

# Process Model of Talent Management and Enterprise Competitiveness in Bosnia and Herzegovina

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## Abstract

Talent management is an essential area within human resource management and has been increasingly receiving attention over the past several decades. The focus of talent management is on the most crucial employees within an enterprise. Therefore, it is vital to have a specialized and tailored management system for them to maximize business results. This paper addresses the connection between talent management and enterprise competitiveness. It aims to examine the relationship between these two variables within the business environment of Bosnia and Herzegovina.

This paper significantly contributes to both theory and practice because it proposes a new, more comprehensive process model of talent management based on a detailed analysis and synthesis of all available scientific and research works. Following this, the paper tests the proposed model in practice and measures its success by examining enterprise competitiveness.

The research was conducted on 101 service enterprises in Bosnia and Herzegovina in the second quarter of 2023. Managers of service enterprises involved in human resource management were surveyed. The questionnaire was formulated based on a combination of existing research in the specified fields. The data were subjected to correlation and regression analysis, and the research results were presented according to the previously set objectives and hypotheses.

The research results showed that talent management is a significant predictor of competitive advantage. Additionally, a positive impact on competitiveness was confirmed for each individual group of talent management activities presented in the proposed process model.

**Keywords:** talent, talent management, competitiveness

## 1. Introduction

Understanding the importance of human resources as the key factor in competitiveness in the contemporary business environment is increasingly gaining importance. In the era of digital transformation and rapid changes, enterprise management understands that talented individuals are imperative for the organization's survival and growth. This makes talent management a key strategy, enabling enterprises to secure this essential resource to become more competitive and achieve long-term success.

Previous studies have found a connection between talent management and competitiveness. This connection has been established both from the perspective of synthesizing various theoretical knowledge (Silzer, 2010; Bahtijarević-Šiber, 2014; Vaiman, 2008, etc.) and through empirical research that has confirmed the positive impact of talent management on various indicators of enterprise success, including competitiveness (Alma'aitah et al., 2013; Heinen & O'Neill, 2004; Huselid et al., 2005, etc.).

Although research in this field is very attractive worldwide, it is still not very popular in the region, especially in Bosnia and Herzegovina. A search in Bosnian, Croatian, and Serbian revealed only a few review papers and case studies on talent management. This leaves much room for exploring this topic, particularly its application in practice.

After thoroughly reviewing the available literature, the research problem of this paper is presented through the research question: Does talent management influence the competitiveness of enterprises in Bosnia and

Herzegovina, and to what extent? Additionally, another research question is posed: Do the preparatory activities of talent management, key activities, and support activities individually or simultaneously impact enterprise competitiveness, and to what extent?

The general objective of this research is to determine the existence and intensity of the impact of talent management on enterprise competitiveness in Bosnia and Herzegovina. To achieve this, the following specific research objectives need to be realized:

1. Explain the impact of preparatory activities of talent management, which include developing a talent management strategy, identifying key positions, and attracting talents, on enterprise competitiveness.
2. Determine whether and to what extent enterprise competitiveness depends on the implemented key activities of talent management, which involve their acquisition and selection, employment, and orientation within the organization.
3. Explain how support activities that retain and develop talents, and plan succession within key positions, affect enterprise competitiveness.

Based on available findings from previous research, the hypotheses of this research have been formulated. The central research hypothesis (H) states: "Talent management positively affects the competitiveness of service enterprises."

In addition to the central research hypothesis, auxiliary hypotheses have been formulated:

H1: A higher level of implementation of preparatory activities of talent management, which include developing a talent management strategy, identifying key positions, and attracting talents, has a positive impact on enterprise competitiveness.

H2: A higher level of implementation of key activities, which include acquisition and selection, employment, and orientation of talents, has a positive impact on enterprise competitiveness.

H3: A higher level of implementation of support activities, which include retaining talents, their development, and planning succession, has a positive impact on enterprise competitiveness.

