

The Journal of ARSYM

A Publication of Students' Research of the Annual Research Symposium in
Management

Volume: 3 Issue: I January: 2023

The Journal of ARSYM (JARSYM) is a refereed journal published bi-annually by the Faculty of Business Studies & Finance, Wayamba University of Sri Lanka. The aim of the JARSYM is to disseminate high-quality research findings on a variety of timely topics generated by undergraduate and postgraduate researchers at the Wayamba University of Sri Lanka. Furthermore, it opens up avenues for the undergraduates involved in the industry to share their inventions, state-of-the-art discoveries and novel ideas. The main philosophy behind the JARSYM is to enhance the research culture within the faculty, thereby within Wayamba University. All research articles submitted are double-blind reviewed prior to publishing. Views expressed in the research articles are not the views of the Faculty of Business Studies and Finance, the Wayamba University of Sri Lanka or the Editorial Board.

Copyright © 2022 Faculty of Business Studies and Finance
National Library of Sri Lanka - Cataloging in Publication Data
Journal of ARSYM (JARSYM)
ISSN No: 2756-9373
Bar Code: 9772756 937008

Published by:

Faculty of Business Studies and Finance
Wayamba University of Sri Lanka
Kuliyapitiya, Sri Lanka
Tel: +94 37 228 4216
Web: <http://bsf.wyb.ac.lk>

Cover Page by:

Dr. R.M.T.N. Rathnayake
Lecturer
Department of Accountancy
Wayamba University of Sri Lanka

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted by any means, electronically, mechanical, photocopying, recording or otherwise, without the written permission of the publisher.

Aims and Scope

The Journal of ARSYM (JARSYM) is a refereed bi-annual journal committed to publishing undergraduate research papers of the Faculty of Business Studies and Finance, Wayamba University of Sri Lanka. The JARSYM publishes theoretical and empirical papers spanning all the major research fields in business studies and finance. The aim of the JARSYM is to facilitate and encourage undergraduates by providing a platform to impart and share knowledge in the form of high-quality and unique research papers.

Core Principles

- Publication in the Journal of ARSYM is based on the editorial criteria cited and the evaluation of the reviewers (each manuscript will be sent to two reviewers).
- Priority is given to novelty, originality, and to the extent of contribution that would make to the particular field.

The journal welcomes and publishes original articles, literature review articles and perspectives and book reviews describing original research in the fields of business studies and finance. The core focus areas of the journal include;

- Accounting
- Banking
- Business strategies and innovations in crisis
- Disaster and crisis management
- E-commerce & business communication
- Economics
- Entrepreneurship and small business
- Finance
- Human resource management and organizational behaviour
- Management information systems
- Marketing management
- Operations management
- Risk management and insurance
- Strategic management

Editor-in-chief,
Journal of ARSYM (JARSYM)

Editorial Board

Editor-in-Chief

Dr. (Mrs.) WADKJ Wanigasekara
Department of Accountancy
Faculty of Business Studies and Finance
Wayamba University of Sri Lanka

Editorial Advisory Board

Prof. SK Gamage
Dean
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Prof. DAM Perera
Department of Accountancy
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Prof. DAT Kumari
Department of Banking and Finance
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Dr. TK Karandaketiya
Department of Business
Management
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Dr. WS Sanjeewa
Department of Insurance and
Valuation
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Dr. KM Dissanayake
Department of English Language
Teaching
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Editorial Board

Mr. BM Wijesiri
Department of Business
Management
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Mrs. WSA Fernando
Department of English Language
Teaching
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Mrs. JAGP Jayasinghe
Department of Accountancy
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Mrs. DMNB Dissanayake
Department of Insurance and
Valuation
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Mrs. BACH Wijesinghe
Department of Accountancy
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Mrs. WJAJM Lasanthika
Department of Business
Management
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Mr. MMSKB Bogamuwa
Department of Insurance and
Valuation
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Mrs. PWRC Wijenayake
Department of English Language
Teaching
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Editorial Assistants

Ms. HPNI Kumarasinghe
Department of Business
Management
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Ms. DMHM Dissanayake
Department of Business
Management
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Ms. MAC Jayamali
Department of Banking and Finance
Faculty of Business Studies and
Finance
Wayamba University of Sri Lanka

Panel of Reviewers

Internal Reviewers

Prof. DAM Perera

Wayamba University of Sri Lanka

Prof. HMA Herath

Wayamba University of Sri Lanka

Prof. RA Rathnasiri

Wayamba University of Sri Lanka

Prof. (Mrs.) DAT Kumari

Wayamba University of Sri Lanka

Prof. Kumara Uluwatta

Wayamba University of Sri Lanka

Dr. TK Karandaketiya

Senior Lecturer

Wayamba University of Sri Lanka

Dr. HMSP Herath

Senior Lecturer

Wayamba University of Sri Lanka

Dr. (Mrs.) KAMS Kodisinghe

Senior Lecturer

Wayamba University of Sri Lanka

Dr. (Mrs.) WADKJ

Wanigasekara

Senior Lecturer

Wayamba University of Sri Lanka

Dr. UES Kumara

Senior Lecturer

Wayamba University of Sri Lanka

Mr. BM Wijesiri

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. WDNSM Tennakoon

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. UGAC Karunananda

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. AKDN Dilshani

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. UGVDD Gunarathne

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. DHSW Dissanayake

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. HMAK Herath

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. RSL Jayarathne

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. WRPK Chandrarathne

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. DMTD Dissanayake

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. PABH Amarathunga

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. WAN Priyadarshani

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. JAGP Jayasinghe

Senior Lecturer

Wayamba University of Sri Lanka

Mr. HMAJ Herath

Senior Lecturer

Wayamba University of Sri Lanka

Mr. DGL Rasika

Senior Lecturer

Wayamba University of Sri Lanka

Mrs. WDMBK Dissanayake

Senior Lecturer

Wayamba University of Sri Lanka

Mr. AGDLK Gunarathne

Senior Lecturer

Wayamba University of Sri Lanka

Ms. DGS Abeygunawardane
Senior Lecturer
Wayamba University of Sri Lanka

Dr. RMTN Rathnayake
Temporary Lecturer
Wayamba University of Sri Lanka

External Reviewers

Dr. (Mrs.) BS Habaragoda
Senior Lecturer
Department of Industrial
Management
Wayamba University of Sri Lanka

