Research Article

The effect of talent management strategies on organizational success: evidence from Ethio telecom West Addis Ababa Zone, Ethiopia.

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Abstract

Keywords

Talent Attraction Strategy, Talent Retention Strategy, Learning & Development Strategy, Career Management Strategy, Organizational Success

Live This study examined the impact of Talent Management Strategies on Organizational Success within Ethio Telecom's West Addis Ababa Zone. Talent management strategies encompass the policies and practices related to acquiring, nurturing, and retaining talent, aligned with the organization's goals. The research employed both explanatory and descriptive designs to assess how these strategies influenced organizational success. Data was collected from primary and secondary sources, utilizing a simple random sampling method to select a sample of 187 employees from a total of 351.Quantitative and qualitative data were analyzed using descriptive statistics, correlations, and multiple linear regression. The findings revealed an average level of talent management strategies, with an overall mean score of M's = 4.3190 (SD = 0.3405). In terms of organizational success, the mean score was M = 4.5138 (SD = 0.34162), indicating a positive effect from the talent management strategies employed. Correlation analysis demonstrated a strong relationship between talent management strategies and organizational success, with a correlation coefficient of r = 0.917 (p = 0). Normality tests confirmed that both variables were normally distributed. Regression analysis indicated that 91.7% of the variance in organizational success could be explained by talent management strategies. This underscores the significant role that effective talent management plays in fostering organizational development. Additionally, multicollinearity and homoscedasticity analyses were conducted to ensure the robustness of the results, yielding satisfactory outcomes. In conclusion, the study affirmed that talent management strategies have a positive impact on the organizational success of

Ethio Telecom in the West Addis Ababa Zone. These findings highlight the importance of implementing effective talent management practices to enhance overall organizational performance.

1. Introduction

1.1 Background of the study

In the global business environment, effective talent management has become a cornerstone for organizations striving to enhance performance through strategic recruitment, development, and retention of skilled employees. Talent management encompasses a multifaceted approach that integrates several key components, including strategic alignment, structural frameworks, and ideological considerations. Recent research highlights the necessity for organizations to adopt a holistic view of talent management that focuses not only on attracting talent but also on fostering an engaging and supportive workplace culture (Mercer, 2024). This approach is essential for improving employee engagement, productivity, and overall organizational effectiveness. Globally, organizations are recognizing the importance of talent management strategies that drive human-centric productivity, foster trust and equity, boost corporate resilience, and cultivate a digital-first culture (Mercer, 2024). The COVID-19 pandemic has further accelerated this trend, pushing companies to rethink their talent management practices in light of remote work and the need for flexibility. As businesses adapt to new normality's, they are increasingly prioritizing employee well-being and work-life balance, which are crucial for attracting and retaining top talent in a competitive landscape. In Africa, the significance of talent management is gaining traction, albeit with varying degrees of implementation across different regions. While some countries are proactively embracing talent management practices, many organizations continue to grapple with significant challenges. A critical issue is the "brain drain," where skilled professionals seek opportunities in developed countries, drawn by higher salaries and better career prospects (ChapmanCG, 2024). This phenomenon severely hampers local talent development and economic growth. To combat this, progressive HR strategies and talent management programs are essential to attract and retain talent by fostering continuous learning, development, and inclusive work environments (ChapmanCG, 2024). Organizations that implement such strategies not only enhance their internal capabilities but also contribute to the broader economic development of their countries.

Focusing specifically on Ethiopia, the need for effective talent management is becoming increasingly apparent as organizations strive to compete in a rapidly evolving market. The Ministry of Innovation and Technology (MinT) announced the "Digital Ethiopia 2025" strategy, highlighting the country's commitment to digital transformation and leveraging technology across key economic sectors (JICA, 2023). This strategy aims to create a conducive environment for innovation and entrepreneurship, ultimately driving economic growth. However, a significant portion of Ethiopian graduates in IT-related fields face challenges of unemployment or underemployment, indicating a disconnect between educational outcomes and labor market needs (JICA, 2023). Addressing this gap requires collaborative efforts among educational institutions, government, and private sector organizations to upskill young talent and align their capabilities with industry demands.

