

STRATEGIC TALENT MANAGEMENT: ENHANCING CORPORATE PERFORMANCE AND GOVERNANCE

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Abstract

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This research aims to investigate the connection between talent management practices and job satisfaction among skilled employees in corporate settings in Tirana and Durrës, Albania. It is based on the author's previous research (Cania, 2016). The methodology used a multiple regression model, verified earlier by factor analyses, reliability analyses, and multicollinearity. The research focused on five critical aspects of talent management: performance and engagement, collaboration and communication, impact on business results, initiative beyond defined roles, and broader influence on the company. The study emphasizes the importance of effective talent management in improving employee satisfaction and organizational performance. It offers a methodological framework for companies and policymakers to develop strategies that promote a positive work environment and drive economic growth. Moreover, the study's findings can be directly utilized to enhance company talent management practices, thereby improving employee satisfaction, organizational performance, and policymakers to enhance their talent management strategies. Additionally, the study suggests potential future research directions, such as examining sector-specific impacts and the role of government policies in optimizing talent management practices, to enrich further our understanding of this crucial area and its practical application in the real world, stimulating curiosity and interest in the ongoing advancement of the field.

Keywords: Talent Management, Job Satisfaction, Employee Engagement, Collaboration and Communication, Business Performance, Human Resources Management, Organizational Performance, Talent Development, Employee Retention

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1. INTRODUCTION

Changes in the market are frequent and often unexpected, pressuring companies to be more prepared and adaptable to market conditions. Despite the challenges, companies have demonstrated remarkable resilience in managing employees in this complex global environment. Over the past two decades, unexpected changes in

the international market, such as the financial crisis of 2008 and onwards and COVID-19 in 2020, have directly impacted businesses. While some sectors of the economy had a positive impact, most companies were negatively affected. However, companies have shown their ability to adapt, shifting much of their work from physical to online, updating tasks, working methods, control, and interaction between colleagues and superiors. In the competitive

economic environment and technological transition, talent management is one of the main challenges for the organization (Xulu & Parumasur, 2023). In recent years, changes such as increased competition in specific markets and economic sectors and the ongoing pressure from investors to be more competitive have shifted the approach to managing employees in organizations. The question now is whether employees are the most valuable asset to the organization. Should we focus on a group of employees with higher potential than others? Is it enough to have the best employees in the market? Is it necessary for talented employees to feel satisfied and perform well? The focus, policies, and systems for managing employees are now on talent management. Organizations aim to be more efficient and effective in the market through these employees. Talent management has become a significant challenge for organizations, requiring collaboration and communication among managers at all levels (Brewster et al., 2008). Organizations must create policies and systems to attract, retain, and develop talented employees to keep them in the company for as long as possible. Various practices for managing talented employees, such as workforce planning, recruitment, development, performance management, career development, and rewards, must be linked and tailored to organizational strategies and needs (Farley, 2005).

The level of competition and unpredictable events have increased the need for organizations to strategize. How will the organization maintain its competitive edge, and what resources will it rely on? Are employees the most valuable resource for the organization? Are there employees within the organization who possess the necessary knowledge, skills, competencies, and abilities? Should the organization provide and take initiatives to ensure the satisfaction of talented employees? How should these employees be effectively managed to ensure sustainability and competitiveness? Companies aim to manage their exceptionally talented employees effectively. Talent management has become a high priority for organizations worldwide (Bhatnagar, 2007). Through these employees, organizations can achieve their goals and enable the attraction, retention, and development of potential employees. Studies have emphasized that managing talented employees will keep the organization competitive. Therefore, individual and organizational performance will be satisfactory if talented employees' expectations are met. Most organizations have failed talent management systems due to a lack of planning and implementation of policies, processes, and management programs, which positively impact attracting, developing, and retaining talent to gain a competitive advantage (Kehinde, 2012). Consequently, following some policies and practices to maintain and develop such potential employees has become challenging for organizations (Cania, 2016). Continuous engagement and involvement of talented employees are required, but mechanisms and practices must also be found to motivate these employees.

