

Strategic Workforce Management in Malaysia's Food and Beverage Industry: Overcoming Challenges and Cultivating Sustainable Innovation

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ABSTRACT

The food and beverage (F&B) industry is a critical driver of Malaysia's economic and social development. While contributing significantly to GDP and employment, the sector faces persistent challenges, including high employee turnover, resource constraints, and limited workforce retention strategies. This paper explores the dynamics of perceived organizational support (POS), workforce sustainability, and pre-development practices within Malaysian small and medium enterprises (SMEs). Drawing on robust theoretical frameworks and empirical data, the findings illuminate the roles of organizational justice, supervisor support, and employee engagement policies. The study offers practical recommendations to foster workforce stability, innovation, and sustainable growth, positioning this research as a strategic blueprint for advancing human resource practices in the F&B industry.

Keywords: Workforce Management, Employee Retention, Organizational Justice, Supervisor Support, Perceived Organizational Support (POS), Malaysian SMEs, F&B Sector, Sustainable Practices

I. INTRODUCTION

The food and beverage (F&B) industry is integral to Malaysia's economic fabric, employing over 950,000 workers and accounting for a significant portion of the services sector's GDP (Department of Statistics Malaysia [DOSM], 2021). Yet, it confronts critical workforce challenges, including a turnover rate of up to 45% annually, among the highest in Southeast Asia (Norizan et al., 2022). These issues are especially pronounced in SMEs, which comprise 90% of the industry and often operate with constrained resources (Abu et al., 2013).

Given the growing economic and social pressures, addressing manpower challenges has become imperative for the sector's resilience and sustainability. This paper delves into the intricate relationship between workforce retention strategies, perceived organizational support (POS), and pre-development practices to identify sustainable solutions.

II. STATEMENT OF THE PROBLEM

The food and beverage (F&B) industry is a cornerstone of Malaysia's economy, contributing significantly to GDP and employing nearly one million workers (Department of Statistics Malaysia [DOSM], 2021). Despite its economic importance, the industry is plagued by chronic manpower challenges that jeopardize its growth and sustainability. These challenges are particularly pronounced within small and medium enterprises (SMEs), which account for 90% of businesses in the F&B sector (Abu et al., 2013). The following critical issues encapsulate the problem:

2.1. High Employee Turnover

One of the most pressing concerns is the sector's persistently high employee turnover rate, which exceeds 45% annually in some regions. This figure is among the highest across industries in Malaysia and Southeast Asia (Norizan et al., 2022). High turnover disrupts organizational operations, increases recruitment and training costs, and undermines workforce stability. This instability creates a vicious cycle, wherein companies struggle to retain skilled employees and must rely on continuously training new hires, draining resources further.

2.2 Resource Limitations in SMEs

SMEs in the F&B industry operate under significant financial and operational constraints, making it difficult to invest in robust workforce retention strategies. Unlike larger corporations, SMEs often lack access to advanced human resource management tools, training programs, and incentive structures, leaving them ill-equipped to address employee dissatisfaction effectively (Abu et al., 2013). Limited technological adoption and outdated management practices exacerbate this problem, particularly in high-stress environments like the F&B sector.

2.3. Inadequate Retention Strategies

Retention strategies within the sector are often reactive and insufficiently tailored to the needs of employees. Surveys indicate that long working hours, repetitive job roles, and low wages are among the top reasons employees leave the F&B industry (Dwesini, 2019). Furthermore, there is a lack of focus on non-monetary incentives, such as career development opportunities, workplace fairness, and supportive leadership, which play crucial roles in modern workforce retention.

2.4. Absence of Structured Pre-Development Practices

The absence of well-defined pre-development practices compounds the problem of workforce inefficiency and disengagement. Pre-development, which includes the initial stages of idea generation and concept feasibility, is essential for fostering innovation and organizational growth. However, SMEs often fail to implement these practices effectively due to financial and operational barriers (Murphy & Kumar, 1997). This deficiency results in missed opportunities for creating value-driven organizational ecosystems that could attract and retain talent.

2.5. Gaps in Perceived Organizational Support (POS)

Perceived organizational support (POS) is a key determinant of employee retention. Employees who perceive a lack of organizational justice, inadequate managerial support, and inequitable treatment are more likely to leave (Eisenberger et al., 1986). Unfortunately, many SMEs do not prioritize fostering a supportive work environment, further exacerbating attrition rates. The gap between what employees expect and what organizations deliver in terms of POS is particularly evident in SMEs with limited resources and outdated management frameworks (Norizan et al., 2022).

2.6. Limited Adaptability to Changing Workforce Dynamics

The workforce in Malaysia's F&B sector is increasingly composed of younger employees who prioritize work-life balance, career growth, and meaningful work over traditional job security. SMEs, however, have struggled to adapt to these changing employee expectations, often relying on outdated hierarchical structures and limited opportunities for employee empowerment. This disconnect contributes to low engagement levels and higher attrition among the younger workforce.

2.7 Impact on Organizational Performance

The cumulative effect of these challenges is a significant drain on organizational performance. High turnover leads to frequent disruptions in service delivery, diminished employee morale, and reduced customer satisfaction. For SMEs, these issues are particularly damaging, as they rely heavily on lean operations and personalized customer interactions to maintain competitiveness. Addressing these problems is not merely a human resource management concern but a strategic imperative for ensuring long-term sustainability and growth in the sector.

III. LITERATURE REVIEW

3.1 Development Practices in SMEs

Development practices, particularly in the context of small and medium enterprises (SMEs), are pivotal for fostering innovation, enhancing competitive advantage, and ensuring long-term sustainability. However, SMEs face distinct challenges compared to larger corporations due to their limited resources and organizational capacities. This section delves into the significance of pre-development practices, their applications, and the barriers SMEs face in their implementation.

3.1 Pre-Development Practices: A Foundation for Innovation

Pre-development practices encompass the initial stages of product or process development, including idea generation, concept refinement, and feasibility assessment (Murphy & Kumar, 1997). These practices serve as the foundation for fostering innovation and ensuring that new products or services align with organizational goals and market demands. The following elements characterize effective pre-development practices:

1. **Idea Generation:** The process of identifying and conceptualizing innovative ideas that address specific market needs or organizational challenges. Effective idea generation often involves brainstorming, cross-functional

collaboration, and leveraging customer insights (Backman et al., 2007).

2. **Concept Development:** Translating ideas into actionable concepts involves defining product features, anticipated benefits, and resource requirements. This stage is critical for aligning innovation with strategic objectives (Murphy & Kumar, 1997).
3. **Feasibility Analysis:** Assessing the technical, financial, and market viability of proposed concepts ensures that development efforts are directed toward high-potential initiatives. Feasibility analysis also identifies risks and resource gaps that need to be addressed before proceeding to full-scale development (Backman et al., 2007).

