

**HUMAN RESOURCE MANAGEMENT PRACTICES AND ORGANISATIONAL
PERFORMANCE: A STUDY ON ADMINISTRATORS IN UNIVERSITI
TEKNOLOGI MARA**

By

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ABSTRAK

Kajian kuantitatif ini bertujuan untuk menentukan hubungan antara amalan pengurusan sumber manusia dan pencapaian organisasi di Universiti Teknologi MARA. Kajian ini dijalankan terhadap pentadbir yang menguruskan hal ehwal pengurusan sumber manusia dan pentadbiran di semua fakulti, kampus cawangan dan bahagian. Instrumen kajian daripada Chand and Katou (2007) dan Brewster and Hegewisch (1994) telah digunakan untuk menilai amalan pengurusan sumber manusia, manakala instrument kajian daripada de Waal and Frijns (2011) digunakan untuk menilai pencapaian organisasi. Berdasarkan penemuan kajian, semua pemboleh ubah dalam amalan pengurusan sumber manusia berhubungkait dengan pencapaian organisasi, di mana perancangan tenaga kerja dan kitaran kualiti mempunyai hubungan yang paling kuat. Dalam enam hipotesis yang diuji, lima daripadanya adalah berasas dan menyokong hipotesis tersebut, manakala satu daripadanya tidak. Kajian ini juga menyatakan kitaran kualiti mempunyai kesan korelasi paling tinggi terhadap pencapaian organisasi.

Keywords : Human resource management practices, organisational performance, recruitment and selection, manpower planning, job designs, training and development, quality circle, pay systems

ABSTRACT

This quantitative research aims to determine the relationship between human resource management practices and performance management in Universiti Teknologi MARA. The study is conducted to the administrators who involve in the human resource matters and administration in all faculty, branch campus and department. Instrument of assessment questionnaire by Chand and Katou (2007) and Brewster and Hegewisch (1994) used to measure human resource management practices and instrument questionnaire by de Waal and Frijns (2011) to measure organisational performance. All variables in HRM practices have relationship with the organisational performance, where manpower planning and quality circle have the strongest relationship. Of the six hypotheses tested, five were substantiated and one was not. It is also indicated that quality circle has the most correlation effect on organisational performance.

Keywords : Human resource management practices, organisational performance, recruitment and selection, manpower planning, job designs, training and development, quality circle, pay systems

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CHAPTER 1

INTRODUCTION

1.1 Background of the Study

Organisations nowadays are looking forward to have a competitive advantage against the threats present in globalisation. Due to the high competency requirements, most organisation aim to generate the kind of performance that can bring more profit. In order to do that, the employees are required to perform well and improve. Therefore, the performance of the organisation is measured from the formulation of the organisational planning. As the human resource is one of the most important assets in an organisation, the implementation of human resource management (HRM) practices to develop them to become the organisation's asset is very crucial. For that reason, the implementation of human resource management practices in an organisation may leads to the organisational performance (Guest, 1997; Delaney & Huselid, 1995; Pathak, Budhwar, Singh & Hannas, 2005). It is also mentioned by Guest (1997) that human resource management practices designed in organisation will lead to HRM outcomes such as high employee commitment, high quality staff and highly flexible staff that should bring impacts to the organisational performance.

Current studies indicated HRM practices are giving impact to organisational performance through the employees' development and behaviour (Collins & Smith, 2006; Moideenkutty, Al Lamki & Murthy, 2011) or employees'

behaviour, attitudes and performance (Delaney & Huselid, 1996; Pathak, Budhwar, Singh & Hannas, 2005; Osman, Ho & Galang, 2011) by practicing high involvement of HRM practices and the excellent commitment and control (Authur, 1994; Guest, 1997; and Bae & Lawler, 2000). This is because, to build the organisation's strength, an organisation may focus on the internal development, which gives attention on the existing employees to achieve the required skills. However, some organisation may involve in acquisition framework, which need to buy the organisation's required skills from the labour market. These two frame work give impact to the organisation commitment, where the internal development is associated with greater stability of an organisations human resources and higher organisational commitment with significant costs. On the other hand, the acquisition framework also has the advantage of lower cost and flexibility (Authur, 1994; Lepak & Snell, 1999). Therefore, it is depends on the suitability of the organisation's nature and culture to adapt the best framework and HRM practices (Guest, 1997). Hence, with the perfect match of HRM practices applied, carry employees satisfaction and self of belonging. Consequently, employees will be motivated to perform well and apply best practices to support the organisational goals. Chand and Katou (2007); Moideenkutty, Al Lamki & Murthy (2011) agreed that there were very little empirical knowledge available referring to the link between HRM practices and organisational performance, and suggested whether to further investigate both relationship in huge volume or within an organisation.

To have employees who can contribute to the organisation and continuously support organisation's goals and objectives, the organisation needs to measure the required HRM practices to be embedded in the operational strategy in ensuring the two basic concepts of person-job fit and person-organisation fit can be determined (Mello, 2011). Furthermore, to excel in delivering outstanding service, employees need the allocation of HRM functions, namely recruitment and selection, manpower planning, job design, training and development, quality control and compensation and benefits (Dimba, 2010; Dessler, 2011; Osman, Ho & Galang, 2011). To comply with this, the organisation needs to align organisational performance with human resource management practices, which would be shown by organisational output of financial variables (sales growth, productivity, goal achievement, good services) (Chand & Katou, 2007; Osman, Ho & Katou, 2011) and non-financial variables (management quality, long-term orientation, continuous improvement, workforce quality) (Dimba, 2010; de Waal & Frijns, 2011) and also other outcomes as commitment, quality and flexibility (Guest, 1997). Once a business entity has analysed its mission, identified all its stakeholders, and defined its goals, it needs a way to measure progress toward those goals (Kaplan & Norton, 1996).

Therefore, human resource management practices are holding the important roles in the organisation stability (Guest, 1997). All indicators required the very systematic and stable plan. HRM practices need to support the business goals and embedded in the mission statements and company values.

HR needs to monitor the company performance by providing the best employees with the minimal cost and reflects to the global changes. The process of the alignment between organisation's business and human resource management is about finding the tools for successful human capital (Gomez-Mejia, Balkin & Cardy, 2010). HR department needs to identify the real goals of the business and how the employees' skills and abilities that can be maximised to reach the company goals.

This study will be focusing on Universiti Teknologi MARA (UiTM). The researcher would like to measure organisational performance in UiTM due to the implementation of human resource management practices. The Prime Minister, YAB Dato' Sri Mohd Najib bin Tun Razak recently has announced the government transformation by implementing KPI/Key Result Area (KRA) for ministers and public service agencies on April 2009. The objectives are to transform Malaysian competencies and to measure performance and efficiency of government for the importance of the citizen. In addition, it is also to increase accountability, transparency and commitments (Mohd Najib Razak, 2010). This situation giving the important clue on how the 'first man' is also concerning about the organisation performance including the government organisation. The Minister of Higher Learning recently launched the National Higher Learning Strategic Plan on 7th of June 2011 which aspired to be the best suppliers of higher education in this region and international level. These plans are focusing in providing wide opportunity for all students in higher education that graduates with first class human capital and acquires high income with global quality. They

will be driven future innovative and creative human resources (Mohamed Khaled Nordin, 2011). Therefore, the role of the human resources or employees in public sector as UiTM is equally important as employees in private sectors. With all those national obligations, no wonder UiTM performance is being monitored and measured. Hence, the employees' contentment will carry the required performance.

For that reason, this study will be examined UiTM's administrators on the HRM level practiced in their departments and whether HRM practices affected employees' performance in their departments, which leads to the organisation performance as a whole. At the same time, this study may help the organisation for their future plans with regards employees and personnel planning. As a big organisation with 17,698 employees, 139,634 students and over 200 programmes, UiTM requires appropriate strategy to manage its community to smoothen the administration and to support the organisational goals. Even though, there is very big quantity to be managed, UiTM will never compromise with the quality. Additionally, this study will help other researchers to further explore on the study related to HRM and the implications toward the organisational performance.

1.2 Background of the Organisation

UiTM is a largest public university, which committed to help Bumiputera students to achieve at the highest scholarly levels and to prepare them for careers in public and professional practice in various fields. Its formation is

based on a vision of outstanding scholarship and academic excellence that is capable of providing leadership in various arenas. UiTM began its operation under the name of Dewan Latihan RIDA (Rural and Industrial Development Authority) in November 1956. In June 1965, RIDA changed the name and became MARA College. Then, MARA College was officially renamed Institut Teknologi MARA on 14th October 1967 with response to a crucial need in the country for trained manpower in the professional and semi-professional levels. In August 1999, the then Prime Minister of Malaysia, Dato' Seri Dr. Mahathir Mohamad announced the change of ITM name into Universiti Teknologi MARA (UiTM). With this acknowledgement from the government, a major restructuring exercise was carried out in order to consolidate the University's resources for optimum productivity (Background of UiTM, 2011).

To date, UiTM has 25 faculties, 12 branch campuses and over 50 departments and units, which consists of 17,698 employees and 139,634 students (UiTM statistics, 2011). With these high volumes of students and employees, the appropriate of human resource management practices may reduce the mass. Employees in higher learning institution like UiTM is responsible to manage all aspect as per addressed by the ministry in making sure the students quality is never put in levity. To produce excellent student, employees including academics and administrators need to work together in managing their academic, co-curricular and spiritual matters. Therefore, the students need to be equipped with infrastructures and facilities that support their

campus life. Hence, competitive, committed and visionary employees are required to hold and sustain organisation's achievement.

1.3 Problem statement

Malaysia as a develop country, still facing low performance in their productivity level. Even though, Malaysia's economy in 2010 (last year) grew 5.8% which is higher than projected rate of 4.6%, but the performance is still low. We have to double up the effort if we want to reach a develop nation status at the end of this decade as in the Vision 2020 (Mustapa Mohamed, 2011).

2009 data showed Malaysia is still far behind from the average labour productivity as to compare with other high-income economy countries, such as Singapore and Republic of Korea. The Malaysian purchasing power parity is only US\$ 26.6 thousand to compare with the average of OECD rate, US\$ 64.8 thousand. There are large gaps to close in order to perform as the other first-world to drive growth in all sectors. This situation showed that Malaysia still having problem on the organisational performance. It is still far behind from what has been expected by the government. All efforts from public and private sectors are required to collaborate from the top level cascades down to the workforce. Therefore, during the 10th Malaysia Plan period, the government is enhancing the organisational performance by accelerating the labour reform, attracting and retaining top talent and upgrading existing talent pool.

Consequently, the Prime Minister introduced National Key Result Areas (NKRA) as key performance indicator to measure organisational performance,

especially to the public sector. The transformation programmes has been brought in on April 2009 with the objectives to transform Malaysian competencies and to measure performance and efficiency of government for the importance of the citizen. In addition, it is also to increase accountability, transparency and commitments. With this transformation, the government wants to ensure the specific KPIs undertaken by all the ministries, so that it is cascaded down to the government agencies. At the end of the day, the KPIs achievements will be tabulated to the citizen (Jabatan Perdana Menteri, 2010). KPIs represent a set of measures focusing on those aspects of organisational performance that are the most critical for the current and future success of the organisation (Parmentar, 2007). It is an indicator inside the organisational performance.

Recently, there were complaints about graduates' performance to cater the market, internally and externally. This relates to the ability of organisation (universities) to perform well in their productions, which are graduates. The Ministry of Higher Learning also moves a step ahead in strengthening the performance culture in universities, public and private. A rating system called SETARA (The Rating System for Malaysian Higher Education Institutions) has started on 2009 to rate universities performance to deliver greater transparency and raise the overall education system quality. The system is being rate the graduate employability, methods of teaching and learning and support services for students. Hence, the ministry is never compromise on the universities performance. Around the world, public universities are working on their quality

on programmes and services to be equally in rank with the top in the world. This is also the government determination, in addition public universities are to hold accountable for the public funds financed to them. As a result, none was rated under 'outstanding' (Tier 6), seven public university and eleven private university fall under 'excellent' (Tier 5), eleven public university and fourteen private university fall under 'very good' (Tier 4) and four private university fall under 'good' (Tier 3). There was none fall under 'satisfactory' (Tier 2) and 'weak' (Tier 1) level . This result is based on the year 2009 exercise.

Among other factors, much research has indicated the relationship between HRM practices with organisation's performance, however gaps remain in various fields (Armstrong, 2004). Many studies that researcher found have examined a group of organisation and more focused on private sectors which produce financial output (Normala Daud, 2006; Chand & Katou, 2007; Dimba, 2010; Moideenkutty, Al-Lamki & Murthy, 2011; Osman, Ho & Galang, 2011). There is no study to investigate the links between these variable within an organisation, especially in public organisation which produce non-financial output. To fill this gap, and to further examine the existence of the relationship, it is important to conduct this research in other field, especially in education field that currently focusing on its value of production and quality advancement. Therefore, this research is intended to study those links within a public organisation, which is UiTM towards its performance.

1.4 Research Objectives

The purpose of this study is to investigate whether HRM practices has the relationship with organisational performance. The objectives of the study are listed below:

- i. To identify the level of HRM practices practised in UiTM
- ii. To examine the relationship between HRM practices towards organisational performance in UiTM
- iii. To identify which HRM practices contribute the most towards organisational performance in UiTM

1.5 Research Questions

This study intends to answer the following questions:

- i. What is the level of HRM practices practised in UiTM?
- ii. Is there a relationship between HRM practices towards organisational performance in UiTM?
- iii. What HRM practices contribute the most towards organisational performance in UiTM?

1.6 Scope of Study

The study is to investigate the relationship between HRM practices towards organisational performance. The administrators who are in the managerial level were requested to participate in the survey. For that reason, this study is limited to administrators, who manage HRM (personnel) and

administration. Huselid & Becker (2000); Neal, West & Patterson (2004) recommended that the sample should be the people who had the best knowledge regarding their departments' operations and the subject matter. These administrators are the one whose manage the administration of the departments, including HR matters. There are usually acquired formal knowledge in this field in the university or undergone courses and trainings pertaining to managing personnel or HRM.

The purpose of the data is to make it possible to test hypotheses of how aspects of HRM practices can drive the organisational performance. The result of the tests is limited to the specific sample of administrators attached in the various faculties, branch campuses and departments.

1.7 Significance of the proposed study

The significant of the study is to provide information to UiTM that HRM practices help to contribute to the organisational performance in UiTM. The result and findings of this study could be used by UiTM to strategise their HRM practices and the planning process in order to improve its performance.

As an education institution, stakeholders are expecting excellent services from this institution, especially in term of educational services. To fulfil that obligation, the university needs to prepare long term plans for its strategic planning embedded with the HRM practices. Therefore, we need the best manpower to serve our stakeholders. To attain the best manpower, the HRM practices need to be laid up strategically.

- i. The importance of this research is the significance of developing HRM practices that can influence organisational performance. This study may be able to allow the university to organise itself for managing action plan and to realise that HRM practices plays a big role in driving organisational performance.
- ii. As the volume of UiTM is very big, the number of workforce and students to be managed is also very high. Therefore, the management is required to strategise the appropriate HRM practices to help in smoothen the human resources roles in putting things in place as the commitment of employees are depending on the organisations' attractions, satisfaction and motivation.
- iii. Lastly, this study may contribute to the body of knowledge that is currently present in the area of HRM and organisational performance.

