made in the implementation of talent management techniques, and that gaps require further investigation. Not much literature has been concentrated in sub-Saharan Africa, to begin with. Kenya 's public sector has faced significant problems linked to the gap in talent management (Kireru 2013, Ndolo 2017). Last but not least, the relationship between talent management and the productivity of workers has been more researched in the private sector than in the public sector (Nancy 2014). Due to the gaps above and many others, this study aims to investigate the influence of talent management techniques on the performance of employees in Kakamega's commercial banks.

Statement of the Problem

Generally commercial banks are facing challenges with employee performance (Mutinda, 2017). Changes in technology and socio-economic factors encourage organizations to focus on future talent so as to ensure high employee performance and organizational stability (Lekganyane, 2017). Thus in today’s competitive end ever changing business environment, retaining and developing talent is a central concern of organizations (Kigo, 2016). They are failing to put in place proper human development and retention strategies that will bear the best performance (Karuri, 2015). Employees are not giving their customers proper service. This can be seen from the time one takes in the banking hall or when one visits their bank. Commercial banks have had attacks in the recent years over performance gap (Kahinde, 2012).

Erkut (2018) It confirms that commercial banks have weak delivery of services and a lack of strategies for talent management to inspire workers to perform better. These greatly impact the efficiency of staff in return. Knowing which staff are to be hired, educated and retained is another big problem with commercial banks (Ndolo 2017) Study on the effect on talent management on the performance of employees of the Commercial State Corporation in Kenya. Gathungu (2016) Investigate the impact of human resource management practices on the involvement of commercial bank employees in Kenya's banking sector has faced serious problems associated with lapses in talent management and employee efficiency (Kireru 2013). This brings us to the main questions below. How have talent management strategies and employee performance in the banking sector, especially in commercial banks in Kakamega City, been successfully implemented? Can talent management techniques be used in Kakamega town to resolve the existing talent shortages and low output of commercial banks? This was a question that made the researcher bridge the gap by conducting a study to evaluate the influence of talent management strategies on employee performance in commercial banks in the town of Kakamega.

Objectives of the study

The main aim of the study was to evaluate the effect on employee performance of talent management strategies in commercial banks in Kakamega town. The specific objectives were;

- To find out how talent attraction strategy affects the performance of employees in commercial banks in Kakamega town.

- Determine the impact of talent management strategy on the performance of employees in commercial banks in Kakamega town.
- To examine the effect of talent development strategy on employee performance in commercial banks in Kakamega town.

The study was guided by the following research hypotheses;

- H_{01}: Talent attraction strategy does not have a significant effect on employee performance in commercial banks in Kakamega town.
- H_{02}: Talent retention strategy does not have a significant effect one employee performance in commercial banks in Kakamega town.
- H_{03}: Talent development strategy does not have a significant effect on employee performance in commercial banks in Kakamega town.

