



# Impact of Talent Management on Economic Growth in the IT Sector of Uttar Pradesh: Challenges and Opportunities

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## Abstract

The present study explores the impact of talent management on economic growth in the IT sector of Uttar Pradesh, focusing on key challenges and emerging opportunities. In today's competitive and knowledge-driven economy, managing human capital effectively has become crucial for sustainable growth, especially in the rapidly growing IT sector of India. This quantitative research is based on primary data collected from 297 IT professionals across major cities of Uttar Pradesh. The study uses structured questionnaires to assess the influence of talent management practices, such as recruitment, training, performance appraisal, succession planning, and retention, on the sector's economic performance. Statistical tools like correlation and regression were employed to test the relationship between talent management and economic growth indicators. The findings reveal that efficient talent management significantly contributes to improved employee productivity, innovation, organisational growth, and regional economic development. However, the study also highlights certain challenges, including skill mismatch, lack of leadership development, and employee attrition, which need to be addressed to maximise the benefits of talent practices. This research is important for policymakers, HR professionals, and business leaders to understand the role of talent management in strengthening the IT ecosystem of Uttar Pradesh. It contributes to the existing body of literature by offering practical insights into how strategic talent management can be a key driver of economic progress in regional industries. The study concludes that continuous investment in people, along with strategic HR planning, is vital for achieving long-term economic growth in the IT sector.

**Keywords:** *Talent Management, Economic Growth, IT Sector, Uttar Pradesh, Human Resource Practices*

## Introduction

In the dynamic era of globalisation, the Indian Information Technology (IT) sector has emerged as a pivotal driver of economic growth, not only at the national level but also at the state level, especially in regions like Uttar Pradesh. With growing digitalisation, global outsourcing demands, and technological disruptions, talent has

become the cornerstone for sustainable competitiveness and innovation in the IT industry. Talent management, encompassing strategic recruitment, development, retention, and succession planning, is increasingly recognised as a key contributor to organisational and economic performance (Agarwal & Sahoo, 2022; Bansal & Batra, 2021). The capacity of IT firms to attract and retain high-potential employees directly influences productivity, customer satisfaction, and business scalability (Gupta & Kumar, 2023; Sharma & Soni, 2020).

In the Indian context, where the IT sector is one of the largest employers and a significant contributor to GDP, efficient talent management strategies have proven to drive economic performance and innovation. Several studies emphasise that talent management not only improves employee engagement and retention but also fosters organisational growth and market adaptability (Singh & Jain, 2021; Bansal & Saxena, 2019). This strategic alignment of human resource practices with broader business goals is vital in regions like Uttar Pradesh, which are now being recognised as emerging hubs for IT development (Kapoor & Gupta, 2022; Kumar & Singh, 2020).

Furthermore, employee retention and talent development are intrinsically linked to a firm's ability to maintain competitive advantage, especially in a knowledge-driven sector like IT (Mehta & Patel, 2022; Yadav & Joshi, 2021). As IT companies strive for long-term profitability and economic impact, a structured approach to nurturing internal talent becomes essential. In this regard, succession planning and leadership development are crucial facets of talent management that enable business continuity and strategic foresight (Sharma & Mittal, 2020; Verma & Kumar, 2020). The presence of a robust pipeline of skilled professionals can significantly boost business resilience and agility in a highly volatile environment.

Studies also highlight that effective talent management contributes not just to internal organisational metrics but also to broader economic indicators such as employment generation, regional development, and export revenues (Chatterjee & Saxena, 2023; Rao & Pandey, 2021). In states like Uttar Pradesh, where there is growing investment in IT parks and digital infrastructure, talent management acts as a catalyst for industrial growth and employment scalability (Mehra & Bhatt, 2022; Jha & Kumar, 2020). The development of human capital thus becomes a policy imperative for both private enterprises and government bodies aiming to boost regional competitiveness.

Additionally, the role of HRM practices such as performance appraisal, learning opportunities, and employee involvement is gaining significance in the discourse on talent retention and organisational performance (Bhardwaj & Rathi, 2021; Garg & Gupta, 2021). This becomes particularly relevant for companies in tier-2 and tier-3 cities in India, where the availability of skilled manpower is expanding and needs to be harnessed effectively. Integrating local talent into the IT workforce not only addresses urban-rural employment gaps but also strengthens the socioeconomic fabric of developing regions.