This study focuses on Ethio Telecom in the West Addis Ababa Zone, where the implementation of effective talent management strategies is crucial for achieving organizational success. Ethio Telecom, as a major player in Ethiopia's telecommunications sector, operates in a highly competitive environment characterized by rapid technological advancements and evolving customer expectations. In this context, the ability to attract and retain skilled professionals is pivotal for maintaining a competitive edge.

Understanding the impact of talent management strategies within this specific context can provide valuable insights into how organizations in Ethiopia can enhance their performance and contribute to the country's broader economic objectives. Talent management practices are evolving to include personalized career advancement, with organizations prioritizing the enhancement of the overall employee experience (TRG International, 2024). This involves offering tailored learning and development paths, flexible work arrangements, and customized benefits packages to meet the diverse needs of employees. By investing in employee development, organizations not only enhance individual capabilities but also foster loyalty and commitment, resulting in lower turnover rates and higher organizational stability.

Moreover, organizations are leveraging data-driven decision-making to gain insights into recruitment tactics, performance management, and workforce planning (TRG International, 2024). The use of analytics allows HR professionals to identify trends and patterns in employee performance, engagement, and retention, enabling them to make informed decisions that align with organizational goals. Such data-driven approaches facilitate the optimization of talent management processes and contribute to better strategic outcomes. In today's digital age, online recruitment platforms and social media play a crucial role in accessing a broader and more diverse talent pool (peopleHum, 2024). These platforms enable organizations to reach candidates across geographical boundaries quickly and efficiently. By leveraging digital recruitment tools, organizations can streamline their hiring process, attract top talent, and stay ahead in the competitive job market. Additionally, the rise of remote work has expanded the possibilities for organizations to tap into global talent, further enriching their workforce diversity. Furthermore, talent management strategies must align with business objectives to ensure that organizations attract, develop, and retain employees with the right skills and cultural fit (HR Addict, 2025). This requires HR teams to

work closely with leadership to understand the organization's vision, goals, and challenges. By aligning talent management with business strategy, organizations can build a workforce that supports their long-term success and agility in response to market dynamics.

1.2. Statement of the Problem

The logic behind talent management is based on the fact that business is run by people, they are the ones who create values by using corporate assets to create products and services that people need. The implication is that the better the people an organization has, the better it will perform and this is the rationale behind talent management to attract, develop, and utilize the best brains to get superior business results (Tonga, 2007). Globalization has enabled talented employees not to limit the marketing of their skills within one region, but they can look for jobs in firms across the world. As a result of this, experts are concerned with the possibility of intense global competition for talent and therefore generate attention over how talent is recruited, retained, developed, and managed (Cappelli, 2008). As stated by Michaels et al. (2001), due to enduring economic and social forces, 'the war for talent' will persist for the next two decades. The anticipated loss of talent in the next decade will vary by organization size, sector, and industry (Collins, 2005). Public and government organizations are more concerned about the loss of potential talent than private companies (Morton, 2005). In the war for talent there are winners and losers, like in business there is success and failure. A look has Therefore, an organization with talent management has more possibilities to be the winner in the war for talent (Williams, 2000).

In today's competitive business landscape, effective talent management strategies have become crucial for organizational success. Ethio Telecom, as a leading telecommunications provider in Ethiopia, faces significant challenges in attracting, developing, and retaining skilled employees. Despite its strategic importance, there is limited empirical research examining how

talent management strategies specifically impact on organizational Success within the context of Ethio Telecom.

The rapid technological advancements and evolving customer expectations necessitate a workforce that is not only skilled but also adaptable and engaged. However, Ethio Telecom has reported high turnover rates and employee dissatisfaction, which can be attributed to inadequate talent management practices (Alemayehu & Teshome, 2021). These issues hinder the organization's ability to meet its strategic objectives and maintain a competitive edge in the market.