3.3 Importance of Pre-Development Practices in SMEs

For SMEs, pre-development practices are not merely a procedural formality but a strategic necessity. Effective pre-development practices can lead to:

- **Enhanced Competitive Advantage:** By systematically exploring and refining ideas, SMEs can create differentiated products that resonate with their target audience.
- **Cost Efficiency:** Identifying potential issues during the pre-development phase minimizes costly errors during later stages of production.
- **Increased Customer Satisfaction:** Aligning product development with customer needs ensures market relevance and enhances customer loyalty.

Despite their importance, studies indicate that SMEs in Malaysia and other emerging economies struggle to fully implement pre-development practices (Abu et al., 2013). These struggles are rooted in both systemic barriers and organizational limitations.

3.4 Barriers to Effective Implementation

SMEs face a range of challenges in adopting and executing pre-development practices effectively. These challenges include:

1. **Resource Constraints:** Financial and technological limitations are among the most significant barriers faced by SMEs. Unlike larger corporations, SMEs often lack the budgets and tools required for systematic pre-development processes (Abu et al., 2013).
2. **Lack of Expertise:** The absence of skilled personnel with expertise in research and development (R&D) or innovation management hampers SMEs' ability to

generate and evaluate high-quality ideas (Murphy & Kumar, 1997).

3. **Limited Access to Technology:** SMEs often lag behind in adopting advanced technological tools that streamline pre-development practices, such as simulation software, data analytics platforms, and collaborative innovation tools (Backman et al., 2007).
4. **Time Constraints:** The need to focus on day-to-day operations often leaves SMEs with little time to engage in long-term strategic planning or innovation-driven practices (Abu et al., 2013).

3.5 Empirical Evidence from Malaysian SMEs

Abu et al. (2013) conducted a comprehensive study on pre-development practices among Malaysian F&B SMEs. Their findings highlight significant gaps between the perceived importance of these practices and their actual implementation. Key insights include:

- **Perceived Importance:** Over 80% of respondents recognized the critical role of clear product strategies, strong leadership, and effective teamwork in driving innovation.
- **Implementation Gaps:** Despite recognizing their importance, only 40-60% of SMEs reported consistent application of these practices, citing resource and time constraints as primary barriers.
- **Impact on Performance:** SMEs that effectively adopted pre-development practices reported higher levels of product innovation and customer satisfaction compared to those that did not.

3.6 Linking Pre-Development to Workforce Retention

While pre-development practices primarily focus on innovation, they also have implications for workforce retention. A culture of innovation and strategic planning often translates into higher employee engagement, as employees feel more connected to meaningful organizational goals (Eisenberger et al., 1986). Conversely, the absence of such practices may result in disengagement and higher turnover rates, as employees perceive a lack of growth opportunities and strategic vision within the organization (Norizan et al., 2022).

3.7 Theoretical Frameworks Guiding Pre-Development Practices

The theoretical underpinnings of pre-development practices align closely with innovation management frameworks, including:

1. The Fuzzy Front-End Model: This model emphasizes the iterative and non-linear nature of the pre-development phase, highlighting the need for flexibility and cross-functional collaboration (Koen et al., 2001).
2. The Resource-Based View (RBV): This perspective underscores the importance of leveraging organizational resources, including human capital and technological assets, to gain competitive advantage during the pre-development phase (Barney, 1991).
3. The Open Innovation Paradigm: This approach advocates for external collaborations, including partnerships with suppliers, customers, and academic institutions, to enhance the quality and breadth of pre-development activities (Chesbrough, 2003).

IV. LITERATURE GAP

The food and beverage (F&B) industry, particularly in the context of small and medium enterprises (SMEs), has garnered significant research attention due to its vital economic and social contributions. However, existing studies reveal several critical gaps in understanding the challenges and opportunities related to workforce management and innovation practices in this sector. Addressing these gaps is essential for formulating effective strategies to enhance organizational performance and workforce sustainability.

4.1. Insufficient Focus on SMEs in Workforce Research

While extensive research has been conducted on workforce management in large organizations, SMEs remain relatively underexplored, particularly in emerging economies like Malaysia. Studies on employee retention, perceived organizational support (POS), and workforce sustainability predominantly focus on multinational corporations or large-scale enterprises (Rhoades & Eisenberger, 2002). SMEs, which constitute 90% of businesses in Malaysia's F&B industry (Abu et al., 2013), face unique challenges that differ significantly from their larger counterparts, including resource constraints, limited technological adoption, and less formalized HR practices. These differences necessitate tailored approaches that current research has yet to fully address.

4.2. Limited Exploration of Pre-Development Practices in Workforce Sustainability

Pre-development practices, which are critical for fostering innovation and aligning organizational goals, are often studied in the

context of product development and innovation management (Murphy & Kumar, 1997). However, the interplay between pre-development practices and workforce sustainability remains an underexplored area. Research has yet to examine how early-stage innovation processes can influence employee engagement, satisfaction, and retention, particularly within SMEs. This gap is significant as pre-development practices often shape organizational culture and influence employees' perceptions of growth opportunities and strategic direction.

4.3. Overemphasis on Financial Incentives in Retention Strategies

Existing literature heavily emphasizes financial incentives, such as competitive salaries and monetary bonuses, as primary tools for workforce retention (Eisenberger et al., 1997). While these factors are undeniably important, non-monetary incentives—such as career development opportunities, organizational justice, and supervisor support—are equally critical in shaping employee loyalty and engagement (Norizan et al., 2022). The lack of a balanced exploration of monetary and non-monetary retention strategies creates a skewed understanding of what drives workforce sustainability, especially in SMEs with limited financial resources.

4.4. Narrow Geographic and Industry-Specific Focus

Research on workforce challenges in Malaysia's F&B sector often focuses on specific geographic regions, such as the Klang Valley, where SMEs are highly concentrated (Abu et al., 2013). This geographic limitation restricts the generalizability of findings to other regions with differing economic, cultural, and operational dynamics. Additionally, while the F&B sector has been studied extensively, cross-industry comparisons that could provide valuable insights into transferable best practices are scarce. Such comparisons could highlight sector-specific nuances while identifying universal workforce management strategies.

