

UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP BETWEEN
TALENT MANAGEMENT AND
TALENT ENGAGEMENT:
EVIDENCE FROM A
TELECOMMUNICATIONS SERVICE
PROVIDER IN MALAYSIA**

ANIKA NADINE SEDLACEK

Dissertation submitted in partial fulfilment of the
requirements for the degree of
Master in Business Administration

Arshad Ayub Graduate Business School

July 2019

ABSTRACT

Talent management in organisations is often considered as a necessity to be well-equipped for the fight in the ongoing war for talent and its importance even seems to increase with regard to the predicted talent shortage, affecting various countries in the next years. A Malaysian telecommunications service provider implemented talent management in its organisation in 2008. Until today, the outcome of its talent management, whether it has any effect on its organisational performance, has never been investigated. Accordingly, this study aims at determining the relationship between the organisation's talent management and its talents' engagement and thereby, aims at confirming or disproving the prevailing opinion of a positive relationship between the two variables. Hereby, it is assumed that talent management has direct impact on talent engagement and also on the talents' abilities, motivation and opportunities at work, which then again influence the talents' engagement positively. The study is mainly based on data obtained from a survey among the talents of the investigated telecommunications company, which polled the talents' perceptions of the talent management practices as well as their ability, motivation, opportunity and engagement at work. The gathered data was analysed to determine the impact of the company's individual talent management practices on the mediating variables ability, motivation and opportunity and finally on talent engagement. An indirect but no direct relationship between talent management and talent engagement was found in the investigated company. Deriving from the findings, this study recommends improving the talent management to positively influence the talents' engagement and suggests the necessary subsequent steps on the path to improvement. Furthermore, the study provides a basis for further research regarding the analysed variables in the investigated company.

ACKNOWLEDGEMENT

I would like to express my sincere appreciation to those who have accompanied and supported me on my way.

First of all, my sincere gratitude and deep thankfulness go to my supervisors Prof. Dr. Georg Hauer at Hochschule für Technik Stuttgart and Prof. Dr. Syed Jamal Abdul Nasir Syed Mohd at Universiti Teknologi MARA, Shah Alam for being a constant source of inspiration. Thank you very much for your constructive suggestions and enthusiastic encouragement during the planning and development of my research project. Your valuable guidance and advice were always an absolute enrichment for my research activities. Your dedicated support has been a great profitable experience for me, both professional and personal.

I would also like to thank Universiti Teknologi MARA for providing me with the opportunity to conduct my research project.

My grateful thanks are extended to my contact person and the employees of the investigated company for their generous support and kind participation in this study. Without their valuable contributions, this research work would not have been possible. Finally, I dedicate this study to my wonderful family and supportive friends for their encouragement, understanding and love, which always motivated me to stay focused and to strive towards my goals.

TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	i
ABSTRACT	ii
ACKNOWLEDGEMENT	iii
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF ABBREVIATIONS	x
CHAPTER ONE: INTRODUCTION	1
1.1 Preamble	1
1.2 Background of the Study	1
1.3 Background of the Telecommunications Industry	3
1.4 Background of The Company	6
1.5 Problem Statement	7
1.6 Research Objectives	8
1.7 Research Questions	9
1.8 Scope of the Study	9
1.9 Significance of the Study	10
1.10 Limitations of the Study	10
1.11 Definitions of Terms	11
1.11.1 Talent Management	11
1.11.1.1 Talent Identification and Selection	11
1.11.1.2 Talent Development	11
1.11.1.3 Career Management	12
1.11.2 Ability	12
1.11.3 Motivation	12
1.11.4 Opportunity	13
1.11.5 Talent Engagement	13

CHAPTER TWO: LITERATURE REVIEW	14
2.1 Preamble	14
2.2 Concept and Definition of Key Components of the Research Area	14
2.2.1 Concept and Definition of Talent	14
2.2.2 Concept and Definition of Talent Management and Its Practices	16
2.2.3 Concepts and Definitions of the Mediating Variables Ability, Motivation and Opportunity	22
2.2.4 Concept and Definition of Talent Engagement	24
2.3 Underpinning Theory	26
2.3.1 Human Capital Theory and the Resource-Based View	26
2.3.2 The AMO Model	27
2.3.3 Social Exchange Theory and the Psychological Contract	28
2.3.4 The Job Demands-Resources Model	30
2.4 Related Studies	30
2.4.1 Studies about Employee Engagement and Human Resource Management Practices	31
2.4.2 Studies about Talent Management, Employee Engagement and Organisational Outcomes	33
2.4.3 Summary of the Related Studies	35
2.5 Summarise to Conclude	37
2.6 Theoretical Framework	38
CHAPTER THREE: RESEARCH METHODOLOGY	41
3.1 Preamble	41
3.2 The Research Design	41
3.2.1 Purpose and Type of Study	41
3.2.2 Study Setting and Extent of Researcher Interference	41
3.2.3 Unit of Analysis and Time Horizon	42
3.3 The Sampling Design	42
3.3.1 Target Population	42
3.3.2 Sampling Technique	42
3.3.3 Sampling Size	43
3.4 Data Sources	43