



The Effect of Talent Management Practices on Employee Retention

An Empirical Case Study of Wallaga University, Ethiopia

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Abstract

This study investigates the influence of talent management practices—specifically talent planning, engagement, development, and audits—on employee retention at Wallaga University, a prominent institution within the East Wollega Zone of Oromia, Ethiopia. In the competitive landscape of higher education, retaining skilled academic staff is vital for institutional stability and research excellence. Utilizing a mixed-methods approach, data were gathered from 293 academic staff members via structured questionnaires and interviews. Descriptive statistics indicated a moderate satisfaction level with current recruitment and development strategies, while inferential analysis revealed that talent development is the strongest predictor of retention ($\beta = 0.575$, $p < 0.001$). The regression model explained 65.6% of the variance in employee retention. Findings suggest that while the university has established formal HR structures, improvements in communication and the consistency of talent audits are required to mitigate turnover. The study concludes that institutionalized meritocracy and personalized career pathways are essential for long-term staff commitment in the regional administrative context.

Keywords: Employee Retention, Higher Education, Human Resource Management, Oromia, Talent Management, Wallaga University.

Introduction

In the modern knowledge economy, human capital has emerged as the most critical source of sustainable competitive advantage, particularly within higher education institutions where intellectual capability and academic expertise determine institutional performance and reputation. Unlike traditional economic models that emphasized physical resources and infrastructure, contemporary organizational theory highlights the strategic value of people in driving innovation, productivity, and institutional excellence [1]. For public universities such as Wallaga University, located in the East Wollega Zone of the Oromia region, this shift requires a transformation from conventional personnel administration to strategic Human Resource Management (HRM). Strategic HRM emphasizes aligning human resource practices with institutional goals to enhance organizational effectiveness, employee performance, and long-term sustainability [2].

Talent management is a central component of strategic HRM and refers to the systematic process of attracting, identifying, developing, engaging, and retaining individuals who possess high potential and high value for the organization [3]. According to Collings and Mellahi [4], effective talent management ensures that institutions have the right people in critical roles to support strategic priorities and future leadership succession. Similarly, Armstrong [5] argues that talent management

enhances organizational capability by strengthening employee competencies, motivation, and commitment. In the context of higher education, talent management is particularly important because academic staff are key drivers of teaching quality, research productivity, and institutional competitiveness [6].

Historically, human resource practices in Ethiopian public universities focused primarily on administrative functions such as payroll management, recruitment formalities, and compliance with civil service regulations [7]. These traditional approaches often lacked a strategic focus on employee development, engagement, and retention. However, national reforms such as the University Capacity Building Program (UCBP) have expanded the higher education system and increased institutional responsibilities. As a result, universities like Wallaga University face growing pressure to accommodate increasing student enrollment while simultaneously maintaining academic quality and research standards [8]. Brewster et al. [9] emphasize that talent management provides a strategic framework for optimizing recruitment, leadership development, and succession planning, which are essential for institutional sustainability.

In the Oromia region, the retention of qualified academic staff, particularly PhD holders and senior lecturers, is essential for maintaining accreditation standards, enhancing research output, and strengthening institutional reputation. However, Ethiopian public universities continue to face significant challenges related to talent retention. One of the most critical issues is the migration of skilled academic staff to private universities, international institutions, or non-academic sectors offering better compensation, career development opportunities, and working conditions [10]. This phenomenon, commonly referred to as “brain drain,” undermines institutional stability, disrupts academic continuity, and reduces organizational effectiveness.

Although Wallaga University has implemented various talent acquisition strategies, preliminary observations suggest that the engagement and retention phases of talent management remain weak. Employee development opportunities, career progression pathways, and recognition systems may not be sufficiently aligned with academic staff expectations. Furthermore, there is limited empirical evidence identifying which specific talent management practices such as workforce planning, professional development, performance evaluation, or talent auditing have the greatest impact on employee retention in this institutional context. This lack of localized empirical research creates challenges for university leaders seeking to design evidence-based HR strategies. Consequently, a systematic investigation is necessary to identify the most influential talent management practices that can effectively improve employee retention and institutional sustainability.

Therefore, this study aims to address this research gap by examining the influence of talent management practices on employee retention at Wallaga University within the East Wollega administrative context. By providing empirical insights into the relationship between talent management and retention, this research contributes to the broader discourse on strategic HRM in higher education and supports institutional efforts to strengthen human capital sustainability in Ethiopian public universities.

Methods

A. Research Design

This study employed a descriptive and explanatory research design to examine the relationship between talent management practices and employee retention at Wallaga University. The descriptive component was used to identify and present the current status of talent management practices, including talent planning, engagement, development, and audit, as experienced by academic staff. Meanwhile, the explanatory component aimed to analyze the extent to which these human resource variables influence employee retention.