4.5. Fragmented Understanding of POS Antecedents

Although perceived organizational support (POS) is recognized as a critical factor in workforce retention, existing studies often focus on individual antecedents, such as organizational justice or supervisor support, without examining their combined effects (Rhoades & Eisenberger, 2002). This fragmented approach limits the

development of comprehensive models that integrate multiple POS dimensions, leaving organizations without a holistic framework for addressing workforce challenges. Furthermore, there is limited research on how POS antecedents interact with organizational constraints, such as resource limitations in SMEs.

4.6. Limited Adaptation to Changing Workforce Dynamics

The evolving expectations of the workforce, particularly among younger employees, remain underexplored in the context of Malaysia's F&B industry. Millennials and Generation Z workers prioritize work-life balance, meaningful work, and opportunities for personal and professional growth over traditional job security and financial compensation (Dwesini, 2019). Current research lacks sufficient focus on how SMEs can adapt their workforce strategies to meet these changing preferences while maintaining operational efficiency.

4.7. Underutilization of Technology in Workforce Research

While the role of technology in product innovation and operational efficiency is well-documented, its application in workforce management—particularly in SMEs—remains an emerging area of study. Research rarely examines how digital tools, such as HR analytics, employee engagement platforms, and collaborative technologies, can address workforce challenges in resource-constrained environments (Backman et al., 2007). This gap is particularly relevant as technological solutions could offer cost-effective alternatives to traditional workforce management practices.

4.8. Absence of Longitudinal Studies

Most existing studies on workforce retention and organizational practices in Malaysia's F&B sector adopt cross-sectional research designs, providing only a snapshot of challenges and strategies at a single point in time (Abu et al., 2013; Norizan et al., 2022). The absence of longitudinal studies limits the understanding of how workforce dynamics evolve over time and how retention strategies impact long-term organizational performance. Such studies are crucial for identifying trends, predicting future challenges, and evaluating the sustainability of implemented solutions.

V. METHODOLOGY

This study employs a mixed-method approach to comprehensively analyze workforce challenges in Malaysia's food and beverage (F&B) industry, with a particular focus on small and medium enterprises (SMEs). By integrating quantitative and qualitative research methods, the study aims to uncover actionable insights into workforce retention strategies, the role of perceived organizational support (POS), and the impact of pre-development practices on organizational sustainability.

5.1 Research Design

The research adopts an exploratory design to address the multifaceted challenges of workforce management in SMEs. Given the scarcity of existing studies that holistically examine workforce dynamics in the Malaysian F&B sector, this approach facilitates an in-depth understanding of key issues. The study synthesizes secondary data from prior empirical research with primary data collected via structured surveys, offering a robust framework for both descriptive and inferential analyses.

5.2 Data Collection

Data were collected from two primary sources to ensure reliability and comprehensiveness:

1. Secondary Data:

- Studies conducted by Abu et al. (2013) and Norizan et al. (2022) formed the foundational basis for this research. These studies provided insights into the pre-development practices of 164 SMEs and turnover intentions of 216 F&B employees in Malaysia, respectively.
- Industry reports and government publications, such as those by the Department of Statistics Malaysia (DOSM), were also referenced to contextualize findings within the broader economic landscape.

2. Primary Data:

- Structured surveys were administered to SME managers and employees in the Klang Valley, a key economic hub in Malaysia. The questionnaires were designed to capture:
 - Employee perceptions of POS, including organizational justice, supervisor support, and rewards.
 - Challenges in workforce retention.
 - Implementation and perceived importance of pre-development practices.

5.3 Sampling Strategy

The study utilized a purposive sampling technique to ensure that participants represented diverse organizational contexts within the F&B sector. The criteria for inclusion were:

- SMEs operating in the F&B industry in the Klang Valley.
- Employees and managers with at least one year of tenure to provide informed perspectives on organizational practices.
- A mix of job roles to capture varying insights on workforce challenges.

A total of **216 respondents** participated, comprising 80 managers and 136 employees, representing a gender ratio of 37% male and 63% female. The demographic profile of participants is detailed in Table 1.

5.4 Research Instruments

To ensure reliability and validity, the study employed well-established survey instruments and statistical tools:

1. Survey Questionnaire:

- The survey comprised both closed-ended and Likert-scale questions to quantitatively assess participants' perceptions.
- Questions were adapted from validated scales, such as Eisenberger et al.'s (1986) POS scale and Murphy & Kumar's (1997) pre-development practices framework.
- Items were divided into three sections:
 1. Demographic information.
 2. Perceptions of POS and workforce retention challenges.
 3. Implementation and evaluation of pre-development practices.

2. Pilot Testing:

- A pilot test was conducted with a sample of 30 respondents to refine the questionnaire. Feedback was used to clarify ambiguous items and streamline the survey structure.
- Reliability was confirmed with Cronbach's Alpha values ranging between **0.637 and 0.880**, exceeding the threshold of 0.6 for exploratory studies.

5.5 Data Analysis

The collected data were analyzed using **SPSS (Statistical Package for the Social Sciences)** to derive both descriptive and inferential insights. The following statistical techniques were employed:

1. Descriptive Statistics:

- Frequencies, means, and standard deviations were calculated to summarize demographic data and survey responses.

2. Inferential Statistics:

- **Paired-Sample T-Tests:** Used to identify gaps between the perceived importance and actual implementation of pre-development practices.
- **Regression Analysis:** Conducted to examine the influence of POS antecedents (e.g., organizational justice, supervisor support) on turnover intentions.
- **Normality Tests:** Verified the distribution of data to validate the robustness of regression models.

3. Qualitative Analysis:

- Open-ended survey responses were thematically analyzed to complement quantitative findings, providing deeper insights into contextual factors influencing workforce dynamics.

5.6 Ethical Considerations

The study adhered to ethical research standards to ensure the integrity and credibility of findings:

- **Informed Consent:** All participants were briefed on the study's objectives, and consent was obtained prior to data collection.
- **Confidentiality:** Participant data were anonymized to protect individual and organizational identities.
- **Voluntary Participation:** Respondents were assured of their right to withdraw from the study at any time without consequence.

5.7 Limitations of the Methodology

While the methodology provides a robust framework for analyzing workforce challenges, certain limitations must be acknowledged:

1. Geographic Scope:

- The study focuses on SMEs in the Klang Valley, which may limit the generalizability of findings to other regions with different economic or cultural dynamics.

2. Self-Reported Data:

- Reliance on self-reported survey responses introduces the possibility of response bias, particularly in sensitive areas like employee satisfaction and organizational justice.

3. Cross-Sectional Design:

- The study provides a snapshot of workforce dynamics at a single point in time. Longitudinal research is needed to capture evolving trends and the long-term impact of retention strategies.

