STUDY ON THE RELATIONSHIP BETWEEN TALENT MANAGEMENT AND EMPLOYEE RETENTION IN TELECOMMUNICATION INDUSTRY IN KLANG VALLEY

BY

CHENG WAI LOON CHUAH LING ER KOO YING TONG NG JIA XIN SIEW CHENG LI

A research project submitted in partial fulfillment of the requirement for the degree of

BACHELOR OF BUSINESS ADMINISTRATION (HONS)

UNIVERSITI TUNKU ABDUL RAHMAN

FACULTY OF BUSINESS AND FINANCE DEPARTMENT OF BUSINESS

AUGUST 2017

Copyright @ 2017

ALL RIGHTS RESERVED. No part of this paper may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, graphic, electronic, mechanical, photocopying, recording, scanning, or otherwise, without the prior consent of the authors.

DECLARATION

We hereby declare that:

- (1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the research project.
- (4) The word count of this research report is 24220.

Name of Student:	Student ID:	Signature
1. Cheng Wai Loon	13ABB04390	
2. Chuah Ling Er	13ABB02576	
3. Koo Ying Tong	13ABB06535	
4. Ng Jia Xin	13ABB04247	
5. Siew Cheng Li	13ABB02681	

Date:_____

ACKNOWLEDGEMENT

This research was carried out successfully by the support and assistance of various parties. We own a big flavor to those who provided their expertise and lending a helping hand that greatly assisted us during the completion of our final year project. We would like to thank UTAR from the deep of our heart as we could not finish this research without the provision of facilities such as library and computer lab that are essential to complete our research study.

We thank our supervisor, Mr. Peter Tan Sin Howe for his dedication and guidance. Not only that, he always checks our work thoroughly to make sure we do not make any mistakes. Moreover, we would like to appreciate his assistance with his wisdom comments and advices that greatly improved our research.

Subsequently, we would like to show our deepest gratitude to our parents who giving their loves and blessing unlimitedly for us as a motivation to complete this research project. Besides, we would like to take this opportunity to thank our friends and the respondents that involved in this research by spending their valuable time to help us to fill out our questionnaire. Without them, we could not complete our research on time.

Last but not least, we would like to credit and sincerely recognize the worth of every group member in putting all their efforts, cooperation and patience in completing this research project. Thank you.

DEDICATION

This research is dedicated to all the specious individuals who help and assist us in the path to our success of the completion of this study. During the research, we have spent most of the time, energy, effort and knowledge in order to complete this study. Therefore, we would like to take this chance to express our sincere and upmost gratitude and appreciation to our supervisor, Mr. Peter Tan Sin Howe, upon his valuable advice, guidance and assistance to enhance, solve and prevent the problems that we faced in the progress to completion of this study.

Moreover, the completion of this study is dedicated to those friends and group mates who help and assists us to send the questionnaires to the targeted respondents through email. We also appreciate their time and encouragement in our research.

Last but not least, this completion of study is dedicated to all of the members involving in this study as well. In these 8 months, all of us had spent most of the time, energy, efforts and knowledge to complete this study.

Table of Contents

Title Page Copyright Page	i ii
Declaration	
Acknowledgement	iv
Dedication	v
Table of Contents	vi
List of Tables	xi
List of Figures	xiii
Preface	xiv
Abstract	XV

CHAPTER 1 INTRODUCTION	1
1.0 Introduction	1
1.1 Research Background	1
1.2 Problem Statement	4
1.3 Research Objective	7
1.3.1 General Objective	7
1.3.2 Specific Objectives	8
1.4 Research Questions	8
1.5 Hypotheses of the Study	9
1.6 Significance of the Study	10
1.7 Chapter Layout	11
1.8 Conclusion	12
Chapter 2 LITERATURE REVIEW	13
2.0 Introduction	
2.1 Review of Literature	13
2.1.1 Employee Retention (Dependent Variable)	13
2.1.2 Talent Management (Independent Variable)	15
2.1.2.1 Career Development	17
2.1.2.2 Rewards and Compensation	18
2.1.2.3 Performance Management	20
2.1.2.4 Job Design	22
2.1.2.5Talent Acquisition	24
2.2Review of Relevant Theoretical Models	26
2.3Proposed Theoretical/ Conceptual Framework	34
2.4Hypotheses Development	35
2.4.1 Career Development	35
2.4.2 Rewards and Compensation	36
2.4.3 Performance Management	37
2.4.4 Job Design	

	2.4.5 Talent Acquisition
	2.4.6 Talent Management42
2.5Cc	onclusion43
Chapter 3	RESEARCH METHODOLOGY44
3.0 Ir	ntroduction44
3.1Re	esearch Design44
3.2 D	Pata Collection Methods45
	3.2.1 Primary Data
	3.2.2 Secondary Data
3.3 S	ampling Design47
	3.3.1 Target Population47
	3.3.2 Sampling Frame and Sampling Location47
	3.3.3 Sampling Elements
	3.3.4 Sampling Technique
	3.3.5 Sampling Size
3.4 R	esearch Instrument51
	3.4.1 Questionnaire
	3.4.2 Pilot Studies
3.5 C	onstructs Measurement
3.6 D	ata Processing
	3.6.1 Data Checking56
	3.6.2 Data Editing
	3.6.3 Data Coding
	3.6.4 Data Tabulating57
3.7 D	ata Analysis
	3.7.1 Descriptive Analysis
	3.7.2 Scale Measurement
	3.7.3 Inferential Analysis61
3.8 C	onclusion

Chapter 4	RESEARCH RESULTS	64
4.0	Introduction	64
4.1	Descriptive Analysis	65
	4.1.1 Respondent Demographic Profile	65
	4.1.1.1 Gender	65
	4.1.1.2 Ethnicity	66
	4.1.1.3 Age	68
	4.1.1.4 Length of Service	69
	4.1.1.5 Academic Qualification	71
	4.1.1.6 Salary	72
	4.1.1.7 Job Title	74
	4.1.2 Central Tendencies Measurement of Constructs	76
	4.1.2.1 Employee Retention	76
	4.1.2.2 Career Development	78
	4.1.2.3 Rewards and Compensation	80
	4.1.2.4 Performance Management	
	4.1.2.5 Job Design	
	4.1.2.6 Talent Acquisition	86
4.25	Scale Measurement	
	4.2.1 Reliability Test	
4.31	nferential Analyses	90
	4.3.1 Pearson's Correlation Coefficient	90
	4.3.2 Multiple Linear Regressions	96
4.4	Conclusion	
Chapter 5	DICUSSIONS AND CONCLUSION	
5.0	Introduction	
5.1	Summary of Statistical Analyses	
	5.1.1 Summary of Descriptive Analysis	
	5.1.2 Summary of Inferential Analysis	

5.1.2.1 Pearson Correlation Analysis1	05
5.1.2.2 Multiple Linear Regressions1	06
5.2 Discussion of Major Findings1	07
5.2.1 Career Development1	07
5.2.2 Rewards and Compensation1	09
5.2.3 Performance Management1	10
5.2.4 Job Design1	11
5.2.5 Talent Acquisition1	12
5.3 Implications of the Study1	13
5.3.1 Theoretical Implications1	13
5.3.2 Managerial Implications1	14
5.4 Limitations of the Study1	15
5.5 Recommendations for Future Research1	16
5.6 Conclusion1	17
References	18
Appendix1	29

LIST OF TABLES

Table 3.1: Results for Pilot Test 53
Table 3.2: Constructs Measurement of Dependent Variable 54
Table 3.3: Constructs Measurement of Independent Variable
Table 3.4: Results of Pilot Test
Table 4.1: Gender
Table 4.2: Ethnicity
Table 4.3: Age
Table 4.4: Length of Service
Table 4.5: Academic Qualifications
Table 4.6: Salary
Table 4.7: Job Title
Table 4.8: Central Tendencies Measurement of Constructs: Employee Retention76
Table 4.9: Central Tendencies Measurement of Constructs: Career Development78
Table 4.10: Central Tendencies Measurement of Constructs: Rewards and Compensation
Table 4.11: Central Tendencies Measurement of Constructs: Performance Management
Table 4.12: Central Tendencies Measurement of Constructs: Job Design
Table 4.13: Central Tendencies Measurement of Constructs: Talent Acquisition86
Table 4.14: Summary of Central Tendencies Measurement
Table 4.15: Results of the Reliability Test
Table 4.16: Interpretation of Correlation Coefficients 91
Table 4.17: Correlations between Career Development and Employee Retention92
Table 4.18: Correlations between Rewards and Compensation and Employee Retention
Table 4.19: Correlations between Performance Management and Employee Retention
Table 4.20: Correlations between Job Design and Employee Retention
Table 4.21: Correlations between Talent Acquisition and Employee Retention

Table 4.22: Analysis of Variance	97
Table 4.23: Model Summary of R-square Value	98
Table 4.24: Parameter Estimates	98

List of Figures

Figure 1.1: Percentage Distribution of Gross Output	3
Figure 1.2: Total Number of Worker Association and Membership Based on Industry	
Figure 2.1: Theoretical Model 1	
Figure 2.2: Theoretical Model 2	
Figure 2.3: Theoretical Model 3	
Figure 2.4: Theoretical Model 4	
Figure 2.5: Theoretical Model 5	32
Figure 3.1: Table for Determining Sample Size of a Known Population	50
Figure 3.2: Interpretation of Cronbach's Alpha	59
Figure 4.1: Gender	65
Figure 4.2: Ethnicity	67
Figure 4.3: Age	68
Figure 4.4: Length of Service	70
Figure 4.5: Academic Qualification	71
Figure 4.6: Salary	73
Figure 4.7: Job Title	74

PREFACE

Employee retention refers to the ability of organization of holding the talented employees by applying various strategies and practices to ensure the employees stick to an organization for a longer period of time. Employee retention and turnover intention differs from each other. Employee retention refers to how long an organization retain the employees in a given period of times whereas turnover intention is where the employees intent to leave their workplace or whether the organization aim to exclude employees from position.

The telecommunications industry is an immense industry, consists of companies that make hardware and software, and arrange services such as telephone and internet services. It plays the important role in the evolution of mobile communications and the information society.

In this study, researchers will determine the reasons that will affect employee retention in the telecommunication industry. This research is carry out due to the employee turnover in telecommunication industry has rising sharply as the primary reason would be the low rewards and compensation paid. Other than low paid salaries, there are also some others factors that will significantly hinder the retention rate of the employees.

Hence, this study will be continue as to discover further and in details about the factors which will affect employee retention of telecommunication industry in Klang Valley as it is useful for future research.

ABSTRACT

The retention of employees has been shown to be significant to the accomplishment of the organizations' objectives especially in building competitive advantage over other organizations. The objective of this research is to identify the factors of career development, rewards and compensation, performance management, job design, and talent acquisition contributing to employee retention in telecommunications industry. The research is significant to investigate the determinants that affect the employee retention in telecommunications industry in Klang Valley.

The primary data of this investigation was assembled by allocating 380 questionnaires to respective employees in Klang Valley. The Cronbach's Alpha reliability test was executed on every variable which exhibited reasonable reliability results with more than 0.7 alphas.

Pearson Correlation Coefficient is utilized to analyze the strength of responses from the questionnaires that were collected. Therefore, all the variables obtained coefficient ranging from ± 0.6 to ± 0.90 which indicated moderate to high strength of association. Moreover, Multiple Linear Regressions Analysis discovered that all variables had significant relationship with employee retention.

In a nutshell, the analysis on the major findings, implications of the research, and limitations for the study and proposals for future research are deliberated in the end of this study.

CHAPTER 1: INTRODUCTION

1.0Introduction

The purpose of this study is to investigate the relationship between talent management and employee retention in telecommunication industry in Malaysia. This research provides further understanding about how talent management manages to increase the rate of employee retention. This chapter outlines the research background, problem statement, research objectives, research questions, hypotheses of the study, significance of the study and chapter layout.

1.1 Research Background

According to the National ICT Association of Malaysia (PIKOM) research committee chairman, Mr. Woon Tai Hai, 6.6% of GDP in 2015 was contributed by the ICT sector alone and it is estimated to reach to 7% by end of 2016 (The Star Online, 2016). Mr. Woon said that the share of the overall Information and Communications Technology (ICT) industry to the economy increases from 16.5% in 2010 to 17.6% in 2015 and is expected to reach 20% by 2020" (The Star Online, 2016). In view of this, ICT industry plays an important role in the economy growth of the nation. Thus, the developments and trends of Malaysia ICT industry had improved over years as accessing internet anytime at anywhere becomes more and more important nowadays.

ICT industry in Malaysia breaks into four main clusters which are creative content & technologies, global business services and information technology according to the official portal of MSC Malaysia and telecommunication industry is grouped under information technology ("Status Company", 1996). In this study, the bandwidth and coverage of telecommunication sector will be the main focus.

According to the Australian Trade and Investment Commission by Australian Government, Malaysia is an IT hub in the Asia-Pacific, the broadband demand is increasingly important and popular due to the advance technology of mobile devices ("ICT and fintech," 2017). Based on a research by the Australian Trade and Investment Commission, the top 10 telecommunication companies in Malaysia are Telekom Malaysia, Maxis, Celcom, Digi, U Mobile, Axiata, Time dotcom, Astro, PacketOne and YTL Communication ("ICT and fintech," 2017).

EY conducted a study names "The 2015 Global Telecommunication Study" that participate by senior executives from 40 companies over Asia, Europe, Africa, the Middle East and North America. As the smart devices have developed over the years, mobile data becomes very important for the consumers in order to access the Internet. This is one of factors the telecommunication industry changed rapidly in the past 10 years as consumers' consumption pattern has change whereby they are focused on data nowadays. In 2010 the traffic for media and video was less than 10%, but in year 2015, it increased to almost 50%. Thus, telecommunication operators invest heavily on network capabilities in order to provide efficient and effective bandwidth for their customers as smartphones play an important role nowadays. The figure below shows the percentage distribution of gross output and value added of information and communication services by activity in 2014 that adopted from Department of Statistics Malaysia and it shows the importance of telecommunication industry.

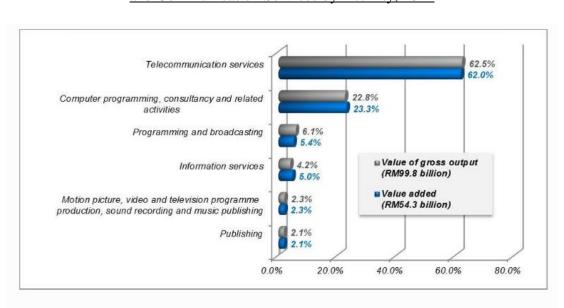


Figure 1.1 Percentage Distribution of Gross Output and Value Added of Information and Communication Services by Activity, 2014

Sources: Department of Statistics Malaysia. (2017). Retrieved June 24, 2017, from https://www.dosm.gov.my

Recently, Malaysia's digital free trade zone (DFTZ) jointly with the founder of Alibaba, Jack Ma has launched whereby this project is expected to generate trade worth RM 286 billion by year 2025 and this becomes a new source of growth for the nation's gross domestic product (GDP) (Ho, 2017). So, how does telecommunication industry plays an important role in this matter? According to Ho (2017), Malaysia's ICT infrastructure is far behind Beijing since several years ago, so telecommunication industry has to catch up with the technology as reliable broadband with wide coverage and bandwidth play a critical role in order to ensure the successful of the project. Thus, this becomes a challenge for the telecommunication industry.

Turban, King, Lee, Liang and Turban (2012) said that mobile device has become more powerful which it can perform many tasks and in this century it is a culture that everyone owns a mobile phone. According to Turban et *al.* (2012), the service economy is performed by mobile devices as well for example, online payment and even business transaction thus this encourages mobile commerce (m-commerce). Thus, bandwidth is still the main concern in order to ensure the proper conduct of m-commerce in order to transmit the information and for instance 4G technology provides better capabilities to support the activities of m-commerce (Turban et *al.*, 2012).

Griffeth and Hom (1995) defined employee retention as to take steps to remain the employees to stay in the organization for a maximum duration. In view of this, the employers have to make a great effort in order to retain the talented employees to ensure that they remain in the organization and contribute to bring success to an organization. Thus, employee should be motivated in order to engage and involve themselves more in the activities of an organization. Then, when they are satisfied and have sense of being appreciated by the organization, they will tend to stay in the organization for longer period of time. In view of this, talent management plays a significant role towards the long term growth of telecommunication industry by retaining the talented employees.

1.2 Problem Statement

According to the Department of Statistics Malaysia, it mentioned that Malaysia's populationhas reached 31.7 million people in 2016 ("Current Population Estimates," 2016). This also means that Malaysian which is in the 15 to 64 years old that engaged in or available for work be sure increased. In 2016, the labour force has increased 1.0%

compared to previous year, and this movement is anticipating continuing growth from now on. However, the unemployment rate is 3.4% which indicates still have around 504,100 Malaysian does not have a job("Infographics - Principal Statistics," 2017).

Based on Babcock (2005), comprehend employee turnover and utilize employee's advantages, it can improve the system of human resource and established and effective workplace. High employee turnover apparently become a concern on human resource management because it might bring bad influence and reputation towards the company. The negative impact of employee turnover might be superfluous financial cost, waste company time and effort, affect feelings of other employees in same workplace(Lee & Chon, 2000). Beer and Nohria (2000) noticed that employee turnover will create opportunity cost to company. As senior employees are take places by freshman, the effectiveness of company might be decreased. Compared to senior employees, the new hired employees are not so efficient. The expenses of advertisement and cost of person who identifies and approaches suitable candidates employed elsewhere to fill particular positions also need to consider as well.

Besides, based on Glassdoor – a website for job searching with the reviews of employees of the particular company, there are many employee from telecommunication industry advice the management to improve the performance management system and career development in order to retain the existing talented employees. Moreover, according to a research with 2000 employees as participants by Paychex, the primary reason that employees would leave a job due to low rewards and compensation ("Employee Retention: What," 2016). According to the statistic of human resource conducted by Department of Statistics Malaysia, the total number of members who registered with Jabatan Hal EhwalKesatuan Malaysia (JHEKS) shows that the number of members in information and communication industry is declining

from year 2016 to 2017 which is decline from 18, 102 to 13, 487 with a total decrease of 4, 615 employees in a year.