To determine whether the hypotheses can be confirmed or rejected, a model of talent management was first constructed and then tested in practice. During testing, it was examined whether implementing the given model yielded results in terms of competitiveness, and whether and to what extent the activities included in the model helped enterprises become more competitive.

This research paper concept brings significant theoretical and practical benefits. The theoretical benefit relates to summarizing existing knowledge about talent management, previously developed models, and most importantly, presenting a new process model. Furthermore, the conducted empirical research will provide insights into the use of this model in enterprises and the impact of talent management on competitive advantage. The practical benefit is reflected in providing detailed instructions to enterprises on how to implement talent management to become more competitive in the markets.

Certainly, it is important to highlight that this study has its limitations. The research sample includes only one economic sector, specifically the service industry. Although generalized conclusions will be drawn at the end, it should be kept in mind that including other sectors might have influenced the overall results. Additionally, the business sector in Bosnia and Herzegovina is still in the process of becoming familiar with talent management. The timeframe of the research undoubtedly impacts the conclusions drawn. It is expected that more enterprises will adopt this concept every day, which changes managerial perceptions of its importance and impact on competitiveness.

The structure of this paper consists of a literature review and a presentation of the empirical part of the research. Within the literature review, an overview of talent management is first provided, including an explanation of the concepts of talent, talent management, and existing models. This is followed by the conceptualization of a new process model of talent management. The last part of the literature review explains the significance of talent management in achieving competitiveness through a systematization of previous research that has addressed this issue. Subsequently, the methodology is presented with a special focus on the indicators used to measure variables, the data collection methods, and a description of the sample on which the research was conducted. In the presentation of the results that follows, the data is subjected to correlation and regression analysis and is presented descriptively and in tables. After the results, there is a discussion focusing on the hypotheses, and at the very end, a conclusion is provided with a review of the fulfillment of the paper's objectives.

## 2. Literature Review

### 2.1 Talent Management

The term talent is omnipresent in all spheres of life. From magazine covers and internet blogs to social media and business bulletins, we are regularly exposed to this term. Sometimes, we do not even know how to explain it, especially in a business context. In the book *Global Talent Management*, Gallardo-Gallardo (as cited in Collings et al., 2020, p. 9) notes that in 2006, *The Economist* published an interesting review stating that enterprises do not even know how to define the term talent, let alone manage it.

The term talent originates from ancient Greek, from the word "talanton," which represented a unit of weight expressed in gold or silver (Gallardo-Gallardo et al., 2013, p. 292). Today, it has a dual purpose: to describe an individual's predisposition for achieving exceptional results (Bahtijarević-Šiber, 2014, p. 162) and to represent the most important employees, namely innovative and creative knowledge workers (Caligiuri & DiSanto, 2001, p. 28).

There are many different definitions of talents and talent management. Talents are individuals who possess specific or great skills, knowledge, and abilities, along with the potential for learning and advancement. These individuals significantly contribute to the development of the organization, thus becoming a key source of competitive advantage (Bahtijarević-Šiber, 2014, p. 163). Talent management can be most simply defined as ensuring the right people with the right skills are in the right place at the right time (Leisy & Pyron, 2009, p. 141).

Many authors have discussed the activities involved in talent management through their definitions, providing insight into various models. The following table shows the activities covered by talent management from different authors' perspectives.

