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## An Investigation into the Retention of Talent in the Nigeria Banking Sector

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**Abstract.** This study aims to investigate talent retention in the Nigeria Banking Sector using Wema Bank Plc. as a case study. To achieve this aim, the primary source of data was employed to collect data from respondents. Specifically, semi-structured interviews were conducted to gather data from nine (9) employees at Wema Bank. Data retrieved were analysed using thematic analysis. Findings from the semi-structured interview showed that factors such as poor remuneration, non-flexibility in work arrangements, poor performance management process, increased workload, and increased stress levels are responsible for the increased rate of talent turnover in Nigeria Banks. In addition, it was discovered that the increased turnover rate caused by the identified factors had been the cause of poor service delivery of banks, especially in areas such as Internet banking and mobile applications. Furthermore, employee resistance to change, non-commitment of the management team, and budget constraints were identified as challenges causing a hindrance to the implementation of some of the talent retention strategies created by Wema Bank. Thus, based on the findings from the semi-structured interview, training and educating talent, ensuring timely promotion, pay increase in such a way that offers more than competitors within and outside the banking industry, rewarding and recognising talent, implementing flexible work arrangements, and ensuring cross border recruitment, have been found suitable for improving talent retention in Nigerian Banks. Furthermore, the study recommended implementing flexible work arrangement policies and practices to help reduce workload and stress and ensure a healthy work-life balance.

**Keywords:** talent, talent retention, Nigerian banking sector

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## Introduction

Organizations throughout the world now place a high focus on retaining skilled people. Since talent is the most valuable asset in any business, talent retention is one of the most important factors in today's competitive firms [1]. However, the problem of keeping talent employed poses a significant barrier to the operations of organizations in all industries in both developed and developing countries. Oganezi and Lozie [2] opined that any organization that retains talent benefits from improved business performance, customer satisfaction regarding the calibre of services or goods, a motivated workforce, corporate image, effective succession planning, and total profit. However, Ochouko and Olumola [1] emphasized that businesses in Nigeria experience difficulties due to talent leaving. The increased turnover and retention rates of talent in various Nigerian firms have been the subject of several studies. These studies linked poor talent retention to a weak organizational reward system in some cases [3] and weak talent management in others [4].

The banking sector in Nigeria is well renowned for being one of the highest-paying sectors in the country, and as a result, it draws a wide range of talent hoping to pitch a tent with one of the many banks in the country [5]. However, despite the various benefits of being a talent in Nigeria, talent retention has become a significant problem for banks in the Nigerian banking sector [6]. Furthermore, Akanda et al. [4] noted that the Nigerian banking sector still has a very high talent turnover rate, stressing that they never stay in one bank for an extended period. Thus, an investigation is still needed into the long-term retention of talent in banks [2]. It is on the premise that this study is based. The study seeks to investigate talent retention in the Nigeria Banking Sector using Wema Bank Plc. as a case study. In addition, the study looks to discover what strategies Nigerian money deposit banks might use to keep talent in the workplace despite the enormous youth migration observed and the global talent war in the fast-paced corporate climate.

This study aims to investigate talent retention in the Nigeria banking sector using Wema Bank Plc. as a case study, while the specific objectives of this study are to:

- identify issues supporting or hindering the retention of talent in the Nigerian banking sector;
- determine the effect of poor talent retention practices on the quality-of-service delivery in the Nigerian Banking sector;
- make recommendations for Wema Bank plc. on methods to be employed in the retention of talent.

## Conceptual review

### *Methodology*

The interpretivism research philosophy underpins this study. Furthermore, in keeping with the interpretivism research philosophy, the research approach adopted for this study is qualitative and inductive. Respondents were interviewed to gather information from which themes and patterns were discovered to understand talent

retention practices in the Nigerian banking sector and to offer solutions to issues identified during the survey. Data for this study was retrieved from primary sources. Specifically, the interview method of data collection was used. Additionally, respondents for the study were selected using the snowball sampling method. Nine (9) participants, including one (1) Head of Talent Management, one (1) staff managing the talent management 9box grid classification, two (2) branch managers, three (3) senior managers on the mentoring programme that serves as a mentor and two (2) staff from the 9box grid classification were selected for this study. Thematic analysis, a qualitative data analysis technique, has been identified as the survey data analysis method.

