

MINISTRY OF EDUCATION AND TRAINING
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**THE TALENTS RETENTION
AT COMMERCIAL BANKS OF VIET NAM**

DISSERTATION SUMMARY

Dong Nai – 2018

CHAPTER 1: OVERVIEW OF RESEARCH ISSUES

1.1 THE RESEARCH BACKGROUND

Currently, many organizations are in high demand for qualified employees to generate productivity and labor efficiency. Therefore, organizations are constantly competing to recruit talents for their organizations. Indeed, there has been a conceptual change from "human resources" to "human capital", because "human capital" includes the skills, knowledge and abilities of people working in an organization. Today, organizations are facing major challenges on retaining talent in their organizations for enhancing their position and competitiveness in the global marketplace (Schuler et al., 2011; Scullion et al., 2011; Tarique & Schuler, 2010). The important orientation in the "talent battle" is reducing the number of leaving employees and enhancing the retention of talented employees. The main purpose of retaining talent is to prevent good employees from leaving the organization as this might adversely affect the organization's overall productivity and performance.

However, each organization has different ways of attracting and retaining talents. Therefore, the effectiveness of these activities in each organization is different. In the world, many researchers have identified factors that affect the psychology and behavior of employees to help managers develop appropriate policies to meet the needs and to satisfy them. Ali & Ahmed (2009), when investigating the impact of bonus and recognition on motivation and job satisfaction of employees, indicated the positive relationship between job satisfaction and motivation. Though, this study was not comprehensive on the diversity of factors and the extent to which factors influence job satisfaction and motivation. Besides, this research has not considered differences between demographic variables on influencing these factors. So this research just ended up on increasing the bonus and recognition in the workplace, not to reach the ultimate goal of retaining the people, who you need for the organization.

Talent management helps organizations get the right people with the right skills at the right time to engage in business strategies to ensure the success and optimality of the organization (Mohammed, 2015). Talent management involves the introduction of policies that ensure the attraction, retention and development of talent. This is

becoming important because talent is scarce and this shortage leads to fierce competition among organizations. Although talent management is a relatively new field for both the public and private sectors, organizations have a certain priority for it (Kagwiria, 2013), because it is deeply involved in the success of attracting, retaining, and developing of the employees.

In the trend of global integration, commercial banks in Vietnam have many opportunities to develop, expand markets, learn experience from other banks around the world. At the same time, they are facing a number of major challenges from their regional and global rivals as a result of the integration process. In order to survive and to develop in the market, commercial banks must constantly improve their competitiveness. It also means that commercial banks have to promote their advantages. Not only in services, products, technology, etc., an indispensable factor in the development of commercial banks is the high quality human resources (good employees or talents). Successful banks are good human capital banks.

However, although good manpower is very important to commercial banks, none of them has studied the factors affecting retention of talents in commercial banks of Vietnam. Therefore, in order to develop effective retention policies for banks, it is essential to recognize the talent. Next, it is necessary to help relevant banks recognize the importance of retaining talents and identify the factors that affect the retention of talents at commercial banks. So, from the research background and the above research issues, it is recognized that the topic "*The talents retention at commercial banks of Vietnam*" need to be researched.

1.2 RESEARCH QUESTIONS

Through literature review, research has found many factors pointed out by previous researchers to retain talents. However, very few studies have examined the relationship between the factors that influence the retention of talents and very few studies about the positive or negative effects on retention. Therefore, the research question of the dissertation are as follows:

- Which criteria define talent in commercial banks in Vietnam?
- What factors influence the retention of talents at commercial banks of Vietnam?

- How are these factors influencing the retention of talents at commercial banks?
- What policy implications are appropriate for commercial banks to retain talents in the current period?

1.3 RESEARCH OBJECTIVES

The general objective of this study was to identify the factors that affect the retention of talents at Vietnam's commercial banks and give suggestions to help them retain their talents in the current period.

In order to achieve the above-mentioned general objective, this dissertation should achieve the following specific objectives:

- (1) Identify the criteria define talent in commercial banks in Vietnam,
- (2) Identify the factors that influence the retention of talents at commercial banks,
- (3) Determining the influence of these factors on the retention of talents at commercial banks,
- (4) Suggesting policy and administrative implications from the research results to enable these banks to retain talents in the current period.

1.4 SUBJECTS AND SCOPE OF THE STUDY

1.4.1 Research subjects

The subjects of this dissertation are talents, talent retention, factors affecting the retention of talents at commercial banks of Vietnam and their relationships.

