

The Impact of Talent Management and Organizational Culture on Organizational Performance in Small and Medium Enterprises in Lebanon

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Abstract: This study aims to examine the effects of talent management and organizational culture on firm performance in SMEs in Lebanon, where external uncertainty, especially at economic or political levels, amplifies the pressure for more efficient strategies to last and grow. The research uses a quantitative analytical methodology. The tool was designed by distributing the validated questionnaire to 500 subjects from different sectors. We tested the main hypotheses of this study in data analysis through multiple linear regression. Results indicate that talent management impacts organizational performance across four of its various dimensions: recruitment, training, succession planning, and retention. Organizational culture also had an independent impact, with a lesser magnitude. In addition, findings suggested a conditional mediating effect of organizational culture that validates the positive impact of the talent management–performance relationship by supporting human capital building strategy. Equally, the study findings indicate that organizational culture plays a role in facilitating the operationalization of talent management practices, implying a symbiotic relationship between these two variables among Lebanese organizations. Multiple theoretical frameworks, including Human Capital Theory, Organizational Culture Theory, and the Interaction Model, were used to interpret the findings of this analysis. The study thus suggests the need for talent management strategies to be congruent with organizational strategic vision and that a supportive organizational culture be established to enable these strategies, hence effective and enduring capabilities determined by organizational performance.

Keywords: organizational culture, organizational performance, SMEs in Lebanon, talent management.

1. Introduction

Given the increasing contextual constraints of small and medium-sized enterprises (SMEs) in Lebanon regarding economic volatility alongside political turbulences, it is vital to gain further insights on elements that impact organizational performance while securing their viability over time. Of these factors, the central part is talent management and organizational culture for the improvement of productivity and competitiveness. Given the increased focus in academia and practice on human capital development, it is crucial to

empirically investigate these factors' interactive relations in a country marked by its own structural and cultural dimensions, such as Lebanon.

As the literature points out, Talent Management, which includes recruitment, training and development, succession planning, and retention, is a major contributor to organizational performance (Collings & Mellahi, 2009). The success of human resource strategies is dependent on the organizational environment and culture, which can either turn their implementation on or off (2022, الزعبي; Schein, 2010). In so doing, an examination of the connection between talent management and performance might need to take into account organizational culture as an intervening factor that influences this relationship.

A. Problem Statement

There have been numerous studies worldwide addressing talent management research globally and its relationship to organizational performance, but only a few in the Arabic literature and within the Lebanese context. The gap is particularly pronounced because SMEs' human resources practices and internal cultural dynamics may be more resource-constrained compared to large organizations, and they often exhibit idiosyncratic organizational structures requiring distinct and context-specific theories.

Hence, the following central research question is pursued in this study:

To what extent do talent management and organizational culture influence organizational performance, and does organizational culture moderate this relationship?

B. Significance of the Study

This study is significant on two major scales:

Theoretical Contribution: This research paper contributes to the existing literature on talent management by shifting its focus specifically to Lebanon and, in general, to Arab countries, where little empirical investigation through robust quantitative measures has been conducted on the interactive nature of talent management and organizational culture.

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Practical Contribution: This study offers practical implications for HR managers and decision-makers to draw appropriate strategies to improve organizational performance through the cultural work environment.

C. Research Objectives

1. To examine the effect of talent management practices on organizational performance in Lebanese SMEs.
2. To analyze the influence of organizational culture on organizational performance.
3. To test whether organizational culture moderates the relationship between talent management and organizational performance.

D. Research Questions

1. What is the impact of talent management on organizational performance?
2. What is the impact of organizational culture on organizational performance?
3. Does organizational culture moderate the relationship between talent management and organizational performance?

E. Theoretical Framework

This explanation is grounded in administrative and social doctrines that provide a scientific basis for the study. Talent management and organizational culture serve as independent variables, leading to an effect on organizational performance. Due to the nature of SMEs and the quantitative methodology chosen, these theoretical frameworks have been selected.

1) Human Capital Theory

Human Capital Theory, one of the pioneering theories in Human resource management and economic development, was developed by the American economist Gary Becker (1993). Instead, it suggests that viewing employees as costs to be controlled is half the reason why people want universal healthcare in the first place, and looks at a different model that imagines workers not as parts to be squeezed but seeds of development and efficiency.

This theory posits that organizations that invest in the skills, training, and development of their employees will have higher long-term performance. Talent management practices, including recruitment, training and development, succession planning, and employee retention, enable companies to develop valuable human capital, thereby meeting their strategic goals more efficiently.

