Determinants of Successful Talent Management in MNCs in Malaysia

*Mahan Poorhosseinzadeh[1] and Indra Devi Subramaniam[2]

Graduate School Of Management, Multimedia University, Malaysia

ABSTRACT

The concept of talent management has attracted most of the researchers' attention in recent years. As human capital has been known as the most critical element of competitive advantage, most organizations around the world have grasped the importance of talent management. Talent management does not have one face, so various organizations implement it with their unique strategy. However, there are some basics they need to follow as their primer steps that lead them to better understanding and implementing of talent management. In the current economic downturn, not only there is a high demand for talents but also it is very tough to attract, deploy, develop and retain talents in the organizations as well as implementing an effective succession plan. Nevertheless, most of the organizations implement talent management in their organization but there are a lot of unknown issues that need to be investigated. The main purpose of this study is to investigate the determinants of successful talent management in the MNCs in Malaysia. The independent variables are attracting talents, deploying talents, developing talents, retaining talents and succession planning. The dependent variable is successful talent management. A quantitative approach is used in this study. A cross-sectional correlation research design and survey method is used to collect data. A research model and five hypotheses were developed. Regression analysis was used to test the hypotheses. The study found that only 67.3% of the MNCs studied had implement talent management in their organizations. All of the variables were significantly related to the success of talent management in MNCs in Malaysia. However, developing talents was found to be the most significant predictor of successful talent management in MNCs in Malaysia.
Keywords: Talent Management, Attracting talents, Deploying talents, Developing talents, Retaining talents, Succession planning, Multinational Corporations (MNCs).

1   INTRODUCTION

1.1   Research Background

With globalization and uncertainty in the business environment, more and more companies are turning to their human capital to provide them with the competitive edge that will not only sustain their business but also improve their bottom line. With the recognition of the importance of human capital, businesses are focusing on talent management to add value to their organization. While many organizations acknowledge that they have some sort of talent management in place but they may not be fully cognizant of the way to implement it effectively. For a start they differ in the way they define talent and talent management. Some define talent as the high performance employees or potential people in the organization; the others consider highly skilled and knowledgeable people as talent. While talent management in recent years has attracted the attention of researchers, there are a lot of issues that remain unknown. In Malaysia talent management is in a nascent state with different companies operationalizing it differently. There is also concern in Malaysia about critical talent migrating to other countries in the form of brain drain due to poor implementation of talent management programs. Then there are those who have had education in developed countries staying on to work in those countries rather than returning home. In spite of the Malaysian government offering lucrative and attractive terms for these people to return to their home country, there have been few takers. A special task force called Talent Corporation has been set up to come up with solutions. If these initiatives are to succeed, there is a need to understand the challenges of talent management in the Malaysian context which may become the driving force to the acceptance and use of talent management in future. A good platform is needed in order to provide a model of successful talent management to assist Malaysian managers to compete in the competitive global scale.

1.2   Research Problem

After 1998 when McKinsey created the phrase "War of Talent", many researchers around the world grasped the importance of talent management. On the other hand, the companies that really wanted to enter the global scale and compete in this area felt the need to have a competitive advantage to survive (Woodward, 2009). Talent management issue is a unique and non-imitable competitive advantage, which doesn't just have one phase. Different companies with various strategies implement talent management in a unique manner, which may lead to their success on a global scale. Sumardi and Othman (2009) carried a research on talent management in Malaysia in 2009. They conducted interviews to investigate how Malaysian companies use talent management in their organizations. They examined three companies in Malaysia. According to their

*Corresponding Author: Mahan Poorhosseinzadeh, Graduate School Of Management, Multimedia University, Malaysia
E-mail address: mahan82phz@gmail.com , Tel: +601112784125

finding, talent management was initiated from 2004-2005. They all mentioned three fundamental activities for a talent management program. First, managing the top performers, second emphasis on leadership development and last but not least, the two previous activities were linked to succession planning to senior managerial positions. In all of them, talent management program entails coaching and mentoring. The only difference between these three companies is their viewpoint of the talent pool. One of these three firms mentioned that they had a well-defined talent pool in their firm to develop their future talents but the others haven't created a formal talent pool. According to Sumardi and Othman's findings, these firms use talent management in three phases that is related to their own strategies and size of their organization (Sumardi and Othman, 2009).