Table of Contents

IMPACT OF NEW NORMAL BANKING INITIATIVES ON CUSTOMER SATISFACTION: WITH SPECIAL REFERENCE TO LICENSED COMMERCIAL BANKS IN SRI LANKA.....	1
<i>Liyanage, K.L.P.M., Herath, H.M.A.K.</i>	
IMPACT OF VOLUNTARY DISCLOSURE LEVEL ON THE VALUE RELEVANCE OF ACCOUNTING INFORMATION; EVIDENCE FROM SRI LANKA	16
<i>Jayalath, J.A.T.S., Priyadarshanie, W.A.N.</i>	
SRI LANKAN PERCEPTIONS ON THE FUTURE OF CRYPTOCURRENCY AND BLOCKCHAIN TECHNOLOGY: WITH SPECIAL REFERENCE TO THE POPULATION OF THE COLOMBO DISTRICT.....	28
<i>Fernando, W.M.N., Bogamuwa, M.M.S.K.B.</i>	
EFFECT OF FINANCIAL KNOWLEDGE, ATTITUDE, EXPERIENCE AND INCOME LEVEL ON INDIVIDUAL'S FINANCIAL BEHAVIOR: EVIDENCE FROM FINANCIAL SECTOR WORK FORCE IN SRI LANKA	46
<i>Pathirathna, M.P.D.N., Dissanayake, D.M.N.B.</i>	
ASYMMETRIC INFORMATION BEHAVIOR AND STOCK PRICE VOLATILITY: SPECIAL REFERENCE TO S&P 20 INDEX.....	60
<i>Jayasinghe, J.M.C.K., Lakmal, W.A.I., Hewamana, H.M.R.R.</i>	
DO FINANCIAL CONSTRAINTS THROW A WET BLANKET ON CORPORATE DIVIDEND DECISION: EMPIRICAL EVIDENCE FROM A FRONTIER MARKET	75
<i>Kulathunga, W.A.H.S., Wijesinghe, B.A.C.H.</i>	
EFFECTS OF GLASS CEILING ON WOMEN'S CAREER ADVANCEMENT IN SRI LANKAN BANKING SECTOR: EVIDENCE FROM COMMERCIAL BANKS IN COLOMBO DISTRICT	86
<i>Peiris, B.L.M.D., Dissanayake, W.D.M.B.K.</i>	
GENERATION "Y" EMPLOYEE RETENTION IN SRI LANKA'S APPAREL INDUSTRY: THE IMPACT OF TALENT MANAGEMENT PRACTICES, WITH THE MEDIATING EFFECT OF ORGANIZATIONAL COMMITMENT.....	99
<i>Weerawardhana, R.D.T.I., Lasanthika, W.J.A.J.M.</i>	

IMPACT OF SOCIAL MEDIA MARKETING ON CONSUMER BUYING BEHAVIOR AMONG GENERATION Z113

Wickramarathna, B.G.S.D., Lasanthika, W.J.A.J.M.

IMPACT OF THE QUALITY OF ACCOUNTING INFORMATION ON COST OF CAPITAL: EVIDENCE FROM TOP MANUFACTURING COMPANIES IN SRI LANKA & INDIA.....128

Kodagoda, K.B.A.D.H.H., Ediriweera, E.A.I.N.

FACTORS AFFECTING PEOPLE'S RELIANCE ON INFORMAL FINANCIAL SECTOR IN SRI LANKA (SPECIAL REFERENCE TO NORTHWESTERN PROVINCE)141

Keerthikumara, W.M.I.C., Herath, H.M.S.P.

Generation "Y" Employee Retention in Sri Lanka's Apparel Industry: The Impact of Talent Management Practices, with the Mediating Effect of Organizational Commitment

Weerawardhana, R.D.T.I.¹, Lasanthika, W.J.A.J.M.²

*Department of Business Management, Faculty of Business Studies and Finance,
Wayamba University of Sri Lanka
tharushiweerawardhana@gmail.com¹, janani@wyb.ac.lk²*

ABSTRACT

In today's business organizations, developing a talent pool and retaining employees, particularly younger generation Y employees, has become a single-minded circumstance. Though organizations have taken initiatives to implement talent management practices to retain the best talents, organizations still experience high employee turnover, especially in the apparel industry in Sri Lanka. Hence, the main purpose of the research is to investigate the impact of talent management practices on employee retention of generation Y employees in the apparel industry in Sri Lanka, with mediating effect of organizational commitment. The study's independent variable (IV) is talent management practices, consisting of three dimensions: mentoring, strategic leadership, and social media. Employee retention of generation Y is identified as the dependent variable (DV) of the study, and organizational commitment is considered the mediator variable. The study applied the quantitative design, utilizing the questionnaire for data collection. The scope is limited to generation Y employees in the apparel sector in Sri Lanka. The sample was 314 potential respondents, and the unit of analysis is an individual. Followed by the cross-sectional survey and stratified sampling technique, the distribution of the questionnaire was conducted. Following the descriptive analytical approach, hypotheses were tested using regression analysis. Furthermore, the Sobel Test was used to measure the mediating effect. Findings revealed a strong positive relationship and positive impact between talent management practices and organizational commitment and organizational commitment and employee retention in the apparel industry. The Sobel test results identified that organizational commitment partially mediates the relationship between IV and DV. According to the study's findings, it is proposed to implement succession planning, carry out one-to-one mentoring sessions, and give social media breaks as it ultimately leads to retaining generation Y employees in the apparel industry. The main limitation was as organizational commitment is more likely to be a psychological parameter, it is difficult to measure it 100%. The responses may be varied from situation to situation, and the perception will not be the truth in this scenario. This study has a relatively small sample size, and the huge economic crisis has affected the apparel industry in Sri Lanka. Moreover, this paper has examined only a few variables of talent development practices where future research can focus on mentoring, talent development, talent retention, talent attraction and many other indicators in TM practices. Furthermore, in the future researchers can test the impact of TM practices

