

**HTM: Empirical Research on  
The Talent Management and Organizational Performance in IT Sectors of South India**

**A. Muthumari<sup>1</sup>, Dr. B. Kayathiribai<sup>2</sup>**

<sup>1</sup>Ph.D. Research Scholar,

PG & Research Department of Commerce

Sengamala Thayaar Educational Trust Women's College (Autonomous),  
(Affiliated to Bharathidasan University, Tiruchirappalli)Mannargudi.

<sup>2</sup>Assistant Professor,

PG & Research Department of Commerce

Sengamala Thayaar Educational Trust Women's College (Autonomous),  
(Affiliated to Bharathidasan University, Tiruchirappalli)Mannargudi.

Orchid ID: - 0009-0003-9037-745X

**Abstract**

The chief aim of the research study is to investigate the impact of the proposed HR analytics on the FP in the software sector. TM practices are estimated by means of attraction, acquisition and procurement of employees. HRA assess the employees through the proposed HTM framework. It does not concentrate on the economic and profitable value of the firm but focuses on the talented employee retention as a value of firms. A quantitative methodology research approach was applied and data were congregated from 250 employees using a purposive sampling technique with aid of structured questionnaire and interview questions. The collected quantitative data were analyzed using AMOS software package through performing confirmatory factor analysis. The outcomes of the study revealed that incorporating the HTM framework in considering the firm wealth in terms talented employees rather than the firm profitability. Furthermore, discovered the determinants to improvise their performance of the firms effectively.

**Keywords:** Talent management, IT sector, Firm performance, Retention, Performance

**1. Introduction**

**1.1 Background of the study.** The global economy has generated a complicated and dynamic environment where the firms are learning to compete effectually in achieving sustainable performance. The workforce in the World become huge, elevates, educated and the mobility. The global business environment not only modified the business operations but also create the necessity of the firm to manage the workforce in the business context. The evolving concept of TM is a significant and analyzed in the numerous researches (Gallardo-Gallardo et al., 2020). The prevailing researches reported that the talent deprivation reflect in the economic condition (Kwon & Jang, 2022).

There are several examples of firms downsizing their business operations and minimization of workforces due to their financial crisis. On contrary, surplus talented populace focusing on the selected jobs. The firms are realizing that the competitive beneficiaries of acquiring the effectual workforces. There is considerable report that the firms are facing numerous talent complications. The potentiality for attraction, development and retainment of talented employee is being challenge for the firms in digital era.

TM denotes the skills of recruiting the skilful employees, integration of new workers and retainment of the prevailing workers in order to cope up the present as well as future business goals. In the business perspective, the talent management does not refer to the employee management in the entertainer pathway. The firms engaging in the stratagem of TM transit the responsibility of managing the employees from the HR department to the managers of the firms. The method of attraction as well as retention of the profitable employees become more competitive in the global market and represented as "war of talent". Also, it is referred as the Human Capital Management (HCM). Each and everyone in the World have unique talents. Hence, talent management is not a new concept but it takes new dimension. Subsequently, the success is measured by good TM (Al Jawali et al., 2022).IT sector in South India emerges as a chief driver of the economic growth that contributes to the GDP of the nation. The cities such as Chennai, Bengaluru and Hyderabad are considered to be technology hubs that attracts the investment and talent in the world. In the evolution of industry, the effectual talent management become crucial for the firms to elevate the performance of the firms.

TM comprises of HR action that aimed at attraction, development, retainment and optimization of human capital (Son et al., 2020). In the highly competing IT environment, where there is rapid occurrence of the technologies and the firms might implement the strategies of talent management in the competitive atmosphere. As per the recent reports, 68% of requisition of job accounted in South India that highlights the crucial role in meeting the global and national demands of tech industry.



**Figure 1 Lifecycle of TM**

The TM lifecycle is illustrated in Figure 1. The effectual TM practices resulted in the beneficiaries of elevated engagement, minimized turnover rates and improvised FP. South Indian IT sectors is featured through the rapid technological innovation and growth. There is necessity of the demand for the skilled employees in the field of cybersecurity, cloud computing as well as data analytics.

There is almost 256% elevation in the demand of analytical skilful employees in 2024. It significantly elevates the firm to not only attract the skilful employees but also started to invest in the employee development for maintaining the industrial modifications. Subsequently, firm also faces numerous challenges in the management of talented employees.

IT sector is substantial for the elevated turnover rate of employees. The firm might develop the employee retention stratagems which is beyond the incentives in order to generate a supportive work atmosphere. The technological progression resulted in the mismatches of skills in the firms. Also, the firms are required to invest in the training agenda which integrate the skills of employees with the industrial requirements. The firms are striving to construct the diverse teams and adopts the standard hiring procedures that attracts the wide range of employees.

Human analytics play a significant role in elevating the TM practices. This can be achieved by exhibiting the data driven insights of organizational requirements as well as employee performance. The analysis of diverse metrics likely scores of employee engagement, performance and training effectiveness. The firms detect the areas of improvisation and construct the talent retention stratagems. This approach permits the firms to make informal decision which integrate the strategic objectives. The association amongst the effectual TM and firm performance is significant. The firms must prioritize the management of talents that resulted in the greater productivity, elevated performance and high innovation.

The beneficiaries of TM in the IT sectors generate employee engagement. The engaged employees are highly productive and engaged to the firms. The adoption of effectual training programs elevate the level of engagement (Anlesinya & Amponsah-Tawiah, 2020). The firms with the powerful procedures of TM observes lower attrition rates. The retentions of the skilful employees minimizes the recruitment costs and also regulate the organizational knowledge (Al Aina & Atan, 2020). The firms effectually manage the talents might cope up the market changes as well as consumer requirements and thereby acquiring the competency in the global market.