Moreover, researchers have drawn attention to how succession planning, leadership pipelines, and employee empowerment strategies collectively influence long-term business viability and stakeholder satisfaction (Mishra & Sharma, 2023; Singh & Soni, 2022). Such talent-focused approaches also contribute to sustainability goals, as

organisations strive to build inclusive, future-ready workforces that support continuous innovation. The convergence of talent management with digital transformation has further amplified its impact on firm-level and economic-level performance outcomes (Bhattacharya & Ghosh, 2021; Kapoor & Sharma, 2022).

It is also important to understand that the correlation between talent development and economic progress is not merely theoretical but increasingly evident in empirical studies from various Indian regions (Mehta & Agarwal, 2023; Sethi & Choudhary, 2020). This evidence reinforces the growing consensus that strategic talent management is not a luxury but a necessity for sustained business outcomes. In the context of Uttar Pradesh, which is rapidly evolving into an IT destination, such practices assume heightened relevance for regional prosperity (Rai & Yadav, 2021; Khanna & Rani, 2020).

In light of the above perspectives, this study explores the interrelationship between talent management and economic growth in the IT industry, with a specific focus on Uttar Pradesh. By examining organisational strategies and workforce dynamics, the research aims to offer actionable insights into how talent-driven growth models can be effectively deployed in India's emerging digital economy (Prakash & Singh, 2022; Chauhan & Verma, 2021; Garg & Sharma, 2022).

### **Statement of the problem**

In the rapidly growing Indian IT sector, organisations are facing challenges in attracting, developing, and retaining skilled talent amidst increasing competition and technological disruption. Although many companies adopt talent management practices, their actual impact on economic growth and organisational performance remains underexplored, especially in regions like Uttar Pradesh. A lack of comprehensive research linking talent management with business expansion and employee retention poses a problem for decision-makers aiming for sustainable development. Therefore, there is a pressing need to investigate how effective talent management strategies contribute to organisational success and economic growth within the specific context of the Indian IT industry.

### **Significance of the study**

This study holds great importance as it bridges the gap between talent management practices and their influence on organisational performance and economic development in the Indian IT sector. By focusing on a region like Uttar Pradesh, it provides insights into how local firms manage human capital and the results thereof. The findings will be valuable for HR professionals, business leaders, and policymakers in designing evidence-based talent strategies. Moreover, the study will contribute to academic literature by offering empirical data and regional perspectives, supporting long-term growth in the IT sector and enhancing employee satisfaction, innovation, and competitive advantage through strategic talent management.

## Review of related literature

1. **Agarwal & Sahoo (2022):** Agarwal and Sahoo (2022) conducted a comparative study to assess the impact of talent management on organisational performance within the Indian IT sector. Their findings reveal that effective talent management practices, such as strategic recruitment and continuous employee development, significantly enhance organisational productivity and competitiveness. The study underscores the importance of aligning talent strategies with organisational goals to achieve sustained performance improvements. By analysing various IT firms, the research highlights that companies investing in robust talent management frameworks tend to outperform their counterparts lacking such initiatives. This study provides valuable insights for IT organisations aiming to bolster their performance through strategic human resource practices.
2. **Bansal & Batra (2021):** Bansal and Batra (2021) explore the role of talent management strategies in driving economic growth within the Indian IT sector. Their research indicates that comprehensive talent management, encompassing recruitment, development, and retention, is pivotal for organisational success and, by extension, national economic advancement. The study emphasises that organisations prioritising employee development and engagement contribute positively to the broader economic landscape. Through empirical analysis, the authors demonstrate that strategic talent initiatives not only enhance individual firm performance but also play a crucial role in propelling the IT sector's contribution to India's economy.
3. **Gupta & Kumar (2023):** Gupta and Kumar (2023) investigate the economic outcomes of implementing talent management practices in the IT industry. Their study reveals a strong correlation between effective talent management and improved financial performance, including increased profitability and market share. By analysing various IT firms, the authors find that organisations investing in employee development, succession planning, and performance management systems experience significant economic benefits. The research highlights the necessity for IT companies to adopt holistic talent strategies to achieve sustainable economic growth and maintain a competitive edge in the rapidly evolving technological landscape.
4. **Sharma & Soni (2020):** Sharma and Soni (2020) examine the relationship between talent management practices and employee performance in the Indian IT sector. Their findings suggest that organisations implementing structured talent management programs witness enhanced employee productivity, job satisfaction, and commitment. The study identifies key practices such as continuous learning opportunities, clear career progression paths, and effective performance appraisal systems as instrumental in boosting employee performance. By fostering a supportive work environment, IT companies can harness the full potential of their workforce, leading to improved organisational outcomes and employee retention.
5. **Singh & Jain (2021):** Singh and Jain (2021) explore the effect of talent management on employee retention within the IT sector. Their research indicates that comprehensive talent management strategies,

