

EMPLOYEE PERFORMANCE IN THE CONSTRUCTION INDUSTRY OF MALAYSIA

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ABSTRACT

Employee performance is a unit in the function of human resources that educates on the continuous improvement of persons in terms of skills, behaviours, and contributions to an organization. Measuring performance is a vital part of monitoring an organization's progress. It comprises measuring the actual performance outcomes or results of an organization against its targeted goals. The purpose of this research is to understand the phenomenon of employee performance. It is important to understand employee performance as it will influence the overall business performance in construction industry in Malaysia. This current study aims to provide insights into the problem of employee performance within the construction industry in Malaysia in order to provide further information to contribute to the body of knowledge theoretically and as a reference by the industry. The research study focused on determining the existence and extent of the relationship between independent variables on employee performance. This descriptive quantitative study used a cross-sectional data collection method, with a questionnaire survey distributed to the target population of respondents via online mode. SPSS software analysis tools were used to examine hypotheses and perform a series of analyses to obtain appropriate statistical results. The analysis found that career development has the strongest relationship with employee performance, followed by performance management and talent development. The recommendation for career development as the strongest factor having the relationship with employee performance would be to invest in the employees, understand what motivates the employees and implement job rotations as part of career development. The recommendation for performance management is to ensure employees understand the quality and quantity of expectations, reward accomplishment of results and implement a performance management system that empowers the employees. In the future research direction, it is recommended that the research could be carried out within different industries as well as to add in new constructs to re-verify the key factors having relationship with employee performance.

Keywords: Employee Performance, Construction Industry, Malaysia.

JEL Classification Code: M12, L25, L74

INTRODUCTION

The purpose of this research is to understand the phenomenon of employee performance. It is important to understand employee performance as it will influence the overall business performance in the construction industry in Malaysia. Performance is the key interest role for researchers (Okumu and Bett, 2019).

Employees are known as the most crucial assets and valuable human capital in the organization (Plucker, McWilliams, and Guo, 2017). According to Sopiah (2020), talent is the main factor in the production of human intelligence, skills and competent level in generating goods and services because talent has the ability to produce a dynamic business environment via the innovation of resources.

Employee performance is the main source of contribution to the company performance since other resources easily can be obtained (Okumu and Bett, 2019). Thus, organization should focus on talent utilization since the inefficiencies of talent management would give influence the organization efficiency as well as the reserve of their competitive advantages (Alnacheif and Alhajjar, 2017).

The most important and critical issue happened in construction business is to gain a competitive advantage for long-term survival, therefore, a deeper understanding of the development of the construction industry in a particular country is required (Afrah, 2017). According to Okumu and Bett (2019), many researchers suggested various human capital activities that foster employee performance; however, much uncertainty still exists about how the overall set of talent development may ultimately contribute to the competitive advantage of the organization.

Therefore, this study aims to contribute to this growing area of research by confirming whether the three (3) factors of employee performance would act as the main factors of employee performance in the construction industry in Malaysia.

Problem Statement

In this uncertain economic and social climate there are many factors that affect employee performance the most essential factors affecting employee performance are Leadership, Motivation, Organizational Culture and Knowledge Management (Okumu and Bett, 2019).

Organizations across the world are driving to improve employee performance regardless of the size of the organization or the industry (Gagne, 2018). In fact, the managing employee is more complicated than other resources in the organization (Pasban and Nojede, 2017). The organization should manage by ensuring that the talent is placed in the correct position to achieve a competitive advantage in the industry (Okumu and Bett, 2019).

According to research, talent development for employee performance has been implemented for many years (Okumu and Bett, 2019). It mostly showed a positive influence between talent development and employee performance (Vijayalakshmi and Yamuna, 2019). Organization has made effort to improve the poor performers by developing employee via training, mentoring and coaching to maximize the application of knowledge and utilization of employee in the development process (Owiti, Hauw, and Collins, 2020) and for the future. There are arguments regarding talent development and its relation to employee performance where the focus was mainly on larger organizations but not implemented in small organizations (Gagne, 2018). All the businesses in the country should manage their manpower resources efficiently (Rahman et. al., 2018) regardless of size and industry. Many practitioners noted that many construction industries still lack knowledge in talent management (Gagne, 2018) and thus, there is a need to focus on the specific context.