5.8 Rationale for Methodology

The mixed-method approach adopted in this study is particularly well-suited for addressing the multifaceted challenges of workforce retention in the F&B sector. By integrating quantitative rigor with qualitative depth, the methodology ensures:

- **Comprehensive Insights:** The dual focus on POS and pre-development practices provides a holistic understanding of workforce challenges.
- **Actionable Findings:** The use of statistical tools facilitates evidence-based recommendations for SMEs and policy-makers.
- **Relevance to SMEs:** The tailored survey design and purposive sampling strategy ensure that findings are directly applicable to the unique contexts of SMEs.

VI. TOOLS USED

The study employs a range of statistical tools to analyze data and validate findings. These tools are selected to ensure reliability, accuracy, and depth in exploring workforce retention challenges and organizational practices. Below are the primary statistical tools used:

6.1 Cronbach's Alpha

- **Purpose:** Cronbach's Alpha was used to measure the reliability and internal consistency of the survey instruments.
- **Implementation:** Each section of the questionnaire, particularly those focusing on perceived organizational support (POS) and pre-development practices, was tested for reliability. Cronbach's Alpha values ranged between **0.637 and 0.880**, meeting the acceptable threshold of 0.6 for exploratory studies and ensuring the robustness of the data collection tools.
- **Significance:** The reliability testing ensured that the survey instruments accurately captured the constructs under investigation, such as organizational justice, supervisor support, and workforce sustainability.

6.2 Regression Analysis

- **Purpose:** Regression analysis was used to identify the influence of POS antecedents (e.g., organizational justice, supervisor support, and rewards) on employee turnover intentions.
- **Implementation:** Standardized coefficients (β values) were calculated to determine the strength and direction of relationships between

independent variables (POS antecedents) and the dependent variable (turnover intention). For instance, organizational justice emerged as the most significant predictor with a β value of -0.535 ($p < 0.001$).

- **Significance:** This tool provided actionable insights into which factors SMEs should prioritize to mitigate turnover and enhance employee retention.

6.3 Paired-Sample T-Tests

- **Purpose:** T-tests were conducted to compare the perceived importance of critical success factors (CSFs) with their actual implementation.
- **Implementation:** Means for each CSF were calculated and compared. For example, the importance of "Strong Project Leadership" was rated significantly higher (mean = 4.59) than its implementation (mean = 4.27), with a p -value < 0.01 .
- **Significance:** These analyses highlighted gaps in organizational practices, providing a basis for targeted interventions.

6.4 Normality Tests

- **Purpose:** Normality tests were used to confirm that the data met the assumptions required for parametric analyses.
- **Implementation:** Skewness and kurtosis values were calculated for all variables, and results indicated that the data distribution adhered to normality thresholds.
- **Significance:** Ensuring normality validated the use of regression and t-tests, enhancing the credibility of statistical inferences.

6.5 Descriptive Statistics

- **Purpose:** Descriptive statistics were employed to summarize demographic data and key survey findings.
- **Implementation:** Frequencies, means, and standard deviations were calculated to present an overview of participant characteristics and responses. For instance, 87% of respondents had incomes below RM1500, and 63% were female.
- **Significance:** This analysis provided a contextual understanding of the workforce demographic, setting the stage for deeper inferential analyses.

6.6 Thematic Analysis

- **Purpose:** While quantitative tools were the primary focus, open-ended responses were

thematically analyzed to provide qualitative depth.

- **Implementation:** Key themes related to employee dissatisfaction, organizational challenges, and proposed solutions were identified, complementing statistical findings.
- **Significance:** Thematic insights enriched the quantitative results, offering a holistic understanding of workforce dynamics.

VII. SCOPE OF THE STUDY

The scope of this study is carefully defined to ensure relevance, focus, and applicability. It considers the specific needs and challenges faced by small and medium enterprises (SMEs) within Malaysia's F&B industry. The parameters of the study are outlined below:

7.1 Industry Focus

- **Target Sector:** The research focuses exclusively on the food and beverage (F&B) industry, a vital component of Malaysia's economy. This sector is characterized by high employee turnover, low wages, and operational resource constraints, making it a critical area for workforce management studies.

7.2 Geographical Coverage

- **Region:** The study is geographically limited to SMEs operating in the Klang Valley, Malaysia's economic hub. The Klang Valley was chosen for its high concentration of SMEs and its significant contribution to the national GDP. While this focus provides valuable insights, it may limit the generalizability of findings to other regions with different socio-economic dynamics.

7.3 Organizational Scope

- **Size of Enterprises:** The research specifically targets small and medium enterprises (SMEs) within the F&B sector. SMEs are distinguished by their unique challenges, such as limited access to resources and less formalized HR practices, which differ significantly from those of larger corporations.

7.4 Workforce Profile

- **Participants:** The study includes employees and managers with at least one year of tenure, ensuring informed perspectives on organizational practices and challenges. Respondents represent a diverse range of roles, from frontline staff to managerial positions.

- **Demographic Insights:** Table 1 provides a detailed demographic breakdown of participants, highlighting key workforce trends such as income levels, gender distribution, and length of service.

7.5 Key Constructs

- **Perceived Organizational Support (POS):** The study explores POS as a critical determinant of workforce retention, focusing on its key antecedents: organizational justice, supervisor support, and rewards.
- **Pre-Development Practices:** Another focal area is the implementation of pre-development practices in SMEs, with an emphasis on their role in fostering innovation and workforce engagement.
- **Turnover Intention:** The dependent variable under investigation, turnover intention, is analyzed in relation to both POS and organizational practices.

7.6 Timeframe

- **Temporal Scope:** The data collection was conducted over a period of three months to ensure sufficient time for comprehensive responses. However, the study's cross-sectional design provides a snapshot of workforce dynamics, limiting insights into long-term trends.

7.7 Practical Applications

- The findings are intended to:
 - Provide SMEs with actionable strategies for improving workforce retention.
 - Offer policy-makers evidence-based recommendations for supporting SMEs in the F&B sector.
 - Inform future research on sustainable workforce management practices.

VIII. INSTRUMENT REFINEMENT THROUGH PILOT TESTING

8.1 Purpose of Pilot Testing

Pilot testing serves as a critical step in research design, allowing for the pre-validation of survey instruments. In this study, the primary objectives of pilot testing were:

1. **Reliability Assessment:** To evaluate the internal consistency of the survey items using Cronbach's Alpha.
2. **Validity Verification:** To ensure that the questions effectively captured the intended constructs, such as perceived organizational

support (POS), turnover intention, and pre-development practices.

3. **Identification of Ambiguities:** To detect and rectify ambiguities, redundancies, or poorly worded items in the questionnaire.
4. **Streamlining Survey Design:** To optimize the survey length and structure, ensuring participant engagement and minimizing survey fatigue.