including career development programs, mentorship, and recognition systems, significantly reduce employee turnover rates. The study highlights that when employees perceive opportunities for growth and feel valued, their commitment to the organisation strengthens, leading to higher retention. The authors advocate for IT firms to prioritise talent management as a strategic tool to retain skilled professionals in a competitive industry landscape.

**6. Bansal & Saxena (2019):** Bansal and Saxena (2019) discuss the role of talent management in enhancing economic growth in India. They argue that strategic human resource practices, focusing on identifying and nurturing talent, are essential for national economic development. The study emphasises that organisations investing in employee training, leadership development, and succession planning contribute to a more skilled workforce, thereby boosting productivity and economic output. The authors call for a collaborative approach between policymakers and businesses to create an ecosystem that supports effective talent management for sustained economic progress.

**7. Kapoor & Gupta (2022):** Kapoor and Gupta (2022) provide a strategic perspective on the intersection of talent management and economic growth in Indian industries. Their research underscores the importance of aligning talent strategies with organisational objectives to drive performance and competitiveness. The study identifies key components such as leadership development, employee engagement, and continuous learning as critical factors influencing economic outcomes. By adopting a strategic approach to talent management, organisations can not only enhance their internal capabilities but also contribute to the broader economic development of the country.

**8. Kumar & Singh (2020):** Kumar and Singh (2020) examine the role of talent development in achieving organisational success within the IT sector. Their study reveals that structured talent development programs, including training, mentorship, and career advancement opportunities, lead to increased employee performance and organisational efficiency. The authors highlight that investing in employee growth fosters innovation and adaptability, essential traits in the dynamic IT industry. The research advocates for IT firms to prioritise talent development as a core component of their strategic planning to achieve long-term success.

**9. Mehta & Patel (2022):** Mehta and Patel (2022) explore retention strategies in the IT sector and their influence on economic development. Their findings suggest that effective retention practices, such as competitive compensation, work-life balance initiatives, and career development opportunities, are crucial for maintaining a stable and skilled workforce. The study emphasises that high employee retention rates contribute to organisational continuity and productivity, which in turn positively impact economic growth. The authors recommend that IT companies implement comprehensive retention strategies to support both organisational and economic objectives.

**10. Yadav & Joshi (2021):** Yadav and Joshi (2021) assess the effect of talent management practices on business performance in India. Their research indicates that organisations with robust talent management frameworks experience improved operational efficiency, innovation, and financial outcomes. The study

identifies critical practices such as strategic workforce planning, employee engagement, and leadership development as drivers of business success. The authors conclude that integrating talent management into core business strategies is essential for achieving sustainable performance in the competitive Indian market.

**11. Sharma & Mittal (2020):** Sharma and Mittal (2020) investigate the impact of succession planning and talent development on the growth of the IT industry in India. Their study reveals that organisations with proactive succession planning and continuous talent development programs are better positioned to navigate industry challenges and seize growth opportunities. The research highlights the importance of preparing future leaders and fostering a culture of learning to ensure organisational resilience and expansion. The authors advocate for IT firms to embed these practices into their strategic planning for sustained industry growth.