The main purpose of this research is to explore the relationship between talent management practices and job satisfaction among talented employees within corporate settings. The study aims

to comprehensively evaluate how different components of talent management — such as performance and engagement, collaboration and communication, impact on business results, and broader organizational influence — affect job satisfaction and overall corporate performance. This research seeks to fill the gap in understanding the nuanced impacts of talent management on job satisfaction and business outcomes, offering actionable insights for improving organizational practices and policies. The research objectives for this paper will be:

- To examine the impact of talent management practices on job satisfaction among talented employees.
- To identify which components of talent management (performance and engagement, collaboration and communication, impact on business results, initiative beyond roles, and broader organizational influence) most significantly influence job satisfaction.
- To assess the role of effective talent management in enhancing corporate performance.
- To provide policy implications and recommendations for practitioners aiming to improve job satisfaction and corporate performance through effective talent management.

The research questions for this paper will be focused in:

RQ1: How do talent management practices influence job satisfaction among talented employees in corporate settings?

RQ2: Which components of talent management (performance and engagement, collaboration and communication, impact on business results, initiative beyond roles, and broader organizational influence) are the most significant predictors of job satisfaction?

RQ3: What is the relationship between effective talent management practices and corporate performance?

RQ4: What policy implications and recommendations can be derived from the findings to help practitioners enhance job satisfaction and corporate performance?

The structure of this paper is as follows. Section 2 reviews the relevant literature on talent management, job satisfaction, and corporate performance. Section 3 outlines the methodology used to conduct the empirical research, including the design of the questionnaire and the statistical techniques employed. Section 4 presents the analysis results and discusses the implications of the findings. Section 5 provides policy implications and recommendations for practitioners followed by an exploration of the limitations of the study and suggestions for future research.

2. LITERATURE REVIEW

The management of talent has received greater attention from researchers in recent years. Interpretations and concepts surrounding the management of talented employees have changed over time. There are many debates surrounding the suitable model for talent management and whether it should be an integral part of human resource management. In this text, we will focus on the concept and interpretation of managing talented employees. Talent management

involves identifying, attracting, developing, motivating, promoting, engaging, and retaining employees with high potential or unique value because they fulfill critical roles and contribute to the organization's success (Berger & Berger, 2003). Organizations should differentiate between strategic and non-strategic interpreters (Collings & Mellahi, 2009). Effective strategies for managing talented employees can help organizations identify and develop employees who have the potential to be innovative and creative (Alzuod, 2024). Effective talent management enables internal sustainability and strengthens employee practices to attract, select, develop, assess, and retain talent (Beechler & Woodward, 2009). These practices interact with the corporate culture, business strategy, and long-term organizational goals (Beechler & Woodward, 2009). Today's organizations make great efforts to identify high-performing employees with high potential or talent (Meyers et al., 2013). Talent management refers to the performance of individuals, groups, and organizations. However, organizations must manage performance to achieve desired results (Lawler, 2008). One study found that effective talent management positively relates to performance indicators (Castro et al., 2008). The success of an organization is theoretically based on the collective efforts of every employee. Employees are more likely to take the goals of their organizations as if they were their objectives and become more motivated and loyal to the results achieved by their organization (Yeung & Lau, 2024). However, in reality, only a few employees contribute more than others, creating and increasing the competitive advantage for the organization (Boudreau & Ramstad, 2007). Effective talent management will have a positive indirect relationship with organizational performance, facilitated by mediating work motivation, organizational engagement, and additional role behaviors, acting individually or in combination (Collings & Mellahi, 2009). Talent management positively affects employee involvement and performance (Sopiah et al., 2020). This process should start with systematically identifying critical positions that create a competitive advantage and then developing a talent system with potential and high performance (Collings & Mellahi, 2009). High and effective employee engagement allows talent management systems to stimulate the organizational environment, job satisfaction, and security, develop and educate employees, continuously support them, and create rewards and recognition of these programs (Lockwood, 2006). When employees perceive that the organization has an interest in these employees, their interests, abilities, and relationships are high, then they are less likely to seek other companies (Deloitte, 2004). Performance has several dimensions: quality, quantity, and interpersonal influence (Bernardin & Russell, 1998). Even motivation significantly impacts performance, as confirmed by a study on the relationship between motivation and talent qualification (Boekaerts, 2007). On the other hand, this will also come through employees' perception of incentive policies that can stimulate their enthusiasm for innovation, thus improving the company's performance (Huang et al., 2024). Although employees may have all the right skills, knowledge, and expertise, they