towards employee satisfaction, in-service training, employee engagement, organizational performance, and many other things. Additionally, in the future, researchers can apply this research to different industries like hospitality, IT, etc.

Keywords: Talent Management Practices, Employee Retention, Organizational Commitment, Generation Y, Apparel Industry, Sri Lanka

1. INTRODUCTION

In the contemporary world, from the organizational viewpoint, talent retention is critically important for all organizations since turnover is expensive and top performers drive business performance (Oladapo, 2014). In a competitive marketplace, the retention of young and talented employees has more challenging for today's organizations. Thus, it has become prominent to practice talent management practices as a strategy to retain the best Generation Y talents within the organization (Younas & Bari, 2020). In the new era of globalization, Generation Y is the most demanded employee by employers in any organization (Aruna & Anitha, 2015). When considering the retention of generation Y, they are in vulnerable, uncertain, complex, and ambiguous (VUCA) environments are immense challenges that organizations are also confronting (Aruna & Anitha, 2015). But the problem is that two of every three employees of generation Y intend to move on to another job (Deloitte, 2016). So, it is more difficult to ignore the issue of high employee turnover among generation Y. The Millennials born between 1980 and 2000, aged 17 to 37, represent about 38% of Sri Lanka's population and constitute most of the working-age population. This segment is significant for all economic sectors (Silva, 2017). In Sri Lanka, in recent years, it has been recognized that labour turnover in the apparel industry is increasing rapidly. According to (Rajapakshe, 2018), revealed that total average turnover is 60 per cent per annum in the industry. As per (Kent, 2020), management in the apparel industry recruits more young employees as they are more efficient, energetic, and interactive. They also mention that they are more tech-savvy, IT literate, innovative, and creative enough to bring something new to the organization. Thereby, talent management has become a key concern in the apparel industry to avoid the above issues. Some authors found that job satisfaction has less correlation with turnover intention than organizational commitment (Hussain & Knan, 2020). Therefore, highly committed employees might boost employee retention. The major objective of this study is to examine the mediating effect of organizational commitment between TM practices on employee retention of generation Y in the apparel industry in Sri Lanka. Therefore, identifying the TM practices that increase the generation Y employee retention intention is worthwhile. It will be examined through literature analysis before being explored concerning Sri Lanka's apparel industry. The scope of the study is confined to the apparel industry of Sri Lanka. The study is limited to the impact of TM practices on employee retention of generation Y in the apparel industry in Sri Lanka, with mediating effect of organizational commitment. Thereby, there is no research conducted concerning the apparel industry in Sri Lanka.

There is a gap in the literature that examine the impact of TM practices on employee retention of Generation Y in the apparel industry in Sri Lanka, with mediating effect of organizational commitment. To fill this empirical and knowledge gap, the current study intends to explore the impact of TM practices on employee retention of generation Y in the apparel industry in Sri Lanka, with mediating effect of organizational commitment. Moreover, Apparel Industry has become the major economic provider in the Sri Lankan context. In recent years of Sri Lanka, it has been recognized that labour turnover in the apparel industry is increasing rapidly. As in the apparel industry, there was showed employee turnover in the above executive positions. To overcome this issue, it could be suggested that talent management practices for executive positions should be further improved, such as succession planning for management development.

2. LITERATURE REVIEW

This study is conducted to identify the mediating effect of organizational commitment between TM practices an employee retention in the apparel industry. The body of literature incorporates four major concepts as Employee retention, Talent management, Generation “Y” and Organizational commitment and further relationships of them. It gives sound background knowledge for the current study.

2.1 Summary of literature review

Literature	Variables	Reference
TM can be defined as “the organized identification, development, attraction, engagement, retention and deployment of high potential and efficient employees to occupy key positions which have a substantial impact on organization’s sustainable competitive advantage”	TM practices	(Gupta, 2019)
Employee retention is an ability of an organization to retain their employees for a long period of time	Employee retention	(Banerjee, 2019)
Generation Y is defined as those who were born between 1980 to 2000	Generation Y	(Aruna & Anitha, 2015)
Org: commitment is defined as the employees’ attitude to remain in the company and be involved in the effects to achieve the company’s mission, values and goals	Organizational commitment	(Ayu & Pertiwi, 2021)

2.2 Relationship between variables

1. Talent management practices and employee retention

Talent management helps to increase employee retention in the organization, provides a contribution to a good performance management system and resulting meaningful work (Tutorials, 2018). Once employees leave the

organization, replacing skilled labor is very difficult for an organization. On the other hand, these practices are caused to reduce the intention to leave the organization (Theron M. B., 2014).

