

CHAPTER 7

SUMMARY, RESEARCH LIMITATIONS AND RECOMMENDATIONS

Introduction

This concluding chapter provides a review of the study and the summary of key findings in this research. Chapter Seven also describes the research limitations and recommendations for future research.

7.1 Summary of the Thesis

7.1.1 A review of the study.

The purpose of this study was to contribute to the growing literature on employee engagement as well as to reduce the paucity of academic literature on talent engagement. This was done by developing, cross-analysing and validating a set of measures for talent engagement with psychological empowerment as the antecedent variable. In this study, the relationships of psychological empowerment, talent engagement, job satisfaction and talent outcomes were examined focusing on the mediating roles of talent engagement which comprised job engagement and organization engagement, as well as job satisfaction. The four psychological empowerment cognitions by Spreitzer (1995); namely, meaning, competence, self-determination and impact were examined as one dimension. The study proposed that psychological empowerment would determine the engagement level of talent in organizations which in turn determines the level of job satisfaction. This would

subsequently culminate into talent outcomes that comprised the intention to stay and the dedication for the organization.

The hypothesised model of this research is shown in Figure 3.1. Talent management is a human capital approach that must be continuously reviewed to find the best fit between employees and organizations. Many organizations have acclaimed that people are their most important assets, but utilising the most out of them requires new urgency. Boudreau and Ramstad (2007) found talent management to be both a leadership responsibility and a core business process. Besides, companies wanting to grow on the global stage can only achieve this goal by inculcating the ability to put the right people on the ground and fast. Glen (2006, p.45) advocated that talent management strategy ought to be “properly thought through to be a major part of a company’s value proposition – one that competitors can’t even understand, much less copy”. Various researchers such as Bhatnagar (2007), Cappelli (2008), Catteeuw, Flynn and Vondeerhorst (2007), Cheese, Thomas and Craig (2009), Crabtree (2005), Freney and Tiernan (2006), Lockwood (2007), Kular et al. (2008) as well as Saks (2006) posit that a key strategy for talent management is employee engagement. As such, this study focused on talent engagement as a possible enabler for organizations to achieve their business targets. The targeted samples for this study were the talent groups in Malaysian Government-Linked companies which have headquarters in the city of Kuala Lumpur and in the State of Selangor. The six constructs used in the study are appropriate as GLC are also into engaging and retaining leaders, and where

psychological empowerment complements the employee value proposition of GLC towards job satisfaction and dedication of employees.

7.1.2 The summary of key findings.

The findings from this study provided information on the relationships among psychological empowerment, job engagement, organization engagement, job satisfaction, intention to stay and dedication. The analyses were carried out on the 340 GLC respondents using SPSS and AMOS of the SEM technique. Two cases were unusable and were excluded from the analysis.

Positive and significant associations were found on the relationship between psychological empowerment and talent engagement that comprised job engagement and organization engagement (Appendix F), between organization engagement and job satisfaction, and between job satisfaction and the talent outcomes that comprised the intention to stay and dedication. The positive and significant relationships were supported by their correlation values that met the suggestion of Cohen (1988) that there should be a minimum correlation coefficient of .30 for the purpose of practical significance. Job engagement was also found to have positive relationship with job satisfaction; however, its rather low association value of .14 did not meet the practical significance value of .30 advocated by Cohen (1988) nor the minimum value of .20 as suggested by Chin (1988). This could be due to the transitory characteristic of job satisfaction (Mowday et al., 1979). The appropriateness of putting the six constructs in the hypothesised model was confirmed by their internal consistency and reliability

that ranged between .64 and .93. These results are shown in Tables 5.2 and 5.3 respectively.

The measurement models in this research were congeneric, meaning that each of the measured variables was loaded on only one construct. This phenomenon fulfilled the good measurement practice as suggested by Hair et al. (2006). The confirmatory factor analysis for this study was based on the reflective measurement theory where the effects of the latent constructs were represented by both the measured variables as well as the errors. The occurrence of errors was due to the inability of the latent constructs to fully explain the measures (Nunnally & Bernstein, 1974). As the constructs in the research were reflective, it was assumed that all related indicator items were caused by the same latent construct and they were highly correlated with each other.

