

AN INVESTIGATION ON SUCCESSION PLANNING INITIATIVES AND KNOWLEDGE RETENTION: IT ONLY TAKES 'TWO' TO TANGO

Presenter:

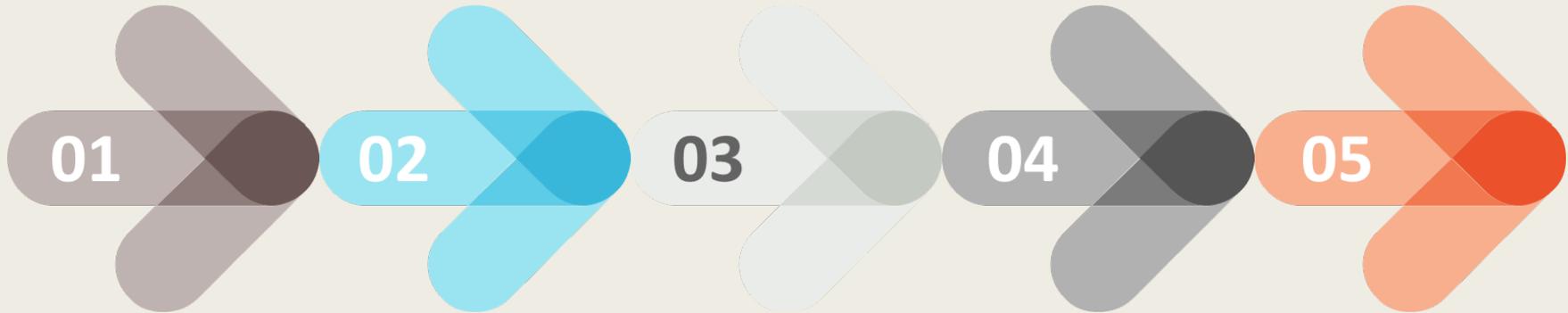
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Presentation Outlines