A mixed-methods approach was adopted to provide both quantitative and qualitative insights. Quantitative data were collected through structured questionnaires to measure academic staff perceptions of talent management practices and their intention to remain at the university. This approach enabled the researcher to identify patterns, relationships, and trends across a large sample. In addition, qualitative data were obtained through semi-structured interviews with selected academic leaders and senior administrators. These interviews provided deeper contextual understanding of institutional policies, implementation challenges, and managerial perspectives related to talent management and retention. The integration of quantitative and qualitative data enhanced the validity and comprehensiveness of the findings through methodological triangulation.

The conceptual framework guiding this study illustrates talent planning, engagement, development, and talent audit as independent variables influencing the dependent variable, employee retention. This framework reflects the assumption that effective implementation of these talent management practices contributes to improved employee commitment and organizational stability.

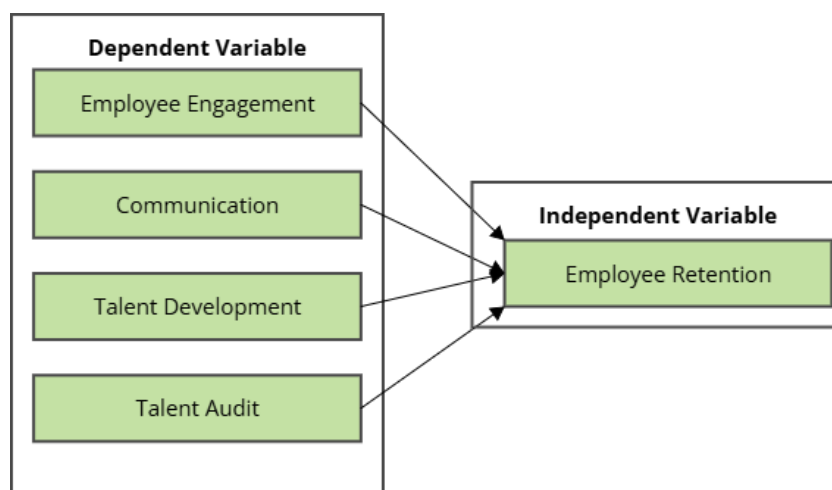


Fig. 1. The Conceptual Framework of Talent Management

(Description: A diagram showing the flow from Talent Planning, Engagement, Development, and Audit toward the central goal of Employee Retention within Wallaga University.)

B. Population and Sampling

The target population consisted of 1,237 academic staff members at the Nekemte Campus of Wallaga University. These staff included lecturers, assistant professors, associate professors, and professors who

were actively engaged in teaching, research, and academic service. To determine an appropriate sample size, Yamane's formula was applied, resulting in a required sample of 293 respondents.

Simple random sampling was used to select participants, ensuring that each academic staff member had an equal probability of selection. This technique minimized sampling bias and ensured fair representation across academic ranks and departments. Additionally, purposive sampling was used to select key informants, including senior academic administrators, for qualitative interviews. This combination of sampling techniques ensured both statistical representativeness and in-depth contextual insights.

Results and Discussion

A. Descriptive Analysis of HR Practices

The demographic profile of respondents indicates that the academic workforce at Wallaga University is predominantly male (78.9%), with females representing 21.1% of the sample. Additionally, most respondents (69.1%) fall within the 36–40 age range, suggesting a relatively mature and professionally experienced academic workforce. This demographic structure is consistent with trends in developing higher education systems, where senior academic roles are often occupied by individuals with substantial teaching and research experience [11]. Experienced academic staff play a crucial role in maintaining institutional quality, enhancing research productivity, and mentoring junior faculty [6], [12]. However, demographic imbalances, particularly gender disparities, may indicate structural barriers affecting diversity and inclusive talent development in higher education institutions [13].

The descriptive analysis of talent management practices revealed moderate perceptions of talent development and clarity of job descriptions, with a mean score of 3.29. This suggests that academic staff generally understand their roles and responsibilities and perceive some availability of professional development opportunities. Clear job descriptions are essential for aligning individual roles with organizational goals and enhancing employee performance and satisfaction [5], [14]. Similarly, talent development programs contribute significantly to strengthening employee competencies, motivation, and long-term commitment [4], [15]. Professional development opportunities, such as training, mentoring, and research support, are particularly important in academic institutions, where career progression and intellectual growth are closely linked to employee retention [6], [16].

However, recruitment satisfaction received a lower mean score of 2.78, indicating concerns regarding the transparency, fairness, or effectiveness of recruitment and selection processes. Recruitment practices play a critical role in shaping employee perceptions of organizational justice and trust [14], [17]. When employees perceive recruitment systems as transparent and merit-based, they are more likely to develop positive organizational attitudes and long-term commitment [18]. Conversely, dissatisfaction with recruitment processes may create skepticism and reduce employee engagement, ultimately affecting retention outcomes [15], [19]. These findings suggest that although Wallaga University has established basic talent management structures, improvements in recruitment transparency and fairness are necessary to enhance institutional credibility and employee satisfaction.