Figure 1.2 Total Number of Worker Association and Membership Based on Different
Industry

Bil		20)16	2017*	
	Industri	Bilangan	Anggota	Bilangan	Anggota
1	Pertanian, Perhutanan dan Perikanan	55	74,063	55	73,758
2	Perlombongan dan pengkuarian	3	156	3	156
3	Pembuatan	168	87,162	168	83,178
4	Bekalan Elektrik, Gas, Wap dan Pendingin Udara	17	34,454	17	34,606
5	Bekalan Air, Pembentungan, Pengurusan Sisa dan Aktiviti Pemulihan	22	9,333	22	9,684
6	Pembinaan	7	2,145	7	2,145
7	Perdagangan Borong dan Runcit, Pembaikan Kenderaan Bermotor dan Motosikal	36	38,476	36	37,813
8	Pengangkutan dan Penyimpanan	82	51,863	83	53,044
9	Penginapan dan Aktiviti Perkhidmatan Makanan dan Minuman	18	13,561	18	13,535
10	Maklumat dan Komunikasi	24	<mark>18,102</mark>	24	<mark>13,487</mark>
11	Aktiviti Kewangan dan Insurans/ Takaful	47	44,310	47	44,377
12	Aktiviti Hartanah	5	224	4	145
13	Aktiviti Profesional, Saintifik dan Teknikal	3	3,280	3	3,280
14	Aktiviti Pentadbiran dan khidmat Sokongan	15	945	16	937
15	Pentadbiran Awam dan Pertahanan; Aktiviti Keselamatan Sosial Wajib	124	133,086	124	132,241
16	Pendidikan	59	346,710	61	350,673
17	Aktiviti Kesihatan Kemanusiaan dan Kerja Sosial	40	69,121	39	70,987
18	Kesenian, Hiburan dan Rekreasi	5	84	5	92
19	Aktiviti Perkhidmatan Lain	4	727	4	723
20	Aktiviti Isi rumah sebagai Majikan; Aktiviti mengeluarkan Barangan dan Perkhidmatan Yang Tidak Dapat Dibezakan Oleh Isi rumah untuk kegunaan sendiri	0	0	0	0
21	Aktiviti Badan dan Pertubuhan Luar Wilayah	0	0	0	0
	JUMLAH	734	927,802	736	924,861

<u>Sources</u>: i-statistics from Ministry of Human Resources. (2017). Retrieved June 24, 2017, from http://www.mohr.gov.my

Moreover, the founder of Alibaba, Jack Ma has said that having a good team and to retain the talents of an organization is very important in order to ensure the success of an organization (Tho, 2017). Research by Deery and Jago (2015) support that talent management is the key driver to retain the talented employees in an organization. The turnover rate of employees could be reduced when the training programs able to develop an employee, employees able to get promoted to better career path, rewards and compensation that able to improve the well-being of employees and their family (Deery&Jago, 2015).

1.3 Research Objective

1.3.1 General Objective

The general objective of this research is to identify the relationship between talent management (career development, rewards and compensation, performance management, job design, talent acquisition) and employee retention in telecommunication industry.

1.3.2 Specific Objectives

- 1. To identify whether there is a significant relationship between career development and employee retention.
- 2. To identify whether there is a significant relationship between rewards and compensation and employee retention.
- 3. To identify whether there is a significant relationship between performance management and employee retention.
- 4. To identify whether there is a significant relationship between job designand employee retention.
- 5. To identify whether there is a significant relationship between talent acquisition and employee retention.
- 6. To identify whether there is significant relationship between all independent variables (career development, rewards and compensation, performance management, job design, talent acquisition) and influence the dependent variable (employee retention) significantly.

1.4 Research Questions

The following are the research questions for this study:

- 1. Does career development has a significant relationship with employee retention in telecommunication industry?
- 2. Does rewards and compensation has a significant relationship with employee retention in telecommunication industry?
- 3. Does performance management has a significant relationship with employee retention in telecommunication industry?

- 4. Does job design has a significant relationship with employee retention in telecommunication industry?
- 5. Doestalent acquisitionhas a significant relationship with employee retention in telecommunication industry?
- 6. Do all independent variables (career development, rewards and compensation, performance management, job design, talent acquisition) influence the dependent variable (employee retention) significantly?

1.5 Hypotheses of the Study

- H1: There is a significant relationship between career development and employee retention.
- H2: There is a significant relationship between rewards and compensation and employee retention.
- H3: There is a significant relationship between performance management and employee retention.
- H4: There is a significant relationship between job design and employee retention.
- H5: There is a significant relationship between talent acquisition and employee retention.
- H6: All independent variables (career development, rewards and compensation, performance management, job design, talent acquisition)and influence the dependent variable (employee retention) significantly.

1.6 Significance of the Study

Theoretically, talented employee is a valuable asset for an organization whereby employees play an important role to achieve company's business objective. By retaining talented employee, it could be a competitive advantage for an organization to sustain in the market for a long term. Moreover, the proposed conceptual framework able to contribute the knowledge of talent management and employee retention for telecommunication industry. Thus, the findings of this research study is useful for future study research.

Appiah, Kontar, & Asamoah (2013) mentioned that about the employee retention issue are obtainable to offer a helping hand to company to avoid employee turnover by offerprovisions on employee retention strategies. Thus, the employers will be beneficial by understanding the needs of their employees and the benefits of retaining talented employees as telecommunication industry is playing a significant role nowadays. Ways to improve retention rate will be provided in this thesis in order to help the organizations to cope with turnover issues. So, this may help the organization in achieving their goals and vision and beneficial to the nation in large as telecommunication industry plays an important role in assisting the nation to grow in the digital world. In view of this, by retaining the talented employees in the organization is a way to bring success to an organization.

1.7 Chapter Layout

Chapter 1: Introduction

In this chapter, the factors that could give impact to employee retention in telecommunication industry will be introduced. It outlines the research background, problem statement, research objectives, research questions, hypotheses of the study, significance of the study, chapter layout and conclusion.

Chapter 2: Literature Review

The content includes review of the literature, review of relevant theoretical models, proposed theoretical/ conceptual framework and hypotheses development will be discussed in Chapter two.

Chapter 3: Research Methodology

Chapter three describes overview of the research methodology which is including research design, data collection methods, sampling design, research instrument, constructs measurement, data processing and data analysis.

Chapter 4: Research Results

This chapter presents the patterns of the results of the questionnaires constructed and analyses of the results which are relevant to the research questions and hypotheses. The analytical results will be processed by SAS Enterprise Guide.

Chapter 5: Discussion and Conclusion

Chapter five will relate to chapter four on the final discussion and conclusion of the study. This chapter also presents the summary of statistical analyses, discussions of major findings, implications of the study, limitations of the study and recommendations for future research.

1.8 Conclusion

In this chapter, a better understanding on the importance of talent management towards employee retention has reviewed. The problem statements outline the impact of low employee retention towards the organization. The research objective, research question and hypotheses of this study have developed as well. The significance of study from both theoretical and managerial perspective is defined in the end of the chapter and it provides a link to literature review in the next chapter.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

In this chapter, the in-depth discussion for both independent variable which is talent management and dependent variable which is employee retention has been provided. This chapter starts with literature review about the employee retention and dimensions of the talent management including career development, rewards and compensation, performance management, job design, and talent acquisition. Moreover, this study provides a more detail about the correlation among independent variable and dependent variable. This chapter deduces by showing a theoretical framework for factors of talent management toward employee retention in telecommunication industry.

2.1 Review of the Literature

2.1.1 Employee Retention (Dependent Variable)

Based onIsukapally (2006), the fundamental for the enduring wellbeing and an achievement of any business is employee retention. Concept of employee retention is not just about retaining one or a few employees but is about the future of retaining competitive sustainability of most valuable asset of any organization and it should be understood clearly by organizations (Isukapally, 2006). Fox (2012) defined employee retention as the capability of an organization to sustain its employees. Panoch (2001) said that good employees are increasingly more difficult to find and companies today are interested in retaining valuable employees. Mandhanya (2015) highlights that employee retention leads to satisfied employees, employees who are satisfied guide to satisfied customers, customers satisfaction will cause to improved bottom line, thus the bottom line of the company is impacted by employee retention directly. Confidence of investors would be improved by retaining employees because Mandhanya (2015) proved that retaining the best employees would guarantee the achievement of organization goals, succession planning and customer satisfaction whereby this could give a positive impact to the value of investment in the company.

Besides, according to Yamamoto(2013) said in order so as to retain employees, a firm should first understanding the reasons for employees to retain in the organization and thus high levels of employees' commitment help an organization to ensure high quality services and achieve organizational objectives. Steel, Griffeth, and Hom (2002) defined employee retention as a procedure in which employees to retain with the organization for the peak of time period or until the completion of a contract. Why employee retention is so important for an organization? According to Nora Heer, a HR and Leadership Expert, the founder of Loopline-Systems.com which is a tool to witness the difference that performance reviews that can make for employee development and satisfaction, said that employee retention is very important for every company because she always believed that employees are the most valuable resource a company has as she has over 10 years in HR and her working experience as a certified business coach ("How Important is," 2016).

Employee retention is extremely important to any organization because turnover costs are very high because HR will continue to fill positions, training, terming, and over and over if an organization does not have retention plan, so this cycle can be extremely costly for an organization (Gizelle Will, 2015).

2.1.2 Talent Management (Independent Variable)

Oladapo (2014) defined talent management as implementation of strategies to increase employee productivity by developing processes to attract, develop, retain and utilize employee with the knowledge and skill to achieve the organization goals and objectives. Moreover, Trotsky (2009) supports that by adopting talent management, a revolutionary state would occur and create a brand-new type of human being, this new person inculcates with turning passion and obligation, will become incomparably stronger, more intelligent, more subtle. His body will be more harmonious, his movements more rhythmical, his voice for musical; the forms of daily existence will acquire a dynamic theatrically (Holden &Vaiman, 2013). Every researcher defines talent management differently. Based on Cappelli (2009), for some researchers talent management is purely about human capital, some researchers said that talent is the key for a success of an organization according to (Mellahi and Collings, 2010; Farndale, Scullion, & Sparrow, 2010; Kim & Scullion, 2011) there are some researchers see

a linkage of talent management between business strategy and corporate culture.

Lewis and Heckman (2006) identified three essential construct of talent management, the first construct of talent management consists of a collection of typical human resource department practices such as recruiting, selection, development and career and succession management with additionally involves technology like software and internet to carry out these functions. The second construct of talent management concerned on modelling or predicting the movement of human resources supported by elements like manpower acquirement, supply and demand of employees, and development and attrition (Lewis & Heckman, 2006). The third construct of talent management concerned on sourcing, growing and appreciated employee contribution.

The two important reasons of talent management are effective talent management helps organizations to acquire and retain essential talent and to ensure the engagement of employees (Julia &Evelina, 2008). Morton (2005) said thattalent management is integral to engaging employees in the organization. This becomes determinant of organizational success and even survival of an organization by having talent management (Julia & Evelina, 2008).

Lewis and Heckman (2006) said that the concept of talent management is still open to literary criticism in terms of explanation, hypothetical development and applicable information. Susana (2015) suggests that talent management initiates attraction, identification, retention and development of the right assets.

2.1.2.1 Career Development

Career development is a lifelong procedure of learning during activity and thus this process determines the quality and nature of an individual's lives; the person they become and their income level (Karodia, Pillay &Dawood, 2015). According to Karodia et *al.* (2015), career development includes an employee's employed period which begins from employee's orientation, on-job preparation, experiences, short courses, business courses, post graduate degrees or diplomas.

The major cause of employee dissatisfaction and turnover is lacking of career development (Paul, 2015). According to Paul (2015), employees expect a lot more than just a salary nowadays, for example, professional development which it happens more quickly and frequently compare to previous generations. According to Cardy and Lengnick-Hall's study (2011) the way to increase employee commitment to stay in the organizations is to provide development opportunities and this statement is confirmed by previous researchers (Arnold, 2005; Herman, 2005; Hiltrop, 1999). Moncarz, Zhao and Kay (2009) have found that career development is an important retention factor whereby employees that receive proper training needed to assume greater responsibility and thus turnover rate tends to be lower.

Acton and Golden (2013); Ansari, Hung, and Aafaqi (2000) suggest that training is not only help to develop employees but also help to enhance their commitment to the organization. According to Aruna and Anitha (2015) as long as the organization provides meaningful work and self-development program to the employees, they will be loyal to the organization, if not they will not hesitate to quit the job anytime if they are not satisfied. Employees are more likely to stay in the organization when the employer is making an investment on them through training to create and enhance their existing skill level (Thite & Russell, 2010).

Study by Alias, Noor and Hassan (2014) outlines that employee career development provides a holistic talent management initiative for employees of all level of the organization and it ensures the opportunities for employees to grow in future. Nevertheless, by implementing employee development programs are to engage and retain their potential employee and at the same time to support them in developing career. In view of this, employees today are concerned about career development that organizations offer to them (Alias et *al.*, 2014)

2.1.2.2 Rewards and Compensation

Jiang, Xiao, Qi & Xiao (2009) has stated that payoff is the compensation which an employee obtains from an organization for the service that he or she has done. It does include direct money and other forms that can be converted into money, but the reward also may consists of a cozy workplace, friendly relationship among the employees, desirable growth opportunities and various kinds of forms which are hard and unable to be quantifiable. Every people work for own purpose, some for the society, some for their own interest, but most of the people work for getting paid in money. Thus rewards and compensation are given to acknowledge their effort.

Based on Jiang et *al.* (2009), it shows that the reward system in this generation not only concentrate on the employee's payment but also promoting irresistible non-financial benefits in the motivation management. It could be implied in both public and private sector. Heathfield (2016) declared that even some jobs in the public sector have unsatisfied pay rates, but they gave favorable benefits such as health insurance and pensions which will attract people to take over those jobs. This tactics can be used to fill the empty position in the organization or promoting an employee to another position. However, it would be very costly for the organization if the size of the organization is too small.

According to Rao (2012), employees must be rewarded and feel appreciated by the company. This can be done by raising the salary of the employees periodically or promoting them to higher position in order to retain staff. The study disclosed that employee looking for change is due to the monetary dissatisfaction from the company. A company should always consider the salaries of among individuals that are working at the same level which is to ensure that the salary of those should be more or less equal to each other to avoid major argument and dissatisfaction. A high potential employee should be given a higher salary than the existing industry average to make the employee to stay within the organization (Metha, Kurbetti & Dhankar, 2014). Therefore, with good rewards and compensation, employees will more committed to the organization and stay loyal.

2.1.2.3 Performance Management

Performance management are defined as sustained procedure of determine, estimating, and growth the capability of each person and team and link the performance with the long term objective of the company (Aguinis, 2014). According to Aguinis (2014), sustained procedure and link with long term objectives are two primary elements in this definition. Performance management is an unceasing activity of establish company goals, review capability of employees, and provide and obtain continuous advice and criticism. Performance management claims that top management to make sure employees job task are related to company goals and results in helping company become more effectiveness and efficiency.

Performance management is one of the elements in talent management practice that applicable in company. Effective performance management is the essential factors to link the company and employees to work together regardless the size of company and business model. Based on Lin & Lee (2011), the earliest purpose of applied performance management in private company that only have finite capital is to deal with cost efficiently, transformation, and accomplish higher performance objectives. For example, performance management in early stage usually concentrated on fostering the ability and obligation of employees to attain the goals of company. By way of explanation, the early phase performance management is a procedure of motivate employees to fulfil the company's expectations to improve the effectiveness and efficiency in workplace. Marr (2005) considered performance management that management measurement sticks to administrative and aligned with company objective and goals. In order to comply with performance management, company should be based on own business model and size to company to decide the way, form, objectives and plan of performance management. Lunger (2006)discovered that contemporary performance management should initiate from company growth strategies, objectives and standard, fulfil the needs and expectation of customers, emphasize on individual and group capability, observed the performance growth, the developing of performance measurement and continuous growth.

Apart from that, Lockett (1992) stated that performance management targets at evolving employees with the essentials compliance and ability for working towards common goals within company framework. Performance management is targets to create high productivity culture for both employees and company hence they able to work together to take opportunity of enhanced the operation processes on constant basis and meantime increase the capability by improving their skill and knowledge. Besides, Armstrong (2006) view that the purpose of performance management is to form a culture that both employees and company have obligation to persist enhanced in operation process, for their own knowledge and gain experience, and dedicate within a framework offer by productive management. Its main objectives are to reach company goals through emphasizing employees on doing appropriate things.

2.1.2.4 Job Design

Job design has been considered as one of the elements in talented management which we used in this study. In the early job design research, most of the companies were only focused on job simplification in order to hire less skilled and low-cost employees, they also eliminated all the unnecessary activities to carry out a particular task in order to perform the work activities with the most efficient ways (Oldham & Hackman, 2010). However, in the new era with technological evolution and changes of organizational demands, nowadays companies are designing and applying different kinds of work organization such as working in a team instead of working individually and increasing the level of challenges in every job (Oldham & Hackman, 2010).

Moreover, job design can also be defined as alternating the content and way to perform of a task (Musara & Ngirande, 2014). The main objective of job design is to increase employees' satisfaction, motivation and productivity (Knapp & Mujtaba, 2010). Job design also refers to one of the most effective ways or tools that employer used to optimize employee's work performance in the organization. Parvin (2011) stated that objective of job design is refer to the increased the level of job satisfaction which can definitely result in the better performance of the employees. In addition, job design can help to lead the right person to the right things in order to approach to the organization's goals. According to Bates (2004); Harter (2002); Bauru (2004), an effective job design can create the involvement of an employee in work related activities which is clearly predicts of employee's output, departmental productivity and organizational success as well. According to Rush (1971), the primary goal of job design is to increase the motivation and productivity of employees. For instance, improving in quality and quantity of products and services can lead to decrease in operation costs, turnover and training costs as well.

Job design is also concerned with the relationship between employees and the nature and content of the work and the task functions (Mullins, 2002). In the traditional model of job design, it is more concerned about the task structures of works, such as task identity, variety and feedback (Hackman & Oldham, 1976). In addition, Kuriloff (1963) has claimed that job design can help to increase in learning of new skills by training among each other of the members. According to Buchanan (1979), the process of the job design has been defined as specification of the contents, methods, and relationships of jobs in order to satisfy the technological and organizational requirements as well as the social and personal requirement of the employees.