1.4.2 Object of the survey

The surveyed subjects are experts and leaders in the field of banking and talents who are working in commercial banks.

1.4.3 Scope of the research

This research has focused on the branches of commercial banks in the South East of Vietnam during 2016 - 2017.

1.5 METHODOLOGY

Qualitative and quantitative methods are used in this dissertation. Qualitative research was conducted through expert consultation and focus group to identify talent's criteria, and to adjust, explore and supplement the factors affecting the retention of talents. After bank experts interviews, this study interviewed 40 talents and used non-

parametric tests to test the relationships between independent variables and dependent variable. Quantitative research was conducted through questionnaires of 1200 talents of commercial banks in the Southeast of Vietnam during 12/2016 - 8/2017. For the evaluation of data, the dissertation used few analytical methods that are widely used in socio-economic studies such as reliability test through the Cronbach's Alpha coefficient, Exploratory Factor Analysis (EFA), Confirmatory Factor Analysis (CFA), and Structural Equation Modeling (SEM).

1.6 RESEARCH CONTRIBUTIONS

The contributions of dissertation on science and practice, including:

Scientific contributions:

- This research has identified criteria for determining talent in commercial banks. Thus, subsequent studies may inherit it. The results showed that the criterion for determining talent in the banking sector in Vietnam, in addition to the three criteria of Davis et al. (2016): "Being able to work well in the assigned role", "able to handle change", and "capable of continuous learning", in Vietnam, the criterion "having the leadership ability" is not suitable. Bank experts haven't insisted this criterion, because not necessarily the talent is the leader. This research have discovered a new criterion for identifying talent: "The ability to give creative ideas to solve problems". This is an important finding and contributing to the identification of talent at commercial banks.

- The dissertation clarified the factors that affect the retention of talents at commercial banks of Vietnam. The results of the data analysis had shown that there were similarities and differences with previous studies on factors affecting the talents retention. The results also showed that job satisfaction, motivation, commitment and loyalty had the positive impact on the retention of talents, as expected in the proposed research model.

- The further finding was to determine the impact of individual factors on talents retention in commercial banks of Vietnam.

- This research also provides new direction for researching about talents in other fields.

Practical contributions:

- The dissertation has assessed the importance of retaining talent at commercial

banks of Vietnam through the field survey.

- One of the findings of the study was that the commitment had the strongest impact on the retention of talent, and its components of which include leaders and colleagues who have inspired the work of talent. From there, they feel their responsibility to maintain and develop the bank and they are always proud to talk about their bank. This is different from previous studies in Vietnam, which argued that to increase loyalty and retain talent, it is necessary to increase salaries, bonuses, working environment and conditions of promotion.

- This research has demonstrated that job satisfaction influenced positively to commitment and retention of talents. The study also found that job satisfaction positively and directly affected the motivation and loyalty of the talents.

- This research has shown that there is no difference between the research subjects in retaining talent, whether they were male or female, different ages, different educational background and different positions. In addition, the size and the nationality of banks also made no difference in talents retention.

- The dissertation has completed the research objective about measuring the scale and the research model on the factors affecting the retention of talents in the case of commercial banks in Vietnam. Since then, the dissertation has also provided the implications for commercial banks to develop policies for retaining talents and improving business performance.

1.7 STRUCTURE OF THE DISSERTATION

Chapter 1- Overview of research issues

Chapter 2- Theory and Analytical Framework

Chapter 3- Research Design

Chapter 4- Research results and discussion

Chapter 5: Administrative implications

CHAPTER 2: THEORY AND RESEARCH MODEL

2.1 OVERVIEW OF TALENT

2.1.1 The concept of talents

Although the term "talent" has been mentioned extensively in the scientific community and in life, there is still no formal and widely accepted concept of "talent." Howe et al. (1998) argue that talent is derived from the genetic structure, at least in part due to innate. Whatever talent is defined, those who believe innate talents also assume that its early signs can be used to predict success in the future. The study by Howe et al. (1998) pointed out that talented people are genetically predisposed, have good performance indicators, can accomplish excellent work. A few people have the special talent and efficiency that the talent brings relatively specific.

According to the study by Tansley et al. (2011) argue that talent must be seen as stimulated and nurtured through the work process. Talents are highly influenced by the nature of the work done. According to the study by Tansley et al. (2011) showed that talents are naturally gifted. In this study, Tansley et al. (2011) also argues that talents in the organization are some individuals with exceptional abilities, and the success of the organization depends on some individuals. From there, organizations need to determine how to manage them specifically.

