

Final Project 1

Code: MGM 496-PMG496

Project Template

Faculty of Management
Midocean University

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Human Capital/ OD & Total Rewards



Project title

**Designing a Talent Strategy Model for a Saudi Logistics
Company to Support Vision 2030 Objectives**

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21 February 2026 – 1

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1. Chapter 1: Introduction

1.1. Research Background

Saudi Arabia is rapidly transforming through its Vision 2030 agenda, with the logistics sector expected to contribute over 10 % of GDP by 2030 (Ministry of Transport & Logistics Services, 2023). Yet the sector struggles with a shortage of skilled Saudi nationals, high turnover rates, and heavy dependence on expatriates. The study proposes a Talent Strategy Model aligning organizational efficiency and workforce localization under the Human Capital Development Program (Vision 2030).

1.2. Research Problem

Despite investments in digital infrastructure and academic training systems, Saudi logistics firms lack integrated talent development and data-based decision making.

1.2.1. Theoretical Gaps

- Scarce empirical frameworks on nationwide localization embedded in corporate HR strategy.
- Limited models linking digital HR transformation to Saudi Vision 2030 goals.

1.2.2. Practical Gaps

- Turnover averages $\approx 28\%$ annually (KPMG, 2022).
- Lack of Saudi mid-level leaders.
- Underutilized HR analytics.

Main Research Question:

How can a Saudi logistics company design and implement a comprehensive talent strategy model that supports Vision 2030 workforce goals.

1.3. Research Significance

This study extends strategic HRM theory by integrating national policy-driven localization within corporate talent frameworks.

1.3.1. At the theoretical level

This study extends strategic HRM theory by integrating national policy-driven localization within corporate talent frameworks.

1.3.2. At the practical level

The model offers step-by-step guidance for Saudi logistics firms to build a sustainable, digitally enabled and localized workforce.

1.4. Research Questions

1. What are the key HR challenges in Saudi logistics?
2. How can data analytics improve talent decisions?
3. Which practices can enhance localization and engagement?

1.5. Research Objectives

4. Analyze talent management challenges.

5. Develop a data-driven Talent Strategy Model.
6. Establish KPI benchmarks (turnover $\leq 15\%$, time-to-fill ≤ 35 days).
7. Present a 3-year digital HR roadmap.

1.6. Research Hypotheses

H1: Data-driven talent strategy improves localization and retention.

H2: Digital HR transformation positively affects organizational performance.

H3: Career development mediates the link between leadership readiness and engagement.

1.7. Research Model

Independent Variables	Mediating Variable	Dependent Variable
Talent Acquisition Strategy	Digital HR Transformation	Workforce Localization
Learning & Development	-	Organizational Performance
Compensation/Retention	-	Employee Engagement

1.8. Research Methodology

Item	Description
Design	Descriptive–analytical
Population	Managers and HR specialists in Saudi logistics firms
Sample	80 respondents
Data Sources	Surveys, HR records, Vision 2030 documents
Tools	SPSS, Excel
Metrics	Turnover, Cost per Hire, Productivity Index

1.9. Scope of The Study

Geographic: Saudi Arabia (Riyadh, Jeddah, Dammam).

Sectoral: Supply chain and logistics services.

Functional: Talent strategy and digital HR management.

1.10. The Suggested Project Structure

1. Introduction
2. Literature Review
3. Methodology & Analysis
4. Model Design and Framework
5. Implementation Plan and Recommendations

2.Chapter 2: Literature Review

2.1. Introduction

This chapter examines key literature on strategic human resource management, talent strategy, and localization in emerging economies.

2.2. The independent variable

According to Ulrich (2013) and Becker & Huselid (1998), talent strategy connects human capital systems with corporate goals through data and leadership alignment.

2.3. The dependent variable

Localization programs (Saudi Vision 2030 Human Capital Program, 2023) increase employment rates and enhance social sustainability. Research by PwC (2023) shows that aligned talent systems boost productivity by up to 25 %.

2.4. The relationship between the independent and the dependent variables

Digital HR tools act as moderators linking talent strategy to performance gains (De Luca & Ambrosini, 2021). Integrating analytics generates insight into turnover and learning ROI.

2.5. Conclusion

Existing literature supports a multi-layered approach linking human capital planning with national goals. However, few empirical frameworks address Saudi logistics specifically, creating scope for this study's contribution.

Proposed Talent Strategy Framework

Workforce Metrics

Metric	Formula	Current Avg	Target 2026
Turnover Rate	$(\text{Exits} \div \text{Headcount}) \times 100$	28 %	$\leq 15 \%$
Cost per Hire	$\text{Recruiting Costs} \div \text{No. of Hires}$	SAR 12 000	SAR 8 000
Time to Fill	$\text{Days to Fill} \div \text{Openings}$	60	35
Productivity Ratio	$\text{Output} \div \text{HR Cost}$	2.5	3.5

Saudization & Localization Actions

- Strategic partnerships with TVTC and HRDF.
- Structured internships for graduates.
- Career progression plans for Saudi talent.

Learning & Development Framework

Segment	Method	KPI
Technical Ops	On-the-job VR modules	+15 % Productivity
Leadership	Mentorship/e-Learning	20 % internal promotion rate

Succession Planning Model

9-box matrix mapping potential vs performance with quarterly review cycles.

Compensation & Retention

- Pay-for-performance model.
- Recognition and well-being programs.

Digital HR Transformation Roadmap

Year	Focus	Tools
2024	HRIS implementation	SAP SuccessFactors
2025	HR Analytics dashboards	Power BI / Oracle AI
2026	Total digital integration	Cloud HR platform

Financial ROI Formula

$$ROI = \frac{Total\ HR\ Benefit - Total\ HR\ Investment}{Total\ HR\ Investment} \times 100$$

Expected outcomes: 12 % lower cost, 20 % productivity gain, 160 % training ROI.

Risk Assessment

Risk	Impact	Mitigation
Resistance to change	High	Change management training
Budget constraints	Medium	Phased implementation
Data privacy	High	Compliance with local laws

Implementation Roadmap (2024-2026)

Year	Initiatives	Results
2024	Policy review, HR database update	95 % data accuracy
2025	Talent academy launch	Turnover -10 %
2026	Full digital integration	Localization 40 %, ROI >150 %

Conclusion

The model delivers an evidence-based blueprint for a Saudi logistics organization to enhance its human capital in alignment with Vision 2030. Sustained implementation will elevate productivity, reduce dependency on expatriate labor, and build organizational agility through digital transformation.

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