Moreover, existing literature highlights a gap in understanding the relationship between tailored talent management strategies and organizational outcomes in the Ethiopian telecommunications sector (Kebede & Belayneh, 2020). This lack of localized research limits the ability of Ethio Telecom to implement effective strategies that align with its unique organizational culture and operational challenges. Therefore, this study aims to determine the effect of talent management strategies on organizational success at Ethio Telecom. By identifying specific practices that contribute to employee engagement, retention, and overall performance, this research seeks to provide actionable insights that can enhance Ethio Telecom's human resource practices and ultimately drive organizational success. Despite the growing recognition of the importance of talent management, there is limited research on its impact on organizational success, particularly in the context of Ethiopian organizations. Therefore, this study seeks to address the following problem statement: As far as the researcher's knowledge goes, little research has been conducted on the topic in question in the Ethiopia context. The current study therefore seeks to fill the existing research gaps and also provide a better understanding through the empirical evidence of the effect of talent management Strategies on the organizational success of Ethio Telecom West Addis Ababa, Ethiopia. In this study, the independent variables are talent management Strategies, which encompass; talent attraction

strategy, talent retention strategy, learning, and development strategy as well as career management strategy. The dependent variable is organizational success.

1.3. Research Hypotheses

Hypotheses serve as conjectured relationships between variables, articulated in a manner that allows for empirical testing. The study will explore the following hypotheses:

H01: There is a significant positive relationship between the talent attraction strategy and organizational success at Ethio Telecom in the West Addis Ababa Zone, Ethiopia.
H02: There is a significant positive relationship between the talent retention strategy and organizational success at Ethio Telecom in the West Addis Ababa Zone, Ethiopia.
H03: There is a significant positive relationship between the learning and development strategy and organizational success at Ethio Telecom in the West Addis Ababa Zone, Ethiopia.
H04: There is a significant positive relationship between the career management strategy and organizational success at Ethio Telecom in the West Addis Ababa Zone, Ethiopia.

2.3 Conceptual Framework of the Study

A conceptual framework is the diagrammatic presentation of variables, showing the relationship between the independent variables and the dependent variable. In this study, the independent variables are talent management strategies, which encompass; talent attraction strategy, talent retention strategy, learning and development strategy as well and career management strategy. The dependent variable is organizational success. These variables are cautiously selected by taking cognizance of the theoretical review on talent management strategies and the study area. The study will seek to understand the effects of these independent variables on the dependent variable. This relationship is presented schematically in the conceptual framework in Figure 2.1;

Talent management strategies

Talent Attraction Strategy
Talent Retention Strategy
Learning & Development Strategy