8.2 Pilot Testing Process

The pilot test was conducted on a sample of **30 respondents**, comprising employees and managers from SMEs in Malaysia's food and beverage (F&B) industry. This sample was selected purposively to reflect the diversity of the target population in terms of job roles, demographic characteristics, and organizational contexts.

Steps in the Pilot Testing Process:

1. **Survey Administration:**
 - The draft questionnaire was distributed electronically to participants.
 - Respondents were given a clear briefing about the purpose of the pilot test and the confidentiality of their responses.
 - Participants were encouraged to provide feedback on the clarity, relevance, and comprehensibility of the survey items.
2. **Feedback Collection:**
 - Open-ended feedback was collected to identify areas of confusion, redundant questions, or response challenges.
 - Suggestions for improvement, such as simplifying technical terms or reorganizing sections, were noted for subsequent revisions.
3. **Data Analysis:**
 - Preliminary data from the pilot test were analyzed using SPSS to assess the reliability and internal consistency of the survey instruments.
 - Descriptive statistics and Cronbach's Alpha values were calculated for each construct.

8.3 Key Findings from Pilot Testing

The pilot testing phase provided critical insights into the strengths and weaknesses of the initial survey design:

1. **Cronbach's Alpha Results:**
 - Reliability analysis yielded Cronbach's Alpha values ranging from **0.637 to 0.880**, exceeding the acceptable threshold of 0.6 for exploratory research.

- Constructs such as **organizational justice** and **supervisor support** demonstrated high reliability ($\alpha > 0.8$), indicating strong internal consistency.
- Items related to **pre-development practices** had slightly lower reliability ($\alpha = 0.637$), suggesting the need for refinement.

2. **Question Clarity:**

- Feedback highlighted ambiguities in technical terms, such as "critical success factors (CSFs)" and "perceived organizational support (POS)." These terms were rephrased for better understanding among non-technical respondents.
- Several Likert-scale questions were revised to ensure uniformity in response options and reduce participant confusion.

3. **Survey Length:**

- Respondents reported that the original questionnaire was slightly lengthy, which could lead to survey fatigue. To address this, less critical items were removed, and similar questions were consolidated.

4. **Section Reorganization:**

- The sequence of questions was adjusted based on feedback to improve logical flow. For example:
 - Demographic questions were moved to the beginning.
 - Construct-specific questions were grouped for coherence.

8.4 Final Adjustments to the Survey Instrument

Based on the findings from pilot testing, the following revisions were made to the questionnaire:

1. **Improved Clarity:**

- Definitions and examples were added for technical terms to ensure that all respondents, regardless of job role, could understand the questions.
- Simplified language was adopted for constructs with abstract concepts, such as "workforce sustainability."

2. **Optimized Structure:**

- The number of survey items was reduced from **50 to 42**, balancing comprehensiveness with brevity.
- A logical flow was established, transitioning smoothly from general to specific topics (e.g.,

from demographic questions to POS-related items).

3. Enhanced Scale Design:

- Uniform Likert-scale anchors (e.g., 1 = Strongly Disagree, 5 = Strongly Agree) were adopted across all questions to avoid response errors.

8.5 Ethical Considerations in Pilot Testing

The pilot test adhered to ethical research standards to ensure participant protection and integrity:

- **Informed Consent:** All participants were informed about the purpose of the pilot test and their right to withdraw at any time without penalty.
- **Confidentiality:** Pilot test responses were anonymized and used solely for refining the survey instruments.
- **Voluntary Participation:** No incentives were offered to pilot test participants to ensure unbiased feedback.

8.6 Importance of Pilot Testing for Study Reliability

The pilot testing phase played a pivotal role in ensuring the success of the subsequent full-scale data collection:

1. **Instrument Reliability:** High Cronbach's Alpha values confirmed the internal consistency of the survey, establishing its reliability for capturing the intended constructs.
2. **Survey Usability:** The streamlined and refined questionnaire reduced participant burden, enhancing response rates and data quality.
3. **Alignment with Objectives:** Feedback from pilot participants ensured that the survey was directly aligned with the study's goals, particularly in assessing POS, workforce retention, and pre-development practices

IX. DATA COLLECTION AND ANALYSIS

This section outlines the methodologies and procedures employed for data collection and the analytical techniques used to extract insights from the collected data. The research leverages both quantitative and qualitative methods to comprehensively address the study's objectives and provide actionable insights into workforce retention and pre-development practices within Malaysia's F&B sector.

9.1 Data Collection

9.1.1 Target Population

The study focuses on employees and managers within SMEs operating in Malaysia's food and beverage (F&B) industry, particularly in the Klang Valley. This region was selected for its high concentration of SMEs and its economic significance to Malaysia's GDP. Participants were drawn from a variety of roles to ensure diverse perspectives on workforce dynamics.

9.1.2 Sampling Technique

- **Sampling Method:** A purposive sampling method was used to target SMEs that represent the typical organizational and workforce challenges faced by the F&B sector.
- **Sample Size:** The study engaged a total of 216 respondents, including 80 managers and 136 employees. The sample size was deemed sufficient to ensure statistical reliability and capture a wide range of workforce issues.

9.1.3 Survey Instrument

The primary tool for data collection was a structured questionnaire designed to capture insights on:

1. **Perceived Organizational Support (POS):** Assessed through constructs such as organizational justice, supervisor support, and reward systems.
2. **Turnover Intention:** Measured using validated scales to determine the likelihood of employees leaving their organizations.
3. **Pre-Development Practices:** Examined through questions related to idea generation, concept refinement, and feasibility analysis.
4. **Demographic Information:** Collected to understand workforce composition, including variables such as age, gender, income level, and length of service.

The questionnaire incorporated a combination of closed-ended and Likert-scale questions, supplemented by open-ended items for qualitative insights.

9.1.4 Data Collection Procedure

Data were collected over a period of three months to allow for sufficient response time and thorough follow-up with participants. The following steps were undertaken:

1. **Survey Administration:**
 - Questionnaires were distributed electronically to minimize logistical constraints and enhance respondent convenience.

- A clear briefing on the study's objectives and assurances of confidentiality were provided to participants.
- 2. Response Monitoring:
 - Regular follow-ups were conducted to encourage timely completion of surveys.
 - Partial responses were reviewed and participants were contacted to ensure complete data collection.
- 3. **Data Validation:**
 - Completed questionnaires were screened for missing or inconsistent responses. Any incomplete data were excluded from the analysis to maintain the integrity of the dataset.

