

Association between Talent Management and Private Business Organizations Performance in Punjab, Pakistan

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ABSTRACT

Talent management (TM) is a critical function that significantly influences organizational performance. Recognizing its importance, this study examines the relationship between talent management and the performance of private business organizations in Punjab, Pakistan. The research focuses on three sectors—hotel, courier, and educational services—in Faisalabad. A sample of 300 employees was randomly selected, with 260 valid responses analyzed after data cleaning. Data were collected by using a structured questionnaire using a Likert scale. Reliability testing produced a strong alpha value (0.81), confirming consistency. Statistical tools, including Chi-square, Gamma, and correlation tests, were applied to assess the relationship between TM and organizational performance. The findings indicate that key elements of effective talent management include employees' awareness of organizational strategic plans, possession of necessary skills, measurable performance goals, and achievable objectives. The results show a highly significant, positive, and strong association between talent management and organizational performance. The study concludes that talent management is a crucial predictor of improved performance in private organizations. It recommends integrating TM practices into employee training and development programs to enhance organizational effectiveness.

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INTRODUCTION

Culture of different organizations, including the business organizations, is comprised of organizational norms, values, traditions, beliefs, behaviors, work and administration styles & procedures, structure quantity & quality, mechanical and technical advancement & development. Actually, these both, the nonmaterial and material components of any organizational culture are part & parcel and interdependent. It is because, none of these two can progress and develop independently. For example, the nonmaterial component determines the business rules including the decisions to be taken for structure & power by the management and authorities of the organization. This includes the decisions taken for having the best organizational performance (Zafar et al., 2015; Wanjiku & Agusioma, 2014; Bernard & Rosauer, 2013; Hofferberth & Urich, 2011). The organizational culture can be identified by its various basic functions. Some of these include, organization's staff are motivated for adopting innovation & risk to enhance organizational performance; staff are asked for careful analysis of the organization's detailed program; focusing on the results of significant management achieved through various technical & mechanical procedures; the implications of the "talent management" for the organization's performance have to be recorded carefully.

The concept of talent management (TM) has been started to be discussed, searched and researched and accepted one of the crucial factors for the business organizations performance (AI-Dalahmeh, 2020; Sareen & Mishra, 2016). This makes it important for the business organizations to differentiate among their workers based upon their commitment to work and achieving the best performance in the best interest of the huge investment made upon the organizational business for having the best return. This is prerequisite for creating a sustainable organizational culture in the best interest of the owners as well as staff (Gamama et al., 2018; Kontoghiorghes, 2016; Mensah, 2015). These are the skills, experience, capacities, commitment of the employees as well rules, regulations, work-environment, management & supervision styles, satisfactions with rewards & salary, appreciation & recognition of staff contributions towards organizations achievement (Brbach & Royle, 2010; Mate et al., 2016). Although, TM has been applied by many organizations, yet the issue needs several clarifications and realities to be known for stability of the organizations performance (Van Zyl et al., 2017; Mc Donnell et al., 2017; Xulu & Parumasur, 2023; Ambarwati, et al., 2025).

Therefore, as decided by the LSE Conference-2026 Committee, to include the “talent management and organizational change” as a sub-theme for submitting research papers by the scholars, the authors have gone for the same, with the following objectives.

Objectives

1. To identify the talent management in private business organizations
2. To study the private business organizations performance
3. To see the association between talent management and private business organizations performance

Hypothesis

There is an association between talent management and private business organizations performance.

METHODOLOGY

Research methodology is basically comprised of the study population, sampling procedures, data collection tools and statistical tests & analysis techniques used in carrying out various research activities (Sheskin, 2007; Nachmias & Nachmias, 1992). The three types of the private business organizations were selected, purposively, for the present study. These were hotels, courier and educational organizations working in Faisalabad. The workers of these organizations were selected as the study population. A proportionate sample of the 300 employees was selected randomly. A well-prepared questionnaire was distributed among the respondents. Five-item Likert Scale was used to measure the response on different statements. Alpha Test was used to see the reliability of these statements. In simple words, it was verified that all the statements were unidimensional and taping the same idea. There are other researches on ‘talent management and organizational performance’, which also used Likert Scale and Alpha Test, as part of the methodology (i.e. Ambarwati et al., 2025). A rapport development and questionnaire-filling session was also arranged with the respondents. However, only 260 filled questionnaires were submitted back. Hence, there was a drop-out of 40 respondents. The data collected were cleaned and entered for having the frequency distribution. After making corrections and adding missing values, the data were analyzed at the bivariate & higher-order levels. Chi Square, Gamma and Correlations Tests were applied to see the significance, direction and strength between the study variables. The results and discussion have been presented below.

RESULTS AND DISCUSSION

Talent Management

Liker Scale was used to get responses on ‘talent management’ through various statements depicting the idea. The collected data were analyzed and the results are discussed below.

The data presented in Table 1 reflect the responses of the respondents on different statements used to get their opinion on the independent variable that is talent management. The data showed that a little more than two-fifth of the respondents agreed that staff goals were measureable.

