

THE PUBLIC SECTOR IN BEIJING, CHINA: THE INTERRELATIONSHIP BETWEEN TALENT MANAGEMENT AND RETENTION WITH EVALUATION OF THE MEDIATING ROLE OF ORGANISATIONAL PERFORMANCE.

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ABSTRACT

Employees are linked to the policies and processes affecting them via an efficient human resource management system. Every enterprise has essential components, including people resources, capital, raw materials, and machinery. Any organisation intent on competing globally requires astute people capable of enhancing market share and executing creative organisational learning initiatives. A distinct correlation exists between the amount and quality of a company's HR (human resources) and the performance and productivity of the enterprise. Every manager encounters a substantial challenge in the formation and sustenance of a team that augments organisational output. This study aims to assess the impact of organisational performance on the relationship between talent management and employee retention in Beijing's public sector. This study employed SPSS 25 to analyse 1,895 respondents. This study's findings can aid public administrators in formulating comprehensive strategies that enhance organisational performance and human resource management to attain sustainable outcomes. There is a significant relation between talent management and talent retention activities in an organisation. Conversely, the organization's performance mitigates the significant impact of talent management on employee retention. The talent management variable serves as a mediator, indirectly influencing business performance, which subsequently aids in personnel retention. This study is limited to replies from those in upper and middle management. Further study is required in various domains of human resource management, particularly concerning the influence of talent management on organisational success and, more specifically, its effect on employee retention. The results of this study necessitate additional inquiry in these domains.

Keywords: Public sector, organisational performance, talent management, staff retention and China.

INTRODUCTION

The primary goal of talent management in the current competitive corporate landscape is to identify, cultivate, and advance outstanding employees from both

internal and external sources. Due to technological advancements, talent acquisition and management have become more efficient, allowing individuals to concentrate on what is truly significant. To remain competitive, a company must emphasise the attraction and retention of talented employees. The need for labour has surged as a result of the global economic crisis, which has adversely affected numerous nations and enterprises. This condition is referred to as a "talent mismatch." Despite the increasing demand for multitaskers, it has become increasingly challenging to locate appropriate candidates for available positions. HR practitioners must enhance employee engagement has been identified as an important component of talent management to remain competitive in the evolving corporate environment (Li Qi & Jia Qi, 2024).

Staff retention poses a significant challenge for firms globally, as attracting a new employee may incur costs ranging from 1.5 to 2.5 times the individual's remuneration (Urme, 2023). Enhancing employee reputation and goodwill cannot compensate for declining productivity, diminishing engagement, escalating training expenses, and decreasing revenues. Companies are vigorously competing to acquire and retain elite talent due to evolving employment trends driven by technological progress and international competition. Employees that invest time and effort in understanding the company's culture are more likely to exhibit overall productivity. Moreover, they inspire their colleagues and cultivate profound commitment, engagement, and loyalty to the organisation. Numerous firms are making significant investments in talent management programs to enhance worker morale and pride.

A people management plan will encompass internal training, staff retention strategies, and recruitment methods. Ongoing initiatives are implemented to retain personnel, train existing employees, and recruit new talent. Talent management encompasses conventional HR processes, including recruitment, onboarding, development, career planning, and succession planning across many generations. In their perspective, talent management is merely a rephrasing of fundamental HR management principles. A talent management plan focusses specifically on a limited number of individuals who have demonstrated great potential in talent acquisition, development, and compensation, rather than employing a company-wide strategy. HR managers who can significantly impact the organization's present and future success are regarded as exceptionally talented. This viewpoint is substantiated by proof of enhanced sales and profitability due to quantifiable advancements in organisational performance (Kock, 2022).