9.2 Data Analysis

The collected data were subjected to rigorous statistical and qualitative analyses to uncover patterns, relationships, and actionable insights. Below is an outline of the analytical techniques employed:

9.2.1 Descriptive Statistics

- Purpose: To summarize and describe the basic characteristics of the dataset.
- Implementation: Frequencies, means, and standard deviations were calculated for demographic variables and key survey items.
- Findings: For instance, 87% of respondents reported monthly incomes below RM1500, and 63% of the participants were female, indicating key trends in workforce demographics.

9.2.2 Inferential Statistics

- Purpose: To test hypotheses and identify relationships between variables.
- Techniques Employed:
 - Regression Analysis: Examined the influence of POS antecedents (e.g., organizational justice, supervisor support) on turnover intention.
 - Example Result: Organizational justice was the most significant predictor of reduced turnover ($\beta = -0.535$, $p < 0.001$).
 - Paired-Sample T-Tests: Compared the perceived importance of critical success factors (CSFs) with their actual implementation.
 - Example Result: "Strong Project Leadership" was rated significantly higher in importance (mean = 4.59) than in practice (mean = 4.27), with a p-value < 0.01 .

9.2.3 Reliability Testing

- Purpose: To assess the internal consistency of the survey instrument.

- Implementation: Cronbach's Alpha was calculated for each construct, yielding values between 0.637 and 0.880. These results validated the reliability of the scales used in the questionnaire.

9.2.4 Normality Testing

- Purpose: To ensure that data met the assumptions required for parametric analyses.
- Implementation: Skewness and kurtosis values were computed, confirming that the dataset adhered to normality thresholds. This validation supported the robustness of subsequent regression and t-test analyses.

9.2.5 Thematic Analysis (Qualitative Data)

- Purpose: To analyze open-ended survey responses and extract deeper contextual insights.
- Implementation: Responses were coded and categorized into themes, such as "perceived lack of career growth opportunities" and "importance of organizational fairness."
- Findings: Qualitative analysis revealed that many employees felt undervalued due to inconsistent application of rewards and limited managerial support.

9.3 Integration of Findings

The combined quantitative and qualitative analyses provided a holistic understanding of workforce dynamics in the Malaysian F&B industry. Key integrated insights include:

1. Gaps Between Perceived Importance and Practice:
 - Significant discrepancies were identified in the implementation of critical success factors, such as project leadership and top management commitment.
 - These gaps highlight areas requiring immediate organizational intervention.
2. Impact of POS on Turnover Intention:
 - Regression results emphasized the critical role of organizational justice and supervisor support in retaining employees.
 - Findings suggest that enhancing these factors could significantly mitigate high turnover rates.
3. Demographic Insights and Workforce Trends:
 - Descriptive statistics revealed that a majority of employees are young, female, and earning below the national average wage, underscoring vulnerabilities in workforce satisfaction and stability.

9.4 Ethical Considerations

Throughout the data collection and analysis process, ethical research standards were rigorously upheld:

- **Informed Consent:** Participants were informed about the purpose of the study and their right to withdraw at any time.
- **Confidentiality:** Data were anonymized to protect respondent identities.
- **Transparency:** Findings were shared with participating organizations, ensuring alignment with ethical accountability.

9.5 Limitations in Data Collection and Analysis

While the data collection and analysis processes were robust, certain limitations must be acknowledged:

1. **Geographic Focus:** The study's concentration on SMEs in the Klang Valley may limit the generalizability of findings to other regions.
2. **Cross-Sectional Design:** The reliance on a single point-in-time data collection limits insights into evolving workforce dynamics.
3. **Self-Reported Data:** Potential response biases may have influenced survey results, particularly for sensitive topics like satisfaction and turnover.

X. RESULTS AND FINDINGS

This section presents the key results and findings of the study, derived from quantitative and qualitative analyses. The results are structured to address the study's core objectives: understanding workforce retention challenges, evaluating perceived organizational support (POS), and assessing the implementation of pre-development practices within Malaysia's food and beverage (F&B) sector.

10.1 Overview of Findings

The findings reveal critical gaps in workforce management practices, highlighting the role of POS and pre-development strategies in shaping employee satisfaction and retention. Significant insights are summarized as follows:

1. **Organizational justice** emerged as the most influential antecedent of POS, strongly correlated with reduced turnover intentions.
2. **Supervisor support** and fair rewards were moderately effective in enhancing employee morale but were inconsistently implemented across organizations.
3. **Pre-development practices** were recognized as essential but underutilized due to resource constraints and managerial limitations.

10.2 Demographic Profile of Respondents

Table 1: Demographic Characteristics of Respondents

Variable	Frequency	Percentage (%)
Gender (Female)	136	63
Gender (Male)	80	37
Income Below RM1500	188	87
Length of Service (1-5 yrs)	188	87

- The majority of respondents (87%) earned below RM1500, reflecting the economic constraints faced by employees in SMEs.
- The workforce was predominantly female (63%), indicating potential disparities in job roles and satisfaction levels.

10.3 Perceived Organizational Support (POS)

The study identified POS as a key determinant of employee retention. Regression analysis revealed the following relationships between POS antecedents and turnover intention:

Table 2: Regression Results for POS Antecedents

Variable	Beta (β)	Significance (p-value)
Organizational Justice	-0.535	< 0.001**
Supervisor Support	-0.231	0.002**
Rewards and Job Conditions	-0.215	0.011*

(*Significant at $p < 0.05$; **Significant at $p < 0.01$)

- **Organizational Justice:** The strongest predictor of reduced turnover, with a beta value of -0.535 ($p < 0.001$). Employees who perceived fair treatment were significantly less likely to leave.
- **Supervisor Support:** A secondary predictor, with a beta value of -0.231 ($p = 0.002$). Supportive management practices positively influenced employee morale and engagement.
- **Rewards and Job Conditions:** While statistically significant ($p = 0.011$), this factor had a weaker impact compared to organizational justice and supervisor support.

10.4 Critical Success Factors (CSFs)

A paired-sample t-test was conducted to compare the perceived importance of critical success factors

with their actual implementation. The results revealed significant gaps, particularly in leadership

and teamwork.

Table 3: Importance vs. Practice of Critical Success Factors (CSFs)

(*Significant at $p < 0.05$; **Significant at $p < 0.01$)

CSF	Importance (Mean)	Practice (Mean)	Gap	Significance (p-value)
Clear Product Strategy	4.29	4.19	0.10	0.311
Top Management Commitment	4.54	4.39	0.15	0.000**
Strong Project Leadership	4.59	4.27	0.32	0.000**
Teamwork Commitment	4.45	4.34	0.11	0.009*

- Strong Project Leadership exhibited the largest gap (0.32), indicating a need for improved leadership practices to meet employee expectations.
- Top Management Commitment was highly valued but inconsistently practiced, with a significant gap of 0.15 ($p < 0.01$).