continue to be poor performers if they feel they need to be more motivated (Lawler, 2005). From another perspective, motivation can also be seen by comparing the employees' inputs at work with the results they receive from the organization (Drafke & Kossen, 2002, as cited in Lyria et al., 2014). Talent management is critical to organizations' strategies (Lockwood, 2006). Building a talent management strategy depends on the organization's culture, structure, strategy, leadership philosophy, and financial capabilities (Ingram, 2013). As an overarching strategy, a talent management strategy should start with a detailed, structured workforce plan and then identify talent (Schweyer, 2010). The strategy for talent management is focused on three goals (Berger & Berger, 2003): 1) identifying, selecting, developing, and retaining employees who demonstrate high performance and who inspire others to achieve the same level of performance; 2) finding, developing, and replacing employees in the leading positions of the organization with quality employees; 3) allocating resources by classifying and investing in each group of employees regarding compensation, training, job duties, etc., based on their actual or potential contribution to adding value to the organization. Integrated talent management increases the chances that an organization will create a workforce with the proper knowledge, skills, and characteristics to achieve sustained high performance to meet or exceed its strategic objectives (Morgan & Jardin, 2010). These employees are essential sources of innovation and development in society (Alzuod, 2024).

The hypotheses proposed in this study are grounded in the extensive literature on talent management, job satisfaction, and corporate performance.

H1: Talent management practices positively influence job satisfaction among talented employees.

This is supported by Beechler and Woodward (2009), who emphasize that effective talent management practices, such as attracting, developing, and retaining high-potential employees, are crucial for fostering job satisfaction. Castro et al. (2008) found a positive correlation between effective talent management and various performance indicators, further suggesting that well-managed talent leads to higher job satisfaction.

H2: The performance and engagement of talented employees significantly contribute to job satisfaction.

Lockwood (2006) highlights that high and effective employee engagement is essential for stimulating job satisfaction and security. Similarly, Meyers et al. (2013) assert that identifying and engaging high-performing employees with high potential is critical for organizational success and employee satisfaction.

H3: Collaboration and communication positively affect job satisfaction among talented employees.

The literature indicates that cooperation and communication are vital to effective talent management. Beechler and Woodward (2009) and Brewster et al. (2008) emphasize the importance of collaboration and communication in fostering a supportive work environment, significantly impacting job satisfaction.

H4: The impact of talent management on business results, enhancing job satisfaction among talented employees.

Researchers like Collings and Mellahi (2009) and Boudreau and Ramstad (2007) have documented the strategic impact of talent management on business outcomes, such as improved operational costs, increased sales, revenue, and profit. These outcomes benefit the organization and contribute to the job satisfaction of talented employees.

H5: Talented employees' initiatives and contributions beyond defined roles positively affect their job satisfaction.

This is supported by Collings and Mellahi (2009), who notes that employees taking on additional responsibilities and engaging in tasks outside their competencies can significantly impact job satisfaction and organizational success.

H6: Effective talent management practices positively correlate with corporate performance.

Lawler (2008) and Boudreau and Ramstad (2007) suggest that effective talent management enhances organizational performance through improved motivation, engagement, and additional role behaviors, collectively contributing to achieving strategic objectives.

3. RESEARCH METHODOLOGY

3.1. Data collection

This research's primary data collection tool was a structured questionnaire divided into two sections. The first section aimed to gather general information about the organizations, including:

- Year of establishment;
- Name of the organization;
- Industry or sector of operation;
- Main products or services;
- Current number of employees;
- Origin of the organization's capital;
- Respondent's details (name, position within the organization).

The second section, critical to the study, focused on collecting data on talent management practices. This section included 23 questions evaluated using a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). These questions covered various aspects of talent management, such as performance, engagement, collaboration, communication, business results, and broader organizational influence.