Gagné (2000) argues that talent emerges from the experience and learning process of an individual and that it exists in a few individuals who may be needed to make a difference in one field, whether it is academia, the arts, entertainment, sports, social activities, technology, business, etc. According to another study, talents have a high ability of development systems and knowledge in at least one area of human life (Heller et al., 2000).

According to Davis et al. (2016) argues that talent is a person with a special attitude, great mental ability or a high intellect. In the study by Ulrich et al. (2009), the author has the notion that talent is not only a talented person with competence that requires commitment and dedication to the organization. They have to be willing and able to show their work and dedication to the organization.

This study investigates the case in commercial banks in Vietnam. Thus, in this

study, the author follows the third view of talent. That is, the talent is due to the environment and the training, because in the field of banking, if talent is only innate but there is no training to improve experience so it is difficult to develop their ability. Article 21 of Decree 59 / ND-CP on organization and operation of commercial banks has set criteria for electing and appointing bank management officers. There is a standard that requires a university degree in the specified discipline and special experience requirements depending on the title of appointment.

Therefore, for talents in the banking sector, they have professional qualifications in accordance with banking regulations, together with experience requirements in the banking sector, are considered for appointment to the higher position. Characteristics of talent in commercial banks have different from other professions. They need to be trained according to each bank's own procedures and comply with the general regulations of the banking industry. Therefore, talent in the banking sector depends on the work environment and training. Thus, a person who is considered a banker's talent is competent when he / she has the knowledge, skills and values appropriate for his or her current job as well as satisfactory performance in the future. Therefore, capacity can be expressed through 3 "right": right skills, right positions, and the right job.

2.1.2 Criteria for determining talent

With these statements, we need to distinguish between talent and expertiser, because the boundaries between the two concepts are not clearly defined. According to Rodríguez & Escobar (2009), expertiser are those who have a broad, accurate knowledge of an activity or subject and they are experts in their field. At the same time, talents often have certain personalities. In addition, talent is seen as a small group of people who have proven outstanding achievements, inspiring others to embrace the core competencies and values of the organization (Berger & Dorothy, 2010). Moreover, talents have enough social skills and emotional life. Therefore, they can work in a more efficient and effective way when compared to skilled people because skilled people sometimes do poor teamwork due to lack of necessary skills. A leader may or may not be a professional, but a professional can not be a leader. Talents can always be good at the profession, but expertiser can not be talented. Therefore, an organization always needs talents to achieve the its goals and without them, the

organization can not achieve its goals. Therefore, businesses must identify, select, develop and retain those talents (Berger & Dorothy, 2010).

To do this, the organization needs to know the signs of talent who the organization is looking for. Becker & Huselid (2006) argue that one of the criteria for identifying talent is that their ideas can contribute to the company's strategic goals because of the desire to see value and uniqueness. Blumberg & Pringle (1982) argue that performance is an ability measurement and that it is also a criterion for identifying talent in an organization. However, Davis et al. (2016), organizations need to know some basic characteristics of talent to be able to determine accurately, that the talent often has the following key criteria: First, be able to work well in assigned roles. Second, there is the ability to handle change. Third, have the ability to study continuously. Finally, they have the personality of a leader.

2.2 OVERVIEW OF TALENTS RETENTION AND FACTORS AFFECTING THE TALENTS RETENTION OF COMMERCIAL BANKS

2.2.1 Talents retention

According to Hassan et al. (2011), talents retention means keeping people who are or have been or have potentially contributed to the organization's performance. However, there is no definite definition of talents retention, but it can be understood that "retention of talents" is all about how keeping talents stay with and serve it well for the organization.

The study by Davis et al. (2016) argues that retaining the talent is keeping the person and keeping the best motivation of his or her work. The motivation to work involves a key person in the organization that ensures the goals of the organization's leader. Talents will recognize their recognition of their efforts, promote a culture of continuous learning and professional development, stimulating the creativity of that talent.

Masibigiri & Nienaber (2011) state that talent retention is influenced by talent commitment, engagement, communication environment, leadership styles and interactions, and human resources management policies.

The results of Singh & Dixit (2011) show that this increases the satisfaction of workers as well as of the talents, enhances the sense of responsibility in work,

increases the efficiency of the team and significantly reduced the quit rate.