Dependent   Variables

Organizational Success

Independent variables
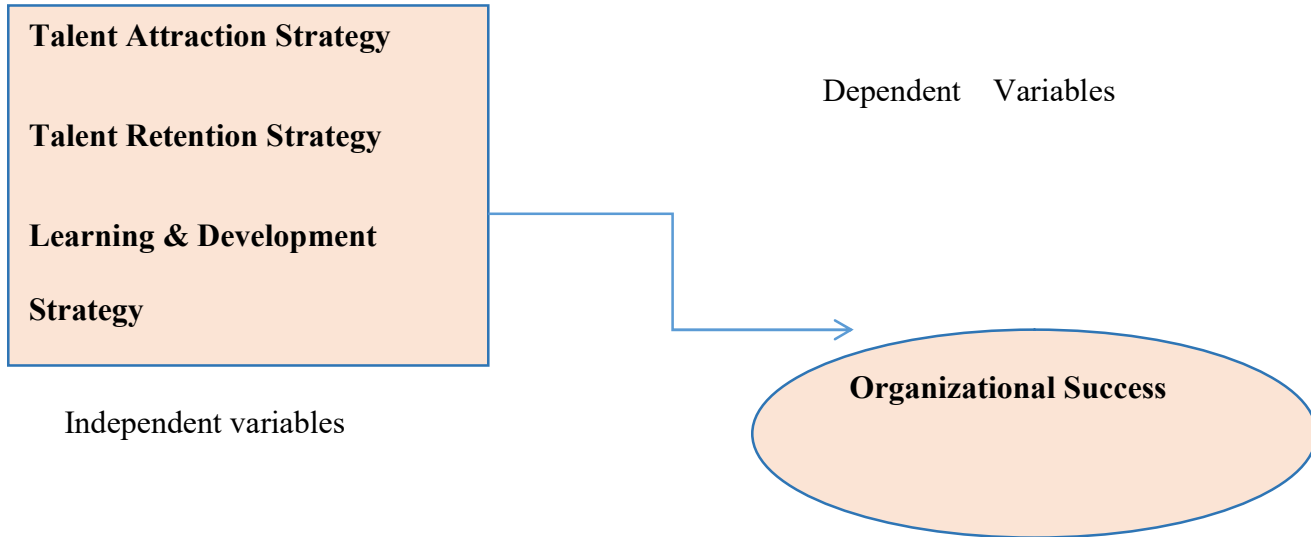
3. Materials and Methods

The research focused on the West Addis Ababa Zone, a crucial operational area for Ethio Telecom. This zone encompassed various organizational levels, including directors, managers, supervisors, and HR staff, allowing for a holistic examination of the workforce. By targeting all employees, the study aimed to capture a diverse range of perspectives on talent management strategies (Meyer et al., 2022). The choice of this specific area was strategic, given Ethio Telecom's significant role in Ethiopia's telecommunications sector. The operational challenges and competitive landscape faced by the organization provided a rich context for exploring how effective talent management could enhance organizational performance (Zhang & Morris, 2023). The insights gleaned from this setting were intended to inform broader practices applicable to similar organizations within the region. By concentrating on a single, well-defined geographical area, the study ensured that findings were relevant and applicable to Ethio Telecom's unique operational environment. This localized focus facilitated a deeper understanding of the specific challenges and opportunities that influenced talent management in the Ethiopian context (Kumar & Singh, 2023).

3.1 Research Design and Approach

A descriptive and explanatory research design was employed to clarify the relationships between talent management strategies and organizational success. This approach allowed for a comprehensive exploration of how various strategies such as talent attraction, retention, learning, and career management affected overall performance (Collings & Mellahi, 2022). By utilizing both descriptive and regression analyses, the study effectively established causal links between independent and dependent variables. The explanatory nature of the research design was particularly beneficial for uncovering underlying patterns and trends within the data. This approach not only addressed the "what" and "how" of talent management but also sought to predict outcomes based on observed phenomena (Bhattacherjee, 2023). Such insights were vital for developing actionable recommendations that could enhance organizational effectiveness. Incorporating a mixed-methods approach, the study integrated both quantitative and qualitative data collection techniques. This combination enriched the analysis, allowing for a more nuanced understanding of employee perspectives and experiences related to talent management strategies, ultimately leading to more robust conclusions (Saunders et al., 2023).

3.2 Data Sources

Primary data collection involved structured questionnaires designed with both closed-ended and open-ended questions. This dual format enabled the gathering of quantitative data for statistical analysis while allowing respondents to provide qualitative insights (Kabir, 2023). The questionnaires were adapted from previously published instruments (e.g., Ngai & Wat, 2015) with modifications to better fit the Ethiopian context, ensuring cultural relevance and clarity. Secondary data were sourced from a thorough literature review, comprising scholarly articles, reports, and other relevant publications (Nguyen et al., 2023). This review provided a contextual backdrop for the research, helping to identify gaps in existing knowledge and framing the study's objectives. By integrating secondary data, the research enriched its findings and situated them within the broader discourse on talent management. The combination of primary and secondary data sources ensured a comprehensive analysis of the research questions. This multifaceted data collection strategy not only enhanced the reliability of the findings but also supported the study's aim to contribute valuable insights into the effectiveness of talent management strategies in the Ethiopian telecommunications sector (Zhou et al., 2022).