Table 1: Distribution of the respondents as their responses on talent management

Talent Management	S Agree		Agree		NA/NDA		Disagree		S Disagree	
	F	%	F	%	F	%	F	%	F	%
Staff goals measurable	28	10.8	77	29.6	112	43.1	24	09.2	19	07.3
Staff goals achievable	20	07.7	61	23.5	119	45.8	35	13.5	25	09.6
Staff skillful	37	14.2	82	31.5	110	42.3	15	05.8	16	06.2
Staff know org. strategic plans	42	16.2	93	35.8	114	43.8	08	03.1	03	01.2

Whereas less than one-fifth of the respondents disagreed with the statement. However, a simple majority remained neutral. Less than one-third of the respondents agreed that staff goals were achievable. Whereas less than one-fourth of the respondents did not agree with the statement. However, less than a half remained undecided. Table 1 further reflected that a simple majority of the respondents agreed that staff was skillful. Whereas, more than one-tenth of the respondents disagreed. Whereas more than two-fifth of them could not decide. More than a half of the respondents agreed that staff know organizations strategic plans. Whereas, a negligible proportion remained neutral.

It can be inferred from the above that the respondents were more sure on two indicators used for talent management (staff skillful & staff know org. strategic plan) as compared with the other two (staff goals measureable & staff goals achievable). There seems a need that these two aspects may further be improved in consultation with staff in a way that most of them should start believing that they are measureable & achievable. Another important finding was that most of the staff remained undecided which is challenging. By joining this with a little more than 13% of the dropout,

it can be gauged that this, perhaps, was due to the employment conditions in private sphere that made them either did not participate or remain undecided in this research survey. The response rate, perhaps, cannot be enhanced much beyond this even after applying all tools of rapport-development and guidelines.

This is further supported by the information presented in Table 2 that gives us the rank order of the responses of the respondents. It can be seen from the Table 2 that ‘staff know organizations strategic plans’ was at the top in terms of the significance among the four indicators of talent management in the selected organizations. It is very logical as the staff know about organizations strategic plan is the most important factor for implementing those plans for the organizations best performance. In other words, if the staff does not know these plans, they will beat about the bush and try to improve performance by hook or crook.

Table 2: Mean, S.D. and rank order of responses on talent management

Talent Management	Mean	Std. Dev.	Rank
Staff know org. strategic plans	03.63	0.95	01
Staff skillful	03.42	0.99	02
Staff goals measurable	03.27	1.04	03
Staff goals achievable	03.6	1.10	04

The second factor that became crucial in talent management is that the staff must be skillful to perform their duties in the best manner. This is in-line with the most modern philosophy and practice to equip staff with the innovative skills for the best performance of any organization. The Table 2 further revealed that goals given to the staff should be measureable is the third most important indicator that designed the structure of talent measurement in these private business organizations. This makes it very clear that an organizations having goals that can be quantitatively measured can have best talent management approach. It is because, this enable the management to make a comparative statement of different staff members and organizations in terms of their talent vs performance. Furthermore, a lesson can be learnt for future talent management policy for all those who are interested to know the role of talent behind the good or bad performance of any staff member and organization.

Therefore, it is evident from the above that knowledge of organizations strategic plans, skillfulness and goals measurability are the three most important factors that designed the best talent management and business performance reality of the private business organizations.

Organizations Performance

Several statements were used on Likert Scale to measure the responses on organizations performance. These data have been presented in Table 3 to be used as dependent variable, after conversion into Index Variable, in the bivariate analysis (see Table 5).

It can be inferred from Table 3, below, that most staff were fully involved to achieve organizational goals. This seems one of the important factors for the business organizations best performance. It is because achieving the targeted goals, the organizations performance shall remain below the desired levels. Most staff could not decide the organizations outreach was good in the vicinity areas. It could be due to the fact that were used to come in the organizations for their duties and were not sure about the outreach coverage. This could be more true in relation to education and hotel services. The other reason that made them to remain undecided could be the fear about the reaction of the management. Although, they were clearly told during the rapport-development session about the permission granted by the organizations authorities to conduct this study survey. The information in Table 3, below further revealed that most staff were satisfied and wanted to remain in their jobs. This reflected the positive and encouraging interaction and supervisory approaches & styles that might had enhanced their satisfaction and motivation levels to make them not to change their work-organizations.

Table3: Distribution of the responses on private business organizations performance

