THE RELATIONSHIP BETWEEN HUMAN RESOURCE MANAGEMENT
AND EMPLOYEE PERFORMANCE AMONG HOTELS IN LANGKAWI

By

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ABSTRACT

One of the key issues in any organizational is managing their human capital who possess vital position in the organization’s goals. Thus, human resource management comes into play to ensure the availability of right people for the right position and guiding them to achieving successful organizational outcomes. Since employees are the heartbeats of the organizational it is important their performance gradually improves and matches what are expected of them. The purpose of this study was to study the relationship between human resources management practices and employee performance in hotel industry in Langkawi. The sample of this study was the 295 employees of five star hotels in Langkawi, Kedah. For this purpose survey method was used by questionnaire as instrument for data collection. For research method, Statistical Package for the Social Sciences (SPSS, Version 20) was used to analyze data. In this study, regression analysis method and correlation analysis method are used to analysis the correlation between independent variables and dependent variable. The research results have shown that Langkawi hotels have high implementation in human resource management at current stage. Meanwhile, recruitment and selection, training and development, compensation and performance appraisal significantly influence employee performance. During this study the researcher faced several limitations such as time constraints, language constraints and budget constraints. Finally, the finding of this study has some contributions for future research and organization’s employee performance.

Keywords: Human Resource Management; Employee Performance; Langkawi Hotels; Malaysia
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CHAPTER 1

INTRODUCTION

1.1 Background of the Study

In today’s world, there is stiff competition between companies of all kinds all over the world due to the globalization. As a result, companies try their best to meet the high expectation of their respective customers to overcome their rivals. Hence, employees performance come forefront to achieving such goal. Each organization will need to come up with human resources policy that suits their business and operational objectives. This selected policy will serve as the leading principle in determining the company’s human resource strategy from the beginning. From there the company will outline the basis for its human resource planning, selection, recruiting, compensation, training and development. This will have influence on the existing and future employees. Organizations develop human resource policies that truly reflect on their beliefs and principles and the relationship between company’s management and employees, or they may simply develop strategies to deal with current problems or requirements (Chew, 2005).

The most important sources of competitive advantage for any organization are their human resources (Becker & Huselid, 1998). Hence, it is not coincident that the
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