Alam Sageer (2012) claimed that job design's purpose was referred to the enhancement of job satisfaction and performance methods which included job rotation, job enlargement and job enrichment. A job with a proper job design, desirable work-related behaviour of employees which refers to the higher work quality, low absenteeism as well as a lower likelihood of employee leaving the job may be achieved (Florence& Weiyan, 2014). Morrison (2005) has found that the job design provided a high levels of employee control and aslo the increased in opprotunities for the development and execute of skills. Futhermore, Love and Edward (2005) stated that the peceived work demands, job control and social support through job design can lead the organization to a higher productivity. There are lot of advantages in job design, Armstrong (2003) and Durai (2010) stated one of the advantages is increased of employees' job satisfaction and motivation, as well as enhancement of employees' skills (Morrison et *al.*, 2005).

2.1.2.5 Talent Acquisition

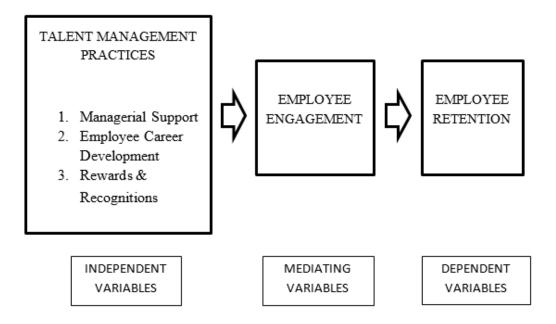
Talent acquisition defined as the process of acquiring and finding people who has talent skills to meet organizational needs and expectations (Kumar, 2016). Talent acquisition is important in developing the businesses in order to accomplish the long term achievement and also to assist pivot a startup towards productivity and efficiency (Verma, 2016). According to Verma (2016), recruiting a talent is better than recruiting more normal employees who less experience because it can cost so much and the company has limited cash flow. Recruiting a talent is a key of succession planning and succession management.

Talent acquisition is one of the components in talent management practices that lead the organization to achieve their future planning and long term success. Talent acquisition play an important role in the organization because the employees who have talent skills most likely will leave the organization first (Galpin, Whittington, &Maellaro, 2012). According to Galphin et *al.*, the talent employees are significant to the organization so there will be many other organization trying to recruit them by higher salary. For example, talented employees can replace human labor who less skills and they can handle many task at one time, hence, it can increase the productivity and achieve the organizational goals.

Apart from that, talent acquisition acquires an individual who can possess the necessary skills, experience, and qualities of the job task. They do not need much description and them highly with much promise. Talent acquisition is targeted to achieve the organization goals and objectives in order to become a more successful company with a good management (Shaheen, 2010). Besides, talent acquisition plays an important role in the relationship an organizational with external stakeholders. A quality or talented employee able to change the employer as the talent skills which the organizational needs able to gain the competitive advantage (Zhang et *al.*, 2015).

2.2 Review of Relevant Theoretical Models



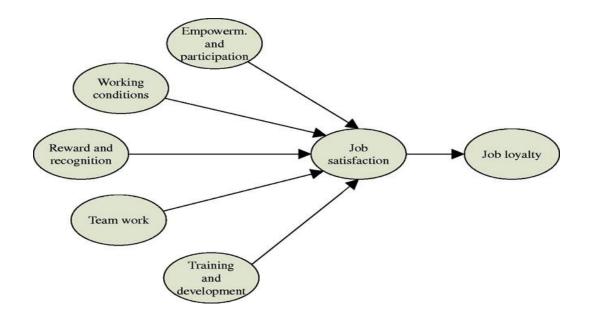


<u>Source</u>: Alias, N. E., Noor, N., & Hassan, R. (2014). Examining the mediating effect of employee engagement on the relationship between talent management practices and employee retention in the Information and Technology (IT) organizations in Malaysia.*Journal of Human Resources Management and Labor Studies*, 2(2), 227-242.

According to Alias, Noor and Hassan (2014), the overall model showed how talent management factors from the perspective of managerial support, employee career development and rewards and recognitions affect employee retention through mediating variable (employee engagement). They found that there is positive and significant correlation between talent management practices (management support, employee career development, rewards and recognitions) and employee engagement. Besides, a significant relationship is also found between employee engagement and employee retention. However, they found that managerial support does not make a significant contribution towards employee retention. Somehow, employee career development and recognitions show significant contribution towards employee retention. The research involves 840 employees in the selected three IT companies in Selangor by using convenience sampling.

Preacher and Hayes's study (2008) found that a significant indirect effect of employee engagement between talent management practices and rewards and recognition and employee retention. According to Preacher and Hayes (2008) the result is significant when the significant value is above zero or positive value. The regression-based approaches by using Andrew Hayes matrix, employee engagement on the relationship between talent management practice (employee career development) and employee retention is significant at value 0.2598. Moreover, the value of 0.2349 also determined that there is an indirect effect of employee engagement on the relationship between talent management practice (rewards and recognitions) and employee retention.





Source: Turkyilmaz, A., Akman, G., Ozkan, C., &Pastuszak, Z. (2011). Empirical study of public sector employee loyalty and satisfaction.*Industrial Management & Data Systems*, 111(5), 675-696.

The theoretical model shown above is conducted by Turkyilmaz, Akman, Ozkan & Pastuszak (2011). It showed that there are five components which are empowerment and participation, conditions on workplace, reward and recognition, teamwork, and training and development will be the element that affecting job satisfaction. The study indicates that between all of the components listed and job satisfaction there has a significant relationship. While job satisfaction stands for an valid answer to particular the job task characteristic and behavioural toward a job, then employee commitment is an predominate response to the organization (Chen, 2006). According to Turkyilmaz et *al.* (2011), they suggested that job satisfaction is the moderating variables to the employees' loyalty. Thus, this give the meaning that the faithfulness

of employees advances from job contentment and the faithfulness negotiate the influential of job satisfaction on issues of turnover (Chen, 2006).

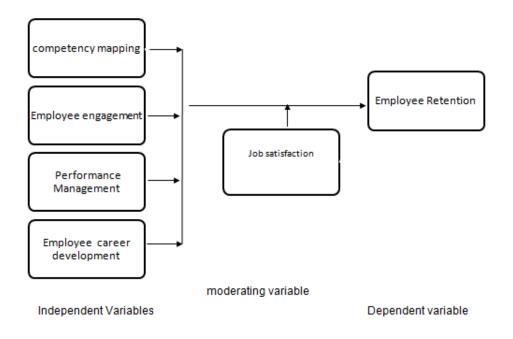
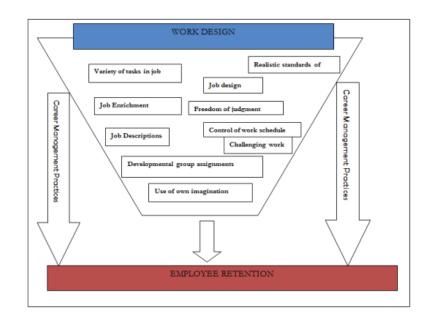


Figure 2.3: Theoretical Model 3

<u>Source</u>: Kibui, A., Gachunga, H., &Namusonge, G. (2014). Role of Talent Management on Employees Retention in Kenya: A Survey of State Corporations in Kenya: Empirical Review. *International Journal of Science and Research*, 3(2), 414-424.

According to the research model done by Kibui, Gachunga&Namusonge (2014), it showed talent management practices have important impact on employee retention. The talent management practices included in the research model are competency mapping, employee engagement, performance management, and employee career development. These practices will affect the job satisfaction thus has an impact on employee retention in Kenya. From the research of Kumar (2013), it agreed that competency mapping proved the prospect for quality of performance, develop in systematic approach to expertise enlargement, increase employee contentment and more retention. The study has found that the effect of employee engagement and employee satisfaction consists of off duty, being late, and retention (Lambert & Hogan, 2009). Employees who are unsatisfied and low engagement in company will anticipate to reports low retention rates. On other hand, satisfied employees will be willing to perform beyond the tasks assigned order to enhance their current performance (Harter, Schmidt & Hayes 2002). Employee satisfaction and retention has significant relationship with performance management.

Figure 2.4: Theoretical Model 4

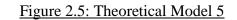


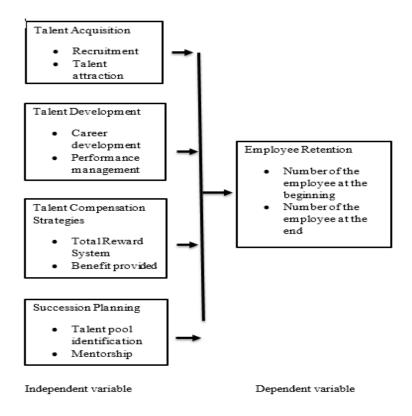
Source: Hlanganipai, N., &Mazanai, M. (2014). Career management practices: Impact of work design on employee retention. *Mediterranean Journal of Social Sciences*, 5(4), 21.

According to research done by Musara and Ngirande (2014), the research framework was framed aroundJob characteristics model (JCM) by Heckman and Oldham (1976). In the research framework, they outlined the positive performances and well-being outcomes, for instance, employee retention, will result from employee's working experiences which refers to the work design variables. Hence, they are having a study to investigate the relationship between work design variables and employee retention.

The work design variables which in their research contains of the use of own imagination, job design, job description, control of work schedule, challenging work, variety of tasks in job, realistic standards of performance, developmental group assignment, job enrichment and freedom of judgment (Bergh & Theron, 2012). Moreover, the research has also adopted conception of employee retention (Coetzee &Schreuder, 2012) which refers to the initiatives taken by employer to keep employees from leaving the company.

In their correlation analysis, job design shows statistically significant positive correlations with control of work schedule, freedom of judgment as well as job descriptions which in turn have significantly positive correlations with employee retention. To support these findings, a research that carried out by Batt and Valcour (2001) also found that flexible of scheduling practices, freedom of judgment as well as a clear job description was all associated with a lower turnover intention.

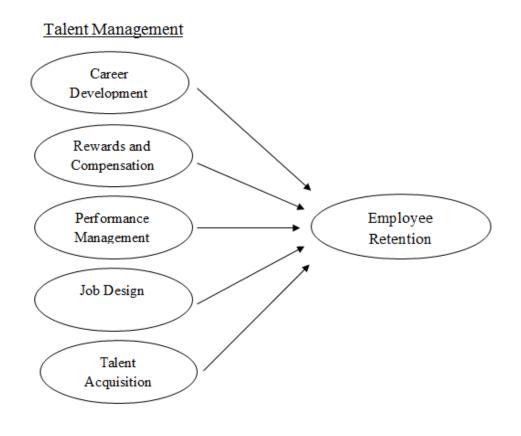




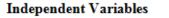
Source: Kigo, S. K., &Gachunga, D. H. (2016). Effect of talent management strategies on employee retention in the insurance industry.*The strategic journal of business & change management*, 977-1004.

Based on the study of Kigo and Gachunga (2016), it focuses on the finding the factors of talent management strategies affected employee retention. According to the theoretical framework, the independent variables include talent acquisition, talent development, talent compensation strategies, and succession planning while the dependent variable is employee retention.

First and foremost, talent acquisition plays an important role in affecting the employee retention because it includes recruitment and talent attraction. It may result in achieving the organizational goals and objectives easily by using talent employees. Secondly, talent development is one of the variable affected employee retention and it includes career development and performance management. Thirdly, talent compensation strategies affect employee retention because of it rewards the employees based on their performance and contribute. Last but not least, succession planning is also one of the variables affecting employee retention.



2.3 Proposed Theoretical/ Conceptual Framework



Dependent Variable

Source: Developed for this research

There will be a main variable in this study which is talent management with dimensions of career development, rewards and compensation, performance management, job design and talent acquisition with the reference of theoretical models from previous section. In order to determine the relationship between the independent variable (talent management) and dependent variable (employee retention), this framework had been proposed. Besides, this study shows how the dimensions of talent management give an impact to employee retention in details.

2.4 Hypotheses Development

2.4.1 The Relationship between Career Development and Employee Retention

According to the survey that conducted by Davis (2015), a professor at the Department of Management and Marketing in KIMEP University, Almaty, Republic of Kazakhstan. A research is carried out in Sydney with target respondent of 297 HR specialists shows that one of the top three reasons that 205 out of 297 of them left their job due to lack of career opportunities. Thus, this shows that there is a significant positive relationship between career development and employee retention.

The study showed that career development plays an important role in employee retention (Sharmila, 2016). Based onO'toole, Aaron, Chin, Horowitz & Tyson (2003), the career development opportunities supports the employees who perpetually search for opportunities to improve their cognition and marketability. Therefore, employees feel appreciated by the organizations that provide career development opportunities and thus they will stay with the organization (Sharmila, 2016).

According to the research that have conducted by Aruna and Anitha (2015), career development is very important for employees especially for the Generation Y employees, career development gets a mean score of 5.94 out of the scale of 7. When the organization provides a platform for the employees for self-development and lifelong learning, the employees

tend to stay longer with the organization as they could enhance their skills and knowledge (Aruna&Anitha, 2015).

Training plays an important role in employee retention as α =0.736 which indicates it is an important factor that could affect employee retention (Thite & Russell, 2010). According to Alias *et al.* (2014), employee career development contributes to employee retention significantly as if employees are satisfied with the career development that provided by the organization, they will engage more in the organization and lead to retain in the organization in the long future.

Therefore, the following hypothesis id developed as follow:

Hypothesis 1:

- H₀: There is no significant relationship between career development and employee retention.
- H₁: There is significant relationship between career development and employee retention.

2.4.2 The Relationship between Rewards and Compensation and Employee Retention

Rewards and compensation are indirect monetary and non-monetary payments that employees acquire for carry on their engagement with an organization(Goodale, Koerner & Roney, 1997). Khan, Aslam and Lodhi (2011) implied that rewards and compensation is used to preserve and enhance the employees' behavior in an organization and also used to encourage and sustain their most important and valuable possession. A well-developed reward and compensation from an organization can affect the performance of the employee and how likely they would committed with the organization (Macduffie, 1995). Rewards and compensation plays an important role in motivating the employees as employees have expectation that to get the same value of reward that match with their skills and knowledge that they have contribute to the organization. In order to keep the employee working for the organization, organization must plan the reward and compensation system wisely.

Therefore, the following hypothesis id developed as follow:

Hypothesis 2:

- H₀: There is no significant relationship between rewards and compensation and employee retention.
- H₁: There is significant relationship between rewards and compensation and employee retention.

2.4.3 The Relationship between Performance Management and Employee Retention

Mahapatro (2010) stated that improve focusing on talent management also indicate that company are re-evaluate performance management to link it to requirement, to determine, develop and sustain employee. According to Armstrong (2006), performance management is the method enhanced employee engagement and incentive of employees through providing affirmative review and endorsement.

Lawler and McDermott (2003) claims that it is very hard to manage employees if lack of system that able to evaluate employee's performance. That why company need a performance management system that able to recognize employee performance so that they be able to control employees projects, comply strategies actively and supervise employees in workplace.

Mbugua, Waiganjo and Njeru (2015) describe performance management as a model of employees practices that able successfully assists a company to fulfil retention target, and also other strategy objectives. Therefore, Mbugua et *al.* (2015) are mentioned to the procedure employee's performance appraisal that is intently link to the business goals, which give positive comment to employees and makes them understand about their career development in the company. Employee's consciousness towards performance appraisal system is similar to other retention practices, it have important influences on their judgment to retain in the company. Other than that, an efficient performance management need a system that is impartial, and in term of process and hidden advantages from assessment such as training and career development. Without a doubt, equitable and openness about the appraisal procedure are the major concern when performance management is linked to certain compensation.

Therefore, the following hypothesis id developed as follow:

Hypothesis 3:

- H₀: There is no significant relationship between performance management and employee retention.
- H₁: There is significant relationship between performance management and employee retention.

2.4.4 The Relationship between Job Design and Employee Retention

Job design causes increased in the motivation of the employees which determine the degree of job satisfaction of employees. Consequently, degree of satisfaction is in turn related to the turnover in the organization. When the employees consist of high level of satisfaction, they have been found to be positively related to the intent to remain with the company (Light, 2004) and negatively related to intention to quit and turnover (Clark, 2001; Kristensen et *al.*, 2004; Levy-Garboua et *al.*, 2004; Bockerman & Iimakunnas, 2004; Schields& Price, 2002; Lum et *al.*, 1998). Based on study of Humphrey, Nahrgang&Morgeson (2007), work design characteristics are predictors of job satisfaction and organizational commitment as well as turnover intention.

A well-job-design leads to the higher the level of satisfaction, therefore, employees will have higher intention to stay in company. Job satisfaction has been repeatedly identified as the main reason why employees leave their jobs (Barak *et al.*, 2001). Employees with a job design due to their determination, invest their hand, head and heart to job (Ashforth & Humphrey, 1995) will decrease the intention to leave the company. Furthermore, based on the research of Florence and Weiyan (2014), with a proper job design, desirable work-related behavior such as higher work quality, low absenteeism and a lower likelihood of leaving the job may be achieved.

Therefore, the following hypothesis id developed as follow:

Hypothesis 4:

- H₀: There is no significant relationship between job design and employee retention.
- H₁: There is significant relationship between job design and employee retention.

2.4.5 The Relationship between Talent Acquisition and Employee Retention

According to Kigo and Gachunga (2016), talent acquisition is recruiting and retaining the talented employees to increase the competitive environment. It is to identify the individuals who are a source of competitive advantage and advocate the strategies to retain, attract, and develop higher performance and higher potential employees.

Zhang et *al.*, 2015 stated that the talented employees are identified and developed to fill the talent positions in order to develop in a talent pool of high potential and high performance. The organization should identify the key business first and monitor the relationships in the pre-deal phase, then identify the individuals who must be kept to maintain the targeted relationship. It may have an impact on the organizational competitive advantage (Zhang et *al.*, 2015).

The study indicated that recruitment and selection has a positive relationship and significant effect on employee retention. In order to recruit a talented employee, it may reduce the organizational turnover rate (Malkawi, 2017).

Therefore, the following hypothesis id developed as follow:

Hypothesis 5:

- H₀: There is no significant relationship between talent acquisition and employee retention.
- H₁: There is significant relationship between talent acquisition and employee retention.

2.4.6 The Relationship between Talent Management and Employee Retention

According to Mohsen and Rashed (2007) stated that usually expenses on hired new employees and low retention of experience and skillful employees are the challenges that organization will faced. The achievement of organizations relies on employee retention which supports the organization in minimizing the intention of employee's turnover and improves productivity. In Christensen Hughes and Rog (2008) mentions the influences of talent management towards employees' retention. The research disclose that the advantages of efficiently carry out talent management approach comprise enhance employment and retention rates, and boost employees commitment at the same time. These effects have been correlated with enhanced productivity and financial performance.