3.2. Sampling and survey administration

The study targeted companies in the two largest cities in Albania: Tirana and Durrës. The questionnaire was distributed via Google Forms to 400 randomly selected companies in these cities. Out of the 400 distributed questionnaires, 270 responses were received. However, only 228 responses were deemed valid for analysis, while 42 were excluded based on the following criteria:

- Companies with fewer than 50 employees were excluded as they typically lack a dedicated human resources management department, making it challenging to implement systematic talent management.

- Companies without a human resources management department.
- Companies that had not implemented any talent management practices.

3.3. Statistical analysis

Multiple regression analysis was employed to test the hypotheses. Before conducting regression analysis, the data underwent several preliminary analyses to ensure its stability and suitability for regression.

Factor and reliability analyses: These analyses were performed to verify the consistency and reliability of the data collected. Factor analysis was used to explore the underlying structure of the dataset, identifying relationships between variables and reducing the data to a smaller set of components. This method helps simplify data interpretation by grouping related variables, facilitating the discovery of hidden dimensions within the data (Costello & Osborne, 2005).

Multicollinearity assessment: Multicollinearity, which can distort regression analysis results, was assessed using tolerance and variance inflation factor (VIF) values. Tolerance values above 0.2 and VIF values below the threshold of five indicate that multicollinearity is not a significant concern in the dataset.

3.4. Alternative methods

Alternative methods that could be suitable for similar research include:

Mixed-methods approach: Combining quantitative surveys with qualitative interviews could provide a more comprehensive understanding of the research problem. While surveys can offer breadth, interviews can provide depth, capturing nuanced insights that surveys might miss.

Longitudinal studies: Conducting longitudinal research would allow for examining changes over time, providing insights into the long-term effects of talent management practices on job satisfaction and business outcomes. This method can address causality issues inherent in cross-sectional studies.

Case studies: In-depth case studies of selected organizations could provide detailed insights into the implementation and outcomes of talent management practices. This method is beneficial for exploring complex phenomena within their real-life context.

Experimental designs: Implementing experimental or quasi-experimental designs could help establish causal relationships between talent management practices and job satisfaction. By controlling for various factors, these designs can provide more robust evidence of causality.

4. RESULTS AND DISCUSSION

We have proposed hypotheses for this study regarding the level of job satisfaction of talented employees in companies through the impact of talent management. In this analysis, we will focus on the components of practices for managing and developing talented employees, which will be oriented towards 1) the performance and

engagement of talented employees, 2) collaboration and communication, 3) the impact of talent management on business results; 4) initiatives and contributions beyond the role of talented employees; 5) the broader influence of talent management. Next, the analysis will focus on multicollinearity and VIF and conclude with testing the hypothesis through multiple regression.

According to the responses from the survey, Component 1 is related to the performance and engagement of talented employees. The statements associated with this component suggest that talented employees do not leave during difficult times, are involved in company tasks, regularly attend work and engagements, are energetic, dedicated, and successfully fulfill their roles. All of these are high expectations for this component. This suggests that Component 1 represents talented employees' direct engagement and performance in their primary job functions.

Component 2 is collaboration and communication. The statements related to this component have received this approach from the respondents' answers. The results show collaboration with supervisors and colleagues and a high level of communication, which heavily burdens this component. It reflects the interpersonal and collaborative aspects of the contributions of talented employees within the company.

Component 3 is the impact of talent management on business results. Statements regarding talent management that improve operational costs, sales, revenue, and profit have the highest impact. This component captures the strategic impact of talent management on the company's financial and market performance.

Component 4 is initiative and contribution beyond the role by talented employees. This component is characterized by statements about employees who take on additional responsibilities, engage in tasks beyond their competencies, and demonstrate more initiative freely. It emphasizes the willingness of talented employees to contribute beyond their defined roles.

Component 5 is the broader impact of talent management. The final component contains many statements regarding the impact of talent management on retaining and attracting new customers, improving productivity and product/service quality, and enhancing the company's reputation. This suggests a broad influence of effective talent management on external perceptions of the company and operational efficiency.