In the current, retention of talents are facing many challenges in commercial banks. Many talents leave the bank they are working to go through another bank with more attractive programs. This leads to the commercial banks need to consider what factors can retain their talents, avoid loss of talent to other banks. According to the qualitative results with bank experts, the four factors that affect the retention of talent at commercial banks: job satisfaction, motivation, commitment and loyalty.

2.2.2 Job satisfaction

According to Smith et al. (1969), job satisfaction is the employee's attitude, perception of different aspects of work. Vroom (1964) suggests that job satisfaction is a measure of the extent to which employees perceive, positively influence their work in the organization.

Job satisfaction is defined as the degree to which employees prefer their job. Based on perception, an employee develops a positive or negative attitude towards their work and work environment, Abraham (2012a). Luddy (2005) argues that job satisfaction is viewed as influenced by individual worker factors or organizational effects on job perceptions.

The research by Phan Thi Minh Ly (2011) found that job satisfaction in commercial banks in Thua Thien Hue was relative to their satisfactory of current job.

2.2.3 Motivation

Motivated employees make the organization more successful because they will constantly seek innovative ways to do a job better. Therefore, organizations need to motivate their employees (Khan et al., 2010).

Motivation is also considered to be a set of relevant potentials to create a working power or perform a task in a productive or behavioral manner to accomplish certain goals (Khan et al., 2010). According to Rizwan et al. (2014), motivation is the impulse, shaping human activity to achieve some specific ambition. The motive of an individual embraces all the motivations he or she chooses to act in accordance with an available intention. Nguyen Van Diem & Nguyen Ngoc Quan (2012) defines motivation as voluntary labor, a desire to increase efforts towards achieving certain goals and outcomes. Bui Anh Tuan & Pham Thuy Huong (2011) argue that motivation

is the intrinsic factor in every human being, stimulating every effort in enabling conditions to bring productivity and high efficiency to work.

2.2.4 Loyalty

Loyalty can be seen as an act that arises from honest motives. In the opinion of Kumar & Shekhar (2012), loyalty is the willingness to put personal issues aside to improve a better relationship in the organization. According to Antoncic & Antoncic (2011), the loyalty of employees in the organization is expressed in the form of willingness to work at their organization by believing the goals of the organization as personal goals. and work for the common good. Employee's loyalty can also be seen as a "form of commitment" that requires employees to act deliberately in order to continue to benefit the organization best, although some personal interests sacrifice may be required and even carry out the tasks assigned with the highest spirit and responsibility (Elegido, 2013).

2.2.5 Commitment

The commitment of talents not only contribute to the effective recruitment and retention of talent. An organization's talent management strategy should also contribute to the commitment of the talent. Like talent management, the commitment of talent is a concept that lacks a precise definition. According to Gibbons (2006), it is stated that employee commitment is an emotional and intellectual connection of an employee for his or her work, organization, manager or coworker to influence him or her effort applied to his work.

Tower Perrin (2003) identified the commitment to be ready to work and to contribute to the success of the organization, by adding more time, wisdom and energy to their work. According to Schaufeli and Bakker (2004), commitment is a positive state of accomplishment, dedication and passion and self-reliance. Talent commitment is a psychological state in which a talent connects to another individual in their work and organization, resulting in sustained and improved performance.

2.3 BUILDING THE RESEARCH MODEL

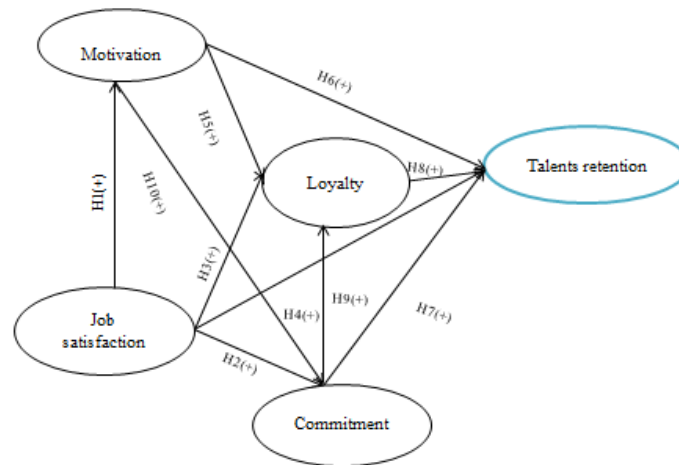


Figure 2.1: Proposed research model

Every bank wants good business performance, staff stability, especially talent. Therefore, retention of talents is a priority concern of commercial banks in Vietnam. Capelli (2008) argues that talents in the organization are intended to support organizational goals, but labor relations are not just economic exchanges, but also depend on non-financial factors, the psychological factors of the talent in that organization. These factors are interrelated in a positive or contradictory way (Christensen & Rog, 2008). This study expects to build relationships of positive factors in order to retain the required talent for commercial banks.

