

# Motivation through talent management: a self-determination theory lens on Nordic banking strategies

Qualitative  
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## Abstract

**Purpose** – This paper aims to investigate how talent management (TM) initiatives in Nordic banks influence employee motivation and organizational commitment, using self-determination theory (SDT) as the analytical lens.

**Design/methodology/approach** – Based on 34 semi-structured interviews with human resources professionals, managers and specialists in Iceland and Denmark, this study applies an interpretivist qualitative approach to identify both conventional and novel motivational drivers.

**Findings** – Findings show that traditional motivators (recognition, development, autonomy) remain central, but emerging themes such as environmental, social and governance commitments and technology integration are increasingly vital. The application of SDT reveals that TM practices which support autonomy, competence and relatedness have a significant impact on engagement and retention, particularly in high-potential employees.

**Originality/value** – This study contributes to TM scholarship by integrating SDT in an under-researched empirical setting – Nordic banks – and by offering actionable insights on how motivational strategies align with inclusive and exclusive TM philosophies.

**Keywords** Banking industry, Qualitative research, Talent management, Motivation, Job satisfaction, Strategic human capital

**Paper type** Research paper

## 1. Introduction

In contemporary knowledge-intensive sectors, employee motivation is increasingly recognized as a core determinant of organizational performance, resilience and ethical legitimacy (Luthans, 2002; Ryan and Deci, 2017). Nowhere is this convergence more pronounced than in the financial services industry, where the interplay of regulatory complexity, technological disruption and human capital intensification shapes both strategic intent and operational capacity. Within this terrain, the Nordic banking sector presents a compelling empirical site for interrogating the motivational consequences of structured talent management (TM) systems (Theodorsson *et al.*, 2023; Gallardo-Gallardo *et al.*, 2020).

Despite a growing body of literature linking TM practices to organizational outcomes (Collings and Mellahi, 2009; Gelens *et al.*, 2015; Luna-Arocas and Morley, 2015), the psychological mechanisms through which TM shapes employee motivation remain



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undertheorized. Existing studies often treat motivation as an assumed outcome of TM investment rather than a situated and interpretive process that varies across individuals and contexts (Dries, 2013; Swailes, 2013). This omission is particularly salient in research on the financial sector, where TM is frequently implemented as a strategic imperative but rarely examined as a site of meaning-making at the employee level. At the same time, the TM field continues to grapple with fundamental conceptual ambiguities, including tensions between inclusive and exclusive models, the ethical implications of workforce segmentation and the evolving role of employee agency within talent systems (Minbaeva and Collings, 2013; O'Connor and Crowley-Henry, 2019; Theodorsson *et al.*, 2024).

To address these gaps, this study draws on self-determination theory (SDT) to examine how TM practices influence employee motivation in Nordic banks. SDT offers a rigorous and empirically grounded framework for understanding human motivation, emphasizing the role of autonomy, competence and relatedness as foundational psychological needs (Deci and Ryan, 2000; Ryan and Deci, 2017). While SDT has been widely applied in organizational psychology (Gillet *et al.*, 2012; Van den Broeck *et al.*, 2008; Sheeran *et al.*, 2020), its integration with TM theory remains limited. This study positions SDT as a mechanism-focused lens through which the effects of TM can be more precisely theorized, particularly in environments where formal structures intersect with informal cultural norms.

Empirically, the paper is based on 34 semi-structured interviews with professionals across five banks in Iceland and Denmark. These institutions were purposively selected to reflect heterogeneity in TM design and execution, while remaining situated within a shared socio-regulatory context (Patton, 2015; Palinkas *et al.*, 2015). The Nordic setting is analytically significant. These banks operate within cultural systems that prioritize egalitarianism, transparency and employee well-being, yet they also face acute pressures related to innovation, environmental, social and governance (ESG) alignment and talent retention (Theodorsson, 2025; Kunz, 2020). This juxtaposition foregrounds key tensions in TM design, particularly between performance optimization and ethical coherence and between strategic intent and lived experience.

The central research question guiding this inquiry is as follows:

*RQ1.* How do talent management practices in Nordic banks influence employee motivation and commitment, and what are the underlying mechanisms through which this occurs?

This study offers three contributions. First, it advances a granular, mechanism-oriented understanding of TM by operationalizing SDT within a sector-specific analysis. Second, it contributes to ongoing debates in *Qualitative Research in Financial Markets (QRFM)* and the broader human resource management (HRM) literature by theorizing TM as a perceptual and interpretive domain rather than a neutral delivery system (Gallardo-Gallardo *et al.*, 2020; Collings *et al.*, 2019; Vaiman *et al.*, 2012). Third, it surfaces emergent motivational drivers, particularly ESG commitments and digital infrastructures, that remain underexamined in existing TM frameworks but appear increasingly salient to employee engagement (Loor-Zambrano *et al.*, 2022; Theodorsson, 2025). In doing so, the paper responds to calls for more integrative and critical approaches to TM that account for both structural design and individual-level meaning-making (Collings *et al.*, 2017; Dries, 2013).

While the strategic role of TM in financial institutions is widely acknowledged (Collings and Mellahi, 2009), the motivational mechanisms through which TM practices shape employee experiences remain underexplored, particularly in the context of financial services. This paper builds on recent work in *QRFM* that calls for deeper engagement with the behavioral and organizational underpinnings of financial institutions (Vu and Gill, 2022;

Nair and Menon, 2021). By mobilizing SDT, this study contributes a mechanism-focused account of motivation that connects internal human resources (HR) logics with broader organizational outcomes, such as resilience, compliance and innovation capacity in banking contexts.

## 2. Literature review

This section critically examines the scholarly foundations underpinning this study, with a particular focus on TM and employee motivation. The review is structured in three parts. First, it explores the definitional ambiguity and strategic orientations of TM. Second, it outlines the evolution of motivation theory, culminating in the SDT framework. Finally, it identifies the theoretical nexus between TM and SDT, positioning this study within a growing body of research that seeks to understand how TM practices shape motivational outcomes.

### 2.1 Talent management: definitions, debates and strategies

Despite its prominence in both academic and practitioner domains, TM remains an elusive construct lacking definitional consensus (Lewis and Heckman, 2006; Gallardo-Gallardo *et al.*, 2015; Theodorsson *et al.*, 2024). Broadly conceptualized, TM refers to the strategic identification, development and retention of individuals deemed critical to organizational success (Collings and Mellahi, 2009). However, the field is characterized by a persistent theoretical fragmentation, particularly regarding whom TM is intended to serve and through what mechanisms.

Two dominant paradigms have emerged: exclusive and inclusive TM. The exclusive view posits that only a select subset of employees, typically high-potential or high-performing individuals, should receive concentrated investment (Savaneviciene and Vilciauskaite, 2017). This perspective is closely aligned with workforce differentiation and the “war for talent” narrative, which privileges elite performance and positions TM as a driver of competitive advantage (Boudreau and Ramstad, 2005). In contrast, the inclusive paradigm argues that all employees possess latent potential and that effective TM should be systemically embedded to support the broader workforce (Mensah, 2015; Gallardo-Gallardo and Thunnissen, 2016). While both perspectives offer legitimate insights, each also presents ethical and operational challenges – particularly regarding perceptions of fairness, resource allocation and unintended consequences for non-designated employees (Gelens *et al.*, 2013; Swailes, 2013).