To the researcher's knowledge, there is very little research about talent management in MNCs in Malaysia. It is still in its introductory stage in Malaysia. As success of companies like the MNCs in Malaysia are driven by talent, issues related to attraction, deployment, development and retention of employees as well as usage of succession planning relating to talent in these corporations need to be carefully examined. This study intends to address this issue. Therefore, the purpose of this study is as follows:

What are the determinants of Talent Management in MNCs in Malaysia?

1.3 Justification of Study

Most companies worldwide, regardless of size, are confronting and/or will soon confront many TM challenges which if left unmet, will impact their global business strategies, both in the near term and longer term.

Similarly, Malaysian organizations cannot compete in a highly competitive situation without such information, and thus both professional insights and scientific-based information are needed to empower Malaysian organizations to compete in the war for talent.

2 LITERATURE REVIEW

2.1 Talent Management

Although there are several rational definitions of talent management available, nevertheless, there is the lack of clarity on what it basically means (Lewis and Heckman 2006) and an accurate definition of talent management remains somewhat tenuous (Hughes &Rog, 2008).

Stephenson &Pandit(2008) and several other researchers advised that having the right number of people at the right place at the right time with the right skill sets and levels of motivation are fundamental to talent management.Others believe that talent management embraces entirely the activities of an organization amongst which are attracting, developing, selecting and retaining the best workforces in the suitable position (Stahl et al., 2007). CIPD defines talent management as the organized attraction, deployment, development and retention of high potential employees who are considered as a certain value for the organization (CIPD, 2009, p. 2).

Talent management is involved with all the Human Resource Management (HRM) processes with an exact emphasis on the attraction, development and retention of talents (Lewis and Heckman, 2006). In another expression, it can be said that talent management encompasses almost all the elements of human resource management (Stewart. & Harte, 2010).

Some others describe talent management as an embraced and legislated promise to employing a cohesive, technological, and strategic approach to human resource management (Hughes &Rog, 2008).

According to Iles et al. (2010a) and Capelli (2008), talent management and HRM present a correlated theoretical base with dissimilar analysis. They presented three points of view regarding definition of talent management as follows:

2.1.1 Talent management is not fundamentally different from HRM: It includes all the HRM activities and therefore it can be said that talent management is a rebranding term of HRM, which has changed from the traditional term to a new concept. This new label of HRM has focused on how to manage talents strategically.

2.1.2 Talent management includes human resource management with a specific emphasis: talent management uses the same instruments as human resource management and organizational development, but talent management emphasizes on talented people, accordingly, the focal point is "talent pool", both internal and external of the organization.

2.1.3 Talent management concentrates on proficiency development through managing the progression of talents within the corporation. Their focus is on talent flows instead of talent pool. The theory has originated from operational and logical theories. Talent management programs are created to provide talent pools for supplying certain job categories and focus on development of specific individuals who are qualified to create succession in the organization.

2.2 Attraction, Deployment, Development and Retention

Attraction and retention of workforces in organizations have become one of the major features of making organizational competences to certify continuous competitive advantage. Therefore, investing on resources

associated with attraction, deployment, retention and development of human resources can lead to organization competitive advantage (Boxall and Steenveld 1999).

Statistic shows that 43 percent are engaging in key role talent recruitment, while 55 percent are still developing talent in-house and 35 percent are likely to recruit in-house and there is also a greater emphasis on retention of current talents. Turnover and employee engagement is the new concern of organizations, so it is strongly recommended to focus on talent strategies (Rowland, 2008).