Employee Performance in the Construction Industry of Malaysia

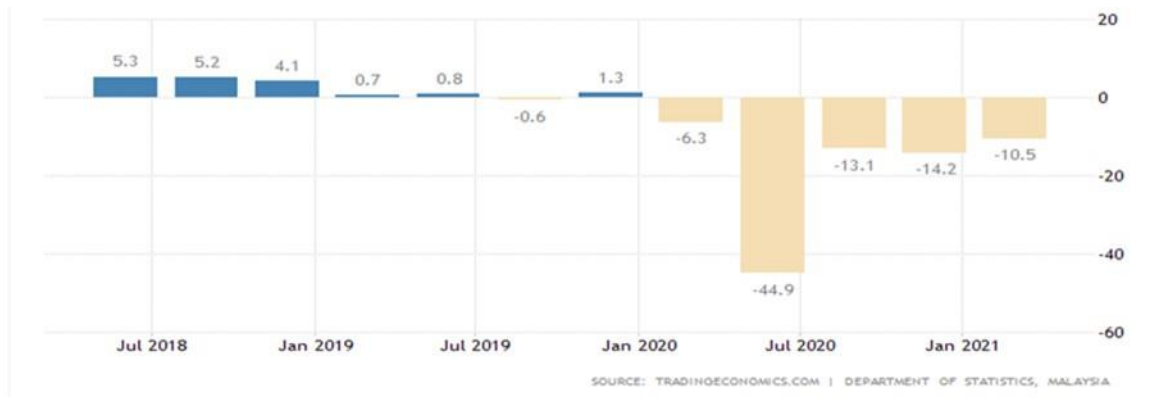


Figure 1. Construction Output for the Year 2018 – 2021

Figure 1 showed that construction output in Malaysia shrank by 10.5 percent year-on-year in the March quarter of 2021, after a 14.2 percent decline in the previous period due to the Covid-19 pandemic. This was the fifth straight quarter of contraction in construction activity, amid the prolonged impact of the coronavirus pandemic according to the Department of Statistics, Malaysia (2020). Currently, there is a lack of talent and career development that resulted in poor employee performance in the organization and this argument on employee performance that focused only on larger organizations but is not implemented in small organizations is a matter of concern (Gagne, 2018). Hence, talent or career development for talent is of relevance to focus a research study on.

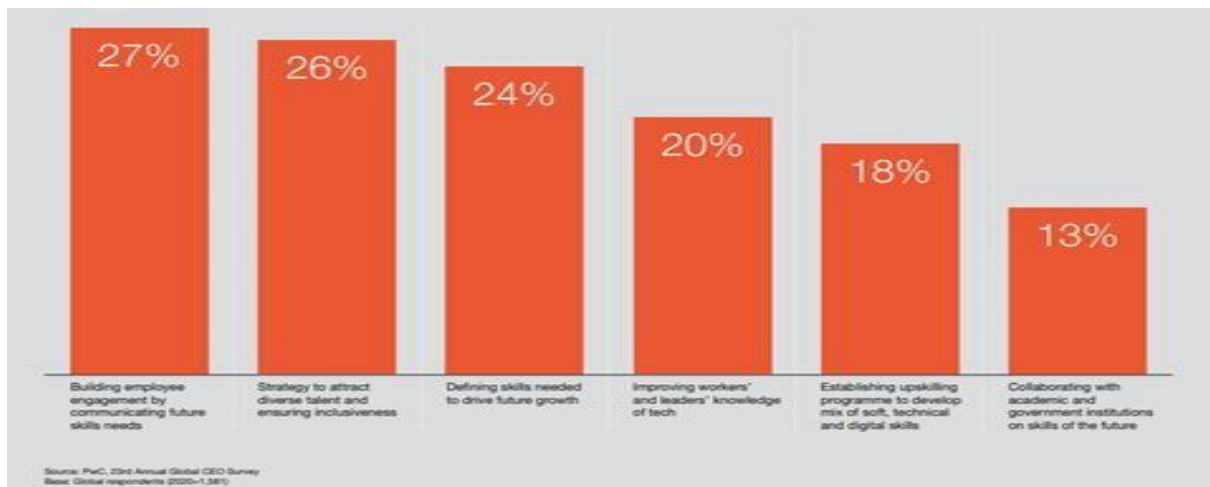


Figure 2. Talent Development from a Global Perspective (PwC, 2020)

Figure 2 showed the talent development from a global perspective that received minimum progress of developing the employee in organization whereby many CEOs of the company provided 18% significant progress to allow for participants to develop their employee's skills in the year 2020 (PwC, 2020). This is not a very high level of commitment to talent development.

**Percentage of Departing Employees Ranking Drivers
Among the 5 Most Dissatisfying Attributes at a Previous Job**
Global Employed Labor Force, 1Q19