Empirical research has demonstrated positive associations between TM and a range of outcomes, including job satisfaction, affective commitment and performance (Chami-Malaeb and Garavan, 2013; Gelens *et al.*, 2015; Luna-Arocas and Morley, 2015). However, such studies often treat motivation as an outcome of TM without interrogating the mechanisms by which TM practices influence motivational processes. Moreover, there is a dearth of research connecting TM strategies with robust psychological theories of motivation – an omission this study seeks to address.

### 2.2 Motivation theory: from content models to self-determination theory

Motivation has long been recognized as a foundational concept in organizational behavior, defined as the internal and external forces that initiate, direct and sustain goal-directed behavior (Luthans, 2002). Early models of motivation – such as those proposed by Maslow (1943), Herzberg *et al.* (1959) and McClelland (1961) – focused on content, identifying the specific needs or incentives that drive behavior. Although these models remain influential, they have been critiqued for their universalist assumptions and lack of contextual nuance.

In response, process-oriented theories such as Vroom's expectancy theory and Adams' equity theory shifted attention to the cognitive evaluations individuals make regarding effort, outcomes and fairness. These frameworks offered more dynamic models of motivation but were often limited in capturing the deeper psychological needs underpinning work engagement and satisfaction.

SDT emerged as a response to these limitations, providing a nuanced account of the conditions that foster intrinsic motivation and well-being (Deci and Ryan, 2000; Ryan and Deci, 2017). At its core, SDT posits that motivation exists along a continuum - from amotivation to extrinsic and intrinsic motivation - depending on the degree of self-determination experienced. The theory emphasizes the fulfillment of three basic psychological needs: *autonomy* (the need to experience volition), *competence* (the need to feel effective) and *relatedness* (the need for meaningful connection with others).

Empirical research has consistently shown that satisfying these needs leads to higher engagement, creativity, performance and well-being (Gillet *et al.*, 2012; Van den Broeck *et al.*, 2008; Sheeran *et al.*, 2020). In contrast, environments that thwart these needs can produce disengagement, burnout and psychological strain (Lian *et al.*, 2012; Andreassen *et al.*, 2010). The strength of SDT lies in its explanatory power across diverse organizational contexts, including leadership, learning and employee development. Yet, its application to TM remains relatively nascent - a gap that this study addresses.

### 2.3 Integrating talent management and motivation: a self-determination perspective

Scholarship has called for deeper theoretical integration between TM and established motivation theories (Collings *et al.*, 2017; Dries, 2013). While TM practices - such as development programs, succession planning and performance recognition - are intuitively linked to motivation, their psychological underpinnings have often been under-theorized. SDT provides a compelling framework for analyzing how TM strategies either support or undermine motivational needs.

For example, exclusive TM practices may enhance *competence* and *autonomy* among designated "high potentials", but risk alienating others by undermining *relatedness* and perceptions of fairness. Conversely, inclusive TM strategies may promote organizational justice and cohesion but lack the differentiation needed to fully optimize talent deployment. Understanding these trade-offs requires a framework like SDT that accounts for both internal psychological processes and external contextual factors.

This study builds on prior calls to investigate how TM can be designed not merely to retain employees, but to motivate them meaningfully and sustainably (Čizmić and Ahmić, 2021; Damarasri and Ahman, 2020). By applying SDT as a guiding lens, this paper examines how TM initiatives in Nordic banks intersect with employees' psychological needs and affect their motivation and commitment. The focus on the micro-level employee experience fills a critical gap in TM research, which has often prioritized strategic outcomes over individual perspectives.

## 3. Conceptual framework

This study adopts a theory-driven approach to examine the relationship between TM practices and employee motivation within Nordic banks. To address limitations in prior models, many of which conflate TM with general HRM, this framework centers TM as a distinct strategic function and anchors its motivational impact within SDT. By integrating these domains, the framework seeks to explain *how* specific TM practices satisfy employees' core psychological needs, thereby fostering motivation, commitment and performance.

### 3.1 Rationale for the framework

While TM is often associated with organizational outcomes such as retention, succession readiness and labor cost optimization (Collings and Mellahi, 2009; Ulrich and Allen, 2014), the underlying motivational mechanisms remain under-theorized. Traditional models frequently reduce motivation to a function of extrinsic rewards or assume it as a natural corollary of TM investment. This study challenges such assumptions by grounding the TM–motivation relationship in SDT’s needs-based approach.

Within SDT, motivation is understood to emerge when the social environment supports the fulfillment of three innate psychological needs: autonomy, competence and relatedness (Ryan and Deci, 2000). Autonomy refers to the experience of volition and self-endorsement of one’s actions; competence denotes the perceived ability to master tasks and exert influence within one’s environment; and relatedness reflects the desire for meaningful and reciprocal connections with others. These needs are considered universal and essential for optimal functioning and well-being across contexts.

This study posits that TM practices can play a critical role in either facilitating or frustrating these needs. When strategically designed and implemented with attention to inclusivity and ethical considerations, TM may extend beyond the identification and development of high-potential individuals to create conditions that broadly support employee motivation and sustained engagement across the organization.

### 3.2 Mapping talent management to psychological needs

To operationalize the framework, we map commonly implemented TM practices in Nordic banks to the SDT constructs they are most likely to activate. The following table illustrates the hypothesized alignment between key TM practices and the core psychological needs outlined in SDT. This mapping provides a conceptual mechanism by which TM may influence motivation in organizational contexts.

Table 1 provides a structured lens for analyzing how specific TM interventions may either support or frustrate employees’ psychological needs. Crucially, it also enables a more granular analysis of motivation by shifting the focus from TM practices in the abstract to employees’ lived experience of those practices. This orientation informs both the coding strategy and interpretation of findings in the sections that follow.

**Table 1.** Mapping talent management practices to psychological needs in self-determination theory

| Talent management practice               | Targeted SDT need          | Illustrative mechanism  |
|--|----------------------------|---|
| Performance appraisal and feedback       | Competence                 | Reinforces perceived mastery; identifies strengths and growth areas     |
| Career development and training          | Competence and autonomy    | Builds capability while allowing self-directed professional advancement |
| Leadership quality and inclusive culture | Relatedness and autonomy   | Fosters trust, respect and psychological safety                         |
| Recognition and rewards                  | Competence and relatedness | Signals value and appreciation; affirms social belonging                |
| Cross-functional collaboration           | Relatedness and competence | Enables skill-sharing and builds peer networks                          |
| ESG alignment and purpose-driven work    | Relatedness and competence | Enables skill-sharing and builds peer networks                          |

**Source(s):** Authors’ own creation

These practices are not uniformly motivational; their impact depends on how employees experience them. For instance, performance management systems that are overly prescriptive may undermine autonomy, while transparent, feedback-rich systems may enhance it. Hence, the framework emphasizes *perceived support* for psychological needs rather than the mere presence of practices.

### 3.3 Framework logic and outcomes

Based on the above mapping, the framework proposes the following theoretical logic:

- Strategic TM initiatives →
- Employee perceptions of autonomy, competence and relatedness →
- Quality of motivation (intrinsic/autonomous) →
- Outcomes: Organizational commitment, engagement and performance.