## **Results**

### ***Defining talent***

Respondents were asked to define talent and explain some of the key attributes of talent. One of the respondents, a talent manager, explained that talent has unique qualities and can achieve specified goals and objectives attached to their position and the overall team or organisation objective. This is in accordance with various literature [2; 7; 8] description of talent as people with high potential who have the capacity and motivation to consciously acquire the knowledge and skills necessary to carry out key jobs within an organization successfully. Thus, those who perform their duties and responsibilities on time can be called talent. The other respondents corroborated the first respondent's view on defining talent by explaining that talent can perform effectively and achieve the predetermined goals of the organisation. Additionally, the interview findings revealed that talent is identified primarily when tasks are given to employees. Thus, a talent is a person with unique competence and skills who can achieve set goals and who can be identified by the outcomes they produce for the firm.

### ***Expectations of talent***

On expectations of talent in the organisation, most respondents responded by explaining that talent wants to be motivated through recognition and ensure they are appreciated for their performance towards the organisation's goals, mission, and vision. This validates Nnadi and Chinedu's [9] findings that the most often acknowledged factors affecting employee retention were remuneration, work-life balance, working environment, and superior-subordinate relationships. As a result, talented individuals whose expectations are unmet often leave the organization. This also corroborates the findings of Olusa and Bolaji [10] and Alola et al. [11]. Furthermore, some respondents explained that talent expects the skill, knowledge, and attributes they possess to fetch income capable of improving their standard of living. Despite the efforts of banks to implement various retention strategies in their organizations, the search for better living conditions has been linked to the recent increase in turnover among talent in Nigeria [12].

Additionally, respondents described the talent process at Wema Bank Plc. as transparent. A branch manager, one of the respondents, described how frequently feedback is provided when talent management processes are conducted within the company. The practice at the bank is consistent with the study of Nnadi and Chinedu [9], who found that job autonomy, regular feedback, and creative and supportive organizational culture are all positively associated with employee retention. However, the turnover rates in the organization have been steadily rising despite the bank's adoption of a culture of transparency in the talent process.

### ***Factors responsible for talent turnover in Nigerian banks***

On the factors responsible for employee turnover in Nigerian banks, respondents noted that most of the issues are related to financial factors. Furthermore, the banking industry was labelled challenging to grow, causing a relatively slow movement on the career ladder. Lack of career growth due to fewer positions at the top management level has also led employees to leave the industry. Generally, poor working conditions, stress, poor leadership, delayed promotion, job security, limited training and development, poor remuneration, and an increased workload associated with working in banks have been explained as factors responsible for employee turnover. This supports the findings of Oluwole [13], who claimed that turnover and intentions to leave the banking sector are significantly higher in Nigeria due to low job satisfaction, high job stress, employee identification with the organization, a lack of organizational commitment, a lack of organizational fairness, and poor leader-member communication.

Additionally, employee poaching was identified by a few respondents as a cause of employees leaving the banks. This is a deviation from the conclusions of several academic works that employees quit the company in search of better opportunities abroad. Employees have been seen leaving their respective banks to competitors inside or outside the country's banking industry who have made irresistible compensation offers in various forms. For instance, one of the respondents, a junior data analyst, explained that those in the same line of profession as him would prefer to work for IT (information technology) companies rather than work in banks because of the increased financial and non-financial compensation they offer.

In addition, a few respondents have faulted performance-based evaluation at banks, which they described as causing slow progression on employees' career paths, thereby contributing to the increase in talent turnover. This supports the study of Chukweu, who found that employee turnover and turnover intention are significantly influenced by promotions given when they are due, regularly, transparently, and when employees are satisfied with them. Furthermore, it was discovered that Nigeria's economy and, more importantly, the country's security issues have caused banking sector employees to move from the country to other countries, where they can also improve their standard of living and advance their knowledge. This also aligns with the findings of Oluwole and Dayo [13]. However,

as highlighted by all respondents, the main factor causing increased employee turnover is the search for a better compensation package. This supports the findings of Nnadi and Chinedu [9], who classified compensation as one of the most recognised factors affecting employee retention.