1.8 Definition of terms, terminologies and concepts

- i. Human Resource Management

Human resource management refers to personnel management in the previous years, which is intended to denote the adoption of approach in managing labour. It has gone through evolutionary process, where employees are now viewed as a valuable asset to the organisation. If the employees are properly managed, it will influence employees' behaviour,

attitudes and performance, which contribute to the organisation effectiveness (Storey, 1989; Beaumont, 1993; de Cieri & Kramar, 2008)

ii. HRM practices

It refers to determination of human resource elements to be used in a particular organisation, such as staffing, training, rewarding, appraising, labour relations and safety and health (Dessler, 2011; de Cieri & Kramar, 2008); recruitment and selection, manpower planning, job design, training and development, quality circle and pay systems (Chand and Katou, 2007); employment security, hiring, organisational design, compensation, training, status distinction and barriers, and information sharing (Pfeffer, 1998); and decentralisation, compensation, training and development, information sharing, hiring and job security (Vlachos, 2009).

iii. Strategic HRM

Strategic HRM is the proactive management of people. It requires thinking ahead, and planning ways for a company to better meet the needs of its employees, and for the employees to better meet the needs of the company (Mello, 2011). For other authors, strategic HRM means formulating and executing human resource policies and practices that produce the employee competencies and behaviours relevant to the company needs to achieve its strategic aims (Gomez-Mejia, Balkin & Cardy, 2010; Dessler, 2011).

iv. Recruitment and selection :

Recruitment is the process to attract potential candidates to apply for vacancies in the organisation, internally or externally. Recruitment effort should be tied to the manpower planning for the organisation. However, selection is the process of making a hire or no hire decision regarding each applicants to the job. The process involves determining the characteristics required for effective job performance based on those characteristics, which are typically based on a job analysis (Gomez-Mejia, Balkin & Cardy, 2010)

v. Manpower planning :

Manpower planning is the process that organisation uses to ensure that it has the right amount and the right kind of people to deliver a particular level of output or services in the future. It is the activity to entails forecasting the labour demands and supply for the future based on the organisation strategic planning (Gomez-Mejia, Balkin & Cardy, 2010).

vi. Job Design :

Job Design or job analysis is the procedure through which head of department determine the duties of these positions and the characteristics of the people to hire for them. It produces information for

writing job descriptions (lists of what the job entails) and job specifications (what kind of people to hire for the job) (Dessler, 2011).

vii. Training and Development :

According to Edralin (2004) training can be defined as a well thought of development activities aimed to facilitate learning of knowledge, attitude, and skills among its people in the organisation to improve their current job performance and contribute to the achievement of organisational goals. On the other hand, development pertains to long-term planned efforts to enhance the total growth of human resource that will lead to the fulfilment of personal and organisational goals.

viii. Quality Circle :

Quality can be interpreted as doing the right things right. By implication, organisation must have a shared understanding of its present and future market or environment. It must have product positioned to meet the known and anticipated expectations of its customers, and it must have strategies in place to enable the organisation to respond at an appropriate rate to the changes as they occur (Beckford, 2002).

ix. Pay systems :

The package of quantifiable rewards an employee receives for his or her labours includes the three basic components, which are base

compensation, pay incentives and indirect compensation/benefits (Gomez-Mejia, Balkin & Cardy, 2010).

x. Organisational performance :

Organisational performance involves the recurring activities to establish organisational goals, monitor progress toward the goals, and make adjustments to achieve those goals more effectively and efficiently. Those recurring activities are much of what leaders and managers inherently do in their organisations (Gunn & Salameh, 2009).

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter gives an overview about the literature on HRM practices. It begins by presenting some empirical studies on the topic which includes the important of implementing HRM practices in the organisation and discuss previous studies on the influence of HRM practices towards organisational performance.

2.2 Empirical Study

2.2.1 HRM practices

The linkage between human resources as a strategic asset of a firm and strategy can be integrated in nature, thus implying that the linkage between HR and the processes involved in decision making such as developing a mission statement plays an internal role in the firm's competitive advantage (Kakabadse & Kakabadse, 1998; Wright & Snell, 1998). Delaney and Huselid (1996); Guest (1997); Maley (2011) concluded that the human resource practices used by organisation have significant impact on the purpose and acceptability of the entire performance management process. Therefore the impact on the HRM practices, which has been identified also, influences organisational competitiveness. Moideenkutty, Al Lamki and Murthy (2011) in the study

on Organisations in Sultanate of Oman suggested that organisation may enhance their performance by implementing high-involvement of HRM practices. Many studies were using the seven practices as proposed by Pfeffer (1998), which are employment security, hiring, organisational design, compensation, training, status distinction and barriers, and information sharing. A study on Malaysia's Small and Medium Enterprise (SME) found the overall support for HRM practices influences, namely compensation, training and development and information sharing. It is also facilitating the organisational growth and performance (Subramaniam, Shamsudin & Ibrahim, 2011). In a study on food companies operating in Greece, positive relationship was found between decentralisation, compensation, training and development, information sharing, hiring and job security, in their growth achievements (Vlachos, 2009). Organisation in U.S showed progressive HRM practices have positively related to organisational performance, including selectivity in staffing, training and incentive compensation (Delaney & Huselid, 1996). In other situation, in Dhaka Export Processing Zone (DEPZ) empirical findings stated that recruitment and selection, performance appraisal, training and development, and compensation have significant impact on organisational performance (Islam & Siengthai, 2010).

Furthermore, organisations which adopting HRM practices a fit with its' business strategy will produce high performance rather than just flow from it (Schuler & Jackson, 1987; Ulrich & Brock, 2005; Danny,

Guedri & Hatt, 2008). However, Neal, West and Patterson (2004); Harness (2009); Par and Zhu (2010) stated that not all elements in HRM practices can be applied in all organisations. A set of HR practices on its own are able to influence organisational performance. The best practices should be suited to price, volume and market situation, cost control, product quality and differentiation, and competition. In addition, Neal, West and Patterson (2004) found that organisation with good climate may practice less HRM practices compared to the weak climate because their employees may already allocate a high proportion of discretionary effort to their work. Carpesz (2006) also agreed that high performance and commitment or involvement HRM practices can facilitate high performance by transferring employees from workers into partners. A study in shipping companies in Cyprus was found that employees who are affected by HRM practices have been being committed to their organisation. They are more loyal, feeling proud to their jobs, motivated, go to work early and feeling as a part of the organisations' family (Pathak, Budhwar, Singh & Hannas, 2005). In addition to this, the HRM practices function is negotiating conflicting roles that require it to serve both management and employees in completing tasks. This is also an investment that will pay off by delivering positive outcomes through people (Gill & Meyer, 2011).

In the study by Karami, Analoui and Cusworth (2004), they found out by increasing the contribution towards the HRM practices leads to a

high rate of organisation performance. In addition the level of integration between HRM and business strategy was significant and stronger when the top management viewed employees as a strategic resource. The study also stated that there was a strong and positive relationship between HRM involvements to the organisation effectiveness.

2.2.2 The influence of recruitment and selection towards organisational performance

Selection is the process of choosing the right candidates from a group of applicants for particular job position. The process must be meeting the job requirements and minimise the organisation expenses (Vlachos, 2008). Pfeffer (1998) summarised the main points to build successful organisation performance by recruitment and selection as below:

- Allow as many candidates apply for the post
- Screen the applicants cultural fit and attitude using multiple tests that takes several rounds to build candidates commitment
- The organisation needs to be clear, specific as possible and consistent on what the expectation from the candidates in term of skills, behaviours and attitudes

Even though, the whole process will take long time, but it is worth to recruit the right people in the right place (Pfeffer, 1998; Vlachos, 2009).

However, this is up to the organisation's policy. The organisation may select the most cost-effective method by taking individual at the entry level, who is eager to prove themselves. The organisation will later on provide training session to grow their ability and intelligence. This practice is also can increase organisation profit because the high performance employees that fit with the organisation culture will boost in organisation performance. It will reflect to organisation skill and link the manager and employees. Passing pre-employment test may give an applicant a stronger sense of belonging to the company, resulting in higher degrees of commitment if employed (Cho et al. 2009).

However, in the study on MNCs in Kenya, recruitment and selection was identified not correlated to organisational performance compared to other HRM practices measured. This is because there is no correlation between the two variables as the 'r' value is equal to '0' (Dimba, 2010). Large organisations usually allocate high expenses on training to enhance employees' capability. Therefore, they recruit newcomer in the various background and multiple level of education. They belief that training can develop people's ability and capability that leads into their performance.

2.2.3 The influence of manpower planning towards organisational performance

Manpower planning is the process to plans for the future needs of personnel or employees, their required skills, recruitment of employees, and development of employees (Gold, n.d.; Vijayaragavan & Singh, n.d.). It is also represents a response by the personnel function to ensure that the necessary supply of additional employees can be met. In addition to that, investment in manpower planning increases the organisations' ability to plan deployment and development of employees' competencies (Doving & Nordhaug, 2010). Therefore, it has to be forecasted based on the analysis of present and future policies and growth trends. It is also taking into accounts the employees' skills, abilities and performance towards the organisation. The proper planning on human resources that fit with the overall business strategy and plans will enable to overall organisation's success.

Parsons (2010) stated that manpower planning is not just a future manpower planning, it is also the allocation of other resources to ensure align with the service required and financial planning. Effective manpower planning is when the organisation put the right people with the right skills in the right places at the right time. In hospital industries, the organisations need to provide effective clinicians to ensure best performance. This is because effective manpower planning anticipate potential future imbalance between the supply and demand for different

skills in time for action to be taken. This cannot be happened in hospital industries because they are dealing with human life. Even though it is difficult, but it is important to the organisations' performance (Parsons, 2010).

2.2.4 The influence of job design towards organisational performance

Job design is an important instrument for developing people in organisations. It is a written statement that includes detailed specification of duties to be performed, responsibilities, working condition and what is expected of a job holder (Vijayaragavan & Singh, n. d). The good job design allows organisational success because employees feel comfortable and focus in their work, so that they are going to the same direction as the organisations' goals. Job design includes various approaches, such as job enlargement, job rotation and job enrichment. For example, flexible work arrangement in MNCs in Kenya had correlation with organisational performance and it was fall after other HRM elements, such as compensation and training and development (Dimba, 2010). The preparation of job design includes employees' input, provides training session to ensure employees are ready for new task, provides work schedule and give feedback on employees' performance. This is an ongoing process and incorporates goal adjustments.

Study by Holman, Frenkel, Sorensen and Wood (2009) on call centres in 16 countries stated that job design in these kinds of operations produced poor-quality jobs that had deleterious effects on employees' well-being and performance. It resulted into employees' stress, turn over and sickness. This is because the traditional job design mostly appeared as low levels of discretion and high levels of intrusive monitoring. As indicated by other researchers, job design affects employees' well-being and performance that leads to organisational performance (Parker, Sharon & Wall, 1998; Batt, 2002). Therefore, quality job design enable employees to better cope with demand and improving their well-being to be associated with organisational growth and performance (Batt, 2002). Hence, in Holman, Frenkel, Sorensen and Wood (2009) study suggested that job design in call centres ultimately affect organisational best outcomes if being influences by strategic, operational and institutional context of the organisation. Furthermore, the reduction in performance monitoring and greater trust to employees will engender greater commitment to the organisation. Job design needs to be planned properly and supported with other activities such as training, feedback and two way communications to encourage employees' loyalty. This will bring into employees' commitment and increase their productivity.

Job design in manufacturing industry in Sweden resulted to produce good organisational performance in term of innovation (Lantz & Brav, 2007). The detail of job helps not only laying out the job necessity,

but also capturing aspects of human-centred and focusing on the employees requirements in performing duties as well. What is expected by the management towards the employees is of course productivity. By providing the detail of job design, ability of the employees to perform can be enhanced. Pfeffer (1998) concluded that job design including team-based production systems, extensive employee training and performance-contingent reward system are widely believed to improve the performance of the firm.

2.2.5 The influence of training and development towards organisational performance

Training and development is an important element of HRM (Vlachos, 2008). Organisational performance may possibly benefit from training and development in many ways (Subramaniam, Shamsudin & Ibrahim, 2011). This is because training can increase knowledge, skills and abilities. As a return it will enhance the employees' strength and adaptability to the work culture and requirement. In the competitive business technologies era, things are changes very fast. Therefore employees should be able to innovate and to cope with these pressures, increasing work adaptability, ability, flexibility, maintaining necessary competence and motivates employees (Islam & Siengthai, 2010). Huselid (1995) found that education and development of employees have significant effect both upon the employees' productivity and the short

term and long term indicators of organisational performance. This will increase organisation's productivity and reduce turnover rate. In the other hand, training also compensates the cost of external recruitment and selection because organisation can promote people from within.

Performance, efficiency and effectiveness in the public service sector also can be improved through the implementation of appropriate knowledge and information that relevant to their tasks. Training and development is very important for the organisation for being competitive and survive. For example, Malaysia Remunerative System (MRS) has been introduced in 2002 which taking much consideration on knowledge as the key element. All employees need to attend specific courses relevant to their levels and grades to make sure that they will be competent enough to respond on tasks and responsibility. The objective of the courses is also to equip the civil servants with the right attitude, skills and knowledge (Kasim, 2008). Seniority is not a benchmark for promotion or pay increment determination anymore. Subramaniam, Shamsudin and Ibrahim (2011) mentioned that training and development could influence organisational performance because employees' skills, knowledge and abilities can be enhanced and up to date. Efficient training and development programmes can avoid external recruitment and save cost and also can prevent from external recruitment risk. Training is an investment by the organisation for employees. Organisation is usually calculating their return on investment via

providing training and development sessions for their employees. Therefore, trainings are usually provided pertaining to employees' job (Pfeffer, 1998). An organisation that implementing systematic training will always convey message to their employees that they are worthy resources to the organisation (Subramaniam, Shamsudin & Ibrahim, 2011). Training activities should be based on labour demand features, work force skill level, firm size and labour flexibility in various directions (Islam & Siengthai, 2010).

Training was identified as best practice in Chinese SMEs as studied by Par and Zhu (2010). As studied by Dimba (2010) in MNC's in Kenya found that training and development had a strongest positive correlation to organisational performance. However the allocation of training is depend on the organisation policy as if they follow traditional mass production or respond to the global rapid industrial change. Some spend very high on training and some allocate small amount on training. The main objective is to prepare employees to take responsibility on the quality aspects and be able to adapt with the changes of work method (Pfeffer, 1998). In addition to that, some organisation wants their employees to be multi skilled, so that they can be placed in cross sectional division. However, some focus their staff to be specialised on their job skills. Therefore, they are equipped with specific training on their specialisation.

2.2.6 The influence of quality circle towards organisational performance

Quality circle is usually an activity of quality management to ensure things goes in place. Organisations that introducing quality aspects begins with inspection on work flows, implementing quality control, quality assurance and embedded the business planning with the strategic quality management (Hassan, 2010). Keeping the document up to date is an important area of concern in the process of quality circle for all implementers in the management system. This can be enhanced with the establishment of information technology by simplifying things (Bell & Omachonu, 2011).

An organisation will establish different level of quality management and control from the others depends on their organisation policy and condition. Many organisations are performing well by implementing structured quality circle. Therefore, in Malaysia many organisations are participating to the ISO certification body. This process involves human resources participation as employees are the one who managing the work flows. Therefore, the success of the organisation is guaranteed by making sure the employees' involvement and commitment taken care of. Hassan (2010) also concluded that organisation with quality circle performed well compared to the company who did not. It seems that in the quality circle stage, the focus is more on the technical process (work

flows). Therefore, employees are the main concern to play role in realizing the goals of quality standards.

In addition to that, the right business performance measures help focus quality management systems to achieve desirable and required results according to ISO certification standards (Bell and Omachonu, 2011). Previous studies highlighted quality system elements that impacted organisational performance, so as study by Bell and Omachonu (2011). The documentation system implementation has a significant effect to return on asset (ROA). However, ROA was rated less useful by smaller organisations compared to larger organisation. Therefore, to focus on organisational performance, organisations are suggested to put appropriate measures to monitor their quality management initiatives.

In the study on technical medical personnel at military centres identified some inaccuracies in performance of the technician soldiers in their weight and height measurements as well as their visual acuity and colour vision. In accordance to that, the quality assurance team has established a training course to improve the quality of their performance in making measurement on new recruitment process. The managers were also being a part in the quality assurance team to control the performance of recruiters (Chaiter, Palma, Machluf, Cohen, Yona, Pirogovsky, Shohat, Ytzhak & Ash, 2011).

2.2.7 The influence of pay systems towards organisational performance

Pay systems is one of the ways to reward employees in the organisation. It is refers to all monetary payments and all commodities used instead of monetary to reward employees (Huselid, 1995). This is because pay systems influences employees' performance. When the employees expect rewards after job completion, of course they will put effort to achieve the organisation aspiration and target (Subramaniam, Shamsudin & Ibrahim, 2011). Based on Vroom 1964 expectancy theory, rewards can also known as direct or indirect pay package that has potential to influence employees' motivation level to work (Vroom, 1995). Therefore, previous studies concluded that there is a positive relationship between pay systems and organisational performance. Dimba (2010) identified that pay systems falls under second place after training and development in their correlation on organisational performance in MNCs in Kenya. Many statements affirm that high pay is a significance of organisational success. This is happening usually in the high competitive market to retain best talent. Organisation intends to pay high salary to their highly educated and talented employees to gain their commitment and loyalty to the organisation. Therefore, the employees will provide best effort to ensure the organisation's success (Pfeffer, 1998; Subramanian, Shamsudin & Ibrahim, 2011). In addition, pay systems can be in many forms, namely gain sharing, profit sharing, stock ownership,

pay for skill and other incentives as bonuses, vacation, attend course abroad and further study leave. This will increase the employees' motivation because they will feel as a part of the organisation and will share the result of their performance. Hence, responsible to gain more profit for the organisation. Some will strive to be the best to gain other incentives provided by the organisation such as bonuses. Therefore, employees will show their effort to achieve organisation's targets. Hence, Wan (2008) suggested that pay systems should be reflected on performance, not on the basis of seniority or length of service in organisation.