This model positions motivation as a mediating mechanism between TM and performance outcomes, rather than a direct consequence. It also allows for the exploration of differential effects – for example, how the same TM practice may be experienced positively by some (e.g. high-potential employees) and negatively by others (e.g. non-designated staff), depending on inclusivity, clarity and fairness.

### 3.4 Visual representation

The conceptual logic outlined above is visually synthesized in the following model (Figure 1), which illustrates the theorized relationships between TM practices, SDT needs and employee outcomes. This framework serves as the analytical scaffold for interpreting the empirical findings.

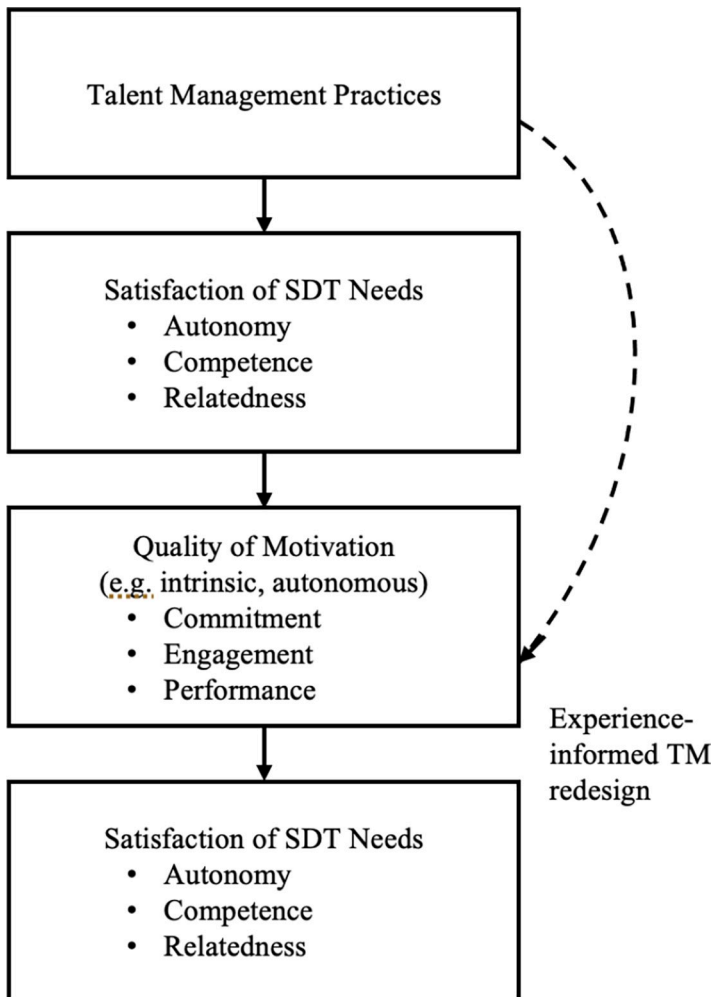
The model is composed of four sequential tiers that conceptualize the relationship between TM practices and organizational outcomes, with SDT serving as the mediating framework. The first tier represents the implementation of TM practices within the organization, which initiate the process. These practices are theorized to influence the second tier – employees' perceptions of their psychological needs, specifically autonomy, competence and relatedness, as articulated by SDT. When these needs are adequately supported, they give rise to the third tier: enhanced motivational quality, particularly intrinsic or autonomous forms of motivation that are known to drive sustained engagement and commitment. The fourth and final tier encompasses the resulting organizational outcomes, including employee commitment, discretionary effort and performance.

In addition to this linear structure, the model incorporates a feedback mechanism – represented by a loop from outcomes back to TM practices – labeled “Experience-informed TM redesign”. This reflects the iterative nature of strategic TM, wherein insights derived from employee outcomes are used to refine and recalibrate TM strategies over time.

This conceptual scaffold guides the empirical investigation, shaping both the structure of data collection (interview themes) and the analytical coding process. It serves as the basis for interpreting the findings, connecting employee narratives to the theoretical constructs of SDT and contributing a structured explanation of how TM influences motivation in a specific organizational and cultural context.

## 4. Methodology

This study adopts a qualitative, interpretivist research design to explore how TM practices influence employee motivation and commitment in Nordic banking institutions. An interpretivist approach is appropriate when the aim is to access meaning-making processes



**Figure 1.** The conceptual framework guiding this study

**Source:** Authors' own creation

embedded in lived experience, particularly those that are not directly observable or quantifiable (Schwandt, 2000; Denzin and Lincoln, 2011). The choice of qualitative inquiry is theoretically anchored in SDT, which emphasizes the internalization of social-contextual factors through subjective perception. Since SDT focuses on psychological needs and interpretive variability, qualitative methods offer the most conceptually aligned route for uncovering the motivational affordances of TM as they are understood and experienced by employees.

This orientation is consistent with QRFM's tradition of context-sensitive, inductive research into organizational and institutional practices in financial settings (Tan and Tan,



2021; Vu and Gill, 2022). It also responds to calls within qualitative HRM literature to treat motivation as an interpretive domain that cannot be adequately captured through positivist survey instruments alone (Tracy, 2010; Dries, 2013).

4.1 Research setting and sampling strategy

The empirical foundation of this study comprises 34 semi-structured interviews conducted with professionals across five commercial banks in Iceland and Denmark. These banks were purposively selected based on two principal criteria: the visibility and formality of their TM practices and their reputational alignment with progressive human capital strategies. The cross-national scope provides a culturally and institutionally diverse context for examining how TM is perceived and enacted in settings that are often idealized for their workplace equity, yet still subject to financial sector pressures such as regulatory tightening, digitalization and ESG compliance (Theodorsson, 2025).

Participant selection followed a criterion-based purposive sampling strategy (Palinkas et al., 2015), designed to reflect variance in organizational roles and TM exposure. The final sample includes HR executives, strategic TM designers, line managers responsible for implementation and employees situated both inside and outside designated “high potential” (Hi-Po) tracks. This distribution was critical for analyzing how TM is interpreted across status hierarchies and role-based boundaries, which in turn influences how motivational mechanisms are distributed, perceived and enacted. Table 2 below presents the average age and professional experience of participants across stakeholder groups and countries. This summary offers an additional layer of context regarding the maturity, institutional embeddedness and experiential credibility of the respondent pool, which reinforces the interpretive strength of the data.

4.2 Data collection and ethical considerations

Data were collected through semi-structured interviews conducted over a ten-month period. Interviews ranged in length from 45 to 70 min and were held either in person or via secure digital platforms. All interviews were audio-recorded and transcribed verbatim, with participants’ informed consent and under strict adherence to general data protection regulation (GDPR) and university ethics protocols. Anonymization procedures were implemented to safeguard institutional and personal identities.

The interview guides (Appendix 1) were developed to elicit accounts of motivation, engagement and perceived TM effectiveness, structured around SDT’s three psychological needs: autonomy, competence and relatedness. Questions were intentionally open-ended to encourage narrative depth and to reduce interviewer imposition. The guides also incorporated prompts related to novel motivational contexts (e.g. ESG initiatives, digital transformation) that emerged during the literature review.