In this part, it will be tested whether managers have adopted talent management for just fashionable reasons or they really know that adopting it can be a vital pathway to solve real problems. Therefore, they shouldn't jump to the issue of talent management because it is fashionable and give them more integrity (symbolic perspective) rather they should expect what issue/problem talent management is intended to tackle and in this management what tools, (substantive perspective: attraction, deployment, development, retention, succession planning), they will use. Therefore, when they recognize their mission, they will be able to decide which strategy they need to use for attraction, deployment, development and retention of talents or how they can use succession planning in their organization.

Accordingly, by testing the framework, a pathway will be figured out for the usage of talent management in organizations which is not only for being up-to-date but also for leading and solving the organizational problems better and more efficiently.

2.2.1   Attracting Talents

Attracting external talents depends on the organization's values and how the potential candidates view the organization; it depends on whether the corporation carries a high value in the existing industry that they function in or they just function to survive. Therefore, Employer brand is one of the most important and crucial issues that can attract external talents easily. It is clear that all the talents seek growth and advancement; they cannot find it unless they look for high performance companies, which have good reputation.

This issue can be supported by some researcher's quotes such as: The invention of an attractive employer brand is a critical issue in attracting external talent (Iles et al., 2010a). Recruiting right people obliges strategic HR thinking and formulation of SMART entry requirement for selecting the right talents (Pruis, 2011). Attracting external talents has a direct relationship with 'employer brand' (Glen, 2007).

Some believe that attracting and retaining talents, focused on exclusive-people model, are the two fundamental necessities of talent management (Iles et al., 2010a) . Therefore, the first step that the talent management should focus on is "talent pool", which can be both internal and external to the organization. Thus, the "employer brand" and "employee segmentation" is to emphasize on attracting talent management (Iles et al., 2010b). Talented people join organizations, which they observe to be attractive and add leverage to themselves (Glen, 2007).

Building a superior brand for the company can be very challenging so the firms should be creative to make a high-quality brand and also they need to have commitment to bring the best in the organization. Most of the top firms in the world recruit all the time. They look for talents continuously, it means that they don't recruit just when a position opens; they recruit when they find a talent. It doesn't mean that they don't focus on talent development; they may recruit talents whenever they find them and train within the company for the high positions (Chambers et al., 1998).

Based on the review of literature on the relationship between talent management and attracting talents, the following hypothesis is proposed:

H1: There is a positive relationship between attracting talents   and successful talent management in MNCs in Malaysia.

2.2.2   Deploying Talents

Usually organizations fail to implement strategic plans. Strategy deployment links strategy plans with implementation activities. The first thing that organization needs to do before implementing action is examining the deployment process. In this way, they will be able to examine the feasibility of the deployment process. Therefore, by putting more attention on the deployment process, organizations are able to implement strategic plans more effectively.

Deploying talent management refers to the decision that is made in the organization regarding hiring, positioning and exiting of talents. Therefore, the decision in these processes is critical and it should be made by a talented manager. Guarino (2007) has initiated a "Quick Screen" approach of talent recruiting that matches between key aspects of position and candidature's competencies. This method enables organizations to identify high performers (Guarino,2007). Deployment can resemble the rebuilding of a car. When you have all the pieces to complete the car, there is no finished product unless you assemble and fix them in the correct spot (Williamson, 2011).

Consequently, how to deploy talents in a way that follows the strategic goals and individual development is a vital decision in any organization. They may use SMART goal setting or Locke's goal setting. SMART refers to a decision, which is specific, measurable, attainable, relevant and timely. Locke's goal setting theory is

very famous and frequently used by studies; is refers to specific goals that are more attainable than general goals; difficult goals result in greater effort than do easier goals (Morganand Jardin 2010).

Based on the review of previous literatures, it is therefore hypothesized that:

H2: There is a positive relationship between deploying talents and successful talent management in MNCs in Malaysia.

2.2.3 Developing Talents

In order to achieve high potential in the organization, it requires achieving the potential of talents. Talent development should be associated with further learning and development plans. Suitable learning and development associations are needed at related steps in a career for talented workforce to achieve their greatest potential. Talent development might be useful for a company, which grows slowly but may be even risky for those with high growth. To develop talent, organizations need both informal and formal learning involvements (Dr. Ahmad Yousef Areiqat, 2010). In addition to skills and knowledge, talent development depends on alterations in performance, perception and conduct (Charan, Drotter, Noel, 2001).