LITERATURE REVIEW

Theoretical Review

Resource Based Theory

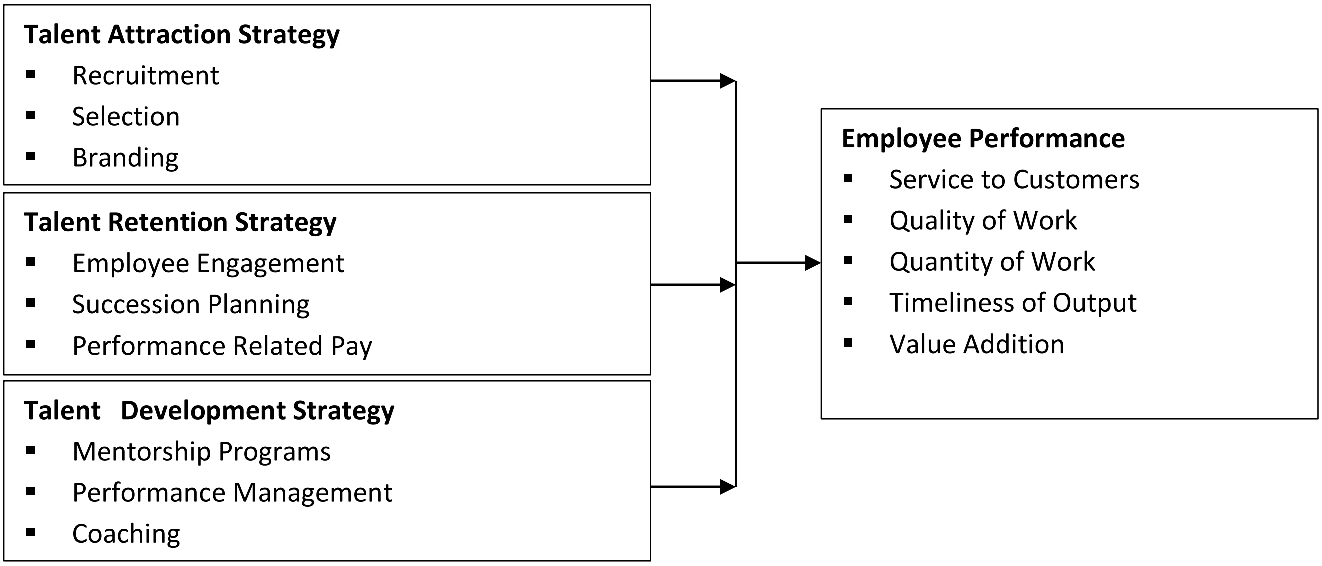
This theory focused its attention on internal organizational resources as a means of obtaining the best employee performance (Kireru, 2019). Resource based theory also reveals to us that organizations unique resources especially talent should be retained as it is the source of employee performance and organizational growth. This theory reinforces the need to nurture talent and protect them from competitors. When talent is nurtured and well managed it improves employee capability thus exceeding their performance (Armstrong, 2010). Organizations need to focus more on its talent acquisition processes to ensure it attracts the talent it requires. This theory also tells us that the most important determinants of an organization are the resources that it possesses (Muthina, 2017). This theory states that an organization adds value to itself through identification of its unique resources by putting strategies in place to ensure the resources are developed in a unique way (Wright *et al*; 2009). The theory insists that an organization should value its recourses in a unique manner. This help us to understand that the talent management strategies and organization applies should be distinct from those of its competitors. The strength of the resource based theory is that it puts more weight on how employees as major resources are found and how their unique talents are retained and developed for better performance thus making it relevant for this study. (Muthina, 2017).

An organization is viewed differently from one another in the way it handles and combines its resources (Maina, 2019). The starting point of the analysis is the internal environment of the organization (Porter, 2008). Employees' talents are resources within the organization. Thus employees are termed as valuable recourses that constitute a sustained competitive advantage (Vaiman *et al,* 2012). When organizations value its employees talents they feel appreciated and perform better. Organizations can create significance by supervising their resources and people available (Ngari, 2012). However previous studies have not specified which talent management strategies are best for organizations to invest its resources into (Muthina, 2017).

Human Capital Theory

Sweetland (1966) suggests that both organization and individual advantage can be gained by investing in people. Training and development is a form of investing in human beings. Training adds value to the employees in form of knowledge and skills which in turn increases employee performance. Employees should invest in specific training that will improve their performance (Ndung'u, 2015). This theory is relevant to this study in that it will help the researcher to examine the talent management strategies that will enhance development and retention processes which are relevant to employee performance (Mkamburi, 2017). Human capital consists of various components that are embedded in individual persons (Joyce *et al,* 2007). Joyce et al (2007) describe talent as qualities and abilities inherent in individuals that are points of benefit for the productivity of employees. Human capital theory teaches us the combined power, experience and expertise of the individuals in the organisation (Sparrow & Makram, 2015). This will help the study in examining how commercial banks in Kakamega town will attract talent in regard to skills and knowledge, and how capability is developed and its influence on employee performance. Organizations need to fulfill the aspect of human capital and the activities related to the task which in return enhances performance (Pateri, 2018).