Table 1. Talent management activities

	Identification of Key Positions	Identification of Talents	Attraction of Talents	Assessment of Talents	Selection of Talents	Recruitment / Employment of Talents	Motivation of Talents	Inclusion of Talents	Education of Talents	Development of Talents	Retention of Talents	Succession Planning
Bahtijarević-Šiber, 2014, (pp. 163-164)			x				x			x		
Mathis & Jackson (as cited in Bahtijarević-Šiber, 2014, p. 164)			x							x	x	
Tansley (as cited in Bahtijarević-Šiber, 2014, p. 164)		x	x					x				
Creelman (2004, p. 29)			x			x						x
Knez (2004, p. 233)			x		x					x	x	
Collins & Clark (2003, p. 744)	x					x				x	x	
Whelan & Carcary (2011, p. 677)	x				x	x	x		x		x	x
Berger & Berger (2003, p. 4)		x		x						x	x	

## 2.2. Conceptualization of the New Process Model of Talent Management

From the table above, one can see a range of activities related to talent management. However, most authors include only some of these activities in their models. This indicates that there is not enough attention given to developing a complete model of talent management. Hence, there is a strong need for developing a process model of talent management that integrates all necessary activities for its practical application.

The process model proposed by the authors emerges as a comprehensive approach, combining all models present in the field so far. It contains all essential activities for an integrated and quality approach to managing talents, who are the most important employees within an enterprise. The process model consists of three groups of talent management activities: preparatory activities, key activities, and support activities. Each group consists of three activities, and regardless of their position in the model, they are equally necessary and important for the efficiency of talent management. The following chart shows the proposed process model of talent management.

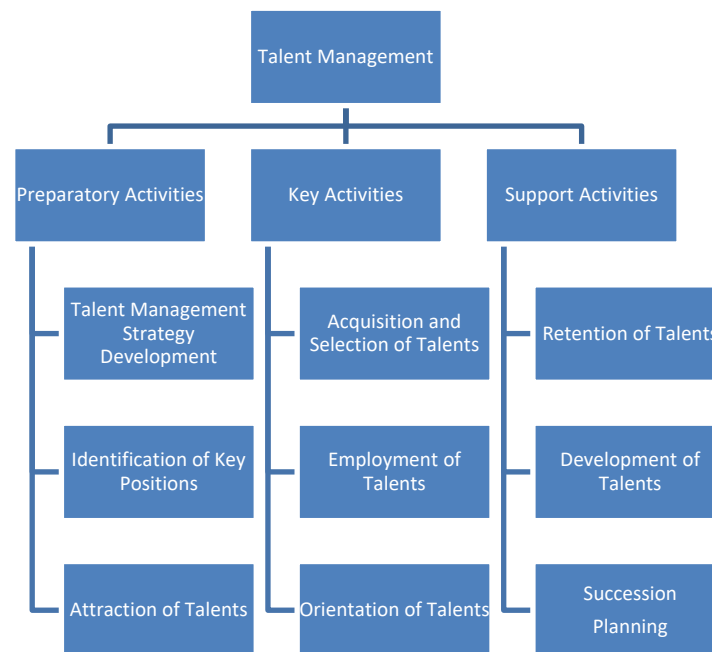


Figure 1. Model of Talent Management

Preparatory activities in the previously shown model of talent management include three types of activities: developing a talent management strategy, identifying key positions, and attracting talents. These activities occur continuously within an organization and necessarily before the key activities, which center on the entry of talents into the organization.

The work on developing a talent management strategy represents the starting point for the application of talent management in organizations. Bahtijarević-Šiber (2014, p. 165) confirms the importance of this activity and notes that talent management cannot succeed without a predefined strategy for managing talents. The primary purpose of talent management is to create a sustainable competitive advantage by aligning talents and their capabilities with the business strategy of an organization. For this to occur, it is first necessary to develop the talent management strategy itself and then align it with the organization's strategy.

Identifying key positions is a very important activity in talent management, classified in the group of preparatory activities because it must occur before introducing talents into the organization. Its importance is reflected in the fact that, as Huselid et al. (2005, p. 1) note, enterprises cannot afford to have talents in all positions. Collings & Mellahi (2009, p. 307) consider the identification of key positions as a phase in the strategic talent management system, which is directly linked to achieving a competitive advantage for the organization.