Table 2.1: Summary of research hypotheses

Hypothesis	Description	Expected
H1	Job satisfaction has the positive impact on motivation	+
H2	Job satisfaction has the positive impact on commitment	+
H3	Job satisfaction has the positive impact on loyalty	+
H4	Job satisfaction has the positive impact on talents retention	+
H5	Motivation has the positive impact on loyalty	+
H6	Motivation has the positive impact on talents retention	+
H7	Commitment has the positive impact on talents retention	+
H8	Loyalty has the positive impact on talents retention	+
H9	Commitment has the positive impact on loyalty	+
H10	Motivation has the positive impact on commitment	+

CHAPTER 3: RESEARCH DESIGN

3.1 RESEARCH DESIGN

Qualitative research includes: Document research, setting up a research model and the first qualitative research was conducted to determine the criteria for talent in the bank. Second qualitative research determine the relationship of factors affecting the retention of talent.

Quantitative research consists of two phases: The first is a preliminary study to evaluate the reliability of the scale and adjust the content of the observed variables. In this step, the purpose is to pre-survey the subject with a sample of 200 talents. Phase 2 is the formal study conducted with the required sample size of 877 samples, which aims to verify the research model. Research conducted on CFA analysis and SEM analysis. The next is to test the differences of demographic variables for retention of talents at commercial banks.

3.2 SCALES

The study conducted qualitative research of expert interviews aimed at exploring the factors that affect the retention of talents and the relationships of those factors. Research using non-parametric tests to test the relationships of variables independent of the dependent variable Hypothesis is given, H_0 is no relation between the variables. The test results show that with $\alpha < 0.05$, the hypothesis is not accepted, which means that there is a relationship. Results show that there is a correlation between the factors that influence retention of talent.

3.3 SCALES INSPECTION - EVALUATION

3.3.1 Samples

The study conducted a preliminary quantitative survey with a sample of 200 samples, to assess the reliability of the scale and to adjust the questionnaire to the level of comprehension of the respondents, to obtain the most accurate results for the official survey.

3.3.2 The reliability of the scales

In the socio-economic field, many researchers agree that when Cronbach's Alpha is 0.8 or nearly 1.0, the scale is good, consistency of components is high. Cronbach's Alpha coefficient from 0.7 to nearly 0.8 is considered to be good, but 0.6 is acceptable

(Nunnally & Bernstein, 1994; Peterson, 1994). In addition, the cronbach's alpha coefficient can be improved through the "cronbach's alpha if deleted" column, we can improve α by that variable if in the " cronbach's alpha if deleted" column, the value of the variable is greater than α .

In the step of measuring the reliability of the scale, it should be noted that Cronbach's Alpha measures the reliability of the scale (Nguyen Dinh Tho, 2013), not evaluating the reliability of each observation variable. In addition, variables must be closely interrelated because the observational variables in the same scale are used to measure the same research concept. Therefore, the test phase for each variable measure usually uses the total - item correlation coefficient (Nguyen Dinh Tho, 2013). If a metric variable has the total - item correlation coefficient greater than or equal to 0.3, then the variable satisfies the requirement (Nunnally & Bernstein, 1994).

3.3.3 Exploratory Factor Analysis (EFA)

Before testing the theoretical model, the reliability and value of the scale should be evaluated. Ratings after reliability evaluation will be included in the Exploratory Factor Analysis (EFA) to evaluate the value of the scale. To evaluate the value of the scale, research often needs to consider three important factors in the EFA results: (1) the number of factors extracted, (2) the factor loadings, and (3) Total Extracted.

3.4 CONFIRMATORY FACTOR ANALYSIS (CFA)

By Hair et al. (2010), the appropriateness of the model with market data gives us the necessary and sufficient conditions for the observed set to achieve the uni-directionality, except where the errors of the observed variables are correlated together. To measure the level of relevance to market information, they often use: Chi-square (CMIN), chi-square adjusted to degrees of freedom (CMIN / df); Good of Fitness Index (GFI); Comparative Fit Index (CFI); Tucker & Lewis Index (TLI); RMSEA (Root Mean Square Error Approximation). The model is considered appropriate for market data if the chi-square test has a p-value greater than 0.05; CMIN / df is not greater than 2, some cases CMIN / df may not be greater than 3; GFI, TLI, CFI not less than 0.9; and RMSEA is not greater than 0.08. However, according to recent researchers, GFI is still acceptable at less than 0.9 (Hair et al., 2010).