The reviewed literature could have found evidence for the relationship between talent management practices and employee retention of generation Y that supportive talent management practices enhance employee retention. On the other hand, these practices are caused to reduce the intention to leave the organization (Theron, Barkhuizen, & Plessis, 2014). Furthermore, mentoring as a developmental opportunity also enhances Generation Y engagement and improves retention (Meister & Willyerd, 2010). Alen et al. (2004) found that mentoring programs are positively associated with career outcomes such as career satisfaction, commitment, expectations for advancement, and intention to stay of Generation Y employees. The Leadership development strategies include immediate feedback and coaching (Azbari & Akbari, 2015). As per the social exchange theory, employees prefer to stay longer when organizations value their needs and expectations. Investment in TM and leadership development strategies enhance the organization's competitiveness and retention of Generation y workers (Hassan, Jambulingam, & Alam, 2019). Knowledge sharing defines as the process where individuals share their information, experience, skills, and thinking with others during their interaction (Theron, 2014). (Younas & Bari, 2020), said that social media as a talent management practice which develops internal communication and knowledge of generation Y employees that positively affects the retention intention of generation Y employees.

This literature provides evidence for this significant impact created by talent management practices on employee retention of generation Y in their findings. Based on these above arguments support to build the hypothesis as follows.

H1: There is a significant positive impact of TM practices on employee retention of generation Y in the apparel industry.

2. Talent management practices and organizational commitment

Talent management practices and activities are aimed at attracting, selecting, hiring, developing, and retaining talent (Oladapo, (2014). Organizations must focus not only on the first three but on developing and retaining talent, as these will be ones that provide superior results (Oladapo, (2014). Moreover, technological progress has generated a demand for talented professionals who, among other things, place a high value on the autonomy and meaning of their connection with work (Kumar & Raghavendran, 2013). Employees identified as high potential have less tendency to leave the organization if the commitment in the relationship mediates (Arasanmi & Krishna, 2019). In this way, if employees perceive that they are identified as a talent in the organization, greater commitment is obtained compared to those who do not perceive that they are identified as such or with those who do not know it (Maharjan, 2013).

Talent Management comprises talent acquisition, talent development and talent retention towards organizational commitment (Halvaei & Ejlali, 2015; Nobarieidische et al., 2014; Pa'wan & Ilias, 2020). Support from talent

management has resulted in employees being normatively committed, effectively committed, and continually committed (Ilias, 2020).

Kontoghiorghes C. (2016) indicated that talent attraction and retention play a vital role in increasing commitment. Considering the above facts, by improving TM Practices, practitioners can improve organizational commitment, thus increasing the overall achievement of an organization. The proposed hypothesis is,

H2: There is a significant positive impact of TM practices on the organizational commitment of generation Y in the apparel industry.

3. Organizational commitment and employee retention

Importantly, organizational commitment reflects that employees feel emotionally bonded and psychologically associated with an organization (KORKMAZ, 2018) and low organizational commitment is associated with increased turnover (Arasanmi & Krishna, 2019). Therefore, organizational commitment is a signal of an employee's desire to stay with the organization (Andriani, Sulistyarni, & Sumyanto, 2022).

According to (Salahudina S N B., 2016), only 23 per cent of Gen Y workers have the intention to work more than 5 years in their current organization. According to, Organizational commitment might be affecting an employee's intention to stay or leave an organization. In many studies, organizational commitment has been conceptualized as an individual's identification with and involvement in a particular organization. Typically, an individual's organizational commitment comprises a belief in and acceptance of the organization's goals and objectives, a willingness to exert considerable effort on behalf of the organization, and a desire to maintain membership with the organization (D'Amato, 2019).

Scholarly work inveterates that OC is positively associated with ER (Carmeli & Weisberg, 2006; Rostiana, 2017; Saraih et al., 2017). (Mahal, 2012), based on his empirical study that there was a significant effect between the variable organizational commitment on employee retention. The reason is just because of a committed employee reflects loyalty to the company, thereby improving employee retention. Therefore, the above arguments supported building the hypothesis as follows,

H3: There is a significant positive impact of organizational commitment on employee retention of generation Y in the apparel industry.

4. Talent management practices, organizational commitment, and employee retention

Statistical mediation analysis is commonplace in psychological science (Hayes & Scharkow, 2013). A variable may be called a mediator "to the extent that it accounts for the relationship between predictor and the criterion" (Kim, Phillips, & Hwang, 2018). Baron and Kenny discuss several analyses that should be performed, and the results assessed concerning the criteria just described.

- When the effect of the independent variable on the dependent variable decreases to zero with the inclusion of mediating variable, *perfect mediation* is said to have occurred (Kenny, 2008), called this situation *complete mediation*.
- When the effect of the independent variable on the dependent variable decreases by a nontrivial amount but not to zero, *partial mediation* is said to have occurred.

In addition to satisfying these requirements, two further assumptions must be met to claim that mediation has occurred.

According to (Preacher, 2018), there are 3 prior conditions needed to be met to establish mediation. Below are mentioned those pre-conditions. This study aims to determine the effect of the independent and dependent variables through mediating variables.

- Condition 1: the independent variable (TM Practices) is directly related to the dependent variable (Employee Retention).
- Condition 2: the independent variable (TM Practices) is directly related to mediating variable (Organizational Commitment).
- Condition 3: the mediating variable (Organizational Commitment) is directly related to the dependent variable (Employee Retention).

There is a significant relationship between the independent and dependent variable will be reduced by (partial mediation) or no longer be significant (full mediation) when controlling for the mediator. The above-related literature provides evidence for satisfying these three prior conditions. Based on these arguments, this study proposes that the current study hypothesize as follows,

H4: Organizational Commitment mediates the relationship between TM practices and employee retention of generation Y.

2.3 Conceptual framework

Reviewing the prevailing literature, the theoretical framework of the study is depicted in Figure 01.