The effective pay package and incentives will decrease employees' turnover rate (Vlachos, 2009; Subramaniam, Shamsudin & Ibrahim, 2011). This is because the attractive offer may attract employees' interest and loyalty. To be effective, pay systems and policy need to be aligned with organisation objectives as performance-based pay systems can motivate employees. If the company practices opposite pay systems plans, employees will become less loyal and less committed to the organisation.

2.2.8 Organisational Performance

Organisational performance refers to the actual output or results of an organisation as measured against its intended outputs. Intended outputs can be considered as goals or objectives of the organisation. In

the previous studies, organisational performance has positive relationship between HRM practices and organisational outcomes, mainly in compensation and incentive, training, selective hiring, performance evaluation and information sharing (Delaney & Huselid, 1996; Par & Zhu, 2010). According to Richard, Devinney, Yip and Johnson (2009) organisational performance encompasses three specific areas of firm outcomes, namely financial performance (profits, return on assets and return on investment), product market performance (sales and market share) and shareholder return. It refers to strategic planners, operations, finance, legal and organisational development. Dixon (1991), Thurbin (1994), Smith (1999), and Subramaniam, Shamsudin and Ibrahim (2011) also refers organisational performance as a financial performance where considerations of budgets, asset, operation, product, services, markets and human resources taken into account in the measurement. On the other hand, Storey (1989), Steiss (2003), Guest (1997), Pathak, Budhwar, Singh and Hannas (2005), and de Waal and Frijns (2011) mentioned on the non-financial output that also contribute to organisational performance, namely management quality, long-term orientation, continuous improvement and workforce quality. Guest (1997) in the other hand, concluded that HRM practices such as selection, socialisation, training and development, and quality improvement programmes resulted outcomes as employees' skills and abilities (quality); single status, job security, internal promotion and individualised

reward system resulted outcomes as employees' effort or motivation (commitment); and finally communication, employee involvement, team working, organisation design and flexible job description resulted outcomes as role structure and perception (flexibility) (Guest, 1997). Delaney and Huselid (1996) on their study concluded that the effect of progressive HRM practices is similar in for-profit and non-profit organisation. Overall, organisational performance can be measured based on its repository of skills and capabilities with aligned resources and leadership styles through the creation of a shared vision (Tvorik & McGivern, 1997).

In addition, performance measurement is a part of how an organisation is managed, it has to provide value to customers and other stakeholders. Therefore, the information needs to be provided to assess the extent to which an organisation delivers value and achieves excellence. Bart and Baetz (1998) argue that a mission statement provides organisational members with a "meaning for their existence" which transcends departmental and corporate needs. The other performance impact of mission statements rests on the notion that they sharpen the organisation's focus and result in resources being used more wisely. Alavi and Karami (2009) also agreed that organisational performance is associated with the organisation's mission statement. It is also found that organisational performance is significantly associated with the involvement by all level of employees in the process of mission

statement development. Therefore, writing a meaningful mission statement is an essential step in developing the firm's strategic plan.

Tortosa, Miguel and Sa'nchez (2009), and Iselin, Mia, and Sands (2008) stated that organisation performance are measured on the performance and attitude of the employees, in terms of the quality of service as perceived by the customers receiving the service. It is usually analyse the possible effect of the satisfaction of the customer, acting through the perceived quality of service. The strength of the alignment of the strategic goals and the performance reporting measures was positively associated with organisational performance. In the study conducted by Delaney and Huselid (1996) stated that perceived organisational performance in U.S. company measured important HRM issues in product quality, customer satisfaction and new product development.

In Malaysia, the government realised that performance and efficiency in the public service sector should be improved to meet the national development's goals to ensure the Vision 2020 can be achieved (Kasim, 2008). Therefore, the implementation of best practices in HRM can help in improving public servant quality and action. As a conclusion, Miller (1999) considered organisational performance can be phrase into 'What is counted, counts', and as soon as we start counting something we tend to become fixed on it." Thus the organisation set up criteria for

organisational performance measurement, these measures will always
being considered.

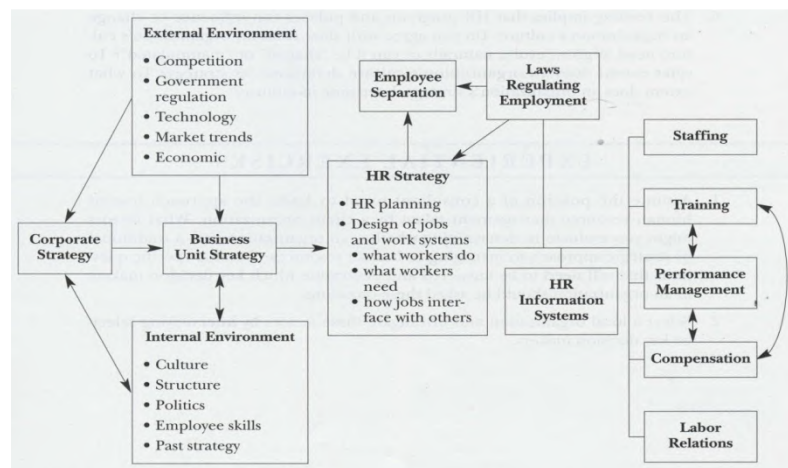
CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the strategy for this study relating to methodology with the research framework and hypothesis development, research design, sampling technique, measurement and instrument, data collection method and data analysis techniques.

The primary objective of this study is to investigate the relationship between HRM practices towards organisational performance focusing on the elements that contribute to the existing of HRM practices; recruitment and selection, manpower planning, job design, training and development, quality circle and pay systems. The overall HRM practices can be summarised based on the Model of Strategic HRM as Figure 3.1.



(Source: Mello, J. A., (2011), *Strategic management of human resource*, South-Western)

Figure 3.1
Model of Strategic HRM

3.2 Research Framework and Hypotheses Development

This study is using the conceptual model linking the variables of study interest in HRM practices towards organisational performance. The linkage is direct relationship between HRM practices and organisational performance. The six practices of HRM was chosen for this study, which are recruitment and selection, manpower planning, job design, training and development, quality circle and pay systems.

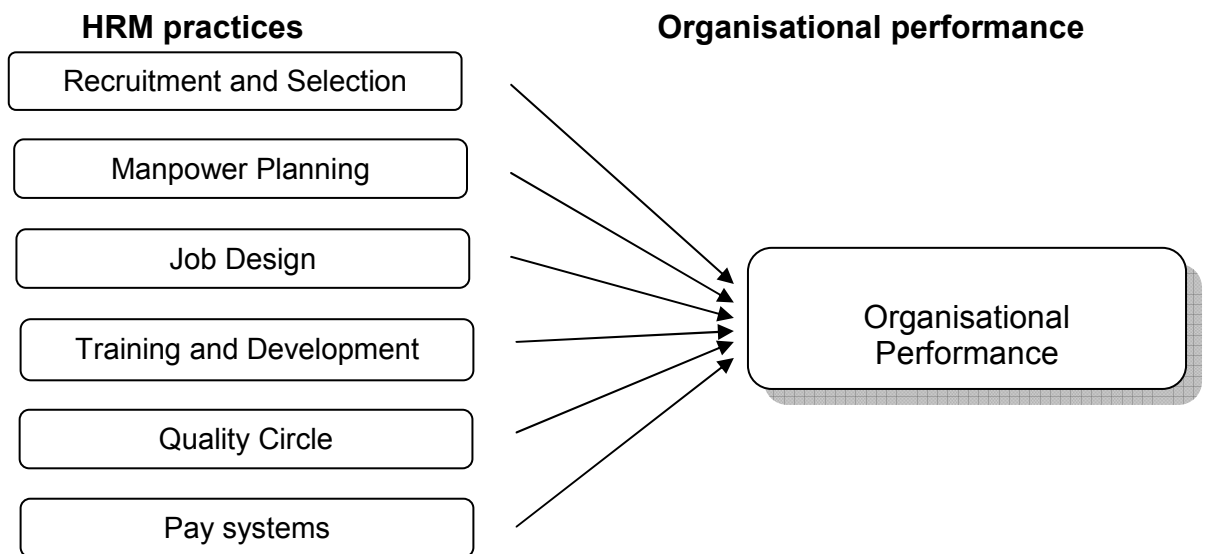


Figure 3.2

Research Model

The six (6) elements constituted as variables in HRM practices, which is an independent variable and which is associated to one dependent variable, organisational performance.

3.2.1 Hypothesis Development

Management need to identify the suitable HRM practices to support their strategic aims of their organisation to accomplish organisational goals. HRM practices embedded in the overall organisations' planning process to produce the service-oriented employee behaviours as individual has own differences (Fleetwood & Hesketh, 2008). As all HRM practices elements are not fitting to different organisation, this study is also intended to study the level of HRM practices that applied in UiTM. The effect is always dependent on the organisation culture and how well the management chooses the one that fit into the organisation. Few studies indicated fit leads to better performance and lack of fit creates inconsistencies that reduce performance (Neal, West & Patterson, 2004; Harness, 2009; Par & Zhu, 2010). Therefore, this study would like to examine which existing practices contribute the most to the human resources competitive and stability.

i. Relationship between recruitment and selection towards organisational performance

Nowadays, organisations are realising that the best alternatives in the recruitment and selection process will determine the best suit and fit employees to perform required task (Gomez, Balkin & Cardy, 2010). Therefore multiple elements in the recruitment and selection will be measured to determine the

manipulation of the independent variable to the dependant variable as the outcome of this study, namely the multiple approaches in the recruitment and selection process, fair promotion practices, promotion from within, multiple test in selection process, putting merit to the selection for certain level, and multi-skilling and experiences preferences (Chand & Katou, 2007). Thus, it is hypothesized that:

H₁: There is a relationship between recruitment and selection towards organisational performance in UiTM

ii. Relationship between manpower planning towards organisational performance

Manpower planning is important to avoid the surpluses or shortages of manpower that can disrupt the organisation operational activities. The planning is consists of the number of employees required, the criteria to be considered according to the future plans of the organisation and also the facilities required by those employees (Mello, 2011). This strategy will much help on the reduction of time to allocate in the recruitment and selection process and also training. Therefore, the elements will be measured in this study are formal manpower planning, work culture, career planning and departments contribution in the

planning process (Chand & Katou, 2007). Thus, it is hypothesized that:

H₂: There is a relationship between manpower planning towards organisational performance in UiTM

iii. Relationship between job design towards organisational performance

Job design will prepare the management and head of department to fill the vacancies according to the possible candidates that meet the specification. The employees employed will be able to perform required tasks and adapt to the organisation's environment, as stipulated in the job design. It needs to be congruent with the organisation and unit mission, vision, goals and strategies (Aguinis, 2009). Hence, organisation can continue its operation without need to allocate much time to train the new comers. Therefore, the elements measured in this study are flexible job description, development of learning organisation, cross cultural job design and team working (Chand & Katou, 2007). Thus, it is hypothesized that:

H₃: There is a relationship between job designs towards organisational performance in UiTM

iv. Relationship between training and development towards organisational performance

The structure formulation on the training and development to each and every individual in the organisation can increase the level of employees' satisfaction. It is also a requirement for the management to develop employees' succession planning to retain best employees in the organisation. Trained and qualified employees with knowledge, skills and standard abilities will reduce the production defects and will drive the performance into its overall target (Mello, 2011). Therefore multiple elements in the training and development will be measured to determine the manipulation of the independent variables to the dependant variable as the outcome of this study, namely need based training and development criteria, formal system of induction, learning organisation, formal training and development (Chand & Katou, 2007). Thus, it is hypothesized that:

H₄: There is a relationship between training and development towards organisational performance in UiTM

v. Relationship between quality circle towards organisational performance

The organisation's condition and operation need to be monitored frequently to ensure the activities will be meeting the

standard established by the certification bodies. The avoidance will incur defect on production and as a result will increase the loss to the company (Mello, 2011). The employees should be responsible on their action as in the case of hospitality industry, the delivery of product or service is the main criteria for guest satisfaction. Therefore, the elements measures in the study are relating to consideration of other employees on the strategies formulation, employees are responsible for their service, employees are involved in quality circles, and regular use of attitudes surveys (Chand & Katou, 2007). Thus, it is hypothesized that:

H₅: There is a relationship between quality circle towards organisational performance in UiTM

vi. Relationship between pay systems towards organisational performance

Pay systems is the one of the most important tools in the employees' satisfaction that can drive the employees' motivation towards fulfilment to their jobs. It is also the criteria in the Maslow's theory of needs. Therefore, the ability of the management to comply on their basic needs will help in the win-win situation between two parties, employee and employer (Kreitner & Kinicki, 2010). The elements that will be measured in this study are

employees were informed about market condition and organisation performance, merit element in pay package, formal appraisal for all employees, no financial incentives, and social appreciation and recognition (Chand & Katou, 2007). Thus, it is hypothesized that:

H₆: There is a relationship between pay systems towards organisational performance in UiTM

3.3 Research design

The purpose of this study is to identify the relationship between HRM practices towards organisational performance. Thus, this research undertakes a correlation study approach as this kind of research typically done for two purposes:

- i. To explain the variance in the dependant variable and
- ii. To provide the understanding of the nature of the certain relationship between two or more variables in a situation

(Cavana, Delahaye & Sekaran, 2001)

3.4 Population and Sample

The population of this study comprise of all administrators who involves in the human resource matters and administration in the departments at UiTM. The sample was drawn from administrators that attached in the 25 faculties, 7 academic centres, 12 branch campuses and 26 centres/institutes/divisions/units in this university. This gives the total of 70 respondents. Based on the Sekaran

& Bougie (2010) sampling table, out of this number, a total of 59 samples are adequate to represent that number of total population. In order to achieve high return, the researcher was distributed 70 questionnaires to all the respondents. Procedure involving the use of small number of items or portion of a population to make conclusion relating to the whole population is defined as sampling (Zikmund, Babin, Carr & Griffin, 2010). In addition to that, sample sizes which larger than 30 and less than 500 is appropriate for most research. Within this limits (30 to 500), the use of sample about 10% size of parent population is recommended (Sekaran & Bougie, 2010).

3.5 Sampling Technique

Sampling technique is helping the researcher to select representative of a population in the data collection. It reduces the amount of data to be collected and allow conclusion to be drawn about the whole population (Zikmund, Babin, Carr & Griffin, 2010).

Samples are selected using the simple random sampling. It refers to the probability sampling technique in which each element in the population acquires an equal chance of being included in the sample (Zikmund, Babin, Carr & Griffin, 2010). This method requires sampling frame, which in this study are administrators who manage the human resource matters and administrations in all departments at UiTM.

The list of potential respondents (administrators who manage the human resource matters and administrations) was obtained from the Bahagian

Pentadbiran dan Sekretariat, Office of Registrar, Universiti Teknologi MARA, Shah Alam, Selangor. The researcher was assured that the databases were updated.

3.6 Measurement/Instrumentation

For the purpose of this study, the research was used descriptive research (quantitative method), whereby questionnaires were distributed. According to Zikmund, Babin, Carr and Griffin (2010), the aim of a survey is to obtain information which can be analysed and patterns extracted and comparison made. All respondents were asked the same questions in, as far as possible, in the same circumstances. Quantitative methodology addresses research objectives through empirical assessment that involved numerical measurement and analysis approaches. Therefore, this methodology is suitable when it requires managerial decision standard. This method was also used because it fulfils the condition regarding its usage to obtain quantitative data on certain population, when the issue is familiar to the respondents and when the researcher is aware on the issue is happening in the organisation.

The questionnaires were divided into three sections to study the characteristics of the important variables in identifying the relationship between human resource management practices towards organisational performance.

Section A comprises of demographical background of the respondents. It consists of gender, marital status, age, level of education, department, length of service, scheme and grade/position of service. Section B measured the HRM

practices items (independent variables) and section C measured organisational performance items (dependent variable).

Table 3.1

Layout of the questionnaire

Section	Item	No. of Questions
A	Demographic	
	• Gender	8
	• Marital status	
	• Age	
	• Level of education	
	• Employment area	
	• Length of service	
	• Scheme of service	
B	Grade/Position	
	Human Resource Management Practices	
	• Recruitment and selection	6
	• Manpower planning	4
	• Job design	4
	• Training and development	4
	• Quality circle	4
• Pay systems	5	
C	Organisational Performance	
	• Management Quality	11
	• Openness and action orientation	6
	• Long-term orientation	6
	• Continuous improvement	8
• Workforce Quality	4	

A total of two (2) measures were selected from established sources; human resource management practices adapted from Chand and Katou (2007) which they derived originally from Brewster and Hegewisch (1994); and organisational performance was measured using instruments developed by de Waal and Frijns (2011). A set of eight (8) demographics information was developed by researcher.