Hence, IT sector in South India should focus on the TM and cope up the complication in the competing global market. The present research made an attempt to identify the effectual management practices that elevates the FP in the software context. The human analytics in the IT industry should consider the talented employee as an asset rather than the economic and financial circumstances. This novel concept is briefly illustrated in the research study in order to evident the TM of IT sectors has significant impact on the industrial economic growth in South India.

**1.2 Problem identification.** HRA researches has been conducted for the past two decades globally. It aids in implementing the improvised practices in HR managements. It leads to attain the better organisational climate. The employee performance are generally assessed by means of performance management systems, job enrichment, job description, enhancement and rotations (van der Merwe et al., 2024). Also, it aids to reconstruct the jobs, employees and their working culture. But still the perspectives and dimensions regarding talent and their management has not been modified. In the modern digital era, the firms are started to provide the importance to the talent employees and considered them as a valuable resource. Economic dimensions and orientations tend to dominate and influence HR practices for a long time (Sivathanu & Pillai, 2019). There are no reports that the wealth orientation of HR management with wealthy entrepreneurs and wealth administrators managing the organizations from time immemorial. Talent is a wealth, as wealth multiplies a wealth employee multiplies his contributions and paves way for organizational success. There is lack of empirical researches in this perceptions and hence present research made an attempt to propose a novel HTM framework in order to achieve the fruitful performance in South Indian IT industries.

**1.3 Significance of study.** The significance of evaluating the perspective of human analytics in terms of employee talent as a wealth aid in improvising the firm performance and competitive beneficiaries in the emerging IT sector. The effectual TM support the firms to attract, grow and retain the skilful employees. Also, it addresses the challenges likely high attrition rates and shortages of talents. Adaptability as well as innovation culture enable the software firms to cope up the modifications and technological updating (Singh et al., 2021).

The alignment of the TM stratagems with the firm objectives allows the workforce to acquire the required skills to meet out the present as well as future demands. The TM is considered to be the dominant source of competency in the knowledge-oriented economy. The robust talent retention firms reported to possess higher economic growth, improvised engagement of employees and better performance. Henceforth, in software sectors where there is necessity for the skilled professionals in order to acquire the service delivery and innovation in process. The present research insists on changing the perspective of human analytics regarding TM that elevate the FP and also supports the economic growth through improvisation of the productivity in IT atmosphere.

#### 1.4 Objective

1. To examine the perceptions of HRM in analysing the human talents in the software firms of Southern India.
2. To assess the strategies for the implementation of the proposed dimensional HR analytics in the IT industry.
3. To explore the impact of the proposed HR analytics on the firm performance in the software sector.
4. To recommend the framework for the effectual employee management in order to achieve the sustainable performance of the IT sector.

#### 1.5 Research Questions.

1. What is the existing perception of HRM in assessing the employees of software firms?
2. What are the stratagems in adopting the novel HTM framework into South Indian IT sectors?
3. What does the impact of proposed HR analytics on the FP in the software sector?

**1.6 Paper Organization.** The present paper is ordered on the base of current drift in the depiction of TM and FP. Whereas, scrutiny of contemporary research that has remarked the similar research work through varied use of analytical methods are characterized in Section 2. Added to which, Section 3 illustrated the methodology ensued in the present research. Further, the results executed in the current research is indicated in Section 4. Consecutively, Section 5 represented the conceptual discussion on the percept of current research. Section 6 indicates the limitations endured in the paper. Orderly, concluded reflection from the present paper is demonstrated in Section 7.

## 2. Literature Review

**2.1 Human Analytics.** Human analytics represent the systematic gathering, evaluation and elucidation of information associated to the HRM and performance of workforce (Margherita, 2022). It comprises of technologies and methodologies that permits the firms to acquire the informal decision regarding the human capital (Meyers et al., 2020). The implementation of HA substantially elevates the HR potentialities to optimise the complicated process and construct the strategic pronouncements that integrates the firm goals. The dimensions of HA are as follows. Predictive, Descriptive and Prescriptive analytics. Predictive analytics utilises statistical techniques that forecast the workforce trends in future. It aids the firm to resolve the potential issues likely high attrition and deprivation of skilful employees. It permits the firm to accomplish the proactive TM (Thakur et al., 2024). Subsequently, descriptive analytics encompasses analysing the data to aware of the performance metrics and historical trends. It provides insights of the productivity, attrition rates, attitude of employees and also permit the firms to detect the field for improvement. Prescriptive analytics is an advanced analytics form that recommends the specified action on the basis of data insights. It guide the HRM in construing the decision regarding the selection, training and also employee growth through diverse scenarios and its favourable consequences (Chatterjee et al., 2024). The integration of HA in the firm process delivers numerous benefits. They are improvised decision making, elevating efficiency and competency in the global business market. Leveraging data insights, the firms are making informal decision regarding the strategies of TM resulted in the potential outcomes. Also, it streamlines the HR process through automation of data gathering and evaluation. It permits the HRM to concentrate on the strategic actions compared to the administrative work. The firm that effectually uses HA are moderately positioned to regulate the variation in the global market and thereby maintaining the competency by optimisation of the talented resources (Anam & Haque, 2023).

**2.2 TM.** The TM are widely recognised as a significant driver in the FP. The theoretical as empirical researches in the domain that acquires the social exchange theory to recommend the TM which affects the FP through eliciting the organisational commitment and work effort amongst the firms that perform high and comprises potential employees (Ekhsan et al., 2023). These practices are necessary for elevating the firm potentialities and performance. The firms that acquire the TM are positioned better in order to achieve the strategic goals.