The results supported the proposition to examine talent engagement in two perspectives namely, job engagement and organization engagement. Although the two constructs are related, they are also at the same time distinct constructs as shown by their different relationships outcomes. One of the differences was reflected in their path coefficients with job satisfaction (Figure 5.9). The other difference was noted in their correlation outcome with job satisfaction at .43 and .60 respectively. Interestingly, there were not many differences between job engagement (JE) and organization engagement (OE) in their relationship with psychological empowerment (PE) as shown by the PE-> JE and PE-> OE correlation results of .50 and .52

respectively. Even their path coefficients with PE at .70 and .72 were rather identical. These results showed that both job engagement and organization engagement had better consistent relationship with psychological empowerment than with job satisfaction.

The study also found strong relationship between job satisfaction and the talent outcomes of the intention to stay and dedication of employees. These results concurred with the research findings of Porter et al. (1974) as well as Shore and Martin (1989). Accordingly, the three hypotheses 1, 2 and 3 were supported by the positive standardised coefficients of the hypothesised relationships between psychological empowerment (PE) and job engagement (JE), between PE and organization engagement (OE), between JE and job satisfaction (JS), between OE and JS, between JS and intention to stay as well as between JS and dedication. This outcome together with the significant Cronbach's Alpha reliability and correlation matrix of the six constructs provided the support for the proposed talent engagement framework.

The role of talent engagement as the mediator between psychological empowerment and job satisfaction was found to be partially supported. This was attributed by the results that hypotheses 4(a) and 4(b) had both positive direct and indirect effects. On the other hand, job satisfaction displayed mixed mediation roles between talent engagement and talent outcomes. The role of job satisfaction as the mediator between talent engagement and the intention to stay was supported as the results for the

indirect effects were positive while the direct effects had negative results. However, job satisfaction could only partially mediate the relationship between talent engagement and dedication as there were both positive direct and indirect effects from the relationships. Analysis on the final hypothesis 6 found that the role of job satisfaction as the second order mediator between psychological empowerment, talent engagement and talent outcomes was not supported. This was because all four sub-hypotheses of hypothesis 6 had positive direct effects but no indirect effects through job satisfaction as shown in Figure 5.11.

The proposed structural research model for talent engagement achieved model fitness after seven modifications. This overall fitness of the structural model indicated that the proposed talent engagement model had acceptable fit to the observed data. The findings also revealed that the study's theory was able to explain the observed covariance matrix among the measured variables after seven modification indices. Overall, the six measurement models and the structural model achieved acceptable model fit as indicated by multiple fit statistics such as χ^2 goodness-of-fit statistic and degrees of freedom, GFI (absolute fit index), CFI (incremental fit index), and RMSEA (badness-of-fit indicator). As the structural model achieved adequate goodness-of-fit results shown by $\chi^2/DF = 1.718$, NFI = .91, CFI = .96 and RMSEA = .05, the proposed relationship among psychological empowerment, job engagement, organization engagement, job satisfaction, intention to stay and dedication were reasonably argued.

The findings of the study also supported the employee engagement result of the GLC Performance Management Implementation Effectiveness 2008 survey. The survey reported positive and encouraging overall level of engagement among GLC employees at 79% that exceeded the Malaysian National Norm of 74% and slightly below the 83% of the Global High Performance Norm (PCG, 2009). In tandem with the transformational processes at the GLC, the positive relationships and significant path coefficients between psychological empowerment, talent engagement and job satisfaction reflected the essence of talent engagement among the participated GLC. The outcomes also relate to what Welbourne (2007) says about implementing employer-of-choice strategy to support business objectives.

7.2 The Research Limitations

As with any research work, there are limitations involved. Interpretation of the results should be done with the following limitations in mind. First and foremost, the study focused on the individual level and the middle level management as the locus of talent. This was done with the assumption that the talents of organizations are basically concentrated at that level. In general, the talent groups of the Malaysian GLC are at the middle management level as the GLC categorise them to be potential leaders for the organizations. Besides, collection of data would be made easier when one's target respondents are knowledgeable enough to respond to questionnaire in the universal English language. Perhaps, future study should consider studying other categories of employees such as the junior executives as the locus of talent. Secondly, this study focused on the Malaysian GLC as a whole, capitalising on the on-going

Government Transformation Programme for the GLC (2004-2015). The study did not provide an analysis of each participating GLC. Hence, the generalisability of the findings across all Malaysian GLC should be done with care.