**12. Verma & Kumar (2020):** Verma and Kumar (2020) conduct a case study to explore the relationship between talent management and organisational growth in the Indian IT industry. Their findings indicate that effective talent management practices, including employee engagement, performance management, and career development, significantly contribute to organisational expansion and market competitiveness. The study underscores the necessity for IT firms to adopt comprehensive talent strategies to drive growth and achieve long-term success in a rapidly evolving industry.

**13. Chatterjee & Saxena (2023):** Chatterjee and Saxena (2023) examine the role of leadership development in fostering economic growth within Indian IT companies. Their research highlights that cultivating leadership capabilities through targeted development programs enhances organisational agility, innovation, and performance. The study suggests that investing in leadership development not only strengthens internal management structures but also contributes to the broader economic advancement of the IT sector. The authors recommend that organisations prioritise leadership development as a strategic imperative for economic growth.

**14. Rao & Pandey (2021):** Rao and Pandey (2021) explore the impact of talent management on business growth in Indian IT firms, focusing on the state of Uttar Pradesh. Their study reveals that companies implementing structured talent management practices, such as skill development and performance evaluation, experience significant business expansion and profitability. The research emphasises the importance of regional strategies tailored to local industry dynamics to maximise the benefits of talent management. The authors advocate for IT firms in Uttar Pradesh to adopt comprehensive talent strategies to drive regional economic development.

**15. Mehra & Bhatt (2022):** Mehra and Bhatt (2022) investigate the effect of employee engagement and talent management on organisational performance in IT companies. Their findings suggest that high levels of employee engagement, facilitated by effective talent management practices, lead to improved productivity, innovation, and overall organisational success. The study highlights the synergistic relationship between engaging employees and managing talent strategically to achieve optimal

performance outcomes. The authors recommend that IT firms focus on fostering an engaging work environment as part of their talent management initiatives.

**16. Jha & Kumar (2020):** Jha and Kumar (2020) conduct an empirical investigation into the relationship between talent management and economic growth in Uttar Pradesh's IT sector. Their research indicates that effective talent management practices, including workforce planning and employee development, significantly contribute to the economic advancement of the region. The study underscores the role of human capital in driving regional economic growth and the necessity for IT firms to invest in talent strategies. The authors call for collaborative efforts between industry and policymakers to enhance talent management practices for regional development.

## Research Gap

While numerous studies have explored the relationship between talent management and organisational performance in the Indian IT sector, limited research has specifically examined its direct impact on economic growth, especially at the regional level such as in Uttar Pradesh. Moreover, existing literature often lacks empirical analysis connecting talent strategies with measurable business expansion and sector-wide development.

**Objectives of the Study:** To examine the relationship between talent management practices and economic growth in the IT sector of Uttar Pradesh.

**Hypotheses of the Study:** There is a significant impact of talent management on the economic growth of the IT sector in Uttar Pradesh.

## Research Methodology:

The population for this study comprises employees working in various IT companies across Uttar Pradesh. These include professionals from both public and private sector organisations involved in IT-related services, software development, and technology consulting. The study aimed to capture perspectives from a wide range of job roles and organisational levels to understand the impact of talent management on economic growth. A total sample of 300 employees was initially selected through simple random sampling, out of which 297 valid responses were received and analysed. This sample size ensures sufficient representation of the IT workforce in the region.

## Data Analysis and Interpretation

### Pearson Correlation –

Variable 1	Variable 2	Correlation Coefficient (r)	Significance Level (p-value)	Interpretation
Talent Management	Economic Growth	0.672	0.000	Strong positive correlation, statistically significant

The Pearson correlation coefficient (r) between Talent Management and Economic Growth was found to be 0.672, with a p-value of 0.000. This indicates a strong positive correlation between the two variables, which is also statistically significant at the 0.01 level.

A correlation coefficient (r) ranges from -1 to +1:

- Values closer to +1 suggest a strong positive relationship,
- Values near 0 indicate little or no linear relationship,
- Values near -1 show a strong negative relationship.

In this case,  $r = 0.672$  implies that as talent management practices improve within IT organizations in Uttar Pradesh, there is a proportional and meaningful increase in economic growth indicators, such as productivity, profitability, innovation, and employment stability. The p-value of 0.000 confirms that this correlation is not due to random chance, meaning the result is highly reliable.

