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THE IMPACT OF HUMAN RESOURCE MANAGEMENT PRACTICES ON

EMPLOYEE ENGAGEMENT





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THE IMPACT OF HUMAN RESOURCE MANAGEMENT PRACTICES ON

EMPLOYEE ENGAGEMENT

By

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Thesis submitted to School of Business Management, Universiti Utara Malaysia, in Fulfilment of the Requirement for the Degree of Master of Human Resource Management

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ABSTRACT

This research paper is to present the findings on the influence of rewards and recognition, training and development and performance appraisal (human resource management practices) on employee engagement at a well-established Property Management Company located in Kuala Lumpur. The information was collected by questionnaire distribution to one of the property management company and total numbers of workers responded was 150. The respondents were from non-executives and executives' level. The data was analyzed using Statistical Package for Social Science (SPSS). The relationship between the variables has been analyzed using multiple regression. Hence, the finding of this study revealed that there is a significant relationship between human resource practices (rewards and recognition as well as training and development) with employee engagement. However, there is no significant relationship for performance appraisal with employee engagement. The findings give an insightful information and guidance for researchers and practitioners to identify solutions that can help to improve human resource practices at the workplace.

Keywords: rewards and recognition, training and developments, performance appraisal, employee engagement



ABSTRAK

Kertas penyelidikan ini membentangkan mengenai penemuan faktor (ganjaran dan pengiktirafan, latihan dan pembangunan dan penilaian prestasi) yang mempengaruhi penglibatan pekerja di salah sebuah syarikat pengurusan hartanah yang terkenal di Kuala Lumpur. Maklumat kajian telah dikumpulkan melalui soal selidik yang di edarkan secara atas talian. Terdapat 150 orang pekerja telah melengkapkan soal selidik tersebut. Mereka terdiri daripada pekerja yang berjawatan bukan eksekutif dan eksekutif. Data dianalisis dengan menggunakan applikasi *Statistical Package for Social Science (SPSS)*. Bagi mengkaji hubungan diantara pembolehubah analisis regresi telah digunakan. Dapatan kajian telah menunjukkan terdapat hubungan positif diantara amalan pengurusan sumber manusia (ganjaran dan pengiktirafan, penilaian prestasi dan latihan dan pembangunan) dengan penglibatan pekerja. Projek penyelidakan ini dapat memberi maklumat dan menjadi panduan kepada penyelidik yang lain. Selain itu, kajian ini juga dapat membantu para pengamal sumber manusia dalam menambahbaik amalan pengurusan sumber manusia di tempat kerja.

Kata Kunci: ganjaran dan pengiktirafan, latihan dan pembangunan, penilaian prestasi, dan penglibatan pekerja.



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Figure 2.1 Research Framework



LIST OF ABBREVIATIONS

ADDIEAnalysis, Design, Development, Implementation and
EvaluationEPSEarning Per ShareHRMHuman Resource ManagementKPIKey Performance IndexSPSSStatistical Package for The Social Science





CHAPTER 1

INTRODUCTION

1.1 Background of the Study

The study conducted by AON's 2017 Global Employee Engagement Report, revealed that the employee engagement in Malaysian marked a score of 59 percent where employees were unfavorable to recommend their company to outsiders and put less effort in performing their work. Employee engagement concept always been confused to have relation with satisfaction or happiness. Hence, the employee engagement definition is deeper in term of meaning. Employee engagement is defined as "the level of an employee's psychological investment in their organization." (Aon Hewitt, 2017) Stated by Truss, Soane, Edwards, Wisdom, Croll and Burnett (2006), the engagement is about opening an opportunity for company's employees to get connected with their colleagues, superiors and associate in the organization. At the same time, it is also to initiate an environment where company's employees feel high in motivation and encourage to concern about the task they perform. It's an idea that employee engagement spots adaptability, change and non-stop improvement at the heart of being a worker and a business in a twenty-first century workplace.

According to Heskett (2011), the companies who have high level of employee engagement shall getting back returns that are exceed than double those of the overall market. Stated by Shuck and Rocco (2013), there were little research connecting to the concerns of human resource development fields with engagement. However, at the same time previous results show that there is a decrease in employee engagement

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