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Methodology

Discussion



**Literature
Review**

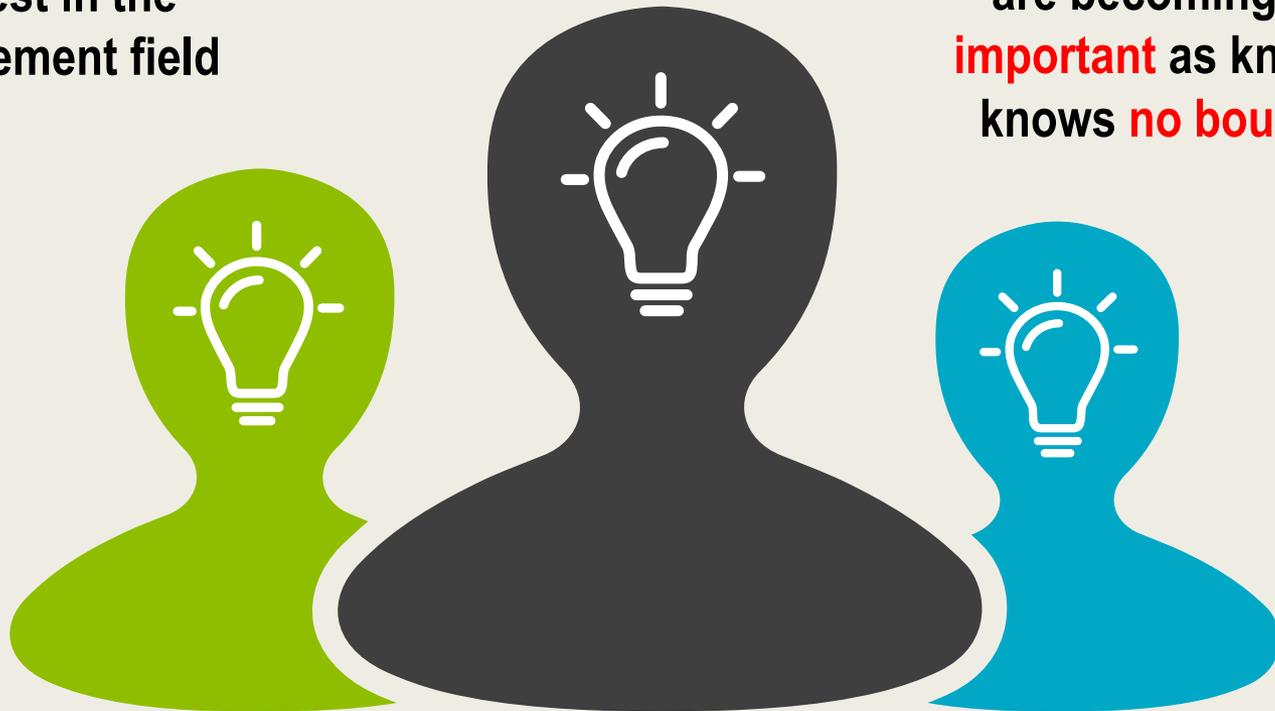
Results

INTRODUCTION

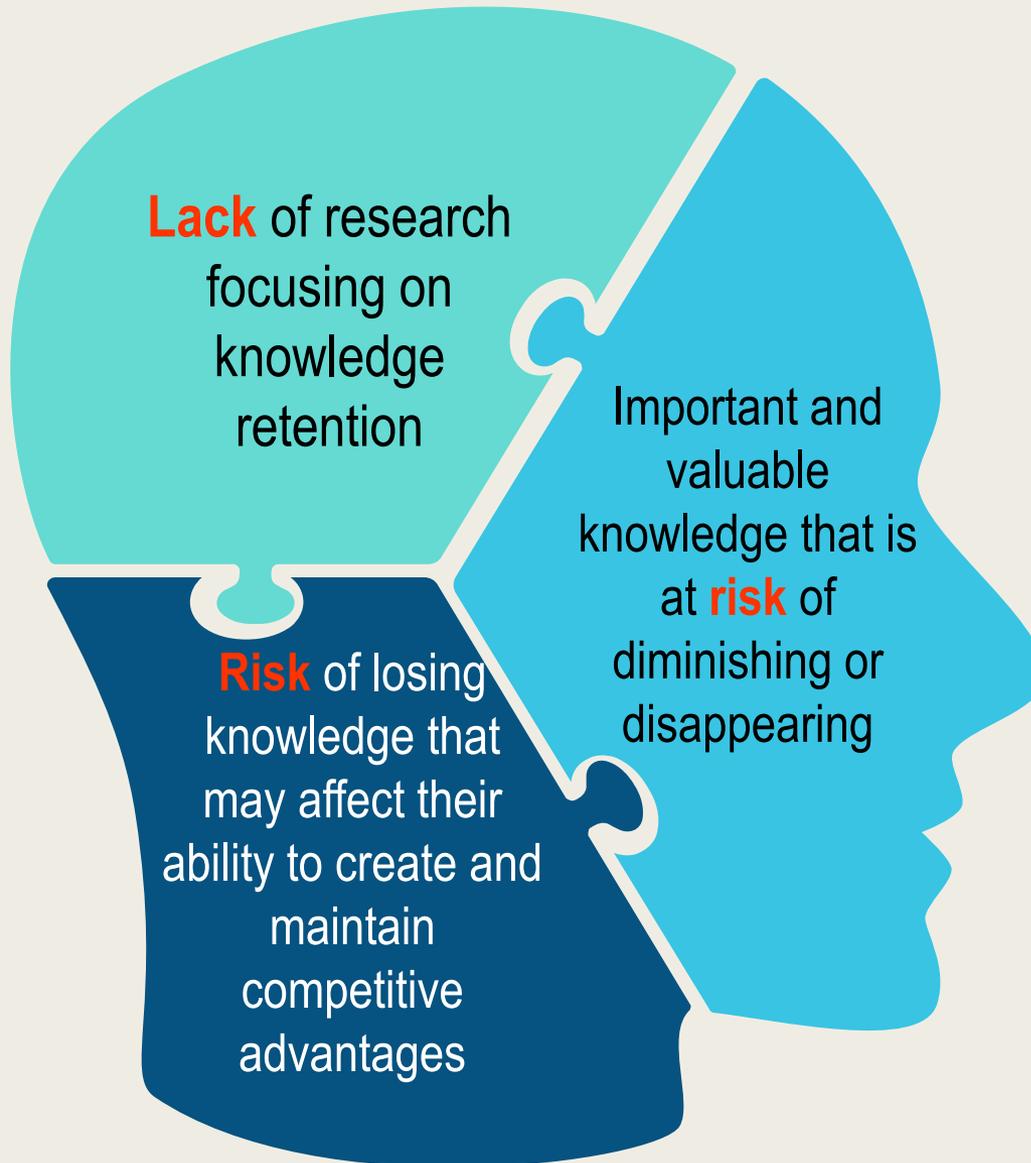
Knowledge management has become a **significant** interest in the management field