Based on the offered rotated component matrix (Table A.1, Appendix), we can group the questions (statements) according to their highest loads for each of the five identified components. This helps us understand which aspects of talent management and employee behavior are most closely related to each element. Here is how the questions are linked to the components:

Component 1 — There will be six questions related to this component: 1) talented employees are involved in the company's work; 2) talented employees are regularly present at work; 3) talented

employees have not left during difficult periods in the company; 4) talented employees have shown energy; 5) talented employees have been dedicated to their work; 6) talented employees have completed tasks according to their respective positions.

Component 2 — There will be four questions related to this component: 1) the competencies of talented employees have met the expected level; 2) talented employees have been cooperative with their supervisors; 3) talented employees have been collaborative with colleagues of the same hierarchical level and their subordinates; 4) talented employees have maintained a high level of communication.

Component 3 — There will be four questions related to this component: 1) talent management improved the company's operating costs; 2) talent management increased sales; 3) talent management raised revenue and profit; 4) talent management preserved and enhanced the company's reputation.

Component 4 — There will be four questions related to this component: 1) talented employees have performed tasks outside their competencies voluntarily; 2) talented employees have initiated more work voluntarily; 3) talented employees have taken more risks in their decision-making without being conditioned by their organizational superiors; 4) talented employees have taken more responsibilities voluntarily.

Component 5 — There will be four questions related to this component: 1) talent management improved the quality of product manufacturing and service delivery; 2) talent management was able to retain current customers and attract new ones; 3) talent management increased productivity; 4) talented employee management kept the company competitive in the market.

4.1. Variance factor inflation (VIF)

All predictors have tolerance values well above 0.2, a commonly used threshold. This suggests that while there is some overlap in explanatory power among the predictors, it is not significant. According to Table 1, VIF values are as follows. *The broader impact of talent management*: VIF = 1.589 indicates moderate multicollinearity, but it is well below standard thresholds for concern (5 or 10). *Initiative and contribution beyond the role by talented employees*: VIF = 1.695 suggests a slight increase in multicollinearity. However, like the others, it is below the threshold where it would be considered problematic. *The impact of talent management on business results*: With a VIF = 1.742, this variable shows a similar level of multicollinearity to the previous ones, indicating no severe issues. *Cooperation and communication*: VIF = 1.795 is the highest among the variables, indicating the highest level of multicollinearity in this group, but it still needs to be considered high enough to be problematic. Like the others, *the performance and engagement of talented employees*: VIF = 1.636 shows a high degree of multicollinearity but is not a concern.

Table 1. VIF

Model		Collinearity statistics	
		Tolerance	VIF
1	(Constant)		
	<i>The broader impact of talent management</i>	0.629	1.589
	<i>Initiative and contribution beyond the role by talented employees</i>	0.590	1.695
	<i>The impact of talent management on business results</i>	0.574	1.742
	<i>Collaboration and communication</i>	0.557	1.795
	<i>The performance and engagement of talented employees</i>	0.611	1.636

Source: Authors' elaboration.

All VIF values in our model are below the commonly used thresholds of 5 or 10, indicating that multicollinearity is not likely to be a significant problem.

4.2. Multiple regression analysis

R = 0.7 represents the correlation between the result variable's observed values and the model's predicted values. A value of 0.700 suggests a strong positive correlation, indicating that the model best predicts the result variable. The closer this value is to 1, the stronger the correlation.

The value of R-squared = 0.490 means that the model's predictors can explain 49% of the variance in the outcome variable. This is considered a moderately to considerably large amount of explained variance, suggesting that the model has considerable predictive power. The model demonstrates a strong ability to predict the outcome variable, with almost half of its variance explained by the predictors. The close values of R-squared = 0.490 and adjusted R-squared = 0.481 suggest that the model is quite complex concerning the amount of data used and the number of predictors included.

Table 2. Data on R-squared

Model	R	R-squared	Adjusted R-squared
1	0.700 ^a	0.490	0.481

Source: Authors' elaboration.

The regression analysis coefficient table provides detailed insights into the relationship between several predictors of talent management

Table 3. Model 1 coefficients

Model		Unstandardized coefficients		Sig.
		B	Std. Error	
1	(Constant)	-0.458	0.315	0.147
	<i>The broader impact of talent management</i>	-0.164	0.075	0.030
	<i>Initiative and contribution beyond the role by talented employees</i>	0.007	0.075	0.925
	<i>The impact of talent management on business results</i>	0.175	0.082	0.034
	<i>Collaboration and communication</i>	0.143	0.077	0.066
	<i>The performance and engagement of talented employees</i>	0.882	0.075	0.000

Source: Authors' elaboration.

