

Strategic Talent Management and its influence on Employee Engagement in the Hospitality Sector

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Abstract

Strategic talent management has become an important concept of human resource management in the hospitality industry, where service quality and employee commitment significantly influence organizational success. This study examines the influence of strategic talent management practices on employee engagement within the hospitality sector. Talent management dimensions such as recruitment, training and development, career progression and retention strategies are analyzed to understand their role in enhancing employee's psychological involvement and commitment to the organization. Using a quantitative research design, data were collected from the hotel employees and analyzed to test the relationship between strategic talent management and employee engagement. Talent acquisition approaches that align individual capabilities with organizational needs, training and development opportunities, career planning initiatives were particularly influenced in employee engagement. The findings that indicate the structured talent management practices significantly improve engagement levels by fostering professional growth, organizational trust and job satisfaction. The study contributes to contemporary human resource management literature by positioning talent management as a strategic driver of engagement in service intensive industries. By situating engagement as a key mediator between strategic talent initiatives and organizational outcomes, the study highlights the integrative role of HRM in hospitality management. Practically it provides insights for managers seeking to reduce turnover and improve workforce stability through the effective talent strategies.

Keywords: Talent Management, Human Resource Management, Employee Engagement, Organizational Outcomes, Hotel industry, Hospitality Sector

Introduction

Employee engagement has become a critical determinant of organizational performance particularly in the hospitality industry where service quality mainly depends on employee attitudes and behaviors. Despite increasing investments in human resource initiatives many hospitality organizations continue to face challenges related to high employee turnover and skill shortages with declining workforce commitment. Within this context, strategic talent management has emerged as a systematic approach to attracting, developing and retaining talented employees. Practices such as talent acquisition, training and development are designed to strengthen workforce ability and long-term organizational sustainability. However, while previous research acknowledges the importance of talent management, limited empirical studies have comprehensively examined its direct impact on employee engagement, particularly within the hospitality sector. The primary objective of the study is to examine the relationship between strategic talent management practices and employee engagement and to assess the extent to which these practices predict engagement levels. By addressing this research gap, the study contributes to both theoretical understanding and practical insights for improving employee engagement through structured talent management strategies.

Objectives of the study

- To examine strategic talent management practices in the hospitality sector.
- To assess the level of employee engagement among hotel employees
- To analyse the influence of strategic talent management on employee engagement
- To provide strategic HR recommendations for improving engagement.

Review of Literature

Ahmed and Nawaz (2020) examined the role of strategic human resource practices in enhancing employee engagement in the service sector, highlighted that talent planning, performance appraisal and developmental training positively predicted engagement levels among frontline employees.

Ajmal et.al. (2021) found that career development opportunities significantly influenced employee's emotional attachment and engagement in the hospitality firms. Their study emphasized that transparent career pathways enhance engagement and reduce turnover intention.

Boon et.al. (2021) analyzed how high-performance work systems including selective hiring and continuous skill development were associated with increased employee engagement and organizational commitment across service industries.

Hussain et.al. (2022) investigated employee empowerment and strategic HR practices revealing that empowerment mediates the relationship between talent management initiatives and employee engagement. This study recommended adopting participative decision making to strengthen engagement outcomes.

Lee and Chelladurai (2023) assessed leadership support and talent retention strategies. Their findings showed that supportive leadership and recognition systems enhance employee engagement through increased job satisfaction and long-term retention.

Nguyen and Phan (2024) explored the linkage between talent acquisition strategies and employee engagement showing that recruitment practices aligning organizational values with employee's expectations lead to better engagement and long-term retention.

Omar and Ramayah (2025) highlighted that workplace flexibility and strategic talent management jointly contributed to higher employee engagement, pointing out that flexibility increases psychological comfort and organizational commitment among younger workforce cohorts.

Research Gap

Although previous studies have explored talent management and employee engagement independently, limited empirical research has examined the direct influence of strategic talent management practices on employee engagement in the hospitality sector. Most studies focus on developed or metropolitan settings, leaving a contextual gap in emerging regional markets. This study seeks to address this gap by providing sector-specific empirical evidence.