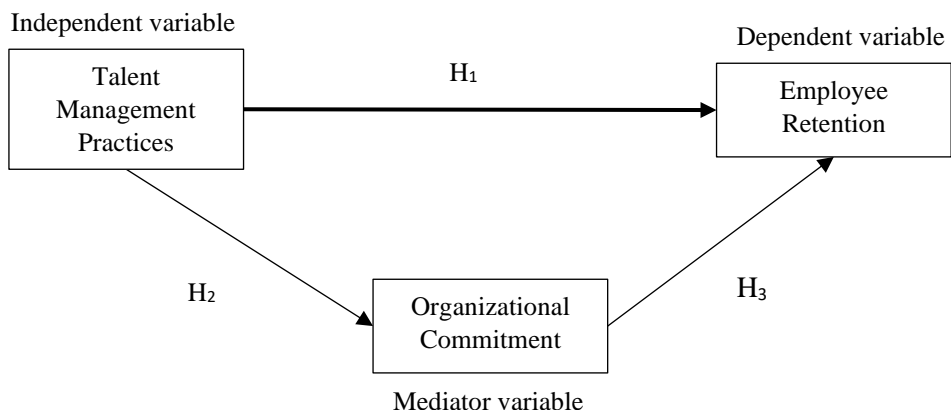


Figure 01. Theoretical Framework

2.4 Hypothesis development

The following Hypotheses were developed based on the above conceptual framework.

H1: There is a significant positive impact of Talent Management practices on employee retention of generation Y in the apparel industry.

H2: There is a significant positive impact of Talent Management practices on the organizational commitment of generation Y in the apparel industry.

H3: There is a significant positive impact of Organizational Commitment on employee retention of generation Y in the apparel industry.

H4: Organizational Commitment mediates the relationship between Talent Management practices and employee retention of generation Y in the apparel industry.

3. METHODOLOGY

3.1 Study design

According to (Noor, Nayaz, Sharma, & Manoj, 2020), the research design is a plan to answer a set of questions. It is a framework that comprises the methods and procedures to collect, analyze, and interpret data. The research design refers to the overall strategy or the conceptual structure that the researcher has chosen to integrate different components of the study in a coherent as well as logical manner.

1. Philosophical foundation

There are four main trends of research philosophy that are distinguished and discussed in the works by many authors: positivism, realism, interpretivism and pragmatism (Zukauskas, Andriukaitiene, & Vveinhardt, 2018). In this study, the researcher assumed that the facts derived from the scientific method could constitute knowledge because here used scientific methods to develop a hypothesis, collect and analyze the data and observe the acceptable phenomena based on the facts derived from the hypothesis testing to find out the answer for research questions.

Therefore, this study comes under the positivism philosophy believing that there is a single truth.

2. Type of the study

There are different types of the study as exploratory studies, Descriptive studies, Causal studies, and correlation studies. Under casual studies, the researcher is curious about one or more than one factor that is undoubtedly producing the problem. The purpose of this study is to identify the impact of talent management practices on employee retention of Generation Y in the apparel industry in Sri Lanka, with mediating effect of organizational commitment. Conforming to this study comes under the causal study.

3. Research approach

When it comes to the research approaches, there are two main approaches that can be identified. They are the inductive approach and the deductive approach.

The inductive approach is followed by qualitative studies and doesn't test the hypothesis. They do not test theories that are already existing. Most probably, the deductive approach is used by the researcher who conducts quantitative studies and mainly focuses on testing already built-up hypotheses by the researcher. In this study, the theories and the hypothesis are developed, and a research strategy is designed to test the hypothesis. Therefore, the deductive approach can be used as a research approach in this study.

4. Research Strategy

The researcher used a survey strategy as strategy for this research study. In short, it is a system for collecting information from Gen Y employees about their behaviour, attitudes, expectations, and responsiveness.

5. Time of the study

In this research particular phenomenon is studied at a particular time. It relates to a cross-sectional study. This study looks at gathering data just once. Therefore, cross-sectional studies will be more adaptable for this study.

3.2 Population, sample, and sampling technique

1. Unit of analysis

This analysis is centralized to the Gen Y employees. Therefore, a unit of analysis can be considered as Generation Y blue colour employees in the apparel industry in Sri Lanka

2. Population

This research will be conducted using working men and women Generation Y employees aged between 21 and 41 apparel industry in Sri Lanka. According to this study, Generation Y consists of people who are born between 1980-2000 will represent the population for this study. Due to the lack of reliable sources to find out the exact generation Y employees in the apparel industry in Sri Lanka, for this study population will be unknown.

3. Sample

A sample can be defined as a part that is drawn from the population. Under this research sample size would be 324. The researcher uses 324 generation Y blue colour employees working in the apparel industry in Sri Lanka for the data collection based on population is not known and using G*power calculator determinates based on criteria (i.e., Effect size: 0.15, Confidence level: 0.95, Significance level: 0.05).

4. Sample technique

The sampling technique can be taken into two sections. They are probability and non-probability sampling. In this study, the stratified sampling technique is used for selecting the sample as probability sampling.

3.3 Operationalization

The respondent generation Y employees will be evaluated by using different questions about employee retention, and selected factors are given in the below table. Strongly agree and strongly disagree are the two boundaries of the Likert Scale.