Based on Table 3, we can construct the multiple regression equation. This equation will predict the dependent variable, *the level of satisfaction of talented employees*.

In the econometric model presented by Korsita et al. (2023), a random error term "u" is included to manage the variations between actual observed data and the predictions made by the model. This error term helps to address the inevitable discrepancies

and a dependent variable: *the level of satisfaction of talented employees* in the company.

Constant = -0.458: This value represents the predicted change in the dependent variable when all predictors equal 0. It is not statistically significant (p = 0.147), suggesting that without the influence of the predictors, the baseline level of satisfaction is not statistically different from zero in this model.

The broader impact of talent management is -0.164 (p = 0.030): for every one-unit increase in the broader impact of talent management, the level of job satisfaction of talented employees decreases by 0.164 units, holding other variables constant. This effect is statistically significant.

Initiative and contribution beyond the role by talented employees have a non-significant effect on satisfaction, suggesting that it does not predict employee satisfaction well (p = 0.925).

The impact of talent management on business results is 0.175 (p = 0.034): for each unit increase in the effect of talent management on business results, the level of satisfaction increases by 0.175 units. This effect is statistically significant, indicating a positive relationship.

Collaboration and communication is 0.143 (p = 0.066): this indicates that for every increase of one unit in cooperation and communication, there is a corresponding increase of 0.143 units in satisfaction levels. Although this effect is positive, it marginally falls short of the conventional level of significance (p < 0.05).

The performance and engagement of talented employees is 0.882 (p < 0.000): a strong and highly significant positive relationship with satisfaction exists. For every one-unit increase in performance and commitment, satisfaction increases by 0.882 units.

arising from unobserved factors affecting the variables being studied, ensuring the model's results remain as accurate and reliable as possible.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_n X_n + \varepsilon \quad (1)$$

Given the coefficients from Table 3, the equation for our model is:

$$\begin{aligned}
& \text{The level of satisfaction of talented employees} \\
& = -0.458 + (-0.164) \times \text{The broader impact of talent management} \\
& + (0.007) \times \text{Initiative and contribution beyond the role of talented employees} \\
& + (0.175) \times \text{The impact of talent management on business results} \\
& + (0.143) \times \text{Cooperation and communication} \\
& + (0.882) \times \text{The performance and engagement of talented employees}
\end{aligned} \tag{2}$$

We have decided to remove the variable *initiative and engagement beyond the role by talented employees* as it is unimportant, and we will revise the model accordingly. Tasks performed by talented employees outside their competencies or initiatives taken by them freely do not bring any additional impact on employee satisfaction. Also, even when they take risks in decision-making without consulting their superiors and in cases of more responsibility taken on their own, it will not affect the satisfaction of talented employees. These arguments hold when combined with other factors or components/variables.

Next, we will present the F-test for the new model. Table 4 shows that the model is statistically significant and that the selected variables substantially impact the dependent variable. This strongly supports the model's effectiveness in explaining the observed variance in the dependent variable.

Table 4. R-squared (Model 2)

<i>F</i>	<i>Sig.</i>
71.780	0.000 ^b

Source: Authors' elaboration.

Table 5. Model 2 coefficients

<i>Model</i>		<i>Unstandardized coefficients</i>		<i>Sig.</i>
		<i>B</i>	<i>Std. Error</i>	
2	(Constant)	-0.453	0.310	0.145
	<i>The broader impact of talent management</i>	-0.165	0.075	0.029
	<i>The impact of talent management on business results</i>	0.177	0.079	0.026
	<i>Collaboration and communication</i>	0.145	0.074	0.052
	<i>The performance and engagement of talented employees</i>	0.885	0.072	0.000

Source: Authors' elaboration.