It is necessary that talent management continuously develops their high performers for potential new positions, recognize their knowledge gaps and implement initiatives to boost their competencies and certify their retention (Carins, 2009).

In Europe and US, corporate universities have become one of the most significant source of corporate development and training and corporate universities are recognized as a core aspect in the strategic creation of talent management in the organization (Holland and Pyman, 2005).

Basically, a corporate university is an "in house" training, which is formal learning and creation of knowledge in the organization, therefore as Holland and Pyman mentioned in their article, corporate universities are a catalyst of strategic human resource development and the emergence of corporate universities highlights its importance in the area of strategic human resource development which leads to the success of talent management in the organizations (Holland and Pyman, 2005). The truth is that in spite of the organization's development and assessment programs, most of the truly talented people remain unknown to their organizations; consequently, the organizations need to implement an effective development and assessment plan which can lead to identifying opportunity as the main component of talent management for achieving their mission, and also they need to capitalize on great on-the-job development opportunity and provide not only effective mentoring and coaching but also high quality assessment activities (Glen, 2007).

Putting the people in position before they expect it, which is another developing system, proves to be a very effective development method. The last but not the least are feedback and coaching that are very essential issues of developing talents (Chambers et al., 1998).Williamson (2011) believed that a new concept toward developing talents can be through talent matrix. It means that by rating your employees to A, B, C and D players, you should individualize development opportunities. For example, offering A players the highest level of development, B players' development should focus on interactive skills, C players should be given hard goals and they should be observed carefully and there should be a clear path of separation for D players (Williamson, 2011).

Based on the review of previous literatures, it is therefore hypothesized that:

H3: There is a positive relationship between developing talents and successful talent management in MNCs in Malaysia.

2.2.4 Retaining Talents

Due to the economic downturn, workforce downsizings and also due to the demographic statistics that illustrate that most of the qualified US managers retire in 2012, usage of strategies that prevent organizations from knowledge loss has become one of the critical concerns of existing firms. On the other hand, Generation Y shows less loyalty to their employees and numerous employees lose their talents to their rivals headhunting (Whelan &Carcary, 2011).

There are several factors that contribute to talent retention. For example, hygiene factors like benefit, compensation, location which has a direct effect on career success, while career success and intrinsic rewards indirectly reduce talent loss (Whelan &Carcary, 2011).

As mentioned before, some believe that attracting and retaining talents are the two fundamental necessities of talent management (Iles et al., 2010a). The others believe that they just need to attract and develop talents and they don't even pay attention to the subject of retaining. These groups invest on talent but when it is time to gain returns on their investment, the talents leave their organization. They need to recognize why their talents leave the company and look for the solution. There are some similarities and differences among organizations' strategies in the purpose of retaining talents or keeping them once they had been recruited. Some countries have their own specific strategy for example:

- In Brazil, France and Netherland, they stimulate passion;
- In Japan, they intimidate people with trust and respect;
- In Italy, they conduct effective performance assessments;
- In South Korea, they retain people by performance targets; and

- In Canada, it depends on employees satisfaction, motivation, retirement benefit, long-term success of organization and so on (Hughesand Rog, 2008).

Consequently, the conclusion from all the above employee turnover exposes an organization to considerable risk, so the companies need to create and deliver employee value proposition to retain the talents. Based on literature review, every country might use different strategies in retaining its talent; therefore, this will be tested in MNCs in Malaysia. Thus, the following hypothesis is proposed:

H4: There is a positive relationship between retaining talents and successful talent management in MNCs in Malaysia.

2.3 Succession Planning

What does succession-planning mean? There are different perspectives about succession planning but almost all of them hold a common root. Some consider it as a process of planning for succession of choosing the next senior team. For other groups, it is an adequate pool of proper talents for in-house recruitment. Some succession planning is a "future-proofed" strategy that enables the organization to grow and perform in the future successfully (Hills, 2009). In these three different explanations, a unique basis can be found, which is; "have the right people in the right jobs at the right time" (Hills, 2009).