Table 01. Operationalization

Variables	Dimensions	Indicators	Measurement	Source
Talent Management Practices	Mentoring	- Personal and professional growth	Seven Point Likert Scale	(Younas & Bari , 2020)
		- Career advancement		
		- Coaching		
		- Sponsorship		
		- Exposure and visibility		
		- Commitment		
	Strategic Leadership	- Emphasizing ethical practices		
		- Strategic control		
		- Effective corporate culture		
	Social Media	- Succession planning		
		- promotion of the brand		
		- Share the organizational policies		
- Arrange the social events				
- Find friends via social media				
- Emotional Attachment				
Organizational Commitment	Affective Commitment	- Willing to spend the rest with the Organization	Seven Point Likert Scale	(Kaur, 2013)
		- Feel organization problem as own		
		- Strong sense of belonging		
		- Feel like “Part of the family”		
		- Great deal of Personnel meeting		
		- Obligation to continue		
	Normative Commitment	- Employment Feel guilty of Leave		
		- Employee Loyalty		
		- Higher Motivation		
		- Creative Thinking		
		- Employee Engagement		
		- Commitment		
Continuance Commitment	- Very hard to leave now even if wanted to			
	- Staying is a matter of necessary as much as desire			

Employee Retention	Retention/ intention to stay	<ul style="list-style-type: none"> - Can become a member in another place easily as like this - Too few options to consider leaving - Scarcity of alternatives - Employee turnover (Voluntary) - Employee turnover (High turnover) - Long term success (Training) - Long term success, Satisfaction 	Seven Point Likert Scale	(Elsafty & Oraby, 2022)
--------------------	---------------------------------	---	--------------------------	-------------------------

4. RESULTS AND DISCUSSION

The main purpose of this study is to investigate the impact of Talent management practices on employee retention of Generation Y in the apparel industry in Sri Lanka with mediating organizational commitment. This study expects to identify how organizational commitment mediates the relationship between Talent Management Practices and employee retention in the context of the apparel industry in Sri Lanka.

4.1 Description of the Actual Sample

In this situation, the researcher distributed 324 questionnaires among generation Y blue colour employees who are working in the apparel industry in Sri Lanka. But 314 questionnaires were gathered with complete answers. Therefore, the response rate of distributed and received questionnaires was 96.91 % (314/324*100).

1. Frequency Descriptive Analysis- Demographic Profile

In this study, the first part of the questionnaire, which includes five questions, was used to get information on the demographic factors of respondents in the context of the apparel industry in Sri Lanka.

The gender analysis denoted that the male population in the industry is 49% while the female population is 51%. It was identified that the apparel industry workforce had been dominated by female workers. There are relatively more female workers who have been engaging in manufacturing and other administrative activities. Going from marital status, the majority of respondents are not married. Further, they equally consider both female and male employees and maintain workplace diversity based on gender. The age analysis demonstrated that the majority of the employees were born in 1991-1995, and out of 314 respondents, the majority were young because most of them were aged below 35. One reason could be Generation Y as providing competitive advantages to companies because generation Y employees are well-versed in technology, highly educated, innovative and confident. As per the educational level analysis, generation Y employees in the apparel industry possess at least an Advance Level. Most of them were part qualified with a degree, and in second for part qualified employees, most of were possessed other professional

qualifications in relevant fields. When analyzing the number of company's generation Y employees have worked so far, it was represented that most of the employees have worked with 2 companies now demonstrating 35%, and other than 16% of employees who have worked with 1 company, all other remains employees who represented 83% have switched for at least 1 company. It is evident that there could be seen a talent switching among generation Y employees because most of them were planning to leave their current employer and look for new career opportunities.

2. Composite Index Construction

Before conducting the analysis, indexes were created for all Talent Management Practices, Employee Retention, and Organizational Commitment which were in Likert scale form. There are two methods for constructing the composite index. They are the PCA approach and the MCA approach. PCA approach normally uses to build the index related to the quantitative data. MCA approach uses to create an index of the qualitative type data. A reliability and validity check is done before constructing indexes. To identify the reliability of the variables Cronbach's alpha value was used. Then conducted Bartlett's test and KMO test for all reliable variables. Bartlett's test was carried out to identify whether the correlation matrix is an identity matrix.

4.2 Reliability analysis

Table 02. Reliability Analysis

Construct	No. of Questions	Cronbach's Alpha	Decision Rule	Comment about Reliability
Talent Management Practices	15	0.814	$0.814 > 0.7$	Reliable
Employee Retention	9	0.719	$0.719 > 0.7$	Reliable
Organizational Commitment	9	0.717	$0.717 > 0.7$	Reliable

Source: Researcher constructed (2022)

The Cronbach's alpha value for TM Practices (0.814), Employee Retention (0.719) and Organizational commitment (0.717) are greater than the acceptance level (0.7). Therefore, it could be mentioned that the data are reliable and suitable to continue with hypothesis testing and descriptive analysis.

1. Exploratory Data Analysis Assumption

In the present study, linear regression analysis was performed to identify the impact of the independent and the dependent variable.

4.3 Linearity

The relationship between the independent and dependent variables was measured under linearity. Simple linear regression requires the relationship between the independent and dependent variables to be linear. Here, the linearity assumption was tested using a scatter plot.

1. Normality

In this study, normality was checked through Skewness and Kurtosis measurements. Skewness can be defined as a measure of the symmetry of distribution, and the value of skewness can be taken as positive, zero or

negative. Kurtosis is a measure of the degree of validity in the frequency distribution. Then skewness and kurtosis values should be between +2 and -2.

Table 03. Result of Normality Test

	Minimum Maximum		Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Talent Management Practices	-11.93	4.07	-1.223	.138	1.668	.274
Organizational Commitment	-7.71	3.27	-.785	.138	1.687	.274
Employee Retention	-7.53	3.20	-.820	.138	1.482	.274

Source: Survey data (2022)

2. Correlation Analysis

Table 04. Result of Correlation Analysis

	Pearson Correlation	P-value	Relationship
Employee Retention * Talent Management Practices	0.672	0.000	Strong Positive Relationship
Talent Management Practices * Organizational Commitment	0.683	0.000	Strong Positive Relationship
Organizational Commitment * Employee Retention	0.747	0.000	Strong Positive Relationship

Source: Survey data (2022)

Since the p-value (0.000) is less than the significance level (0.05), the null hypothesis is rejected. Therefore, it can be concluded that there is a linear positive, strong correlation between the independent variable (Talent management practices) and dependent variable (Employee retention), which discovered a 0.672 value.