Table 3.2

Measurement items

Variables	Conceptual Definitions	No. of Items	Scales	Sources	Items Questions
Human Resource Management Practices	In this study, HRM practises is comprises of recruitment and selection, manpower planning, job design, training & development,	6	Five point likert scale (1-5)	Chand and Katou, (2007); Brewster and Hegewisch, (1994)	1. The organisation has practices harmony (multiple approach) terms and conditions in the process of recruitment and selection 2. The organisation is clearly practices fair

Variables	Conceptual Definitions	No. of Items	Scales	Sources	Items Questions
	quality circle and pay system				<p>treatment in the promotion process for all employees</p> <p>3. The organisation practices filling vacancies from within the organisation as a norm (promotion)</p> <p>4. The organisation is using multiple test criteria in selecting the right employees</p> <p>5. The organisation is using merit element in the selection process</p> <p>6. The organisation practices selecting the right employees based on candidates multi-skilling and experience</p>
- Manpower planning		4			<p>1. The organisation plans formal manpower planning</p> <p>2. The organisation encourages good work culture</p> <p>3. The management is ensuring employees career and development through succession planning</p> <p>4. The HR planning process includes all</p>

Variables	Conceptual Definitions	No. of Items	Scales	Sources	Items Questions
					department's strategic planning
- Job design		4			<ol style="list-style-type: none"> 1. The organisation allow flexible job description develops by Head of Department and employees 2. Motivates employees to develop learning organisation through innovation, quality and cost reduction to the organisation 3. Employee job rotation within the organisation helps to increase the cross-cultural job design and developing employees' skills 4. Different group work reach out to help and support each other (teamwork)
- Training & development		4			<ol style="list-style-type: none"> 1. Employees in this organisation needs based training and development criteria 2. The organisation is practicing formal system of induction to new employees

Variables	Conceptual Definitions	No. of Items	Scales	Sources	Items Questions
- Quality circle		4			<p>3. The organisation encourages learning organisation by providing internal and external training workshops, including on-the-job trainings</p> <p>4. The organisation is concentrating on the formal training and development sessions</p> <p>1. The organisation ensures employees involvement in objective setting</p> <p>2. All employees' are accountable in their action</p> <p>3. All employees understand and participate in the quality matter, such as KPI, ISO and 5S</p> <p>4. The organisation regularly monitor the employees' attitudes by organising survey</p>
- Pay systems		5			<p>1. Employees were informed about market condition and organisation performance</p> <p>2. The organisation is using merit element in pay package</p>

Variables	Conceptual Definitions	No. of Items	Scales	Sources	Items Questions
					<ul style="list-style-type: none"> 3. Job performance evaluations are conducted formally, fair and based on clear standards 4. There is no financial incentives offered by the organisation 5. The organisation provides social appreciation and recognition to the excellence employees for the year
Organisational Performance - Management Quality	In this study, organisational performance comprises of management quality, openness and action orientation, long-term orientation, continuous	11	Five point likert scale (1-5)	de Waal and Frijns, (2011)	<ul style="list-style-type: none"> 1. Management is trusted by organisational members 2. Management has integrity 3. Management is a role model for organisational members 4. Management applies fast decision making 5. Management applies fast action taking

Variables	Conceptual Definitions	No. of Items	Scales	Sources	Items Questions
	improvement, and workforce quality				<ul style="list-style-type: none"> 6. Management coaches organisational members to achieve better results 7. Management focuses on achieving results 8. Management is very effective 9. Management applies strong leadership 10. Management is confident 11. Management is decisive with regard to non-performers
- Openness and action orientation		6			<ul style="list-style-type: none"> 1. Management frequently engages in a dialogue with employees 2. Organisational members spend a lot of time on communication, knowledge exchange and learning 3. Organisational members are always involved in important processes 4. Management allows making mistakes 5. Management welcomes change

Variables	Conceptual Definitions	No. of Items	Scales	Sources	Items Questions
- Long-term orientation		6			<p>6. The organisation is performance-driven</p> <p>1. The organisation maintains good and long-term relationships with all stakeholders</p> <p>2. The organisation is aimed at servicing the customers to the best possible extent</p> <p>3. The organisation grows through partnerships with suppliers and/or customers</p> <p>4. Management has been with the company for a long time</p> <p>5. The organisation is a secure workplace for organisational members</p> <p>6. New management is promoted from within the organisation</p>
- Continuous improvement		8			<p>1. The organisation has adopted a strategy that sets it clearly apart from other organisations</p>

Variables	Conceptual Definitions	No. of Items	Scales	Sources	Items Questions
					<ul style="list-style-type: none"> 2. In the organisation processes are continuously improved 3. In the organisation processes are continuously simplified 4. In the organisation processes are continuously aligned 5. In the organisation everything that matters to performance is explicitly reported 6. In the organisation both financial and non-financial information is reported to organisational members 7. The organisation continuously innovates its core competencies 8. The organisation continuously innovates its products, processes and services
- Workforce quality		4			<ul style="list-style-type: none"> 1. Organisational members want to be held responsible for their results

Variables	Conceptual Definitions	No. of Items	Scales	Sources	Items Questions
					<ul style="list-style-type: none"> 2. Organisational members want to be inspired to accomplish extraordinary results 3. Organisational members are trained to be resilient and flexible 4. The organisation has a diverse and complementary workforce

This research used the interval scale for the variables. It has both nominal and ordinal properties, but also captures information about differences in quantities of a concept. A numbering system ranging from 1 to 5 was used to determine the respondent preferences, which indicates 1 is for the lowest and 5 is the most. The rating scale is shown in the table below:

Table 3.3

Rating scale

HRM Practices Rating Scale				
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5
Organisational Performance Rating Scale				
Very Bad	Bad	Neutral/ Average	Good	Very Good
1	2	3	4	5

3.7 Pilot testing

The data collection method usually begins with pilot testing to help the researcher to refine the questionnaires and ensure the validity and reliability of data collected (Saunders, Lewis & Thornhill, 2007). The objective of performing pilot testing is to rectify and correct any discrepancies in the questionnaires before the actual survey is conducted. In this research, pilot testing was conducted with twenty administrators that have similar nature to the actual study

sample. It is to ensure the respondents could understand the instrument given as well as to determine the time taken to complete the questionnaire.

The findings of the pilot study have assisted the researcher to improve the questions by refining the words and phrase structure to make the instrument clear and can be understood by the respondents. It takes about ten (10) minutes to complete the questionnaire. Feedbacks were also given by the respondents to remove four questions that considered vague or unclear to the participants as stated in the table 3.4:

Table 3.4

Removed Questions

No.	Variable	Instrument	Remark
1.	HRM practices	Training and Development Question 1: Employee in this organisation needs based training and development criteria	Unclear, the other three questions has explained the instrument
2.	HRM practices	Pay Systems Question 1: Employees were informed about market condition and organisation performance	The statement is not relevant
3.	HRM practices	Pay Systems Question 2: The organisation is using merit element in pay package	The statement is unclear

No.	Variable	Instrument	Remark
4.	HRM practices	Pay Systems Question 4: There is no public institution, financial incentives offered by the organisation	Confusing, as UiTM only awards financial incentives in 'Excellent Service Award' every year.

Besides the minimal changes to some of the questions, the respondents were able to understand the instrument.

3.8 Reliability

Questionnaire needs to be tested to ensure its consistency and accuracy to ensure that it measures what it is purported to measure. The reliability of the questionnaire was tested by using Cronbach's Alpha or called Coefficient Alpha to show the internal consistency of the questionnaire. According to Zikmund, Babin, Carr and Griffin (2010), Coefficient alpha is usually used by the researchers as the sole indicator of a scale's quality. Coefficient alpha ranges in value from 0 to 1. 0 means no consistency and 1 means complete consistency (all items yield corresponding value). The acceptable value for Cronbach alpha is 0.70 although some studies have used 0.60 (Hair, Anderson, Tatham & Black, 1992). The brief scales are as follows:

Table 3.5

Coefficient Alpha (α) Scales

No.	Range in scale	Consistency/Reliability
1	0.80 – 0.99	Very good
2	0.70 – 0.80	Good
3	0.60 – 0.70	Fair
4	0.60 and below	Poor

In this study, six independent variables and five dependent variables met the above requirement. All variables are located within the acceptable level and the measures were considered reliable. The Cronbach alpha value ranged from 0.607 to 0.958. Therefore, there were in the good and very good reliability, except reliabilities for job design and pay systems are considered fair. The alpha value for the overall HRM practices reliability as independent variable is 0.96, while the alpha values for items in HRM practices are as follows; recruitment and selection (0.75), manpower planning (0.81), job design (0.61), training and development (0.79), quality circle (0.75), and pay systems (0.66). Subsequently, the alpha value for the overall organisational performance reliability as dependent variable is 0.95, whereas the alpha values for items in organisational performance are as follows; management quality (0.92), openness and action orientation (0.74), long-term orientation (0.76), continuous improvement (0.85), and workforce quality (0.77). This is summarised in the table 3.6.

Table 3.6

Coefficient Alpha for Each Element

No.	Elements	No. of Items	Alpha Value
1.	HRM practices: Recruitment and selection	6	0.749
2.	HRM practices: Manpower planning	4	0.812
3.	HRM practices: Job design	4	0.607
4.	HRM practices: Training and development	3	0.794
5.	HRM practices: Quality circle	4	0.750
6.	HRM practices: Pay systems	2	0.658
7.	HRM practices: Overall	23	0.958
8.	Organisational performance: Management quality	11	0.923
9.	Organisational performance: Openness and action orientation	6	0.739
10.	Organisational performance: Long-term orientation	6	0.764
11.	Organisational performance: Continuous improvement	8	0.846
12.	Organisational performance: Workforce quality	4	0.768
13.	Organisational performance: Overall	35	0.951
	Total	58	

3.9 Data collection method

The data was collected using a structured questionnaire as the instrument, which consists of 58 items. The questionnaire is used as the main tool to collect data from the respondents. The advantage of using questionnaire is relatively low cost. Furthermore, it will encourage the respondents to be more open and truthful in their answer based on their beliefs, opinions, characteristics

and past or present behaviour (Neuman, 2000). After determined the participated samples, e-mails were sent to them to inform them about the study and the questionnaire was also attached. A total number of 70 self-administered questionnaires were distributed. The respondents were the administrators in the faculties, branch campuses and centres/institutes/divisions/units, who manage human resources and administrations of the area of responsibility in order to ensure the data collected are genuine and valid to be used for analysis purposes. As the questionnaire was self-explanatory, the respondents were asked to respond based on the instructions given in the questionnaire and were assured its confidentiality. The respondents have been given 7 days to complete the questionnaires. Followed up through e-mails and phone calls have been done to ensure high return rate. The overall process took four (4) weeks to complete and 64 correctly completed questionnaires were returned through e-mails by the target respondents.

The collection and administration of the data has been carried out as follows:

- i. The researcher asked permission from the Registrar of UiTM to carry out this study field work in UiTM
- ii. The researcher distributed the questionnaires to the administrators via e-mail and they have been given seven (7) days to complete the questionnaires.

- iii. Two reminders were given to the respondents to ensure high return rate after seven (7) days given and another two days after the first reminder.

3.10 Data analysis techniques

The data analysis was used to summarise the conclusion of the study and to determine the relationship among the variables (Neuman, 2000). The data collected have been analysed using Statistical Package for Social Science (SPSS) for MS Windows version 17. The following analysis was conducted in this research to fulfil the objectives and to provide answers to the research questions:

Descriptive Statistics:

- a) Frequency distributions
- b) Means and standard deviations

Correlational Statistics:

- a) Cronbach Alpha Coefficients of internal consistency
- b) Pearson-r Correlation
- c) Multiple Regression Analysis

3.10.1 Descriptive Statistics

Descriptive Statistics such as frequency mean, percentage and standard deviations were used to describe the respondent characteristics. Therefore, the researcher has carried out that analysis to

the gender, status, age, level of education, employment area, and length of service, scheme of service and grade/position. Then the demographical profile of the respondents was presented in graphs to make it easy to understand (Zikmund, Babin, Carr & Griffin, 2010). The research objective 1, which is 'To identify the level of HRM practices in UiTM', can also be answered by measuring the frequency mean of the items in HRM practices, which are recruitment and selection, manpower planning, job design, training and development, quality circle and pay systems. For the purpose of identifying the HRM practices level that occurs in the organisation, result analysis interpretation is tabulated as follows:

Table 3.7

Frequency Mean Analysis

No.	Level	Mean score
1	Low	1.00 - 2.33
2	Moderate	2.34 - 3.67
3	High	3.68 - 5.00

3.10.2 Correlational Statistics

Correlational Statistics is a statistical technique that can show whether and how strongly pairs of variables are related. Reliability tests for the six (6) independent and five (5) dependent variables and also

overall were conducted. First, the Cronbach's Alpha Coefficient was also computed to investigate the consistency and reliability of the instrument. Based on Zikmund, Babin, Carr and Griffin (2010), the closer Cronbach's Alpha to 1.0, the higher the internal consistency reliability. Reliability number less than 0.6 is considered poor, range of 0.6 to 0.7 is fair/ acceptable, 0.70 to 0.80 is good and more than 0.8 are considered very good.

Subsequently, Pearson Correlation Analysis will also be used to examine the relationship between independent variables of HRM practices and dependent variable of organisational performance. According to Pandiyan and Chandran (2009), Pearson correlation coefficient describes the relationship between two continuous variables. The correlation coefficient ranges from -1.0 to +1.0. Value of +1.0 shows a perfect positive relationship exists. However, if the value shows -1.0, means a perfect negative relationship exists. No correlation is indicated if the value equals to 0. The implication is that one variable is a mirror image of the other (Zikmund, Babin, Carr & Griffin, 2010). For that reason, the research objective 2, which is 'To examine the relationship between HRM practices towards organisational performance in UiTM, can be answered by measuring the Pearson-r. The interpretation of the strength of correlation according to 'Guilford Rule of Thumb' (Guilford, 1956) is shown in table 3.8:

Table 3.8

Interpretation of Strength of Correlation Coefficient

No.	Value of Coefficient	Relation between Variables
1.	$r < 0.20$	Very weak correlation
2.	$0.20 < r < 0.40$	Weak correlation
3.	$0.40 < r < 0.70$	Moderate correlation
4.	$0.70 < r < 0.90$	Strong correlation
5.	$0.90 < r$	Very strong correlation

Furthermore, the multiple regressions are used to identify the dominant relationship among the six independent variables that have closer relation with organisational performance. The independent variable is considered dominant if the beta value is the largest among the significant factors.

3.11 Summary

This chapter has explained several important aspects in the methodology in carrying out this study. It explains the research methodology, design, different statistical tests, such as descriptive (mean and standard deviations), Pearson correlation analysis and multiple regression analysis are used to examine the relationship hypothesised.

CHAPTER 4

RESULTS AND FINDINGS

4.1 Introduction

This chapter discusses the findings of the study. All data were analysed using statistical package for the social sciences (SPSS) version 17.0 for Windows. The data were examined with reliability analysis, descriptive analysis, correlation analysis and regression analysis. Frequency analysis was used for analysing the respondents' demographic characteristics. The descriptive analysis was also used to analyse the level of HRM practices practiced in UiTM. Furthermore, the statistical method of Pearson Correlation was used to determine the existence of any relationships between the independent variables and dependent variable. Additionally, Regression analysis was conducted to examine which among the three HRM practices explained the variance in organisational performance.

4.2 Overview of the Data Collected

The researcher first asked permission from the Registrar of UiTM to carry out this study fieldwork in UiTM. After the application has been approved, the researcher distributed 70 sets of questionnaires to the administrators through e-mail. They were given seven days to complete the questionnaires. The respondents were also been reminded by e-mails and also phone calls to

ensure high return rate. Finally, the 64 answered questionnaires were collected within one month.

4.2.1 Response Rate

Simple random sampling was employed as it could guarantee equal chances of population to be included in the sample (Zikmund, Babin, Carr & Griffin, 2010). The total number of respondents selected was 70 and number of response rate was 64 which contribute 91.43%. Table 4.1 indicates the detail sample size of respondents for this research.

Table 4.1

Response rate

No.	Departments	Sample Size	Total Respondents	Percentage
1.	Faculties	25	23	92
2.	Academic Centres	7	7	100
3.	Branch Campuses	12	10	83.33
4.	Centres/institutes/ divisions/units	26	24	92.31
	Total	70	64	91.43

4.3 Profile of the Respondents

The frequency and percentage values were used to describe the sample.