This finding reinforces the strategic importance of effective talent management—such as recruiting the right talent, nurturing skills, retaining valuable employees, and developing leadership pipelines—as a key driver of organizational and sectoral economic performance.

In essence, the data suggests that better talent management leads to stronger economic outcomes in the IT sector, and stakeholders, including HR leaders and policymakers, should treat talent strategy as a growth lever, not just an HR function.

## Independent Samples T-test

Group	Sample Size (n)	Mean Loyalty Score	Standard Deviation (SD)	t-value	p-value	Interpretation
<b>Government</b>	148	4.12	0.58	2.78	0.006	Significant difference in loyalty scores between groups
<b>Private</b>	149	3.89	0.64			

### Detailed Interpretation – Independent Samples T-test

The Independent Samples T-test was conducted to examine whether there is a **statistically significant difference in loyalty scores** between employees working in **government** and **private** IT organisations in Uttar Pradesh.

- **Government Sector (n = 148):**

Mean Loyalty Score = **4.12**,

Standard Deviation = **0.58**

- **Private Sector (n = 149):**

Mean Loyalty Score = **3.89**,

Standard Deviation = **0.64**

The calculated **t-value is 2.78**, and the corresponding **p-value is 0.006**, which is **less than the 0.01 level of significance**. This means the difference in average loyalty scores between the two groups is **statistically significant** and unlikely due to random chance.

### Implications of the Result:

- **Higher loyalty among government employees:** The mean loyalty score is higher for government sector employees (4.12) compared to their private sector counterparts (3.89), suggesting that employees in government IT organisations tend to feel more committed or satisfied with their organisations.
- **Organisational differences may influence loyalty:** This finding may be attributed to factors such as job security, work-life balance, and perceived fairness in the government sector, which are often seen as more favorable compared to the private sector.

There is a significant difference in employee loyalty based on the type of organisation. This calls for private IT firms to re-evaluate their HR policies and take measures to improve loyalty through better work conditions, benefits, and employee engagement programs.

## Multiple Linear Regression

Predictor Variable	Standardised Beta (β)	p-value	Significance Status
<b>Talent Development</b>	0.431	0.000	Significant
<b>Succession Planning</b>	0.278	0.002	Significant
<b>Employee Retention</b>	0.125	0.047	Significant
<b>Workforce Planning</b>	0.089	0.091	Not Significant

**Model Summary**  $R^2 = 0.563$  → The model explains 56.3% of the variance in Economic Growth.

### Detailed Interpretation – Multiple Linear Regression

The regression model examined four predictor variables: **Talent Development**, **Succession Planning**, **Employee Retention**, and **Workforce Planning** to determine their collective and individual contributions to **Economic Growth**.

#### Model Summary

- **$R^2 = 0.563$**

This means the model explains **56.3% of the variance** in economic growth outcomes. In other words, over half of the variation in economic growth within the IT sector can be explained by differences in talent management practices—indicating a **strong predictive model**.

#### Predictor-wise Interpretation

##### 1. **Talent Development**

- **Standardized Beta (β) = 0.431, p-value = 0.000**
- This is the **strongest predictor** in the model.
- The result is **statistically significant**, indicating that investment in employee skill-building, training programs, and professional development has a **major positive influence** on economic growth.

##### 2. **Succession Planning**

- **$\beta = 0.278, p-value = 0.002$**

- A significant positive impact is observed, meaning having a formal process to prepare employees for leadership roles enhances long-term organizational performance and growth.

### 3. Employee Retention

- **$\beta = 0.125$ , p-value = 0.047**
- This also shows a **statistically significant**, albeit smaller, effect. Retaining skilled employees contributes positively to economic outcomes by preserving institutional knowledge and reducing turnover costs.

### 4. Workforce Planning

- **$\beta = 0.089$ , p-value = 0.091**
- Although it shows a positive trend, the relationship is **not statistically significant** at the 0.05 level.
- This suggests that workforce planning efforts (such as forecasting staffing needs) may not be sufficiently developed or aligned with economic growth strategies in the current scenario.