A great workforce consists of excellent workers (Huselid et al., 2005, p. 110). Therefore, attracting talents, i.e., knowledge workers with rare skills, is one of the most crucial activities for organizations (Aguinis et al., 2014; Holcombe-Ehrhart & Ziegert, as cited in Schlechter et al., 2014, p. 2; Tarique & Schuler as cited in Schlechter et al., 2014, p. 2). One of the main ways to attract talents, as Bahtijarević-Šiber (2014, p. 171) states, is by building a recognizable employer image. This includes all those activities of human resource management and the overall organization done with the aim of creating the impression of a desirable employer and a pleasant place to work,

and presenting that image to the public. Although it directly affects the competitive advantage, attracting talents is an activity with short-term results. If activities for attracting talents are not linked with activities for retaining them, these talents will quickly move to other enterprises that may seem more attractive (Daniels et al., as cited in Matos et al., 2012, p. 289; Porter as cited in Matos et al., 2012, p. 289).

The key activities of the proposed model include the acquisition and selection of talents, employment, and orientation of talents. These activities are called key because they are at the very heart of the talent management process. They are crucial because they bring talent into the organization, but preparatory activities and support activities are no less important, as only together can they bring the proper results.

The acquisition of talents represents all those activities that allow interested individuals to apply for open positions in sufficient numbers and with the appropriate qualifications (Mondy as cited in Bahtijarević-Šiber, 2014, p. 184). Following this is the selection process, which involves choosing the most competent candidate according to predetermined criteria for a given job position.

After selecting the best candidate, the formal joining of the selected talent to the organization takes place, which is considered employment. According to Kahn & Baum (2020, p. 31), it involves an offer from the employer, acceptance by the employee unless there are additional requirements or negotiation for better conditions, consideration of requests by the employer, final agreement, and finally, formal signing of the employment contract.

After the selected talented individual is formally employed, their joining the organization follows. The first period at the new job involves an orientation phase. Vanderslice (2011, p. 3) defines orientation as connecting new employees with the enterprise's mission, vision, and values, as well as with its leaders and other employees or colleagues. Orientation should not be confused with new employee training. Training is focused on the details of the new job and answers the employee's questions about what and how, while orientation focuses on the bigger picture and answers the question of why. Through orientation, new employees are introduced to the fundamental values of the organization and provided a framework that shows how the employee fits with the organization and its goals. Orientation further answers the questions: what is being attempted, why it is being attempted, and how the individual employee contributes to these efforts (Wallace, 2009, p. 168).

Support activities, according to the model proposed by the authors, involve those activities that need to be continuously carried out in the organization, regardless of the moment of introducing new talent. They are there to ensure that talents give their maximum to the organization and stay in it as long as possible. This group includes the retention of talents, development of talents, and succession planning.

The retention of talents involves all those activities and practices that an organization uses to prevent the departure of talented employees. Retaining talents is crucial for the survival of every organization. If an organization aims to retain talents, it aims to reduce the costs directly and indirectly associated with this activity. Direct costs are associated with the loss of talents and relate to the costs of recruitment and training, while indirect costs relate to the loss of skills, organizational knowledge, and disruptions in employee cohesion (Ott et al., 2018, pp. 1-2).

The development of talents is an important component of the overall talent management process (Novations as cited in Garavan et al., 2012, p. 5; Cappelli as cited in Garavan et al., 2012, p. 5). Organizations undertake talent development to prevent talent disruption, ensure planned succession, avoid unnecessary replacements, and improve the organization's reputation as a magnet for talents (Gandz as cited in Garavan et al., 2012, p. 6). Talent development focuses on planning, selecting, and implementing development strategies for the entire talent pool to ensure that the organization has enough talents to achieve strategic goals both currently and in the future. Development activities are part of the talent management process and are specific to each organization (Garavan et al., 2012, pp. 6-7).

