

**UNIVERSITI TEKNOLOGI MARA**

**THE MEDIATING EFFECT OF  
EMPLOYEE ENGAGEMENT ON  
THE RELATIONSHIP BETWEEN  
TALENT MANAGEMENT  
PRACTICES AND EMPLOYEE  
RETENTION IN THE  
INFORMATION AND  
TECHNOLOGY (IT)  
ORGANIZATIONS IN SELANGOR**

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Thesis submitted in fulfilment  
of the requirements of the degree of  
**Master of Science**

**Faculty of Business Management**

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## AUTHOR'S DECLARATION

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

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study research.


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## ABSTRACT

As Information and Technology (IT) industry is vital to the country's economic growth, it is important to ensure the smoothness operations so that long term growth and development can be achieved with fewer obstacles. Hence, a constant availability of a large pool of talented and experienced people is crucial to carry out functions. However, employee turnover issue is a critical phenomenon within IT industry globally and locally. To curb this issue, academic attentions have diverted the focus upon the implementation of talent management practices on both employee engagement and employee retention. This study seeks to determine the relationships between talent management practices (managerial support, employee career development and rewards and recognitions), employee engagement and employee retention within IT organizations in Selangor. This is a quantitative study. The research instrument comprises of a self-administered questionnaire. A convenience sampling technique was used for this research. A total of 581 respondents responded valid questionnaires and it gives an average response rate of 77 % for the study. Data gathered were initially analysed using SPSS version 20.0. The findings of Pearson correlation analysis indicate talent management practices (managerial support, employee career development and rewards and recognitions) have positive correlation with employee engagement. It was also found that employee engagement has positive correlation with employee retention. The results of hierarchical regression analysis on determining the mediating effect of a mediator (employee engagement) indicate employee engagement mediated the relationship between talent management practice (employee career development and rewards and recognition) and employee retention individually.

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## TABLE OF CONTENTS

	<b>Page</b>
<b>AUTHOR'S DECLARATION</b>	ii
<b>ABSTRACT</b>	iii
<b>ACKNOWLEDGEMENTS</b>	iv
<b>TABLE OF CONTENTS</b>	v
<b>LIST OF TABLES</b>	x
<b>LIST OF FIGURES</b>	xi
<b>LIST OF ABBREVIATIONS</b>	xiii
<b>CHAPTER ONE: INTRODUCTION</b>	
1.1 Introduction	1
1.2 Background of Study	4
1.3 Problem Statement	12
1.4 Research Objectives	14
1.5 Research Questions	15
1.6 Significance of the Study	16
1.7 Scope and Limitation of the Study	20
1.8 Definitions of Key Terms	21
1.8.1 Talent Management	22
1.8.2 Talent Management Practices	22
1.8.3 Managerial Support	22
1.8.4 Employee Career Development	22
1.8.5 Rewards and Recognitions	23
1.8.6 Employee Engagement	23
1.8.7 Employee Retention	23
1.9 Conclusion	23
<b>CHAPTER TWO: INFORMATION AND TECHNOLOGY INDUSTRY</b>	
2.1 Introduction	24