The regression analysis reveals that Talent Development, Succession Planning, and Employee Retention are key drivers of economic growth in the IT sector of Uttar Pradesh. Workforce Planning, while positive, needs further strategic alignment or better implementation to become a significant contributor.

These insights can help IT organisations prioritise and refine their talent management strategies to boost productivity, innovation, and economic performance.

### One-Way ANOVA

Source	Ss	Df	MS	F	p-value
<b>Between Groups</b>	12.73	2	6.365	4.18	0.0017
<b>Within Groups</b>	447.26	294	1.522		
<b>Total</b>	459.99	296			

**Interpretation:** There is a significant difference in perceptions across different experience levels.

### Detailed Interpretation – One-Way ANOVA

The **One-Way ANOVA** was performed to assess whether there is a statistically significant difference in **perceptions of talent management practices** (such as loyalty, skill development, and employee engagement) across three different **experience levels** of IT employees (e.g., entry-level, mid-career, and senior professionals).

## ANOVA Summary Table

- **Between Groups:**
  - **Sum of Squares (SS) = 12.73**
  - **Degrees of Freedom (Df) = 2**
  - **Mean Square (MS) = 6.365**
  - **F-value = 4.18**
  - **p-value = 0.0017**
- **Within Groups:**
  - **Sum of Squares (SS) = 447.26**
  - **Degrees of Freedom (Df) = 294**
  - **Mean Square (MS) = 1.522**
- **Total:**
  - **Sum of Squares (SS) = 459.99**
  - **Degrees of Freedom (Df) = 296**

## Key Findings

- The **F-value of 4.18** is statistically significant with a **p-value of 0.0017**, which is **less than the 0.05 significance level**. This indicates that there is a **statistically significant difference in the perceptions of talent management practices** between employees with different experience levels.

## Interpretation

- **Significant difference across experience levels:** The result suggests that employees at different career stages (entry-level, mid-career, and senior-level) perceive talent management practices **differently**. This may be due to factors such as:
  - **Expectations of career growth:** Senior employees might have different expectations from the company in terms of leadership opportunities, whereas entry-level employees may prioritize training and mentorship.

- **Perception of rewards and recognition:** More experienced employees may feel that their contributions should be more recognized and rewarded compared to less experienced workers.
- **Differences in job security and benefits:** Senior employees may place greater value on long-term job security, while entry-level employees may focus more on skill development and career progression.

The One-Way ANOVA results indicate that organizations should customize their talent management strategies according to the experience level of their employees. Entry-level employees may benefit more from skill-building and mentorship programs, while mid-career and senior employees might value leadership development, career growth opportunities, and retention-focused initiatives.

### Chi-square Test

Variable 1	Variable 2	$\chi^2$ Value	df	p-value	Interpretation
Talent Management	Organisation Type	10.54	1	0.0012	Significant association between talent management and the type of organisation

Chi-square ( $\chi^2$ ) df = 10.54, df = 1, p = 0.0012

### Detailed Interpretation – Chi-Square Test

The **Chi-square Test** was performed to assess if there is a **significant association** between **Talent Management** practices and the **type of organisation** (government vs. private sector).

### Chi-Square Summary

- **$\chi^2$  Value = 10.54**
- **Degrees of Freedom (df) = 1**
- **p-value = 0.0012**

### Key Findings

- The  **$\chi^2$  value of 10.54** and **p-value of 0.0012** are **statistically significant** because the **p-value is less than the 0.05 significance level**.
- This indicates that there is a **significant association** between the type of organisation (government or private) and the implementation of talent management practices.

## Interpretation

- The significant result suggests that **talent management practices differ based on the type of organisation** (government or private). For example:
  - Government organisations** might focus more on long-term employee development, stability, and job security as part of their talent management practices, which can lead to a different employee experience compared to private firms.
  - Private organisations** might prioritise innovation, skill development, and high performance, which could manifest in different approaches to talent management, such as performance-driven promotions, flexibility, and training focused on specific skill sets.

The  $\chi^2$  test shows that talent management strategies are influenced by the type of organization, meaning that each sector (government vs. private) implements different practices tailored to their goals, employee expectations, and organizational culture.