Succession planning of talents is an extremely important activity. Charan (as cited in Pandey & Sharma, 2014, p. 153) states that it is much better for important positions within an organization to be filled by talents developed and promoted from lower positions within the organization rather than being hired from outside. Hiring should be reserved for initial or entry-level positions, while higher positions, especially leadership ones, should be filled from within. Carnegie (as cited in Pandey & Sharma, 2014, p. 153) defines succession planning as a systematic way to ensure that employees in a particular organization are competent enough to develop and then replace strategic roles in the organizational hierarchy. Care should be taken not to confuse succession planning with replacement planning. Succession planning does not focus on finding an internal temporary replacement from another department but is about a vertical movement, e.g., a manager from a middle level moving to a higher-level manager (Rothwell, 2011, p. 89).

### *2.3 The Significance of Talent Management in Achieving Competitiveness*

The importance of talent management is reflected in a series of positive impacts on an enterprise, one of which is achieving competitiveness. Numerous review papers have linked talent management to competitive advantage. Rabbi et al. (2015) consider talent management a source of competitive advantage that directly affects the competitiveness of an enterprise. Wahyuningtyas (2014) provides a model of an integrated talent management system that any organization can implement to achieve a competitive edge. Avedon & Scholes (2010, p. 121) have devoted an entire chapter in their book to the importance of integrating talent management to achieve competitive advantage. They argue that the ability of an enterprise to create an integrated talent management system could be its most enduring competitive advantage.

Ordenez de Pablos (2004) concludes that human capital is a unique resource that provides inexhaustible knowledge to an enterprise and forms the basis for achieving sustainable competitive advantage. Abbas & Cross (2018) believe that enterprises capable of attracting, developing, and retaining talented employees can achieve a competitive advantage.

Besides being grounded in theory, the link between talent management and competitiveness has also been confirmed by numerous studies. Latukha (2016) focused her research on emerging markets in Russia and confirmed that talent management can be considered a foundation for competitive capability. Alma'aitah et al. (2013) researched the same impact in the most successful enterprises in Jordan. They proved a significant influence of talent management on the competitiveness of these enterprises, particularly in terms of response speed to customer demands, product quality, and innovation. Wandia (2013) conducted a case study at Symphony (K) Ltd. in Kenya and concluded that talent management represents a source of sustainable competitive advantage in this enterprise. This conclusion was also reached by Moturi (2013), who conducted research in another enterprise in Kenya, Data Networks Ltd. Al-Hadid (2017) confirmed the significant impact of talent management on achieving competitiveness based on research conducted in Jordanian telecommunications enterprises.

Heinen & O'Neill (2004) argue that talent management can be the best way to create long-term competitive advantage, as it arises from valuable and specific resources that cannot be easily imitated or acquired by competitors. Through empirical research, they concluded that successful organizations always emphasize attracting, retaining, and developing talent. Organizations that mismanage human capital can only expect a decline in business results. Huselid et al. (2005) provide similar conclusions, suggesting that organizations seeking to improve their competitive position and increase productivity should adopt an approach to attracting, employing, retaining, and developing intellectual capital, which represents a talent management process.

Al-Haraisa et al. (2021) conducted research in 130 insurance enterprises in Jordan, examining managers and their associates. The research focused on the connection between talent management activities and competitive advantage, specifically: finding talents, developing talents, and retaining them. The results showed a significant impact of these activities on competitive advantage. Abu-Darwish et al. (2022) also conducted research in Jordan, but in 200 private healthcare institutions, hospitals, therapeutic, and diagnostic centers. The results showed that there is a statistically significant impact of the implementation of talent management on the competitive advantage of these enterprises.

## **3. Methodology**

### *3.1 Measures*

The research model is based on examining the connection between the independent and dependent variables and assessing the dependence of the dependent variable on changes in the independent variable. The independent variable is talent management, observed through the previously presented process model in this research. It is measured by the degree of development of each individual activity within the presented groups of talent management activities. This variable was examined through a survey questionnaire where questions were formed in the form of a Likert scale (1-5) and were based on survey questionnaires used in previous research on individual talent management activities (Kibui, 2015; Al Ariss et al., 2014; Atheer, 2018; Vnoučková et al., 2018; Lyria, 2014; AlKerdawy, 2016; Nakhate, 2016).