The details concerning demographic profile is shown in table 4.2:

Table 4.2

Frequency demographic profile (n = 64)

No.	Item	Category	Frequency	Percentage
1.	Gender	Male	24	37.5
		Female	40	62.5
2.	Status	Married	57	89.1
		Unmarried	7	10.9
3.	Age	21-30	12	18.8
		31-40	17	26.6
		41-50	17	26.6
		51-60	18	28.1
4.	Level of Education	Diploma	2	3.1
		Bachelor's Degree	37	57.8
		Master's Degree	24	37.5
		PhD	1	1.6
5.	Employment Area	Faculty	23	35.9
		Academic Centre	7	10.9
		Branch Campus	10	15.6
		Centres/institutes/divisions/ units	24	37.5
6.	Length of Service	1-5 years	16	25
		6-10 years	7	10.9
		11-15 years	3	4.7
		16-20 years	7	10.9
		21-30 years	24	37.5

No.	Item	Category	Frequency	Percentage
		31 years and more	7	10.9
7.	Scheme of Service	N	63	98.4
		W	1	1.6
8.	Grade/Position	41	23	35.9
		44	9	14.1
		48	23	35.9
		52	4	6.3
		54	5	7.8

Table 4.2 showed the respondents' gender, status, age, level of education, employment area, length of service, scheme of service and grade/position. Out of 64 respondents, 40 (62.5%) are female and the remaining are male, which represented 37.5%. Most of the respondents are married, which represented 89.1 % (57) while the other 10.9% (7) unmarried. The greatest numbers of the respondents are in the ages of 51 – 60, 31 – 40 and 41 – 50, which carried 28.1%, 26.6% and 26.6% respectively. Then it was followed by the age 21 – 30 (18.8%). Majority of the respondents are holding bachelor's degree and master's degree. There were 37 (57.8%) respondents holding bachelor's degree and 24 (37.5%) are holding master's degree. 1 (1.6%) respondent is holding PhD and another 2 (3.1%) are holding diploma. Some of the respondents may enter to UiTM by using diploma and other professional certificates or other government certificates.

There were 23 (35.9%) respondents from faculties, 7 (10.9%) respondents from academic centres, 10 (15.6%) respondents from branch campuses and 24 (37.5%) respondents from centres/institutes/divisions/units.

Table 4.2 indicated an equal distribution in the three (3) ranges in length of service, which are 7 (10.9%) respondents in 6-10 years, 16-20 years and 31 years and more. Whereas 16 (25%) respondents were in the range 1-5 years length of service, 3 (4.7%) respondents were in the range 11-15 years and 24 (37.5%) respondents were in the range 21-30 years.

In terms of scheme of service 63 (98.4%) respondents were from scheme N (administrator) and 1 (1.6%) respondent from scheme W (bursary). Regarding the grade or position of the respondents, 23 (35.9%) respondents were in grade 41, 9 (14.1%) respondents in grade 44, 23 (35.9%) respondents in grade 48, 4 (6.3%) respondents in grade 52 and last but not least 5 (7.8%) respondents in grade 54.

4.4 Goodness of Measure

4.4.1 Reliability Test

The reliability test measured the stability and the consistency of a particular concept by using the Cronbach alpha value. The Cronbach alpha values of each variable are stated in table 4.3:

Table 4.3

Reliability Values

No.	Variables	No. of Items	Items Dropped	Cronbach Alpha
1.	Dependent Variable			
	Organisational Performance	35	-	0.951

2. Independent Variables

Recruitment and Selection	6	-	0.749
Manpower Planning	4	-	0.812
Job Design	4	-	0.607
Training and Development	3	-	0.794
Quality Circle	4	-	0.750
Pay Systems	2	-	0.658

The above table showed the Cronbach alpha values for dependent and independent variables. According to Sekaran and Bougie (2010), reliability with less than 0.60 is poor while that in the range of 0.70 is acceptable and those above 0.80 is considered good. However, some studies have considered reliability of 0.60 is acceptable (Hair, Anderson, Tatham & Black, 1992). Therefore, the finding of this study is under the acceptable reliability because the values are in the range of 0.607 to 0.951. Most variables fell under good and very good reliability except job design and pay systems fell under fair reliability.

4.5 Descriptive Analysis

Descriptive analysis using mean and standard deviation for the independent and dependent variables were recorded in table 4.4:

Table 4.4

Descriptive analysis for major variables (n = 64)

No.	Variables	Mean	Standard Deviation	Min.	Max.
1.	Recruitment and selection	3.73	.585	2.00	4.83
2.	Manpower planning	4.06	.573	2.25	5.00
3.	Job design	3.89	.609	2.50	5.00
4.	Training and development	4.22	.541	2.67	5.00
5.	Quality circle	3.69	.681	2.00	5.00
6.	Pay systems	3.99	.658	2.00	5.00
7.	Organisational performance	4.00	.488	2.91	4.88
Low = 1.00 - 2.33 Moderate = 2.34 – 3.67 High = 3.68 -5.00					

Table 4.4 above showed the summary of the descriptive analysis for the major variables of mean, standard deviation, minimum value and maximum value for the six (6) independent variables and organisational performance as dependent variable.

4.5.1 Research Objective 1: To identify the level of HRM practices practiced in UiTM

Referring to the table 4.4, the mean value for recruitment and selection variables are ($M = 3.73$ $SD = .585$) with minimum value of 2.00 and maximum value of 4.83. Manpower planning variables mean value are ($M = 4.06$ $SD = .573$) with minimum value of 2.25 and maximum value of 5.00. Job design

variables mean value are ($M = 3.89$ $SD = .609$) with minimum value of 2.50 and maximum value of 5.00. Training and development variables mean value are ($M = 4.22$ $SD = .541$) with minimum value of 2.67 and maximum value of 5.00. Quality circle variables mean value are ($M = 3.67$ $SD = .681$) with minimum value of 2.00 and maximum value of 5.00. Pay systems variables mean value are ($M = 3.99$ $SD = .658$) with minimum value of 2.00 and maximum value of 5.00. Finally, organisational performance variables mean value are ($M = 4.00$ $SD = .488$) with minimum value of 2.91 and maximum value of 4.88.

These results indicated that all HRM practices are being practiced in the high level in UiTM because the mean values are in the range of ($High = 3.68 - 5.00$). However, the most critical HRM practices were training and development, where mean value is 4.22. Then, it was followed by manpower planning ($mean = 4.06$), pay systems ($mean = 3.99$), job design ($mean = 3.89$), recruitment and selection ($mean = 3.73$) and lastly quality circle ($mean = 3.69$). This is lined based on the descending order.

4.6 Correlation Analysis

Correlational analysis is the statistical analysis to describe a relationship between two variables that exist naturally in the environment. Correlation measures three (3) characteristics, such as the direction of the relationship, the form of the relationship and the degree of the relationship. The most common test used for correlation is Pearson correlation (Gravetter & Wallnau, 2005).

4.6.1 Pearson Correlation

The Pearson correlation measures the degree and the direction of the linear relationship between two variables. The r-value should be in the range of 1.00 or -1.00 that indicates positive or negative relationship. A correlation of 0 indicates no correlation at all (Gravetter & Wallnau, 2005). It can be considered that 0 – 0.3 performs weak relationship, 0.4 – 0.6 performs moderate relationship and 0.7 – 1 performs strong relationship.

Table 4.5

Correlation coefficient among variables (n=64)

No.	Variables	1	2	3	4	5	6	7
1.	Recruitment and selection (1)	-						
2.	Manpower planning (2)	.465**	-					
3.	Job design (3)	.435**	.604**	-				
4.	Training and development (4)	.294*	.528**	.540**	-			
5.	Quality circle (5)	.466**	.547**	.716**	.273*	-		
6.	Pay systems (6)	.555**	.522**	.612**	.451**	.442**	-	
7.	Organisational performance (7)	.635**	.706**	.561**	.521**	.706**	.549**	-

**Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 (2-tailed).

4.6.2 Research Objective 2: To examine the relationship between HRM practices towards organisational performance in UiTM

Table 4.5 indicates the relationship between organisational performance as dependent variable with the six (6) independent variables. The strongest linear relationship were exist between organisational performance and two independent variables, which are manpower planning and quality circle where $r = .706$. The positive correlation coefficient of .706 indicated every change in the value of organisational performance was accompanied by a corresponding change in the two variables, which are manpower planning and quality circle. The second highest correlation was found between organisational performance and recruitment and selection, which $r = .635$. The correlation coefficient indicated a moderate positive relationship between both variables. The analysis also found moderate positive relationship to both variables in organisational performance and independent variable, job design, which $r = .561$. Relationship between organisational performance and pay systems also indicated a moderate positive linear coefficient where $r = .549$. Finally, the relationship between organisational performance and training and development was also obtained moderate correlation, where $r = .521$.

4.7 Regression Analysis

Regression analysis is the statistical technique for finding the best-fitting straight line for a set of data (Gravetter & Wallnau, 2005).

Table 4.6

Estimates of coefficient among variables (n=64)

No.	Variables	Std. error	Std. Beta	t	Sig.
1.	Recruitment and selection	.069	.257	3.122	.003
2.	Manpower planning	.078	.292	3.206	.002
3.	Job design	.093	-.313	-2.708	.009
4.	Training and development	.076	.275	3.276	.002
5.	Quality circle	.072	.538	5.340	.000
6.	Pay systems	.068	.084	.922	.360
	F value		30.610		
	R ²		.763		
	Adjusted R ²		.738		

a. Dependent variable : Organisational performance

*p<0.05, **p<0.01

4.7.1 Research Objective 3: To identify which HRM practices contribute the most towards organisational performance

Table 4.6 depicted the multiple regression coefficients (R) of the six (6) independent variables to the organisational performance, as dependent variable. All variables in HRM practices are significant where $p < 0.05$, except pay systems was not significant with $p > 0.05$.

In terms of beta values, the highest beta coefficient was discovered for quality circle, where (*Beta* = .538). This indicated that quality circle variable made the strongest contribution to explain the dependent variable (organisational performance). Thus, it answered the

objective 3 that the HRM practices which contributed the most towards organisational performance in UiTM is quality circle. Therefore, it suggested that one standard deviation increase in quality circle will be followed by .538 standard deviation increases in organisational performance. The second highest beta value represented by manpower planning with the value of (*Beta* = .292). Next was represented by training and development, and recruitment and selection, which valued of (*Beta* = .275) and (*Beta* = .257) respectively. It is followed by pay systems where the (*Beta* = .084). Subsequently, the lowest beta value indicated that job design with (*Beta* = - .313).

Additionally, the R-square is .763 and the value of F is 30.610 at ($p=.000$). This means 76.3% of the variance in organisational performance has been significantly explained collectively by the six (6) independent variables.

4.8 Hypothesis Testing

There are six (6) hypotheses as formulated in this study. In addition to the hypothesis, this study also interested to identify the level of HRM practices practiced in UiTM and which practices in the independent variables influenced organisational performance at most.

4.8.1 Hypothesis 1: There is a relationship between recruitment and selection towards organisational performance in UiTM

The result from multiple regression analysis indicated that there is positive significant relationship between recruitment and selection with organisational performance ($Beta = .257, p < 0.05$). The model in this study reached statistical significance of ($p = .003, < 0.05$). Based on Beta value it showed recruitment and selection effected organisational performance. Thus, hypothesis 1 was supported.

4.8.2 Hypothesis 2: There is a relationship between manpower planning towards organisational performance in UiTM

The result also indicated a positive significant relationship between manpower planning with organisational performance as ($Beta = .292, p < 0.05$). The model in this study reached the statistical significance of ($p = .002, < 0.05$). Based on Beta value it showed manpower planning effected organisational performance. Thus, hypothesis 2 was supported.

4.8.3 Hypothesis 3: There is a relationship between job design towards organisational performance in UiTM

The result on the analysis towards job design indicated a negative significant relationship between the third HRM practices variable, job design and organisational performance when the ($Beta = -.313, p < 0.05$). The model in this study achieved statistical significance of ($p = .009, < 0.05$). Based on

this Beta value, the result showed that job design effected organisational performance in UiTM in negative value. Thus, hypothesis 3 was supported.

4.8.4 Hypothesis 4: There is a relationship between training and development towards organisational performance in UiTM

The result indicated that there is a positive significant relationship between training and development with organisational performance as (*Beta* =.275, $p < 0.05$). The model in this study showed statistical significance of ($p = .002, < 0.05$). Based on this Beta value, the result showed that HRM practices variable, training and development affected the organisational performance. Thus, hypothesis 4 was supported.

4.8.5 Hypothesis 5: There is a relationship between quality circle towards organisational performance in UiTM

The result indicated that there is a positive significant relationship between quality circle with organisational performance as (*Beta* =.538, $p < 0.01$), which is the highest of Beta value among the other variables. The model in this study showed statistical significance of ($p = .000, p < 0.01$). Based on this Beta value, the result showed that HRM practices variable, quality circle affected the most on the organisational performance. Thus, hypothesis 5 was supported.

4.8.6 Hypothesis 6: There is a relationship between pay systems towards organisational performance in UiTM

Finally, the result indicated that there is no significant relationship between pay systems with organisational performance as ($Beta = .084$, $p > 0.05$). This is the lowest of Beta value among the other variables. The model in this study showed there is no statistical significance of ($p = .360$, > 0.05). Based on this Beta value, the result showed that HRM practices variable, pay systems do not affected organisational performance. Thus, hypothesis 6 was not supported.

4.8.7 Summary of the result

In conclusion, hypothesis $H_1 - H_5$ were supported, except H_6 , which was not supported. Table 4.7 showed the summary of results for the hypotheses.

Table 4.7

Summary of hypotheses results

No.	Hypotheses	Result
1.	H_1 : There is a relationship between recruitment and selection towards organisational performance in UiTM	Accepted
2.	H_2 : There is a relationship between manpower planning towards organisational performance in UiTM	Accepted
3.	H_3 : There is a relationship between job design towards organisational performance in UiTM	Accepted
4.	H_4 : There is a relationship between training and	Accepted

development towards organisational performance in UiTM

5. H₅: There is a relationship between quality circle Accepted towards organisational performance in UiTM
 6. H₆: There is no relationship between pay systems Rejected towards organisational performance in UiTM
-

4.9 Summary

This chapter presented the findings analysis of the study, which is the influence of HRM practices towards organisational performance (UiTM). The research used 64 respondents from administrators who managed human resource matters and administration in the faculties, academic centres, branch campuses and centres/institutes/divisions/units. The research used six (6) dimensions in HRM practices, which are recruitment and selection, manpower planning, job design, training and development, quality circle and pay systems towards organisational performance items. The data has been analysed using SPSS version 17 for Windows and captured the applicable method of analysing the data including reliability test, descriptive statistic test, correlation test and regression test. The conclusion and recommendations for future studies is stated in Chapter 5.

CHAPTER 5

DISCUSSION AND CONCLUSION

5.1 Introduction

This chapter discusses the findings captured throughout the entire study and integrates those findings for the final conclusion. The contribution of this study is discussed and a number of suggestions for future research on the relationship between HRM practices towards organisational performance also presented. The chapter will be ended with the conclusion of the study to summarise the research.

5.2 Recapitulation of the result

As pointed out in Chapter 4, 76.3% of the variance in organisational performance has been significantly explained by the six (6) independent variables, which are recruitment and selection, manpower planning, job design, training and development, quality circle, and pay systems. The largest beta coefficient of .538 was discovered in the fifth HRM practices variable, which is quality circle that gave a strongest contribution to explain the dependent variable (organisational performance).

The second highest of beta value went to manpower planning with beta value (*Beta* = .292), followed by training and development (*Beta* = .275), recruitment and selection (*Beta* = .257) and job design (*Beta* = -.313). These five independent variables of HRM practices were identified lower than alpha

value of $p < 0.01$ and $p < 0.05$. Thus, they were all having significant relationship. However, pay systems with ($Beta = .084$) had no significant relationship with organisational performance because the alpha value was higher than 0.05 ($p > 0.05$).

5.3 Discussion

The main purpose of this study is to investigate whether HRM practices, which are recruitment and selection, manpower planning, job design, training and development, quality circle, and pay systems have the relationship towards organisational performance. The objective of the study is listed:

- i. To identify the level of HRM practices practised in UiTM
- ii. To examine the relationship between HRM practices towards organisational performance in UiTM
- iii. To identify which HRM practices contribute the most towards organisational performance in UiTM

The level of HRM practices was tested using descriptive analysis, mean for recruitment and selection, manpower planning, job design, training and development, quality circle, and pay systems. In the overall, the HRM practices practised in UiTM were in the high level because the mean frequencies for all items were in the range of 3.99 to 4.22 as stated in the table 4.4, that the high level is in the range of 3.68 - 5.00. Training and development (4.22) gained the highest level that agreed by the respondents that has been practiced in UiTM.