Table 2. Age and experience average for stakeholder groups

| Measure (country)                | Stakeholder groups |                      |                   |            |
|----------------------------------|--------------------|----------------------|-------------------|------------|
|                                  | External recruiter | Head of HR/senior HR | Mid-level manager | Specialist |
| Age (Iceland)                    | 60                 | 50                   | 48                | 41         |
| Experience (Iceland)             | 29.67              | 13.4                 | 10.5              | 16.75      |
| Age (Denmark)                    | 47                 | 57                   | 49                | 40         |
| Experience (Denmark)             | 10.13              | 27                   | 13.6              | 8.7        |
| Source(s): Authors’ own creation |                    |                      |                   |            |



Care was taken to ensure cultural and linguistic clarity, especially given the cross-national scope. Questions were piloted in both countries and iteratively adjusted to align with local HR terminology and banking-sector discourse.

#### 4.3 Data analysis

Data were analyzed thematically, following the six-step process outlined by [Braun and Clarke \(2006\)](#). The coding process combined inductive and deductive elements. Initial open coding generated grounded categories based on participants' descriptions of TM experiences. These were then mapped onto SDT's theoretical constructs during axial coding. NVivo software was used to support systematic coding, traceability of themes and reproducibility.

To enhance analytic rigor, a second researcher independently coded a subset of interviews and coding inconsistencies were addressed through peer debriefing. Analytical memos and a reflexive journal were maintained throughout, documenting assumptions, emergent patterns and researcher positionality. This process enhanced confirmability and methodological transparency ([Lincoln and Guba, 1985](#)).

Importantly, the analysis involved both within-case and cross-case strategies. Thematic insights were first developed for each institution independently, then compared across cases to identify patterns and divergences. This dual-layered strategy enabled the study to account for both organizational context and broader sectoral dynamics. Illustrative quotes and the thematic coding matrix are provided in [Appendix 2](#).

#### 4.4 Trustworthiness and methodological integrity

Methodological rigor was ensured through the application of [Lincoln and Guba's \(1985\)](#) trustworthiness criteria: credibility, transferability, dependability and confirmability. Credibility was reinforced through triangulation across stakeholder groups and institutions and through the inclusion of discrepant cases. Transferability is supported through thick description of both organizational contexts and participant narratives. Dependability and confirmability were maintained through audit trails, coding documentation and systematic peer engagement during analysis.

Data saturation was assessed iteratively. After approximately 30 interviews, no new themes emerged within the core SDT constructs; however, interviews were continued to confirm saturation and explore peripheral themes (e.g. ESG as a motivational lens). This decision supports both analytic completeness and respondent diversity.

Reflexivity was embedded into each stage of the process. The lead researcher maintained a journal documenting personal assumptions, positionality and potential influences on interpretation. As a non-employee with academic expertise in HRM and motivation theory, the researcher acknowledged the dual risk of theoretical overreach and institutional *naïveté* and used strategies to mitigate both.

Methodologically, this paper aligns with QRFM's commitment to qualitative inquiry as a means of unpacking complex, embedded social phenomena in financial organizations ([Tan and Tan, 2021](#); [Hassan and Abdelghany, 2020](#)). The use of semi-structured interviews with professionals across five Nordic banks enables a rich interpretive analysis of how TM is perceived and enacted. In line with QRFM's qualitative standards, the study emphasizes reflexivity, transparency and contextual depth, while drawing on [Braun and Clarke's \(2006\)](#) thematic analysis to identify patterns of meaning related to autonomy, competence and relatedness.

Ethical approval for the study was obtained from the University of Iceland's Research Ethics Committee. All participants were provided with information sheets and gave written

informed consent prior to their interviews. Data were stored in accordance with GDPR and institutional data protection protocols.

## 5. Findings

The findings are presented through the three psychological needs articulated in SDT – autonomy, competence and relatedness – followed by two cross-cutting contextual amplifiers: ESG commitments and technological transformation. The expanded analysis combines extended quotations, composite vignettes (synthesized from multiple interviews across roles and countries) and reflexive commentary. Our goal is to show not only *what* participants reported, but *how* they experienced, interpreted and sometimes resisted TM practices in their organisational settings. Throughout, we note convergences and divergences between Icelandic and Danish cases where these were salient in the data.

### 5.1 *Autonomy: between formal structures and lived discretion*

Autonomy was a recurring thread in participants' accounts, but its meaning and motivational impact varied considerably across banks, roles and national settings. To unpack these differences, the section begins by contrasting the formal autonomy promised in policy with the autonomy employees experienced in day-to-day practice.

**5.1.1 *Policy-level autonomy versus enacted autonomy.*** Across banks, autonomy was a ubiquitous aspiration in policy documents and leadership communications: learning budgets, open internal mobility and employee-led development planning were framed as pillars of the TM architecture. Yet participants repeatedly distinguished between formal autonomy (what policies promised) and enacted autonomy (what managers enabled).

A Danish HR advisor captured the intended spirit of policy when describing discretionary development budgets: “We offer employees a development budget, but what really makes it work is that they choose how to use it”. (Q1, P08, Denmark). However, employees' lived experiences often turned on managerial mediation. An Icelandic product specialist explained:

They talk about mobility between teams, but when I asked to move, my manager said no. It's not that the system isn't there – it's that it doesn't actually work unless your boss agrees. (Q2, P17, Iceland).

**5.1.2 *Vignette: the promise and the gate.*** The contrast between formal policy and enacted autonomy is illustrated by two cases: an Icelandic specialist whose mobility request stalled despite meeting formal criteria and a Danish manager who enabled a lateral move through proactive sponsorship. Together, these cases highlight how identical policies can be experienced as either obstructive or empowering depending on managerial enactment.

A specialist in Reykjavík prepares a mobility request after months of shadowing a data team and informally contributing to their backlog grooming. The TM portal shows green ticks: tenure met, manager conversation logged, internal endorsement from the destination team. The current manager, however, “suggests waiting until year-end”, citing project continuity. The request stalls; the portal still shows “Under Review” three months later. In Copenhagen, a mid-level manager narrates the opposite arc: an employee proposes a lateral move into a regulatory tech squad; the manager co-authors the business case and temporarily backfills the role to prevent team strain. The move is approved in two weeks, with a clear ramp-up plan. HR articulates the difference as “local enabling”: identical policies, divergent enactment.

The motivational consequence of these enactment differences was stark. Where managers served as *enablers*, employees described a shift from obligation to volition: “When I know

my manager trusts me to lead a project on my own, I give everything – not because I have to, but because I want to”. (Q3, P12, Denmark). Where managers acted as *gatekeepers*, autonomy provisions were reinterpreted as symbolic, even cynical, eroding trust in TM’s credibility.

**5.1.3 Cross-case contrasts and boundary conditions.** Cross-case comparison suggested that bank size and governance style conditioned autonomy experiences. In larger, multi-layered banks, participants reported more “permission steps” (HR, line manager, destination manager), raising the probability of discretionary veto points. Smaller banks offered fewer steps but occasionally exhibited idiosyncratic gatekeeping, where a single manager’s preferences effectively determined outcomes. Notably, union presence and strong internal mobility norms in Denmark sometimes buffered against unilateral gatekeeping, whereas Icelandic cases showed greater reliance on informal relationships to unlock moves.

**5.1.4 Negative cases and nuance.** Autonomy was not universally desired. A subset of risk and compliance specialists preferred clear guardrails during transformation projects, fearing liability if latitude outpaced support. For these participants, *bounded autonomy*, choices within well-communicated parameters, was most motivating. This nuance aligns with SDT’s emphasis on volition, not *laissez-faire*: autonomy becomes motivational when options are credible, supported and genuinely endorsable by the employee.