Oladapo (2014) found that talent management is the implementation of overall plans or methods for purpose to improved organization effectiveness by enhanced development for fascinate and retain make use of employees with the essential skills and capability to achieve organization's goals. In Oladapo's study (2014), he agreed that retain skillful employees is based on organization apply talent management and make employees learned and believed the fundamental details of talent management.

Therefore, the following hypothesis id developed as follow:

Hypothesis 6:

- H₀: There is no significant relationship between talent management and employee retention.
- H₁: There is significant relationship between talent management and employee retention.

2.5 Conclusion

In short, this study has provided a review of literature background of how talent management gives a significant impact to employee retention. With the reference of journal articles by previous researchers' study, the dimensions of independent variable and dependent variable have been explained clearly. The theoretical framework has been formulated by recover through several of journal articles and literature reviews. The proposed conceptual framework is formed in this chapter and the hypotheses determined will be interpreting further in the next following chapter.

CHAPTER 3: RESEARCH METHODOLOGY

3.0 Introduction

An overview of methodology of research study will be discussed in this chapter three. The research design (exploratory, descriptive or casual research) will be justified. The technique that used to collect data for this study which are methods used to collect primary and secondary data will be discussed. The process of sampling design is considered to be taken by discussion. Research instrument that involve pilot study and development of questionnaire, measurement scale, method of data processing and data analysis will be conducted in chapter three.

3.1 Research Design

The purpose of this study is to figure out the relationship between talent management and employee retention in telecommunication industry at Klang Valley. There are some specific independent variables and dependent variable that are mentioned in the previous chapter with cited support. It is very essential that the difference between the research designs must be identified whether it is qualitative or quantitative before the research design is chosen. Quantitative research is more suitable to use in this research study instead of qualitative research. This is because numbers are able to distinguish level of agreement in the survey, for example, 5-Point Likert Scale which would be later be use to tested for its reliability and Cronbach's alpha for the relationship between the talent management and employee retention. Furthermore, quantitative research helps to generalize results from a larger sample population by distributing structured questionnaires to the respondents.

In addition, there is a need to determine the relationship between independent variables and dependent variable in this research. Therefore, causal research design has been adopted. Knowledge or comprehension of the phenomena being discussed which are able to provide knowledgeable estimation about the cause-and-effect relationships that would be examined. It will provide a better understanding on how talent management will influence the employee retention.

3.2 Data Collection Methods

Survey will carry out to collect data from the respondents in this research study. It is the most suitable method and cost-effective way to gather primary data. The survey would be conducted by distributing the questionnaires to target respondents. Therefore, large numbers of respondents can be reached quickly and efficiently using this survey method. It can be gained advantages on standardization. For instance, every respondent will be asked the same question in the same way which structured in our questionnaires.

3.2.1 Primary Data

Primary data defines as the original or first-hand information that gathered specifically for the purpose of the research from the targeted respondents. An advantage of primary data is that it can be specifically tailored to the research needs. It can be achieved through various ways such as questionnaires, observations, experiments or interviews. In this research, the data collection method had been used is questionnaire. The advantages of using questionnaires method are big quantity of information can be gathered from a large number of people in a shorter time frame and it is a cost effective way. Furthermore, questionnaires provides a more accurate and reliable up-to-date information from respondent.

3.2.2 Secondary Data

Secondary data refers to the data that have been gathered by someone and publicly accessible from other sources. Secondary data require lower cost and is easier to obtain compare to the primary data. The advantage of secondary data is that it is very time-saving and cost efficient. Secondary data can be obtained from books, directories, newspaper, articles, journals and online database sources. The secondary resource that had been chosen in this research is journals. However, the journals that used in this research must be studied wisely before apply into the research as a reference in order to avoid misinterpreted or misled information.

3.3 Sampling Design

3.3.1 Target Population

Target population need to be set in order to carry out the research study. According to Paul (2008), target population is the entire set of units for the research study to be used to collect information to make inferences. For instance, the target population of this study would be the employees of telecommunication industry in Klang Valley. In addition, there is over 40,000 people are employed in the telecommunication industry ("Malaysia's Telecommunications Industry", 2012).

3.3.2 Sampling Frame and Sampling Location

Sampling frame is a complete list of all the people in the population which the sample had been drawn. However, the sampling frame of the telecommunication industry is unachievable. Thus, the employees from four

telecommunication companies in Klang Valley have become the sampling target for this research study. The telecommunication companies are Telekom Malaysia, Digi, Maxis and U-mobile.

The reason that Klang Valley is chosen as sampling location is due to this location has the most concentrated population of telecommunication industries.

According to the statistic that carried out by the Department of Statistics Malaysia, Klang Valley dominated the gross output of information and communication services with RM95.6 billion thus contributed 95.8% of the total gross output in year 2014 ("Services Statistics on", 2016). The other states including Johor, Kedah, Melaka, Negeri Sembilan, Pahang, Perak, PulauPiang, Sabah, Sarawak and Terengganu have only contributed 4.2% to the gross output of ICT services ("Services Statistics on", 2016). Thus, Klang Velley is the most suitable location tobecome the sampling location for this research study. Besides, all the headquarters of the target companies are located in Klang Valley which is in Shah Alam, Petaling Jaya and Kuala Lumpur.

3.3.3 Sampling Elements

The candidates who are involved in the survey are known as sampling element. The employees in telecommunication industry will be the participants in this research study. Employees who participate in this study are come from different position of telecommunication industry such as non-managerial employees, manager, middle manager and executive. Respondents from different telecommunication companies will be chosen in order to ensure the validity of the data.

3.3.4 Sampling Technique

Sampling techniques can be classified into two groups which are probability sampling and non-probability sampling. Non-probability sampling method has been adopted as the sampling techniques to conduct this research study. This is because the full lists of employees from the companies are unable to access.Thus, convenience sampling will be chosen as the sampling technique because the questionnaires will be distributed to the employees who are conveniently available.

3.3.5 Sampling Size

A suitable sample size should be calculated before collection of data in order to ensure the reliability of data and result. An unrealistic sample size will affect the power and value of a study (Nayak, 2010). Krejcie and Morgan (1970) had come up with a table for determining sample size for finite population in order to simplify the process of determining sample size. Thus, according to the table provided, the sample size for employees in telecommunication industry population of 40000 should be 380. In order to ensure the reliability and accuracy of the survey questions before the actual distribution of questionnaires, a pilot test with sample size of 30 respondents will be conducted.

The figure below shows the table for determining sample size for a known population:

Ν	S	N	S	N	S	N	S	N	5
10	10	100	80	280	162	800	260	2800	33
15	14	110	86	290	165	850	265	3000	34
20	19	120	92	300	169	900	269	3500	34
25	24	130	97	320	175	950	274	4000	35
30	28	140	103	340	181	1000	278	4500	35
35	32	150	108	360	186	1100	285	5000	35
40	36	160	113	380	191	1200	291	6000	- 36
45	40	170	118	400	196	1300	297	7000	- 36
50	44	180	123	420	201	1400	302	8000	- 36
55	48	190	127	440	205	1500	306	9000	- 36
60	52	200	132	460	210	1600	310	10000	31
65	56	210	136	480	214	1700	313	15000	37
70	59	220	140	500	217	1800	317	20000	37
75	63	230	144	550	226	1900	320	30000	31
80	66	240	148	600	234	2000	322	40000	38
85	70	250	152	650	242	2200	327	50000	- 38
90	73	260	155	700	248	2400	331	75000	38
95	76	270	159	750	254	2600	335	1000000	- 38

Figure 3.1 Table for Determining Sample Size of a Known Population

Source: Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and psychological measurement*, *30*(3), 607-610.

3.4 Research Instrument

Research Instrument is the measuring tool that used to gather data and information. Researchers use questionnaire as research instrument for the intention to collect data efficiency from target respondents. In fact, applied questionnaire in research able to collect primary data from respondent in short period of time since respondent only take couple minutes to comprehend and complete the questionnaire.

3.4.1 Questionnaire

Questionnaire helps to eliminate the possible bias in the response and make the respondents to be sincere with sensitive questions. Based on this research, questionnaire is used to collect primary data from the respondents on the effect of talent management towards employee retention in telecommunication industry in Klang Valley. Thus, this questionnaire gives likert scale answer to minimize of time in answering questions.

The questionnaire includes of 3 sections and assigned into Section A (general information), Section B(dependent variable), Section C (independent variable) and there are total of 37 questions. Section A is form to obtained personal and demographic information from target respondents. It consist 7 questions to need respondents to disclose their personal information, which are gender,

ethnicity, age, length of service, academic qualification, gross monthly salary, and administrative job title.

5 points Likert Scale are applied in section B and section C to determine respondent answers from "strongly disagree, disagree, neutral, agree and strongly agree". Section B contains of 5 questions and the question is designed to measure the dependent variable which is employee retention. Section C includes 25 questions to evaluate the independent variables which are the factors affect the employee retention. Each independent variable involve 5 questions which are career development, rewards and compensation, performance management, job design, and talent acquisition.

Besides, the researchers contacted the employees from the telecommunication companies to get their e-mail address. Then, the questionnaires are sent to them through e-mail by sending them the link of the Google form.

3.4.2 Pilot Studies

Pilot test was carrying out before the actual study to evaluate the reliability of the research instrument and reduce the possible problems or inaccuracy that the questionnaires might have.30 set of questionnaires were used for pilot test and were distributed to respondents in Klang Valley to ensure the consistency of the questionnaires. The Statistical Analysis System Enterprise (SAS) software was being applied to run the reliability test of the 30 set of questionnaires.

The result of reliability test is shown as below:

Table 3.1 Result for Pilot Test

Variables	Dimensions	Sum of	Cronbach's	
		Items	Alpha	
Dependent	Employee	5	0.9691	
Variable	Retention			
Independent	Career	5	0.9735	
Variables	Development			
Independent	Rewards and	5	0.9260	
Variables	Compensation			
Independent	Performance	5	0.9339	
Variables	Management			
Independent	Job Design	5	0.8955	
Variables				
Independent	Talent Acquisition	5	0.9262	
Variables				

From the table on above, it shown that the reliability test for dependent variable which is employee retention is more than 0.9 consider as excellent reliability result. For the independent variables, which are career development, rewards and compensation, performance management, job design, and talent acquisition have a very good reliability indeed with Cronbach's Alpha value of where they fall in the range of more than 0.9.

3.5 Constructs Measurement

Dependent	Number of	Sources	Scales	
Variable	question			
Employee	4	Salman, Ahmad,	Five point Likert	
retention		Matin(2014)	Scale (Strongly	
			Disagree –	
			Strongly Agree)	

Table 3.2: Constructs Measurement of Dependent Variable

Number of	Sources	Scales				
question						
Talent Management:						
5	Alice (2015)	Five point Likert Scale				
		(Strongly Disagree –				
		Strongly Agree)				
5	Kikoito (2014)	Five point Likert Scale				
		(Strongly Disagree –				
		Strongly Agree)				
5	Alice (2015)	Five point Likert Scale				
		(Strongly Disagree –				
		Strongly Agree)				
5	Morgeson,	Five point Likert Scale				
	Humphrey(2006)	(Strongly Disagree –				
		Strongly Agree)				
5	Kaur (2013)	Five point Likert Scale				
		(Strongly Disagree –				
		Strongly Agree)				
	question nt: 5 5 5 5 5	questionnt:5Alice (2015)5Kikoito (2014)5Alice (2015)5Alice (2015)5Morgeson, Humphrey(2006)				

Table 3.3: Constructs Measurement of Independent Variable

3.6 Data Processing

Data processing covers with checking, editing, coding, and tabulating of research data. It is the process of morphing of the answers on questionnaire into a condition that can be operated to produce statistics. While doing data processing, the techniques of the processing must be consistent and also be recorded to ensure the data is trustworthiness and completely adequate.

3.6.1 Data Checking

The function of data checking is to make sure that all of the questionnaires distributed are completely filled and answered. Researchers will segregate out the irrelevant answers from the data and reforming the data to be more related to the objective. A reliable of end results will be formed during this step. Thus, it is crucial that every single detail in the questionnaires is confirmed to be reply without leaving any blank questions behind.

3.6.2 Data Editing

Data editing is similar with data checking but go with more detailed and may include some amendment of the data. When there are some missed data or information, the editor may replace the data or information by analyzing the answer given by respondents (Francis, 2017). Some drastic high or low value data may be neglect or bracketed with fitting scale interval so that they are ready for tabulation.

3.6.3 Data Coding

Data coding is needed for systematic analysis and through this process, the answer will be minimized to a small number of classes which only hold the useful information required for analysis. Data coding provides the easiest method to store data as a few-digit code, compared to wordy alphabetical descriptions which very hard to be grouped. The example are when measuring in section B and C, 5 likert scale has been used in which number 1 =strongly disagree, 2 =disagree, 3 =neutral, 4 =agree, 5 =strongly agree, 99 =missing data.

While for demographic variables, the questions are in nominal and ordinal scale to be answered. For example, 1 is coded for male, 2 is coded for female; 1 is coded for respondents age 20 years old and below, 2 is coded for respondents age between 21-30 years old, 3 is coded for respondents age 31-40 years old and 4 is coded for respondents age 41-50 years old and 5 is code for respondent above 50 years old.

3.6.4 Data Tabulating

Data tabulation is the process of summarizing all the raw data and transcribing it in compress form for further analysis. A well designed table would make the data more understandable and enable the reader to follow quicker on the results.

3.7 Data Analysis

After gathering the data, the data will be analyzed and interpreted by the Statistical Analysis System Enterprise Guide (SAS) software.

3.7.1 Descriptive Analysis

A descriptive study is a statistic used to describe or summarize information about a sample or population (Zikmund, Babin, Carr & Griffin, 2010). It helps to modify large amounts of data in a conscious way because it can cut down lots of data into a casual summary. It measures central tendency and variability, or spread. Measures of central tendency include mode, medium, and mean while measures of variability include standard deviation and variance.

In Part A of questionnaire, questions about respondents' personal detail has been identified. Bar chart or pie chart was used in Part A because it is generally used to describe nominal or ordinal variables. For example, the bar chart shows frequency distribution with five categories of age ranges defined. Histogram was suitable used in Part B and C because it is usually used when the data are collected by using a ratio or interval scale.

3.7.2 Scale Measurement

Scale measurement used to check the reliability of the study. Reliability test is to measure the consistency or stability of test scores (Andale, 2016). In this study, the reliability coefficient is calculated based on the Cronbach's alpha formula by using SAS Enterprise Guide. The Cronbach's Alpha will result in 0-1, 0 is the lowest level reliability, however, 1 is highest the internal consistency reliability. The table below stated the standard of Cronbach's Alpha values.

Figure 3.2: Interpretation of Cronbach's Alpha

Level of Reliability	Alpha Ranges
Very Good Reliability	0.8 to 0.95
Good Reliability	0.7 to 0.8
Fair Reliability	0.6 to 0.7
Poor Reliability	Less than 0.6

<u>Source</u>: Sekaran, U., &Bougie, R. (2016). Research methods for business: A skill building approach. John Wiley & Sons.

Table 3.4: Result of Pilot Test

Variables		Cronbach's	Level of Reliability
		Alpha	
Independent	Career development	0.9735	Very Good
Variable			Reliability
	Rewards and	0.9260	Very Good
	compensation		Reliability
	Performance	0.9339	Very Good
	management		Reliability
	Job design	0.8955	Very Good
			Reliability
	Talent acquisition	0.9262	Very Good
			Reliability
Dependent	Employee retention	0.9691	Very Good
Variable			Reliability

Source: Developed for this research

3.7.3 Inferential Analysis

Pearson Correlation Coefficient

Pearson correlation test will be conducted to test the following hypotheses:

- H1: There is a significant relationship between career development and employee retention.
- H2: There is a significant relationship between rewards and compensation and employee retention.
- H3: There is a significant relationship between performance management and employee retention.
- H4: There is a significant relationship between job design and employee retention.
- H5: There is a significant relationship between talent acquisition and employee retention.

According to Andale (2012), Pearson correlation coefficient shows the linear relationship between independent variable and dependent variable. The results will falls within the range of -1 to 1. When the value of correlation coefficient

is1, it implies that there is a perfect positive relationship between the two variables while the value of -1 indicates that there is a perfect negative relationship between the two variables. The value of r greater than 1 indicates that there is association between X and Y. If the value of r is equal to zero, then there is no association between X and Y.

Multiple Regression

H6: All independent variables (career development, rewards and compensation, performance management, job design, talent acquisition) and influence the dependent variable (employee retention) significantly.

Multiple regression is to evaluate two or more independent variables toward the dependent variable. We used the multiple regression analysis to measure the percentage on IV and DV. The adjusted R Square will represent the percentage of the relationship between talent management and employee retention in telecommunication industry at Klang Valley. As result, the higher percentage of IV that influences DV will show the significance relationship between talent management and employee retention.

Formula : $Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5$

- Y represent the dependent variable (Employee retention)
- **a** represents the intercept or constant,
- **b** was the partial regression coefficients, also mean the expected change in the dependent variable

- X_1 , X_2 , X_3 ,... represent independent variables (career development, rewards and compensation, performance management, job design, talent acquisition)

3.8 Conclusion

The research methodology that includes research design, data collection methods, sampling design, research design, constructs measurement, data processing and data analysis have been discussed in this chapter.

The purpose of using Cronbach's Alpha reliability test is to test the reliability of all the variables in this research for the scale measurement. For inferential analysis, all the hypotheses are tested in order to evaluate the correlation between the independent variables and dependent variable by using Pearson Correlation Coefficient Analysis and Multiple Regression. Thus, the researchers are able to evaluate the significance of independent variable (talent management) and dependent variable (employee's retention). In conclusion, all the parts in Chapter 3 will be analyzed and the interpretation of the results for the test will be shown in the following chapter.

CHAPTER 4: RESEARCH RESULTS

4.0 Introduction

Descriptive analysis, scale measurement and inferential analysis are conducted according to the primary data which is the survey collected from the previous chapter and the results of questionnaire were evaluated. The number of respondents that involved in this study is 380 from Klang Valley and the data is analyzed by using Statistical Analysis System (SAS) version 7.1 in order to ensure the validity of the research study. The analyzed results will be separated into five sections which are respondent demographic profile, central tendencies measurement of constructs, reliability test, Pearson Correlation Analysis and Multiple Regression Analysis.