This is followed by manpower planning (4.06), pay systems (3.99), job design (3.89), recruitment and selection (3.73), and lastly quality circle (3.69). This indicated that HRM practices were practiced well in UiTM, where training and development was very critical. It followed by the other practices. The lowest is quality circle, where the practice is not largely inclusive the multilevel employees and also not cover all departments in UiTM.

Moreover, the influence of HRM practices towards UiTM performance has been tested by examining the relationship between items in HRM practices, which are recruitment and selection, manpower planning, job design, training and development, quality circle, and pay systems to the dependent variable, organisational performance. The statistical analysis used to test the relationship was Pearson's correlation coefficient. With reference to the correlation table in 4.5, it explained the relationship between the organisational performance and the six (6) independent variables. Consistent with prior work, the relationship between HRM practices and organisational performance is generally positive (Delaney and Huselid, 1996). The relationship between organisational performance and two HRM practices items in this current study, namely manpower planning and quality circle were the highest linear score, where $r = .706$. The second score was in the relationship between organisational performance and recruitment and selection where $r = .635$ followed by job design ($r = .561$), pay systems ($r = .549$) and training and development ($r = .521$). Correlation is significant at 0.01 level (2-tailed) because p-value for all variables were $p = .000$.

Results of each objective are discussed in the following section:

5.3.1 Objective 1: To identify the level of HRM practices in UiTM

Based on the descriptive analysis result, all variables were in the high range, and training and development variable is the highest level of HRM practices that has been practiced in UiTM with the value of 4.22. This value shows that UiTM has been taking seriously in the training process and the development of their employees. It was proven by the score in the three (3) items instrument that measure training and development. Majority of the respondents agreed that the formal system of induction to new employees, the organisation encourages learning organisation by providing internal and external training, and lastly the organisation concentrates the formal training and development. Therefore, two departments have been set up by the management to deal with employees' trainings and development, namely *Jabatan Pembangunan Sumber Manusia (JPbSM)* and Institute of Leadership and Quality Management (ILQaM). JPbSM is located under the Office of Registrar and administering the trainings and development of non-academic employees, while ILQaM is focussing trainings and development of academicians. These separate departments, influence them to focus on each employees' competencies. They plan training activities and development of employees' career paths based on the management expectation to fulfil the organisation objectives and goals. Thus the training and development matters have been managed appropriately by these two departments.

The second highest level is manpower planning. The mean score of 4.06 shows that, UiTM also has been taking seriously in the manpower planning of their human resources. It was proven by the score of agreeing by the respondents to the four (4) items instrument under this variable. Majority of the respondents agreed that formal manpower planning, good work culture, career and development through succession planning, and lastly includes all departments strategic planning. This is related to the number of employees need in specific locations or departments and also the qualification, skills, abilities and competencies required to those departments. The excellence working environment is where the management can be able to embark departments' condition by putting the right people in the right place and in the right time. The right number of people is also important to make sure that the tasks given to the particular department can be managed properly within the specific duration of time. UiTM has a specific section under the Office of Registrar, which called *Unit Perancangan dan Guna Tenaga (UPGT)* who manage the manpower planning for the whole system of UiTM. This department will analyse the current manpower inventory for future forecasting based on the organisation's trend, load and force analysis. Then the data will be used to plan employment development programmes for recruitment and training programmes for improvement and advancement for employees' skills, abilities and knowledge.

Next highest level is pay systems, with mean value of 3.99. Pay systems are methods of rewarding people for their contribution to the organisation. Pay

systems include value for money, job security, intrinsic satisfaction, recognition in term of trainings or awards. Majority of the respondents agreed that pay system has been practiced appropriately because common pay plans and structure is already provided by the government. As UiTM is a statutory body, UiTM has to follow the pay structure and guidelines, and also provides some own promotion systems that suitable for the organisation. This structure and guidelines are always been modified to fit with the economic and market conditions. *Bahagian Saraan dan Perkhidmatan (BSP)*, and *Bahagian Pengurusan Prestasi dan Kenaikan Pangkat (BPPKP)* under the Office of Registrar are responsible secretariat to manage the related matters. This situation showed by the agreed score chosen by the respondents towards the two items instrument, firstly performance evaluation conducted formally, fair and clear, and secondly organisation provides social appreciation and recognition.

Job design is at the third level. The mean value is 3.89. The respondents were agreed on the four (4) items instrument in the questionnaires as UiTM is applying flexible job description, developing learning organisation, cross cultural job rotation, and different work group. As established university, UiTM has solid job design for each contents of the job with the standard directory from the government. *Bahagian Perjawatan* is using the adjusted job design to make the contents of specific job fit to the organisation. Then, the heads of departments can adjust the job contents that he or she required as long as balance with the organisation's goals. Departments' also revise and give feedback on the job

design contents to the *Bahagian Perjawatan* from time to time to keep it up-to-date. Good job design causes efficiency and profitability.

Recruitment and selection, and quality circle fall in the fifth and sixth place respectively, with mean values of 3.73 and 3.69. Recruitment and selection matters are managed by *Bahagian Perjawatan and Bahagian Pengurusan Prestasi dan Kenaikan Pangkat (BPPKP)* under the Office of Registrar. There were six (6) items instrument tested to the respondents, such as harmony terms and condition, fair treatment in promotion process, filling vacancies from within, multiple test criteria for selection process, merit element in selection process and lastly selection based on multi-skilling and experience. These two departments are responsible to recruit best employees and the departments concerned have to help to retain them so that the recruited persons can always fit and contribute to the organisational goals. Furthermore, recruitment from within is cost effective and helps management to recognise talents and one of the way to reward employees' effort, in addition to give them gaining new skills and experience in the new position.

Finally, quality circle is in the last stage with mean value of 3.69. This value is within the high level and showed that UiTM is concern with quality matters in controlling the human resources to make sure employees' produce the best output and productivity. Therefore, respondents were widely held agreed on the items instrument of quality circle, namely employees' involvement in quality circle, employees accountable to their action, participation in quality matters, and monitoring employees' attitudes by organising survey. Quality is a

method to improve quality and this mode has been practiced since the inception of UiTM.

To summarise, all variables in the HRM practices have been practiced by UiTM with high level because all variables are within the range of 3.69 – 4.22, and it answered the study objective 2. As an experienced institute of higher learning, UiTM is always conscious on the organisational goals achievement to give the best to the students and its stakeholders by implementing high level of HRM practices, as good employees can be developed through excellence HRM practices.

5.3.2 Objective 2: To examine the relationship between HRM practices towards organisational performance in UiTM

Based on the correlation analysis in the table 4.5, all independent variables are significant with the dependent variable (organisational performance), where alpha values ($\alpha = .000 < 0.01$) (Delaney & Huselid, 1996; Chand & Katou, 2007; Harness, 2009; Vlachos, 2009; Islam & Siengthai, 2010; Dimba, 2010; Doving & Nordhaug, 2010; Osman, Ho & Galang, 2011; Moideenkutty, Al-Lamki & Murthy, 2011; Subramaniam, Shamsudin & Ibrahim 2011).

It is also indicated that all independent variables have relationship with the dependent variable, organisational performance, where the 'r' values are within 0.521 to 0.706. This means that the independent variables are within the moderate and strong relationships. Table 3.8 is related. The strongest variables

were found in the manpower planning and quality circle, where the linear score is $r = 0.706$ respectively. Management is suggested to focus on these practices, which have strong relationship with the organisational performance.

These results have proven that manpower planning is important to ensure optimum use of available human resources to achieve the organisational desired result. This situation was supported by Chand and Katou (2007); Doving and Nordhaug (2010); Gomez-Mejia, Balkin and Cardy (2010); Mello (2011); Osman, Ho and Galang (2011); Gold (n.d.); Vijayaragavan and Singh (n.d.). Osman, Ho and Galang (2011) in their study in manufacturing companies in Malaysia also stated that employees' planning has strongly encouraged employees to be more enthusiastic in achieving their career goals. Chand and Katou (2007) in their study in the Indian hotel industry were also found out that manpower planning have strong relationship to productivity. Therefore, the strong relationship on manpower planning has also influenced organisational performance in UiTM. With more than 17,000 employees in UiTM, good practices are appropriate as the management is being able to provide sufficient manpower for the organisation and align them towards one direction, support employees' qualities, become useful to create productive employees and increases the organisation's capacity to plan deployment and development of organisation's competencies. Therefore, the departmental manpower planning was also put into account, so that their strengths and opportunities can be utilised. Establishing strategic planning must be owned by all employees to encourage their contribution towards the planning and realising those plans.

However, manpower planning was found had negative relationship with organisational performance in manufacturing companies in Malaysia as studied by Osman, Ho and Galang (2011).

Management should also focus on the quality circle as the result also indicated the strongest relationship with dependent variable (organisational performance), where 'r' = 0.706. This showed the similar finding on the study at Indian hotel industry, where they regularly use attitude survey to monitor quality (Chand & Katou, 2007; Hassan, 2010; Bell & Omachonu, 2011; Chaiter et al., 2011; Liao, 2011). We cannot deny the importance of quality implementation, more over in the educational industry where students' quality is very vital to make sure their marketability. There is no compromise on quality execution. As quality is being given as one of the UiTM objective components, attitudes survey is being placed in certain departments that have service counter. This attitude survey can help the management to respond, alter and respond on the circumstances to facilitate the smooth running of the organisation. Result from this kind of survey is giving very much impact as the employees' action towards stakeholders, who can affect organisation goodwill.

Furthermore, the HRM practice of recruitment and selection proved was also have a strong correlation (0.635) with organisational performance. This result is also in line with the study by Vlachos (2009); Islam and Siengthai (2010). This suggests that management who focus on these items instrument will do more to improve organisational performance. The items instrument in recruitment and selection would help the organisation to increase the

understanding towards the candidates in different fields and make the screening process more efficient. However, it is in the other way in the study by Dimba (2010) that is performance organisations in Kenya was not correlated with recruitment and selection, where 'r' = 0. However, these companies in Kenya have strongest correlation to organisational performance on their training and development. It can be assumed that the strong training and development may support the organisation's manpower skills and abilities to adopt organisation's functions and responsibilities.

The next highest correlation is in the job design. The result indicates that there is a moderate correlation (0.561) between job designs towards organisational performance. This suggests that management who gives attention to these items instrument will do more to improve organisational performance. It explained that the flexible job design is the most important in the job design, where the responsible people such as the heads of department know better the contents of the specific job (Lantz & Brav, 2007; Dimba, 2010). Good job design allows employees' input, allows adjustment and ongoing process. It is also an instrument to develop people in an organisation (Vijayaragavan & Singh, n.d.). Study in the call centres by Holman, Frenkel, Sorensen and Wood (2009) indicated job designs is very much have relationship with organisational performance, especially in the operational, strategic, and institutional context. Job design is also one of the highest HRM practice influenced the organisational performance besides employee relations and communication, and also career planning in the study by Osman, Ho and

Galang (2011) in the manufacturing companies in Malaysia. They applied good practices as employees' have freedom to decide, participate and get involve in their area of work. It exercised flexibility in their job affairs and increase motivation towards work.

Additionally, the strongest relationship between independent variables (HRM practices) and dependent variable (organisational performance) is followed by pay systems. It showed moderate correlation (0.549) with organisational performance. This result supports the studies by Chand and Katou (2007); Dimba (2010); Islam and Siengthai (2010); Osman, Ho and Galang (2011), while in the study by Vlachos (2009) showed that compensation policy (pay systems) is the strongest predictor to organisational performance (sales growth). This suggests that management who manages these items instrument will do more to improve organisational performance. It described both items have the same importance in pay systems variable because the fair evaluation and fair reward grant employees' satisfaction and increase their motivation to give the best to the organisation.

Finally, training and development proved to have moderate correlation (0.521) with organisational performance. Vlachos (2009), Dimba (2010), Islam and Siengthai (2010) found the same as in this study identified that training and development has the strong positive correlation with organisational performance. This suggests that management who manages these items instrument will do more to improve organisational performance. This result is appropriate where employees need trainings from within and also outside the

organisation to fulfil the gaps in knowledge, skills and abilities and should be grinded from time to time. However, training and development had negative relationship with organisational performance in manufacturing companies in Malaysia as studied by Osman, Ho and Galang (2011).

In summary, it can be distinguished that all independent variables in this study, namely recruitment and selection, manpower planning, job designs, training and development, quality circle and pay systems have positive relationship with the dependent variable (organisational performance). Thus, it answered the study objective 2, where there is a relationship between HRM practices towards organisational performance in UiTM.

5.3.3 Objective 3: To identify which HRM practices contribute the most towards organisational performance in UiTM

Based on the regression analysis in the table 4.6, all independent variables are significant with the dependent variable, except pay system where alpha value ($\alpha = > 0.05$).

In term of the beta value, quality circle is the most correlated to the organisational performance, where beta value is the largest ($Beta = 0.538$). This means the independent variable that contributes the most towards organisational performance in this study is quality circle with a value of 54%. Thus, this finding answered the objective 3, where quality circle is the most critical towards the organisational performance in UiTM.

This followed by manpower planning, where the beta value is the second largest (0.292). This means that manpower planning contributes 29.2% towards organisational performance. In the study by Osman, Ho and Galang (2011), manpower planning contributed to 11% with negative relationship, where the beta value (*Beta* = - 0.11).

Then, it is also followed by training and development, where the beta value is the third largest (0.275). This means that training and development contributes 27.5% towards organisational performance. Study by Osman, Ho and Galang (2011) discovered training and development contributed to 46% with negative relationship, where the beta value (*Beta* = - 0.46), while Dimba (2010) discovered that training and development contributed 30% towards organisational performance. These studies were also supported by Vlachos (2009), where training and development have positive relationship in sales growth and market growth, while Subramaniam, Shamsudin and Ibrahim (2011) discovered that training and development contributed 28.5% towards organisational performance SMEs operated in Malaysia.

Recruitment and selection is in the forth level, where the beta value (*Beta* = 0.257). It is same as in the study by Osman, Ho and Galang (2011), recruitment and selection has positive relationship (*Beta* = 0.08) with organisational performance. Based on this finding, it indicates that recruitment and selection contributes 25.7% towards organisational performance in UiTM. These studies were also supported by Vlachos (2009), where recruitment and selection have positive relationship in sales growth and market growth.

Next level is pay systems, where the beta value is 0.084. However, pay system is not significant because the alpha value ($\alpha = 0.360, p = > 0.05$). Thus, pay systems is not contributes towards the organisational performance. However, in Dimba (2010) indicated that the beta value for compensation systems is ($Beta = 0.2$), while in the study by Osman, Ho and Galang (2011), pay systems is represented by compensation and performance appraisal, where their beta value are 0.06 and 0.02 respectively. Therefore, the relationship is also in the positive value. These studies were also supported by Vlachos (2009), where pay systems have positive relationship in sales growth and market growth. In addition, pay systems is indicated contributes 48.8% to the organisational performance in SME's in Malaysia (Subramaniam, Shamsudin & Ibrahim, 2011).

The lowest level of regression value is job design, where the beta value is ($Beta = - 0.313$). This means the independent variable that contributes the lowest towards organisational performance in this study is job design with a value of 31.3% in the negative relationship. The increment of organisational performance will decrease the level of contribution in the job design. However, previous study indicated job design had 24% contributed to the organisational performance in manufacturing companies in Malaysia and the positive value showed the positive relationship with organisational performance (Osman, Ho & Galang, 2011).

In highlight of these results, the same analysis has tested the hypotheses and the researcher may accept all hypotheses because all independent

variables, namely recruitment and selection, manpower planning, job design, training and development, quality circle have positive relationship with the dependent variable and influence organisational performance, except H6, where the hypothesis is rejected.

The result also shows that R^2 value is 0.763, suggesting that 76.3% of variation in the dependent variable (organisational performance) can be explained by variation in the six (6) independent variables. In other words, nearly 50% of the change in organisational performance is caused by the management effectiveness in the human resource management practices practised in UiTM.

5.4 Implications

This study can provide additional information for the management the influences of HRM practices toward organisational performance. In the context of institution of higher learning, which is a public institution also required human resources attention as they will be satisfied and motivated to provide the best effort to fulfil their obligations and assist organisational goals achievement.

The result of the study could also be a determinant towards making more reliable decisions on the planning process in HRM matters and implementation of associating programmes to increase management awareness and other employees' involvement. Therefore, HRM practices will be considered high important. Thus, allocation of funds for this matter should be given a priority.

The management also can use the finding on the HRM practices level practiced in UiTM to plan towards the suitable HRM practices for UiTM.

Furthermore, the findings of this study may contribute to the additional literature for researchers in the future for improvements and development, especially in the area of human resources practice in the public institution of higher learning in Malaysia.