Human capital presence in an organization is considered as the main component to deal with demographic shifts and globalization to improve performance through well talented employees (Treacy & Wall, 2017). Oladapo (2014) points out that talent management techniques concentrate on five dimensions, namely attraction, selection, commitment, growth and retention of employees. This research will concentrate on the three aspects of talent management techniques listed above. That's talent attraction, talent retention, and talent growth.



Independent Variables **Dependent Variables**

Figure: 1: Conceptual Framework

Empirical Literature Review

Poorhosseinzader et al., (2012) cross-sectional analysis on Malaysian multinationals also found a strong and important relationship between talent growth and company performance with a correlation of 0.728 and 0.000 at 0.05 meaning level. A research by (Ndung'u, 2015) on the relationship between talent management activities and employee turnover at Kenya's Cooperative Bank reported that 70 percent of the bank's employees are not satisfied with the current incentive scheme. This further revealed that employee turnover is on a high rate at the bank because of the dis satisfaction.

Kehinde (2012) conducted a Talent Management Impact Analysis on Organizational Success in Nigeria and produced the following findings; the results showed evidence that talent management, profitability and return on investment were strongly correlated. However, the Talent Management Index had a higher return on investment ratio of 3.72 to 3.64, which was higher than the return on investment of 3.64. In their research, Nonaka, Kodama and Hirose (2014) found that it was easier for organizations to find talent to create an environment that would encourage talent to achieve high results. Azarah and Saed (2013) research on employee training and organizational performance showed a strong and positive correlation between training and organizational efficiency.

Ana (2014) has revealed that employer branding is an important talent attraction technique that helps create the reputation of companies to attract more talented employees. In the absence of good brand image, it is difficult to attract the right talent. Ugwu and Kekeocha (2015) carried out a study on the relationship between talent management and employees' performance in Nigerian public sector. The study established that most organizations had realized the major role in attracting the right personnel to fit into the workforce environment. Murei, Mangusho and Nelima (2015) Evaluated the influence of talent management on the output of employees in Delmonte Kenya Limited. The study found that most of the company's employees accepted that the organization would define potential business needs by reminding them of skills , expertise and capacities and then hiring workers on that basis. Moza, Ogolla and Mureithi (2020) in their study on relationship between talent management practices and organizational performance in Islamic banks in Kenya revealed that in order for Islamic banks to get good results the must put in place structures that would address the issue of recruitment fully.

METHODOLOGY

The researcher used descriptive survey design in this analysis. 84 workers from all five commercial banks surveyed were in the target population of the study. The researcher used structured questionnaires to collect primary data. Descriptive and inferential statistics were used to analyze the data in this study. For this research, both the existence and the intensity of the relation between variables was evaluated using the regression and correlation analysis. Correlation analysis and regression analysis are generally used to test how well the reverse line describes the dependent variable variance (Saunders et al, 2012). In linear and multiple regression plus correlation analysis, two (or more) variables will be related. SPSS version 23 is the analysis computer software that was used to compute statistical data. Regression Model

$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon$

Y = Employee performance

β_0 = Constant

X_1 = Talent attraction strategy

X_2 = Talent retention strategy

X_3= Talent development strategy

$\{\beta_0\text{-}\beta_4\}$ = Beta coefficients

e = the error term

RESULTS

The researcher tried to assess the extent of consensus on the claims concerning the talent attraction policy and the output of employees. A Likert scale was used and the findings shown in Table 1 were shown.

Table 1: talent attraction strategy on employee performance in commercial banks

Statement	SA	A	U	D	SD
My organization employs realistic job previews during recruitment	17.4	47.8	10.1	14.5	10.1
I undertake critical skill gap to identify the needs	27.4	46.5	8.7	5.8	11.6
The organization adopts a multi-channel recruitment system	2.9	15.9	4.3	8.7	68.1
My organization is recognized by its brand to the world	18.4	55.1	2.7	5.8	18
My organization adopts open selection processes during recruitment	17.4	43.3	8.8	10.1	20.3

From the Likert scale in Table 1, the findings showed that 65.2% of respondents accepted that the company used practical work previews during recruiting, while 24.6% disagreed. Results also revealed that 73.9 per cent of respondents agreed that the company was conducting essential skills shortages to determine needs, while 17.4 per cent disagreed. On the other side, 76.8% of respondents denied that the company was implementing a multi-channel recruiting system, while 18.8 agreed .The study also showed that 73.5 per cent of respondents agreed that the company accepted its brand in the world, while 23.8 per cent disagreed. The study also showed that 60.7% of respondents agreed that the company would follow transparent selection procedures during recruiting, while 30.4% disagreed.