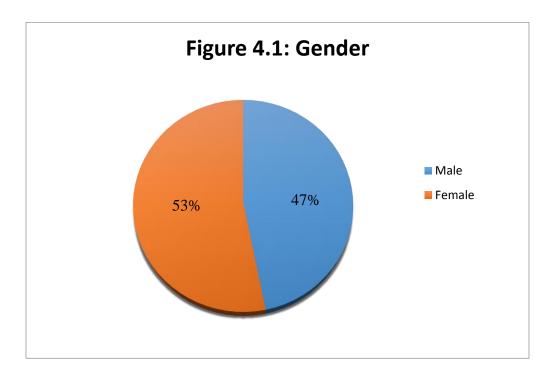
4.1 Descriptive Analysis

4.1.1 Respondent Demographic Profile

4.1.1.1 Gender

Gender	Frequency	Percentage (%)	Cumulative Frequency	Cumulative Percentage (%)
Male	178	46.84	178	46.84
Female	202	53.16	380	100.00

Table 4.1: Gender

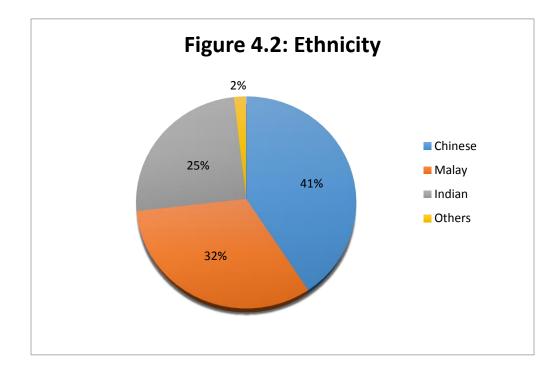


Source: Developed for this research

Based on the result that shows in the table and figure 4.1, the male respondents are 46.84% and 53.16% female respondents. There are 380 respondents who were take part in answering the questionnaires; there are 178 male respondents, while 202 respondents who are female.

4.1.1.2 Ethnicity

Ethnicity	Frequency	Percentage (%)	Cumulative Frequency	Cumulative Percentage (%)
Chinese	155	40.79	155	40.79
Malay	123	32.37	278	73.16
Indian	95	25.00	373	98.16
Others	7	1.84	380	100.00

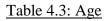


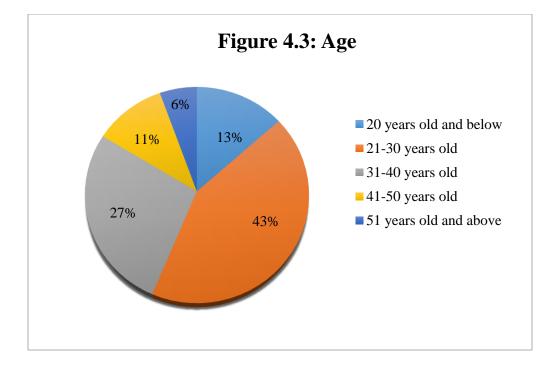
Source: Developed for this research

The frequency of various ethnicities of respondents which are Chinese, Malay, Indian and others who involved in the questionnaires is shown in table and figure 4.2. Out of 380 respondents, there are 155 of respondents or 40.79% are Chinese, 123 of respondents or 32.37% are Malay. Indian occupied 25% or 95 respondents and there is 7 respondents or 1.84% other races been participated for the questionnaire.

4.1.1.3 Age

Age	Frequency	Percentage	Cumulative	Cumulative
		(%)	Frequency	Percentage (%)
20 years old	51	13.42	51	13.42
and below				
21-30 years old	163	42.89	214	56.31
31-40 years old	104	27.37	318	83.68
41-50 years old	41	10.79	359	94.47
51 years old	21	5.53	380	100.00
and above				





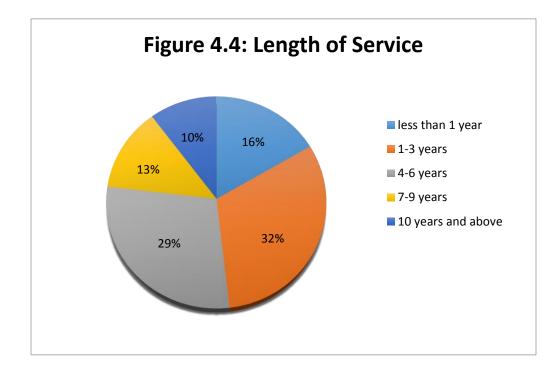
Source: Developed for this research

From the result that shown in the Table 4.3 and the Figure 4.3, there are frequency of few age groups of respondents who had been take part in the questionnaire. Out of the 380 respondents, 51 of respondents with 13.42% are 20 years old and below. The largest groups of respondents are falls under category 21 to 30 years old which contributes 42.89 % and consists of 163 respondents. Then, the category of 31 to 40 years old has a number of 104 respondents and contributes 27.37% in the questionnaire. 41 of respondents or 10.79% are age between 41 to 50, the age group that which are more than 51 years old and above is the smallest group which has of 21 respondents and consists of 5.53%.

4.1.1.4 Length of Service

Length of service	Frequency	Percentage (%)	Cumulative Frequency	Cumulative Percentage (%)
less than 1 year	63	16.58	63	16.58
1 - 3 years	120	31.58	183	48.16
4 - 6 years	109	28.68	292	76.84
7 - 9 years	49	12.89	341	89.73
10 years and above	39	10.26	380	100.00

Table 4.4 Length of Service

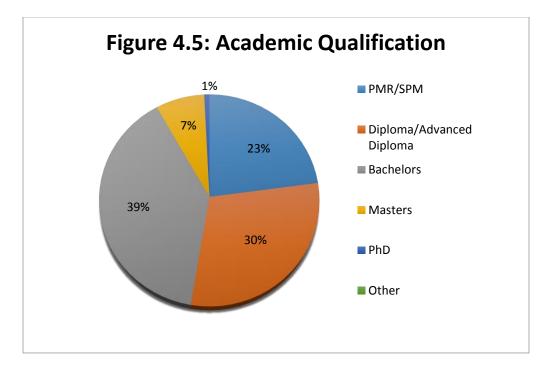


Source: Developed for this research

The table and figure 4.4 shows the data of different service length of 380 respondents who contributed in the questionnaires. The largest groups of respondents are fall under the service length of 1 to 3 years has 120 respondents or 31.58%. There are 63 of respondents or 16.58% who have working experience of below 1 year, 109 of respondents or 28.68% who have working experience between 4 to 6 years, 49 of respondents or 12.89% who have working experience between 7 to 9 years, 39 of respondents or 10.26% who have working experience 10 years and above.

4.1.1.5 Academic Qualification

Academic	Frequency	Percentage	Cumulative	Cumulative
qualification		(%)	Frequency	Percentage
				(%)
PMR/SPM	87	22.89	87	22.89
Diploma/Advanced	113	29.74	200	52.63
Diploma				
Bachelors	149	39.21	349	91.84
Masters	28	7.37	377	99.21
PhD	3	0.79	380	100.00
Other	0	0	380	100.00



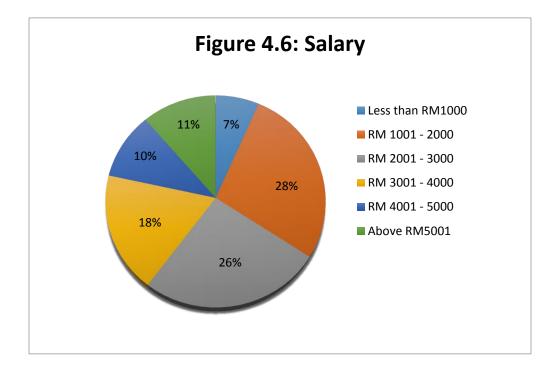
Source: Developed for this research

From the result that shown in the Table 4.5 and the Figure 4.5, most respondents had a bachelor degree holder who accounted for 149 respondents which contribute 39.21%. Then, 113 respondents or 29.74% owned Diploma/Advanced Diploma certificate. 87 respondents were having PMR/SPM educational level, which contributes 22.89%. There are 28 respondents having a Master Degree, which contributes 7.37%. Lastly, 3 respondents are PhD educational level that contributes 0.97% and no respondents is other educational level.

4.1.1.6 Salary

Salary	Frequency	Percentage (%)	Cumulative Frequency	Cumulative Percentage (%)	
Less than RM1000	25	6.58	25	6.58	
RM 1001 - 2000	105	27.63	130	34.21	
RM 2001 - 3000	99	26.05	229	60.26	
RM 3001 - 4000	69	18.16	298	78.42	
RM 4001 - 5000	39	10.26	337	88.68	
Above RM5001	43	11.32	380	100.00	

Table 4.6: Salary



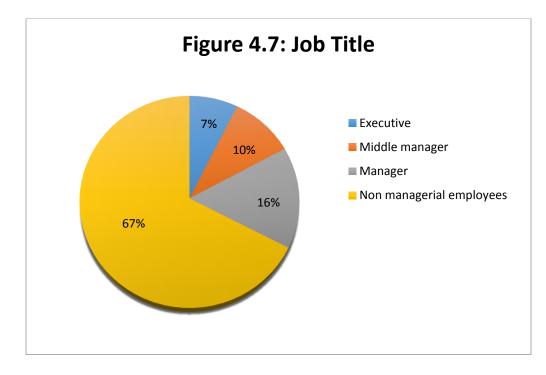
Source: Developed for this research

According to the result that shown in the table 4.6 and the figure 4.6, there are 25 respondents which are 6.58% had less than RM1000 as their monthly salary. Followed by there are 105 respondents which are 27.63% had received between RM 1001 - RM2000 as their monthly salary. In addition, there are 99 respondents which are 26.05% had received salary between RM2001 - RM3000 at the same time there are 69 respondents which are 18.16% had between RM3001 - RM4000 monthly salary. Then, there are also 39 respondents which are 10.26% had received their monthly salary between the ranges of RM4001 - RM5000. Last of all, there are leftovers of 43 respondents which are 11.32% had received more than RM5001.

4.1.1.7 Job Title

Job title	Frequency	Percentage (%)	Cumulative Frequency	Cumulative Percentage (%)
Executive	28	7.37	28	7.37
Middle	37	9.74	65	17.11
manager				
Manager	59	15.53	124	32.64
Non	256	67.37	380	100.00
managerial				
employees				

Table 4.7: Job Title



Source: Developed for this research

The frequency of respondents with their job title who involved in the questionnaires is shown in table and figure 4.7. There are 28 of respondents or 7.37% who acted as executive in their company, 37 of respondents or 9.74% who acted as middle manager in their company. Next, 59 of total respondents who acted as manager in their company, contributes 15.53%. Lastly, there are 256 respondents are non-managerial employees, which contributes 67.37%.

4.1.2 Central Tendencies Measurement of Constructs

Central tendencies are make use of present the value of mean and standard deviation of all the five intervals scaled questions in the questionnaires. SAS system version 7.1 has been used to define the value of mean and standard deviation of each of the question.

4.1.2.1 Employee Retention

Table 4.8: Central Tendencies Measurement of Constructs: Employee <u>Retention</u>

No.	Statement	Mean	Standard	Mean	Standard
			Deviation	Ranking	Deviation
					Ranking
ER 1	My company means	3.437	1.159	5	5
	something for me.				
ER 2	I am satisfy with my	3.500	1.170	2	4
	current job.				
ER 3	I have no plan to	3.484	1.232	3	3
	search for new job.				
ER 4	I intend to stay and	3.526	1.253	1	2
	continue with my				
	company.				
ER 5	I stay with my	3.458	1.281	4	1
	company because I				
	feel appreciated.				

Table 4.8 has shown the mean and standard deviation as well as the rankings for both of each five statements of employee retention. The statement with the highest value of mean is ER 4 with the value of 3.526 and ER 5 with the highest value of standard deviation which is 1.281. The second highest ranking in mean is statement of ER 2 with 3.500, followed by ER 3 with 3.484 and ER 5 with 3.458. On the other hand, the second highest ranking in standard deviation is the statement of ER 4 with 1.253, followed by ER 3 with 1.232 and ER 2 with 1.170. Lastly, the statement of ER 1 has the lowest mean which is 3.437and the lowest standard deviation which is 1.159.

4.1.2.2 Career Development

Table 4.9: Central Tendencies Measurement of Constructs: Career

Development

No.	Statement	Mean	Standard	Mean	Standard
			Deviation	Ranking	Deviation
					Ranking
CD 1	My company always	3.503	1.257	3	1
	plans on employee				
	career growth.				
CD 2	Employee career	3.574	1.177	1	3
	developments such as				
	training are offered				
	for the employees.				
CD 3	My company has in-	3.559	1.172	2	4
	house development				
	programs to develop				
	its employees.				
CD 4	My company has	3.482	1.166	4	5
	provision of career				
	mentors.				
CD 5	Employees career	3.474	1.229	5	2
	development benefits				
	are provided in my				
	company.				

Table 4.9 has shown the mean and standard deviation as well as the rankings for both of each five statements of career development. The statement with the highest value of mean is CD 2 with the value of 3.574 and CD 1 with the

highest value of standard deviation which is 1.257. The second highest ranking in mean is statement of CD 3 with 3.559, followed by CD 1 with 3.503 and CD 4 with 3.482. On the other hand, the second highest ranking in standard deviation is the statement of CD 5 with 1.229, followed by CD 2 with 1.177 and CD 3 with 1.172. The statement of CD 5 has the lowest mean which is 3.474 and the lowest standard deviation is CD 4 with values of 1.166.

4.1.2.3 Rewards and Compensation

Table 4.10: Central Tendencies Measurement of Constructs: Rewards and

Compensation

No.	Statement	Mean	Standard	Mean	Standard
			Deviation	Ranking	Deviation
					Ranking
RC 1	My company will	3.150	1.263	5	1
	increase my salary				
	frequently.				
RC 2	My company will	3.234	1.231	4	3
	reward me if I				
	perform well.				
RC 3	I feel motivated to	3.526	1.154	1	5
	work if I get promoted				
	by my company.				
RC 4	My company provides	3.476	1.249	2	2
	chance for me to learn				
	and develop.				
RC 5	I feel appreciated by	3.473	1.188	3	4
	my company				
	whenever I completed				
	my task.				

Table 4.10 has shown the mean and standard deviation as well as the rankings for both of each five statements of rewards and compensation. The statement with the highest value of mean is RC 3 with the value of 3.526 and RC 1 with the highest value of standard deviation which is 1.263. The second highest ranking in mean is statement of RC 4 with 3.476, followed by RC 5 with

3.473 and RC 2 with 3.234. On the other hand, the second highest ranking in standard deviation is the statement of RC 4 with 1.249, followed by RC 2 with 1.231 and RC 5 with 1.188. The statement of RC 1 has the lowest mean which is 3.150 and the lowest standard deviation is RC 3 with values of 1.154.

4.1.2.4 Performance Management

Table 4.11: Central Tendencies Measurement of Constructs: Performance

<u>Management</u>

No.	Statement	Mean	Standard	Mean	Standard
			Deviation	Ranking	Deviation
					Ranking
PM 1	Promotion in my	3.505	1.147	5	5
	company is based on				
	individual				
	performance.				
PM 2	My company has a	3.537	1.183	2	2
	system to ensure				
	performance and				
	feedback.				
PM 3	I understand the	3.671	1.155	1	4
	expectations and				
	requirements of my				
	performance.				
PM 4	My company	3.518	1.195	3	1
	conducts				
	performance reviews				
	regularly.				
PM 5	Performance criteria	3.518	1.161	4	3
	is appropriate and				
	fair to me.				

Table 4.11 has shown the mean and standard deviation as well as the rankings for both of each five statements of performance management. The statement

with the highest value of mean is PM 3 with the value of 3.671 and PM 4 with the highest value of standard deviation which is 1.195. The second highest ranking in mean is statement of PM 2 with 3.537, followed by PM 4 with 3.518 and PM 5 with 3.518. On the other hand, the second highest ranking in standard deviation is the statement of PM 2 with 1.183, followed by PM 5 with 1.161 and PM 3 with 1.155. The statement of PM 1 has the lowest mean which is 3.505 and the lowest standard deviation is PM 1 with values of 1.147.

4.1.2.5 Job Design

Table 4.12: Central Tendencies Measurement of Constructs: Job Design
--

No.	Statement	Mean	Standard	Mean	Standard
			Deviation	Ranking	Deviation
					Ranking
JD 1	The job requires me	3.532	1.145	5	5
	to perform of wide				
	range of tasks.				
JD 2	The job requires me	3.666	1.160	3	3
	to utilize a variety of				
	different skills in				
	order to complete				
	the work.				
JD 3	I have an	3.674	1.191	2	2
	opportunity to				
	communicate with				
	others in my work.				
JD 4	The job takes place	3.750	1.159	1	4
	in an environment				
	free from health				
	hazards (e.g.				
	chemical, fumes,				
	etc.).				
JD 5	The performance of	3.655	1.207	4	1
	my work is likely to				
	decide the				
	satisfaction of				
	customers.				

Table 4.12 has shown the mean and standard deviation as well as the rankings for both of each five statements of job design. The statement with the highest value of mean is JD 4 with the value of 3.750 and JD 5 with the highest value of standard deviation which is 1.207. The second highest ranking in mean is statement of JD 3 with 3.674, followed by JD 2 with 3.666 and JD 5 with 3.655. On the other hand, the second highest ranking in standard deviation is the statement of JD 3 with 1.191, followed by JD 2 with 1.160 and JD 4 with 1.159. The statement of JD 1 has the lowest mean which is 3.532 and the lowest standard deviation is JD 1 with values of 1.145.

4.1.2.6 Talent Acquisition

Table 4.13: Central Tendencies Measurement of Constructs: Talent

Acquisition

No.	Statement	Mean	Standard	Mean	Standard
			Deviation	Ranking	Deviation
					Ranking
TA 1	My company	3.566	1.189	3	3
	provides me a				
	comprehensive list of				
	duties and				
	responsibilities upon				
	reporting the first day.				
TA 2	My company briefs	3.587	1.222	2	1
	me on the structure,				
	mission and vision or				
	the organization.				
TA 3	My company took me	3.747	1.182	1	4
	around the premises				
	and introduced me to				
	other departments.				
TA 4	My company always	3.547	1.178	4	5
	takes a long view of				
	building a candidate				
	talent pool for the				
	future.				
TA 5	My company places	3.492	1.195	5	2
	the right people in the				
	right jobs.				