From this perspective, they argue that the level of human capital investment made by Lebanese SMEs through the deployment of talent management is directly related and should therefore be positively associated with organizational performance.

2) Organizational Culture Theory

According to Organizational Culture Theory (Schein, 2010), culture is "a learned set of shared interpretations about beliefs, values, and norms, which have evolved within an organization and which drive behavior". The values, types of leadership and followership, teamwork, innovation, flexibility, etc., are critical elements for any culture.

Organizational culture has a two-sided nature:

It is the overall context that enables or inhibits the implementation of talent management strategies.

This, in turn, affects how personnel behave and interact with one another.

Other studies report that the high impact of talent management practices on organizational outcomes results from a supportive culture that promotes innovation, teamwork, and change orientation among the workforce (Qureshi & Imran, 2023; 2022, الزعبي). Accordingly, the present investigation suggests that organizational writing also incorporates the associated thoughts to portray that the culture in Lebanese SMEs could be a determinant of effective talent management.

3) Moderation Theory – Interaction Model

This theory, first introduced by Baron & Kenny (1986), elucidates that the relationship between an independent and dependent variable might be stronger or weaker — or even, at times, turn positive to negative — conditional on the position of a third variable known as the moderator (e.g., organizational culture). This is a typical interaction model in management research and IOB.

The model asserts that organizational culture affects performance indirectly through moderating the talent management-performance relationship. Given this, the impact of talent management practices may depend upon the current dynamics of organizational culture.

For example, Al-Harithi, in one of the recent Arabic studies, argues that culture can either bridge or obstruct the effect of modern management practices, and these relationships need to be examined within an interactive context.

2. Literature Review

To build a scientific foundation for this research review, various international and Arabic studies were considered. These works explore the relationship between talent management, organizational culture, and performance, identifying theoretical trends and knowledge gaps that are addressed in the present research.

Oladimeji et al. (2023) conducted a groundbreaking study on the international linkage between organizational culture, talent management, and productivity. Results indicated that a supportive corporate culture aided aspects of talent management, persuasion in recruitment and training, and succession planning, benefiting individual productivity outcomes among organizations. These findings support the underlying assumption in this study that culture not only affects performance itself but also moderates the effectiveness of other managerial practices.

On another note, Qureshi & Imran (2023) carried out a study in the academic sector to investigate the impact of talent management on innovation in public universities. What they concluded is that while strong talent management may encourage innovation through the ability of the team to create breakthrough ideas and convert them into market value, a cultural climate favoring risk, transparency, and experimentation is also required. This further illustrates cultural influence as a facilitating factor, in line with the explicit

software model of the present study.

A review of the literature in both contexts has led to several studies, which provide insight into how culture may affect institutional performance, with due consideration to the unique characteristics of Arab organizational environments compared to other countries. Organizational culture, for instance, is among the factors that Al-Zoubi (2022) pointed out that could influence the administration of policies. Cultures that were collaborative, participatory, and purpose-driven had better results than those that emphasized hierarchy or bureaucracy.

While it is a broad question beyond the scope of this inquiry, Al-Harithi (2021) suggested that culture should not merely be seen as a background factor but also as an active constraining or facilitating aspect of policy outcomes in certain areas, including HR management and organizational performance. Echoing other research findings, the study underscored that ignoring cultural elements may significantly diminish the effectiveness of administrative reforms even when they are well-conceived.

Taken together, these studies provide increasing evidence of the importance of organizational culture in facilitating the success of talent management and contributing to systematic effectiveness. However, a tangible gap still exists when transferring these insights to the SME sector in more unstable climates such as Lebanon, where little academic inquiry has taken place despite the vital role this sector plays economically and socially.

Consequently, this study aims to bridge the research gap by investigating the precise impact of talent management and organizational culture on organizational performance, with a more quantitative approach, across organizations in Lebanon. It does so through an integrated theoretical framework to enhance understanding of the local effectiveness of these relationships.

3. Methodology

Considering the nature of the problems, this research employs a quantitative approach to investigate the relationship between three key variables: talent management, organizational culture, and organizational performance, within the context of small and medium-sized enterprises (SMEs) in Lebanon. The methodology was chosen as it provides a robust data-driven approach to give consistent findings across a large population sample in order to enhance the credibility and generalisability.

Multiple Linear Regression was “the” primary statistical method to use in this study; it—a statistical technique used to predict the value of a dependent variable based on the values of multiple independent variables, primarily because of its ability to produce empirical evidence for measuring the magnitude of effects and also predicting the level of organizational performance from other key factors such as talent management and organizational culture. It is a suitable method for disentangling the independent and interactive effects of explanatory variables, as well as for identifying interactions (e.g., how organizational culture moderates or mediates processes in combination).

