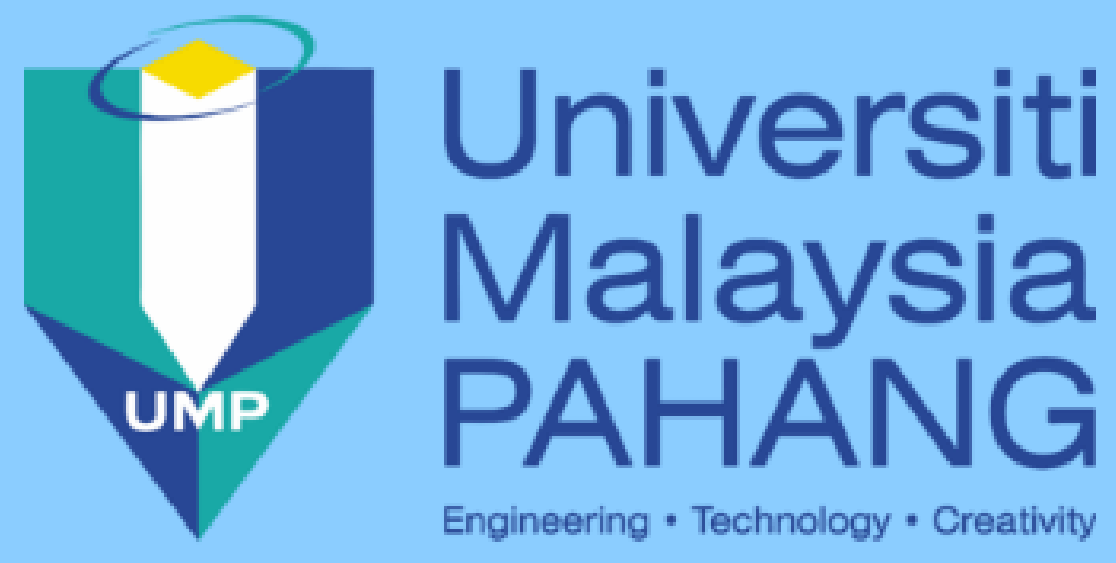


IMPACT OF TALENT MANAGEMENT ON EMPLOYEE RETENTION IN MANUFACTURING INDUSTRY



FARAH SYAHIRAH BINTI MOHD ARIFF

Bachelor Of Industrial Technology Management With Honors
Faculty Industrial Management University Malaysia Pahang

ABSTRACT

This proposal is to identify the impact of talent management on employee retention on manufacturing industry. This result is important to overcome the general problems in manufacturing industries. The range of this study includes whole manufacturing company in Malaysia. The main objectives of this study is to identify the factors of talent management and access the impact of talent management on employee retention in manufacturing industries.

INTRODUCTION

Talent management is actions taken by organizations for the purpose of attracting and retaining the best employees in most strategic roles (Scullion & Collings, 2011). Managing talent aims at developing the right people in the right jobs at the right time, ensuring the right environment for individuals to deliver their best that will then remain committed to the organization. Talent management ensures that organizations have the right people with fit skills located at the right place to access business strategy

OBJECTIVE

- To identify the impact of competencies mapping and employee engagement towards employees' retention in manufacturing companies in Malaysia
- To investigate the impact of employee career development and performance development towards employees' retention in manufacturing companies in Malaysia

HYPOTHESIS DEVELOPMENT

- Competencies or competencies mapping affect employees' retention in manufacturing companies in Malaysia.
- Employee engagement affect employees' retention in manufacturing companies in Malaysia.
- Career development affect employees' retention in manufacturing companies in Malaysia.
- Performance management affect employees' retention in manufacturing companies in Malaysia.