From an interpretive standpoint, the tonal differences between enabling and obstructive cases were striking. Narratives of empowerment tended to be detailed and energetic, whereas accounts of obstruction were brief, resigned and sometimes laced with irony. These tonal shifts informed our reading that employees judge autonomy less by the presence of formal policies than by the degree of procedural trust vested in managers to enact them.

## 5.2 Competence: recognition, challenge and developmental asymmetries

Competence, as described by participants, was not simply a matter of skill possession but a lived sense of being able to perform effectively and being recognized for that performance. The following subsections explore how recognition, challenge and developmental asymmetries shaped these experiences.

**5.2.1 Recognition as a signal, not a perk.** Competence was experienced as a blend of *capability growth* and *institutional affirmation*. Participants consistently described the motivational lift of being specifically, publicly recognized: “It’s not about a bonus. It’s about someone saying, ‘You did this well and we see you.’” (Q6/P27, Denmark). Recognition functioned as a signal, a public marker that the individual’s skills mattered to the organization.

**5.2.2 Stretch and sponsorship.** Opportunities to stretch were differentially distributed. Hi-Po participants frequently referenced sponsorship – leaders who attached their reputations to a junior’s development. Icelandic high potentials, for instance, described accelerated exposure via cross-border projects: “Having innovative technology at our disposal is incredibly motivating. It changes how we approach work”. (Q10/P29, Iceland) – here, technology and stretch intertwined, building both skill and confidence.

Outside Hi-Po tracks, participants often encountered programmatic development with limited tailoring. A Danish compliance officer characterized annual reviews as performative: “Our annual reviews are very structured but honestly, they feel like a checklist. I don’t get anything back that helps me grow”. (Q5/P11, Denmark). By contrast, a senior advisor recounted the catalytic effect of experiential learning: “I had to learn on the job, and that’s when I actually grew”. (Q4/P15, Denmark).

**5.2.3 Vignette: two routes to competence.** Differences in how competence was nurtured or stifled can be seen in three cases: a Danish compliance specialist caught in a rigid appraisal

cycle, a Danish advisor whose manager created a tailored stretch opportunity and an Icelandic data analyst who gained mastery through a collaborative product team. Taken together, these examples show how the same organization-wide systems could either constrain or cultivate growth depending on context and support.

In a Danish compliance function, a specialist enters a meticulously scripted performance cycle. Objectives mirror last year's, training modules are auto-assigned and feedback arrives as bullet points with no behavioral examples. The specialist leaves the meeting "unclear what to do differently". In advisory, a manager nominates a mid-level for a time-boxed client remediation project with weekly learning check-ins and explicit post-project debriefs. The employee exits with a portfolio story, a new network and visible confidence. In Iceland, a data analyst joins a product squad adopting a new platform; paired programming and demo days create fast feedback loops. The analyst narrates early stumbles but emphasizes public mastery moments during sprint reviews as the real motivators.

*5.2.4 Asymmetries and their effects.* Participants outside Hi-Po tracks described developmental asymmetries as demotivating less because of slower progression and more because of opaque criteria for access to challenge and sponsorship. This opacity blurred the line between differentiation (strategically defensible) and favoritism (ethically problematic). Asymmetries also interacted with autonomy: employees denied stretch assignments reported narrowed discretion in shaping their work.

Our interpretation is that competence is best understood as a socially mediated experience. The same training catalogue produced divergent outcomes depending on whether it was embedded in meaningful work, reinforced by actionable feedback and validated through visible recognition. These relational affordances – sponsorship, peer visibility and timely coaching – appeared as important as the training content itself in shaping employees' sense of competence.

### *5.3 Relatedness: inclusion, symbolic belonging and marginalization*

Relatedness emerged as perhaps the most emotionally charged of the SDT needs, often surfacing in discussions about inclusion, symbolic belonging and moments of marginalization. This section examines both the practices that cultivated relatedness and the subtle cues that eroded it.

*5.3.1 Inclusion as everyday practice.* Relatedness, the experience of connection and belonging, was most vividly expressed in accounts of managerial presence and informal mentoring. An Icelandic specialist emphasized the motivational force of unstructured check-ins: "What motivates me isn't just the tasks—it's when my manager checks in without an agenda... not just what you produce". (Q7/P05, Iceland). Small relational gestures (unscheduled check-ins, invitations to sit in on stakeholder calls) accumulated into a sense of symbolic inclusion.

*5.3.2 The "shadow list".* Yet many participants described a "shadow list" of favored employees. Even where HR insisted that no formal lists existed, employees identified cues: who appears in town-hall shout-outs, who gets invited to leadership breakfasts, who receives secondments. A Danish operations specialist summarized: "There's no formal list, but you can tell who they're betting on. They get the mentoring, the secondments, the visibility. The rest of us just keep things running". (Q8/P20, Denmark).

*5.3.3 Vignette: decoding signals.* Employees often described learning to "read the signals" that indicated inclusion or exclusion from talent pathways. For instance, a Danish operations specialist recounted noticing repeated public recognition of the same colleagues, a Danish HR professional observed how early nudges shaped applications to rotational programs and an Icelandic specialist recalled how a casual corridor exchange led to

unexpected project involvement. These accounts reveal how subtle cues of access and visibility strongly shaped feelings of belonging.

At a quarterly town hall, three junior names are highlighted for “innovation mindset”. Photos circulate on the intranet. In the same week, a rotational opportunity is announced; one of the three is “encouraged to apply”. Over coffee, colleagues infer a pattern: certain names recur in leadership narratives. HR later stresses “open competition”, but employees note who receives early nudges. An Icelandic specialist recounts how a senior leader’s impromptu corridor chat, “send me your ideas on X”, translated into a project invitation. For the specialist, a micro-moment of relational access redefined their sense of belonging.

*5.3.4 Consequences: effort, exit and silence.* Exclusion from TM’s relational spaces carried tangible behavioral consequences. Some participants reported withholding discretionary effort (“do the job, nothing extra”) as a way to conserve energy and protect self-worth. Others began quiet job searches, interpreting persistent exclusion as a structural feature rather than a temporary oversight. A minority engaged in voice, raising fairness concerns through ERG networks or directly with HR, but several noted risk calculations when contemplating speaking up.

In the Nordic context, where egalitarianism is a normative ideal, the symbolic gap between inclusive rhetoric and selective practice was especially consequential. Relatedness, in this light, is not a peripheral or “soft” need but an infrastructural condition – one that shapes how autonomy and competence are themselves experienced and interpreted.

#### *5.4 Contextual amplifiers: ESG and technology as motivational touchpoints*

While autonomy, competence and relatedness formed the core of employees’ motivational experiences, these were often shaped, sometimes amplified, sometimes undermined, by broader organisational agendas. ESG commitments and technological transformation stood out as particularly salient contextual factors.

*5.4.1 ESG: authenticity as the hinge.* ESG surfaced as a potent meaning frame when employees perceived authentic alignment between organisational commitments and daily work. A Danish product specialist reflected: “When I see our climate reporting being taken seriously, it motivates me. It makes me think this isn’t just a job – it’s something that matters”. (Q9/P24, Denmark). Employees described ESG as enhancing relatedness (connection to a purpose community) and sometimes competence (new skills in climate risk, sustainable finance), provided initiatives were embedded rather than peripheral.