3.3 Sampling Techniques

The study utilized simple random sampling techniques to select participants from the homogeneous population of Ethio Telecom employees. This sampling method ensured that every employee had an equal chance of being included in the study, thereby enhancing the representativeness of the sample (Polit & Beck, 2022). With a total population of 351 employees, the study aimed to gather insights from a diverse cross-section of staff across various roles. To determine the appropriate sample size, Slovin's formula was applied, resulting in a calculated sample of 187 employees (Njeri, 2023). The formula used was=N1+Ne2n = {N}{1 + Ne^2} n=1+Ne2N, where n is the sample size, NNN is the total target population, and eee is the

acceptable significance level (set at 0.05). This rigorous approach to sampling ensured that the findings were statistically significant and reflective of the broader employee perspective within the organization. The choice of simple random sampling was particularly effective in this context, as it mitigated potential biases and allowed for a more objective assessment of the data. This methodological rigor reinforced the reliability of the study's findings and strengthened the overall contributions to the field of talent management research (Creswell & Creswell, 2023).

3.4 Method of Data Analysis

Data analysis was conducted using multiple linear regression techniques to assess the impact of various talent management strategies on organizational success. This analytical framework allowed for the evaluation of relationships between independent variables such as talent attraction and retention strategies and the dependent variable of organizational success (Hair et al., 2023). By employing regression analysis, the study aimed to quantify the influence of each strategy on overall performance. Quantitative data were analyzed using the Statistical Package for Social Sciences (SPSS), ensuring that the statistical methods employed were robust and appropriate for the research questions (Field, 2022). Techniques such as ANOVA and correlation coefficients were also utilized to validate the findings and test the hypotheses, following procedures outlined in previous studies (Tabachnick & Fidell, 2019).Qualitative data were analyzed using thematic analysis, which allowed for the identification of key themes related to employee experiences and perspectives on talent management (Braun & Clarke, 2022). By integrating both quantitative and qualitative methods, the study offered a well-rounded analysis of the factors influencing organizational success, thereby contributing valuable insights to the field of talent management.

3.5 Reliability and Validity

The reliability of the research instrument, specifically the questionnaires, was assessed using Cronbach's alpha, yielding a high value of 0.860 (Sekaran & Bougie, 2023). This indicated strong internal consistency among the items measuring organizational success, reinforcing the instrument's reliability. High reliability was crucial for ensuring that the data accurately reflected the constructs being measured, thereby enhancing the overall validity of the study. Validity was further established through a comprehensive review of existing literature and expert feedback, ensuring that the constructs used in the study were relevant and aligned with the research objectives (Mujis, 2023). Content validity was particularly emphasized, as it assessed how well the selected items corresponded with the conceptual framework of talent management strategies and organizational success. By rigorously evaluating both reliability and validity, the study ensured that its findings were trustworthy and could be confidently applied to inform talent management practices within Ethio Telecom and similar organizations (Cohen, 2023). This methodological rigor enhanced the study's contribution to the broader discourse on effective talent management strategies.

4. Results and Discussions

4.1 Descriptive Statistics

The study results indicated a positive perception of talent management strategies among employees at Ethio Telecom. The overall mean score for talent management strategies was M = 4.3190 (SD = 0.3405), suggesting that employees viewed these strategies as effectively implemented. In terms of organizational success, the mean score was M = 4.5138 (SD = 0.34162), reflecting a strong belief in the positive impact of these strategies on overall performance. Demographic analysis revealed that the majority of respondents were from the commercial sector of Ethio Telecom. A total of 187 participants completed the survey, resulting in a high response rate of