To retain the knowledge, knowledge-driven capabilities pertaining to technology, **culture** and **society** must be implemented

Efforts towards knowledge management are becoming highly **important** as knowledge knows **no boundaries**



Why Knowledge Retention?



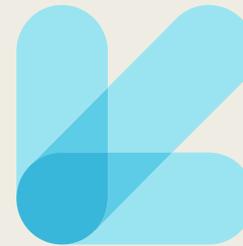
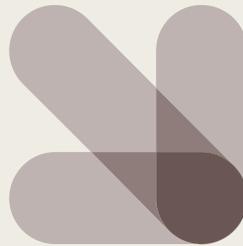
This study intends to **explore** on the **level** of knowledge retention amongst Small and Medium-sized enterprises (SMEs) in Malaysia



To **examine** the effects of succession planning initiatives towards knowledge retention.

INTRODUCTION

Losing key employees could create a disaster, financially or operationally



The **costs** of filling up the vacancy, training and learning new knowledge

Organization Needs to Have Successful Succession Planning Initiatives

Employee decides to **retire**



The effect on **performance** and **team synergy**

Implications

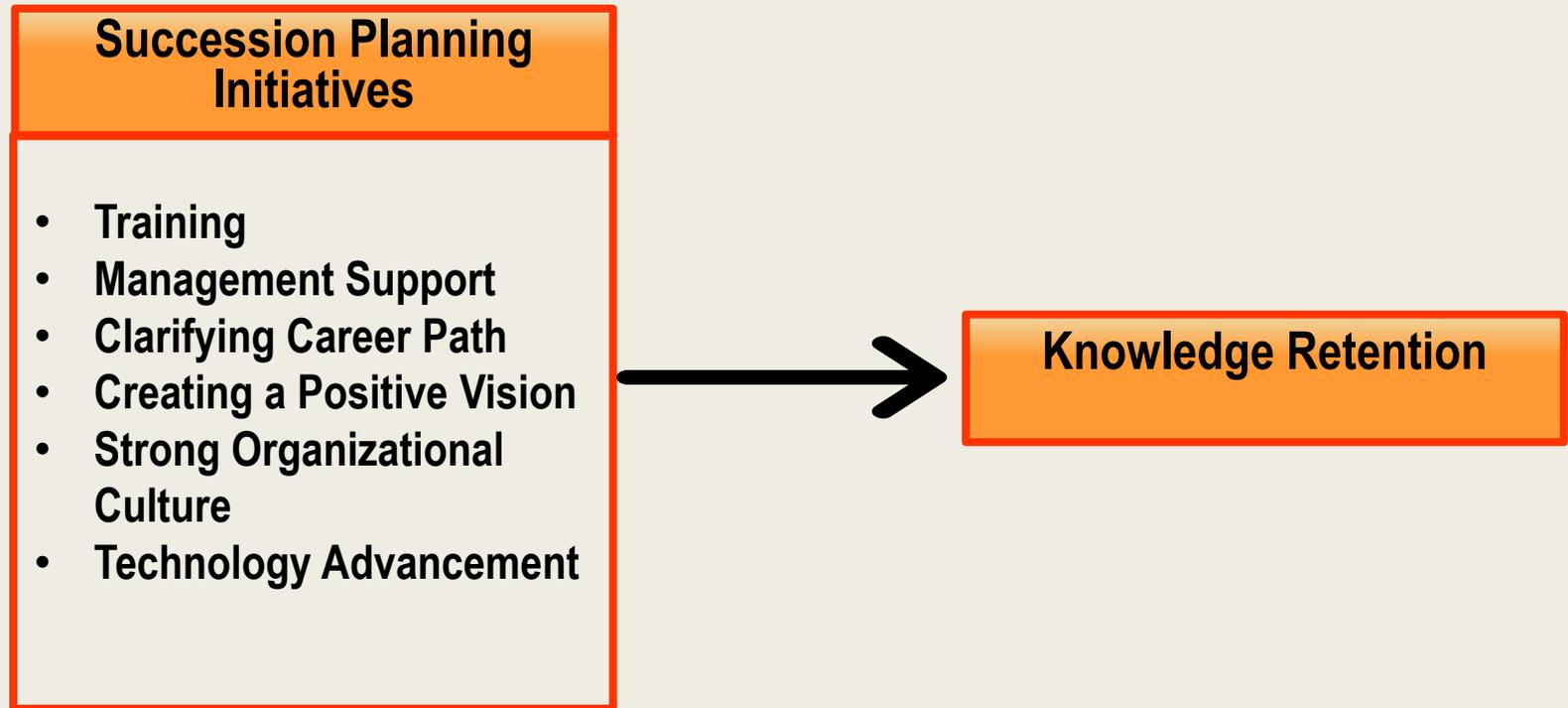
SMEs in Malaysia will be informed on the **current awareness** and **practice** relating to knowledge retention

1 Body of Knowledge

Highlight which succession planning that would **contribute** significantly towards knowledge retention

2 Managerial

Conceptual Framework



Conceptual Framework of Succession Planning Initiatives towards Knowledge Retention (Mehrabani, Shadi, Mohamad and Noor Azmi, 2011)

Hypotheses

Training has a significant effect towards knowledge retention

H1

Top management support has a significant effect towards knowledge retention

H2

Clarifying career path has a significant effect towards knowledge retention

H3

Strong organizational culture has a significant effect towards knowledge retention

H4

Clarifying career path has a significant effect towards knowledge retention

H5

Technology advancement has a significant effect towards knowledge retention.