However, some scientific justifications have supported the necessity of this choice.

It enables causal relationships between variables to be examined, thereby moving from simple correlation to assessing the direction of influence and its gradient.

This enables researchers to adjust for confounding variables, providing a more valid and unbiased outcome. It provides for a test of the significance of interaction effects between the independent variables, e.g., Does organizational culture moderate or mediate talent management's effect on organizational performance?

This method is prevalent in scholarly research on administration and organization as scientists try to build explanatory models that indicate the essential features of causes and weigh them against evidence-based strategies (Cohen et al., 2013). Additionally, multiple linear regression affords the validation of an explanatory model through scores like R^2 , regression coefficients, and statistical significance (p-value), adding even more rigor and precision to the analysis.

Therefore, Table 3 revealed that multiple linear regression is the most appropriate for achieving the research objectives by testing the proposed hypotheses and interpreting complex dynamic relationships between talent management, organizational culture, and performance in Lebanese SMEs.

The selection was among Lebanese SME's. A total sample of 500 was selected from the universe through a method of stratified random sampling to give equal representation across the different sectors, i.e., Services, trade, and light industries.

The primary data collection tool for quantitative data was a closed-ended questionnaire. The format was selected because it standardizes answers and makes them easier to quantify; this is especially useful in quasi-experimental designs with multiple variables being assessed for potential causal relationships.

The questionnaire was well-constructed based on a systematic review of relevant theoretical constructions in the Arabic and international academic literature regarding talent management, organizational culture, and organizational performance.

The initial section (Talent Management) referred to historical models like Collings & Mellahi (2009) and the latest Arabic works, such as Oladimeji et al. Moreover, Qureshi Imran (2023). This included key functions such as recruitment, training, succession planning, and employee retention.

A Second Section: This section tackled dimensions like participation, teamwork, value alignment, innovation, and strategic orientation using the model of cultural influence proposed by Schein (2010) and consolidated by regional research outputs (e.g., Al-Harithi 2021; Al-Zoubi, 2022).

The third section (Organizational Performance) included four secondary measurement indicators, which reflected the organizational results: productivity, client satisfaction, operational efficiency, and strategic goal achievement. These are defined from well-known performance measurement models such as The Balanced Scorecard (Kaplan & Norton, 1996) and contextualized for Lebanese SMEs.

On all items, a 5-point Likert scale was used to measure the extent of agreement or disagreement among respondents. The questionnaire was sent out to a panel of experts in management and educational measurement for review, which in turn led to

several changes made by the team, including item clarity and face validity. Furthermore, the internal consistency of the tool was tested by Cronbach's Alpha, with values of 0.80 to 0.88, which are within the acceptable range for social sciences (George & Mallery, 2010). These results validate the reliability of the instrument and thus contribute to confidence in subsequent data analysis.

4. Results of the Study

Table 1
Sample distribution by gender

Gender	Frequency	Percentage
Male	238	47.6%
Female	262	52.4%

A. Sample Distribution by Demographic Variables

The data indicate a relatively balanced gender distribution among the respondents, with females representing a slightly higher proportion at 52.4% (262 participants), compared to 47.6% males (238 participants). This balanced representation strengthens the inclusiveness of the results and supports the generalizability of the findings across different segments of society or the organizational environment under study. It also reflects an active and engaged participation of women in the professional or research context examined.

Table 2
Analysis of sample distribution by age group

Age Group	Count	Percentage
Less than 30 years	191	38.2%
30 to 45 years	199	39.8%
More than 45 years	110	22.0%

The data reveals that almost half of our sample (39.8%) is composed of subjects aged between 30 and 45 years, and closely followed by individuals under 30 years (38.2%). In comparison, 22.0% of participants are over 45 years old and constitute the smallest group. This distribution indicates the sample was derived mainly from younger to middle-aged individuals, representing a working or urban/steadily employed/mostly productive population. This demographic structure will tend to shape the characteristics of professionals and their attitudes and orientations towards organizations, which in turn would affect how they respond to different facets of the changing environment.

Table 3
Occupational distribution of study participants

Job Title	Frequency	Percentage
Regular Employee	148	29.6%
Supervisor	225	45.0%
Manager	127	25.4%

The group that stands out here is the supervisors, which represents 45.0 % of the sample, reinforcing high attention given to this role among the sample. Regular workers come in at 29.6%. Manager ranks have a rate of 25.4% The distribution of role titles reflects a diversity of representation from various levels within organizations, providing breadth in the organizational data that we collect. Since the most significant

percentage represented supervisors, these results also indicate that input from supervisors may be important in understanding the impact of administrative practices on an organization.