Table 4.13 has shown the mean and standard deviation as well as the rankings for both of each five statements of talent acquisition. The statement with the highest value of mean is TA 3 with the value of 3.747 and TA 2 with the highest value of standard deviation which is 1.222. The second highest ranking in mean is statement of TA 2 with 3.587, followed by TA 1 with 3.566 and TA 4 with 3.547. On the other hand, the second highest ranking in standard deviation is the statement of TA 5 with 1.195, followed by TA 1 with 1.189 and TA 3 with 1.182. The statement of TA 5 has the lowest mean which is 3.492 and the lowest standard deviation is TA 4 with values of 1.178.

Summary of Central Tendencies Measurement

Variables	Dimensions	Mean	Standard
			Deviation
Dependent Variable	Employee Retention	3.481	1.219
Independent Variables	Career Development	3.518	1.200
	Rewards and	3.372	1.217
	Compensation		
	Performance	3.550	1.168
	Management		
	Job Design	3.655	1.172
	Talent Acquisition	3.588	1.193

Table 4.14: Summary of Central Tendencies Measurement

The mean and the standard deviation of dependent variable and independent variables are being showed in table 4.14. Based on the table, job design has the highest value of mean which is 3.655 whereas employee retention has the

highest value of standard deviation with 1.219. On the other hand, rewards and compensation has the lowest ranking in mean which is 3.372 while performance management has the lowest ranking in standard deviation which is 1.168.

4.2 Scale Measurement

4.2.1 Reliability Test

Reliability test had been conducted for pilot test in the previous chapter before proceeding to Chapter 4 in order to examine the accuracy and consistency of the survey questions. In this chapter, the result shown below is tested on 380 sets of questionnaires that used in the actual study in order to determine the reliability of the research study.

Variables	Dimensions	Cronbach's Alpha
	Talent Management	
	Career Development	0.926
Independent Variables	Rewards and	0.891
	Compensation	
	Performance	0.914
	Management	
	Job Design	0.905
	Talent Acquisition	0.915
Dependent Variable	Employee Retention	0.925

Table 4.15 Results of the Reliability Test

Based on the table above, the Cronbach's Alpha value of employee retention of the actual study is 0.925 which is slightly lower than the result of pilot test (0.969). However, the Cronbach's Alpha value of employee retention still falls in the range of very good reliability.

Next, there are five measures in independent variables (talent management). For career development, the Cronbach's Alpha value of actual study is 0.926 and the Cronbach's Alpha value is lower as compare to the pilot study's result (0.974) but it is still remain in the range of very good reliability. The Cronbach's Alpha value of rewards and compensation is 0.891 in actual study, and it is lower than the value in pilot study (0.926) yet the value is still stay within the very good reliability range. The Cronbach's Alpha value of performance management of the actual study is 0.914 which is insignificantly lower than the result of pilot test (0.934). However, its Cronbach's Alpha value still remains in the range of very good reliability. The Cronbach's Alpha value of yellability is 0.905 in actual study is slightly higher than the value of

pilot study (0.896) which indicates that job design has a very good reliability. For talent acquisition, the Cronbach's Alpha value of actual study is 0.915 and the Cronbach's Alpha value is lower as compare to the pilot study's result (0.926) but it is still staying in the range of very good reliability.

4.3 Inferential Analyses

Based on Burns and Bush (2000), inferential statistics is the techniques that enable one to make generalizations of samples which were drawn from the populations. Hence, the sample drawn is exactly representing the population that is under examination. This process in which to achieving the result is being called as sampling. In this research, the sampling methods have been used are Pearson's Correlation Coefficient and Linear Regression Analysis. These methods will indicate the correlation result and the summary of the model and coefficient respectively.

4.3.1 Pearson's Correlation Coefficient

The Pearson's correlation coefficient is a measure of the significant of the linear relationship between two variables (Lane, 2013). It is also known as Pearson's correlation or correlation coefficient. When there is not linear in the relationship between the variables, then the correlation coefficient will not show the strength of relationship between variables.

A table of interpretation of correlation coefficients is shown below:

Range of correlation coefficients	Degree of correlation	
0.80-1.00	very strong positive	
0.60-0.79	strong positive	
0.40-0.59	moderate positive	
0.20-0.39	weak positive	
0.00-0.19	very weak positive	
0.00-(-0.19)	very weak negative	
(-0.20)-(-0.39)	weak negative	
(-0.40)-(-0.59)	moderate negative	
(-0.60)-(-0.79)	strong negative	
(-0.80)-(-1.00)	very strong negative	

Table 4.16 Interpretation of correlation coefficients

<u>Source</u>: Chowdhury, A. K., Debsarkar, A., &Chakrabarty, S. (2015). Novel Methods for Assessing Urban Air Quality: Combined Air and Noise Pollution Approach. *Journal of Atmospheric Pollution*, *3*(1), 1-8.

Hypothesis 1

- H0: There is no significant relationship between career development and employee retention.
- H1: There is significant relationship between career development and employee retention.

		ER
CD	Pearson Correlation p-Value	0.855 <0.0001
	Ν	379
	Pearson Correlation p-Value	1
	Ν	379

Table 4.17 Correlations between Career Development (CD) and Employee

Retention	(ER)

Source: Data generated by Statistical Analysis System (SAS) version 7.1

Based on the figure shown in the table 4.17, there is positive relationship between career development and employee retention. The career development has 0.855 correlation with the employee retention. This indicates that when career development is high, the employee retention is high. The value of correlation coefficient is +0.855 which falls between the coefficient range of 0.80 - 1.00. Therefore, the correlation between career development and employee retention is very strong. In view of this,there is significant relationship between career development and employee retention as the pvalue is less than 0.0001. Thus, null hypothesis (H0) is being rejected and alternative hypothesis (H1) is accepted.

Hypothesis 2

- H0: There is no significant relationship between rewards and compensation and employee retention.
- H1: There is significant relationship between rewards and compensation and employee retention.

		ER
RC	Pearson Correlation p-Value	0.815 <0.0001
	Ν	380
	Pearson Correlation p-Value	1
	Ν	380

 Table 4.18 Correlations between Rewards and Compensation (RC) and

 Employee Retention (ER)

Source: Data generated by Statistical Analysis System (SAS) version 7.1

Based on the table 4.18, the relationship between rewards and compensation and employee retention is positive. The rewards and compensation has 0.815 correlation with the employee retention. Thus, when rewards and compensation is high, employee retention is high. The value of correlation coefficient is +0.815 which falls between the coefficient range of 0.80 - 1.00. Therefore, the correlation between rewards and compensation and employee retention is very strong. P-value that lesser than 0.0001 indicates a significant relationship between rewards and compensation and employee retention. Thus, null hypothesis (H0) is being rejected and alternative hypothesis (H1) is accepted.

Hypothesis 3

- H0: There is no significant relationship between performance management and employee retention.
- H1: There is significant relationship between performance management and employee retention.

		ER
PM	Pearson Correlation p-Value	0.851 <0.0001
	Ν	380
	Pearson Correlation p-Value	1
	Ν	380

Table 4.19 Correlations between Performance Management (PM) and

Employee Retention (ER)

Source: Data generated by Statistical Analysis System (SAS) version 7.1

Based on the table 4.19, the relationship between performance management and employee retention is positive. The performance management has 0.851 correlation with the employee retention. This shows that when performance management is high, employee retention is high. The value of correlation coefficient is +0.851 which falls between the coefficient range of 0.80 - 1.00. Therefore, there is a very strong correlation between performance management and employee retention. Moreover, there is significant relationship between performance management and employee retention as the p- value is less than 0.0001. Thus, null hypothesis (H0) is being rejected and alternative hypothesis (H1) is accepted.

Hypothesis 4

- H0: There is no significant relationship between job design and employee retention.
- H1: There is significant relationship between job design and employee retention.

		ER
JD	Pearson Correlation p-Value	0.783 <0.0001
	Ν	380
	Pearson Correlation p-Value	1
	Ν	380

 Table 4.20 Correlations between Job Design (JD) and Employee Retention

 (ER)

Source: Data generated by Statistical Analysis System (SAS) version 7.1

Based on the table 4.20, the relationship between job design and employee retention is positive. The job design has 0.783 correlation with the employee retention. Hence, when job design is high, employee retention is high. The value of correlation coefficient is +0.783 which falls between the coefficient range of 0.60 – 0.79. Therefore, the correlation between job design and employee retention is strong. There is significant relationship between job design and employee retention as the p- value is less than 0.0001. Thus, null hypothesis (H0) is being rejected and alternative hypothesis (H1) is accepted.

Hypothesis 5

- H0: There is no significant relationship between talent acquisition and employee retention.
- H1: There is significant relationship between talent acquisition and employee retention.

		ER
ТА	Pearson Correlation p-Value	0.853 <0.0001
	Ν	380
	Pearson Correlation p-Value	1
	Ν	380

 Table 4.21 Correlations between Talent Acquisition (TA) and Employee

 Retention (ER)

Source: Data generated by Statistical Analysis System (SAS) version 7.1

Based on the table 4.21, the relationship between talent acquisition and employee retention is positive. The talent acquisition has 0.853 correlation with the employee retention. Hence, when talent acquisition is high, employee retention is high. The value of correlation coefficient is +0.853 which falls between the coefficient range of 0.80 - 1.00. Therefore, the correlation between talent acquisition and employee retention is very strong. There is significant relationship between talent acquisition and employee retention as the p- value is less than 0.0001. Thus, null hypothesis (H0) is being rejected and alternative hypothesis (H1) is accepted.

4.3.2 Multiple Linear Regressions

Multiple linear regressions helps to evaluate the values for two or more than one independent variables toward the dependent variable by substituting the data obtained to a linear equation. Each value from the independent variable x is comes with a value of the dependent variable y.

Hypothesis 6

- H0: There is no significant relationship between independent variable (talent management) and the dependent variable (employee retention).
- H1: There is significant relationship between independent variable (talent management) and the dependent variable (employee retention).

Source	Degree of Freedom	Sum of Squares	Mean Square	F value	Pr> F
Model	5	351.63853	70.32771	321.34	< .0001
Error	373	81.63303	0.21886		
Corrected Total	378	433.27156			

Table 4.22: Analysis of Variance

Source: Data generated by Statistical Analysis System (SAS) version 7.1

According to table 4.22, the p-value shown is less than 0.0001 which is lower than the alpha of which is 0.05 as stated in the table thus the F-value is showed to be significant. The independent variable (talent management) has been proven by data that they have significant relationship with dependent variable (employee retention).

Root MSE	Dependent Mean	Coefficient Variance	R-Square	Adjusted R-Square
0.46782	3.48232	13.43413	0.8116	0.8091

Table 4.23: Model Summary of R-square Value

Source: Data generated by Statistical Analysis System (SAS) version 7.1

R-square value is the explanation of the relationship between independent variables and dependent variables. The R-square of the independent variable (talent management) is 0.8116 which propose that the model is 81.16% explain the dependent variable variation. There are 18.84% of the variation cannot be explained through this model which tell that there are some other factors can be used to explain employee retention.

Table 4.24: Parameter Estimates

Variable	Degree of Freedom	Parameter Estimate	Standard Error	t Value	Pr> [t]
Intercept	1	-0.03541	0.09479	-0.37	0.7089
CD	1	0.28762	0.05563	5.17	<.0001
RC	1	0.29966	0.04088	7.33	<.0001
PM	1	0.16777	0.07076	2.37	0.0182
JD	1	0.02559	0.05663	0.45	0.6515
ТА	1	0.22419	0.06620	3.39	0.0008

Source: Data generated by Statistical Analysis System (SAS) version 7.1

The table above is reflecting the significance of explanation of each of the independent variable towards dependent variable.

Career development has a significant result to interpret the dependent variable (employee retention) as the p-value for career development with a p-value of <0.0001 which lesser than the alpha value of 0.05.

Rewards and compensation shows a significant result to interpret the dependent variable (employee retention) for the study with a p-value of <0.0001 which is less than the alpha value of 0.05.

Performance management are showing a significant result to explain the dependent variable (employee retention) as the p-value for performance management with a p-value of 0.0182 which lesser than the alpha value of 0.05.

On the other hand, job design could not significantly describe employee retention due to the p-value which is 0.6515 is higher than the alpha value of 0.05.

Lastly, talent acquisition has a significant result to interpret the dependent variable (employee retention) as the p-value for talent acquisition with a p-value of 0.0008 which lesser than the alpha value of 0.05.

Regression Equation:

$$Y = a + b1 (x1) + b2 (x2) + b3 (x3) + b4 (x4) + b5 (x5)$$

Employee retention = -0.03541 + 0.28762 (career development) + 0.29966 (rewards and compensation) + 0.16777 (performance management) + 0.02559 (job design) + 0.22419 (talent acquisition)

From the table above, the parameter estimate shows the contribution of each independent variable to dependent variable. Rewards and compensation has the strongest variable impact on employee retention as the value of parameter estimate is 0.29966. The second strongest contributor is career development with parameter estimate of 0.28762. The ranking is then following by talent acquisition and performance management with a value of 0.22419 and 0.16777 respectively. Whereas, job design contributes the least with only a value of 0.02559. Rewards and compensation has the give the highest contribution and showing its impact to employee retention. Therefore, in order to increase employee retention, rewards and compensation is suggested to be used heavily to remain talented employees.

4.4 Conclusion

There are three analyses were carry out to analyze the data obtain from the questionnaires which are descriptive analysis, reliability analysis and inferential analysis. The result of the research has shown that there is a

significant relationship between the dependent variable (employee retention) and the independent variable (talent management). The in-depth discussion will be conducted in the chapter five based on the analysis outcome and clarifications. Thus, the major findings will be discussed in the following chapter.

CHAPTER 5: DISCUSSION AND CONCLUSION

5.0 Introduction

In this chapter, the outline of the descriptive and inferential analysis will be further discussed after obtain the outcome for analysis in chapter 4. The following is more focused on discussion about major finding that how independent variables give impact on the dependent variable employee retention.

In addition, this chapter will also discuss of the shortcomings that limit this research and provided some recommendations for futureresearch. An overall conclusion has been provided the clear picture and summarizes the whole research study.

5.1 Summary of Statistical Analyses

5.1.1 Summary of Descriptive Analysis

There are 178 male employees (47%) and 202 female employees (53%) who are participated in answering the questionnaires that are conducted in the research study. Moreover, a well diversification of ethnicity of respondents is shown in the analyzed result whereby 155 of them are Chinese (41%), 123 are

Malay (32%), 95 are Indian (25%) and total of others ethnicity is 7 respondents (2%).

For the age group, 51 of the employees (13%) are aged 20 and below, 163 employees (43%) are within the age of 21 to 30, 104 of them (27%) are age from 31 to 40, 41 employees (11%) are within 41 to 50 years old and 21 of them (6%) are 51 years old and above among the total respondents.

Based on the analyzed data, the highest percentage of employees' length of service is 1 to 3 years which have contributed 32% (120 employees). The second highest service length will be 4 to 6 years whereby it occupied by 29% (109 employees) of total respondents. There are 17% (63 employees) of them have been working for less than 1 year, 13% (49 employees) have been working for 7 to 9 years and 10% (39 employees) have been working for 10 years and above.

For the academic qualification, Bachelors holder's employees dominate among the respondents who are involved in the survey questionnaires with the highest portion which is 39% (149 employees). Diploma or advanced diploma has engaged 30% (113 employees) which consider as the second highest among the total respondents. Employees with PMR or SPM, Masters and PhD have engrossed 23% (87 employees), 7% (28 employees) and 1% (3 employees) respectively.

Besides, the salary that earned by respondents has divided into different range. There are 25 employees (7%) receive a monthly salary that is less than RM 1000. 105 employees (28%) get an income within the range of RM 1001 to RM 2000 monthly whereby this income level dominates the highest percentage among the other income level. 99 respondents (26%) receive an income range that falls within RM 2001 to RM 3000. 69 employees (18%) receive an income within the range of RM 3001 to RM 4000. For the income range of RM 4001 to RM 5000, 39 employees (10%) are represented in this segment. Lastly, there are 43 employees (11%) get an income that is above RM 5001.

For job title, there are 256 employees (67%) who are involved in the survey questionnaires among the total respondents are non-managerial employees. Employees with the job title of manager, middle manager and executive have engaged 15.53% (59 employees), 9.74% (37 employees) and 7.37% (28 employees) respectively.

5.1.2 Summary of Inferential Analysis

5.1.2.1 Pearson Correlation Analysis

Hypotheses	r – Value	Conclusion
	p – Value	
Hypothesis 1	r = 0.926	H ₁ is supported.
H_1 : There is significant relationship	p < 0.0001	
between career development and employee	(p < 0.1)	
retention.		
Hypothesis 2	r = 0.891	H ₂ is supported.
H_1 : There is significant relationship	p < 0.0001	
between rewards and compensation and	(p < 0.1)	
employee retention.		
Hypothesis 3	r = 0.914	H ₃ is supported.
H ₁ : There is significant relationship	p < 0.0001	
between performance management and	(p < 0.1)	
employee retention.		
Hypothesis 4	r = 0.905	H ₄ is supported.
H ₁ : There is significant relationship	p < 0.0001	
between job design and employee	(p < 0.1)	
retention.		
Hypothesis 5	r = 0.915	H ₅ is supported.
H ₁ : There is significant relationship	p < 0.0001	
between talent acquisition and employee	(p < 0.1)	
retention.		

In conclusion, all the independent variables are correlated with employee retention significantly as the result of p-value for all the independent variables are less than 0.01.

5.1.2.2 Multiple Linear Regressions

Regression Equation:

Y = a + b1 (x1) + b2 (x2) + b3 (x3) + b4 (x4) + b5 (x5)

Employee retention = -0.03541 + 0.28762 (career development) + 0.29966 (rewards and compensation) + 0.16777 (performance management) + 0.02559 (job design) + 0.22419 (talent acquisition)

Hypothesis 6

H₁: There is significant relationship between independent variable (talent management) and the dependent variable (employee retention).

5.2 Discussions of Major Findings

5.2.1 Career Development

H₁: There is significant relationship between career development and employee retention.