For example, Charan, Drotter& Noel, (2001) defined succession planning as a procedure of developing and classifying in-house workforce with high potential to supply vital leadership positions in the organizations. Succession planning provides opportunity to fulfill key positions by capable and knowledgeable employees when they are needed. Successful succession planning is a series of activities for fulfilling leadership pipeline and movement (Charan, Drotter, Noel, 2001).

Hor et al. stated that succession planning has the potential to become the most fundamental discipline of all organizations in the next decade and it will be essential for organization's future competition. Therefore, succession has become the primary goal of Human Resource Management. Hills believed that succession strategy inexorably is a mix of buying-hire in key skills and building talents. Although buying talents acquires high cost but its existence in the currently challengeable market demand is vital and it's a quick way of bringing new ideas and skills. However, in other ways, by building talents, the organization can save money and enhance career promotion and commitment within the existing workforce but less opportunity to bring new ideas and knowledge into the organization (2009).

Succession planning has different definitions according to various organizational strategies (Hor et al., 2010). The main concern of organizations that traces succession planning is forecasting future organizational needs, which is completely different from replacement planning. Succession planning protects human resource needs and guarantees stability and achievement of organizations. Consequently, some organizations define Succession planning as "identification and development of future leaders", the others define it as a logical effort to venture leadership necessities, or to classify a source of high skill and knowledgeable talents. Thus, an organization should recognize, choose and develop talents who are the best candidates for the right leadership positions. So, they don't need to discover who is next, rather they need to classify high potentials according to essential training and experience that they need in order to become a Talented Manager. In this way, they can develop their own talents (Hor et al., 2010).

Capelli (2008) implied that for effective succession planning in an organization there are some vital features:

1. In the organizations, there is a blueprint for extraordinary performers, which is called leadership competency model.
2. In these organizations, system of functioning performance exists to measure people in contradiction of the leadership competency model.
3. In this situation, the process of development planning not only restricts the gap between current and future competencies and performance but also helps to identify and develop the potentials for future positions.
4. Measurement method also helps the function of succession planning in a way that assesses individuals functioning and whenever needed, they use those qualified candidates who were prepared for the positions.

According to Hor et al. (2010),"Building leadership competency models is the key to a successful succession planning". Tropiano implied that "leadership competencies are well-known, frequently revised, and updated". These competencies develop potentials and appraise them.

According to the literature review that was provided, the following hypothesis is proposed:

H5: There is a positive relationship between succession planning and successful talent management in MNCs in Malaysia.

2.4 Theoretical Framework

In this section a model of theoretical framework is developed based on the review of related literature and previous findings. This model provides further insight as to what extent Malaysian MNCs can use it for their future talent management. The proposed research framework for the determinants of successful talent management in Malaysian MNCs is as follows:
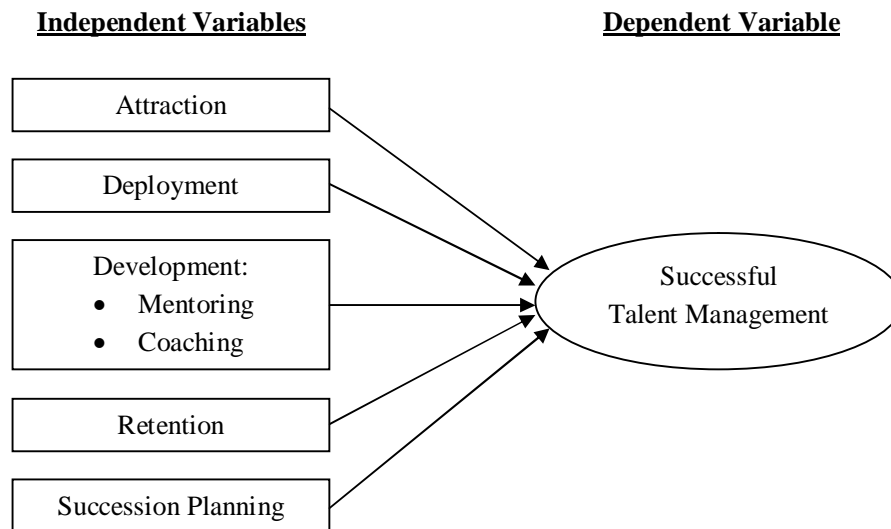
Independent Variables   **Dependent Variable**