The competitiveness of the enterprise is the dependent variable. Since numerous different metrics have been used in previous research to measure competitiveness, eight indicators were determined for this study: price indicator, quality indicator, delivery reliability indicator, service and process innovation indicator, market change response indicator, cost indicator, organizational learning indicator, and customer satisfaction indicator. All these indicators were used in previous research. The price indicator, quality indicator, delivery reliability indicator,

product/service innovation indicator, and market change response indicator were used by Li et al. (2006). Braunscheidel & Suresh (2009) used the cost indicator and the organizational learning indicator, while the customer satisfaction indicator was taken from research conducted by Martelo et al. (2013). Questions for examining these indicators were used in previous research (Vorhies et al., 2009; Thatte, 2007; Lyria, 2014) and were formulated in the form of a Likert scale (1-5).

The survey questionnaire was formed in two parts. In the first part, statements were presented with which the respondent was to express the degree of agreement according to the established Likert scale, where 1 indicated complete disagreement with the statement, and 5 indicated complete agreement with the statement. The second part of the questionnaire related to examining the characteristics of the enterprise and was formulated with multiple-choice and open-ended questions. In this part, the goal was to learn about the age of the enterprise, its size, and the location of its headquarters. The examination of personal characteristics of managers (gender, age, education, etc.) who represented the respondents within each enterprise was not considered relevant for the given study topic.

### 3.2 Sampling Procedures and Research Design

Before conducting the study, the population was defined based on five criteria: the size of the enterprise, ownership of the enterprise, industry, geographical location of the headquarters, and legal form of the enterprise. The research included small, medium, and large service enterprises that are privately owned, registered as limited liability enterprises or joint-stock enterprises, and headquartered in Bosnia and Herzegovina.

As previously mentioned, the empirical research was carried out in Bosnia and Herzegovina during April and May 2023. To achieve comprehensive geographical coverage, enterprises from 13 cities were included in the survey. For the research, one interviewer from each city was engaged to visit the enterprises and conduct the survey in person. Participation in the survey was voluntary, and many enterprises declined to participate. Those who agreed were given a detailed explanation of the purpose of the research and how the results would be used before presenting the survey questionnaire. The surveying was not anonymous, and the names of all participating enterprises are known, allowing for subsequent verification of the fieldwork by interviewers.

### 3.3 Sample Size

For this research, a quota sample representing a group of elements with a pre-specified number of quotas of certain properties was used. It was structured according to the size of the enterprises, covering a total of 101 enterprises, of which 56 were small, 28 medium, and 17 large. In terms of the age of the enterprises involved in the study, 16.8% were younger than 5 years, 19.8% had been operating between 5 and 10 years, and 63.4% were older than 10 years.

## 4. Results

Before subjecting the results to statistical analysis, the reliability of the measurement scale was tested using the Cronbach- $\alpha$  (alpha) coefficient. The realized coefficient values were as follows: 0.668 for preparatory activities, 0.549 for key activities, 0.751 for support activities, and 0.888 for competitiveness. These values indicate that the reliability of the measurement scale was achieved.

The data obtained from the research were subjected to correlation and regression analysis. Initially, the individual impact of each group of activities on competitiveness was examined, followed by their combined simultaneous impact as a complete talent management process on enterprise competitiveness.

The results of the correlation analysis showed that each group of talent management activities positively correlates with competitiveness. The strength of the relationship was moderate, with the strongest being in support activities (0.559), followed by preparatory activities (0.538), and the weakest in key activities (0.463). Significance was achieved for all three relationships ( $p < 0.000$ ).