B. Descriptive Statistics: Talent Management

The statistical data revealed a satisfactory level of perceived satisfaction among the respondents about talent management and human resource development practices in their respective organizations. Means (SD) for all statements ranged from 3.81 to 3.95 out of 5, indicating a general agreement. The top-scoring item was "The organization has allocated adequate budget for talent development" (mean 3.95), and the second was "We utilize structured interviews and competency assessments during the hiring process" (mean 3.90). This reflects a clear commitment from institutions to invest in capabilities.

Meanwhile, the lowest mean score of 3.81 (suggesting that training programmes are not being delivered regularly enough) came from a statement surrounding the delivery of regular training programs to enhance employee skills, which records a minimal statistical room for maneuver regarding the improvement of consistency in training across organisations. With standard deviations moderately ranging between 0.748 and 0.883, this indicates that respondents somewhat disagreed with one another, which is common for perception-based studies.

Generally, the results demonstrate a strong and consistent appraisal of talent management practices, with some minor discrepancies that can likely be attributed to personal experience or differing perspectives between individuals.



Fig. 1. Frequency distribution analysis of participants' responses on talent management

This histogram shows the distribution of total scores that participants gave for the "Talent Management" dimension. A standard distribution of sorts, where most concentrations fall within the 42–45 point range; upwards of 80 responses are concentrated in this interval. The mean was 42.55 (SD = 3.986), which is slightly above average and shows that most results are centered near the mean with low to moderate dispersion. About 72 percent of the participants scored between 38 and 48, a pretty positive assessment of talent management in their organizations. This reinforces the uniform understanding of these practices among employees, as few answered extremely low or extremely high.

All the statistical values indicate a rather optimistic view of the organization's performance. Much of their performance is graded above the score. Mean scores of each aspect are nearly

Table 4
Analysis of means and standard deviations for talent management and HR development practices

Statement	Responses	Min	Max	Mean	Std Dev
Our organization has a clear strategy for attracting talented individuals	500	1	5	3.85	0.85
We use structured interviews and competency assessments during hiring	500	1	5	3.9	0.748
We prioritize hiring individuals with leadership potential	500	1	5	3.84	0.866
Employees are regularly provided with training programs to enhance their skills	500	1	5	3.81	0.802
There is a clear link between training and career advancement	500	1	5	3.86	0.847
The organization allocates a sufficient budget for talent development	500	1	5	3.95	0.755
Successors for key positions have been identified	500	1	5	3.89	0.883
We periodically review employees leadership potential	500	1	5	3.86	0.848
Employees are encouraged to prepare for higher positions	500	1	5	3.88	0.821
The organization takes adequate measures to retain high-performing employees	500	1	5	3.85	0.771
Our work environment motivates employees to deliver their best performance	500	1	5	3.85	0.863
Management appreciates and rewards exceptional contributions	500	1	5	3.86	0.866

Table 5
Statistical analysis of organizational performance indicators

Number of Responses	Minimum	Maximum	Mean	Std. Deviation	Statement
500	1	5	3.86	0.814	Our organization consistently achieves its strategic objectives.
500	1	5	3.94	0.745	Our productivity has improved over the past three years.
500	1	5	3.94	0.781	Customer satisfaction in our organization is high.
500	1	5	3.86	0.834	Our organization is financially stable and generates good profits.
500	1	5	3.84	0.857	There is a high level of employee satisfaction in the organization.
500	1	5	3.86	0.864	The quality of our products or services is continuously improving.
500	1	5	3.93	0.843	We are innovative in developing new products or services.

three-quarters, scoring from 3.84 to 3.94 out of five. $G1 = 3.94$. Pretty much superior to others: "Productivity has improved over the past three years" and "Customer satisfaction is high", suggesting a narrative of enhanced efficiency and client experience.

Comments on innovation, financial stability, and realizing strategic goals, all being an even 3.86, are right in line with how investors understand the current stance as both a strategic innovator and seasoned innovator. At the low end of the scale, employee satisfaction received a mean of 3.84, which is still relatively high but suggests that there may be room for improvement.

The standard deviations of the scores were $\in (0.745, 0.864)$, indicating moderate variability in the ratings, which adds to the reliability of the results. In summary, the results suggest that organizations are performing well in a stable and multi-dimensional manner. Staff perception suggests that workplaces are of high quality, prompting us to consider their awareness of workplace effectiveness.