Figure 1 Theoretical Framework for the relationship between talent management initiatives and successful talent management in MNCs in Malaysia

2.4.1   Research Hypothesis:

H1: There is a positive relationship between attracting talents and successful talent management in MNCs in Malaysia.

H2: There is a positive relationship between deploying talents and successful talent management in MNCs in Malaysia.

H3: There is a positive relationship between developing talents and successful talent management in MNCs in Malaysia

H4: There is a positive relationship between retaining talents and successful talent management in MNCs in Malaysia.

H5: There is a positive relationship between succession planning and successful talent management in MNCs in Malaysia.

3   RESEARCH METHODOLOGY

3.1   Research Design

In this study, the quantitative approach was used and it's a correlation study that uses the survey method to collect data. The independent variables are attraction, deployment, development, retention, and succession planning. The dependent variable is successful talent management. The research instrument of the study is structured questionnaire. And Likert scale format is used.

3.2   Sampling and Population

For the purpose of collecting primary data from MNCs in Malaysia, a questionnaire was prepared for this study. Convenience sampling was used in this study as only the companies that agreed to participate in this study were selected. In this research, both primary and secondary data were collected. The primary data was collected personally by the researcher as an assurance of confidentiality to respondents. A total of 49 questionnaires were distributed between the MNCs in central parts of Malaysia. The questionnaires were just filled by one of the human resource staffs or managers in each of the MNCs where it showed the flow of talent management in that specific company. Secondary data was mostly collected from journal articles, textbooks, Internet newspaper articles, and magazines.

3.3   Validity and Reliability of the Questionnaire

Pilot study is used to examine the validity and reliability of the questionnaire. Validity test was determined by getting a few people consisting of human resource experts and academicians to review the questionnaire for face and content validity. Reliability of questionnaire was determined by involving the MNCs that were not participants in the study. The reliability test was accomplished by collecting data from 10 MNCs. Based on the feedbacks appropriate changes were made to the questionnaire. After assurance of validity and reliability, the data collection was continued from the other MNCs in Malaysia. The Cronbach alpha method was used for the reliability test of each of the 6 research concepts of successful talent management, attracting talents, deploying

talents, developing talents, retaining talents, succession planning. Thus, the reliability of questionnaire was confirmed by the result generated from Cronbachalpha test.

3.4   DATA ANALYSIS

Data was analyzed using Statistical Package of Social Science (SPSS). Descriptive and inferential statistics were used to test the hypotheses and answer the research questions. Descriptive statistics was used to describe the profile of respondents and inferential statistics in the form of Pearson Product Moment Correlation was used to determine the relationship between the independent variables and successful talent management in MNCs in Malaysia.

The elements that display high correlation reveal a strong relationship between the predictor variable and dependent variable. The level of significance was set at p =0.05

4   RESULT

4.1   Relationship between talent management initiatives and successful talent management in MNCs in Malaysia

Table1: Correlations of predictors of successful talent management

Correlations		
	Successful Talent Management (TM)	
	Pearson Correlation (r)	Sig. (2-tailed). P-value
Attracting Talents (AT)	.543**	.000
Deploying Talents(DT)	.523**	.000
Developing Talents(DEV)	.728**	.000
Retaining Talents(RT)	.684**	.000
Succession Planning(SP)	.710**	.000
**. Correlation is significant at the 0.01 level (2-tailed).		
*. Correlation is significant at the 0.05 level (2-tailed).		

Correlation was carried out to test the hypothesis. In this study, successful talent management was the dependent variable and attracting talents, deploying talents, developing talents, retaining talents and succession planning were the independent variables.