5.5 Limitation of study

There are three (3) basic limitations in the study. This study is investigated only the administrators, who managed human resources and administration that gave their judgement on the situation in their faculties, academic centres, branch campuses and centres/institutes/divisions/units in UiTM. The responds from them may not represent the judgement from the whole population. Thus, respondent bias may have occurred in the reporting of measures.

Furthermore, as the data collection of this research was carried out by self report measures questionnaire survey, the participants might keep some judgement and did not admit that their agreement and disagreement for each instruments.

Finally, the dependent variable is using the non-financial measure only as the respondents may have difficulties to give their judgement to the financial measure instruments. This is because as a public institution, the financial performance is calculated different way and it was not declared to public.

Therefore, in this study the researcher decided to measure only the non-financial aspects. Thus, lack of objective measures.

5.6 Recommendations

5.6.1 Recommendation to UiTM

As the level of HRM practices are in the high ranges, UiTM has already placed those practices in the accurate way. However, some of the instruments need to be put under attention, such as to increase the employees' involvement in the quality circle. Even though the quality culture has been embedded for a long time in UiTM, the level of employees' involvement is not at large. Therefore, the communication from the top management should be cascaded down to all level of employees, so that they can understand and support the management direction. The management should increase the interaction between staff in the meeting or provide specific trainings session for quality enhancement. Employees' performance appraisal also should be based on their participation on the quality matters. This is the other way to promote quality circle in the organisation.

The management should also enhance the forms of recruitment and selection processes practiced by UiTM as some of the respondents still have assumption on the harmony terms and conditions and merit element in the selection process did not fully carried out. This may suggest that UiTM publish a policy directive for recruitment and selection.

This is to promote integrity, efficient and effective selection and promotion process, and as be seen to be fair. Element of merit must be assessed in relation to the nature of the duties of each position. This concept refers to a relationship between candidates' quality and those required for performance in particular position (Burton, 1988).

Besides that, the job design aspects could motivates employees to develop learning organisation through innovation, quality and cost reduction to the organisation got the lowest factor value but still in the moderate range. Hence, it suggested that this instrument be put as one of the performance appraisal content. The head of departments may influence their staff motivation to increase those activities by putting mapping plan. Then, the employees will be evaluated based on the plan achievements. There may be inaccessible plan and the head should offer direction and assist to accomplish that matter. Some employees have their own way to do things, however it is the head's obligation to locate their employees in the right path.

Finally, UiTM may hold in depth investigation on each of HRM practices that may give impact to departments' concern to guide the departments' planning as to enhance the departments' performance. Besides that, the management can explore another variable in HRM practices besides the six (6) studied in this research, such as performance appraisal, employee relations, safety and health and international HRM. Furthermore, the study can also be carried out in

large scale where more sample in the community include in increasing the accurateness and reliability of the results (Zikmund, Babin, Carr & Griffin, 2010).

5.6.2 Recommendation for future researchers

This study provided only an idea of the influence of HRM practices towards organisational performance in one particular institution of higher learning in Malaysia, which is UiTM. It is recommended to examine these variables to another university or to compare with various universities. The results can be used by the management to review the related policy in conjunction with enhancement the organisational performance.

The study should also be expanded to compare between private and public institution of higher learning in Malaysia. This kind of study would help to explain any similarities and differences in the influence between HRM practices toward organisational performance among these universities.

In addition to that, the future research should use open-ended questionnaire to encourage in-depth feedback on the investigation. The respondents may provide additional information in the area of investigation and may provide suggestion to solve the problem. This will enhance the value of the research.

Finally, this study hopefully would be beneficial to all relevant parties involved, such as the management, academic researchers, students and HR practitioner.

5.7 Conclusion

This study aims to examine the relationship between HRM practices towards organisational performance. The findings stated that all HRM practices variables have relationship with organisational performance. In addition, the first five independent variables, namely recruitment and selection, manpower planning, job design, training and development, and quality circle are significantly influenced the organisational performance, except pay systems. Thus, the first five hypotheses were accepted. The regression analysis was also indicates 76.3% of the variance in organisational performance has been significantly explained by the six (6) independent variables. This indicates the robustness of the model used.

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Appendix A

Letter of Consent

Pendaftar
Registrar

PEJABAT PENDAFTAR
Aras 3, Canseleri Tuanku Syed Sirajuddin
Universiti Teknologi MARA
40450 Shah Alam Selangor, MALAYSIA
Tel: (+603) 5544 2005/2266 Faks: (+603) 5544 3001
E-mel: zahrah277@salam.uitm.edu.my



Surat Kami : 500-BPD(PEND. 14/1)
Tarikh : 12 September 2011

Puan Kartini Dato' Tajul Urus
Penolong Pendaftar
Othman Yeop Abdullah Graduate School of Business
Universiti Utara Malaysia
06010 Sintok
KEDAH

السلام عليكم ورحمة الله وبركاته

Puan

PENGUMPULAN DATA DISERTASI
NAMA PELAJAR : RIZADORA MUHAMAD ARSAD
KOD KURSUS : BPMZ6996

Dengan hormatnya surat puan bil. UUM/OYAGSB/A-3(807912) bertarikh 16 Ogos 2011 mengenai perkara di atas dirujuk.

2. Dimaklumkan bahawa saya tiada halangan untuk membenarkan Puan Rizadora Muhamad Arsad untuk menjalankan kerja lapangan bagi melengkap pengajian Sarjana Pengurusan Sumber Manusia beliau di UUM.

3. Perlu diingatkan bahawa maklumat yang terkumpul adalah untuk tujuan akademik sahaja.

Sekian, semoga kajian yang bakal dijalankan berjalan lancar.

Terima kasih.

والسلام

Yang benar


DR. HAJAH ZAHRAH MOKHTAR
Pendaftar

s.k. Puan Rizadora Muhamad Arsad
No. 1, Jalan Selasih U12/18C
Seksyen U12 Cahaya Alam
40170 SHAH ALAM

ii) Ketua, JPbSM
UITM SHAH ALAM

Dr. Hajah Zahrah Mokhtar Ph.D (UKM) MPA (Southern California) BA (Hons.) (Malaya)

Laman web: <http://pendaftar.uitm.edu.my>



Appendix B

Questionnaire



**COLLEGE OF BUSINESS
UNIVERSITI UTARA MALAYSIA**

Questionnaires

The Influence of Human Resource Management Practices towards Organisational Performance: A Study on Administrators in Universiti Teknologi MARA

Dear Sir/Madam,

I am inviting you to participate in my research project entitled "The influence of human resource management practices towards organisational performance: A study on administrators in Universiti Teknologi MARA".

The study aims to link between human resource management practices on organisational performance in UiTM. I hope you will be able to assist me by completing the enclosed questionnaires. All information provided will be treated as private and confidential. It will be used for academic purposes. As is normally in academic research, I shall not disclose the names of individuals who provided me with particular information. All data will be analysed in a collective manner and will be not attributed to name individuals.

The survey should take approximately 10 minutes to answer. I shall be grateful if you could complete the enclosed questionnaires and e-mail back to me the answered questionnaires by the 24th October 2011.

Thank you in advance for your time and cooperation.

Yours sincerely

Rizadora Muhamad Arsad

Master of Human Resource Management, UUM

Deputy Registrar, UiTM

Tel. No.: 012-6920443

E-mail : rizadora@yahoo.com / rizadora@salam.uitm.edu.my

SECTION A

1.0 Demographic Profile

Please tick (/) the appropriate box to answer the questions

1.1 Gender

Male

Female

1.2 Status

Married

Unmarried

1.3 Age

21 – 30

31 – 40

41 – 50

51 – 60

1.4 Level of Education

Diploma

Bachelor's Degree

Master's Degree

PhD

Other Professional

(specify)

1.5 Employment Area

Faculty

Academic

Centre

Branch

Centre/Institute

Campus

/Division/Unit

1.6 Length of Service

Less than 1 year

1 – 5 years

6 – 10 years

11 – 15 years

16 – 20 years

21 – 30 years

31 years and more

1.7 Scheme of Service N W S F
 J KP
 Others (specify)

1.8 Grade/ Position 41 44 48 52
 54 Others (specify)

SECTION B

2.0 HRM Practices Dimension

The following questions ask you about the extent of your judgment on the HRM practices that influence your department's performance. Please indicate your agreement or disagreement on the following statements by indicating your appropriate response based on the following scale

No.	Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<i>Recruitment and Selection</i>						
2.1	The organisation has practices harmony (multiple approach) terms and conditions in the process of recruitment and selection	1	2	3	4	5
2.2	The organisation is clearly practices fair treatment in the promotion process for all employees	1	2	3	4	5
2.3	The organisation practices filling vacancies from within the organisation as a norm (promotion)	1	2	3	4	5
2.4	The organisation uses multiple test criteria in selecting the right employees	1	2	3	4	5
2.5	The organisation is using merit element in the selection process	1	2	3	4	5
2.6	The organisation practices selecting the right employees based on candidates multi-skilling and experience	1	2	3	4	5

Manpower Planning						
2.7	The organisation plans formal manpower planning	1	2	3	4	5
2.8	The organisation encourages good work culture	1	2	3	4	5
2.9	The management is ensuring employees career and development through succession planning	1	2	3	4	5
2.10	The HR planning process includes all department's strategic planning	1	2	3	4	5
Job Design						
2.11	The organisation allow flexible job description develops by Head of Department and employees	1	2	3	4	5
2.12	Motivates employees to develop learning organisation through innovation, quality and cost reduction to the organisation	1	2	3	4	5
2.13	Employee job rotation within the organisation helps to increase the cross-cultural job design and developing employees' skills	1	2	3	4	5
2.14	Different groupwork reach out to help and support each other (teamwork)	1	2	3	4	5
Training and Development						
2.15	The organisation practices formal system of induction to new employees	1	2	3	4	5
2.16	The organisation encourages learning organisation by providing internal and external training workshops, including on-the-job trainings	1	2	3	4	5
2.17	The organisation concentrates on the formal training and development sessions	1	2	3	4	5
Quality Circle						
2.18	The organisation ensures employees involvement in objective setting	1	2	3	4	5
2.19	All employees' are accountable for their action	1	2	3	4	5
2.20	All employees understand and participate in quality matter, such as KPI, ISO and 5S	1	2	3	4	5
2.21	The organisation regularly monitor the employees' attitudes through surveys	1	2	3	4	5
Pay Systems						
2.22	Job performance evaluations are conducted formally, fair and based on clear standards	1	2	3	4	5
2.23	The organisation awards excellent employees with social appreciation and recognition	1	2	3	4	5

3.0 Organisational Performance Dimension

The following questions ask you about the degree of your perceived rating on your organisation's performance. Please indicate your agreement or disagreement on the following statements by indicating your appropriate response based on the following scale

No.	Factors	Very Bad	Bad	Neutral/Average	Good	Very Good
Management Quality						
3.1	Management is trusted by organisational members	1	2	3	4	5
3.2	Management has integrity	1	2	3	4	5
3.3	Management is a role model for organisational members	1	2	3	4	5
3.4	Management applies fast decision making	1	2	3	4	5
3.5	Management applies fast action taking	1	2	3	4	5
3.6	Management coaches organisational members to achieve better results	1	2	3	4	5
3.7	Management focuses on achieving results	1	2	3	4	5
3.8	Management is very effective	1	2	3	4	5
3.9	Management applies strong leadership	1	2	3	4	5
3.10	Management is confident	1	2	3	4	5
3.11	Management is decisive with regard to non-performers	1	2	3	4	5
Openness and action orientation						
3.12	Management frequently engages in a dialogue with employees	1	2	3	4	5
3.13	Organisational members spend a lot of time on communication, knowledge exchange and learning	1	2	3	4	5
3.14	Organisational members are always involved in important processes	1	2	3	4	5
3.15	Management allows making mistakes	1	2	3	4	5
3.16	Management welcomes change	1	2	3	4	5
3.17	The organisation is performance-driven	1	2	3	4	5
Long-term Orientation						
3.18	The organisation maintains good and long-term relationships with all stakeholders	1	2	3	4	5

3.19	The organisation is aimed at servicing the customers to the best possible extent	1	2	3	4	5
3.20	The organisation grows through partnerships with suppliers and/or customers	1	2	3	4	5
3.21	Management has been with the company for a long time	1	2	3	4	5
3.22	The organisation is a secure workplace for organisational members	1	2	3	4	5
3.23	New management is promoted from within the organisation	1	2	3	4	5
Continuous Improvement						
3.24	The organisation has adopted a strategy that sets it clearly apart from other organisations	1	2	3	4	5
3.25	In the organisation processes are continuously improved	1	2	3	4	5
3.26	In the organisation processes are continuously simplified	1	2	3	4	5
3.27	In the organisation processes are continuously aligned	1	2	3	4	5
3.28	In the organisation everything that matters to performance is explicitly reported	1	2	3	4	5
3.29	In the organisation both financial and non-financial information is reported to organisational members	1	2	3	4	5
3.30	The organisation continuously innovates its core competencies	1	2	3	4	5
3.31	The organisation continuously innovates its products, processes and services	1	2	3	4	5
Workforce Quality						
3.32	Organisational members want to be held responsible for their results	1	2	3	4	5
3.33	Organisational members want to be inspired to accomplish extraordinary results	1	2	3	4	5
3.34	Organisational members are trained to be resilient and flexible	1	2	3	4	5
3.35	The organisation has a diverse and complementary workforce	1	2	3	4	5

Thank you for your co-operations

Appendix C

Statistical Analysis Output

1) Frequencies Demographic Profile

Notes

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Statistics

		Gender	Status	Age	Education	Employment	Service	Scheme	Grade
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Frequency Table

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	24	37.5	37.5	37.5
	Female	40	62.5	62.5	100.0
	Total	64	100.0	100.0	

Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	57	89.1	89.1	89.1
	Unmarried	7	10.9	10.9	100.0
	Total	64	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21-30	12	18.8	18.8	18.8
	31-40	17	26.6	26.6	45.3
	41-50	17	26.6	26.6	71.9
	51-60	18	28.1	28.1	100.0
	Total	64	100.0	100.0	

Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	2	3.1	3.1	3.1
	Bachelor's Degree	37	57.8	57.8	60.9
	Master Degree	24	37.5	37.5	98.4
	PhD	1	1.6	1.6	100.0
	Total	64	100.0	100.0	

Employment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Faculty	23	35.9	35.9	35.9
	Academic Centre	7	10.9	10.9	46.9
	Branch Campus	10	15.6	15.6	62.5
	Centre/institute/division/unit	24	37.5	37.5	100.0
	Total	64	100.0	100.0	

Service

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5 years	16	25.0	25.0	25.0
	6-10 years	7	10.9	10.9	35.9
	11-15 years	3	4.7	4.7	40.6
	16-20 years	7	10.9	10.9	51.6
	21-30 years	24	37.5	37.5	89.1
	31 years and more	7	10.9	10.9	100.0
	Total	64	100.0	100.0	

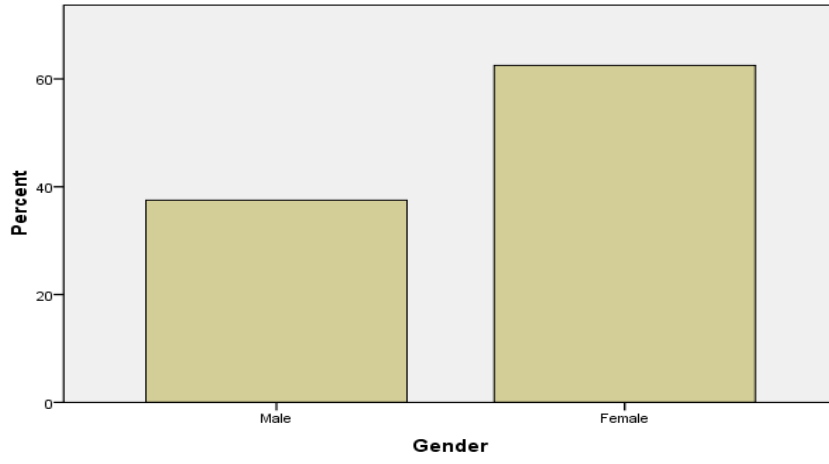
Scheme

		Frequency	Percent	Valid Percent	Cumulative Percent
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	W	1	1.6	1.6	100.0
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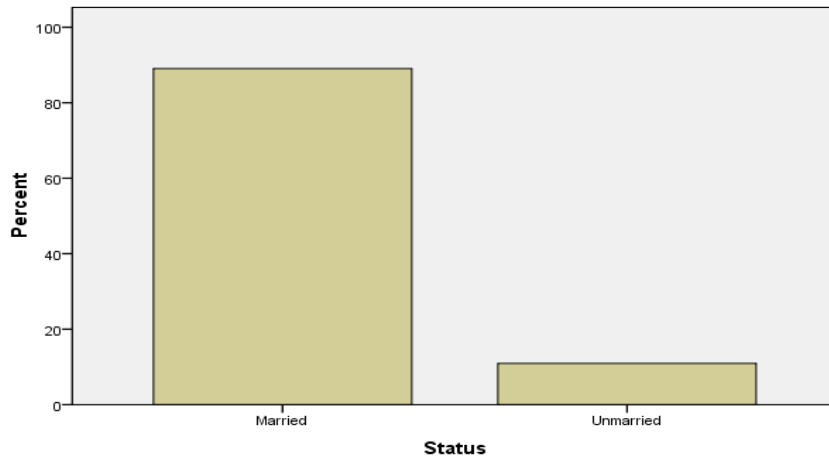
Grade