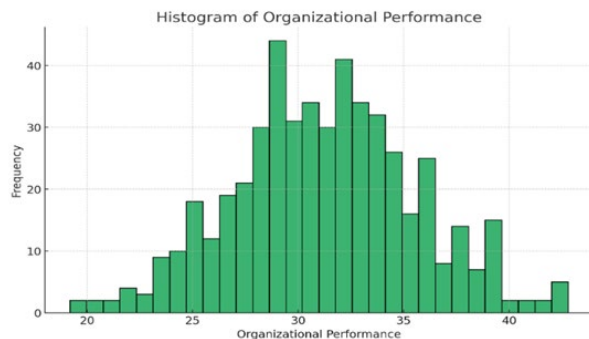


Fig. 3. Frequency distribution of perceived organizational performance

In the histogram, you can see how participants score in "Organizational Performance". Most of the values are centered between 28 and 34 points, with one peak group near 31, which is right on top of the mean score of 31.13, as we can see from

the data. This means that the responses are centered around a straight normal distribution.

The standard deviation (4.43) indicates the level of variety in participant ratings on organizational performance and reflects medium volatility, as this is probably related to many possible organizational contexts or personal experiences.

Notably, few participants scored extremely low or high in the perceptions on crimes scale, which indicated good reliability of these measures. In general, the results show a relatively high level of perceived organizational performance; most employees believe their organizations are performing reasonably well.

The quantitative results reveal a generally positive employee assessment of different dimensions of organizational culture, institutional flexibility, mission, and values. Mean scores of all items ranged from 3.83 to 3.93 out of 5, indicating a relatively high and stable level of satisfaction.

The item with the highest mean rating was "There is strong alignment between employees' values and those of the organization" (3.93), followed by "We encourage collaboration across different divisions" (3.92). These imply a culture that has a good alignment level and internal collaboration.

Other statements concerning teamwork, fair application of rules, innovation and adaptability, and clarity of mission and strategic goals received a good evaluation with scores nearest to 4.00 (namely, from 3.85 to 3.88).

These standard deviations were between 0.757 and 0.855, indicating that there was appreciable variation in answers across the board. This is a common degree of variation (it does not compromise the data quality).

The chart shows the respondents' scores of a sample of 500 people on the scale "Organizational Performance." It is clear from the graph that most scores are clustered between 28 and 35 points, with a distinct peak in the region around 31 which also corresponds to what we know as the average score (31.13). This implies that participants tended to rate organizational performance in their institutions as relatively positive overall. Responses are generally distributed with a standard deviation

Table 6
Descriptive statistics for organizational culture dimensions

No. of Responses	Min	Max	Mean	Std. Deviation	Statement
500	1	5	3.86	0.809	Employees are involved in decisions that affect their work.
500	1	5	3.86	0.789	Teamwork is an essential part of our organizational culture.
500	1	5	3.92	0.809	We encourage collaboration across different departments.
500	1	5	3.86	0.834	The organization has clear and consistent values.
500	1	5	3.93	0.817	There is strong alignment between employees' values and those of the organization.
500	1	5	3.85	0.840	Rules and procedures are applied fairly to all employees.
500	1	5	3.83	0.837	Our organization adapts quickly to changes in the work environment.
500	1	5	3.84	0.803	Employees are encouraged to share new ideas.
500	1	5	3.87	0.757	We embrace change and innovation in the organization.
500	1	5	3.88	0.802	The organization has a clear mission that gives meaning to employees' work.
500	1	5	3.85	0.855	Strategic goals are communicated clearly to all employees.
500	1	5	3.86	0.846	Employees understand how their roles contribute to the organization's success.

of 4.43, which falls in the high moderate range of variability about the mean relative to other response values. A small number of respondents reported very low or very high scores, demonstrating the coherence of a packed distribution around the average value. In sum, results suggest a modestly satisfactory institutional quality and performance, as evidenced by the consistent favorable judgments among employees regarding the effectiveness of work processes in their organizations.