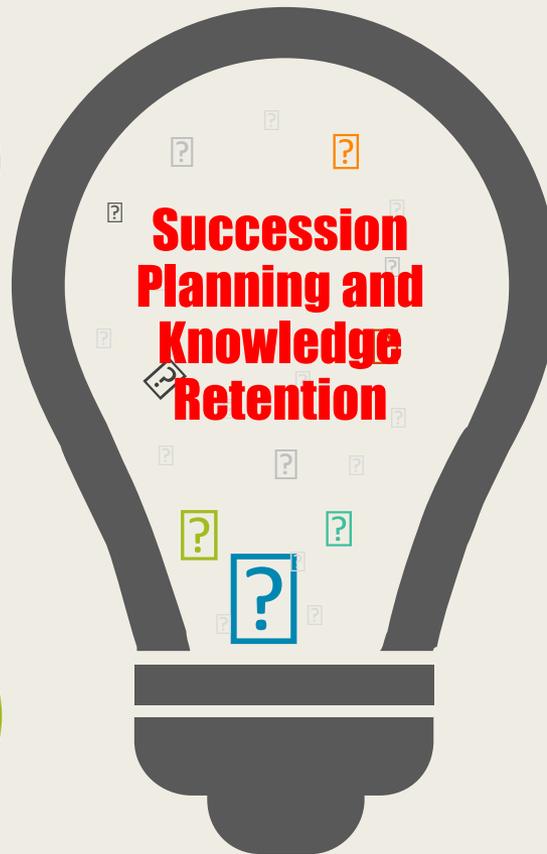
H6

Literature Review

When organization **supports training**, research indicated that employees are more **motivated** to share their knowledge during training (Chiaburu, Van Dam & Hutchins, 2010; Kuvaas & Dysvik, 2010)

Top management support plays an **important** role to make employees feel **valuable** (Ott, Tolention and Michailova, 2018)

Employers that **care** about employees' growth and provide a path for them to fulfil their personal and organizational goals, create **a sense of value** among employees (Ott et. al 2018)