There is a significant relationship between talent management practices and organizational type, highlighting the need for organizations to tailor their talent management strategies based on their operational structure. Private and government organizations need to consider these differences when designing HR policies to better align with the needs and expectations of their workforce.

## Logistic Regression

Predictor	B (Log Odds)	SE	Wald	p-value	Odds Ratio (Exp(B))
Talent Development	0.641	0.205	9.77	0.002	1.899
Retention Programs	0.378	0.174	4.70	0.030	1.460

### Detailed Interpretation – Logistic Regression

Logistic regression analysis was performed to evaluate how **Talent Development** and **Retention Programs** influence the likelihood of experiencing positive economic outcomes. The odds ratios (Exp(B)) represent the **change in odds** of achieving a positive economic outcome based on changes in the predictor variables.

## Logistic Regression Summary

### 1. Talent Development

- B (Log Odds) = 0.641, SE = 0.205, Wald = 9.77, p-value = 0.002, Odds Ratio (Exp(B)) = 1.899**

- The **positive B value (0.641)** suggests that **Talent Development** has a **positive influence** on the likelihood of experiencing favourable economic outcomes. Specifically, for each unit increase in talent development efforts (such as training, workshops, and skills enhancement programs), the **odds of achieving positive outcomes** increase by a factor of **1.899**.
- The **p-value of 0.002** is **statistically significant**, confirming that talent development is a **strong predictor** of positive economic outcomes in the IT sector.

## 2. Retention Programs

- **B (Log Odds) = 0.378, SE = 0.174, Wald = 4.70, p-value = 0.030, Odds Ratio (Exp(B)) = 1.460**
- Similarly, **Retention Programs** (such as employee benefits, career development initiatives, and engagement efforts) also show a **positive influence** on economic outcomes. The **odds ratio of 1.460** indicates that for each unit increase in retention programs, the **odds of positive outcomes** increase by a factor of **1.460**.
- The **p-value of 0.030** is **statistically significant**, suggesting that retention initiatives contribute positively to economic outcomes, although to a lesser extent than talent development.

## Interpretation of Findings

- **Talent Development** has a stronger association with positive economic outcomes compared to **Retention Programs**. Investing in employee skills development and career growth opportunities significantly boosts the likelihood of organizational success and economic performance in the IT sector.
- Both predictors (**Talent Development** and **Retention Programs**) are **statistically significant**, meaning that they each play an important role in shaping economic outcomes. Organizations focusing on improving these aspects will likely experience enhanced performance, greater employee satisfaction, and sustained growth.
- **Talent Development** is a **key driver** of positive economic outcomes, with **Retention Programs** also contributing significantly, though to a lesser degree. IT organisations in Uttar Pradesh should prioritise **investment in talent development** and strengthen **retention initiatives** to improve overall economic growth and organisational success.

## Findings

The Pearson correlation analysis revealed a strong and statistically significant positive relationship between talent management and economic growth in the IT sector, with a correlation coefficient (r) of 0.672 and a p-value of

0.000. This indicates that effective talent management practices are closely associated with enhanced economic growth within the sector.

The independent samples t-test comparing employee loyalty scores between government and private IT organisations showed a significant difference. Government employees had a mean loyalty score of 4.12 (SD = 0.58), while private sector employees reported a mean of 3.89 (SD = 0.64). The calculated t-value was 2.78 with a p-value of 0.006, indicating a statistically significant difference in loyalty levels between the two groups.

The multiple linear regression analysis examined the predictive power of various components of talent management on economic growth. Talent development ( $\beta = 0.431$ ,  $p = 0.000$ ), succession planning ( $\beta = 0.278$ ,  $p = 0.002$ ), and employee retention ( $\beta = 0.125$ ,  $p = 0.047$ ) were found to be significant predictors. Workforce planning, however, did not yield a statistically significant result ( $\beta = 0.089$ ,  $p = 0.091$ ). The model explained 56.3% of the variance in economic growth ( $R^2 = 0.563$ ), suggesting that talent management significantly influences economic outcomes in the IT sector.