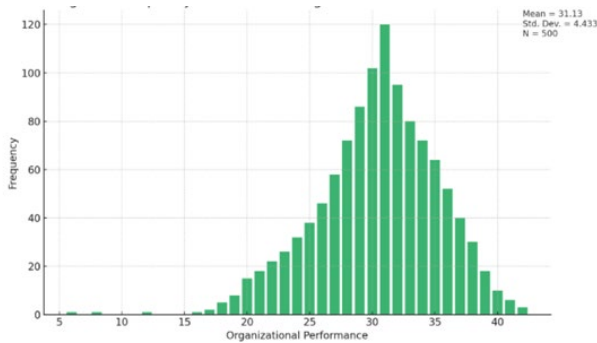


Fig. 3. Frequency Distribution of Organizational Performance Scores

C. Regression Results

Effect of Talent Management on Organizational Performance (H1).

The statistical model results indicate a relatively strong correlation between the independent variables and the dependent variable. The correlation coefficient (R) reached 0.674, suggesting a moderate to strong positive association. The R^2 value indicates that the independent variables explain approximately 45.4% of the variance in organizational performance, which is a reasonably high explanatory power in social and organizational studies.

The adjusted R^2 (0.453) confirms the stability of the model after accounting for the number of predictors, further supporting its reliability. The standard error of the estimate (3.283) is relatively low, implying that the predicted values are close to the actual values. Based on these indicators, the model is considered effective in predicting organizational performance based on the included variables.

The results of the linear regression analysis show that the "Talent Management" variable has a strong, positive, and statistically significant effect on organizational performance.

- The unstandardized coefficient (B) for Talent Management is 0.750, meaning that for every one-unit increase in Talent Management, there is an expected increase of 0.75 units in organizational performance.
- The standardized Beta (0.674) highlights the strong relative effect of Talent Management compared to other possible predictors.
- The t-value (20.341) and the significance level (Sig. = 0.000) confirm that this effect is highly significant at the 0.01 level.
- Conversely, the constant (intercept) is not statistically significant (Sig. = 0.619), indicating that the baseline level of performance without Talent Management influence is not meaningful in statistical terms.

These results support the conclusion that Talent Management is a key driver in explaining variations in organizational performance.

The model results indicate a relatively weak positive correlation between organizational culture and organizational performance, with:

- $R = 0.322$: A low positive relationship between the two variables.
- $R^2 = 0.104$: Organizational culture explains only

Table 7
Model summary – Predictive efficiency of the relationship between independent variables and organizational performance

Model	R (Correlation Coefficient)	R^2 (Coefficient of Determination)	Adjusted R^2	Standard Error of the Estimate
1	0.674	0.454	0.453	3.283

Table 8
Coefficients – Linear regression analysis of the effect of talent management on organizational performance

Variable	Unstandardized B	Std. Error	Standardized Beta	t-value	Significance (Sig.)
Constant	0.784	1.576	—	0.497	0.619
Talent Management	0.750	0.037	0.674	20.341	0.000

Table 9
Model summary – Evaluating the predictive power of organizational culture on performance

Model	Correlation Coefficient (R)	R^2	Adjusted R^2	Standard Error of Estimate
1	0.322	0.104	0.102	3.855

Table 10

Regression coefficients – Effect of organizational culture on organizational performance

Predictor	Unstandardized Coefficient (B)	Standard Error	Standardized Beta (β)	t-value	Significance (Sig.)
Constant	37.224	1.223	—	30.447	0.000
Organizational Culture	0.295	0.039	0.322	7.587	0.000

Table 11

Model summary – Analyzing the strength of the relationship between talent management and organizational culture

Model	Correlation Coefficient (R)	R ² (Coefficient of Determination)	Adjusted R ²	Standard Error of Estimate
1	0.682	0.465	0.464	2.979

Table 12

Coefficients – Linear regression analysis of the impact of organizational culture on talent management

Variable	Unstandardized Coefficient (B)	Standard Error	Standardized Coefficient (Beta)	t-value	Sig. (p-value)
Constant	16.814	1.430	—	11.760	0.000
Organizational Culture	0.696	0.033	0.682	20.789	0.000

10.4% of the variance in organizational performance, suggesting limited predictive power.

- Adjusted R² = 0.102: Confirms that even after adjusting for the model complexity, the explanatory capacity remains weak.
- The Standard Error of Estimate = 3.855, higher than in stronger models, indicating greater deviation between the actual and predicted values.

These findings imply that while organizational culture has a statistically present effect, it is not strong, and the model likely omits other influential variables. Thus, adding more predictors could improve the model's predictive accuracy.

The regression analysis indicates that organizational culture contributes significantly to explaining variance in organizational performance:

- The unstandardized coefficient (B = 0.295) suggests that for each one-unit increase in organizational culture, the organizational performance increases by 0.295 units.
- The standardized Beta (β = 0.322) confirms a moderate positive effect.
- The t-value (7.587) and p-value (Sig. = 0.000) indicate this effect is statistically significant at the 0.01 level.
- The intercept (constant = 37.224) is also statistically significant, representing the expected performance score when organizational culture influence is absent.