BACKGROUND OF THE STUDY

This study demonstrates that strategic HRM and HRM in Beijing are intricate challenges with a variety of components. These components encompass economic,

societal, technological, and environmental factors. The political climate in Beijing adds an additional element of complexity to human resource management, as the government's Five-Year plans and industry strategies influence both the supply and demand for talent. In order to foster innovation and entrepreneurship, which are among the national agenda's top priorities, businesses must establish a culture that fosters critical and inventive thinking among their employees. Expert human resource management and strategic workforce planning are essential for success in Beijing's expanding economy. Companies require human resource management strategies that are in alignment with their objectives in order to prosper in the dynamic business environment of the present day (Kareska, 2023). In China's capital, the significance of strategic HRM is growing prevalence of a knowledge-driven economy. Effective human resource management in Beijing necessitates these abilities due to the intricacy of the issues at hand. The significance of talent management has increased as businesses endeavour to adjust to the complex and uncertain global landscape of today. Despite the increasing recognition of the significance of management and leadership, talent management is still in its infancy in the public sector (Collings et al., 2022). Experts in the field who regard talent as essential concur with the assessment of researcher. The primary objectives of government talent management are to recruit, train, develop, and retain critical personnel. The optimal method for managing TM in the public sector remains a topic of debate. Although some believe that all employees have the potential to succeed, others believe that only those with exceptional abilities should be taken into account. Talent management in the public sector has demonstrated that hybrid approaches, which integrate exclusive and inclusive strategies, are gaining popularity. It is asserted that the public sector will be able to more effectively prioritise equity and justice by adopting inclusive approach to TM. Nevertheless, this is in direct opposition to the assertion. There is evidence that the public sector employs exclusionary practices when recruiting individuals for executive and professional positions. TM is crucial in government agencies for a variety of factors. It may also facilitate the implementation of more comprehensive management reforms and enhance employee support for them, in addition to endorsing NPM activities (Kravariti et al., 2023). It facilitates the acquisition, development, and retention of talent, thereby mitigating talent shortages. Private sector research indicates that talent management (TM) helps in improvement of talent performance and retention in an organisation. This is a critical consequence of TM. The research indicates that the development of habitual high performance is associated with positive reinforcement from TM. Empirical research has been conducted on the factors that influence individual performance, including job satisfaction, affective commitment, and employee fit management. Major factors recognised in this investigation include organisational support and leadership.

PURPOSE OF THE RESEARCH

This study aims to examine the role of organisational performance as a moderator between talent management techniques and employee retention rates in the public sector in Beijing, China. Further, it elucidates the relationship between robust talent management practices, enhanced organisational performance, and employee retention to comprehend the elements that influence workforce stability in public sector enterprises. To develop targeted efforts that attract and nurture talent to foster an inclusive work environment conducive to sustained employee engagement and satisfaction, it is essential for public sector executives and legislators to comprehend these dynamics. This study aims to assist public sector organisations in improving their performance and retention rates through the enhancement of talent management practices.

LITERATURE REVIEW

A high staff retention rate promotes prolonged tenure, which is essential for an organization's success. In the current competitive job market, organisations encounter numerous obstacles in retaining personnel. In the contemporary age of industrialisation and commerce, corporations are perpetually seeking methods to enhance their overall performance by increasing employee productivity and efficiency. Despite typically elevated staff turnover rates, businesses adopt several strategies to retain their top talent. Employee retention and productivity have a strong correlation. The expertise and competencies of employees are essential for the company's sustainability (Yanan, 2021).

Organisations employ competitive recruitment strategies across the institution to attract and retain premier talent. This group includes elements such as identification, social capital, organisational health, reward, and motivation. Monetary incentives are not necessary to implement the most effective employee appreciation initiatives (Manjenje & Muhanga, 2021). Instead, they focus their efforts on ensuring employee satisfaction, which enhances health, performance, and productivity. A commendable approach to express gratitude for employees' diligent efforts and exceptional outcomes is to recognise them consistently, in both formal and informal settings. The capacity of an organisation to retain employees is contingent upon its recognition program. Employees are more inclined to stay with an organisation when they see their contributions are valued. Favourable outcomes encompass an increase in satisfaction, allegiance, and retention among employees. The objective of ERO is to acknowledge and incentivise contributions that enhance an organization's efficiency and success (Zafar et al., 2021).

Public appreciation of hard work and achievement favourably influences employee retention rates (ERR), motivation, and job performance, hence enhancing morale and productivity. A talent recruitment and management plan must encompass all

aspects: identifying, allocating, engaging, retaining, and recruiting personnel capable of positively influencing an organization's success. The HR department is responsible for hiring and maintaining outstanding talent over extended durations. Organisations must implement strategies that align with their goals and objectives to attain them (Mayer, 2021). Examples of strategies that may be categorised under this topic include succession planning and staff incentive initiatives. The manner in which a firm administers its personnel significantly influences their productivity. Organisations must explore alternative strategies for attracting and retaining premier talent beyond providing competitive compensation. Implementing a talent management approach would enhance operational and financial performance while perhaps increasing retention rates.