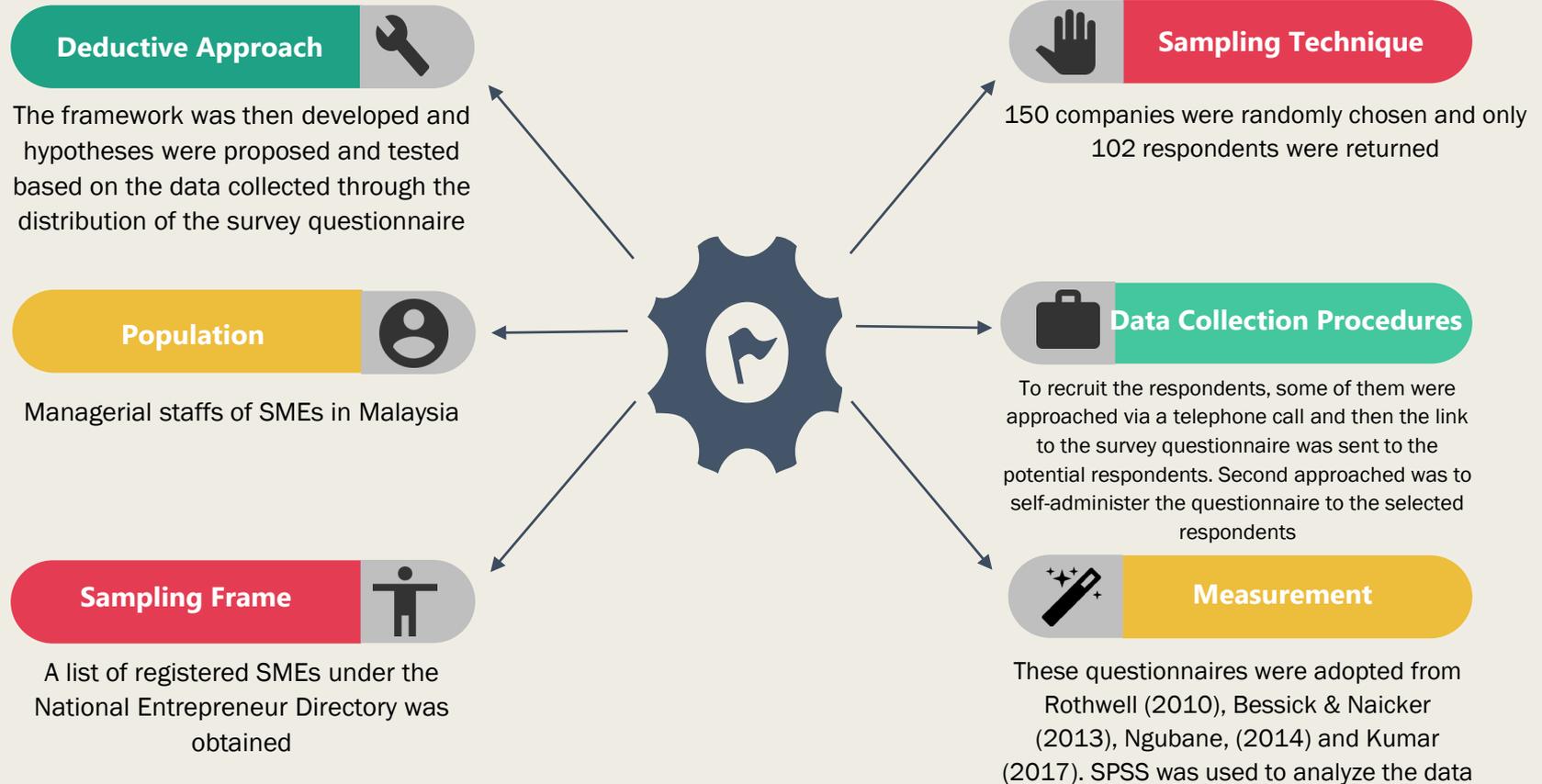


Vision serves several important functions. Besides giving a sense of direction, vision also acts as a **motivator** (Populova, 2014)