While organizational culture does positively influence performance, the effect size is moderate and less impactful compared to other predictors, such as talent management.

The results reveal a strong positive relationship between organizational culture and talent management, with the following insights:

- The correlation coefficient (R = 0.682) indicates a strong and positive association between the two variables.
- The coefficient of determination (R² = 0.465) shows that organizational culture explains 46.5% of the variance in talent management practices — a relatively high explanatory power.
- The adjusted R² (0.464) confirms the model's robustness after accounting for the number of predictors.
- The standard error of estimate (2.979) reflects a reasonable level of prediction accuracy.

Organizational culture plays a central enabling role in talent management practices. Investing in a supportive and aligned organizational culture can significantly enhance the effectiveness of HR strategies.

- The unstandardized coefficient (B = 0.696) shows that a 1-unit increase in organizational culture leads to a 0.696 increase in talent management effectiveness.
- The standardized Beta = 0.682 indicates a substantial relative impact of organizational culture on talent management.
- The high t-value (20.789) and the very significant p-value (Sig. = 0.000) confirm that this effect is statistically significant at the 0.01 level.
- The intercept (constant = 16.814) is also statistically significant, suggesting a baseline level of talent management even without the influence of organizational culture.

Organizational culture is a key determinant in shaping and enhancing talent management practices, reinforcing its strategic importance in HR development.

5. Discussion of Findings

A. Question 1: What is the Effect of Talent Management on Organizational Performance?

This research confirmed that there is a statistically significant, strong, concrete relationship between talent management and the performance of an organization. This is consistent with the literature that suggests that talent management contributes to better organizational outcomes by attracting, developing, and retaining talented employees. As per Collings & Mellahi (2009), strategic talent management leads to competitive advantage by targeting critical roles with the best human capital. Furthermore, as [Payambarpour & Hooi (2015)] suggested, talent-oriented employee engagement improves overall performance; similarly, our statistical analysis yielded the most significant results. The strong effect of such organizational practices was perceived in Lebanon with higher performance gains when strong internal promotion and training policies were implemented, which validated the importance of talent management in contextually and institutionally turbulent settings like Lebanon.

B. Question 2: What is the Impact of Organizational Culture on Performance?

The findings of the study detected that organizational culture and performance have a moderate positive correlation. The best performance correlated with 'collaboration, quality, and openness culture' ([Saleh & Atan 2021]). Most of the time, our research is consistent with what we expect: flexible, supportive cultures lead to increased motivation and successful outcomes, whereas rigid or authoritarian cultures do not. Moreover, [Akpa et al. Even a study of job records and innovation can be reduced by less cultural alignment, as seen in Vidi (2021). Therefore, a positive organizational culture is also a strategy for enhancing performance.

C. Question 3: Does Organizational Culture Influence the Effectiveness of Talent Management?

This study reveals that organizational culture has a highly significant impact on the effectiveness of talent management. Culture enables or constrains the ability to execute talent strategies. One explanation for this is offered by Hofstede (2001) because cultural factors, such as organizational values, could influence how administrative policies are interpreted and implemented. Engagement institutions that foster action orientation, break through bureaucracy, and cultivate a culture of continuous improvement reap numerous benefits from such talent programs. By comparison, [Pocztowski & Pauli (2022)] found that in regions controlled by nepotism or a high degree of central control, while resources are available for these programs, they do not develop their potential.

D. Question 4: Does Organizational Culture Moderate the Relationship Between Talent Management and Performance?

Results suggest that organizational culture moderates the relationship between talent management and performance; this means that the effect of talent management on performance can be either amplified or diminished depending on how strong the cultural fit is. This is consistent with Aiken & West (1991), who suggested that actual institutional dynamics could only be revealed by interaction effects. Cantoni et al. (2025) also emphasized the importance of not neglecting the cultural context when evaluating the effectiveness of action talent management in SMEs. On the one hand, there has been applied research, for example (Jooss et al. Research by Colbert and Barrick (2023) indicated that organizations without defined organizational cultures find it difficult to capitalize on talent management efforts. As one participant pointed out, "If there is no culture of achievement and responsibility, then the incentives/resources are not sufficient," again pointing to the need for buy-in from an aligned approach with HR strategy in order to ensure performance.