The firm comprising the effectual stratagems of TM exhibit better outcomes in the financial background and elevating the employee satisfaction. It underscores the crucial part of TM in acquiring the firm success. The key components of TM are talent acquisition, employee development, retention strategies and performance management (Jooss et al., 2024). The battling for the talent is worth and the firms are finding tedious to develop and maintain the qualified candidates when there is necessity of the eminent talents. The success of a talented war is not an impossible one which is stated by numerous researches. There is scarcity of empirical evidence analysing the association of TM and FP. Notably, the researches of TM are pre-dominant in the US subsequently followed by the Ireland, UK, Australia and Netherland. The interest in evaluating the TM has grown due to the significant requirement of talent employees in the industrial firms. At the same time, the firms are also facing challenges in identifying the appropriate talent. There is no specific definition of TM provided by the prevailing researches. Henceforth, there is lack of academic scope, empirical researches and theoretical frameworks on the TM. The TM is referred to as method encompassing the completion and the related set of procedure likely identification, selection, development and retention of the outstanding employees and the improvisation of their abilities for the substantial strategic development. Also, it aids the employees to use their productivity effectually and contributing to the organisational success. Hence, TM acquires the FP through adequate knowledge and strategies for improvisation and modifications (Vaiman et al., 2021). It aids the firm to select the talented candidates for becoming the effective future leader. The main goal of the TM is not only recognising the talented candidate but also confirms the developmental stratagems related to the vision and mission of the firms. Numerous researches analyse the impact of TM on the sustainable performance of the firms. These researches enlighten the positive impact of TM and FP. Additionally, it improvises the effectual employee performance and firm productivity. TM is considered to be the effectual way of establishing the competency in the long term. The competency acquires from the firm resources which is tedious for the competitor to imitate. The strategic management allows the firm to detect the managerial task as well as performance guidance and thereby confirming the stability in the management action. The adoption of the TM in an effectual way resulted in the talented employee development. It leads to the sustainable and constructive FP. The talent attraction encompasses recruitment and selection, value proposition of employees and guarantee the stability in the management actions. Also, it recognises the talented employees for critical positions and fulfilling the employee objective for career growth. It resulted in the constructive as well as sustainable performance. Talent attraction comprises of recruitment, selection, value proposition and employer branding (Priya & Raman, 2021). There are numerous procedures in the selection of appropriate talent which matches the culture and value of the firms. Talent attraction aims to impress the prospective employees with the suitable qualification and fit for the vacancies (Adeosun & Ohiani, 2020).

**2.3 FP.** It is a multifaceted concept that comprises of diverse dimension on the firm effectiveness in acquiring the goals. Also, it is crucial for understanding the business operations and success in the competing global market. It is termed as the estimation of organisational level in meeting the operational efficiency, financial outcomes and consumer satisfaction. The existing research can be termed the performance as a construct which necessitates both the qualitative and quantitative assessments (Sumaja & Srinivas). The analysis of FP involves two main divisions likely non-financial as well as financial constraints. Organisational structure plays a noteworthy role in assessing the performance. It determines the nation's wealth and hence fruitful managers identifies the novel ways to develop, elevate and also sustain the firms specifically in the poor economic circumstances. The management are aware of the firms to survive and thereby overcoming the challenges and take actions to accomplish the improvisation, prosperity and there by sustainability. Hence, numerous researches are conducted to build the organisational performance as the dependent variable (Le & Ikram, 2022). The undertaken researches aimed to identify the specific approach that calculate the FP in the positive or negative ways. The performance are illustrated in several ways such as "the potential to achieve the best results", "an output compared to the expectations" and "the employee involved in assessing the performance". (Hutahayan, 2020) assessed the five main factors for the performance assessment. They are financial performance, people development and consumer process. Nevertheless, (Tudose et al., 2022) classified the performance to the financial, stakeholder results and product market. It denotes the process of achieving the firm objectives. Dyer and Reeves categorised the three main outcomes for FP. They are financial outcomes, organisational outcomes and implications of human resources (Tensay & Singh, 2020). Also, the sustainable performance is termed to be the potentiality of the firm to achieve the stakeholder requirements and at the same time, the elevating investment as well as managerial policies confirms for the profitability, environmental responsibility and social welfare. The FP is considered to be sustainable when the management are able to execute the strategies that aimed at elevating the talent, market share and stakeholder profits. On contrary, it minimises the employee turnover and cost. The sustainable firms strive to exists with the internal changes and negligible threats. There are numerous researches reporting the association of TM and FP but there are no researches so far in considering the talented employee as an asset to the organisation. The literature review section provides valuable insights of exploring the association amongst the human analytics, FP and TM. Also, it synthesises the outcomes from the diverse researches in order to acquire a comprehensive analysis of the research components. Hence, the present research adopts quantitative research methodology

### 3. Methodology

**3.1 Research Design.** The research design is supposed to implement several processes, including tools and procedure to obtain data for the research purpose. Well-designed research is mandatory to acquire reliable and valid outcomes. It incorporates the appropriate method of approach for the present study through responding the questions (Alves et al., 2020). The current study employs quantitative research method. For quantitative method, data are congregated with aid of questionnaire which are on basis of study variables and queries to implement the analysis (Mohajan, 2020).