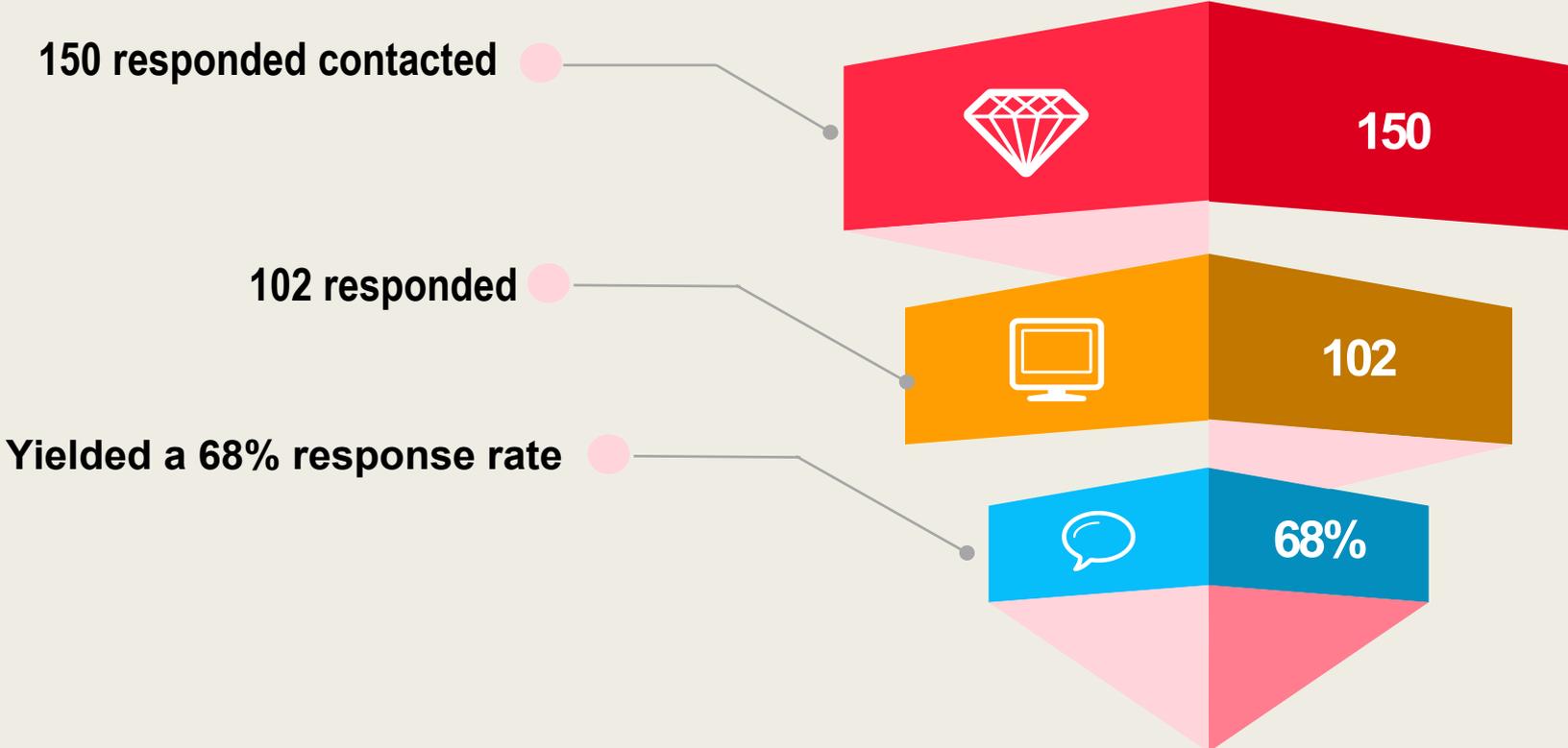
Alvesson (2004) highlighted that organizational culture can be used by the organization to **control** its members