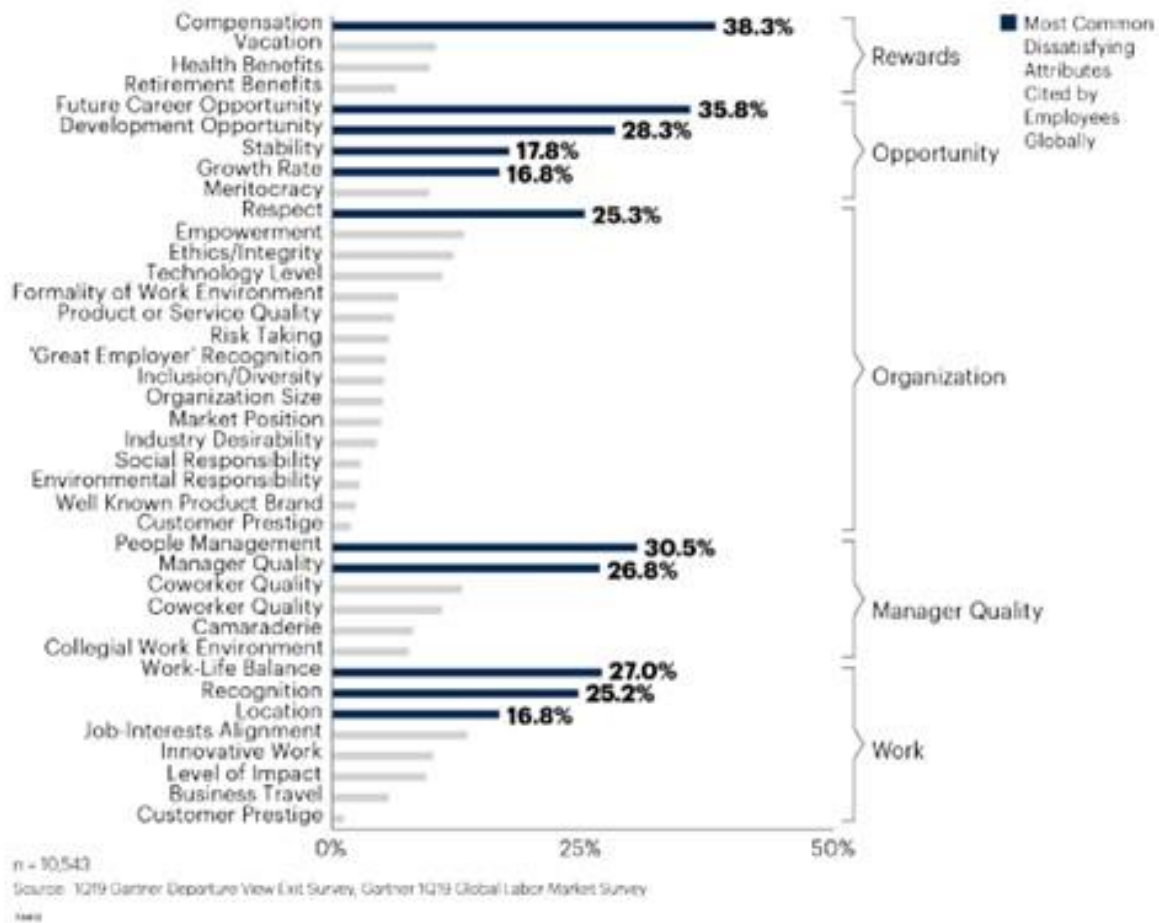


Figure 3. Global Workforce Survey 2019 (Gartner, 2019)

Figure 3 showed the Global Talent Monitor's report on workforce activity in 1Q19 which indicated that the lack of future career development remains a key driver of employee attrition cited by 28.3% of departing employees as a dissatisfying factor in their job. This indicated that career development is an issue requiring further research (Gartner, 2019). Therefore, it is included as a construct for the current study.