Employees are more inclined to perceive their compensation as equitable when they trust their employer's capacity to offer a competitive salary, perks, and additional financial incentives. Employees seeing unjust treatment in the workplace may become discontented and pursue alternative employment possibilities. The researchers must consider appropriate compensation to effectively recruit, retain, and utilise exceptional talent. Workers are more likely to remain loyal to a company that offers equitable compensation, whereas they are more prone to depart from a company that provides inadequate pay. "Compensation fairness" refers to employees' perceptions on the distribution of benefits and remuneration within their organisation. Employees' perceptions of equity are substantially influenced when they compare their pay to those of their peers (Oladimeji, 2024).

RESEARCH QUESTION

What is the effect of talent management on organisational success in relation to talent retention?

METHODOLOGY

RESEARCH DESIGN

Quantitative data analysis was conducted using SPSS version 25. The odds ratio and the 95% confidence interval, when utilised in conjunction, may provide further insights into the nature and evolution of this statistical association. The p-value was established at a statistically significant threshold of less than 0.05. A comprehensive understanding of its fundamental characteristics was attained by descriptive data analysis. To objectively assess responses to surveys, polls, or questionnaires, quantitative approaches depend on computational capabilities for data processing and mathematical, arithmetic, or statistical analysis.

SAMPLING

This study employed a random sampling methodology. Data for the study were collected via questionnaires. A sample of 1,825 individuals was determined using the Rao-soft algorithm. A total of 1950 surveys were distributed. From it, 1913 were returned, while 18 responses were excluded due to incomplete responses. The conclusive count for the investigation was 1,895 questionnaires, with 997 female and 898 male participants.

DATA AND MEASUREMENT

The predominant data for the study was derived from a questionnaire survey. The initial section of the survey requested fundamental demographic data, whereas the subsequent section required participants to evaluate the significance of diverse channels (both online and offline) on a 5-point Likert scale. A comprehensive array of secondary sources, including online databases, was examined to get the requisite information.

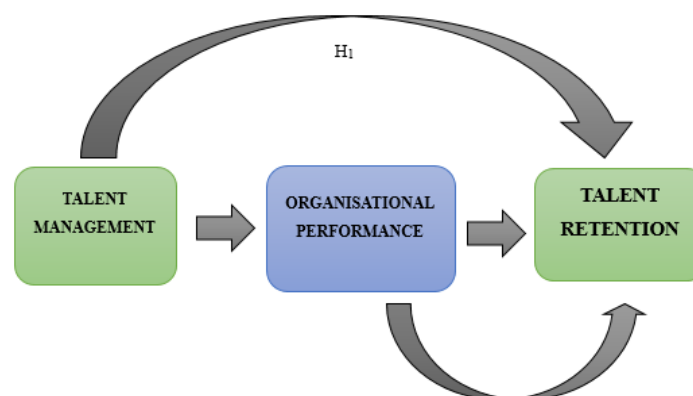
STATISTICAL SOFTWARE

Statistical analysis was conducted using Excel and SPSS 25.

STATISTICAL TOOLS

This research has performed descriptive analysis to comprehend the data at a fundamental level. The researcher employed ANOVA to evaluate the data.

CONCEPTUAL FRAMEWORK



RESULTS

Factor Analysis: Employing “factor analysis (FA)” is an excellent approach to evaluate the reliability of a measurement battery, since it aims to reveal underlying components and measurement errors. In factor analysis, statisticians utilise the

"Kaiser-Meyer-Olkin (KMO)" Test to ascertain the adequacy of data for all variables in the model. KMO values range from 0 to 1, with an ideal sample size falling between 0.8 and 1.0. Substantial correlations significantly impede component analysis. Kaiser is considered to be within the acceptable range of 0.050 to 0.059.

KMO and Bartlett's Test ^a		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.934
Bartlett's Test of Sphericity	Approx. Chi-Square	6850.175
	df	190
	Sig.	.000
a. Based on correlations		

Table 1: KMO and Bartlett's Test.