As shown in Table1, H1, H2, H3, H4 and H5 are not rejected. Based on the result, which was shown in the correlation table, all of the independent variables are significantly related to successful talent management.

Table 2: Model summary of predictors of successful talent management

Model Summary[b]									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.781[a]	.610	.565	2.30108	.610	13.459	5	43	.000	1.798
a. Predictors: (Constant), Succession Planning, Deploying Talents, Attracting Talents, Retaining Talents, Developing Talents									
b. Dependent Variable: Successful Talent Management									

In Table 2, R-square value = 0.610. It means that 61% of the variation in successful talent management can be predicted by variation in attracting talent, deploying talent, developing talent, retaining talent and succession planning. It also interfered from the result that there are also other predictors of successful talent management used in MNCs in Malaysia, which was not included in this study. Durbin Watson value = 1.79 which is between 1.5 and 2.5. It indicates that independence residual is accepted in the model and there is no autocorrelation error in the data.

Table 3: ANOVA table of predictors of successful talent management.

ANOVA[b]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	356.316	5	71.263	13.459	.000[a]
	Residual	227.684	43	5.295		
	Total	584.000	48			
a. Predictors: (Constant), Succession Planning, Deploying Talents, Attracting Talents, Retaining Talents, Developing Talents						
b. Dependent Variable: Talent Management						

The ANOVA results ($F_{(5, 13)}$, $p < 0.05$) are presented in Table 3. The significant results suggest that at least one of the 5 independent variables would be a significant predictor of successful talent management.

4.1.1 Stepwise Regression Method
Stepwise regression was carried out to determine the significant predictor of successful talent management.

Table 0: Result of stepwise regression analysis

Model Summary[b]									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.728[a]	.530	.520	2.41563	.530	53.081	1	47	.000	1.782
a. Predictors: (Constant), Developing Talents									
b. Dependent Variable: Successful Talent Management									

The results indicates that there is just one significant predictor of successful talent management in MNCs in Malaysia which is developing talents and it explains 53% of the variation of successful talent management in MNCs in Malaysia.

5   DISCUSSION AND CONCLUSION

5.1   Relationship between independent variables and successful talent management
Five hypotheses and seven research questions were developed in this study. There are five independent variables, which are attracting talents, deploying talents, developing talents, retaining talents and succession planning. This study investigated the relationships between the independent variables and successful talent management, which is the dependent variable. The result of the analysis reveals that all the five independent variables have positive relationship with successful talent management in MNCs in Malaysia. Consequently, H1, H2, H3, H4, and H5 are not rejected.

The positive significant relationship between attracting talent and successful talent management is in accordance with the findings of Iles et al. (2010), Glen (2007) and Chambers et al., (1998). The relationship between deploying talent and successful talent management is in accordance with the research findings of Guarino(2007), Williamson(2011), and Morgen&Jardin(2010). The relationship between developing talent and successful talent management concurs with the research findings of Yousef (2010), Charan, Drotter and Noel, (2001), Cari(2009), Holland &Pyman, (2005), Glen (2007), Chambers et al., (1998) and Williamson (2011). The relationship between retaining talent and successful talent management is in accordance with the results of Whelan &Carcary (2011), Hughes &Rog(2008) and Iles et al. (2010). The relationship between succession planning and success of talent management is in accordance with the research findings of Hills (2009), Charan, Drotter& Noel (2011), Hor et al.(2010),Capelli (2008). Sumardi and Othman (2009) carried out research on talent management in Malaysia and according to their findings; leadership development and succession planning are the most important predictors of talent management, which is also consistent with the result of this research.In this research, developing talents is the most important predictor of talent management in MNCs in Malaysia.

From the results of the study, it can be concluded that most of the MNCs in Malaysia implement talent management in their organizations. Their definition of talent management as mentioned in CIPD (2007) depends on the nature and the strategy used by the corporation. However, most of the researched MNCs agreed with the definition of Ready and Conge (2007) that talents are those employees who have above average knowledge and skill and are ready to be promoted to executive positions.