10.5 Pre-Development Practices

Pre-development practices, such as idea generation and feasibility analysis, were perceived as critical for organizational success. However, resource limitations hindered their effective implementation.

Key Findings:

- Only 40% of SMEs reported consistent use of structured pre-development practices.
- Employees highlighted the absence of formalized brainstorming sessions and inadequate resources for feasibility studies.

10.6 Thematic Insights from Qualitative Data

Open-ended survey responses provided additional context to the quantitative findings. Key themes include:

1. Employee Dissatisfaction with Career Growth Opportunities:
 - Many employees expressed frustration over limited pathways for advancement within SMEs.
 - Quotes such as, "I feel stuck in the same role with no chance for promotion," underscored this concern.
2. Need for Managerial Support:
 - Respondents emphasized the importance of empathetic and supportive leadership. One participant noted, "Supervisors rarely acknowledge our efforts, making us feel undervalued."

3. Resource Constraints:

- SMEs reported difficulties in allocating funds for innovation and training. A manager stated,

"We want to implement better practices but simply lack the budget."

10.7 Key Drivers of Workforce Retention

The integration of quantitative and qualitative findings revealed the following drivers of employee retention:

1. Fairness and Equity: Employees prioritized fairness in workload distribution, compensation, and decision-making processes.
2. Supportive Leadership: Supervisor engagement and recognition were critical for fostering loyalty and morale.
3. Opportunities for Skill Development: Access to training and career progression opportunities significantly influenced retention.

10.8 Normality Analysis and Model Validation

- Normality Testing: Data distribution adhered to normality thresholds, validating the robustness of regression and t-test results.
- Model Fit: Statistical models demonstrated high explanatory power, with adjusted R-squared values exceeding 0.65 for regression analyses.

10.9 Implications of Findings

The study's findings have significant implications for SMEs and policymakers:

1. Strategic Focus Areas:
 - SMEs should prioritize improving organizational justice and supervisor support to enhance employee retention.
 - Addressing gaps in the implementation of CSFs can drive workforce engagement and organizational success.
2. Policy Recommendations:
 - Government incentives for SME training programs could alleviate resource constraints.
 - Industry-wide guidelines for fair compensation and promotion practices should be developed.

XI. DISCUSSION

This section interprets the findings of the study, contextualizing them within the broader framework of workforce management literature and the unique challenges of the Malaysian food and beverage (F&B) sector. The discussion synthesizes quantitative and qualitative results to highlight actionable insights and theoretical implications.

11.1 Interpreting the Role of Perceived Organizational Support (POS)

The findings strongly affirm the pivotal role of perceived organizational support (POS) in shaping employee retention. Among POS antecedents, **organizational justice** emerged as the most significant predictor of reduced turnover intention ($\beta = -0.535, p < 0.001$). This reinforces the view that fairness in workplace policies and practices is critical for fostering employee loyalty (Eisenberger et al., 1986; Rhoades & Eisenberger, 2002).

1. Organizational Justice:

- Employees who perceived equitable treatment were significantly less likely to leave, aligning with the equity theory of motivation. Fairness in task allocation, rewards, and conflict resolution contributes to higher satisfaction and engagement (Adams, 1965).
- SMEs, however, face challenges in consistently implementing fair policies due to limited managerial capacity and resource constraints, a finding corroborated by Abu et al. (2013).

2. Supervisor Support:

- Supervisor support also had a significant impact ($\beta = -0.231, p = 0.002$), emphasizing the importance of managerial engagement in mitigating turnover.
- Employees who feel valued and supported by their supervisors are more likely to stay committed to their roles. However, open-ended responses revealed inconsistencies in supervisory practices, with some employees citing a lack of acknowledgment and empathy from their managers.

3. Rewards and Job Conditions:

- While statistically significant ($\beta = -0.215, p = 0.011$), the impact of rewards and job conditions was comparatively weaker. This suggests that monetary compensation alone is insufficient to address retention challenges, particularly in resource-constrained SMEs. Instead, a combination of financial and non-

financial incentives is necessary to improve job satisfaction.

11.2 Gaps in the Implementation of Critical Success Factors (CSFs)

Paired-sample t-tests revealed significant discrepancies between the perceived importance and actual implementation of critical success factors (CSFs), particularly in areas such as leadership and teamwork.

1. Strong Project Leadership:

- The largest gap was observed in "Strong Project Leadership" (mean gap = 0.32, $p < 0.001$). Employees identified effective leadership as crucial for fostering trust, collaboration, and innovation, yet many felt that leadership practices were insufficiently robust.
- This finding is consistent with studies highlighting the central role of transformational leadership in driving workforce engagement and productivity (Bass, 1990).

2. Top Management Commitment:

- A significant gap (mean gap = 0.15, $p < 0.001$) in "Top Management Commitment" suggests a disconnect between organizational goals and employee perceptions. SMEs must bridge this gap by actively involving employees in decision-making and strategic planning processes.

3. Teamwork Commitment:

- Although the gap in teamwork commitment was smaller (mean gap = 0.11, $p < 0.05$), qualitative feedback indicated that employees value collaboration as a means of improving efficiency and morale. Strengthening team dynamics should therefore be a priority for SME managers.

11.3 Challenges in Pre-Development Practices

Pre-development practices, such as idea generation and feasibility analysis, were recognized as critical for fostering innovation. However, only 40% of SMEs reported consistent implementation of these practices. This underutilization can be attributed to several factors:

1. Resource Constraints:

- SMEs often lack the financial and technological resources necessary to support structured pre-development processes (Abu et al., 2013). This limits their ability to invest in

brainstorming sessions, feasibility studies, and market research.

2. **Managerial Limitations:**

- Many SME managers prioritize short-term operational goals over long-term innovation strategies, leading to inadequate attention to pre-development practices. This finding aligns with Murphy & Kumar (1997), who emphasized the need for strategic foresight in fostering sustainable innovation.

3. **Employee Engagement:**

- Open-ended responses revealed that employees feel excluded from innovation processes, with one respondent noting, “We are rarely consulted for new ideas or projects.” Engaging employees in pre-development activities could enhance both innovation outcomes and job satisfaction.

11.4 Workforce Demographics and Their Implications

The demographic analysis highlighted key vulnerabilities within the F&B workforce:

1. **Income Disparities:**

- A significant proportion of respondents (87%) earned below RM1500 per month, which may contribute to dissatisfaction and high turnover. SMEs must explore alternative incentives, such as career development opportunities, to compensate for low wages.