E. Synthesis

The empirical results, by and large, conform to the statistical analyses of theoretical expectations, lending a great deal of credibility to the findings. Talent management affects both the present and future organizational performance, particularly in a more flexible and supportive culture. In addition, while organizational culture directly impacts performance, the

moderator relationship-direction should reposition it as an enabler within the work environment rather than a detriment or passive player. The connections between these dimensions, both internally and interactively, emphasise the importance of assessing talent management practices and organisational culture as essential mechanisms for manipulating proposed SME business performance. Therefore, acquiring a solid organizational culture and employing a conscious talent management system should be strategic imperatives for any institution pursuing excellence and longevity.

6. Conclusion

Quantitative analysis, based on the study findings, confirmed the existence of strong relationships between talent management practices and performance variances, as well as organizational culture. The results of multiple linear regression supported that recruitment, training, succession planning, and retention have a significant positive impact on organizational performance. This emphasises that investing in human capital translates straight into operational efficiency, customer satisfaction, and strategic success.

Specifically, some findings suggested that organizational culture operated both as an independent variable influencing performance and as a moderator explaining the strength of the talent-performance relationship. This means that talent strategies work best in participative, transparent, and innovation-led cultures.

Overall, statistical indicators supported these results, with Cronbach's Alpha scores ranging from 0.80 to 0.88, and confirmatory factor analysis supporting the whole item measurement model [10]. This supports the explanatory capacity and reliability of our research conceptual framework.

In the end, the relationships at issue here are complex, and addressing them will require a more nuanced view that allows for these organizational action dynamics. This provides a strong base that could lead to the development of more interconnected and effective institutional strategies, driving competitiveness and sustainability.

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Appendix A: Survey Questionnaire

Title of the Survey:

The Role of Talent Management in Enhancing Organizational Performance in Small and Medium Enterprises: Exploring the Moderating Role of Organizational Culture

Instructions for the Participant:

Please read each statement carefully and select the degree of your agreement based on your experience in your current organization. Use the following scale:

- 1 = Strongly Disagree
- 2 = Disagree
- 3 = Neutral
- 4 = Agree
- 5 = Strongly Agree

Section One: Demographic Information

1. Gender: ☐ Male ☐ Female
2. Age: _____
3. Job Title: _____
4. Years of Experience in the Current Organization: _____
5. Sector of the Organization: _____
6. Number of Employees in the Organization: _____
☐ Less than 10, ☐ 11 to 50, ☐ 51 to 100, ☐ 101 to 200

Section Two: Talent Management

(Adapted from Collings & Mellahi, 2009; Chikumbi, 2011)

Attraction and Recruitment

1. Our organization has a clear strategy for attracting talented individuals.
2. We use structured interviews and competency assessments during hiring.

3. We prioritize hiring individuals with leadership potential.

Development and Training

4. Employees are regularly provided with training programs to enhance their skills.
5. There is a clear link between training and career advancement.
6. The organization allocates a sufficient budget for talent development.

Succession Planning

7. Successors for key positions have been identified.
8. We periodically review employees' leadership potential.
9. Employees are encouraged to prepare for higher positions.

Talent Retention and Engagement

10. The organization takes adequate measures to retain high-performing employees.
11. Our work environment motivates employees to deliver their best performance.
12. Management appreciates and rewards exceptional contributions.

Section Three: Organizational Performance

(Adapted from Delaney & Huselid, 1996; Richard et al., 2009; Kaplan & Norton, 1992)

13. Our organization consistently achieves its strategic objectives.
14. Our productivity has improved over the past three years.
15. Customer satisfaction in our organization is high.
16. Our organization is financially stable and generates good profits.
17. There is a high level of employee satisfaction in the organization.
18. The quality of our products or services is continuously improving.
19. We are innovative in developing new products or services.
20. Our internal processes are efficient and well-managed.

Section Four: Organizational Culture

(Adapted from Denison Organizational Culture Survey & Hofstede Dimensions)

Participation and Teamwork

21. Employees are involved in decisions that affect their work.
22. Teamwork is an essential part of our organizational culture.
23. We encourage collaboration across different departments.

Consistency and Institutional Values

24. The organization has clear and consistent values.
25. There is strong alignment between employees' values and those of the organization.
26. Rules and procedures are applied fairly to all employees.

Flexibility and Innovation

27. Our organization adapts quickly to changes in the work environment.
28. Employees are encouraged to share new ideas.
29. We embrace change and innovation in the organization.

Mission and Strategic Orientation

30. The organization has a clear mission that gives meaning to employees' work.
31. Strategic goals are communicated to all employees.
32. Employees understand how their roles contribute to the organization's success.