The KMO test for sample adequacy yielded a KMO score of 0.934 and a significance level of 0.00, signifying that the data is appropriate for exploratory factor analysis.

Test for Hypothesis

DEPENDENT VARIABLE

Talent Retention: A corporation's strategies for employee retention are designed to preserve employee satisfaction, motivation, and commitment, thereby ensuring the stability of the workforce and contributing to the organization's success. In order to retain valuable personnel, organisations should establish a pleasant work environment, offer opportunities for professional development, provide competitive salaries and attractive benefits, cultivate a collegial environment, and resolve any issues that may result in voluntary or involuntary departures. The retention of employees is a critical factor in a company's operational efficacy, continuity, and the development of an engaged workforce (Dayeh & Farmanesh, 2021).

INDEPENDENT VARIABLE

Talent Management: The objective of talent management helps to improve productivity, creativity, and expansion by proactively recruiting, training, and retaining highly competent employees from within an organisation. In order to optimise human resources and accomplish strategic objectives, it is imperative to execute numerous tasks, including recruitment, induction, performance evaluations, training, succession planning, and employee engagement. The recruiting process involves engaging with prospects, reviewing their applications, conducting interviews, and ultimately selecting individuals whose aims and beliefs align with the organization's. Thorough on-boarding processes are necessary to

ensure that new hires are equipped with all the necessary resources to rapidly succeed in their roles and make a positive impact (Khan et al., 2021).

Relationship between talent management and retention: Employee retention and talent management are intimately related since good talent management techniques enable companies to attract, grow, and keep outstanding employees. Companies raise employee loyalty and happiness by providing professional development chances, competitive pay, and a friendly workplace. Personalised growth plans, mentoring programs, and strong leadership improve involvement and help to lower attrition. Moreover, appreciating and praising staff members helps them to feel valuable and part of something. Inappropriate talent management causes discontent and increased turnover. Companies that give talent management first priority produce a motivated workforce that increases retention, lowers recruiting expenses, and raises general performance. Funding staff members' development guarantees long-term success (Aman et al., 2023).

The study was to evaluate the hypothesis that a beneficial relationship existed between talent management and talent retention.

H₀₁: There is no significant relationship between talent management and talent retention.

H₁: There is a significant relationship between talent management and talent retention.

Table 2: H₁ ANOVA Test.

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	77986.640	1056	7631.102	1,513.807	.000
Within Groups	782.940	838	5.041		
Total	81342.570	1894			

The outcome is substantial in this research. The p-value of .000, which is beneath the alpha threshold, signifies that the F value of 1,513.807 is statistically significant. The hypothesis “**H₁: There is a significant relationship between talent management and talent retention**” has been accepted, leading to the rejection of the null hypothesis.

DISCUSSION

This study's findings underscore the significance of organisational performance as a moderating factor between talent management and retention in Beijing, China.

Effective people management methods, including training, performance assessment, and career improvements opportunities, significantly enhance organisational performance. These tactics can cultivate a culture of engagement and efficiency. This improved performance cultivates a more agreeable work environment, hence motivating employees to stay with the business. Collectively, these variables suggest that government agencies have to prioritise strategic personnel management measures to improve overall performance and retention rates. This research underscores the significance of matching personnel management practices with corporate objectives to encourage and value employees. Public sector enterprises can enhance operational efficiency and service delivery while keeping elite talent by investing in their workforce and cultivating a culture of continuous improvement. Finally, public managers can leverage these concepts to develop comprehensive strategies that align human management with organisational performance to achieve sustainable outcomes.

CONCLUSION

This study highlights the important role of organisational performance as a mediator between talent management and employee retention within the Beijing government sector. Research indicates that public sector enterprises cannot enhance their performance without robust HRM methods that foster employee commitment and loyalty. Public sector administrators can cultivate a conducive environment that recruits and keeps elite talent by prioritising staff development and aligning management methods with overarching goals. The significance of a strategic approach to personnel management is underscored by these findings, which emphasise the necessity of investing in staff development for both individual and organisational success. It was essential for government organisations to comprehend these interconnections to enhance operational efficiency and ensure long-term sustainability while addressing staffing challenges.

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