Where ESG felt performative – limited to branding or sporadic campaigns – participants reported motivation decay and trust erosion. The same message that energized one bank demotivated another when decoupled from resource allocation, leadership role-modelling or measurable targets.

*5.4.2 Technology: enablement versus imposition.* Technology’s motivational effect hinged on participatory design and support structures. An Icelandic Hi-Po analyst captured the upside: “Having innovative technology at our disposal is incredibly motivating. It changes how we approach work”. (Q10/P29, Iceland). In such cases, new tools expanded autonomy (more control over workflow) and competence (faster feedback loops, tangible mastery moments).

Conversely, top-down rollouts without user input were experienced as controlling – constraining how work could be done, disrupting tacit expertise and adding invisible labor (workarounds, shadow systems). Motivation dipped when implementation timelines outpaced training or when metrics prioritized tool adoption over outcome quality.

*5.4.3 Vignette: two transformations.* The divergent effects of technological transformation were evident in two contrasting cases. In Denmark, a retail bank involved

frontline staff in co-designing a customer relationship management (CRM) system, leading to ownership and pride. In Iceland, by contrast, a universal bank imposed an enterprise platform with little consultation, resulting in frustration and diminished trust. These paired cases illustrate how technology can function either as an enabler of motivation or as a source of alienation depending on the process of implementation.

A Danish retail bank pilots a CRM upgrade with frontline co-design: weekly huddles, sandbox trials, opt-in champions. Early frustrations (search quirks, duplicated fields) are surfaced and resolved; go-live emphasizes customer outcomes, not button clicks. Frontline staff report ownership and pride. In Iceland, an enterprise platform change is announced with fixed timelines and little consultation. Training is asynchronous video; local superusers receive late access. Staff feel their craft knowledge discounted; early glitches are blamed on “user error”. Adoption occurs, but motivation and trust suffer.

We interpret ESG and technology less as discrete practices and more as organisational signal systems. When enacted with authenticity and participation, they reinforced the credibility of TM and amplified the fulfilment of SDT needs. Conversely, when presented as compliance artefacts, they diminished volition and eroded employees’ sense of belonging.

#### *5.5 Integrative synthesis: how TM motivates (or doesn’t) in Nordic banks*

Bringing these strands together, the analysis suggests that the motivational effects of TM are contingent on the interplay of three interlocking conditions. First, autonomy must be credible: options for mobility, skill development or project ownership need to be accessible in practice rather than nominally available in policy. Employees described such autonomy as possible only when discretion was paired with managerial support and clear expectations, allowing them to exercise choice without fear of informal sanction. Second, competence must be visible. Development opportunities that were embedded in consequential work, accompanied by specific and timely feedback and reinforced by public recognition were most likely to produce a sense of mastery and momentum. In this sense, recognition functioned as a signal that contributions mattered to the organization, shaping not only individual self-perceptions but also peer perceptions of one’s value. Third, relatedness required symbolic inclusion in the organization’s developmental narratives. Everyday relational practices – such as unscheduled managerial check-ins, invitations to contribute to cross-functional projects or access to informal mentoring – were integral to sustaining this sense of belonging, particularly when access to high-visibility spaces was distributed fairly.

ESG commitments and technological transformation acted as amplifiers that could strengthen or undermine all three of these conditions. When employees perceived coherence – policies enacted faithfully, recognition linked to genuine contribution and purpose or tools aligned with the demands of the work – motivation shifted toward the autonomous forms emphasized in SDT. By contrast, when they perceived decoupling – policies without enactment, recognition without substance or purpose and tools imposed without participation – motivation tended to gravitate toward controlled forms or, in some cases, drift into amotivation. The practical expression of these dynamics varied across cases. In high-trust units with enabling managers, identical policies were converted into genuine motivational assets, with autonomy and competence reinforcing each other. In more process-heavy units where managerial sponsorship was absent, policies took on a symbolic quality: autonomy existed in name only, development became programmatic and impersonal and relatedness was thinned by the presence of informal “shadow lists”. Where ESG was embedded into the organisational fabric and technology was co-designed with end-users, employees described elevated relatedness and competence; when ESG was performative or technology was imposed, both were dampened.



### 5.6 Credibility checks: negative evidence and alternative explanations

To guard against confirmation bias, we actively sought cases that ran counter to the dominant patterns. Three were particularly noteworthy. Some employees in risk and compliance functions expressed a preference for bounded autonomy, reporting higher motivation when working within clear constraints. For these individuals, structured decision rights provided a sense of stability and reduced ambiguity, suggesting that autonomy can be supported by structure when that structure is experienced as enabling rather than constraining. A second group described what might be called “quiet thriving” in the absence of formal recognition. These employees derived their sense of competence from the mastery of their craft and the tangible impact of their work on clients or internal stakeholders. For them, public acknowledgment mattered less than the experience of flow and the clarity of their contribution. Finally, a small set of participants located their sense of relatedness outside formal TM channels, building belonging through professional communities such as data guilds or sector-specific working groups. These networks partially offset the effects of exclusion from high-potential programs, indicating that TM is not the sole arbiter of belonging.

Taken together, these discrepant cases reinforce the argument that, while the psychological needs identified by SDT are universal, the optimal ways of satisfying them vary across roles, identities and career orientations. TM architectures that are able to accommodate this diversity, offering multiple pathways to growth, recognition and connection, are likely to be more resilient and effective than those built on uniform assumptions about what motivates.

### 5.7 Reflexive positioning

The lead researcher’s background in HRM and motivation theory created two interpretive risks: theoretical over-read (seeing SDT everywhere) and institutional *naïveté* (underestimating operational constraints). We mitigated these risks via:

- peer debriefing on a subset of transcripts;
- analytic memos capturing alternative readings (e.g. performance management as risk control rather than motivational tool); and
- attention to tonal cues (hesitations, humor, resignation) as data in their own right.

These reflexive strategies informed our emphasis on enactment credibility over formal design.

## 6. Discussion

This discussion builds on the substantially expanded findings, which now incorporate extended narratives, multiple vignettes and reflexive analysis. These revisions directly address concerns about the earlier version being overly superficial and managerialist by providing a richer empirical account and a more critical interpretation of how TM is enacted and experienced in Nordic banks.

This study investigated how TM practices influence employee motivation within Nordic banks, drawing on SDT as a theoretical lens. Through qualitative analysis of 34 interviews conducted across five institutions, the findings provide a conceptually informed and empirically grounded account of how TM systems are experienced by employees occupying various organisational roles. The discussion reflects on three intersecting domains of analysis: the motivational function of TM as lived practice, the symbolic and relational



dynamics of TM as a structure of inclusion and exclusion and the role of contextual amplifiers such as ESG and technology in shaping how TM is interpreted.

### *6.1 The motivational function of TM as lived practice*

The analysis demonstrates that TM practices support or undermine motivation not by their formal design alone, but through how they are enacted, interpreted and embedded within daily organisational life. While existing research has associated TM with various performance and retention outcomes, this study focuses instead on the psychological mechanisms that mediate such outcomes. The findings confirm that employee motivation is significantly shaped by the extent to which TM supports the basic psychological needs identified by SDT: autonomy, competence and relatedness.