METHODS

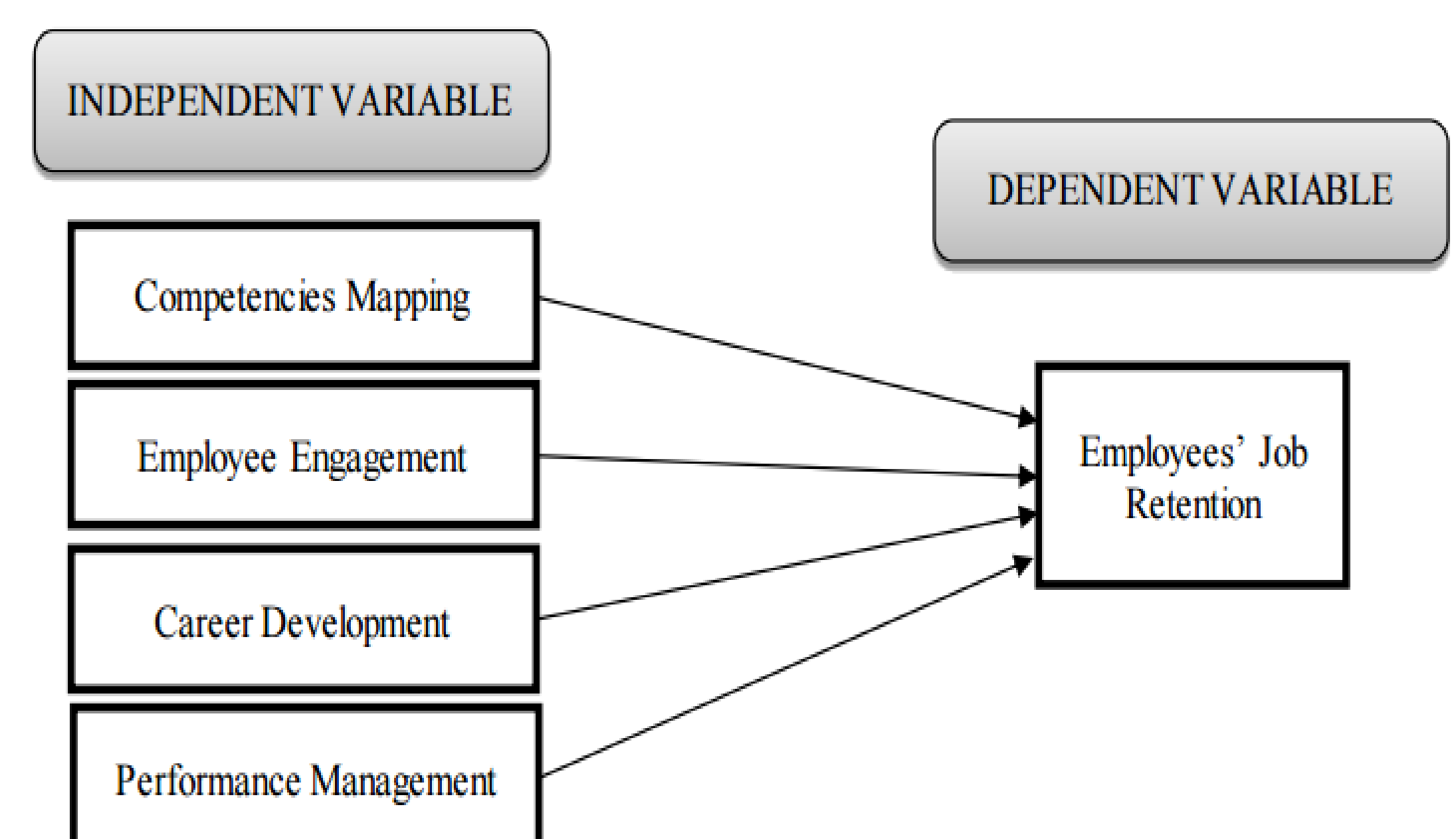
The primary data in this study was collected through interviews with human resources department and questionnaire response from individuals who working in manufacturing industries.

This study also use quantitative method which is the data type is survey and questionnaires. The measurement scales to measure the respondent response by using strongly agree, agree, neutral, disagree and strongly disagree.

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

Globalization increases the emergence of various companies within the manufacturing industries which has created new window for the workforce. Good employees are becoming more difficult to find and companies are more interested in retaining valuable employees (Panoch, 2001). The researcher got the companies faced with high turnover which can creates high replacement cost.

Thus, human resource management need to attract talented employees to the business by implying talent management for the purpose of attracting, selecting, developing and retaining the best employees in most strategic roles (Scullion & Collings, 2011).



CONCLUSIONS

By conducting Pearson correlation analysis, it has been found that among four independent variables, all of them have significant relationship with employee's motivation which are competencies mapping, employee engagement, career development, and performance management. The main objective of the study is to analyze the talent management practice in manufacturing industries in Malaysia. The study found out that there was a strong positive significant relationship between talent management and employee retention in manufacturing industries in Malaysia. The importance of talent management in employee retention is also backed by Patti (2011) who, studied why employees leave an organization and the strategies for attracting and retaining talent and found out that 63% of the respondents to the survey opined that talent management will be the most pressing strategic issue they will face in years to come.