Hypothesis Testing: Talent attraction strategy does not have a significant effect on employee performance

The researcher also sought to find out the effect of talent attraction strategy on employee performance in commercial banks in Kakamega town. The null hypothesis that there is no effect of talent attraction strategy on employee performance in commercial banks in Kakamega town was tested at 5% level of significance. The results of hypothesis is shown below;

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.825[a]	.781	.768	.608

a. Predictors: (Constant), Attraction

The "R" column represents the value of correlation coefficient. *R* can be considered to be one measure of the quality of the prediction of the dependent variable; in this case job cadre. A value of 0.825, in this case indicates a good level of prediction. The "R Square" column represents the R^2 value (also called the coefficient of determination), which is the proportion of variance in the dependent variable that can be explained by the independent variables. From the table, the value of 0.781 indicates that the independent variable can explain 78.1% of the variability in the dependent variable.

Table 3: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.190	1	2.190	5.924	.018[b]
	Residual	24.767	67	.370		
	Total	26.957	68			

a. Dependent Variable: job Cadre of the respondents

b. Predictors: (Constant), Attraction

In ANOVA Table 3, the F-ratio tests whether the overall regression model matches the results. The table showed that the dependent variable F (1, 67) = 5,190, p < .05 (i.e. the regression model is a good data fit) is statistically significantly predicted by independent variables.

Table 4: Regression Coefficients

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	3.191	.267		11.931	.000
	Attraction	-.038	.016	-.285	-2.434	.018

a. Dependent Variable: job Cadre of the respondents

From Table 4, unstandardized coefficients show how often the dependent variable changes with an independent variable while all other independent variables are kept constant. The non-standardized coefficient, B, for the employment framework is equivalent to-0,038, which implied that there is a decrease in the impact of attraction of talent for one rise in the employment framework. We therefore reject the null hypothesis that talent attraction strategy has no impact on employee performance in commercial banks in Kakamega Town (0.018 < .05) and conclude that talent attraction strategy has an effect on employee performance in commercial banks in Kakamega Town.

The effect of talent retention strategy on employee performance in commercial banks in Kakamega town.

The researcher tried to find out the extent of consensus on the claims concerning the plan for talent retention and the performance of employees. Used a Likert scale and the findings shown in Table 5.

Table 5: talent retention strategy on employee performance in commercial banks

Statement	SA	A	U	D	SD
There is a systematic way of determining critical roles within the organization	17.4	34.5	1.7	36.1	10.1
The organization identifies and assesses possible successors.	14.5	41.2	5.1	34.0	5.1
The organization involves employees in majority of its activities	8.7	14.5	2.9	68.1	5.1
The organization provides appropriate skills to possible successors.	10.1	15.9	2.2	56.5	15.1
My organizations mostly uses financial rewards	7.2	26.1	3.7	49.3	13.7

From the Likert scale in Table 5, the findings showed that 51.9 per cent of respondents agreed that there was a formal approach to assessing essential positions within the company, while 46.2 per cent disagreed. The study also found that 55.7% of respondents agreed that the company defined and evaluated potential successors, while 39.1% of respondents disagreed. On the other hand, the findings showed that 73.2 per cent of respondents denied that the company included workers in most of its operations, while 23.2 per cent of respondents agreed. From the study, 71.6 per cent of respondents disagreed that the company offered sufficient skills to future successors, while 27 per cent of respondents agreed. The study also found that 63 % of respondents disagreed that financial incentives were mainly used by companies, while 33.3% of respondents agreed.