Through the **combination** of personal attention and action, the organization can expend the use of technology tools to encourage employee retention and engagement (Paulk, 2001)

Methodology



Response Rate



Reliability Analysis

Variable	Number of items	Cronbach's Alpha
Training	6	0.877
Management Support	4	0.858
Clarifying Career Path	6	0.922
Positive Vision	5	0.883
Strong Organizational Culture	4	0.861
Technological Advancement	7	0.929
Knowledge Retention (DV)	6	0.873

The reliability analysis for all variables reflect that all seven variables used in this study exceeded the minimum of Cronbach's Alpha coefficient value of 0.7.

Demographic Profile of Respondents

Items		Frequency	Percentage %
Age (years old)	Less than 25	23	22.5
	26-35	39	38.2
	36-45	25	24.5
	46-55	9	8.8
	56-65	5	4.9
	above 65	1	1.0
Gender	Male	40	39.2
	Female	62	60.8
Education	High School	14	13.7
	Certificate/Diploma	36	35.3
	Degree	45	44.1
	Master	3	2.9
	PhD	2	2.0
	Others	2	2.0
Tenureship (years)	1-5	46	45.1
	6-10	29	28.4
	11-15	14	13.7
	16-20	7	6.9
	> 21	6	5.9
Sector	Manufacturing	32	31.4
	Services	70	68.4
Regions	Northern	27	26.4
	Central	41	40.2
	Southern	17	16.7
	East Coast	17	16.7

Awareness on Knowledge Retention

	Items	Frequency	Percentage %
Level of Knowledge Retention	Superiorly managed	21	20.6
	Well managed	56	54.9
	Fairly managed	24	23.5
	Nothing is done	1	1.0
Approach to Retaining Knowledge	Interview	29	28.4
	Mentor-mentee	32	31.4
	Invitation as consultant	17	16.7
	Archived	15	14.7
	Others	9	8.8

Majority of the respondents are well-aware of the issue of knowledge retention affecting their business operations. Perhaps of their size and capabilities, they cannot afford to lose important and valuable knowledge affecting them

Multiple Regressions Analysis

Dependent variable: Knowledge Retention		
Independent variables	Standardised Coefficient (BETA)	Sig.
H1: Training	0.085	0.404
H2: Management Support	0.270	0.004
H3: Career Path	-0.095	0.431
H4: Positive Vision	0.122	0.371
H5: Strong Organizational Culture	0.511	0.000
H6: Technological Advancement	0.054	0.551
F value	43.099	
	p = 0.000	
R square	0.731	



A strong organizational culture had the **highest** beta coefficient value with $\beta=0.511$, $p < 0.05$



The model shows that there are only **two independent variables** that contribute or provide significant effect towards knowledge retention. They are strong organizational culture and management support.