Based on the SAS result generated in Chapter 4, it shows a significant relationship between career development and employee retention for Pearson correlation as the p-value is equal to 0.0001 and the value is less than 0.01. It indicates that by providing career development, the greater the employee retention rate. The result of multiple regression result also shows that there is a significant relationship between career development and employee retention as it is the second strongest contributor.

According to Hossein and Robert (2013), when an opportunity of career development is offered to an employee, it increases the intention of an employee by staying with an organization. It is because career development is an important benefit from the perspective of an employee and thus this increases the obligation and attachment of the particular employee towards the organization and thus increases the rate of retention (Hossien& Robert, 2013).

Besides, career development is not a cost but an investment because employees will feel supported and motivated through career development programs and thus reduce the turnover rate of employees (Donald & Nancy, 2009). According to Donald and Nancy (2009), career development programs able to increase employee empowerment and thus lead to satisfaction due to their well-being in an organization are improved. So, the employees will be able to perform better and they have a strong sense of belonging whereby they think that the organization is the platform for them to perform, thus, they will stay to the organization and increase the rate of employee retention (Donald & Nancy, 2009).

Moreover, the research finding of Umamaheswari and Krishnan (2016) have also proved that career development is the strongest predictor of employee retention. Umamaheswari and Krishnan (2016) mentioned that an improvement in career is every employee's wants and by providing employees the career development programs, employees will feel appreciated by the organization and thus the retention rate will be improving from time to time.

Connley (2015) mentioned that on-site career development is a huge benefit for both employees and the organization. In view of this, the skills and knowledge that the employees gained from the professional development programs able to bring their career to a new level and this satisfy their wants and thus the organization able to retain the talented employees (Connley, 2015).

5.2.2 Rewards and Compensation

H1: There is significant relationship between rewards and compensation and employee retention.

The result shows that rewards and compensation is the strongest factor that affecting employee retention. Salary is an essential element of human resource management as it is the ultimate purpose that why people work for. Rewards and compensation does not radically remunerate employees for their efforts, but it also has an impact on the recruitment and most importantly in help with retention of talented person.

The results generated can be supported by the research done by Liu (2010). Liu (2010) suggests by designing a mix of financial and non-financial remuneration, which especially focus on individuals and teams will yield a positive results for IT companies to today's international environment in retaining employees. He also stated that in the near future, those companies who will still standing and unbeatable in fierce competition is the companies that heavily centralize in attracting and retaining the talents by implementing effective reward strategy.

Another study which is done by Jain and Tandon (2016) also indicate that there is an excessive positive correlation between rewards and compensation and employee retention. They found out that one of the main problems for rapid jobs switching in IT industry was the salary hike. Many of the feedbacks given by experts in the sector are claiming that they should be getting a righteous amount of salary and other monetary or non-monetary benefits that suit to their skill and talent. Without doubt, the study by Jain and Tandon (2016) assume that the employees will have higher motivation to perform their jobs if they are getting paid relatively for the work they have done, and thus resulting in retaining great potential for the organization.

5.2.3 Performance Management

H1: There is significant relationship between performance management and employee retention.

According to the SAS result, there is positive relationship between performance management and employee retention in telecommunication industry. The positive outcome of correlation coefficient has indicate performance management that when the higher degree of the performance management, the higher the employee's intentions to stay in the organization.

Mbugua, Waiganjo, and Njeru(2015) study demonstrated a strong related relationship between performance management and employee retention. Absar and Mahamood (2011) disclosed that if the employees are being ignored about their capability, they could feel less responsibility and put less commitment to the organization. The appropriate and proper implementation of better performance management is theelements that able to increased the employee retention in the organization (Chowdhury 2011; Huda *et al.*, 2007). Aslam and Sarwar (2010) claimed that performancemanagement can minimize jobdissatisfaction, improve employee productivity, and enhanced employee retention. Grumanand Saks (2011)also stated that performance management can establish and encourage employeeengagement, which guides to enhanced employee retention.

5.2.4 Job Design

H1: There is significant relationship between job design and employee retention.

There is a strong positive correlation between job design and employs retention in telecommunication industry regarding to the SAS result. Pearson's correlation was run in chapter 4 to determine the relationship between job design and employee retention in telecommunication industry. The result shows there was a significant positive correlation between job design and employee retention (r = 0.905, n = 380, p < 0.1).

Parvin (2011) proposed that thegain the level of job satisfaction of the employees is the objective of the job design which should drive the good performance of the employees. According to the research of Riyasa (2008), she concerned on outcome of jobdesign on employee'ssatisfaction in Daya Garments in Ampara. Besides, job design aims to increase the job satisfaction and performance methods of the employees included job rotation, job enlargement and job enrichment(AlamSageer, 2012). When the employees received the higher satisfaction with their job, this will increased their intention to stay in the particular company.

5.2.5 Talent Acquisition

H1: There is significant relationship between talent acquisition and employee retention.

Based on SAS result, it determined that there is a positive relationship between talent acquisition and employee retention in telecommunications industry. The value of Pearson shows that it is less than 0.01, so, it indicated that talent acquisition has a positive relationship between employee retention. However, the result of Multiple Linear Regression also shows that there is a significant relationship between employee retention in telecommunications industry.

According to Kigo and Gachunga (2016), the study has proved that there is a significant relationship between talent acquisition and employee retention because talent employees will perform their unique and specific skills in their job duties and able to contribute to the organization. Besides, a talented individual develops higher performance in the organization. Recruiting a talent individual tend to increase the chances of staying longer in the organization. This will lead to higher performance and increase the job satisfaction (PUDia & Sharma, 2008).

Malkawi stated that recruiting a talent individual will reduce the organizational turnover. So, this shows that there is positive relationship between talent acquisition and employee retention (Malkawi, 2017). Zhang, et al., 2015 stated that develop a talent pool is much more high potential and high performance in the organization. Other than that, talent position is essential to affect the competitive advantage of the organization. Talent

individual has much more experience and enhance the employee retention (Zhang et al., 2015).

5.3 Implications of the Study

5.3.1 Theoretical Implications

This research study shows a framework that integrated the elements of talent management and employee retention from the perspective of theoretical implications. Since there is lack of study between the relationship between talent management and employee retention in Malaysia especially in telecommunication industry, therefore, this research study is considered useful for further study by other researchers in the future.

Furthermore, the framework of this study shows a good fit to the data as this research study has identified the significant relationship between talent management and employee retention. In short, the findings have identified the dimension of talent management that has significant impact towards the employee retention level.

5.3.2 Managerial Implications

Telecommunication industry has been acknowledged as a potential prospect in the growth of the ICT industry and it considered as one of the expeditious growing industry as the global technology change and improve rapidly nowadays. However, the high turnover rate of the employees in telecommunication industry becomes the obstacle for the growth and causing many problems to the industry as more talented employees are needed in order to support the growing rate of the industry. Thus, it is important for the management to identify the ways to retain their talented employees to ensure the productiveness of the organizations.

This research findings reinforce the common-thought credence that career development, rewards and compensations, performance management, job design and talent acquisition are positively connected with employee retention. In view of this, the organizations should emphasize on all these dimensions in order to increase the rate of employee retention. By retaining the talented and experienced employee, the profitability of an organization will be enhanced and thus help the organization to achieve its business goals and objectives.

5.4 Limitations of the Study

Participation of respondents

This research has used online survey for respondent to participate in the whole research process. However, this method seems like not getting much attention from respondents. The respondents might ignore or participate to complete when only they have some free time. However, despite of time and cost constraint, it is the only way to use during our research.

Questionnaires

The whole questionnaires were set as a closed ended question with interval scale that range from 1 to 5 only. Some of the respondents may just answer the questionnaires without thinking. Besides, some respondents are only able to select the answer provided which some of them might want to choose the scale out of the answer that is already provided. Moreover, there are some questions in the questionnaire that which some respondents might feel troublesome to answer. Thus, the respondents may simply skip the question or just randomly select an option during the process when answering the questionnaire. This may slightly affect the outcome when running the SAS system. However, the result is still acceptable in overall.

Time Constraint

The time that used to complete this research has been taken longer than the time that set by researches. Initially, the researchers have planned to complete Chapter 4 in two weeks, however, there are some problems on the data running. Thus, it caused the researchers have to spend more time on the data running in order to run all the data again. Besides, the researchers have also consuming more time on sending

questionnaires to the targeted respondents through email and used the longer time to wait the targeted respondents to reply the questionnaires. Moreover, before the researchers started to do this research, researchers have limited time to decide on the independent variables. All these are required a longer time to complete in the research, however, these would not affect the progress of the research if researchers put more efforts and have an efficient time management.

5.5 Recommendations for Future Research

For the future researchers who wanted to use primary data, it is time consuming in sending questionnaires to targeted respondents through email and has to wait for their reply or return the questionnaires to the researchers. Future researchers should adopt or use phone call interview or face-to-face interview with the targeted respondents to get the information which is needed for the research.

In addition, some questionnaires that send through email would be ignored by the targeted respondents due to lack of interest and participation to the questionnaires. Therefore, researchers recommended future researchers could distribute the questionnaires to the targeted respondents' company doorstep in order to make sure targeted respondents participate in the survey and researchers can collect it at the moment. This ensures the increased in the participation of targeted respondents to the questionnaires.

Future researchers could have a more efficient and smoothly progression on their research, the questions that set in the questionnaires should be concise and comprehensive in order to ensure targeted respondents could understand the questions and fill up the questionnaires. Moreover, the questions in the questionnaires should have been in multi-language due to some respondents in future research might not have received proper education. Multi-language questions ensure all the future research respondents could clearly understand the questions in the questionnaires.

5.6 Conclusion

In short, the findings in this research show there are strong relationship between talent management (career development, rewards and compensation, performance management, job design, and talent acquisition) and employee retention in telecommunication industry. After accomplished this research the understanding about the talent management toward employee retention in telecommunication industry had been improved.

The outcomes of this research shown a beneficial information to all companies no matter the size of organizationsparticipated in telecommunication industry which are struggling in these days that to promote talent management which could give impact towards the employee retention. Thus, further study should becarried out to increased intention of employees to continue stay at organization in order to help organizations improved the productivity.

REFERENCES

- Absar, M. M. N., & Mahmood, M. (2011). New HRM practices in the public and private sector industrial enterprises of Bangladesh: A comparative assessment. *International Review of Business Research Papers*, 7(2), 118-136.
- Acton, T., & Golden, W. (2003). Training the knowledge worker: a descriptive study of training practices in Irish software companies. *Journal of European Industrial Training*, 27(2/3/4), 137-146.
- Aguinis, H. (2013). Performance management (Vol. 2). Upper Saddle River, NJ: Pearson.
- Alias, N. E., Noor, N., & Hassan, R. (2014).Examining the mediating effect of employee engagement on the relationship between talent management practices and employee retention in the Information and Technology (IT) organizations in Malaysia. *Journal of Human Resources Management and Labor Studies*, 2(2), 227-242.
- Ansari, M., Hung, D. K. M., & Aafaqi, R. (2000). Fairness of human resource management practices, leader-member exchange, and intention to quit. *Journal of International Business and Entrepreneurship*, 8(1), 1-19.
- Appiah, F., Kontar, E., & Asamoah, D. (2013). Effect of human management practices on employee retention : perspectives from the mining industry in Ghana. *International Research Journal of Arts and Social Sciences*, 2(2), 30-48.
- Armstrong, M. (2006). Performance management: Key strategies and practical guidelines.
- Aruna, M., &Anitha, J. (2015). Employee retention enablers: Generation Y employees. SCMS Journal of Indian Management, 12(3), 94.
- Aslam, H. D., &Sarwar, S. (2010). Improving performance management practices in IT firms of Pakistan. *Journal of Management Research*, 2(2), 1.

Babcock, P. (2005). Find what workers want. HR Magazine, 50(4), 51-56.

- Beer, M., &Nohria, N. (2000). Breaking the code of change (Boston, MA: Harvard Business School Press).
- Belias, D., &Sklikas, D. (2013). Aspects of Job Design. International Journal of Human Resource Management and Research (IJHRMR), 3(4), 85-94.
- Butali, N. D., Wesang'ula, P. M., &Mamuli, L. C. (2013).Effects of staff turnover on the employee performance of work at MasindeMuliro University of Science and Technology. *International Journal of Human Resource Studies*, *3*(1), 1.
- Cappelli, P. (2009). Talent on demand-managing talent in an age of uncertainty. *Strategic Direction*, 25(3).
- Cardy, R. L., &Lengnick-Hall, M. L. (2011). Will they stay or will they go? Exploring a customer-oriented approach to employee retention. *Journal of Business and Psychology*, 26(2), 213-217.
- Chen, C. F. (2006). Job satisfaction, organizational commitment, and flight attendants' turnover intentions: A note. *Journal of Air Transport Management*, 12(5), 274-276.
- Chitsaz-Isfahani, A., &Boustani, H. R. (2014). Effects of talent management on employees retention: The mediate effect of organizational trust. *International Journal of Academic Research in Economics and Management Sciences*, 3(5), 114.
- Christensen Hughes, J., & Rog, E. (2008). Talent management: A strategy for improving employee recruitment, retention and engagement within hospitality organizations. *International Journal of Contemporary Hospitality Management*, 20(7), 743-757.
- Chowdhury, M. F. (2011). Performance Management Practices in Organizations Operation in Bangladesh: A Deeper Examination. *World Review of Business Research*, 1(2), 153-167.

- Christensen Hughes, J., & Rog, E. (2008). Talent management: A strategy for improving employee recruitment, retention and engagement within hospitality organizations. *International Journal of Contemporary Hospitality Management*, 20(7), 743-757.
- Davis, P. J. (2015). Implementing an employee career-development strategy: How to build commitment and retain employees. *Human Resource Management International Digest*, 23(4), 28-32.
- Deery, M., &Jago, L. (2015). Revisiting talent management, work-life balance and retention strategies. *International Journal of Contemporary Hospitality Management*, 27(3), 453-472.
- Farndale, E., Scullion, H., & Sparrow, P. (2010). The role of the corporate HR function in global talent management. *Journal of world business*, 45(2), 161-168.
- Fernando, A., &Ranasinghe, G. (2010). The Impact of Job Design and Motivation on Employees Productivity as Applicable in the context of Sri Lankan Software Engineers: A HR Perspective. In *The International Conference on Business & Information. University of Kelaniya, Sri Lanka.*
- Fox, R. J. (2012). A Study of Employee Retention Issues in the Hospitality Industry (Doctoral dissertation, University of Wisconsin--Stout).
- Galpin, T., Whittington, J. L., &Maellaro, R. (2012). Identifying, retaining and reengaging key talent during mergers and acquisitions: A best practices framework. *People and Strategy*, 35(1), 42.
- Garg, P., &Rastogi, R. (2006). New model of job design: motivating employees' performance. *Journal of management Development*, 25(6), 572-587.
- George, C. (2015). Retaining professional workers: what makes them stay?. *Employee Relations*, *37*(1), 102-121.
- Ghansah, E. (2011). The Role of Employee Retention on Job Performance. A Case Study of Accra Brewery Company Limited, Accra.

- Ghansah, E. (2011). The Role of Employee Retention on Job Performance: A Case Study of Accra Brewery Company Limited, Accra. A Masters Thesis of Kwame Nkrumah University of Science and Technology.
- Goodale, J. C., Koerner, M., &Roney, J. (1997). Analyzing the impact of service provider empowerment on perceptions of service quality inside an organization. *Journal of Quality Management*, 2(2), 191-215.
- Grant, A. M. (2007). Relational job design and the motivation to make a prosocial difference. *Academy of Management Review*, *32*(2), 393-417.
- Gruman, J. A., & Saks, A. M. (2011).Performance management and employee engagement. *Human Resource Management Review*, 21(2), 123-136.
- Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: a meta-analysis.
- Hlanganipai, N., &Mazanai, M. (2014). Career management practices: Impact of work design on employee retention. *Mediterranean Journal of Social Sciences*, 5(4), 21.
- Ho, W. F. (2017, March 26). Push for digitising Malaysia. *The star online*. Retrieved March, 28, 2017, from http://www.thestar.com.my/news/nation/2017/03/26/push-for-digitising-msia-for-the-country-which-is-developing-a-digital-economy-as-a-new-source-of-gr/
- Holden, N., &Vaiman, V. (2013). Talent management in Russia: not so much war for talent as wariness of talent. *Critical perspectives on international business*, 9(1/2), 129-146.
- Huda, K., Karim, M., & Ahmed, F. (2007). HRM practices & challenges of nongovernment development organizations: An empirical study on Bangladesh. *Journal of Management*, 9(1), 35-49.
- Humphrey, S. E., Nahrgang, J. D., & Morgeson, F. P. (2007). Integrating motivational, social, and contextual work design features: a meta-analytic summary and theoretical extension of the work design literature.

- ICT and fintech to Malaysia.(2017). *Australian Trade and Investment Commission*. Retrieved March 27, 2017 from http://www.austrade.gov.au/australian/export/exportmarkets/countries/malaysia/industries/ict
- ICT to grow despite projected slowdown. (2016, December 15). *The Star Online*. Retrieved March 9, 2017, from http://www.thestar.com.my/metro/smebiz/news/2016/12/15/ict-to-growdespite-projected-slowdown-association-looking-forward-to-positivedevelopments-from-mal/
- Index of services expanded by 5.9 per cent in fourth quarter of 2016. (2017, February 10). *Department of Statistics Malaysia Official Portal*. Retrieved March 10, 2017, from https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=314& bul_id=M0ttPSEdYNj2WkRKcHJyRTRwenRJZz09&menu_id=b0pIV1E3R

W40VWRTUkZocEhyV1pLUT09

- Infographics principal statistics of labour force, Malaysia 2016. (2017, March 20). Retrieved March 29, 2017, from Department of Satistics Malaysia Official Portal: https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=429& bul_
- Isukapally, M. (2006). Employee retention-talent management. Browser Download This Paper.
- Jackson, D. W., &Sirianni, N. J. (2009).Building the bottom line by developing the frontline: Career development for service employees. *Business Horizons*, 52(3), 279-287.
- Jain, M., & Tandon, N. Impact of Employee Retention within Indian IT Sector.
- Jayasingam, S., Govindasamy, M., &Garib Singh, S. K. (2016).Instilling affective commitment: insights on what makes knowledge workers want to stay. *Management Research Review*, 39(3), 266-288.
- Jayasingam, S., Govindasamy, M., &Garib Singh, S. K. (2016).Instilling affective commitment: insights on what makes knowledge workers want to stay. *Management Research Review*, 39(3), 266-288.