**3.2 Conceptual framework.** The conceptual framework of the research study formulated as below:

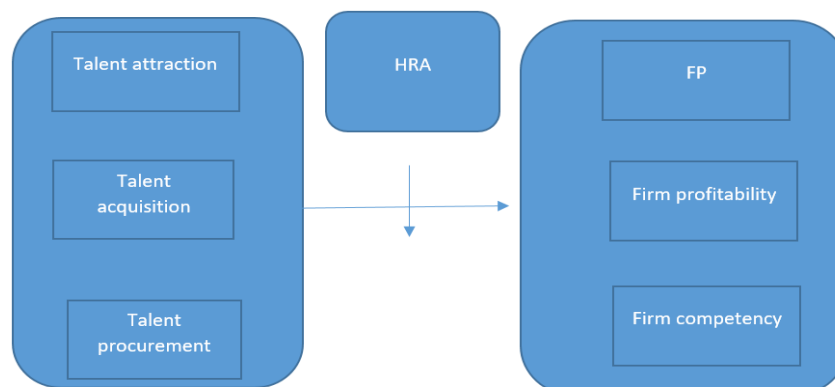


Figure 2 Proposed HTM framework

The present research proposes a novel framework for achieving the effectual FP. TM practices are demonstrated through talent attraction, acquisition and procurement of talents. Talent attraction is defined as strategies of the firm to acquire the quality employees to the firms. These quality employees are aligned with the culture as well as value of the firms. Talent attraction is a pre-dominant criterion in the software firms to eradicate the talent shortages and employee expectations. Secondly, talent acquisition enumerates the strategic planning of IT sector. It constructs the robust framework for driving the prolonged success of the firms (Figure 2). Finally, talent procurement represents strategic method that acquires the qualified employees to cope up the organisational objectives. HRA usually assess the profit of the firms in term economy. But, in the proposed methodology, HRA assess the talented employees as an asset to the firms. This modification is termed as HTM framework. It leads to the successful performance of IT sector in terms of profitability and competency in the global market.

**3.3 Study Area.** The study is conducted among the employees working IT sectors in Chennai, India, who are whole-hearted in the contribution of the survey and interview. It supports for useful execution of the present study. The survey and interview are conducted with the aid of respondents. The people who contributed to the study are hired employees working in the organization of IT sector. This will enhance the significance of the study and makes the course of gathering data more convenient and faster.

**3.4 Sample size and population.** For any kind of study, the sample size is supposed to be finalised after appropriate analysis with an intention of acquiring precise as well generalised outcome. In the present research, the appropriate respondent contribution will be selected to range the obtaining data regarding the perception of employees especially IT. The gathered valuable data for the quantitative depends on the selected sample size which helps to prove study objectives (Lakens, 2022). The study incorporated 250 respondents for quantitative which includes both employees and experts in the respective field involved in the current study such as IT sector.

**3.5 Sampling Techniques.** The technique used for sampling is a most significant course to congregate the data from targeted populace instead of concentrating on entire population available (Almomani et al., 2022). The current study performs purposive sampling method to choose the target respondents for the study. Correspondingly, the data to be gathered for the current research will choose the samples who are willing and have ability to offer precise responses will be measured. Applicable sampling techniques will support in deriving samples to reinforce the objective of present research. Also, it is used to find the perception of dataset for the purpose of categorizing the patterns which allows to comprehend the association of TM and FP (Sreekumar, 2023).

**3.6 Data Collection .** Data collection process is a main phase in the research which affect the value of attaining outcomes through decreasing the feasible faults which might arise in the process of research (Taherdoost, 2021). In our present study, data are collected from employees and experts in the IT sector to assess the significance of HRA. The study collected primary data with the help of structured questionnaire and interview questions for quantitative approach respectively.

**3.7 Data Analysis.** Quantitative methodology approach involves congregating, scrutinizing and decoding quantitative data in research. The study levels are synergistic with quantitative phase influencing qualitative or vice versa. This method gives results in an inclusive of the incidence under study due to the employment of quantitative data. The present study employed quantitative research approach as it is more appropriate, with a motive of depicting and enlightening in different aspect (McLeod, 2019). The quantitative data attained through structured questionnaire is examined by AMOS software tool. The gathered data are exported into MS-Excel sheet for see-through study variables.

The quantitative data method is utilised for current research and analysed data which has been gathered using a structured questionnaire from sample respondents. The data are recorded utilizing Excel sheet for revealing study variables. The software tool known as AMOS is utilized for analysing the study variable in Excel sheet. The assumed practices will be employed to data identification and validate the association amongst the study variable of the present research. On the basis of the outcome of the study variable, interpretations will be conducted and also essential development will be recommended in the current study. The AMOS software will aid to derive the outcome of the current study and efficient for documenting the study variables. The outcome will be conducted SEM model and confirmatory factor analysis in order to assess the structured hypothesis of the current study.

**3.6 Assessing the SEM assumption.** The current research ensures the multivariate normality in terms of the skewness and kurtosis values. Subsequently, the values lie in the range of -2 to +2. It utilises maximum likelihood approximation that conducts multivariate normality. It addresses the missing data through the list wise deletion that eliminates the cases with the missing values. The sample size is finalised to 250 that is recommended sample size for the analysis. It ensures the optimal model through a priori model specified in the previous literatures. It also conducts CFA for the assessment of goodness-of-fit (GFI) model. The criteria for analysing the Convergent, discriminant validity, and reliability measures are observed. It is represented by  $\alpha$  termed as a Cronbach Alpha that measures the reliability of the model. The threshold value of  $\alpha$  is greater than 0.70 (Almaaitah et al., 2020). It has been identified that the constructs are showing the  $\alpha$  greater than 0.8 that confirms the reliability of the constructs. Moreover, the CR in the path model accounts for the error in the calculation. The threshold value of CR is similar to that of  $\alpha$  which is greater than 0.7. AVE is significant for the validity assessment. The expected value is 0.5. Most of the constructs satisfy the convergent validity criteria. In case of discriminant validity, MSV (Maximum Shared value) and ASV (Average Shared Value) should be less than the AVE values of the latent variables. It has been revealed that the AVE is higher than MSV and ASV for the constructs. It confirms the discriminant validity of the constructs. The KMO (Kaiser-Meyer-Olkin) value of the study is 0.726 and it is higher than the threshold value of 0.6 revealing that the sample is acceptable (Barki et al., 2020). It proves that the factor analysis is suitable for the data. Bartlett's test is performed for the determination of adequacy in the correlation matrix. The outcomes of the test observes that the correlation matrix has substantial correlations amongst the constructs since, the test is highly substantial at a level of  $p < 0.001$ . The significance degree is less than 0.0001 and shows that the correlation matrix is not an identity matrix proving that the variables are not an orthogonal. The significant value is less than 0.05 proves that the factor analysis on the data set is noteworthy.