Need for the Study

The hospitality sector is highly dependent on skilled and committed employees to deliver quality service and maintain competitive advantage. However, challenges such as high employee turnover, skill shortages, and changing workforce expectations require organisations to adopt strategic talent management practices. While prior research highlights the importance of engagement, limited empirical evidence explains how structured talent management initiatives directly enhance engagement in hospitality settings. Therefore, this study is necessary to provide sector-specific insights and practical recommendations for strengthening employee engagement through strategic talent management.

Research Methodology

The study adopts a quantitative research design. Primary data were collected using a structured questionnaire from employees working in hotel sector based on hospitality. Convenient sampling method used to collect the data sample size of 400 employees from various hotels. A Likert scale will be used to measure perceptions regarding talent management practices and engagement levels. Statistical tools such as descriptive analysis, correlation, and structural equation modelling (SEM) were applied to test the proposed hypotheses.

Data Analysis and Interpretation

The descriptive analysis was conducted to understand the overall perception of employees regarding strategic talent management practices and employee engagement.

Table 1: Descriptive Statistics of Strategic Talent Management and Employee Engagement

Variables	Mean (M)	Standard Deviation (SD)
Talent Acquisition	3.72	0.68
Training & Development	3.85	0.64
Career Development	3.68	0.71
Overall Strategic Talent Management	3.75	0.66
Employee Engagement	3.91	0.59

Interpretation

The mean scores indicate that respondents moderately agreed that their organizations implement structured talent acquisition (M = 3.72), training and development programs (M = 3.85), and career development initiatives (M = 3.68). The overall employee engagement level recorded a mean value of 3.91, suggesting a relatively high level of engagement among hospitality employees.

Figure 1: Strategic Talent Management and Employee Engagement



Table 2: Correlation between Strategic Talent Management Dimensions and Employee Engagement

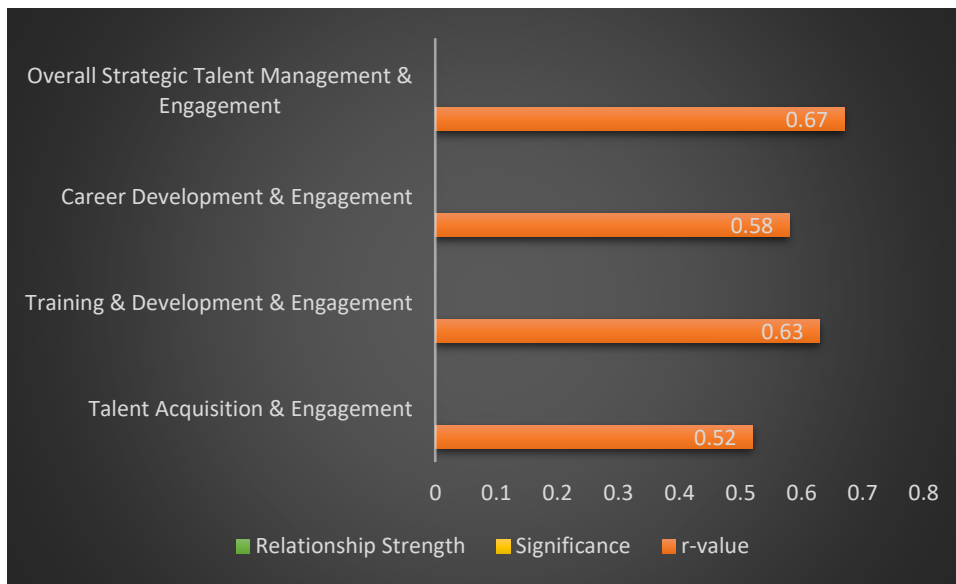
Pearson correlation analysis was performed to examine the relationship between strategic talent management dimensions and employee engagement.