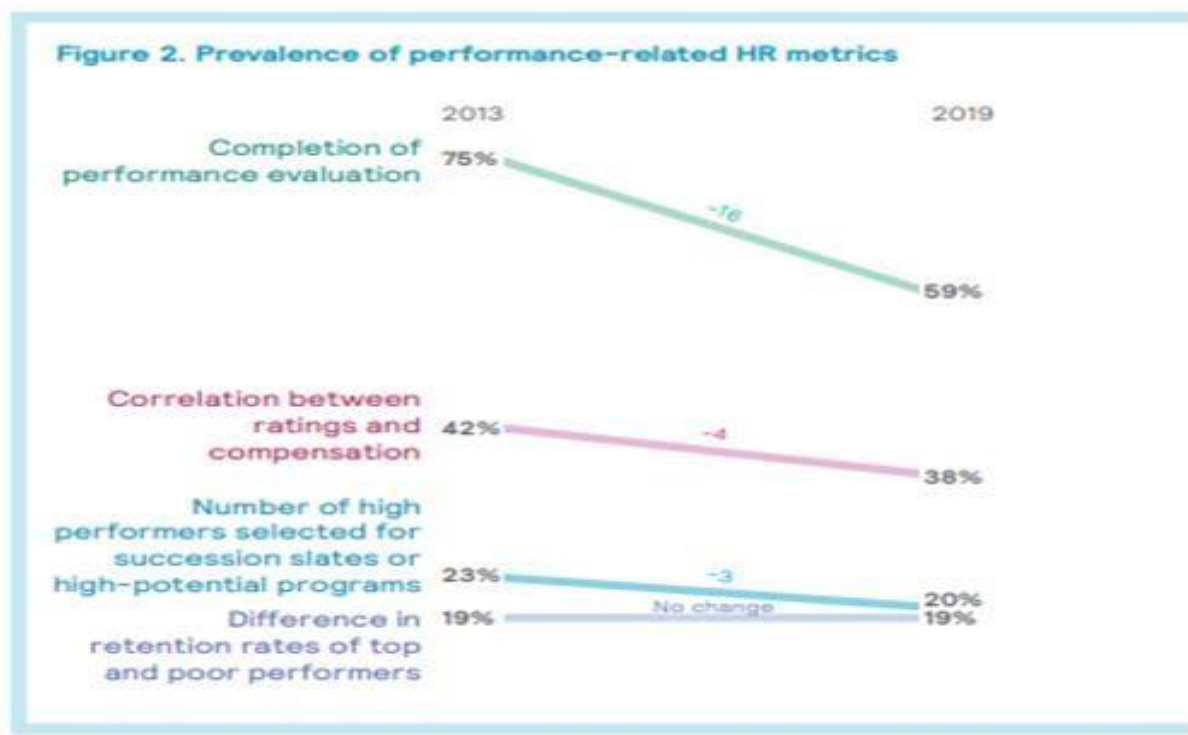


Figure 4. Performance Management Trend, 2019 (Mercer, 2019)

Figure 4 provided that performance management metrics are dropping drastically from the year 2013 until 2019 impacted performance in terms of evaluation (-16%), compensation return (-4%), and high potential programs (-3%) which indicated that performance management is an issue needing attention (Mercer, 2019), especially for the research study. Hence, although previous studies on employee performance (Gagne, 2018; Kalogiannidis, 2020; Okumu and Bett, 2019) provided an indication that talent development, career development and performance management influence employee performance, however, given the current post-pandemic era, the findings and results may differ from the pre-Covid-19 pandemic period. Changes in employee focus and mindset may lead to different outcomes in terms of employee performance post-pandemic, thus, this study is of value to gauge such potential differences, if it manifests within this study.

LITERATURE REVIEW

Employee performance would be referring to an employee's capability to deliver their job that allows the organisation to achieve the performance of the company (Weerakkody, 2020). Employee performance refers to the complex set of outcomes that included the assessment of employee attendance, and the application of qualitative and quantifiable methods to measure contributions or values that employees create on the job (Ruan, 2017). Employee performance refers too to the aptitude of the employee to complete the job-related work within stipulated time frames and constraints (Singh, 2020). Higher performers in organisation will make a significant commitment to the organisation and employees with lower performance will harm productivity in the organisation (Kurniawan and Heryanto, 2019) and thus, employee performance is of value to focus on.

Importance of Employee Performance

Employee performance is very important to any organisation and management has put priority to make improvements in employee performance in order to drive organisation performance (Ali, 2020). There are internal and external factors that may influence an employee's

performance; internal factors would be attendance punctuality, leadership styles, company's culture, and integrity levels within the department; external factors include the company working environment, political influences and much more (Rahim, Omar and Kamaruddin, 2020). The victory of the organisation is measured via the improvement in the performance of employees, the highest achievement employee would significantly make contribution to the organisation (Kurniawan and Heryanto, 2019) whilst lower performance of employees may reduce the performance outcomes and viability of the organisation.

Those employees with lower performance will harm the productivity of the organisation (Rahim et al., 2020). Thus, despite extensive previous research (Kalogiannidis, 2020; Rahim et al., 2020; Torlak and Kursey, 2019) that focused on employee performance, it is still of relevance to research this phenomenon especially post-pandemic.

Globalization in the world would able to make every organisation fully utilize employee performance to meet the company's goals and objectives (Agrasadya, 2020). In the current information technology age, the Industrial Revolution 4.0 has enhanced the field of talent which specialize in the 'Human Resources 4.0 (HR 4.0)' (Rana and Sharma, 2019). With the shift of direction on human resources, long-term performance management would be in the scope of HR 4.0 which enables the validation of employee performance via the use of artificial intelligence (Shields et al., 2020). Employee performance directly influences the efficiency and productivity of the organisation's overall performance (Abualoush et al., 2018). Employee commitment to the tasks and job via different levels of efficiency would show how much employees have committed to the organisation (Abualoush et al., 2018).

There are several studies (Rahim et al., 2020; Shields et al., 2020) focusing on employee performance from different perspectives, industries and countries. Thus, the focus now is on Malaysia and to zoom into the literature on employee performance to enhance the existing research from an employee perspective in Malaysia. According to Siddiqui (2019) where many countries like South Korea, America, Germany and Japan, employers tended to focus on training and development to ensure the employee received adequate and appropriate training and be able to close the performance gap by improving performance. In Japan, they are likely to follow the American method to measure employee performance by focusing on talent and development (Oentaryo, Lim and Ashok, 2018). As far as employee performance is concerned, global organizations have shifted their focus to a performance management system (PMS) that provides a more flexible, continuous and comprehensive approach to managing employees in HR 4.0 (Shields et. al., 2020). This leads to the need to revisit the phenomenon of employee performance.