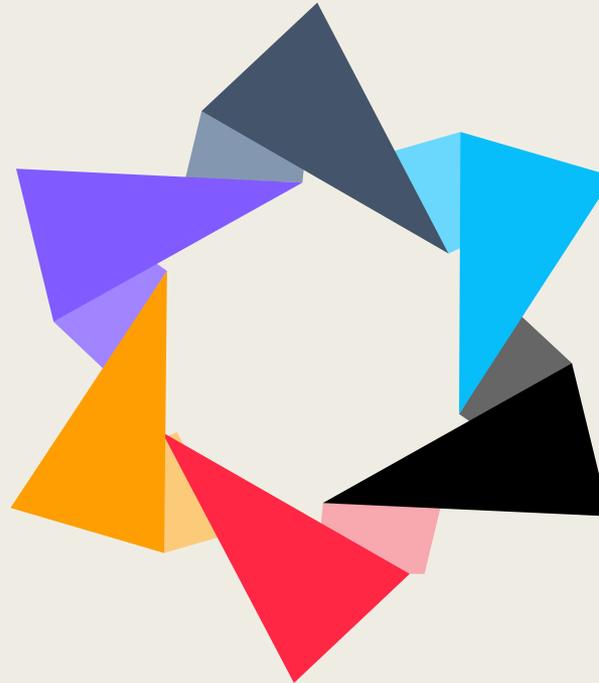
With every **increase** of one standard deviation in strong organizational culture and management support, the knowledge retention rises by 0.511 and 0.270 of a standard deviation respectively.



As for the significance of each variable towards the dependent variable, it has been analyzed that **management support** ($\beta=0.270$, $p < 0.01$) and **strong organizational** culture ($\beta=0.511$, $p < 0.001$) significantly affecting knowledge retention.



Thus, **H2 and H5 are supported**. However, for the other independent variable – training, clarifying career path, positive vision and technological advancement, the results indicated insignificant contribution towards knowledge retention. **Thus, H1, H3, H4 and H6 are rejected.**



$$R^2 = 0.731$$

The value indicated that **73.1%** of knowledge retention can be explained by the independent variables, which are training, management support, clarifying career path, positive vision, strong organizational culture and technological advancement

Discussion



Knowledge management is the **new value** and **trend** for public management, good governance and also the smart government Rahman, Moonesar, Hossain and Islam (2018)



Exactly like an old phrase was saying, it only takes 'two' to tango. Of all six hypotheses tested, **only two were found to be significant**. They are management support and strong organizational culture.



Research has found that **unprofessional organizational culture** can impede numerous efforts towards the successful implementation of knowledge retention (Mehrtak, Farzaneh, Habibzadeh, Kamran, Zandian & Mahdavi, 2017).



Vazife and Tavakoli (2015) have also suggested that the **successful implementation** of knowledge management is depended upon **organizational culture** being practiced within the organization. **Top management support**, on the other hand, can provide the employees with the feeling of moving forward in the organizational hierarchy by teaching a new skill, providing them with a new job responsibility and adjusting their job roles.

Managerial Implications

First, to **have** and **create** a good succession planning towards knowledge retention

All approaches towards retaining knowledge such as, interviewing or sharing session with retirees or those who are about to leave the organization, mentor-mentee program or invitation as a consultant could only be developed successfully should the organization foster and establish these two factors as their values and practice

Secondly, leadership is **important** to the successful implementation of any succession planning within the organization

Leadership can promote and create the right culture, and safeguard the continuation of talents development



Limitations



1

This study **did not** identify all variables that may have other impacts on the hypothesized relationship between variables. The variables that are used to measure employee responses also may present a social desirability effect. Thus, common method bias should have been assessed to generate better findings.

2

This study **only provides a cross-sectional data**, a snapshot of a specific point in time. Perhaps the use of longitudinal data might provide more concrete findings towards understanding knowledge retention.

3

This study only involved a **small** sample size.

*Thank
you*