Based on Table 5, we can construct the multiple regression equation.

$$\begin{aligned}
& \text{The level of satisfaction of talented employees} \\
& = -0.453 + (-0.165) \times \text{The broader impact of talent management} \\
& + (0.177) \times \text{The impact of talent management on business results} \\
& + (0.145) \times \text{Cooperation and communication} \\
& + (0.885) \times \text{The performance and engagement of talented employees}
\end{aligned} \tag{3}$$

In both variable models, *the performance and engagement of talented employees* are strongly related to *the level of satisfaction of talented employees*. On the other hand, a satisfied employee will be more involved in tasks and initiatives in the company, be energetic and committed, accomplish tasks, and care for the company in difficult situations. Organizations may need to ensure the involvement and commitment of employees as part of the path to higher performance (Guest et al., 2003), which brings satisfaction to this group of employees. At the same time, it will create a positive and challenging climate regarding results. Employees' commitment at a high level in the organization will increase their involvement by realizing the organizational goals (Cania, 2016).

Another strong connection is *the impact of talent management on business results* and *the broader impact of talent management*. Improving operational costs, sales, revenue, and profit are among the priorities companies seek from talented employees. Consequently, a talented employee must effectively retain and attract new customers, improve productivity, increase product quality, or offer services. A company relies on and develops developmental practices through talented employees to increase the company's reputation.

The success of managing a talented employee would not be effective if there is a lack of

appropriate collaboration and communication. Therefore, this group of employees constantly collaborates with their managers, colleagues at the same hierarchical level, and subordinates. Additionally, talented employees demonstrate a high level of communication, which is essential for cooperation and achieving the desired results for the company. Xulu and Parumasur (2023) emphasized the importance of using talent management strategies to improve employee satisfaction and retention. They also stated that effective talent management requires high organizational commitment (Xulu & Parumasur, 2023). Talent's commitment and skills can develop organizational growth by creating innovative products and services. Climate and talent management can also stimulate innovation. Alzuod (2024) found that talent management increases innovation, which creates growth in companies that quickly adapt to opportunities and environmental changes. Moreover, Huang et al. (2024) pointed out that performance and innovation will come from a climate of innovation and talent management. So, some practices for managing talented employees will impact their performance, increasing their satisfaction. This circle's creation will impact the organization's growth and development.

5. CONCLUSION

This study provides comprehensive insights into the relationship between talent management practices and job satisfaction among talented employees within companies. The results showed that effective talent management, as measured by performance and engagement, collaboration and communication, impact on business results, and the wider influence on company operations, is crucial in enhancing job satisfaction. Specifically, the study found that talented employees who are actively involved, engaged, and perform well in their roles tend to exhibit higher levels of job satisfaction. This is reflected in their dedication, energy, and successful fulfillment of tasks, even during challenging times. Collaboration and communication emerged as vital components, with high levels of interpersonal interactions and teamwork contributing positively to job satisfaction. The strategic impact of talent management on business outcomes, such as improved operational costs and increased sales, revenue, and profit, further underscores the importance of managing talent effectively. Interestingly, the study identified a negative correlation between labor force participation and GDP, suggesting that other factors, such as technological advancements and emigration, may influence this relationship. This highlights the complexity of the labor market and the need for further research to understand these dynamics fully. The findings also emphasized the importance of initiative and contributions beyond defined roles, demonstrating that talented employees who take on additional responsibilities and engage in tasks outside their competencies significantly impact overall satisfaction and company success. The multicollinearity analysis indicated no significant issues, with VIF values well within acceptable thresholds, ensuring the reliability of the regression model. The adjusted model, excluding the non-significant variable of initiative and contribution beyond the role, further strengthened the predictive power of the analysis. Overall, this study provides a robust methodological framework for evaluating the efficacy of talent management practices. It offers valuable insights for policymakers and company leaders aiming to foster economic development and improve employee satisfaction. By implementing effective talent management strategies, organizations can enhance productivity, improve business outcomes, and create a positive and engaging work environment for their employees. Future research should continue to explore sector-specific impacts and the role of government policies in optimizing these practices, providing a comprehensive understanding of the factors driving economic and organizational success.