Next, the study was cross-sectional in design. The design was cross-sectional as it involved the collection of information from any given sample of population elements only once and thereby precluded causal inference. Perhaps, longitudinal research should be carried out to answer some pertinent questions on the causal relationships among the constructs in this study. A pertinent question for the research would be investigating the extent to which talent engagement contribute to individuals' outcomes, especially on the propensity to remain with an organization. This question is pertinent because there is an ongoing challenge for organizations to address the issue of the war for talents (Michaels, Handfield & Axelrod, 2001, Bersin, 2006, Cheese, Thomas & Craig, 2009, Conaty & Charan, 2011, Friga, 2009, Ready & Conger, 2007, Somaya & Williamson, 2008). Moreover, longitudinal research would disentangle cause and effect, and uncover reciprocal causal relationship between psychological empowerment, talent engagement and talent outcomes.

Furthermore, this study had been an initial initiative to examine the relationships of psychological empowerment, talent engagement, job satisfaction and talent outcomes. Hence, there are still deficiencies in research on how organizational initiatives impact talent engagement for the required talent outcomes. Moreover, variables incorporated in this study were kept lean to facilitate testing. In this study, only six key variables

were used to ensure reasonable quantitative analysis within the targeted period of the study. Although objectivity of the study was adhered to throughout the process, there could be possibility of potential intrusion of biasness derived from social desirability effects (Malhotra, 2007). People in general are noted to carry with them their own notions of the phenomena that researchers seek to address. Finally, the analyses for this thesis have been mainly drawn from the data of the questionnaire. Qualitative information was minimally sourced where necessary to supplement the findings. As there may be other factors that might have influenced talent engagement, the possible interventions surrounding the context of the study have yet to be addressed.

7.3 Recommendations and Future Research

Essentially, there is a growing need for empirical research to enhance the understanding on talent engagement in the current dynamic economies of uncertainties and changing demographics. The findings of this study indicated that psychological empowerment has strong effects on employee engagement, be it job engagement or organization engagement. In today's intense global business scenario where competitiveness lies in having the right talents, it is crucial that organizations empower employees to capitalise on their talents. As such, organizations are recommended to activate suitable interventions to increase the sense of psychological empowerment among employees. Positive interventions should be established to ensure meaningful work for employees, the building of employees' competence, and creating avenues for self-determination so that employees believe their contributions have impacts on the performance of the organizations.

In the Malaysian context, this phenomenon is reflected by the recent change in the mode of assessing the civil service by the Public Service Department. According to the newspaper report in *The Star* (May 20, 2011, p.N4) entitled “Prospek assessment for civil servants from July 1”, the Malaysian Government is now focusing on the new integrated competency development programmes (Prospek) to assess civil servants beginning 1st of July 2011. Besides skills, knowledge and conduct, this programme also assesses an individual’s creativity and innovation, and provides avenue for employees to capitalise on their competence, potential capability as well as leadership. This new assessment programme that aims to improve the talent management function in the civil service would be an interesting area to explore for talent engagement as well.

Besides, in addressing the demographic changes and challenges of the organizational landscape, Spreitzer, Kizilos, and Nason (1997) advocate the provision of meaningful work to employees to facilitate their motivation and personal growth. The existence of these elements would facilitate employee engagement in organizations that in turn would bring about employees’ dedication to work and their higher intention to stay with the organization. Hence, another future research that could be undertaken is an analysis on the effects of the evolving human capital issues on talent engagement between Gen X and Gen Y. The empirical insights in this matter would assist organizations to sharpen their strategic plans on ways to tap their employees’ talents better that ultimately translates into organizational business results.