Hypothesis Testing: Talent retention strategy does not have a significant effect on employee performance

The investigator also attempted to assess the effect of the talent management policy on the performance of employees in commercial banks in Kakamega District. The null hypothesis that there is no effect of the talent retention strategy on the output of employees in commercial banks in Kakamega City has been tested at a level of 5%. The results of the hypotheses are shown below;

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.797[a]	.658	.645	.582

a. Predictors: (Constant), Retention

The "R" column represents the value of correlation coefficient. *R* can be considered to be one measure of the quality of the prediction of the dependent variable; in this case job cadre. A value of 0.797, in this case indicates a good level of prediction. The "R Square" column represents the R^2 value (also called the coefficient of determination), which is the proportion of variance in the dependent variable that can be explained by the independent variables. From the table, the value of 0.658 indicates that the independent variable can explain 65.8% of the variability in the dependent variable.

Table 7: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.250	1	4.250	12.542	.001[b]
	Residual	22.706	67	.339		
	Total	26.957	68			

a. Dependent Variable: job Cadre of the respondents

b. Predictors: (Constant), Retention

The *F*-ratio in the **ANOVA** Table 7 tests whether the overall regression model is a good fit for the data. The table showed that the independent variables statistically significantly predict the dependent variable, $F(1, 67) = 4.250, p < .05$ (i.e., the regression model is a good fit of the data).

Table 8: Coefficients

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	3.344	.231		14.491	.000
	Retention	-.055	.016	-.397	-3.541	.001

a. Dependent Variable: job Cadre of the respondents

From Table 8, unstandardized coefficients indicate how much the dependent variable varies with an independent variable when all other independent variables are held constant. The unstandardized coefficient, B, for job cadre is equal to -0.055, this means that for one increase in job cadre, there is a decrease in the effect of talent retention. We therefore reject the null hypothesis that there is no influence of talent retention strategy on employee performance in commercial banks in Kakamega city at a 5 percent level of significance (0.001 < .05) and conclude that there is an effect of talent retention strategy on employee performance in commercial banks in Kakamega region.

The effect of talent development strategy on employee performance in commercial banks in Kakamega town

The researcher sought to find out the level of agreement on the statements relating to talent retention strategy and employee performance. A Likert scale was used and results shown in Table 9.

Table 9: Talent development strategy on employee performance in commercial banks

Statement	SA	A	U	D	SD
In my organization we have well designed talent development activities that enhance employee performance.	14.5	10.4	5.8	60.6	8.7
My organization had developed employees for future management	27.4	47.8	10.1	4.5	10.1
The organization always align the talent development strategy with the organizational strategy.	13	7.5	7.2	43.5	28.7
My organization uses coaching by line managers as effective talent development strategy	15.9	51.9	8.7	14.8	8.7
My organization links performance appraisal to reward and promotion	17.4	56.5	7.2	13.0	5.8

From the Likert scale, the results shows that 69.3% of the respondents disagree that organization has well designed talent development activities that enhance employee performance while 24.9% of the respondents disagreed. The analysis also showed that 75.2% of the respondents agreed that the organization had developed employees for future management positions while 14.6% of the respondents disagreed. The results also revealed that 72.2% of the respondents disagreed that the

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organization always align the talent development strategy with the organizational strategy while 20.5% of the respondents disagreed. On the other hand, 67.8% of the respondents agreed that the organization uses coaching by line managers as effective talent development strategy while 23.7% of the respondents disagreed. The analysis also showed that 73.9% of the respondents agreed that the organization links performance appraisal to reward and promotion while 18.8% of the respondents disagreed.

Hypothesis Testing: Talent development strategy does not have a significant effect on employee performance

The researcher also sought to find out the effect of talent development strategy on employee performance in commercial banks in Kakamega town. The null hypothesis that there is no effect of talent development strategy on employee performance in commercial banks in Kakamega town was tested at 5% level of significance. The results of hypothesis was shown below;

Table 9: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.623[a]	.575	.543	.616

a. Predictors: (Constant), Development

The column "R" reflects coefficient of correlation value. One estimate of the consistency of the estimation of the dependent variable can be assumed to be R; in this case, the work frame. A value of 0.623, indicated a strong predictive level in this case. The column 'R Square' represents the value of R2 (also known as the decision coefficient), which is the proportion of variance in the dependent variable that can be clarified by independent variables. The value of 0.575 shows from the table that 57.5 percent of the uncertainty in the dependent variable can be explained by the independent variable.