### **High employee turnover affects the quality-of-service delivery in the Nigerian Banking industry**

Furthermore, employees were asked to give their thoughts on whether employee turnover would affect the quality-of-service delivery in the Nigerian Banking industry. All respondents explained that employee turnover in the banking industry affects service delivery to account holders. The findings of Olusa and Bolaji [10] also supported the claim mentioned above by demonstrating that high turnover rates have negatively impacted bank operations. The respondents noted that the IT and customer service departments were particularly impacted. The turnover of employees in the IT department has caused issues in online banking and mobile application operations. For instance, it was discovered that the Wema Bank technical team's talent shortage had caused an increase in customer complaints on failed transactions.

Furthermore, respondents noted that a lack of human resources has caused affected departments to provide poor-quality service to customers. For instance, one of the respondents, a project manager at Wema Bank, explained that the increased employee turnover had caused a delay in the delivery of projects to customers as fewer employees were available to engage in project management. Similarly, Oganezi and Lozie [2] asserted that an organization's performance, customer satisfaction, the quality of its goods or services, engaged employees, corporate image, and overall profit would be negatively impacted when talent leaves the organization.

In addition, it was discovered that when customers see new faces every time they visit the bank, they are dissatisfied with the service delivery since they meet employees who need to gain prior knowledge about their issues. It was further identified that employee turnover causes an increased workload for remaining employees, resulting in stress and might affect the quality of service they deliver to bank customers. This supports the findings of Kotze et al. [14], who explained that staff turnover costs money and can negatively affect an organization's effectiveness as the workload of the remaining employees increases. Furthermore, respondents noted that even after getting employees to fill vacancies, it would take a while for the new employee to get familiar with the position and responsibilities. This finding was supported by a study by Nnadi and Chinedu [9]. The study discovered that talent quitting company effects go far beyond the high costs of finding and integrating replacements. Banks have also experienced difficulties recruiting employees and providing orientation for them on carrying out duties and responsibilities attached to their various positions.

### **Strategies employed to reduce talent turnover**

Employee engagement programmes, career development, promoting work-life balance, mentoring, maintaining a healthy workplace culture, reward and recognition programme, training and development opportunities, and the provision of financial and healthcare benefits were identified by respondents as strategies that Wema Bank is employing to reduce employee turnover in the organisation. For instance, a few respondents noted that the organisation is in partnership with Coursera, an online learning platform, to offer courses to employees. This is in line with the conclusions of Al-Emadi et al. [15], who claimed that employers of labor have engaged in various talent retention strategies to keep their qualified and competent talent in the fast-paced business environment to achieve a competitive advantage in the market they operate in.

According to the respondents, these strategies have assisted the organisation in reducing the bank's employee turnover rate. For instance, a respondent explained that the employee turnover rate has decreased compared to the period before the implementation of retention strategies such as profit-sharing. In addition, one of the respondents noted that compared to other banks, the employee turnover rate at the bank is lower, thus indicating success in implementing strategies to reduce employee turnover. However, it was explained that despite the strategy employed and the investment made in ensuring employees remain in the organisation, talent continues to leave the organisation searching for greener pastures abroad. Similarly, Ohunakin et al. [16] stated that despite various retention strategies employed by various organizations, they could not hold onto the talent that may have helped them accomplish their goal.

### **Key barriers to implementing strategies**

Furthermore, while the majority of the respondents explained that there are no barriers to implementing the strategies highlighted above, few of the respondents identified a lack of management acceptance and commitment to strategy, budget constraints, and resistance to change, mainly from the older talent and restrictions from existing industry laws and policies as barriers and challenges to implement strategies highlighted above. This concurs with the findings, which highlighted that a major obstacle to hiring and retaining workers is a lack of funds.

### **Recommendations for effective talent retention strategies**

Some of the recommendations made by the respondents include ensuring a more flexible work arrangement and that talent should have a stake in the organisation through share buying. They believe talent will be more committed to the organisation when they possess a certain amount of investment in the firm. Furthermore, flexible work arrangements give some talent a reason to remain on the job. Additionally, training and development programmes were recommended as a way to overcome barriers and challenges faced in the implementation of retention strategies. For

instance, training for senior employees in the banking industry was recommended to enlighten them on the need, importance, and acceptance strategies to reduce employee turnover.

Recommendations proposed by respondents include an increase in employee salary, timely and performance-based promotions, encouraging employee involvement, implementing flexible work arrangements, rewarding employees who have stayed for a more extended period, providing training and development programmes, and a reduction in employee workload. Furthermore, it was noted that as talent move in search of greener pastures and to further their education, they should be allowed to continue to work for the bank from their various destinations as these would not only allow banks to lose talent but would also assist banks to have a human resource that would ensure the inclusion of international best practices when providing their services to the banks.