Organizations Performance	S Agree	Agree	NA/NDA	Disagree	S Disagree
	F (%)	F (%)	F (%)	F %	F %
Staff fully involved to					
Achieve org. goals	43 (16.5)	98 (37.7)	60 (23.1)	30 (11.5)	29 (11.2)
Org. has good outreach					
In its catchment area	22 (8.5)	69 (26.5)	147 (56.5)	13 (5.0)	09 (3.5)
Staff satisfied & want					

to stay in the org.	37 (14.2)	102 (39.2)	70 (26.9)	35 (13.5)	16 (6.2)
Org. successfully gets					
Value of funds invested	15 (5.8)	76 (29.2)	105 (40.4)	44 (16.9)	20 (7.7)
Org. culture is stable	20 (7.7)	80 (30.8)	99 (38.1)	40 (15.4)	21 (8.1)
Staff do the best	23 (8.8)	76 (29.2)	117 (45.4)	29 (11.2)	15 (5.8)
Outcomes accountability	30 (11.5)	92 (35.4)	76 (29.2)	36 (13.8)	26 (10.0)
Rules help to do good job	18 (16.9)	90 (34.6)	88 (33.8)	39 (15.0)	25 (9.6)
Coworkers enjoy as well	40 (15.4)	69 (26.5)	114 (43.8)	19 (7.3)	18 (6.9)
staff happy with pay	43 (16.5)	98 (37.7)	60 (23.1)	30 (11.5)	29 (11.2)
Good communication	22 (8.5)	69 (26.5)	147 (56.5)	13 (5.0)	09 (3.5)

Table 3, also informed that one-third of the staff agreed that organizations were successfully getting back the value of investment being made. The reason underlying in the facts that other staff were not aware of the issue can be found in the organizations policy where investment being made and the amount of financial returns cannot be made very open to every staff member. Two-fifth of the staff were of the opinion that organizations culture was stable. Perhaps the statement made the respondents unclear as most of them could not be knowing what is meant by organizations culture. A simple majority of the staff agreed with the accountability mechanism for their performance. Most staff were of the opinion that organizations rules helped them to do good job. In simple words, these are rules and regulations of any organizations that govern staff behavior and work commitment. Most staff were happy with their pay.

Although, the above inference and discussion seems logical. Yet, inference is based upon the univariate analysis and discussion is based upon possible logical and reason based explanations based upon authors thoughts and insights. Therefore, the results of a statistical procedure have been presented in Table 4.

Table 4: Mean, SD and rank order of the responses on organizations performance

Organizations performance	Mean	Std. Dev.	Rank
Good communication	03.58	.99	01
Staff satisfied and want to stay in org.	03.42	.87	02
Staff fully involved to achieve org. goals	03.37	.95	03
Coworkers enjoy as well	03.36	.97	04
Good outreach in catchment area	03.32	.99	05

The information presented in Table 4 presents the rank order of the important factors. Good communications in the organizations was ranked as the top most factor to encourage staff to achieve the best performance. Staff were satisfied and wanted to stay in the organizations was the second most important factor for organizations best performance. Staff fully involved to achieve organizations goals was the third most important factor to achieve the best organizations performance.

Bivariate Analysis

The index variables were used to see the association between talent management and organizations performance. Table 5 shows the results of the bivariate analysis.

Table 5: Association between talent management and organizations performance

Talent Management	Organizations Performance			
	Low	Medium	High	Total
Low	18 (50.0%)	13 (36.1%)	05 (13.9%)	36 (100.0%)
Medium	24 (21.1%)	42 (36.8%)	48 (42.1%)	114 (1000%)
High	14 (12.7%)	41 (37.3%)	55 (50.0%)	110 (100.0%)
Total	56 (21.5%)	96 (36.9%)	108 (41.5%)	260 (100.0%)
Chi Square significance p=0.000**	Gamma=.365			

The data presented in Table 5 confirms a significant and positive association between the talent management and private business organizations performance. In simple words, better the talent management, better will the organizations performance.

Correlations Test

The results of the Correlations Test also showed a very strong and positive correlations between the talent management and organizations performance. The Correlation Coefficient was 1 which shows the extreme of the strength of this correlation which was positive, as well. It is just to remind the readers that the Correlation Coefficient ranges from 1 to -1. In other words, 1 shows the maximum and positive correlation and -1 shows the minimum and negative correlation between the variables.

CONCLUSIONS AND RECOMMENDATIONS

There were two different frameworks for study the public and private sectors business organizations performance. Therefore, the study was carried out in the private sector business organizations in Faisalabad, Punjab-Pakistan. The major objective was to see the association between the talent management (TM) and private business organizations performance. As there were two different and independent frameworks for studying the public and private sectors business organizations. The statistical analysis to see the ranking order in terms of the importance of different indicators composing talent management showed that staff were familiar with organizations strategic plans, staff were having necessary skills to achieve goals and organizations goals were measureable were the three best parameters for talent management. Furthermore, the rank order of the indicators designing the business organizations performance revealed that good communication system within the organizations, staff were satisfied and wanted to stay in the organizations and staff were fully involved to achieve organizations goals were the three most important factors in this performance. The bivariate analysis showed a significant, positive and strong association between talent management and private business organizations performance. Furthermore, Correlations Analysis revealed a Correlation Coefficient Value of 1. This showed the highest and positive correlations between talent management and private business organizations performance. It is recommended to introduce training and refresher courses for the employees in management and supervisory positions to enable them to keep it up finding, selecting and retaining the talented employees for the best performance of the private business organizations. The three most important indicators of talent management and best performance must be included in the contents of these trainings and refresher courses for employees. The talent management (TM) should also be made important components of the course contents in the higher education institutions (HEIs) of Pakistan, especially in the undergraduate and postgraduate courses of the Business Management departments & institutes.

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