Research on the relationship between employee performance and the monetary and non-monetary performance of SMEs in Nigeria proved that the relationship between the employee performance with the monetary and non-monetary performance of organization is related (Okumu and Bett, 2019) where the non-monetary aspects could be linked back to talent and/or career development.

HR 4.0 is very new for the organisations in Malaysia (Babagana, Mat and Ibrahim, 2019). It would be very much dependent on the company management to validate the employee's contribution which would be biased or subjected to subjective handling (Hee and Jing, 2018). Organisation need to ensure that the job outcomes from employees would be determined and delivered according to the standards via measuring the quantity and quality of work (Selamat and Hervanto, 2019) in an effective, efficient and appropriate manner.

Long-term achievement in competitive markets must involve continuous improvement and maintenance of employee performance (Kleindienst and Biedermann, 2017) because the results delivered by employees would determine the success of the organisation (Sopiah, Kurniawan, Nora et. al., 2020). Thus, not only does one need to zoom into talent development, but also career development in order to facilitate employee performance improvement. Such

endeavour needs measurement via the performance management system accordingly.

Employee performance can be considered one of the standards used to determine whether an employee performs well at work (Wolor et. al., 2020). The four characteristics of employee performance are 1) attitude, 2) quality, 3) quantity, and 4) reliability in completing tasks, according to Mir, Khan and Abbas (2020). According to Selamat and Heryanto's (2019), various factors influence employee performance, including communication, work environment, and more. These variables are referred to as independent variables in the study since they functioned as the antecedent to the dependent variable, which is the employee's performance (Ajala, 2017; Kurniawan and Heryanto, 2019; Parashakti and Ekhsan, 2020). However, the combination of talent development, career development and the performance management system is less prominent within academic research literature as constructs for employee performance (Owiti et. al., 2020; Vijayalakshmi and Yamuna, 2019). Hence the focus of the current study.

The majority of larger organizations, including multinational companies in Malaysia are aware of the importance of employee performance and its influence on the performance and the claim that entrepreneurs and owners in Malaysia understand the need for organizations to provide the advanced skills and knowledge and competencies to improve the organization (Selamat and Hervanto, 2019). Many organizations in Malaysia encourages innovation strategies and manage the composition of manpower effectively to achieve a good outcome on employee performance (Okumu and Bett, 2019). Brosnan (2020) mentioned that the organization will face problems in a multiracial country if it fails to manage the diversified manpower. As Malaysia is a multiracial country that encompasses relatively large numbers of foreign workers too, provides diversified manpower that will pose challenges in managing employee performance.

As most companies in Malaysia have yet to embrace HR 4.0, the view on employee performance from Malaysia's perspective is rather narrow and subjective (Babagana, Mat and Ibrahim, 2019). Most companies are still using a traditional method to evaluate employee performance, namely performance appraisal (Hee and Jing, 2018). Consequently, it is of relevance to proceed with the current study to ensure that employee performance within Malaysia's context is based on a development (talent and career) and system (performance management system) focus is needed.

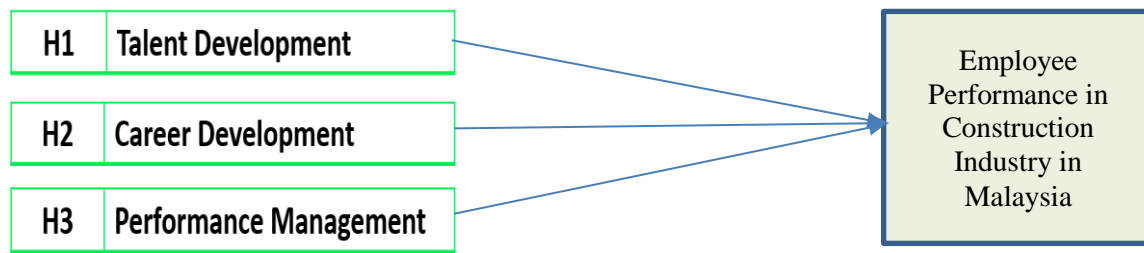
Research Objectives

The main objective of this research is to investigate the factors that influence employee performance and three (3) constructs of talent development, career development and performance management in construction industry in Malaysia.

- RO1: To study the significant relationship between talent development on employee performance in construction Industry in Malaysia.
- RO2: To study the significant relationship between career development on employee performance in construction industry in Malaysia.
- RO3: To study the significant relationship between performance management on employee performance in construction industry in Malaysia.

Conceptual Framework and Hypotheses

Based on the literature review, below is the conceptual framework for the current research. The underlying theory relates to the grounded theory of social exchange.



Hypotheses

- H1: Talent development has a significant relationship with employee performance in the construction industry of Malaysia
- H2: Career development has a significant relationship with employee performance in the construction industry of Malaysia
- H3: Performance management has a significant relationship with employee performance in the construction industry of Malaysia

The literature gap identified based on previous studies (Owiti et. al., 2020; Vijayalakshmi and Yamuna, 2019) showed that the combination of the three independent variables of talent development, career development and performance management as constructs for employee performance was limited hence the inclusion into the current study to contribute towards the knowledge gap.