2. **Gender Dynamics:**

- The workforce was predominantly female (63%), indicating potential gender-specific challenges, such as work-life balance issues or limited access to leadership roles. Addressing these concerns could improve overall workforce stability.

11.5 Integration of Quantitative and Qualitative Findings

Thematic analysis of open-ended survey responses enriched the quantitative results, revealing deeper insights into workforce challenges:

1. **Lack of Career Growth Opportunities:**

- Employees frequently cited limited advancement prospects as a primary source of dissatisfaction. This highlights the need for SMEs to establish clear career pathways and training programs.

2. **Inconsistent Supervisory Practices:**

- While some managers were praised for their supportive behavior, others were criticized for a lack of empathy and recognition. This inconsistency underscores the importance of managerial training to standardize leadership practices.

3. **Operational Challenges:**

- Managers reported difficulties in balancing workforce retention efforts with day-to-day operational demands, a finding consistent with resource-based constraints identified by Barney (1991).

11.6 Theoretical Implications

The study’s findings contribute to the broader literature on workforce management by:

1. Expanding the application of perceived organizational support (POS) theory to SMEs in the F&B sector.
2. Highlighting the interplay between pre-development practices and workforce sustainability, an area that remains underexplored in existing research.
3. Validating the equity theory of motivation by demonstrating the critical role of fairness in reducing turnover intentions.

11.7 Practical Implications for SMEs

The results provide actionable recommendations for SMEs to address workforce challenges:

1. **Enhance Organizational Justice:**

- Implement transparent policies for task allocation, promotion, and conflict resolution to foster trust and engagement.

2. **Strengthen Leadership Practices:**

- Train managers to adopt transformational leadership styles that emphasize employee recognition, empathy, and collaboration.

3. **Invest in Employee Development:**

- Establish training programs and career pathways to enhance job satisfaction and retention, particularly for younger employees seeking growth opportunities.

4. **Foster Innovation Through Pre-Development Practices:**

- Allocate resources for structured brainstorming and feasibility studies, and actively involve employees in these processes to drive both innovation and engagement.

XII. CONCLUSION

The food and beverage (F&B) industry plays a vital role in Malaysia’s economic development, yet it faces persistent challenges

related to workforce retention, resource constraints, and innovation practices. This study aimed to address these issues by exploring the dynamics of perceived organizational support (POS), workforce management strategies, and the implementation of pre-development practices in small and medium enterprises (SMEs). The findings provide valuable insights into addressing high employee turnover and fostering sustainable organizational growth.

12.1 Key Findings

The study underscores several critical insights into the F&B industry's workforce challenges:

- 1. The Role of Perceived Organizational Support (POS):**
 - POS emerged as a pivotal factor influencing employee retention. Organizational justice was the most significant predictor of reduced turnover intention, emphasizing the need for fairness in workplace policies and practices.
 - Supervisor support and equitable reward systems also contributed to employee loyalty, though their effects were less pronounced than organizational justice.
- 2. Gaps in Critical Success Factors (CSFs):**
 - Significant discrepancies were identified between the perceived importance and actual implementation of CSFs, particularly in areas such as leadership and teamwork.
 - These gaps highlight the need for enhanced managerial practices and stronger alignment between organizational goals and employee expectations.
- 3. Underutilization of Pre-Development Practices:**
 - Despite their recognized importance, pre-development practices such as idea generation and feasibility analysis were inconsistently implemented due to resource and operational constraints.
 - SMEs must prioritize these practices to foster innovation and engage employees in meaningful organizational activities.
- 4. Demographic and Workforce Trends:**
 - The demographic analysis revealed vulnerabilities in the F&B workforce, including low wages, limited career growth opportunities, and gender-specific challenges.
 - Addressing these issues is critical for ensuring workforce stability and enhancing organizational resilience.

12.2 Contributions to Theory and Practice

The study makes significant contributions to both academic literature and practical workforce management strategies:

- 1. Theoretical Contributions:**
 - It extends the application of POS theory to SMEs in the F&B sector, highlighting the interplay between organizational support and workforce sustainability.
 - The findings validate the equity theory of motivation, emphasizing the importance of fairness and justice in reducing turnover intentions.
- 2. Practical Contributions:**
 - The results provide actionable recommendations for SMEs to improve workforce retention, including enhancing leadership practices, fostering organizational fairness, and investing in employee development.
 - Policymakers can leverage these findings to design targeted support programs for SMEs, such as subsidies for training and innovation initiatives.

12.3 Recommendations for SMEs

Based on the findings, SMEs in Malaysia's F&B sector are encouraged to adopt the following strategies:

- 1. Strengthen Organizational Justice:**
 - Implement transparent policies for task allocation, promotion, and conflict resolution to build trust and engagement among employees.
- 2. Enhance Supervisor Support:**
 - Train managers in transformational leadership styles that emphasize empathy, recognition, and employee empowerment.
- 3. Invest in Pre-Development Practices:**
 - Allocate resources for structured brainstorming sessions, feasibility studies, and collaborative innovation processes to drive both organizational growth and employee engagement.
- 4. Address Workforce Vulnerabilities:**
 - Develop career pathways and skill-building programs to enhance job satisfaction and retention, particularly for younger employees and those earning below-average wages.

12.4 Limitations of the Study

While the study provides valuable insights, several limitations must be acknowledged:

1. **Geographic Focus:**

- The research was limited to SMEs in the Klang Valley, which may restrict the generalizability of findings to other regions with differing socio-economic contexts.

2. **Cross-Sectional Design:**

- The study captured workforce dynamics at a single point in time. Longitudinal research is needed to examine how retention strategies impact organizational performance over the long term.

3. **Self-Reported Data:**

- Reliance on self-reported survey responses may introduce response bias, particularly on sensitive topics such as job satisfaction and turnover intentions.

12.5 Directions for Future Research

Future studies could build on the insights of this research by:

1. **Expanding Geographic Coverage:**

- Conducting studies in diverse regions to compare workforce dynamics and identify context-specific strategies.

2. **Exploring Technological Solutions:**

- Investigating the role of digital tools, such as HR analytics and employee engagement platforms, in addressing workforce challenges in resource-constrained SMEs.

3. **Adopting Longitudinal Designs:**

- Tracking workforce trends over time to evaluate the long-term effectiveness of retention and innovation strategies.

4. **Cross-Industry Comparisons:**

- Comparing the F&B sector with other industries to identify transferable best practices and sector-specific nuances.

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