**4. Results.** The demographic profile of the respondents is discussed elaborately.

**Table 1 Demographic profile**

Demographic Factor	Parameter	No. of Respondents	Percentage (%)
Age	25-30 Years	49	19.6
	30-35 Years	47	18.8
	36-40 Years	58	23.2
	41-45Years	58	23.2
	More than 46 Years	38	15.2
Qualification	Under Graduate	76	30.4
	Post Graduate	174	69.6
Experience	0-2 Years	45	18
	2-5 Years	8	3.2
	5-10 Years	134	53.6
	More than 10 Years	63	25.2
Designation	Entry Level	41	16.4
	Associate level	49	19.6
	Mid-Senior Level	118	47.2
	Senior Level	42	16.8
Industry	IT	178	71.2
	ITES	72	28.8

The table 1 represent the demographic data of the participants. Amongst them, the mainstream of the respondents is around the age of 36-45 years (23.2%). The age group above 46 is observed to be restricted. The experience of the candidates are 5-10 years. On evaluating the educational qualification, majority of the respondents have completed post-graduation. In addition, only few numbers of respondents are under graduate. According to the survey, most of the respondent’s designation is mid-senior level. Associate level employees are maximal followed by the mid-senior level. Entry level as well as senior level are reasonable comparing to the other specifications. The implications of the demographic criteria evident that the data have been congregated from employees in IT division (71.2%) compared to the ITES sector (28.8%).

**SEM analysis.** SEM technique has been adopted to validate the conceptual model of HRM using the AMOS 20 software. Moreover, it evaluates the path relationship amongst the prevailing dimension of the HRM practices on the assessment of wealth. The moderating variable is HRM practices and the dependent variable is wealth assessment. The independent variable is TM.

**Path Analysis**

**Hypothesis 1**

**H1: TM has positive impact on the FP**

**Table 2 Regression Weights**

			Estimate	S.E.	C.R.	P	Label
FP	<---	TM1	.245	.031	7.944	***	Accepted
FP	<---	TM2	.052	.024	2.159	.031	
FP	<---	TM3	.340	.035	9.635	***	
FP	<---	TM4	.248	.035	7.052	***	

In the above regression test, the goal is in the determination of relationship among the variables denoted. As the p value seems to be lesser than 0.05, then the alternate hypothesis has been accepted. The relationship of the model seems to be positive.

**Table 3 CMIN**

Model	NPAR_val	CMIN_Val	DF_val	P sig.	CMIN/DF_val
DM	19	4.440	2	.109	2.220
SM	21	.000	0		
IM	6	2165.575	15	.000	144.372

The above table evidenced the fitness of the model, in respect to the minimum co-variance values. The minimum co-variance values for the model, is 2.220, lesser than 5. Hence it can be concluded that model seems to be fit for this SEM model. The model fitness can be defined by CMIN/DF values, the minimum variance value is 2.220, lesser than 5.00, hence the model is concluded as fit.

**Table 4 RMR, GFI**

Model	RMR_val	GFI_val	AGFI_val	PGFI_val
DM	.005	.998	.978	.095
SM	.000	1.000		
IM	.242	.394	.152	.281

The GFI for the model, are represented such that GFI values for the variables TM and the independent model are provided. The goodness fit-index for the model seems to 0.998, less than 1. Hence the model, perceived as fitted model for exploring the correlation.

**Table 5 BC**

Model	NFI	RFI	IFI	TLI	CFI
DM	.998	.985	.999	.991	.999
SM	1.000		1.000		1.000
IM	.000	.000	.000	.000	.000

The BC for the model, are represented such that CFI values for the variables TM and the independent model are provided. The comparative fit-index for the model seems to 0.999, greater than 0.090. Hence the model, perceived as fitted model for exploring the correlation. All the indices are within the accepted range. Henceforth, the hypothesis H1 is accepted from the above analysis.

**Hypothesis 2**

**H2: HRA has positive impact on FP**

**Table 6 Regression Weights**

			Estimate_val	SE	Critical ratio	Sig. P	Label
FP	<---	HRA1	.225	.024	9.228	***	Accepted
FP	<---	HRA2	.119	.028	4.305	***	
FP	<---	HRA3	.079	.020	3.920	0.003	
FP	<---	HRA4	.292	.028	10.304	***	

In the above regression test, the goal is in the determination of relationship among the variables denoted. As the p value seems to be lesser than 0.05, then the alternate hypothesis has been accepted. The relationship of the model seems to be positive.

**Table 7 Model Fit Summary (MFS)**

**CMIN**

Model	NPAR_val	CMIN_value	DF_val	P sig.	CMIN/DF_val
DM	19	6.900	2	.032	3.450
SM	21	.000	0		
IM	6	893.354	15	.000	59.557

The above table evidenced the fitness of the model, in respect to the minimum co-variance values. The minimum co-variance values for the model, is 3.450, lesser than 5. Hence it can be concluded that model seems to be fit for this SEM model. The model fitness can be defined by CMIN/DF values, the minimum variance value is 3.450, lesser than 5.00, hence the model is concluded as fit.

**Table 8 RMR, GFI**

Model	RMR	GFI	AGFI	PGFI
DM	.009	.997	.966	.095
SM	.000	1.000		
IM	.168	.630	.482	.450

The GFI for the model, are represented such that GFI values for the variables HRA and the independent model are provided. The goodness fit-index for the model seems to 0.997, less than 1. Hence the model, perceived as fitted model for exploring the correlation.