Table 10: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.549	1	1.549	4.084	.047[b]
	Residual	25.408	67	.379		
	Total	26.957	68			

a. Dependent Variable: job Cadre of the respondents

b. Predictors: (Constant), Development

The *F*-ratio in the **ANOVA** Table 10 tested whether the overall regression model was a good fit for the data. The table showed that the independent variables statistically significantly predict the dependent variable, F (1, 67) = 1.549, $p < .05$ (i.e., the regression model is a good fit of the data).

Table 11: Coefficients

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	3.022	.238		12.700	.000
	Development	-.028	.014	-.240	-2.021	.047

a. Dependent Variable: job Cadre of the respondents

From Table 11, unstandardized coefficients indicated how much the dependent variable varies with an independent variable when all other independent variables are held constant. The unstandardized coefficient, B, for job cadre is equal to -0.028, this means that for one increase in job cadre, there is a decrease in the effect of talent development. We therefore reject the null hypothesis that there is no influence of talent development strategy on employee performance in

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commercial banks in Kakamega city at a 5 percent level of significance (0.001 < .05) and conclude that there is an effect of talent development strategy on employee performance in commercial banks in Kakamega region.

CONCLUSIONS AND RECOMMENDATIONS

Talent management is an urgent reaction to the crisis in the workforce and an aggressive strategy to improve the competitive position of the company and brand. If an company wishes to handle its resources in the right way, it must apply the techniques in the right way and consider the motivational factors to boost the performance of its employees. The study concluded that talent management techniques, consisting of talent acquisition, talent retention and talent growth, played a role in driving employee performance in commercial banks in Kakamega Region. This was statistically supported by the results of the Analysis of variance (ANOVA) for regression coefficients.

The study concluded that there was an inverse correlation between strategies for talent management and employee efficiency. The results show that the better the strategies for talent management, the higher the performance of workers, thus supports the need to implement effective strategies for talent management.

Further, the study concluded that without talent management strategies, employee performance would not be attained easily as the study provided a positive relationship for these variables. All the variables moved to the same direction, proper talent management strategies improve employee performance. The management of organizations should therefore ensure talented employees are well managed to retain them in the organization and improve their performance.

The study recommended that organizations should develop a well boarding process for the newly attracted employees for the enablement of transition uptake of the competent employee rather than just the paperwork hiring. The study recommends that talent development strategies like proper coaching and mentorship programs should be embraced to ensure continuity and extra influence on employee performance. Additionally, proper employee engagement and appropriate succession planning modalities should be embraced to make the employees feel they are part of the organizations major undertakings. Managers must put in place practical succession plans for roles considered critical especially when dealing with an aging workforce. The findings showed that the majority of respondents had reported that if they had received another offer for a better position elsewhere, they felt it was right to leave. Top management in commercial banks should also ensure that retention initiatives follow a commitment-based strategy. The purpose of a commitment-based approach is to build on the engagement of workers, which in turn would lead to improved organizational results and greater human growth. This is reinforced by a study where most of the respondents did not want to be interested in organizational matters. The Human Resource Department must set aside a reasonable budget to cover the costs of external recruiting and other services that are preferably part of the talent pool of organizations.

Overall, it is recommended that talent management techniques be underscored in such a way as to result in superior employee results. Relevant activities may include recruitment of talent, preservation of talent and production of talent.

Areas for Further Studies

This study was restricted in the scope. It was limited to major commercial banks that fall under tier one. It may be worthwhile to determine if the attitude and service to customer of the employees in the other tiers as well as private banks is similar to those in commercial banks. Further study with different data source such as observation and survey can generate results that are more comprehensive.

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