METHODOLOGY

The descriptive correlation design research is the main methodology used in this study. It collects data for analysis by distributing a questionnaire survey via distribution to the target population of respondents via online methods. The target respondents are Malaysians in the construction industry. The distribution of the target population respondents is carried out using a purposive convenient sampling method to ensure only employees from the construction industry of Malaysia answer the survey to ensure accuracy, reliability, and credibility in the statistical outcomes. If a potential respondent is an employee in the construction industry, the questionnaire will be given to obtain the perceived feedback.

Prior to the conduct of the measurement of the hypotheses to arrive at the finding, a pilot test serves as a trial run to ensure the data acquired is robust, appropriate, and reliable. In terms of the factor analysis, the data satisfied the respective rules of thumb for KMO Bartlett's Test of Sphericity, factor loading, and Eigenvalue statistics. The subsequent reliability test, which used internal consistency to determine the Cronbach Alpha, likewise met the stipulated rule of thumb, indicating that the complete data collection for further studies can proceed.

FINDINGS

The questionnaire survey was distributed to 403 employees of the construction industry in Malaysia. At the end of the period, a total of 283 responses were received. This results in a 70.2% response rate.

Table 1. Response Rate for Full Data Collection

Total Distributed	Total Received	Total Usable	Total Spoilt	Response Rate
403	283	283	0	70.20%

A total of 283 responses were collected from the 403 questionnaires that were distributed. 283

responses were usable, resulting in a response rate of 70.20%. There are no spoilt responses detected hence, all received questionnaire surveys were adopted for further statistical analyses. Multiple Regression was performed to gauge the relationship between Talent Development, Career Development and Performance Management on employee performance. The result will enable the researchers to support or reject the proposed hypotheses established.

The statistics of R in the model summary table is the correlation between the dependent variable and all the independent variables but it is measured based on the mean, so it is unable to indicate whether there is a fit for the framework or model related to the study (Keith, 2019). On the other hand, R² is the measure of the degree of the goodness of fit of the regression model and it reveals the percentage of variation of the dependent variable that can be explained by the independent variables in the regression model (Cooper and Schindler, 2018). The adjusted R²; takes into consideration the number of independent variables in the regression equation and helps avoid overestimating the impact of adding an independent variable on the amount of variability explained by the estimated regression equation (Saunders et. al., 2019). Once it has been determined that there is a reliable association between the variables the adjusted R² is believed to be the best estimate of the amount of shared variance (Keith, 2019). Hence, is better able to ascertain the extent of model fit within the regression model.

Table 2 shows the multiple regression with an R² value of 0.348 which means that talent development, career development and performance management represent 34.8% of the total variance having a relationship with employee performance in the construction industry in Malaysia which can be explained by the regression model. Although previous studies had a higher value of R², the results in this study could have a vast difference due to the current economic uncertainty due to Covid-19. It can also mean that the other 65.2% of the employee performance in construction in Malaysia can be explained by other factors which were not included in this study, especially within the post-Covid-19 era.

Table 2. Model Summary (Multiple Regression)

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	.590a	0.348	0.341	0.49535
a. Predictors: (Constant), Performance Management, Talent Development, Career Development				
b. Dependent Variable: Employee Performance				

Regression ANOVA is used to test the extent of variances for two or more groups on a single dependent variable (Sekaran and Bougie, 2019). At a 95% confidence level, the p-value has to be less than 0.05 to reveal a significant relationship (Saunders et. al., 2019).

Table 3. Regression ANOVA

		df	Mean Square	F	Sig.
Regression	36.560	3	12.187	49.666	<.001b
Residual	68.458	279	0.245		
Total	105.018	282			
Dependent Variable: Employee Performance					
Predictors: (Constant), Performance Management, Talent Development, Career Development					

Table 3. above shows that the results of the p-value is 0.000, which is below 0.05, and therefore signifies that the variance between the independent variables and the dependent variable and

within the independent variables themselves are statistically significant. Overall, although the model does not “fit” due to the low value of R², the constructs have a sufficient correlation in terms of analysis of variance explained by the phenomenon under study (employee performance). When combined, they have sufficient heterogeneity of variances to provide a significant regression relationship on employee performance. In addition to that, the value of the F test of 49.66 confirms that the entire regression is positively significant. Therefore, the proposed model of this study is relevant.

Beta Coefficient shows the volume of change in the dependent variable for each unit for change in the independent variables (Cooper and Schindler, 2018). Sekaran and Bougie (2019) state that the rule of thumb for Beta coefficient is where a value that is closer to 1 indicates that the independent variable will have higher relationship with the dependent variable, and a value that is 0, it clearly indicates no significant relationship of the dependent variable in the research. Table 4 below shows that the highest standardized beta coefficients value of 0.565 is career development, indicating that it is the most dominant predictor that showed relationship with employee performance. The lowest value comes from talent development at 0.040, which shows that it has very low significant relationship with the dependent variable. As the beta coefficient for all independent variables three are positive.