Autonomy was fostered where TM systems offered choice, discretion and development pathways tailored to individual needs. However, autonomy was frequently contingent on managerial interpretation. Where managers demonstrated trust and flexibility, TM was experienced as empowering. Where managerial control was rigid or discretionary gatekeeping prevailed, motivation diminished. This finding affirms SDT's emphasis on the importance of volitional action and highlights the role of immediate social context in determining whether formal autonomy structures are experienced as meaningful.

Similarly, competence was enhanced where TM provided access to challenging work, personalized feedback and recognition. Participants who felt their contributions were acknowledged and their potential invested in described TM as energizing and affirming. Conversely, where feedback systems were perfunctory or development access was perceived as selective, employees expressed feelings of stagnation and underutilization. The data suggest that TM's motivational value is not reducible to the presence of development infrastructure, but is shaped by whether employees interpret those systems as signaling investment and potential.

The findings also confirm that relatedness is supported not simply by team cohesion or managerial attentiveness, but by whether individuals feel included within the broader developmental narratives of the organization. TM practices such as mentoring access, leadership exposure and internal mobility were described not only as tools of progression, but as vehicles of symbolic belonging. Where employees were excluded from these domains, they experienced TM as a mechanism of stratification rather than inclusion.

### *6.2 TM as a relational and symbolic structure*

In addition to the satisfaction of psychological needs, the findings highlight that TM systems carry significant relational and symbolic weight. These systems not only distribute resources, but also communicate value, status and organisational attention. Participants' experiences suggest that TM operates as a structure through which employees come to understand their place in the institutional hierarchy.

While TM frameworks often claim inclusivity, in practice they frequently signal exclusivity through visibility, sponsorship and symbolic participation. Employees outside formal Hi-Po programs repeatedly described a sense of distance from core organisational narratives. These perceptions were not based on formal policy alone, but on accumulated observations regarding who receives mentoring, who is publicly acknowledged and who appears in internal communications. In contexts where egalitarian values are normatively significant, as in the Nordic banking sector, such perceived exclusions can carry amplified motivational consequences.

These findings complicate the idea that TM can be both differentiated and universally motivational. Although differentiation may support strategic succession planning, it risks

undermining relatedness and perceived fairness unless balanced by transparent criteria, inclusive narratives and broad-based recognition. The study thus supports recent arguments in the TM literature that emphasize the need for ethical reflexivity and attention to unintended consequences (Swailles, 2013; Gallardo-Gallardo and Thunnissen, 2016).

### 6.3 Contextual amplifiers: ESG and technology as motivational lenses

A third key insight relates to the role of contextual amplifiers, particularly ESG orientation and technological transformation, in shaping the motivational climate in which TM systems are embedded. Although not always formally included in TM frameworks, these elements were consistently referenced by participants as central to their experience of meaning, purpose and alignment.

ESG commitments were described as motivating when perceived as authentic, integrated into work practices and open to employee contribution. This motivational effect was especially pronounced where ESG initiatives intersected with employee values and broader social identity. Rather than functioning as a reputational or compliance-driven agenda, ESG was interpreted as part of the relational contract between employee and institution.

Similarly, technological tools were experienced as motivating when they expanded employee capability, reduced friction or supported task ownership. Where implementation was consultative and transparent, technology served as an enabler of autonomy and competence. However, when technology was introduced without context or involvement, it was experienced as controlling or alienating.

These findings suggest that TM should be understood not only as a bounded HR function, but as part of a larger symbolic and operational ecosystem. Motivation is not driven by TM in isolation, but by the coherence between TM practices and broader organisational signals regarding trust, inclusion and value alignment.

## 7. Implications and contributions

This study has examined how TM practices influence employee motivation in Nordic banks, using SDT to interrogate the mechanisms through which this influence is produced. Drawing on 34 qualitative interviews across five institutions, the analysis has foregrounded the perceptual and interpretive dimensions of TM, demonstrating that motivation is shaped not by the presence of systems alone, but by how those systems are experienced, enacted and situated within organisational life.

The findings advance three central claims. First, TM practices support motivation only when they are experienced as autonomy-enhancing, competence-building and relationally inclusive. This occurs not by default, but through particular configurations of managerial trust, feedback quality and symbolic recognition. Second, TM systems function as relational infrastructures that shape employees' sense of visibility, belonging and value. These symbolic properties exert motivational effects irrespective of formal designation. Third, emerging institutional agendas, such as ESG and digital transformation, act as interpretive frames that mediate how TM practices are perceived and how motivational meaning is constructed.

This paper contributes to QRFM's emerging conversation on the human dynamics within financial institutions by theorizing TM as a perceptual and interpretive structure. While existing QRFM literature has examined cultural norms, ethical tensions and governance structures (Baxter *et al.*, 2022; Farooq and de Gooyert, 2020), fewer studies have considered how HR practices operate as psychological infrastructures that shape employee motivation and organizational commitment. By articulating how TM either supports or frustrates core

psychological needs, this paper offers a behavioral lens on financial workplace dynamics and proposes SDT as a valuable framework for future HRM scholarship in finance.

### *7.1 Theoretical contribution*

This study contributes to TM scholarship by operationalizing SDT as a mechanism-based framework through which the motivational efficacy of TM can be analyzed. While SDT is well-established in adjacent domains of organisational research, it has been underused in the TM literature. This study extends its application by demonstrating that motivation is contingent upon the degree to which TM systems are interpreted as satisfying the basic psychological needs of autonomy, competence and relatedness.

In doing so, the study repositions TM as a perceptual domain rather than a neutral architecture. TM systems are shown to function symbolically, reinforcing hierarchies of inclusion and exclusion that carry motivational consequences. This extends recent work that calls for more critical engagement with the ethical and experiential dimensions of TM, particularly in contexts where workforce segmentation is operationalized without reflexive accountability.

The study also integrates ESG and technology as motivational mediators, showing that these elements influence not only strategic alignment but also psychological need fulfilment. These findings suggest that TM cannot be understood in isolation from its institutional setting and that broader organisational narratives play a critical role in shaping how employees interpret development structures and their place within them.

### *7.2 Implications for practice*

The findings suggest several implications for organisational practice, particularly for financial institutions seeking to design TM systems that are both strategically effective and psychologically sustaining.

First, autonomy is not achieved solely through the provision of options, but through conditions of trust and credibility. Development frameworks must be enacted in ways that permit genuine choice and signal confidence in employee judgment.

Second, competence is affirmed not through generic access to training, but through targeted challenge, specific feedback and sustained recognition. Managers play a decisive role in mediating these experiences and must be supported in their capacity to deliver development that is both rigorous and relational.

Third, inclusion within TM narratives must extend beyond high-potential programs. While differentiation may serve succession planning, it must not undermine perceived fairness or institutional belonging. Broadening access to mentoring, leadership forums and strategic projects may help address the symbolic exclusions described by many participants.

Finally, ESG and technological transformation should not be conceptualized as parallel to TM, but as constitutive of the environments in which TM is interpreted. Where these agendas are perceived as aligned with organisational values and developmental logic, they can serve as important motivational resources.