4.3 Hypothesis testing

The study aimed at establishing the impact of talent management practices on employee retention of generation Y employees with mediating effect of organizational commitment. There are four hypotheses which the researcher has developed under chapter two that were tested by considering all the above-explained statistics.

Table 05. Hypothesis Testing

Factor	Sig:	Regression Coefficient	Decision for Hypothesis
Employee Retention * Talent Management Practices	0.000	B = 0.548	H ₁ : Accepted
Talent Management Practices * Organizational Commitment	0.000	B = 0.557	H ₁ : Accepted
Organizational Commitment * Employee Retention	0.000	B = 0.747	H ₁ : Accepted

Source: Researcher constructed (2022)

H₁: There is a significant positive impact of TM practices on employee retention of generation Y in the apparel industry

The B value was 0.548, which demonstrates that there is a positive impact of TM practices on employee retention, and the P value was less than 0.05(0.000 < 0.05). Thus, the null hypothesis can be rejected, confirming that there is a significant positive impact of TM practices on employee retention of generation Y in the apparel industry.

H₂: There is a significant positive impact of TM practices on the organizational commitment of generation Y in the apparel industry

The B value was 0.557, which indicates that there is a positive impact of TM practices on organizational commitment, and the P value was less than 0.05(0.000 < 0.05). Thus, the null hypothesis can be rejected, confirming there is a significant positive impact of TM practices on the organizational commitment of generation Y in the apparel industry.

H₃: There is a significant positive impact of Organizational Commitment on employee retention of generation Y in the apparel industry

The B value was 0.747, which indicates that there is a positive impact of organizational commitment on employee retention, and the P value was less than 0.05(0.000 < 0.05). Thus, the null hypothesis can be rejected, confirming there is a significant positive impact of organizational commitment on employee retention of generation Y in the apparel industry.

H₄: Organizational commitment mediates the relationship between TM practices and employee retention of generation Y in the apparel industry

Table 06. Testing for Mediating Effect

Direct Effect	Direct Effect	Indirect Effect	Mediation Effect
Path	TMP → ER	TMP → OC → ER	Organizational
T statistics	11.1145	6.2303	Commitment
P -Value	0.000	0.000	is acting as a
Standard error	0.0397	0.0382	mediator on TMP
Accept/Reject	Accept	Accept	and ER

Source: Researcher constructed (2022)

P value of less than 0.05 indicates that the mediation is significant. Therefore, the null hypothesis is rejected. It is indicated that there is a partial mediation exists between TM practices and employee retention, with a total effect of 0.5481 (54.81%) and P= 0.000 < 0.05.

4.4 Discussion

This study was designed to examine the impact of talent management practices on employee retention of generation Y employees in the apparel industry in Sri Lanka, with the mediating effect of organizational commitment.

All the variables were identified as reliable and normally distributed, and hence the research was carried forward with the demographic analysis. The gender analysis denoted that the male population in the industry is 49% while the female population is 51%. It was identified that the apparel industry workforce had been dominated by female workers. There are relatively more female

workers who have been engaging in manufacturing and other administrative activities. Going from marital status, the majority of respondents are not married. Further, they equally consider both female and male employees and maintain workplace diversity based on gender. The age analysis demonstrated that the majority of the employees were born in 1991-1995, and out of 314 respondents, the majority were young because most of them were aged below 35. One reason could be Generation Y as providing competitive advantages to companies because generation Y employees are well-versed in technology, highly educated, innovative, and confident. As per the educational level analysis, generation Y employees in the apparel industry possess at least an Advance Level. Most of them were part qualified with a degree, and in second for part qualified employees, most of were possessed other professional qualifications in relevant fields. Based on this, it could be observed that generation Y employees are academically qualified or interested, as many employees are currently following a study course. It would be proved with the literature reviewed by chapter two that Generation Y employees are more rely on continuously upgrading their knowledge and competencies. Most of the employees in the industry generation Y employees are young (aged below 35). Therefore, the number of years they have spent in the apparel industry cannot be very high. When analyzing the number of company's generation Y employees have worked so far, it was represented that most of the employees have worked with 2 companies now demonstrating 35%, and other than 16% of employees who have worked with 1 company, all other remains employees who represented 83% have switched for at least 1 company. It is evident that there could be seen a talent switching among generation Y employees because most of them were planning to leave their current employer and look for new career opportunities.

5. CONCLUSION

This study mainly focuses on identifying how organizational commitment mediates the relationship between talent management practices and employee retention in the apparel industry in Sri Lanka. The selected independent variable was talent management practices, and it comprised three dimensions such as mentoring, strategic leadership, and social media, while the dependent variable was employee retention, and the mediator variable was organizational commitment. These were analyzed in depth under chapter four through the data collected. Through correlation and regression analysis, the significance of the independent variable and mediator variable on employee retention was identified. Also, the Sobel test was used to identify the significance of the mediation. Hence, all the hypotheses (H1, H2, H3, and H4) set in the research were accepted in this study, denoting that the independent variable and mediator variable plays a vital role in employee retention and partially mediating the relationship between talent management practices and employee retention by organizational commitment.