87.17%. This response rate enhances the reliability of the findings and demonstrates employees' interest in the topic of talent management. The demographic data showed that 51.5% of respondents were from commercial roles, with 69.9% identifying as male and 43.6% having 1 to 5 years of work experience. These demographics are crucial for understanding how different groups perceive talent management strategies. The findings align with previous research, which has indicated that effective talent management is associated with higher employee engagement and satisfaction (Nguyen et al., 2022). The strong positive correlation between talent management strategies and organizational success supports the notion that organizations prioritizing these strategies are likely to achieve better performance outcomes

4.2 Analysis of Multiple Linear Regressions

The multiple linear regression analysis revealed significant insights into how talent management strategies influenced organizational success at Ethio Telecom. The regression model accounted for 91.7% of the variance in organizational success (R^2 = 0.917), indicating that the independent variables talent attraction strategy (TAS), talent retention strategy (TRS), learning and development strategy (LDS), and career management strategy (CMS)were strong predictors of success. The unstandardized coefficients indicated that TRS had the highest impact on organizational success, with a coefficient of 0.374 ($p < 0.05$), followed by TAS at 0.317 ($p < 0.05$). The analysis confirmed that each increase in these strategies corresponded to a measurable improvement in organizational outcomes. Additionally, both LDS (B = 0.235, $p < 0.005$) and CMS (B = 0.219, $p < 0.05$) also contributed positively, although to a lesser extent. These results support the findings of previous studies that emphasize the critical role of retention and development strategies in enhancing organizational performance (Kehinde, 2022). The analysis also showed no issues with multicollinearity, as all tolerance values exceeded 0.10 and variance inflation factor (VIF) values remained below 10. This confirms the reliability

of the regression results, allowing for confident interpretations of the data.

4.3 Discussion

The findings suggest that Ethio Telecom can enhance its organizational success by implementing robust talent management strategies. The strong positive correlation observed between talent management strategies and organizational success underscores the importance of these practices in achieving desired performance outcomes. Existing literature supports this notion, indicating that organizations that prioritize talent management are more likely to maintain a competitive edge (Collings & Mellahi, 2020). Talent retention strategies emerged as the most significant factor influencing organizational success. This finding aligns with research highlighting the necessity for organizations to implement effective retention practices, such as recognition programs and competitive compensation packages, to boost employee morale and commitment (Kehinde, 2022). Engaging employees through these strategies is essential for reducing turnover rates and fostering a stable workforce. Learning and development strategies also played a crucial role in enhancing organizational performance. The results indicated that regular training and development opportunities significantly contributed to employee adaptability and satisfaction. This aligns with previous studies that emphasize the importance of continuous learning in a rapidly evolving business environment (Nguyen et al., 2022). Furthermore, career management strategies that provide clear pathways for growth were associated with higher employee satisfaction and retention, reinforcing the need for organizations to integrate these practices into their talent management frameworks.

Overall, the findings of this study contribute valuable insights into the role of talent management in enhancing organizational success within the Ethiopian telecommunications sector. By focusing on effective talent management strategies, Ethio Telecom can improve employee

performance and satisfaction, ultimately leading to better organizational outcomes.

5. Conclusions

This study underscored the critical role of talent management in achieving organizational success at Ethio Telecom. The analysis revealed that effective talent management strategies specifically talent attraction, retention, learning and development, and career management are significantly correlated with improved performance outcomes. These findings highlight the necessity for Ethio Telecom to prioritize these strategies to attract and retain top talent in a competitive industry. The study also emphasized the importance of tailoring talent management approaches to the unique challenges and opportunities within the Ethiopian telecommunications sector. Organizations must adapt their strategies to align with specific operational contexts to maximize effectiveness. In conclusion, this research contributes valuable insights to the empirical literature on talent management in Ethiopia, particularly in the telecommunications sector. It provides a framework for leveraging talent management strategies to enhance organizational success. To maintain a competitive advantage, Ethio Telecom should continuously refine its talent management practices, ensuring they align with the evolving needs of both the industry and its workforce.

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