Table 4. Coefficients

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.562	0.160		16.040	0.000		
	Talent Development	0.027	0.033	0.400	0.809	0.006	0.937	1.068
	Career Development	0.410	0.087	0.565	4.738	0.000	0.183	6.082
	Performance Management	0.143	0.058	0.224	2.464	0.014	0.282	3.544
a. Dependent Variable: Employee Performance								

However, all the Beta Coefficient are statistically significant only when the p-value is less than 0.05 (Cooper and Schindler, 2018; Zikmund et. al., 2017). Based on the above table, there is only one variable with p-values less than 0.05, which is career development (p=0.00). This means that this one independent variable supports this model, with career development strongly supporting the model with p=0.00. Talent development with p=0.006 showed significant relationship though, at a lower level than career development whereas, for performance management system, the p=0.014 is statistically significant with employee performance though the level of significance is lower than that of career development.

Multicollinearity appears when any single independent variable is highly correlated with a set of other independent variables (Hair et. al., 2019). The test for multicollinearity is carried out using the analysis of the Variable Inflation Factor (VIF) and Tolerance (Boru, 2018). Hair et. al. (2019) suggest the acceptable threshold for defining the lack of multicollinearity is a Tolerance value greater than 0.1 and a VIF value of less than 10, which means that all independent variables are very significant, and multicollinearity does not exist. The theory of statistics suggests that if the VIF value is less than 5, independent variables are not strongly correlated and therefore there is no multicollinearity (Pandey, 2019). A VIF value that exceeds

10 indicates that collinearity is a problem as there is multicollinearity between the variables (Bougie and Sekaran, 2019). Hence, multicollinearity does not occur within the data sets although, for career development, the possibility of correlation with the other two constructs is possible although multicollinearity is not evident as the VIF (6.082) is below 10.

Table 4. above shows that the VIF for all independent variables is less than 10, hence they meet the rule of thumb and are acceptable. All the independent variables have a tolerance value which is greater than 0.1, therefore there is no multicollinearity issue with the data to skew the results. The results are thus considered statistically significant and valid.

Saunders et. al. (2019) states that the beta coefficient is used to study the extent to which each predictor variable affects the results when the influence of other variables remains constant.

Table 5. Summary of Findings

Item	Hypotheses	Significant (P<0.05)	Status
H1	Talent development has a significant relationship with employee performance in construction industry in Malaysia	0.006	Accept
H2	Career development has a significant relationship with employee performance in construction industry in Malaysia.	0.000	Accept
H3	Performance management has a significant relationship with employee performance in construction industry in Malaysia.	0.014	Accept

- Hypothesis 1: Talent development has a significant relationship with employee performance in construction industry in Malaysia.
As the p-value of value is 0.006, which is less than 0.05, there is enough evidence to accept the alternative hypothesis and the beta coefficient of talent development is 0.400 that is acceptable. Thus, talent development has a significant relationship with employee performance. Therefore, hypothesis 1 is accepted.
- Hypothesis 2: Career development has a significant relationship with employee performance in construction industry in Malaysia.
As the p-value of value is 0.002, which is less than 0.05, there is enough evidence to reject it. It shows that the null hypothesis and accepts the alternative hypothesis and as shown in the findings, the beta coefficient of Career Development is 0.565. Thus, career development has a significant relationship with employee performance. Therefore, hypothesis 2 is accepted.
- Hypothesis 3: Performance management has a significant relationship with employee performance in construction industry in Malaysia.
As the p-value of value is 0.014, which is less than 0.05, there is enough evidence to accept the alternative hypothesis and as shown in the findings, the beta coefficient of performance management is 0.224. Thus, performance management has a significant relationship with employee performance. Hence, hypothesis 3 is accepted.

Discussion

The following conclusions can be drawn from the research results based on the conceptual framework and hypotheses shown earlier:

H1: Talent Development has a significant relationship with employee performance in construction industry in Malaysia.

Hypothesis 1 is accepted as its significant level was 0.006 and it is apparent that talent development has a significant influence on employee performance in the Construction industry in Malaysia. Talent development in general is broader in scope than human resources (Sopiah, 2020). The organization can gain a competitive advantage by investing in talent development. Investment in talent development improves business performance and has been proven in the public sector of the Malaysian ministerial office (Sopiah, Kurniawan, Nora and Narmaditya, 2020). Talent development is also the reservoir of knowledge, skills and experience of the organization (Sopiah, 2020). Talent development is important to employees because it provides guidelines for their success in achieving the objectives (Hakim, 2020). The research also shows that employees given the opportunity to develop their respective talent via talent development initiatives will strengthen employee performance by achieving the established goals (Lake et. al., 2018).