The results of the regression analysis are presented in the following table:

Table 2. Regression analysis

Independent variable	Dependent variable	Intercept	B	SE	Beta	t	p
F1 →	F5	0,000	0,538	0,085	0,538	6,355	0,000
F2 →	F5	0,000	0,463	0,089	0,463	5,193	0,000
F3 →	F5	0,000	0,559	0,083	0,559	6,705	0,000

These results from three simple linear regressions provide significant insights into the impact of preparatory activities, key activities, and support activities on enterprise competitiveness. All three independent variables (F1,

F2, F3) demonstrate a statistically significant positive correlation with enterprise competitiveness, as confirmed by high t-values (between 5.193 and 6.705) and low p-values ( $p < 0.000$ ). This suggests that even small changes in these activities can have a significant impact on enterprise competitiveness.

Additionally, the Beta coefficients, which represent standardized regression coefficients, indicate the relative impact of each independent variable on enterprise competitiveness. High Beta values (between 0.463 and 0.559) suggest a strong influence of preparatory, key, and supporting activities on enterprise competitiveness. On the other hand, the low standard error (SE) values for all three variables (between 0.083 and 0.089) suggest precision in the estimates of the regression coefficients.

The results of the multiple regression analysis, observing the simultaneous impact of all three groups of talent management activities on enterprise competitiveness, show that the proposed model significantly explained variability in enterprise competitiveness ( $R^2 = 0.611$ ,  $F = 19.212$ ,  $p < 0.000$ ). This indicates that 61.1% of the variability in enterprise competitiveness can be explained by the impact of talent management, demonstrated through the simultaneous influence of preparatory activities, key activities, and support activities. The remaining 38.9% of the variability remains unexplained. The high F-statistic value confirms that the regression coefficients are significant, indicating a statistically significant relationship between the independent variable, talent management as a whole, and the dependent variable, competitiveness.

Although the overall model of simultaneous impact shows significance, the individual contribution of each group of activities within this model was also considered. It is evident that preparatory and key activities contribute to the significance of the model and the considered impact, while for support activities, significance was not achieved. Detailed results are presented in the following table:

Table 3. Multiple Regression Analysis

Independent variable	Dependent variable	Intercept	B	SE	Beta	t	p
F1 →			0,272	0,112	0,272	2,426	0,017
F2 →	F5	0,000	0,092	0,110	0,092	0,833	0,407
F3 →			0,329	0,112	0,329	2,929	0,004

## 5. Discussion

The increasingly dynamic business environment, despite rapid technological development, the emergence of artificial intelligence, internet development, and other characteristics of today's business, proves every day that people are irreplaceable capital. The success of an enterprise lies precisely in the talents that people bring with them. For these reasons, the last few decades have seen the development of a special field within human resource management focused specifically on employees who carry these valuable talents. Talent management, although very attractive to both theorists and practitioners of human resource management, still has much room for research. This includes building the most efficient model for its applicative contribution to the business context and understanding its impact on various business outcomes. This research gap is particularly evident in Bosnia and Herzegovina, given the very small number of conducted research and published papers on this topic and the very small proportion of enterprises familiar with this concept.

The primary task of this paper was to establish and test a model to examine the impact of talent management on enterprise competitiveness. During the conceptualization of the model, both theoretical and empirical aspects were considered. All previous research concerning the dependent and independent variables was taken into account, with attention to the geographical framework in which the research would be conducted. Adapting to the business conditions in Bosnia and Herzegovina was an essential part of establishing the model. First, a process model of talent management was conceptualized, and then, based on it, an empirical model with all its elements was established. After conceptualization, the empirical model was subjected to statistical analyses to test the previously set hypotheses.

Correlation and regression analyses examined the impact of each individual group of activities on enterprise competitiveness. It was found that there is a positive correlational relationship between each of the mentioned groups of activities and competitiveness. The statistical significance of these relationships was confirmed, and each individual group of activities can be considered a predictor of talent management. It was concluded that a higher level of implementation of preparatory activities of talent management has a significant positive impact on enterprise competitiveness. A higher level of implementation of key activities of talent management also has a significant positive impact on enterprise competitiveness. Additionally, a higher level of implementation of support activities of talent management has a significant positive impact on enterprise competitiveness. This confirms all three auxiliary hypotheses.