3.5 STRUCTURAL EQUATION MODELING (SEM)

The SEM has been studied and used widely in a wide variety of research areas (Xiong et al., 2014). Because SEM can specify the relationship between latent variables and observed variables. SEM provides information about the measurement attributes of the observation variables (reliability, validity) as well as the ability to specify the relationship between the latent variables. These relationships can describe the theoretical predictions that the researchers care about. Therefore, SEM is used to estimate the measurement model and the structural model of the multivariate theory.

3.6 SAMPLING

Data analysis methods used for this study are exploratory factor analysis (EFA), confirmatory factor analysis (CFA) and structural equation model (SEM). Researchers in this field agree that this method requires a large sample size because it is based on large sample distribution theory (Raykov & Marcoulides, 2006). However, the size of the sample is so large that it is not clearly defined. Moreover, the sample size depends on the estimation method used. Hair et al. (2010) states that in order to use EFA, the sample size must be at least 50, and preferably 100, and the measurement / measurement ratio must be at least 5: 1, which means that a measurement variable needs to be minimum is 5 observations. Similarly, Hoang Trong & Chu Nguyen Mong Ngoc (2008) also argue that sample size must be at least 4 or 5 times variable in factor analysis. Thus, with the initial 28 observations of the scale used in this study, to conduct the EFA, the smallest sample size was $28 \times 5 = 140$. Therefore, this thesis uses the expected sample size $n = 1,200$ to ensure sufficient number of observations needed for later analysis.

CHAPTER 4: RESEARCH RESULTS AND DISCUSSION

4.1 PRELIMINARY QUANTITATIVE RESEARCH

4.1.1 Descriptive statistics

Of the 200 respondents, the proportion of men surveyed accounted for 56.5% of the surveyed population, with the age group of 50 or older being 34%, aged between 40 and 50 (32%). Most of them have master degree (48%), university degree (47.5%). 40% of respondents have 5- 10 years of experience in the banking sector and the majority work in joint stock commercial banks with 44% of the total surveyed. The

respondents working in banks with the scale of 100-200 people accounted for the highest number (36%), the majority of respondents in the research were the board of directors, in which the deputy director (49 %), directors (43.5%).

4.1.2 Assessing the reliability of the preliminary scale

All scales have $\alpha > 0.7$, ensuring the required reliability, and the variables have a total - item correlation of > 0.3 , with no variables excluded from the study.

4.2 OFFICIAL RESEARCH

4.2.1 Descriptive statistics

The official research with 1200 questionnaires was sent at commercial banks in the South East, collected 984 responses, filtered to 877 valid questionnaires. Inside, men accounted for more than 53.9%, and the majority of those surveyed were between 30 and 40 years old (33.1%). Most of them worked in commercial banks in the South East Region for more than 5 years (40.7%) and worked for commercial banks (45.7%). The majority of respondents are working at a bank with a staff of 101-200 (35.3%).

4.2.2 Assessing the reliability of the official scale

Evaluation of the reliability of the official scale: All scales have $\alpha > 0.7$, ensuring the required reliability, and the variables have a total-item variable correlation of > 0.3 , with no variables removed from research models.

4.2.3 Exploratory Factor Analysis (EFA)

The results from the EFA analysis are shown that the Eigenvalue is greater than 1 and the total variance is 64.318%. With the values of KMO = .898 and Sig = 0.000 and based on the Bartlett test, it can be said that the use of EFA in this study is appropriate. The analysis results show that the variables in the scales have a factor loadings ranging from 0.574 to 0.912, which is greater than 0.5 and there is a difference in factor loadings on the factor that the variable is compared to the level of greatest factor loading on other factor loadings are > 0.3 . So the value of these scales is acceptable.