Talent Management practices and employee retention variables reflect a strong positive relationship of 67.2%. This means when talent management practices are high, employee retention is likely to increase. Talent Management practices

and organizational commitment variables reflect a strong positive relationship of 68.3%. This means when talent management practices are high, organizational commitment is likely to increase. Confirming that, organizational commitment and employee retention variables reflect a strong positive relationship of 74.7%. Furthermore, it was identified that the value of β is 0.747, and the coefficient is significant because the p-value is less than 0.05 ($0.000 < 0.05$), which reflects that there is a positive and significant impact of organizational commitment on employee retention. The Sobel test results confirm that organizational commitment partially mediates the relationship between talent management practices and employee retention with the 54.81% effect. Not only talent management practices but also psychological attachment toward employers requires retaining generation Y employees within the organization. Based on the data gathered, recommendations were made as to what practical steps be followed in enhancing employee retention, such as implementing succession planning, carrying out one-to-one mentoring sessions and establishing reverse mentoring, strengthening social media usage, and creating a mechanism to get information from factory staff. Based on the above-stated data, it could be confidently concluded that all the research objectives were successfully achieved within the given scope of the study.

Therefore, this study is only covering Generation Y blue colour employees in the apparel industry in Sri Lanka, and hence the researcher encouraged future researchers to conduct research with Generation X employees by increasing the extent of the research.

REFERENCES

- Alparslan, A., & Saner, T. (2020). The influence of sustainable Talent Management on Job Satisfaction and Organizational Commitment: Moderating Role of In-service Training. *Revista de cercetare si interventie sociala*, 69, 96-121
- Anwar, B. (2020). Impact of employee empowerment on organizational commitment through job satisfaction in four and five stars hotel industry. *Management Science Letters* 11 (3) 813–822.
- Arasanmi, C., & Krishna, A. (2019). *Employer branding: perceived organisational support and employee retention – the mediating role of organisational commitment*, 51 , 174-183. doi:10.1108/ICT-10-2018-0086
- Arasanmi, C., & Krishna, A. (2019). Employer branding: perceived organizational support and employee retention- the mediating role of organizational commitment. *Industrial and Commercial Training* 51(3), 174-183.
- Armstrong, M. (2011). *A handbook of Human Resource Management practices (10th edition ed.)*. London and philadelphia: Kogan Page Limited.
- Aruna, .., & Anitha., J. (2015). Employee retention enablers: Generation Y employees. *SCMS Journal of Indian Management*, 12(3), 94-103.

- Asad, A., & Atif, A. (2011). Impact of organizational commitment on job satisfaction and employee retention in pharmaceutical industry. *African journal of Business Management* 5(17), 7316-7324.
- D'Amato, A. &. (2019). Learning orientation, organizational commitment and talent retention across generations. *Journal of Managerial Psychology*, 23 (8) 929–953. doi:doi.org/10.33215/sjom.v2i1.83, 22-32
- Dalal, R. S., Baysinger, M., & Brummel, B. (2012). The Relative Importance of Employee Engagement, Other Job Attitudes, and Trait Affect as Predictors of Job Performance. *Journal of Applied Social Psychology*, 42(1), 295–325. doi:doi: 10.1111/j.1559-1816.2012.01017.x
- Das, , B., & Baruah, D. (2013). *Employee Retention: A Review of Literature. IOSR Journal of Business and Management.*
- Deloitte, T. (2016). The 2016 Deloitte Millennial Survey. Winning over the next generation of leaders.
- Dheerasinghe, R. (2013). Garment Industry in Sri Lanka Challenges, Prospects and Strategies. *Staff studies.*, 33(1&2)., 33-72. doi: 10.4038/ss.v33i1.1246.
- Easterby-Smith, M., & Tanton, M. (2018). Is the Western view inevitable? A model of the development of management education. *The Challenge to Western Management Development*, 11-22.
- Ekhsan, M., & Parashakti, R. (2020). *Talent Management and Employee retention: The Partial Mediating Role Of Organizational Commitment.*
- Elsafty, A., & Oraby, M. (2022). The Impact of Training on Employee Retention: An Empirical Research on the Private Sector in Egypt. *International Journal of Business and Management*, 17(5), 58-74. doi:10.5539/ijbm.v17n5p58
- Gulle, M., & Soyer, F. (2016). Examining mobbing perception and organizational commitment levels of physical education and sport teachers. *Journal of Physical education and sport(JPES)*, 33, 210-216.
- Gupta, V. (2019). "Talent management dimensions and their relationship with retention of Generation-Y employees in the hospitality industry", *International Journal of Contemporary Hospitality Management*. *International Journal of Contemporary Hospitality Management*. Retrieved from <https://doi.org/10.1108/IJCHM-10-2018-0859>
- Hauw, D., & Vos, D. (2010). Millennials' career perspective and psychological contract expectations: does the recession lead to lowered expectations. *Journal of Business and*, 25(2), 293–302. doi:10.1007/s10869-010-9162-9
- Hayes, A., & Scharkow, M. (2013). The relative trustworthiness of inferential tests of the indirect effect in statistical mediation analysis: does method really matter? *Psychological science*, 24(10), 1918-1927.

- Kent, A. (2020). The Management of sustainable fashion design strategies: An analysis of the designer's role. *Journal of Cleaner production* ,268.
- Rajapakshe, W. (2018). An analysis of major factors affecting labor turnover in the apparel industry in Sri Lanka: Policy Alternations for solving the problem . *International journal of Academic Research in Economic and Management Sciences* 7(3), 214-231.
- Silva, S. (2017, September 20). Serving Millennial Customers Better: 5 Changes Banks Need to Make. *Retrieved from Daily FT*. Retrieved from [Http://Www.Ft.Lk/Opinion/ServingMillennial-Customers-Better--5-Changes-Banks-Need-To-Make/14-639924](http://www.ft.lk/opinion/serving-millennial-customers-better--5-changes-banks-need-to-make/14-639924).