The findings of this study suggest several policy implications and recommendations for

practitioners aiming to enhance job satisfaction among talented employees. Organizations should strengthen talent management practices by fostering performance and engagement, encouraging collaboration and communication, and ensuring that talent management strategies positively impact business results. Investing in initiatives that promote employee development, recognize and reward contributions, and create a supportive work environment will likely lead to higher job satisfaction and retention of top talent. Companies should also consider implementing regular training and development programs to enhance employee skills and capabilities, fostering a culture of continuous improvement and innovation. Policymakers could incentivize companies to adopt these best practices through tax benefits or other support mechanisms, promoting a more productive and satisfied workforce across the industry.

This research has several limitations that should be acknowledged. The sample size, while substantial at 228 valid responses, may not fully represent the broader population of companies in Albania. Additionally, the exclusion criteria, such as companies with less than 50 employees or those without a human resources department, may introduce a selection bias that limits the generalizability of the findings. Using self-reported data through surveys can also lead to response biases, where participants might provide socially desirable answers. Furthermore, the study's cross-sectional nature does not allow examining changes over time or causality. Future studies could benefit from a longitudinal design to track changes and developments in talent management practices and their impact on job satisfaction over a more extended period.

To overcome the constraints identified in this study, future research should include a more extensive and diverse sample, encompassing companies of various sizes and industries, to enhance the generalizability of the findings. Employing a mixed-methods approach that combines quantitative surveys with qualitative interviews could provide deeper insights and mitigate the limitations of self-reported data. Additionally, longitudinal studies would allow researchers to observe the long-term effects of talent management practices on job satisfaction and business outcomes. Future research should also explore the specific contextual factors that influence the effectiveness of talent management practices, such as organizational culture, leadership styles, and external economic conditions. By addressing these recommendations, subsequent studies can provide more robust and comprehensive insights into talent management dynamics and employee satisfaction.

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APPENDIX. FACTORIAL ANALYSIS

Table A.1. Rotated component matrix

<i>Factorial analysis components</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
Talented employees have stayed during difficult times in the company.	0.742	0.250	0.307	0.087	0.021
Talented employees are involved in the company's affairs.	0.730	0.301	0.239	0.079	-0.040
Talented employees regularly show up for work.	0.857	0.105	-0.063	0.157	0.060
Talented employees have shown themselves to be energetic.	0.796	0.194	0.022	0.270	0.016
Talented employees have been dedicated to their work.	0.786	0.073	0.063	0.206	0.184
The talented employees have successfully performed the tasks according to their respective positions.	0.654	0.364	-0.104	0.296	0.153
The competencies of talented employees have been up to expectations.	0.344	0.708	-0.028	0.206	0.147
The talented employees were cooperative with their superiors.	0.230	0.795	0.202	0.148	0.247
Talented employees have cooperated with colleagues at the same hierarchical level and with their subordinates.	0.242	0.748	0.060	0.209	0.157
Talented employees had a high level of communication.	0.091	0.777	0.244	0.205	0.057
Talented employees have taken on more responsibility for their own free will.	0.344	0.597	0.276	0.371	-0.112
Talented employees have also performed other tasks outside their competencies with their free will.	0.200	0.276	0.107	0.768	0.002
Talented employees have realized more initiatives of their own free will.	0.245	0.171	0.120	0.850	0.089
Talented employees have taken more risks in decision-making without being conditioned by their organizational superiors.	0.236	0.238	0.239	0.724	0.093
Talented employee management kept the company competitive in the market.	0.290	0.279	0.296	0.593	0.321
Talent management improved the company's operating costs.	0.169	0.155	0.652	0.356	0.276
Talent management increased the level of sales.	0.012	0.245	0.837	0.138	0.161
Talent management increased the level of revenue and profit.	0.095	0.126	0.876	0.121	0.234
Talent management maintained and improved the company's reputation.	0.063	-0.035	0.640	0.134	0.571
Talent management improved the quality of product production and service delivery.	0.059	0.168	0.370	0.119	0.722
Talent management managed to retain current clients and create new clients.	0.027	0.149	0.091	-0.020	0.914
Talent management improved productivity.	0.136	0.112	0.241	0.147	0.866

Note: Extraction method: Principal component analysis. Rotation method: Varimax with Kaiser normalization. a. Rotation converged in 7 iterations.