4.3 CONFIRMATORY FACTOR ANALYSIS (CFA)

4.3.1 Verification of the scales by confirmatory factor analysis (CFA)

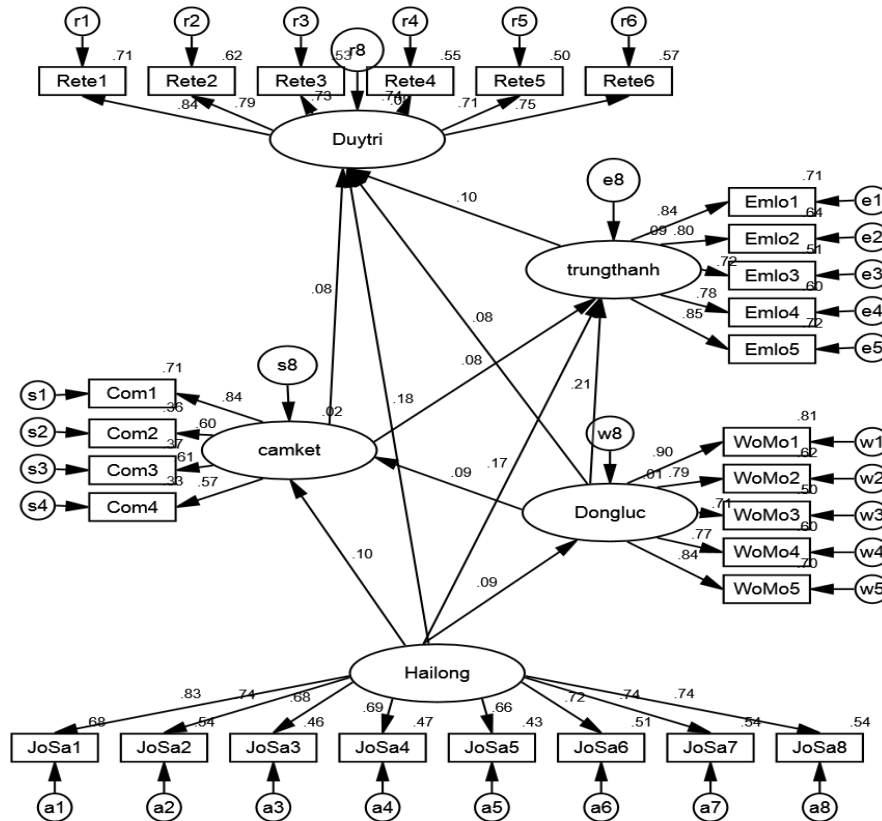
This model has 203 degrees of freedom, CFA shows the parameters of the model as follows: Chi-square = 305.397 ($p = .000 < 0.05$), CMIN / df = 1.504 < 2 . The figures

for GFI, TLI and CFI are 0.970, 0.988 and 0.989 respectively, all over 0.9 and $RSMEA = 0.024 < 0.08$, which is considered appropriate for market data.

4.4 ASSESSMENT OF THEORETICAL MODEL AND RESEARCH HYPOTHESES

The SEM results show that the theoretical model achieves data compatibility with the Chi-square = 439.977 ($p = .000 < 0.05$), Chi-square / df = 1.294 < 2, GFI = 0.966, TLI = 0.991, CFI = 0.992 are greater than 0.9, RMSEA = 0.018 < 0.08. The scales in the theoretical model of this study have been evaluated as a fit result. This section will perform formal theoretical modeling along with hypotheses for concepts in SEM.

All of the correlations hypotheses in the model are supported by the SEM model. The results show that these causal relationships are statistically significant because they all have p values < 0.05, so hypotheses H1, H2, H3, H4, H5, H6, H7, H8, H9, H10 are acceptable. In addition, through this result, the measurement scales of the concepts in the model reach the theoretical relevance.



Chi-square = 439.977; df = 340; $P = 0.000 < 0.05$

Chi-square/df=1.294; GFI = 0.966; TLI = 0.991; CFI = 0.992; RMSEA = 0.018

Figure 4.1: Standardized results of the research model of SEM

Job satisfaction has the positive impact on motivation, commitment of talent, loyalty and talents retention. Motivation has the same direction to loyalty, commitment and talents retention. Commitment has the positive impact on loyalty and talents retention. Loyalty has the positive effect on talents retention. All relationships are statistically significant, so concepts gain convergence. The correlation coefficient for each pair of concepts was 95% confidence interval due to P-value <0.05 . The Job satisfaction is the strongest impact on talent retention.

4.5 TESTING THE DIFFERENCE OF DEMOGRAPHIC VARIABLES ON RESEARCH MODEL

Research shows that there is no difference between gender, age, educational attainment, bank ownership, bank size and the position of talents in the retention of talent at commercial banks of Vietnam.