H2: Career Development has a significant relationship with employee performance in construction industry in Malaysia.

Hypothesis 2 is accepted as its significant level was 0.000 and it is apparent that career development has a significant relationship with the employee performance in the Construction industry in Malaysia. Career development is of priority important to employees as it facilitates their success in achieving their objectives (Hakim, 2020). Factors such as promotion, growth opportunities and progression plans are key career development factors (Rahman et. al., 2020). Studies also show that employees who aim for career development only wish to strengthen their careers by developing their careers that will achieve their final career goal (Al-Asfour, Tlaiss, Khan and Rajasekar, 2017). Employees whose careers are not developed well could choose to leave the organization (Muthuveloo et. al., 2017). Individuals who have career development in mind frequently but are willing to do whatever it takes to succeed (Lake et. al., 2018). Findings in the Construction industry show that many employees were to be prompted to stay in a current job because they believe they can grow with the company for long-term due to career advancements (Al-Asfour, Tlaiss, Khan and Rajasekar et. al., 2017). The common situation found in most developing countries where that career development was useful to evaluate performance mainly for administrative rituals and not used to improve motivation to retain the professional or talent (Ali, 2020). Hence, the current findings are of importance to highlight that career development is critical to improving employee performance as it leads to self-motivation to succeed (Lake et. al., 2018).

H3: Performance management has a significant relationship with employee performance in construction industry in Malaysia.

Hypothesis 3 is accepted as it showed a significant p-value, and this indicates that performance management system has a significant relationship with employee performance in the Construction industry in Malaysia. The performance management system has a relationship with employee performance because employees who are given the opportunity to perform their jobs well and are appropriately evaluated within the performance management system (Rosli and Hassim, 2017) coupled with relevant rewards and incentives will continue to perform well (Mok and Leong, 2021). The performance management system must be in-line with long-term organisation policies though and linked with appropriate incentives (Bauwens, Audenaert and Decramer, 2019). A performance management system involves managing employee effort, based on measured performance outcomes (Okumu and Bett, 2019). Therefore, determining what constitutes good performance and how the different aspects of high performance is effectively measured is critical to the design of an effective performance management process; and performance management effectiveness increases when there is ongoing feedback, behaviour-based measures and present goals and trained assessors (Sakhdari et. al., 2017).

Employee performance plays an important role in the organisation and originally what an employee does or does not do which includes the quantity of output, quality of output, timeliness of output, presence at work and cooperativeness (Hafee et al., 2019) contributes toward employee performance. From Hee and Jing (2018), employee performance could be defined as the record of outcomes achieved, for each job function, during a specified time. If viewed in this way, performance is represented as a distribution of outcomes achieved, and performance could be measured by using a variety of parameters which describe an employee's pattern of performance over time (Wolor et al., 2020). Hence, for employees to continuously perform well, the performance management system needs to be more equity-based primarily on evidence (Kalogiannidis, 2020) and not as per the traditional system where the assessment is commonly biased and flawed.

Future Research Direction

Despite the study's empirical contributions, certain limitations should be acknowledged. Employee performance in the construction industry of Malaysia where data collected within a specified time frame may not provide a comprehensive view of the phenomenon (employee performance). Thus, it is preferable to conduct longitudinal studies in the future to establish sound and robust causality or to use a meta-analysis methodology to strengthen the accuracy, reliability, and credibility of such a single research study as this. The framework was developed based on the extent of the literature review anchored to theoretical underpinning, and the findings also provided support and confirmation of the hypotheses. However, as the sample of the study was drawn from the construction industry considered for the present study; the results of the study cannot be inferred for the rest of the establishments or industries in the country. Future research may study other variables or factors that influence or have a relationship with employee performance in other industries of Malaysia as employee performance could be due to many different factors. There are other factors worth discussing such as engagement, leadership, job analysis, and monetary and non-monetary rewards (Moletsane et. al., 2019; Muddle, 2020; Nguyen et al., 2017). Other factors not studied in this research may have significant relationships with employee performance too.

Future research is suggested to focus on other major industries such as healthcare, and share services of other countries to provide insights and interpretation from other perspectives. Finally, the study adopted a quantitative approach, which was deemed appropriate for this study. However, a mixed-method approach, that includes interviews, may complement, and refine the quantitative findings because interviews can be more detailed and can provide additional insight into understanding the feelings of employees.

CONCLUSION

The purpose of this study is to study the relationship between talent development, career development, and performance management systems with employee performance in the construction industry of Malaysia. The construction industry scope focused primarily on employees from the main construction company awarded for specific construction projects and did not include the sub-contractors involved in the support of the construction. This study uses self-administered questionnaires delivered via online websites as quantitative methods. A total of 283 employees from Malaysia's construction sector responded to the survey although 403 questionnaire surveys were distributed to employees working within the construction industry. According to the findings, career development has the greatest level of significant relationship with employee performance, followed by talent development and the performance management system in the construction industry of Malaysia.

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