The confirmation of these hypotheses regarding the positive impact of individual groups of talent management activities on competitiveness is consistent with previous research. The difference lies in the types of activities included in the research. For example, Heinen & O'Neill (2004) emphasized the importance of activities related to attracting, retaining, and developing talents for achieving competitiveness. Huselid et al. (2005) also confirmed the importance of these same activities and included employing and developing intellectual capital in their research, which also resulted in a positive impact on competitiveness. Al-Haraisa et al. (2021) demonstrated the positive impact of finding talents, developing talents, and retaining them in their research.

The same statistical analyses examined the impact of the entire talent management process on enterprise competitiveness, observing the simultaneous impact of all three groups of activities. The results showed that the significance of the model was achieved and that implementing the talent management process can achieve better results in terms of competitiveness, thereby confirming the central research hypothesis.

Viewing talent management as a whole as a determinant of competitiveness is also consistent with previous research. This influence has already been established by Latukha (2016) in a study conducted in Russia, Alma'aitah et al. (2013), Abu-Darwish et al. (2022), and Al-Hadid (2017) in Jordan, as well as Wandia (2013) and Moturi (2013) in Kenya.

## **6. Conclusion**

After synthesizing all relevant theoretical knowledge and analyzing the results of the empirical research, a conclusion can be drawn regarding the goals set at the beginning of the paper. The general goal of the research was to determine the existence and intensity of the impact of talent management on the competitiveness of service enterprises in Bosnia and Herzegovina. Based on the presented results, this general goal has been achieved. It was found that talent management has a positive impact on the competitiveness of service enterprises.

To achieve the main research goal, three specific objectives were set. Each objective relates to explaining the impact of one group of talent management activities on enterprise competitiveness. The empirical research examined the impact of each individual group of activities on competitiveness, measured through eight specific indicators. The results showed that each group of activities has a positive impact on competitiveness. This indicates that enterprises with a higher level of implementation of these activities can achieve better results in terms of competitiveness, making talent management activities a significant predictor of this dependent variable. Therefore, all the specific goals of this doctoral dissertation have been achieved.

A detailed systematization of theoretical knowledge and previous research at the global level, the proposed process model, and the results of the conducted empirical research have opened the door to further knowledge and research in the field of talent management. This study has established a path for future studies that should deepen the understanding of talent management and determine how its application affects other aspects of enterprise operations. Recommendations for further research should include investigating the short-term and long-term effects of talent management on the performance of employees involved in the talent management process, with a comparative presentation with employees who are not involved in the process. Additionally, research should explore the impact of talent management on other aspects of enterprise success, such as overall performance, organizational growth, profitability, etc., and expand to other industrial sectors. Comparing the development of talent management activities between different industries would help determine which industries focus most on talents in organizations.

It would also be useful to conduct comparative studies with other countries, both at the regional and global levels. These studies should start from the development of the entire talent management process and include the application of individual activities within the process. These are just some of the possible suggestions for further research. There is certainly a lot of room for exploration, given that this area is quite unexplored. It is very important that talent management comes into the focus of researchers in Bosnia and Herzegovina. This would enable easier, more effective, and more successful implementation in practice, as its importance and positive impact have long been proven at the global level.

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## **Authors contributions**

Both authors equally participated in writing the paper.

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### **Competing interests**

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### **Informed consent**

Obtained.

### **Ethics approval**

The Publication Ethics Committee of the Canadian Center of Science and Education.

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### **Data availability statement**

The data that support the findings of this study are available on request from the corresponding author. The data are not publicly available due to privacy or ethical restrictions.

### **Data sharing statement**

No additional data are available.

### **Open access**

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