Overall, the descriptive findings indicate that talent management practices are present but not fully optimized. While staff members recognize development opportunities and role clarity, weaknesses in recruitment satisfaction highlight gaps in strategic talent management implementation. These findings align with previous studies emphasizing that the effectiveness of talent management depends on the integration of recruitment, development, and retention strategies [4], [10], [20].

Table 1. Demographic Characteristics of Respondents

Category	Frequency	Percentage (%)
Male	217	78.9
Female	58	21.1
Total (n)	275	100.0

B. Regression Analysis

To examine the impact of talent management practices on employee retention, multiple linear regression analysis was conducted. The results demonstrate that talent development is the most influential predictor of employee retention, with a standardized coefficient ($\beta = 0.575$, $p < 0.001$). This finding indicates that improvements in development opportunities significantly increase the likelihood of academic staff remaining at the university. Talent development enhances employees' professional growth, career advancement, and organizational commitment, which are key determinants of retention [5], [16], [21]. In academic environments, access to research funding, training programs, and promotion opportunities directly influences faculty motivation and institutional loyalty [6], [22]. Employees who perceive strong development support are more likely to invest their intellectual capital in the institution and maintain long-term engagement [18], [23].

Employee engagement also demonstrated a significant positive effect on retention ($\beta = 0.226$, $p < 0.001$). Engagement refers to employees' emotional, cognitive, and behavioral connection to their work and organization [20]. Engaged employees exhibit higher levels of motivation, job satisfaction, and organizational commitment, which reduce turnover intentions [19], [23]. In higher education settings, engagement is influenced by factors such as academic autonomy, collegial relationships, institutional support, and recognition [6], [24]. These findings suggest that improving engagement strategies, such as participatory decision-making and recognition programs, can strengthen retention outcomes at Wallaga University.

Talent audit also showed a statistically significant positive effect on retention ($\beta = 0.136$, $p = 0.003$). Talent audit involves systematic evaluation of employee competencies, performance, and career potential to support workforce planning and development [10], [17]. Effective talent auditing enables institutions to identify skill gaps, recognize high-potential employees, and design targeted development programs [4], [21]. This process enhances employees' perception of organizational support and fairness, contributing to increased retention [18], [23]. By aligning employee capabilities with institutional needs, talent audits support both individual career growth and organizational sustainability [1], [22].

In contrast, communication did not show a significant effect on retention ($\beta = 0.013$, $p = 0.762$). This finding suggests that although communication mechanisms exist within the university, they may not effectively influence employees' decisions to remain in the organization. Communication alone may be

insufficient if it is not accompanied by meaningful career development opportunities and tangible organizational support [2], [20]. Employees prioritize factors that directly affect their professional growth and career progression, such as development programs, promotion opportunities, and recognition systems, over routine communication processes [16], [25].

Table 2. Coefficients of Regression Analysis

Model	Unstandardized B	Std. Error	Beta (β)	t	Sig.
(Constant)	0.687	0.157	-	4.371	.000
Employee Engagement	0.200	0.049	0.226	4.103	.000
Communication	0.012	0.041	0.013	0.303	.762
Talent Development	0.423	0.032	0.575	13.132	.000
Talent Audit	0.172	0.057	0.136	3.022	.003

C. Integrated Discussion

The findings of this study highlight the critical importance of talent development as the primary driver of employee retention in higher education institutions. Consistent with strategic human resource management theory, organizations that invest in employee development enhance workforce stability, organizational performance, and institutional sustainability [2], [22]. Talent development strengthens employee competencies, increases job satisfaction, and fosters organizational commitment, which collectively reduce turnover intentions [15], [23].

Employee engagement and talent auditing also play important supporting roles in retention. These practices contribute to a positive organizational climate, enhance employee motivation, and reinforce perceptions of fairness and professional growth [10], [19], [24]. However, recruitment satisfaction and communication require improvement to strengthen overall talent management effectiveness. Transparent recruitment systems and meaningful communication strategies can enhance trust, engagement, and organizational commitment [14], [18], [25].

Overall, the results demonstrate that talent management practices significantly influence employee retention at Wallaga University. Among these practices, talent development emerges as the most critical factor, followed by engagement and talent audit. These findings emphasize the need for universities to adopt comprehensive and strategic talent management frameworks to ensure long-term institutional stability, academic excellence, and sustainable human capital development [1], [4], [22].

Conclusion

This study examined the influence of talent management practices on employee retention at Wallaga University and found that strategic human resource practices play a critical role in sustaining academic staff commitment. The results demonstrate that talent development is the most significant predictor of retention, followed by employee engagement and talent audit. These findings indicate that academic staff are more likely to remain when they perceive opportunities for professional growth, career advancement, and institutional support. While communication and recruitment practices exist, their impact on retention is limited, suggesting the need for greater transparency and strategic alignment. Overall, effective talent management enhances employee satisfaction, organizational commitment, and institutional stability. Therefore, Wallaga University should strengthen development

programs, engagement strategies, and talent evaluation systems to retain qualified academic staff and support long-term academic excellence and organizational sustainability.

Conflict of Interest

The authors declare no conflict of interest.

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