The one-way ANOVA test assessed differences in perception regarding talent management effectiveness across different experience levels. The results indicated a significant difference among the groups ( $F = 4.18$ ,  $p = 0.0017$ ), confirming that perceptions varied based on employee experience, which may influence how talent management strategies are received and evaluated.

The Chi-square test examined the association between organization type (government vs. private) and talent management practices. The result was statistically significant ( $\chi^2 = 10.54$ ,  $df = 1$ ,  $p = 0.0012$ ), suggesting that the type of organization has a notable impact on how talent management is implemented and perceived.

Lastly, the logistic regression analysis indicated that both talent development and retention programs significantly predict employee loyalty. Talent development had a log-odds coefficient (B) of 0.641 ( $p = 0.002$ ) with an odds ratio of 1.899, and retention programs had a B value of 0.378 ( $p = 0.030$ ) with an odds ratio of 1.460. These results confirm that robust talent management strategies, especially in development and retention, significantly increase the likelihood of high employee loyalty.

## Conclusion

The findings of this study strongly suggest that talent management plays a vital role in driving economic growth in the IT sector of Uttar Pradesh. The significant positive correlation between talent management and economic performance highlights that strategic investments in human capital—such as talent development, succession planning, and retention efforts, can lead to measurable improvements in organisational and sector-wide outcomes. The regression analysis confirmed that among various factors, talent development had the most profound impact, while workforce planning showed a weaker association, suggesting the need for more structured implementation.

Further, the study identified significant differences in employee loyalty levels between government and private sector IT employees, with government employees exhibiting higher loyalty scores. This implies that public sector organizations may offer more stable or appealing work environments in certain respects. The ANOVA results also revealed that employee perceptions of talent management vary with experience levels, emphasizing the need for customized talent strategies that address the needs of diverse employee groups.

Moreover, the Chi-square and logistic regression analyses reinforced the idea that organization type and specific talent practices significantly influence employee outcomes, particularly loyalty and retention. These insights collectively indicate that effective talent management is not only a human resource priority but also a strategic imperative for economic advancement in the IT sector.

In conclusion, for Uttar Pradesh's IT sector to achieve sustainable economic growth, stakeholders must prioritize a comprehensive and inclusive approach to talent management. This includes developing robust talent pipelines, fostering supportive work cultures, and implementing data-driven HR practices that align organizational goals with employee development. Future research may explore long-term impacts, sectoral comparisons, and the role of digital transformation in enhancing talent strategies.

## Suggestions

- 1. Develop Structured Talent Development Programs:** IT companies in Uttar Pradesh should invest in ongoing skill enhancement and leadership training programs to nurture internal talent and reduce dependency on external hiring.
- 2. Strengthen Succession Planning:** Organisations must implement formal succession planning frameworks to ensure continuity in leadership and to motivate employees by showing clear career progression paths.
- 3. Improve Employee Retention Strategies:** Customised retention programs, including flexible work policies, recognition systems, and competitive compensation, should be introduced to enhance job satisfaction and loyalty.
- 4. Enhance Workforce Planning:** Even though workforce planning showed a weaker impact, it remains essential. Companies should align workforce planning with long-term business goals, using predictive analytics for future skill requirements.
- 5. Focus on Private Sector Engagement:** Private IT companies should analyse loyalty trends and incorporate best practices from the government sector to improve employee engagement and reduce turnover.
- 6. Customise Talent Management Based on Experience Levels:** Since perceptions vary across experience levels, HR policies should be tailored to address the unique needs of entry-level, mid-career, and senior professionals.

7. **Promote a Culture of Innovation and Inclusivity** Encourage open communication, cross-functional teams, and diversity to create an innovative and inclusive work culture that supports talent growth.
8. **Leverage Technology and HR Analytics:** Use digital platforms and data analytics to monitor employee performance, satisfaction, and development needs, enabling evidence-based HR decision-making.
9. **Government Policy Support:** The state government should offer incentives, training subsidies, and digital infrastructure support to help IT firms improve talent capabilities and reduce skill gaps.
10. **Further Research Opportunities:** Future research can explore the longitudinal impact of talent management on organisational profitability, cross-sector comparisons, and the influence of AI and automation on talent needs.

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