### **Conclusions**

Based on the findings of the investigation into the retention of talent in the Nigerian banking sector, the study concluded that the rate of talent turnover in the Nigerian banking sector is increasing. Additionally, the study concluded that various factors are responsible for the increase in talent turnover in Nigerian banks, including increased stress levels, increased workload, poor remuneration, poor performance management process, and non-flexibility in work arrangements. Furthermore, based on the investigation findings, the study concluded that an increase in talent turnover is a major factor in the recent poor service delivery of banks in Nigeria, especially in internet banking and mobile application use. Additionally, the study concluded that employee resistance to change, non-commitment of the management team, and budget constraints are challenges being faced by Nigerian banks in implementing talent retention strategies. Furthermore, the study concluded that financial incentives, flexible work arrangements, timely promotion, and cross-border hiring influence employees' decisions to leave or stay in the banking industry.

### **Recommendations**

In line with the conclusion of the study, the study recommended that Bank management should formulate and implement policies and practices relating to flexible work arrangements (FWA) to help talent reduce workload and stress and ensure a work-life balance. Furthermore, management should reward talent according to their preferences to retain and increase performance. Additionally, the reward management policy should include self-reporting, monitoring, and evaluation strategies to make it strategic and practical. Additionally, Banks should implement a continuous performance management system used frequently to make HR decisions regarding promotions, rewards, and the need for training and development. Making choices based on facts can assist banks in achieving their key results areas (KRA) and increasing talent retention rates. The bank

management team should encourage change initiatives, and employees should do the same. Lastly, discrimination of any type should be eliminated when organizations in the Nigerian banking sector implement various employment and labor policies since equitable pay and treatment of talent boost motivation and performance.

### Suggestion for further studies

Even though this study investigated talent retention in the Nigerian banking sector, certain issues still need to be clarified through additional research. The current study, conducted in Nigeria, can be repeated in other developing nations. This will allow researchers to compare their findings and determine whether or not talent retention varies by region or country. As Wema Bank was the focus of this study, other banks in the nation may also be investigated. Furthermore, a semi-structured interview was used to collect data for this study; however, the researcher suggests that alternative methods, like a questionnaire, focus groups, and structured interviews, should be employed to serve as a basis for comparison. In addition, future research should also consider using a larger sample size to shed more light on the retention of talent in Nigerian banks.

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## Исследование проблемы удержания талантов в банковском секторе Нигерии

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**Аннотация.** Целью данного исследования является изучение проблемы удержания талантливого персонала в банковском секторе Нигерии на примере Wema Bank Plc. Для достижения этой цели в качестве основного источника данных был использован опрос респондентов. Для сбора данных были проведены полуструктурированные интервью с девятью сотрудниками Wema Bank. Полученные данные были проанализированы с использованием тематического анализа. Результаты интервью показали, что такие факторы, как низкое вознаграждение, отсутствие гибкости в организации работы, неэффективный процесс управления производительностью, возросшая рабочая нагрузка и повышенный уровень стресса, играют основную роль в увеличении текучести кадров в банках Нигерии. Кроме того, было обнаружено, что высокий уровень текучести кадров, вызванный выявленными факторами, стал причиной снижения качества банковских услуг, особенно в таких областях, как онлайн-банкинг и мобильные приложения. Кроме того, сопротивление сотрудников переменам, отсутствие

приверженности управленческой команды и бюджетные ограничения были определены как проблемы, препятствующие реализации некоторых стратегий удержания талантов, разработанных Wema Bank. Таким образом, основываясь на полученных результатах, для совершенствования управления талантами были рекомендованы обучение и воспитательная работа, обеспечение своевременного продвижения по службе, повышение заработной платы таким образом, чтобы предлагать больше, чем конкуренты в банковской отрасли и за ее пределами, поощрение и признание талантов, внедрение гибких условий работы и обеспечение трансграничного найма. Кроме того, в исследовании рекомендуется внедрять практику гибкой организации работы, чтобы помочь снизить рабочую нагрузку и уровень стресса и обеспечить здоровый баланс между работой и личной жизнью.

**Ключевые слова:** таланты, управление талантами, удержание талантов, нигерийский банковский сектор

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