

**UNIVERSITI TEKNOLOGI MARA**

**EMPLOYEE'S PERCEPTION ON  
MERGER BETWEEN PROTON  
HOLDINGS BERHAD AND GEELY  
ON TALENT MANAGEMENT  
PRACTICES**

**NOR AFIQAH BINTI MOHD SOFIAN  
NURUL HUDA BINTI ROSLAN  
WAN MOHD KHAIRUL NAIM BIN MOHD @  
WAN MOHAMAD**

Dissertation submitted in partial fulfilment of the  
requirement for the degree of

**Master in Business Administration**

**Arshad Ayub Graduate Business School**

**December 2018**

## **AUTHORS' DECLARATION**

We hereby declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and are the results of our own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for my degree or qualification.

We hereby acknowledge that we have been supplied with the Academic Rules and Regulations for Post Graduates, University Teknologi MARA regulating the conduct of my study and research.

1. Name of Student : Nor Afiqah Mohd Sofian  
Student ID No : 2016754369  
Signature of Student :
2. Name of Student : Nurul Huda Roslan  
Student ID No : 2016585287  
Signature of Student :
3. Name of Student : Wan Mohd Khairul Naim Mohd @ Wan Mohamad  
Student ID No : 2016101105  
Signature of Student :  
Program : Master in Business Administration  
Faculty : Arshad Ayub Graduate Business School  
Dissertation Tittle : The Employee's Perception on Merger Between Proton Holding Berhad And Geely on Talent Management Practices  
Date : December 2018

## ABSTRACT

Proton Holding Berhad experiencing critical challenges in dealing with negative perception of employees after merger with Geely on talent management practices. The increasing of absenteeism and brain drain of Proton employees was alarming and worsened over the year. This has led to decreasing of revenue and employees' performance. As such, the study examines employees' overall perception after the merger between Proton Holdings Berhad (Proton) with Geely on talent management practices. The study investigate d the differences perception by gender, academic qualification, working experience and employees' level on talent management practices encompassing job design, compensation, performance management, learning and development and career development after the merger between Proton and Geely. The instrument used to gather the data was a modified questionnaire distributed to 250 respondents using simple random sampling. Besides that, an unstructured interview was conducted with the Human Resource Manager of Proton. The research used IBM SPSS Statistics Version 21. By using the descriptive and inferential statistic technique, the result showed that all five dimensions of talent management practices namely job design, compensation, performance management, learning and development and career development had a significant moderate level of satisfaction to the employees after the merger. Therefore, it is recommended for Proton to focus on job design, compensation, performance management, learning and development and career development in order to ensure their sustainability and competitive advantage in the automotive industry. However, the limitation of this study was that there were limited sources of information from the data and the accessibility to get the data as data was treated as confidential. Also, the study focused only on the plant in Tanjung Malim.

## **ACKNOWLEDGEMENT**

All praises go to the Almighty Allah SWT for all the blessings that enable us to complete this dissertation.

We wish to express our heartfelt acknowledgement and appreciation to Assoc. Prof. Dr. Syed Jamal Abdul Nasir Syed Mohamad, our supervisor, for the continuous constructive ideas, guidance, encouragement and assistance in the preparation and completion of this dissertation.

We are grateful to the staff of Arshad Ayub Business School (AAGBS) and Institute of Graduate Studies (IPSIS) for their support throughout this semester.

Finally, our gratitude goes to our family members and friends for their support, understanding, encouragement and patience throughout the completion of this dissertation that makes this work a success.

Nor Afiqah Mohd Sofian  
Nurul Huda Roslan  
Wan Mohd Khairul Naim Mohd @ Wan Mohamad  
Master in Business Administration  
Arshad Ayub Business School (AAGBS)  
Universiti Teknologi MARA

# TABLE OF CONTENTS

	<b>Page</b>
<b>AUTHORS' DECLARATION</b>	<b>ii</b>
<b>ABSTRACT</b>	<b>iii</b>
<b>ACKNOWLEDGEMENT</b>	<b>iv</b>
<b>TABLE OF CONTENTS</b>	<b>v</b>
<b>LIST OF TABLES</b>	<b>viii</b>
<b>LIST OF FIGURES</b>	<b>ix</b>
<b>CHAPTER ONE: INTRODUCTION</b>	<b>1</b>
1.1 Introduction	1
1.2 Background of Study	1
1.3 Background of Proton Holding Berhad	3
1.4 Problem Statement	4
1.5 Research Objectives	7
1.6 Research Questions	8
1.7 Significance of Study	8
1.8 Scope and limitation of Study	9
1.9 Definition of Terms	9
1.10 Outline of Chapter	10
<b>CHAPTER TWO: LITERITURE RIVIEW</b>	<b>12</b>
2.1 Introduction	12
2.2 Important Concepts	12
2.3 Underpinning Theories	25
2.4 Related Research	27
2.5 Theoretical Framework	34
2.6 Academic Construct	35
2.7 Summary of the Chapter	35