**Table 9 BC**

Model	NFI	RFI	IFI	TLI	CFI
DM	.992	.942	.995	.958	.994
SM	1.000		1.000		1.000
IM	.000	.000	.000	.000	.000

The BC for the model, are represented such that CFI values for the variables HRA and the independent model are provided. The comparative fit-index for the model seems to 0.994, greater than 0.900. Hence the model, perceived as fitted model for exploring the correlation.

**Table 10 RMSEA**

Model	RMSEA	LO 90	HI 90	PCLOSE
DM	.059	.015	.110	.300
IM	.289	.273	.306	.000

In similar to this, RMSEA value seems to be 0.059 that is lesser than 0.080 and hence it denotes the fitted model. As all the corresponding value were lying within the threshold-range, it could be assumed that the model is fit according to this SEM outcomes. The SEM model illustrated above, states the association between the HRA and FP. The co-relation co-efficient estimates for those variables are represented in the SEM model, with 0.23, 0.12, 0.08 and 0.29, indicating this percentage of those attributes affects FP. Henceforth, the hypothesis 2 has been proved from the above analysis.

**Hypothesis 3**

**H3: HRA has mediating effect on the TM and FP**

**Confirmatory factor Analysis.** It is statistical procedure in evaluating the observed variables that aligns with the factor model of hypothesis. It permits the research study to investigate the associations of observed variables and the latent constructs. The values of CR and AVE are found to be within the threshold value. TM has AVE value of 0.45 is less than the threshold limit. Subsequently, the convergent validity is assessed utilising the factor loading (Figure 2). Hence the convergent validity and cronbach analysis of the tables are illustrated below:

**Table 11 Convergent validity**

Variables	CR	AVE
TM	0.91	0.45
HRA	0.82	0.52
FP	0.93	0.71

**Hypothesis testing**

**Table 12 CMIN**

Model	NPAR_val	CMIN_val	DF_val	P sig.	CMIN/DF_val
DM	30	187.348	87	.000	2.153
SM	78	.000	0		
IM	12	829.774	105	.000	7.903

The above table evidenced the fitness of the model, in respect to the minimum co-variance values. The minimum co-variance values for the model, is 2.153, lesser than 5. Hence it can be concluded that model seems to be fit for this SEM model. The model fitness can be defined by CMIN/DF values, the minimum variance value is 2.153, lesser than 5.00, hence the model is concluded as fit.

**Table 13 RMR, GFI**

Model	RMR_val	GFI_val	AGFI_val	PGFI_val
DM	.034	.902	.841	.555
SM	.000	1.000		
IM	.213	.341	.221	.288

The GFI for the model, are represented such that GFI values for the variables and the independent model are provided. The goodness fit-index for the model seems to 0.902, less than 1. Hence the model, perceived as fitted model for exploring the correlation.

**Table 14 BC**

Model	NFI_val	RFI_val	IFI_val	TLI_val	CFI_val
DM	.884	.840	.895	.856	.995
SM	1.000		1.000		1.000
IM	.000	.000	.000	.000	.000

The BC for the model, are represented such that CFI values for the variables and the independent model are provided. The value seems to 0.995, greater than 0.90. Hence the model, perceived as fitted model for exploring the correlation.

**Table 15 RMSEA**

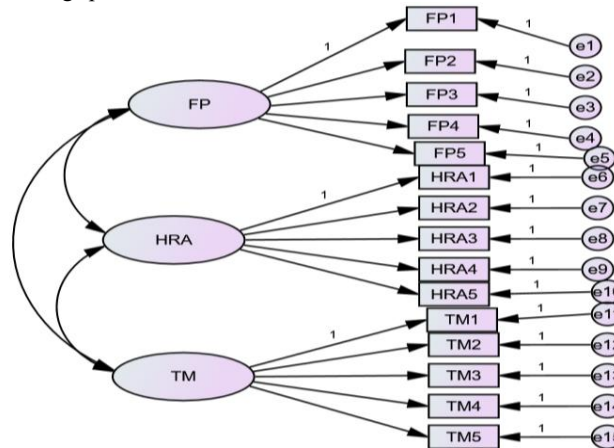
M	RMSEA_val	LO 90_val	HI 90_val	PCLOSE_val
DM	.070	.098	.116	.000
IM	.281	.273	.289	.000

In similar to this, RMSEA value seems to be 0.070 that is lesser than 0.080 and hence it denotes the fitted model. As all the corresponding value were lying within the threshold-range, it could be assumed that the model is fit according to this SEM outcomes.

**Table 16 Direct and indirect effects**

Hypothesis	DE	IDE	T	R	Outcome
TM->FP	0.48				Positive
HRA->FP	0.32				Positive
TM->HRA->FP	0.31	0.20	0.51	39.21%	Mediation

From the overall results observed, it is clear that there is existence of relationship between TM and HRA with the FP by supporting all the framed hypothesis of the study. Moreover, it also proven that the TM has noteworthy impact on the FP with the mediating effect of HRA. These results were affirmed through the statistical recordings performed in AMOS tool.