4.6 STATISTICS DESCRIPTION OF THE SCALES

Through the descriptive statistics of the scales, it was found that all respondents agreed on the average. At the same time, the results show that, in terms of scale, the degree of homogeneity in respondents' responses to the question "My work contributes to banking development" is most consistent with the lowest standard deviation (0.800).

CHAPTER 5: ADMINISTRATIVE IMPLICATIONS

5.1 RESULTS AND CONTRIBUTIONS OF RESEARCH

The first findings of this study are the criteria for identifying talent. In addition to the criteria of Davis et al. (2016): "Being able to work well in the assigned role, capable of handling change, having the ability to learn continuously", this research discovered a new criterion was "creative ideas to solve the problem", and went to find the theory to explain this concept. Qualitative results again confirm that this is one of the important criteria to identify talent. Compared with previous studies on talent identification criteria, this study has discovered one more criterion specific to commercial banks in Vietnam. Therefore, talents in commercial banks of Vietnam need to give creative ideas to solve problems was added to the theory of determining the talent criteria.

The next finding of the study is the Job satisfaction as the greatest impact on talent retention, and its components include talent feel happy when they were appreciated. Besides they feel pleasure of work and satisfaction with the nature of the work, they will feel the work suited to their goals. While previous studies in Vietnam have suggested that to increase loyalty and retain talent, it is necessary to increase wages, bonuses, working environment conditions and promotion (Nguyen Thi Mai Trang, 2010, Nguyen Quoc Nghi, 2012, Mai Ngoc Khuong & Bui Diem Tien, 2013), in addition to the above factors, it is necessary to increase the motivation for the talents by creating excitement for their work.

The findings of the study confirm the expectation of the study that job satisfaction has the same effect on the loyalty of talent. The importance of job satisfaction effect to motivation, which is also a finding of this study, which is supported by Maslow's (1943).

The further finding of the study shows that motivation and loyalty also have a strong influence on retention of talents at commercial banks. The relationship of motivation toward loyalty is also positive, as demonstrated by Khan & Iqbal (2013) 's research, which has a positive effect on motivation and loyalty. This research confirms the expectation of H8: loyalty has the positive effect on retention of talents, increasing the loyalty of talents will retain that talent for the bank.

In addition, research finds that positively relationships between the commitment and motivation and between commitment and loyalty of talent. It shows that in the research model, all factors affecting the retention of talent are closely related. The special thing in this study is that there is no difference between the objects in maintaining talent.

5.2 ADMINISTRATIVE IMPLICATIONS FOR COMMERCIAL BANK MANAGERS

5.2.1 Increasing the job satisfaction of talents

Having a fair assessment policy on the job.

Creating good relationships between leaders, colleagues and talents.

Creating a professional, dynamic working environment aimed at the general goals of banks and talents.

Creating the interest in the job and be satisfied with the nature of work.

Having the policy about creating promotion opportunities for talents.

5.2.2 Increasing commitment of talent

Creating a work environment that helps people realize they are part of the organization.

Building the sense of responsibility in the work.

5.2.3 Increasing motivation for talents

Creating excitement at work.

Strengthen good relationships and performance.

Encouraged them by financial and non-financial policies.

5.2.4 Increasing the loyalty of talent

Creating conditions for colleagues to have real feelings with the bank, with work.

Creating responsible working environment and flexibility in work.

5.2.5 The implication for the setting up of compensation policy does not discriminate against all talents

The distinction and speciality of this study is that there is not different in demographic variables and retention of talent in commercial banks. At present, in Vietnam, whether it is big or small commercial banks, it needs talented people, as analyzed in Chapter 4, there is not distinction in terms of bank ownership in maintaining talents. Although small commercial banks, the treatment of superiors for talented people like family, so that they have the feeling of familiar as their own home that strive to build and develop. In addition, it is with the dedication of the manager that the talent will not leave his bank even if other banks offer more attractive salary.

5.3 LIMITATIONS

In addition to the obtained results, the research has the following limitations:

Firstly, the research scope of this study is the South East region, so there is no regional comparison to represent the whole market of commercial banks in Vietnam. Further researches should examine each region in Vietnam for a comparison between regions.

Secondly, this study examines and validates a number of important factors in maintaining talent at commercial banks in Vietnam, although the study confirms the

significance of the concepts involved in the model. Theoretically, however, there may be other concepts that are statistically significant to be explored. Thus, further researches should extend the concept of factors that affect the retention of talents

Thirdly, the new criteria for identifying talent in this research are "able to provide innovative ideas for problem solving" which should be further tested in a more reliable way in the next study.