- Jiang, Z., Xiao, Q., Qi, H., & Xiao, L. (2009). Total reward strategy: A human resources management strategy going with the trend of the times. *International Journal of Business and management*, 4(11), 177.
- Karodia, A. M., Pillay, N., &Dawood, Q. (2015). The Relationship between Career Development and Staff Motivation in the South African Petroleum Sector: A Case Study of a Durban Refinery. *Nigerian Chapter of Arabian Journal of Business and Management Review*, 3(2), 1-51.
- Kaur, J., & Kumar, V. (2013). Competency mapping: A gap Analysis. *International Journal of Education and Research*, 1(1), 1-9.
- Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. Educational and psychological measurement, 30(3), 607-610.
- Khan, R. I., Aslam, H. D., &Lodhi, I. (2011). Compensation Management: A strategic conduit towards achieving employee retention and Job Satisfaction in Banking Sector of Pakistan. *International journal of human resource studies*, *1*(1), 89.
- Kigo, S. K. (2016).Effect of talent management strategies on employee retention in the insurance industry. *Strategic Journal of Business & Change Management*, 3(2).
- Kim, C. H., & Scullion, H. (2011).Exploring the links between corporate social responsibility and global talent management: a comparative study of the UK and Korea.*European Journal of International Management*, 5(5), 501-523.
- Lambert, E., & Hogan, N. (2009). The importance of job satisfaction and organizational commitment in shaping turnover intent: A test of a causal model. *Criminal Justice Review*, *34*(1), 96-118.

Lavrakas, P. J. (2008). Encyclopedia of survey research methods. Sage Publications.

Lawler, E. E., & McDermott, M. (2003). Current performance management practices-Examining the varying impacts. *WorldatWork Journal*, *12*(2), 49-60.

- Lee, C., & Chon, K. S. (2000). An investigation of multicultural training practices in the restaurant industry: the training cycle approach. *International Journal of Contemporary Hospitality Management*, *12*(2), 126-134.
- Lewis, R. E., & Heckman, R. J. (2006). Talent management: A critical review. *Human resource management review*, 16(2), 139-154.
- Lin, J. S., & Lee, P. Y. (2011). Performance management in public organizations: a complexity perspective. *International public management review*, 12(2), 81-96.
- Liu, Y. (2010). Reward strategy in Chinese IT industry. International Journal of Business and Management, 5(2), 119.
- Lopes, S. A., Sarraguça, J. M. G., Lopes, J. A., & Duarte, M. E. (2015). A new approach to talent management in law firms: Integrating performance appraisal and assessment center data. *International Journal of Productivity and Performance Management*, 64(4), 523-543.
- Lunger, K. (2006). A Performance Management Primer: Why You Need More Than a Dashboard to Manage Your Strategy. *Business Intelligence Journal*, 11(4), 8.
- MacDuffie, J. P. (1995). Human resource bundles and manufacturing performance: Organizational logic and flexible production systems in the world auto industry. *ILR Review*, 48(2), 197-221.
- Mahapatro, B. B. (2010). new age human resource management. e-book.New Delhi: New Age International (P) Ltd.
- Mahdi, A. F., Zin, M. Z. M., Nor, M. R. M., Sakat, A. A., &Naim, A. S. A. (2012). The relationship between job satisfaction and turnover intention. *American Journal of Applied Sciences*, 9(9), 1518.
- Malkawi, E. (2017). The Relationship Between Talent Management and Organizational Commitment Case Study: Aqaba Special Economic Zone Authority, Jordan. *International Business and Management*, 14(1), 80-84.

- Mandhanya, Y. (2015). A study of impact of working environment on retention of employees (With special reference to Automobile sector). *Global Management Review*, 9(4).
- Marr, B. (2005). Business performance measurement: an overview of the current state of use in the USA. *Measuring Business Excellence*, 9(3).
- Mbugua, G. M., Waiganjo, E. W., &Njeru, A. (2014).Relationship between strategic performance management and employee retention in commercial banks in Kenya. *International Journal of Business Administration*, 6(1), 53.
- Mellahi, K., & Collings, D. G. (2010). The barriers to effective global talent management: The example of corporate elites in MNEs. *Journal of World Business*, 45(2), 143-149.
- Mikalachki, A. (1975). The Effects of Job Design on Turnover, Absenteeism and Health. *Relations industrielles/Industrial Relations*, 30(3), 377-389.
- Moncarz, E., Zhao, J., & Kay, C. (2009). An exploratory study of US lodging properties' organizational practices on employee turnover and retention. *International Journal of Contemporary Hospitality Management*, 21(4), 437-458.
- Mohsen, M., &Rashed, N. (2007). *Leadership from the qur'an relationship between taqwa, trust and business leadership effectiveness* (Doctoral dissertation, USM).
- Morton, L. (2005). Talent management value imperatives: Strategies for execution. Conference Board.
- myStarjob.com. (2012, November) *Malaysia's telecommunications industry*.Retrieved May 23, 2017, from http://mystarjob.com/articles/story.aspx?file=/2012/11/17/mystarjob_careergu ide/12280935&sec=mystarjob_careerguide
- Nayak, B. K. (2010). Understanding the relevance of sample size calculation. *Indian journal of ophthalmology*, 58(6), 469.

- Nouri, H., & Parker, R. J. (2013).Career growth opportunities and employee turnover intentions in public accounting firms. *The British Accounting Review*, 45(2), 138-148.
- Oghojafor, B. A., &Adebakin, M. A. (2012). Assessment of job design and job satisfaction among doctors and nurses in Lagos, Nigeria hospitals. *African Journal of Business Management*, 6(48), 11702.
- Oladapo, V. (2014). The impact of talent management on retention. Journal of business studies quarterly, 5(3), 19.
- O'toole, T. P., Aaron, K. F., Chin, M. H., Horowitz, C., & Tyson, F. (2003).Community-based Participatory Research.*Journal of general internal medicine*, 18(7), 592-594.
- Panoch, A. (2001). The Relationship Between Diversity and Employee Retention. Unpublished Master's Thesis, University of Wisconsin-Stout, Menomonie.
- Parsons, D. S., Lockett, J. S., & Martin, T. W. (1992). Pediatric endoscopy: anesthesia and surgical techniques. *American journal of otolaryngology*, 13(5), 271-283.
- Pek-Greer, P., Wallace, M., & Al-Ansaari, Y. (2016). Do human resource practices, employee remuneration and employee benefits have significant influence on the retention of childcare teachers in the childcare service industry?. *Asian Academy of Management Journal*, 21(1).
- Preacher, K. J., & Hayes, A. F. (2004).SPSS and SAS procedures for estimating indirect effects in simple mediation models. *Behavior research methods*, *36*(4), 717-731.
- Punia, B. K., & Sharma, P. (2008). Employees' perspective on human resource procurement practices as a retention tool in Indian IT sector. *Vision*, 12(4), 57-69.

- Rousseau, D. M. (1977). Technological differences in job characteristics, employee satisfaction, and motivation: A synthesis of job design research and sociotechnical systems theory. *Organizational Behavior and Human Performance*, 19(1), 18-42.
- Service, R. (2009). Trotsky: A Biography, Macmillan, London.
- Services statistics on information and communication 2015.(2016). *Department of Statistics Malaysia Official Portal*. Retrieved March 10, 2017, from https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=330& bul_id=dDZYV2dndnVGhCajgySmpzWitSN4QT09&menu_id=b0pIV1E3R W40VWRTUkZocEhyZ1pLUT09
- Shaheen, J. (2010). Talent acquisition as a potent tool of succession management. *Journal of Corporate Recruiting Leadership*, 5(9), 9-12.
- Sekaran, U., &Bougie, R. (2016). Research methods for business: A skill building approach. John Wiley & Sons.
- Siruri, M. M., &Muathe, S. (2014). A critical review of literature on job design in sociotechnical system. *Global journal of commerce and management perspective*, 3(6), 44-49.
- Status company. (1996). *Official Portal of MSC Malaysia*. Retrieved March 8, 2017, from http://www.mscmalaysia.my/status_company
- Steel, R. P., Griffeth, R. W., &Hom, P. W. (2002).Practical retention policy for the practical manager.*The Academy of Management Executive*, *16*(2), 149-162.
- Thite, M., & Russell, B. (2010). Work organization, human resource practices and employee retention in Indian call centers. *Asia Pacific Journal of Human Resources*, 48(3), 356-374.
- Tho, X. Y. (2017, March 26). The Jack Ma factor. *The star online*. Retrieved March, 29, 2017, from http://www.thestar.com.my/news/nation/2017/03/26/the-jack-ma-factor/

- Truss, K., Baron, A., Crawford, D., Debenham, T., Emmott, M., Harding, S., ...&Totterdill, P. (2014). Job design and employee engagement.
- Turban, E., King, D., Lee, J. K., Liang, T. P., & Turban, D. C. (2015). *Electronic* commerce: A managerial and social networks perspective. Springer.
- Turkyilmaz, A., Akman, G., Ozkan, C., &Pastuszak, Z. (2011). Empirical study of public sector employee loyalty and satisfaction. *Industrial Management & Data Systems*, 111(5), 675-696.
- Umamaheswari, S., & Krishnan, J. (2016). Retention of Employees in Ceramic Sanitary Ware Factories in India: Role of Work Life Balance, Career Development and Supervisor Support. *Tem Journal-Technology Education Management Informatics*, 5(2), 217-225.
- Verma, D. Y. (2016). Talent acquisition: a crucible facet. Human Capital, 19-20.
- Yamamoto, H. (2013). The relationship between employees' perceptions of human resource management and their retention: from the viewpoint of attitudes toward job specialties. *The International Journal of Human Resource Management*,24(4), 747–767.
- Yean Yng Ling, F., &Toh, W. (2014). Boosting facility managers' personal and work outcomes through job design. *Facilities*, 32(13/14), 825-844.
- Zhang, J., Ahammad, M. F., Tarba, S., Cooper, C. L., Glaister, K. W., & Wang, J. (2015). The effect of leadership style on talent retention during merger and acquisition integration: Evidence from China. *The International Journal of Human Resource Management*, 26(7), 1021-1050.
- Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2013). Business research methods. Cengage Learning.
- Zimmerman, R. D., &Darnold, T. C. (2009). The impact of job performance on employee turnover intentions and the voluntary turnover process: A meta-analysis and path model. *Personnel Review*, *38*(2), 142-158.

Appendix: Questionnaire



UNIVERSITI TUNKU ABDUL RAHMAN Faculty of Business and Finance

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINAL YEAR PROJECT

TITLE OF TOPIC: A STUDY ON THE RELATIONSHIP BETWEEN TALENT MANAGEMENT AND EMPLOYEE RETENTION IN TELECOMMUNICATION INDUSTRY IN KLANG VALLEY

Survey Questionnaire

Dear respondent,

I am final year undergraduate student of Bachelor of Business Administration (HONS), from UniversitiTunku Abdul Rahman (UTAR). The purpose of this survey is to identify the relationship between talent management and employee retention in telecommunication industry in Klang Valley.

Thank you for your participation.

Instructions:

- 1. There are THREE (3) sections in this questionnaire. Please answer ALL questions in ALL sections.
- 2. Completion of this form will take you approximately 5 to 10 minutes.
- 3. The contents of this questionnaire will be kept strictly confidential.
- 4. Please be informed that in accordance with Personal Data Protection Act 2010 ("PDPA") which came into force on 15 November 2013, UniversitiTunku Abdul Rahman ("UTAR") is hereby bound to make notice and require consent in relation to collection, recording, storage, usage and retention of personal information.

Acknowledgment of Notice:

By completing this survey question, I have been notified by the student and that I hereby understood, consented and agreed per UTAR notice (refer to Appendix I).

Name: Siew Cheng Li

E-mail address: siewchengli95@gmail.com

Section A: General Information

The following questions refer to the general information of the respondents. Please tick the appropriate box to represent your answer. Your answer will be kept confidential.

1. Gender:

□ Male

□ Female

2. Ethnicity:

□ Chinese

🗆 Malay

🗆 Indian

□ Others (please specify)_____

3. Age:

 \square 20 years old and below

 \square 21 - 30 years old

 \Box 31 - 40 years old

 \Box 41- 50 years old

 \Box 51 years old and above

4. Length of service:

 \Box Less than 1 year

□ 1 - 3 years

□ 4 - 6 years

□ 7 - 9 years

 \Box 10 years and above

- 5. Highest academic qualification:
- \Box PMR / SPM
- □ Diploma / Advanced Diploma
- □ Bachelors
- □ Masters
- Der PhD
- □ Others (Specify)
- 6. Gross Monthly Salary:
- □ Less than RM 1000
- □ RM 1000 2000
- □ RM 2001 3000
- □ RM 3001 4000
- □ RM 4001 5000
- □ Above RM 5001
- 7. Administrative Job Title:
- □ Executive
- □ Middle Manager
- □ Manager
- \square Non managerial employees

Section B: Dependent Variable

The statement in this section is related to employee retention in telecommunication industry.

Please circle the number that best reflects your opinion about the statement using 5 Likert scale which that [(1) = strongly disagree, (2) = disagree, (3) = neutral, (4) = agree and (5) = strongly agree]

Employee Retention:

No.	Statement	SD	D	Ν	Α	SA
1	My company means something for me.	1	2	3	4	5
2	I am satisfy with my current job.	1	2	3	4	5
3	I have no plan to search for a new job.	1	2	3	4	5
4	I intend to stay and continue with my company.	1	2	3	4	5
5	I stay with my company because I feel appreciated.	1	2	3	4	5

Section C: Independent Variables

The statement in this section is related to the talent management factors (career development, rewards and compensation, performance management, job design, talent acquisition) affecting employee retention. According to your experience as an employee in telecommunication industry, please circle the number that best reflects your opinion about the statement using 5 Likert scale which that [(1) = strongly disagree(SD), (2) = disagree(D), (3) = neutral(N), (4) = agree(A) and (5) = strongly agree(SA)]

Talent Management:

	Statement	SD	D	Ν	Α	SA
1.	My company always plans on employee career growth.	1	2	3	4	5
2.	Employee career development programs such as training are offered for the employees.	1	2	3	4	5
3.	My company has in-house development programs to develop its employees.	1	2	3	4	5
4.	My company has provision of career mentors.	1	2	3	4	5
5.	Employee career development benefits are provided in my company.	1	2	3	4	5

i. Career Development

ii. Rewards and compensation

	Statement	SD	D	Ν	Α	SA
1.	My company will increase my salary frequently.	1	2	3	4	5
2.	My company will reward me if I perform well.	1	2	3	4	5
3.	I feel motivated to work if I get promoted by my company.	1	2	3	4	5
4.	My company provides chance for me to learn and develop.	1	2	3	4	5
5.	I feel appreciated by my company whenever I completed my task.	1	2	3	4	5

iii. Performance management

	Statement	SD	D	Ν	Α	SA
1.	Promotion in my company is based on individual	1	2	3	4	5
	performance.					
2.	My company has a system to ensure performance and	1	2	3	4	5
	feedback.					
3.	I understand the expectations and requirements of my	1	2	3	4	5
	performance.					
4.	My company conducts performance reviews regularly.	1	2	3	4	5
5.	Performance criteria is appropriate and fair to me.	1	2	3	4	5

iv. Job design

	Statement	SD	D	Ν	Α	SA
1.	The job requires me to perform of a wide range of tasks.	1	2	3	4	5
2.	The job requires me to utilize a variety of different skills	1	2	3	4	5
	in order to complete the work.					
3.	I have the opportunity to communicate with others in my	1	2	3	4	5
	work.					
4.	The job takes place in an environment free from health	1	2	3	4	5
	hazards (e.g. chemicals, fumes, etc.)					
5.	The performance of my work is likely to decide the	1	2	3	4	5
	satisfaction of customers.					

v. Talent acquisition

	Statement	SD	D	Ν	Α	SA
1.	My company provides me a comprehensive list of duties	1	2	3	4	5
	and responsibilities upon reporting the first day.					
2.	My company briefs me on the structure, mission and	1	2	3	4	5
	vision of the organization.					
3.	My company took me round the premises and introduced	1	2	3	4	5
	me to other departments.					
4.	My company always takes a long view of building a	1	2	3	4	5
	candidate talent pool for the future.					
5.	My company places the right people in the right jobs.	1	2	3	4	5

Thank you for taking time out to participate in our survey. We truly value the information you have provided.

PERSONAL DATA PROTECTION STATEMENT

Appendix I

Please be informed that in accordance with Personal Data Protection Act 2010 ("PDPA") which came into force on 15 November 2013, Universiti Tunku Abdul Rahman ("UTAR") is hereby bound to make notice and require consent in relation to collection, recording, storage, usage and retention of personal information.

Notice:

- 1. The purposes for which your personal data may be used are inclusive but not limited to:-
 - · For assessment of any application to UTAR
 - For processing any benefits and services
 - For communication purposes
 - · For advertorial and news
 - For general administration and record purposes
 - For enhancing the value of education
 - · For educational and related purposes consequential to UTAR
 - For the purpose of our corporate governance
 - For consideration as a guarantor for UTAR staff/ student applying for his/her scholarship/ study loan
- 2. Your personal data may be transferred and/or disclosed to third party and/or UTAR collaborative partners including but not limited to the respective and appointed outsourcing agents for purpose of fulfilling our obligations to you in respect of the purposes and all such other purposes that are related to the purposes and also in providing integrated services, maintaining and storing records. Your data may be shared when required by laws and when disclosure is necessary to comply with applicable laws.
- Any personal information retained by UTAR shall be destroyed and/or deleted in accordance with our retention policy applicable for us in the event such information is no longer required.
- 4. UTAR is committed in ensuring the confidentiality, protection, security and accuracy of your personal information made available to us and it has been our ongoing strict policy to ensure that your personal information is accurate, complete, not misleading and updated. UTAR would also ensure that your personal data shall not be used for political and commercial purposes.

Consent:

- By submitting this form you hereby authorise and consent to us processing (including disclosing) your personal data and any updates of your information, for the purposes and/or for any other purposes related to the purpose.
- If you do not consent or subsequently withdraw your consent to the processing and disclosure of your personal data, UTAR will not be able to fulfill our obligations or to contact you or to assist you in respect of the purposes and/or for any other purposes related to the purpose.
- 3. You may access and update your personal data by writing to us at siewchengli95@gmail.com

Thank you for your time and opinion.