The results of the research reveal that talent management includes most of the human resource management activities as mentioned in Iles et al. (2010a) and Capelli (2008).

5.2   Conclusion

The fundamental goal of this study is to assist managers of MNCs in Malaysia have a better understanding of the concept of talent management in their organizations and also improve their performance through success of talent management initiatives so they can compete more effectively globally.The result of this investigation revealed that there is direct relationship between independent variables (attracting talents, deploying talents, developing talents, retaining talents and succession planning) and success of talent management as the dependent variable of this study. All the independent variables are significantly related to successful talent management in MNCs in Malaysia. Among these independent variables, developing talents is the most important and significant predictor of successful talent management in MNCs in Malaysia.

5.3 Recommendations

All the organizations worldwide, in order to achieve their strategic business objectives, need employees with the right knowledge, skills, abilities, behavior and relationships (Morgan and Jardin, 2010). In spite of the usage of talent management in MNCs in Malaysia, they are not aware of specific talent management models to refer to.

5.3.1   For MNCs in Malaysia to achieve their strategic objectives and compete in the competitive environment and fulfill their talent demands, the following recommendations are proposed:Since the main finding of this study was developing talents as the main predictors of successful talent management, therefore it is suggested that all the organizations promote developing talents as the main culture of their organizations, use effective development and assessment plan for talents, and capitalize on talent development initiatives.

5.3.2   In order to achieve the critical goal of successful talent management not only HR department staffs and management but also the other staffs and managers need to have a better understanding of talent management and set it as one of the vital strategic goals of their organizations.

5.3.3   All levels of managers in various department of an organization should appreciate the value of talent and try to retain them and develop them for future critical positions. In addition, they should react positively when one of these valuable employees is quitting the organization for better positions to their main competitors. For example, they should use some retention strategies like interesting compensation packages or even promoting to better positions. In this way, organizations are less likely to lose their talents to their competitors.

5.3.4   In order to achieve further success in talent management they need to implement other talent management initiatives in their organizations. It means that they should not only improve their development initiatives but also work on other initiatives, which includes attracting talents, deploying talents, retaining talents and succession planning.

5.3.5   Step up implementation of talent management by formulating the process and developing talent management mindset as their primary strategic goals. Establishing talent management processes and capitalizing on all of these initiatives.

5.3.6   Align the business with talent management and its predictors that include attracting talents, deploying talents, developing talents, retaining talents and succession planning.

5.3.7   Last but not the least, establish employer brand that attracts more potential talent to the organization and retain them for a long-term.

5.4 Limitations of the Research and Suggestions for Future Study

All researches have their own limitations. This one is not an exception and it carries some limitations, which are discussed below: According to the difficulties related to collection of data from MNCs in Malaysia, most of them were reluctant to participate in the study. Therefore, the data could not be collected from sufficient populations, and purposive sampling was used. Therefore, the finding of this study cannot be generalized to a larger population. Thus, further study should be done by other researchers to provide more reliable findings through larger sample using random sampling techniques.

5.4.1   This research considered the impact of five independent variables on success of talent management in MNCs in Malaysia; certainly there are more independent variables that have significant influence on success of talent management. Therefore, future studies need to be done by researchers with the inclusion of other predictors of successful talent management in MNCs in Malaysia.

5.4.2   In order to have more accurate findings, future scholars should stratify organizations according to their size and industry and then select the sample because this study indicates that talent management is practiced more in some industries like IT and financials compared to others.

5.5 Summary

Undoubtedly talent management is an important strategy for all the organizations to enhance their competitive positions and their employer brand. It is an inevitable approach for dealing with labor crisis. Talent management outcomes provide better strategic position among the competitors and less employee turnover. Consequently, organizations need to make an effort to build effective and fundamental talent management strategy that not only attract, deploy, develop and retain talents but also implement an active succession plan that contribute to successful talent management in the organization and also source the best candidate in all the process of succession planning. Therefore, managers need to create an environment in the organization that values human capitals and key skills that boosts productivity and business performance.

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