Variables	r-value	Significance	Relationship Strength
Talent Acquisition & Engagement	0.52	p < 0.01	Moderate Positive
Training & Development & Engagement	0.63	p < 0.01	Strong Positive
Career Development & Engagement	0.58	p < 0.01	Moderate Positive
Overall Strategic Talent Management & Engagement	0.67	p < 0.01	Strong Positive

Interpretation

The results revealed a positive and statistically significant relationship between all dimensions of strategic talent management and employee engagement. Training and development show the strongest association, indicating that skill enhancement initiatives play a crucial role in fostering engagement.

Figure 2: Relationship between strategic talent management dimensions and employee engagement.



Regression / SEM Analysis

A regression (or Structural Equation Modelling) analysis was conducted to test the proposed hypotheses.

Table 3 Model Summary

R	R ²	Adjusted R ²	F-value	Significance
0.67	0.45	0.43	52.31	< 0.01

Model Summary:

- R² = 0.45
- F-value significant at p < 0.01

This indicates that 45% of the variance in employee engagement is explained by strategic talent management practices.

Table 4: Effect of Strategic Talent Management on Employee Engagement

Hypothesized Path	Beta (β)	Standard Error	t-value	p-value
Talent Acquisition → Engagement	0.21	0.07	3.12	< 0.05
Training & Development → Engagement	0.34	0.06	5.41	< 0.01
Career Development → Engagement	0.29	0.05	4.88	< 0.01

Interpretation

Training and development emerged as the strongest predictor of employee engagement, followed by career development and talent acquisition. The significant beta coefficients confirm that strategic talent management practices positively influence employee engagement in the hospitality sector.

Findings of the Study

- The descriptive statistics indicates that employees moderately agreed that their organizations implemented a structured strategic talent management practice. Among the dimensions, Training and Development (M = 3.85) recorded the highest mean score, followed by Talent Acquisition (M = 3.72) and Career Development (M = 3.68).
- Employee engagement recorded a comparatively high mean score (M = 3.91), indicating that employees in the hospitality sector demonstrated a favorable level of engagement towards their organizations.
- Correlation analysis revealed a positive and statistically significant relationship between all dimensions of strategic talent management and employee engagement (p < 0.01). Training and development showed the strongest correlation (r = 0.63), followed by career development (r = 0.58) and talent acquisition (r = 0.52). The overall strategic talent management construct exhibited a strong positive relationship with employee engagement (r = 0.67).
- Regression/SEM results indicates that strategic talent management explains 45% of the variance (R² = 0.45) in employee engagement. Training and development emerged as the strongest predictor (β = 0.34), followed by career development (β = 0.29) and talent acquisition (β = 0.21). All relationships were statistically significant.

Recommendations

- Since training and development has the strongest impact on employee engagement, hospitality organizations should invest in continuous learning programs, skill-based workshops, leadership training, and digital competency development.
- Organizations should design a structured career progression plans, mentorship programs, and internal promotion policies to improve long-term employee commitment and engagement.
- Recruitment strategies should focus not only on skills but also on cultural fit and engagement potential to ensure long-term retention.
- Human Resource departments should align the talent management initiatives with employee engagement frameworks to maximize organizational performance.
- Organizations should create supportive work environments, feedback systems, and recognition programs to sustain engagement levels.

Conclusion

This study examined the relationship between strategic talent management practices and employee engagement in the hospitality sector. The findings indicates that the strategic talent management significantly contributes to enhancing employee engagement. Among the dimensions analyzed, training and development emerged as the strongest predictor, followed by career development and talent acquisition. Correlation results revealed that positive and statistically significant relationships between all talent management dimensions and employee engagement. The regression/SEM analysis further showed that strategic talent management explains 45% of the variance in employee engagement, highlighting its substantial influence. From a practical standpoint, the results emphasize the importance of investing in structured training programs, career progression opportunities, and strategic recruitment processes to strengthen employee engagement and organizational performance.

However, the study is limited by its cross-sectional design, sector-specific sample, and reliance on self-reported data. Future research should adopt longitudinal approaches and explore additional mediating or moderating variables such as leadership style or organizational culture. Expanding the study across industries and regions would enhance generalizability and theoretical advancement.

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