The structural improvements recommended by the statistical modification indices have enabled the research model to fit with the observed data. As a whole, the positive relationships between the constructs and the goodness-of-fit of the study indicated preliminary usefulness of the proposed talent engagement model. It is recommended that further empirical findings be initiated to test this model with new data to examine its generalisability as well as to refine the measurements and improve the effectiveness of the talent engagement model. Additionally, multiple group analyses and cross-validation should also be undertaken to further test and confirm the measurement theory between the different genders and industries within GLC. This initiative would enable us to understand the extent to which the results are the same in both groups from the same population. Another future research to consider would be to test talent engagement as a moderator between psychological empowerment and other talent outcomes.

As indicated in the research, this study had its limitations. The locus of talent for the study was on individuals in the middle management level. Perhaps, future study could cover other levels of employees to understand the workforce potential better and to ascertain the generalisation of the findings. In addition, the study was cross-sectional in design; as such, a longitudinal research on talent engagement would uncover causal relationships among the six constructs. Longitudinal study is also needed to confirm that the findings in this study are common and generalisable across the population. This recommendation is crucial as Ajzen and Fishbein (2004) attest that unforeseen circumstances may affect talent engagement when measured through longer time

interval. Besides, only six variables were examined in this study. Perhaps, further studies investigating the complexity of the hard and soft aspects of talent engagement could incorporate EQ (emotional intelligence), contemporary variables such as evolving work environment, Gen Y due to changing employees' demographics, and PQ (physical quotient).

Apart from extending this research into a longitudinal format and testing with other talent outcomes, another possible area for future related research is in investigating the relationship of talent engagement with occupational health psychology and positive organizational scholarship. This is because engaged employees have been found to work with passion and possess profound connection with their organization (Aon Hewitt, 2011; Bakker & Schaufeli, 2008; Rutledge, 2006). This finding is supported by the research results of Crabtree (2005) that engagement has been noted to affect employees' psychological well-being positively.

In addition, the itemised questionnaire may have limited the responses of the participants. It would be beneficial to conduct an integrative methods study comprising both qualitative and quantitative approaches when researching on talent engagement. Carey (1993) as well as Hanson, Creswell, Clark, Petska and Creswell (2005) advocate the importance of using multi-methods at the same time to enable researchers to capture the essential narratives through the qualitative approach and derive the needed statistical results through the quantitative approach for more definitive conclusion. Moreover, the qualitative aspect of the research should be expanded to capture the richness of talent engagement among employees in this

dynamic 21st Century. This is important as the human capital landscape is transforming dynamically with the gradual departure of Baby Boomers, the imminent forerunning of Generation X, and the arrival of Generation Y into the workforce. There is also the emergence of Generation Z employees in the near future that requires different talent management styles and skills, and certainly different ways of analysing them.

Conclusion

This study contributes knowledge on talent engagement at the workplace. Talent engagement as with the employee engagement of Saks (2006) was found to assume a partial mediating role between psychological empowerment and talent outcomes. Discriminant analysis in the research showed that the proposed six-construct talent engagement model had the best fitting to the observed data. Although the six constructs in the study, namely psychological empowerment, job engagement, organization engagement, job satisfaction, intention to stay and dedication demonstrated positive relationships between them, the proposition of job satisfaction as the second order mediator was not supported.

Positive psychological practices such as psychological empowerment and talent engagement have been found to bring about positive outcomes to organizations (Saks, 2006; Maslach et al., 2001, Spreitzer, 1995, and Sonnentag, 2003). The said authors as with international practitioners such as Aon Hewitt (2011) and Towers Perrin (2003) have widely accepted that positive psychological behaviours such as job

engagement and organization engagement are critical for today's workplace. Yet, there is a paucity of academic literatures on the cognitive-motivational processes and the drivers of the processes that lead to talent engagement.

In conclusion, the research outcomes have met the research objectives with cross-sectional findings. The research findings and tested research framework will contribute theoretical and practical insights for both the academic literature and business needs. This study had contributed to the existing body of knowledge by developing and testing the integrative talent engagement model adapted from the work of Spreitzer (1995), Saks (2006), and Schaufeli et al. (2002) using the structural equation modelling (SEM) technique. Since this is an initial attempt to examine psychological empowerment (PE) with talent engagement, another contribution of the study is the finding that PE has statistical significance and positive relationship with job engagement (JE) and organization engagement (OE). Overall, results from the statistical test have provided support for the usefulness of the proposed talent engagement model and the integrative relationships among PE, JE and OE.