**Figure 3 CFA for proposed HTM model**

**5. Discussion**

The research objective detects the impact of TM on the FP and also examine the mediating role of HRA in context of TM and FP in IT industry. The outcome revealed that the TM has noteworthy impact on the FP ( $P < 0.05$ ). It reveals the firm which consider the employee as an asset will acquire higher FP. The outcome is aligned with the previous researches of (Bahuguna et al., 2023). The implication of the prevailing researches of (Yassin & Obeidat, 2020) proved that the TM has a positive impact on FP. Likewise, (Mahfud, 2021) has conducted the research study on HRA and management of talented employees that has direct impact on FP. These outcomes evident the implications of the present research. Henceforth, if firms are focusing on the identification, development as well as retention of talented employees, they will acquire the productive outcomes. It resulted in the improvisation, co-ordination, commercialisation of services and products and potential to anticipate the changes in the firms. These constructs of FP mainly streamline the firm to align with their strategic goals. Additionally, the outcomes also implies that the HRA has positive impact on FP ( $P < 0.05$ ). This association is supported in the prevailing researches of (Madhani, 2023), where the HRA has noteworthy impact on FP. The literature lacks to detect the concept of treating the talented employee as an asset to the firms. Whenever, the employee talents are motivated in the firms, their attraction, acquisition and procurement are elevated for their sustainment in the firms. (Dalal & Akdere, 2023) investigated the impact of TM practices, perception and their stratagems in acquiring the FP. The findings of the contemporary researches are integrated with the present research outcomes of HRA has noteworthy impact on FP. In addition to, the outcomes recognise the positive association amongst TM and FP with the mediating role of HRA. It termed the employee to be satisfied to the fruitful of HRA, so that they perform effectually in order to acquire the strategic goal of firms. The outcomes aligned with the contemporary researches of (Bouteraa & Bouaziz, 2023). Subsequently, the outcome implies that the HRA has mediating effect on TM and FP. This outcome is partially proved in the researches (Shah et al., 2024). Henceforth, the TM has positive impact on FP and the perception of management regarding the employee talent as an asset to the firms. Finally, the discussion concludes with the concept of TM and HRA are the dominant predictors of FP. Also, HRA considering the employee as wealth will acts as a mediator for the association of TM and FP. It proves to be the beneficial starting for the future researches.

**5. Limitations**

The chief constraint of the study is limited sample populace. Henceforth, the outcomes lack generalizability for the sample size. Hence, the research outcome may not be applicable and must be contextualized within certain geographical contexts. Moreover, the primary data has been utilised for deriving the outcome. Human actions is an ever fluctuating module that cannot be remain constant. Consequently, the consequence of the study always varies with the consideration of difference in perception of software engineers. Though, the endorsement provided by the exploration can be valued to aware of significance of TM for the successful outcomes.

**6. Conclusion**

The empirical analysis on TM and FP in the South Indian IT division enlightens the association of effectual TM practices and improvised productivity in the firms. The firm prioritising the management stratagems experiences significant improvisation in the engagement, productivity, operational efficiency and thereby positioning the sustainable competency in the global business context. A crucial finding is the significance of TM, the firm that consider the talented employee as an asset will acquire action in the favour of employees that elevate the employee engagement in the firms. It leads to enhance the productivity in the organisation and thereby achieving the performance that overcome the competitors. Also, it signifies the HRA to consider the talent as a wealth rather than the profitability.

The research study conveys the strong association of TM and FP with the mediating effect of HRA. The present research emphasises the potentialities of HRA in considering the wealth of firms in terms of talents which leads to fruitful performance of IT sectors in South India. The study acts as a benchmark for achieving the sustainable FP through TM with the mediating effect of HRA.

**Practical implications**

TM in South Indian IT sector at multifaceted and it impacts on the diverse aspects of firm success. The firm develops the HRA in terms of considering the talented employee as their wealth which foster engagement of employees to the firms. Also, it elevates the culture of firms which is significant for talented employee retainment. It prioritises the development of employee through technological adoption and providing appropriate training to them. The research study conveys that HRA should change their perspectives regarding the economy. This modified perception minimises attrition rate and employee cost.

### Academic implications

TM are substantial in the business context that improvises efficiencies of firms and integrating the practices of HR with the strategic goals. Initially, the research study underscores the necessity as well as conceptual framework of TM. It guides the future researches and applications. The precise understanding of talent enumerates the evaluation of TM practices that influences the performance in the differential sectors. The theories such as social exchange and Resource based view theory in the HTM research provide deeper understanding of human capital acts as a competitive beneficiary.