### *7.3 Directions for future research*

This study opens several avenues for further inquiry. Longitudinal research could examine how motivational responses to TM practices evolve over time and whether early perceptions of exclusion or alignment have enduring effects on engagement or turnover. Comparative studies across different institutional or cultural contexts may also be valuable, particularly in assessing how normative assumptions around equity, hierarchy and meritocracy interact with TM design.

There is also scope for deeper investigation into the psychological consequences of symbolic exclusion from TM. These effects, while difficult to quantify, may have significant implications for organisational culture, informal influence networks and discretionary effort. Understanding how employees navigate perceived marginality within TM systems would further illuminate the relational dimensions of development architecture.

Thus, this study positions TM not as a fixed set of practices, but as a socially constructed, symbolically mediated system that influences how employees interpret their own value, potential and future. Its motivational efficacy lies not only in design, but in perception, context and the quality of human engagement through which it is enacted.

## 8. Conclusion and limitations

This study has explored how TM practices influence employee motivation within the Nordic banking sector, using SDT to analyze the mechanisms through which this influence is experienced. By examining the perspectives of employees across multiple institutional levels, the study has illuminated how TM functions not only as a formal system of development, but also as a symbolic and relational structure that shapes motivational outcomes.

The findings underscore the centrality of interpretive experience in the success of TM interventions. Motivation is supported when employees perceive TM practices as autonomy-enhancing, competence-affirming and relationally inclusive. These perceptions are shaped not simply by the design of TM systems, but by the degree of managerial trust, access to recognition and symbolic visibility within organisational narratives.

While the study offers several conceptual and practical insights, it is also subject to limitations. First, the empirical scope is confined to five banks operating in Iceland and Denmark. Although this setting is analytically rich due to its cultural emphasis on egalitarianism and transparency, the findings may not transfer directly to contexts with different institutional logics or labor market traditions.

Second, the data is cross-sectional. While participants reflected on past and ongoing experiences, the study does not track how motivational responses to TM evolve over time or how they intersect with career trajectories. Longitudinal research would offer further insight into how TM influences engagement, retention and identity construction over extended periods.

Third, although the sample included a range of roles and designations, it remains focused on employee perspectives. Including the views of TM architects and executive-level decision-makers might reveal additional insights into how intentions are formed, communicated and operationalized.

Despite these boundaries, the study contributes a distinctive perspective by positioning TM as an interpretive and motivational structure. Its findings suggest that the effectiveness of TM depends not only on strategy, but on perception, context and the quality of relational engagement. In banking environments increasingly shaped by digital transformation, regulatory pressure and shifting ethical expectations, understanding how employees make sense of TM is critical to building systems that are both strategically robust and psychologically sustainable.

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### Appendix 1. Semi-structured interview guides by stakeholder group

The study used role-specific interview guides to ensure contextual sensitivity and maximize the relevance of data collected across four stakeholder groups: (1) external recruiters, (2) heads of HR, (3) mid-level managers and (4) specialists. Each guide was semi-structured, with tailored thematic prompts aligned to the central research question and the constructs of self-determination theory (SDT). Selected examples from each guide are included below.



### **Group 1: External recruiters**

*Themes covered:*

- Career pathways and industry experience.
- Recruitment practices for specialists and managers.
- Sectoral differences in talent expectations.
- Informal biases and gender preferences.
- Motivation and compensation structures.
- Future trends in the recruitment of banking professionals.

*Sample question:*

“Can you describe how management candidates are assessed in terms of leadership capability during recruitment?”

### **Group 2: Heads of HR**

*Themes covered:*

- Organisational culture and values.
- Internal vs external recruitment strategies.
- Perceptions of gender, age and inclusivity in TM.
- Development and retention strategies.
- Alignment of TM with corporate strategy.
- Transparency in recruitment and promotion criteria.

*Sample question:*

“Can you explain how talent is developed and retained in your organisation, and how this links with your strategic goals?”

### **Group 3: Mid-level managers**

*Themes covered:*

- Career trajectory and access to management roles.
- Leadership preparation and support mechanisms.
- Organisational expectations, autonomy and visibility.
- Work-life balance and institutional support.
- Motivation to pursue management versus specialist roles.
- Perspectives on future career pathways.

*Sample question:*

“Can you describe how your managerial responsibilities align with your professional interests and how this impacts your motivation?”

### **Group 4: Specialists (non-managers)**

*Themes covered:*

- Recruitment and onboarding experience.
- Autonomy and task definition.
- Experience with mentoring and recognition.
- Career development and perceived value.
- Barriers to advancement and symbolic exclusion.

- Work-life balance and institutional flexibility.

*Sample question:*

“To what extent do you feel included in development conversations or talent-related initiatives within your organisation?”

## **Appendix 2. Illustrative quotes and thematic coding matrix**

This appendix presents a selection of *verbatim* excerpts from the 34 semi-structured interviews conducted across the five Nordic banks. Quotations are labelled with participant ID, role and country to illustrate the diversity of perspectives represented in the analysis. These excerpts correspond directly to those cited in Section 5 (*Findings*).

In addition to the *verbatim* quotations listed here, Section 5 also includes composite vignettes that synthesize multiple interview accounts into a single narrative for analytic purposes. These vignettes are designed to illustrate recurring patterns across cases but are not reproduced here as individual transcripts.

**Table A1** Selected participant quotes illustrating SDT themes

| Quote ID | Participant role and country        | SDT code          | Thematic subcategory      | Quote   |
|----------|-------------------------------------|-------------------|---------------------------|---|
| Q1       | P08, HR Advisor, Denmark            | Autonomy          | Discretionary development | “We offer employees a development budget, but what really makes it work is that they choose how to use it”                      |
| Q2       | P17, Product Specialist, Iceland    | Autonomy          | Managerial gatekeeping    | “They talk about mobility between teams, but when I asked to move, my manager said no”  |
| Q3       | P12, Senior Manager, Denmark        | Autonomy          | Trust and delegation      | “When I know my manager trusts me to lead a project on my own, I give everything—not because I have to, but because I want to”  |
| Q4       | P15, Senior Advisor, Denmark        | Competence        | Stretch opportunities     | “I had to learn on the job, and that’s when I actually grew”  |
| Q5       | P11, Compliance Officer, Denmark    | Competence        | Procedural feedback       | “Our annual reviews are very structured but honestly, they feel like a checklist. I don’t get anything back that helps me grow” |
| Q6       | P27, Mid-level Specialist, Denmark  | Competence        | Informal recognition      | “It’s not about a bonus. It’s about someone saying, ‘you did this well, and we see you.’”                                       |
| Q7       | P05, Specialist, Iceland            | Relatedness       | Managerial engagement     | “What motivates me isn’t just the tasks – it’s when my manager checks in without an agenda... not just what you produce”        |
| Q8       | P20, Operations Specialist, Denmark | Relatedness       | Symbolic exclusion        | “They get the mentoring, the secondments, the visibility. The rest of us just keep things running”                              |
| Q9       | P24, Product Specialist, Denmark    | Contextual (ESG)  | Value alignment           | “When I see our climate reporting being taken seriously, it motivates me”   |
| Q10      | P29, Hi-Po Analyst, Iceland         | Contextual (tech) | Digital enablement        | “Having innovative technology at our disposal is incredibly motivating. It changes how we approach work”                        |

**Source(s):** Authors’ own creation

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