### References: -

- Adeosun, O. T., & Ohiani, A. S. (2020). Attracting and recruiting quality talent: firm perspectives. *Rajagiri Management Journal*, 14(2), 107-120.
- Al Aina, R., & Atan, T. (2020). The impact of implementing talent management practices on sustainable organizational performance. *Sustainability*, 12(20), 8372.
- Al Jawali, H., Darwish, T. K., Scullion, H., & Haak-Saheem, W. (2022). Talent management in the public sector: empirical evidence from the Emerging Economy of Dubai. *The international journal of human resource management*, 33(11), 2256-2284.
- Almaaitah, M., Alsafadi, Y., Altahat, S., & Yousfi, A. (2020). The effect of talent management on organizational performance improvement: The mediating role of organizational commitment. *Management Science Letters*, 10(12), 2937-2944.
- Almomani, L. M., Sweis, R., & Obeidat, B. Y. (2022). The impact of talent management practices on employees' job satisfaction. *International Journal of Business Environment*, 13(3), 259-281.
- Alves, P., Santos, V., Reis, I., Martinho, F., Martinho, D., Correia Sampaio, M., . . . Au-Yong-Oliveira, M. (2020). Strategic talent management: The impact of employer branding on the affective commitment of employees. *Sustainability*, 12(23), 9993.
- Anam, & Haque, M. I. (2023). Behavioural intention of HR professionals to use HR analytics in the Indian context: an analysis using the UTAUT model. *International Journal of Indian Culture and Business Management*, 28(1), 101-123.
- Anlesinya, A., & Amponsah-Tawiah, K. (2020). Towards a responsible talent management model. *European Journal of Training and Development*, 44(2/3), 279-303.
- Bahuguna, P., Bangwal, D., & Kumar, R. (2023). Talent management and its impact on organizational commitment: An empirical investigation of Indian hospitality industry. *FIIB Business Review*, 12(2), 176-192.
- Barki, N., Choudhry, F. R., & Munawar, K. (2020). The satisfaction with life scale: Psychometric properties in Pakistani population. *Medical journal of the Islamic Republic of Iran*, 34, 159.
- Bouteraa, A., & Bouaziz, F. (2023). Do talent management practices improve organizational resilience? An empirical study within Tunisian companies. *African Journal of Economic and Management Studies*, 14(2), 271-288.
- Chatterjee, S., Rana, N. P., & Dwivedi, Y. K. (2024). How does business analytics contribute to organisational performance and business value? A resource-based view. *Information Technology & People*, 37(2), 874-894.
- Dalal, R., & Akdere, M. (2023). Examining the relationship between talent management and employee job-related outcomes: The case of the Indian manufacturing industry. *Human Resource Development Quarterly*, 34(2), 201-226.
- Ekhsan, M., Parashakti, R. D., & Perkasa, D. H. (2023). The Impact of Talent Management on Employee Performance Mediated by Employee Engagement. *East Asian Journal of Multidisciplinary Research*, 2(4), 1821-1834.
- Gallardo-Gallardo, E., Thunnissen, M., & Scullion, H. (2020). Talent management: context matters. In (Vol. 31, pp. 457-473): Taylor & Francis.
- Hutahayan, B. (2020). The mediating role of human capital and management accounting information system in the relationship between innovation strategy and internal process performance and the impact on corporate financial performance. *Benchmarking: An International Journal*, 27(4), 1289-1318.
- Jooss, S., Collings, D. G., McMackin, J., & Dickmann, M. (2024). A skills-matching perspective on talent management: Developing strategic agility. *Human Resource Management*, 63(1), 141-157.
- Kwon, K., & Jang, S. (2022). There is no good war for talent: A critical review of the literature on talent management. *Employee Relations: The International Journal*, 44(1), 94-120.
- Lakens, D. (2022). Sample size justification. *Collabra: Psychology*, 8(1), 33267.
- Le, T. T., & Ikram, M. (2022). Do sustainability innovation and firm competitiveness help improve firm performance? Evidence from the SME sector in vietnam. *Sustainable Production and Consumption*, 29, 588-599.
- Madhani, P. M. (2023). Human resources analytics: leveraging human resources for enhancing business performance. *Compensation & Benefits Review*, 55(1), 31-45.
- Mahfud, I. (2021). The effect of organizational culture transformation and talent management on organizational effectiveness mediated by job satisfaction. *Journal of Economics and Business Letters*, 1(4), 1-10.
- Margherita, A. (2022). Human resources analytics: A systematization of research topics and directions for future research. *Human Resource Management Review*, 32(2), 100795.
- McLeod, S. (2019). Qualitative vs Quantitative Research Methods & Data Analysis.
- Meyers, M. C., van Woerkom, M., Paauwe, J., & Dries, N. (2020). HR managers' talent philosophies: prevalence and relationships with perceived talent management practices. *The international journal of human resource management*, 31(4), 562-588.
- Mohajan, H. K. (2020). Quantitative research: A successful investigation in natural and social sciences. *Journal of Economic Development, Environment and People*, 9(4), 50-79.
- Priya, G. S., & Raman, U. (2021). A Study on Strategy of Employer Branding and its impact on Talent management in IT industries. *Elementary education online*, 20(5), 3441.
- Shah, N., Bano, S., Saraih, U. N., Abdelwaheed, N. A. A., & Soomro, B. A. (2024). Developing organizational performance through talent management practices: employee satisfaction's mediating role in learning organizations. *Business Process Management Journal*, 30(3), 641-670.
- Singh, S. K., Mazzucchelli, A., Vessal, S. R., & Solidoro, A. (2021). Knowledge-based HRM practices and innovation performance: Role of social capital and knowledge sharing. *Journal of International Management*, 27(1), 100830.
- Sivathanu, B., & Pillai, R. (2019). Technology and talent analytics for talent management—a game changer for organizational performance. *International Journal of Organizational Analysis*.
- Son, J., Park, O., Bae, J., & Ok, C. (2020). Double-edged effect of talent management on organizational performance: the moderating role of HRM investments. *The international journal of human resource management*, 31(17), 2188-2216.
- Sreekumar, D. (2023). What is Quantitative Research? Definition, Methods, Types, and Examples. [https://researcher.life/blog/article/what-is-quantitative-research-types-and-examples/#What\\_is\\_quantitative\\_research12](https://researcher.life/blog/article/what-is-quantitative-research-types-and-examples/#What_is_quantitative_research12)
- Sumaja, M., & Srinivas, K. Organizational Culture and HR Practices Impact on Firm Performance.
- Taherdoost, H. (2021). Data collection methods and tools for research; a step-by-step guide to choose data collection technique for academic and business research projects. *International Journal of Academic Research in Management (IJARM)*, 10(1), 10-38.
- Tensay, A. T., & Singh, M. (2020). The nexus between HRM, employee engagement and organizational performance of federal public service organizations in Ethiopia. *Heliyon*, 6(6).
- Thakur, S. J., Bhatnagar, J., Farndale, E., & Aeron, P. (2024). How do human resources analytics create value for organizations? A qualitative investigation. *Journal of Organizational Effectiveness: People and Performance*.
- Tudose, M. B., Rusu, V. D., & Avasilcai, S. (2022). Financial performance—determinants and interdependencies between measurement indicators. *Business, Management and Economics Engineering*, 20(1), 119–138–119–138.
- Vaiman, V., Cascio, W. F., Collings, D. G., & Swider, B. W. (2021). The shifting boundaries of talent management. *Human Resource Management*, 60(2).
- van der Merwe, M., Nel, P., & Hoole, C. (2024). How talent management execution impacts career experiences: exploring the organization-individual intersect. *Frontiers in Psychology*, 15, 1272645.
- Yassin, H., & Obeidat, B. Y. (2020). The impact of Talent management on organizational effectiveness in Healthcare sector. *Journal of Social Sciences (COES&RJ-JSS)*, 9(2), 535-572.