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Valid	41	23	35.9	35.9	35.9
	44	9	14.1	14.1	50.0
	48	23	35.9	35.9	85.9
	52	4	6.3	6.3	92.2
	54	5	7.8	7.8	100.0
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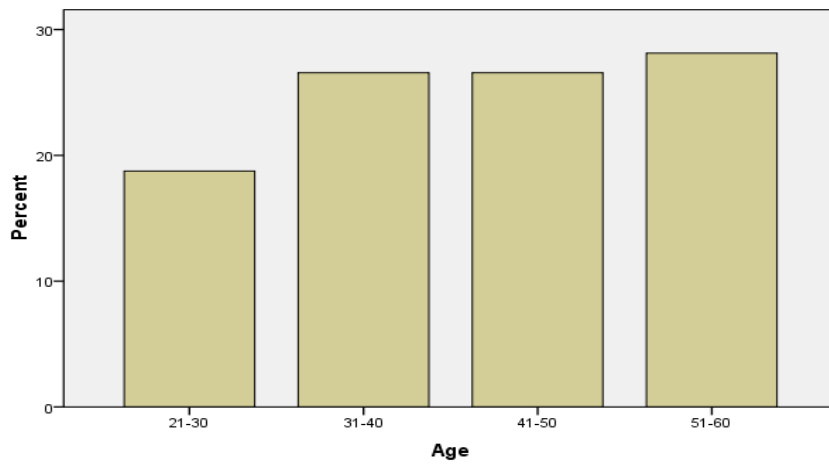
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Status



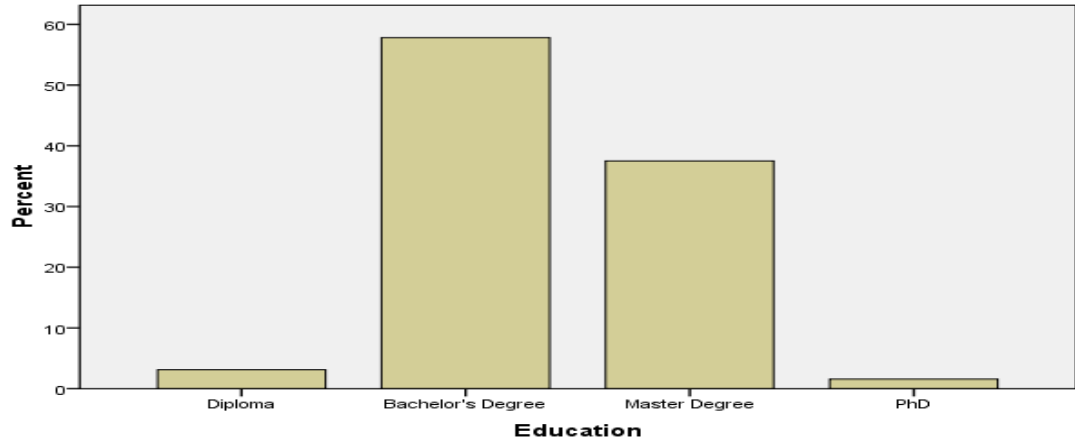
Age



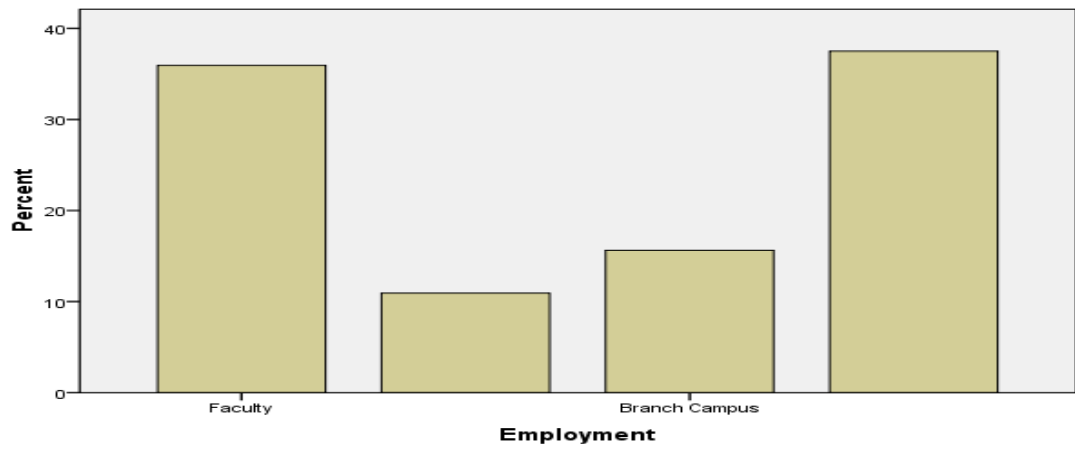
Education



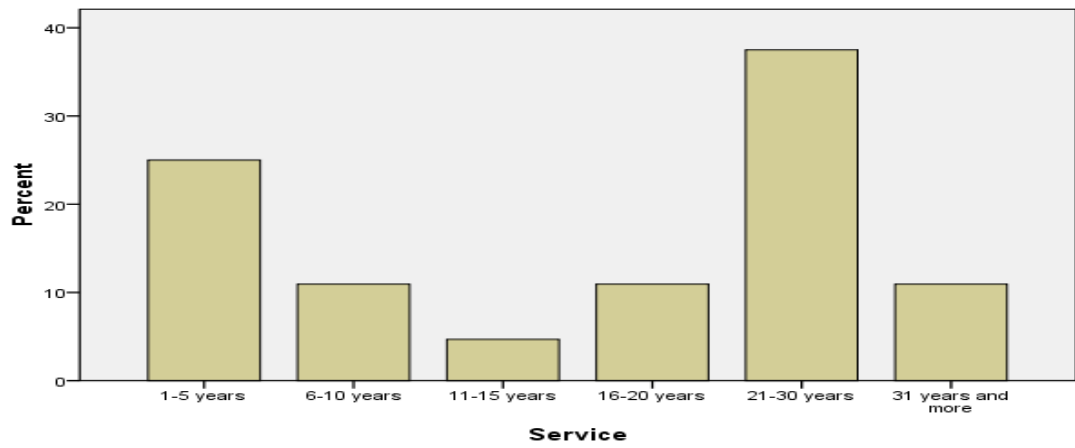
Education



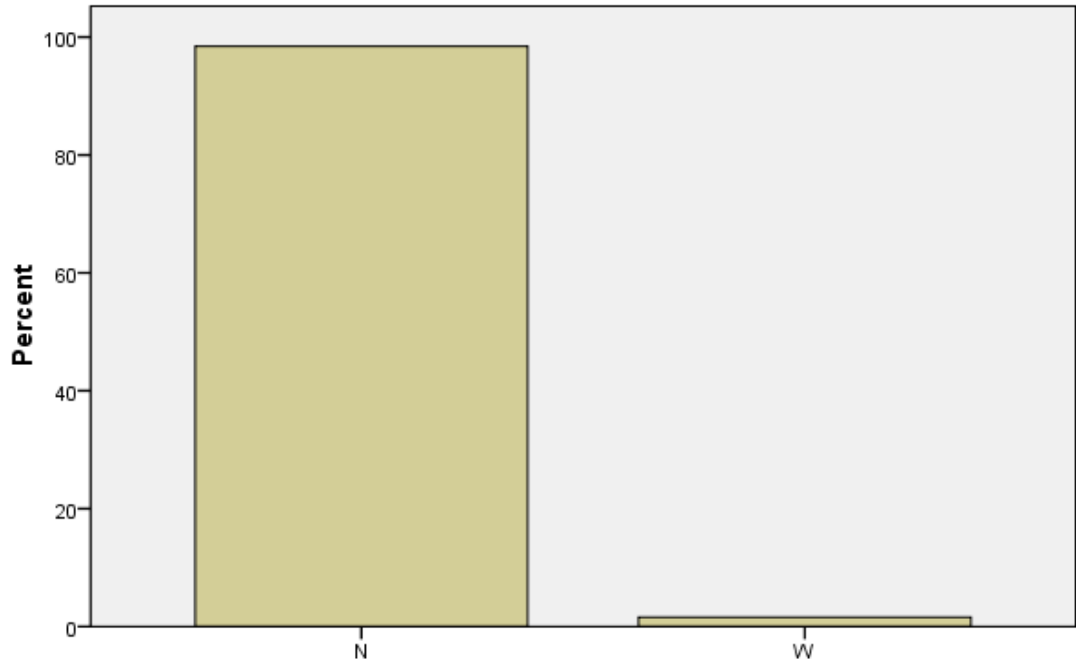
Employment



Service

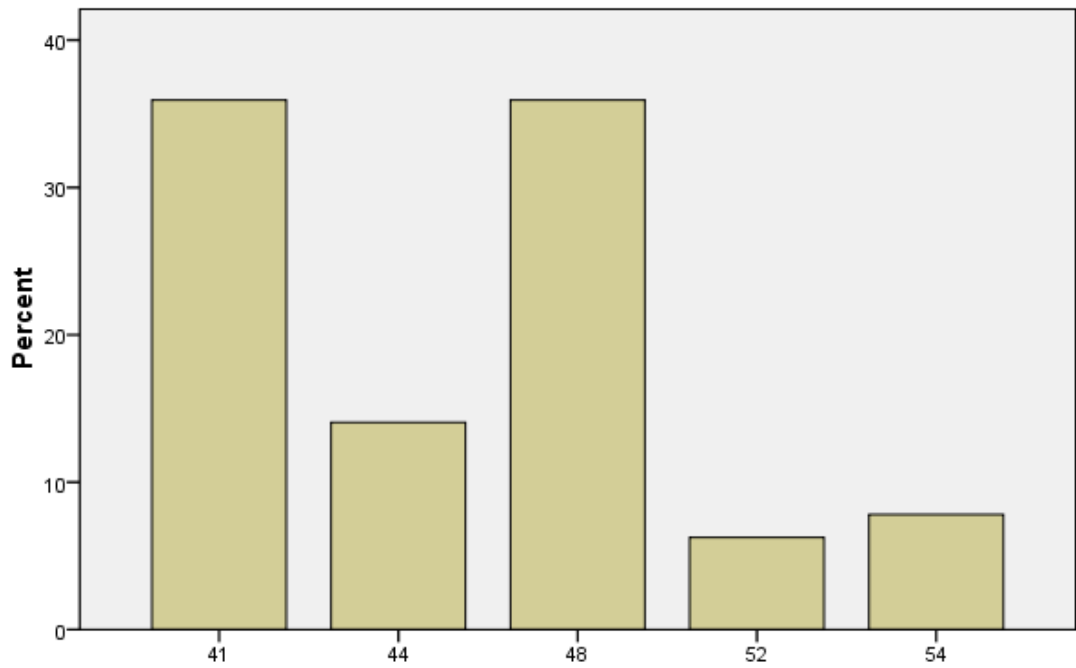


Scheme



Scheme

Grade



Grade

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2) Reliability

Notes

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HRM practices: Recruitment and Selection

Case Processing Summary

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Reliability Statistics

Cronbach's Alpha	N of Items
.749	6

Reliability

Notes

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Syntax			RELIABILITY /VARIABLES=Manpowerplanning1 Manpowerplanning2 Manpowerplanning3 Manpowerplanning4 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA.
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[DataSet1] C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav

HRM practices: Manpower planning

Case Processing Summary

		N	%
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	Total	64	100.0

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Reliability Statistics

Cronbach's Alpha	N of Items
.812	4

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Reliability

HRM practices: Job Design

Case Processing Summary

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Reliability Statistics

Cronbach's Alpha	N of Items
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Reliability

Notes

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	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.

Syntax	RELIABILITY /VARIABLES=TD2 TD3 TD4 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA.	
Resources	Processor Time	0:00:00.000
	Elapsed Time	0:00:00.000

[DataSet1] C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav

HRM practices: Training and Development

Case Processing Summary

		N	%
Cases	Valid	64	100.0
	Excluded ^a	0	.0
	Total	64	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.794	3

```
RELIABILITY /VARIABLES=Qualitycircle1 Qualitycircle2 Qualitycircle3
Qualitycircle4 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA.
```

Reliability

Notes

Output Created	01-Dec-2011 00:05:25	
Comments		
Input	Data	C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>

	N of Rows in Working Data File	64
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=Qualitycircle1 Qualitycircle2 Qualitycircle3 Qualitycircle4 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA.
Resources	Processor Time	0:00:00.000
	Elapsed Time	0:00:00.000

[DataSet1] C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav

HRM practices: Quality Circle

Case Processing Summary

		N	%
Cases	Valid	64	100.0
	Excluded ^a	0	.0
	Total	64	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.750	4

```
RELIABILITY /VARIABLES=Paysystem3 Paysystem5 /SCALE('ALL
VARIABLES') ALL /MODEL=ALPHA.
```

Reliability

HRM practices: Pay systems

Case Processing Summary

		N	%
Cases	Valid	64	100.0
	Excluded ^a	0	.0
	Total	64	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.658	2

```
RELIABILITY /VARIABLES=Mgtquality1 Mgtquality2 Mgtquality3
Mgtquality4 Mgtquality5 Mgtquality6 Mgtquality7 Mgtquality8 Mgtquality9
Mgtquality1 0 Mgtquality11 Opennes1 Opennes2 Opennes3 Opennes4
Opennes5 Opennes6 Longtermorientation1 Longtermorientation2
Longtermorientation3 Longtermorientation4 Longtermorientation5
Longtermorientation6 Continuous1 Continuous2 Continuous3 Continuous4
Continuous5 Continuous6 Continuous7 Continuous8 Workforcequality1
Workforcequality2 Workforcequality3 Workforcequality4 /SCALE('ALL
VARIABLES') ALL /MODEL=ALPHA.
```

Reliability

Notes

Output Created		01-Dec-2011 00:10:11
Comments		
Input	Data	C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	64
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.

Cases Used		Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=Mgtquality1 Mgtquality2 Mgtquality3 Mgtquality4 Mgtquality5 Mgtquality6 Mgtquality7 Mgtquality8 Mgtquality9 Mgtquality10 Mgtquality11 Opennes1 Opennes2 Opennes3 Opennes4 Opennes5 Opennes6 Longtermorientation1 Longtermorientation2 Longtermorientation3 Longtermorientation4 Longtermorientation5 Longtermorientation6 Continuous1 Continuous2 Continuous3 Continuous4 Continuous5 Continuous6 Continuous7 Continuous8 Workforcequality1 Workforcequality2 Workforcequality3 Workforcequality4 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA.
Resources	Processor Time	0:00:00.000
	Elapsed Time	0:00:00.000

[DataSet1] C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	63	98.4
	Excluded ^a	1	1.6
	Total	64	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.951	35

```

FREQUENCIES VARIABLES=RecruitmentandSelection ManpowerPlanning
JobDesign TrainingandDevelopment QualityCircle Paysystems Organisatio
nalPeformance /STATISTICS=STDDEV MINIMUM MAXIMUM MEAN
/ORDER=ANALYSIS.

```

3) Frequencies: Descriptive Analysis

Notes

Output Created		01-Dec-2011 14:40:01
Comments		
Input	Data	C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	64
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data.
Syntax		FREQUENCIES VARIABLES=RecruitmentandSelection ManpowerPlanning JobDesign TrainingandDevelopment QualityCircle Paysystems OrganisationalPeformance /STATISTICS=STDDEV MINIMUM MAXIMUM MEAN /ORDER=ANALYSIS.
Resources	Processor Time	0:00:00.016
	Elapsed Time	0:00:00.015

[DataSet1] C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav

tistics

		RecruitmentandSel ection	ManpowerPlanning	JobDesign	TrainingandDevelo pment	QualityCircle	Paysystems	OrganisationalPefo rmance
N	Valid	64	64	64	64	64	64	64
	Missing	0	0	0	0	0	0	0
Mean		3.7344	4.0586	3.8867	4.2240	3.6914	3.9922	4.0014
Std. Deviation		.58548	.57346	.60901	.54126	.68101	.65763	.48781
Minimum		2.00	2.25	2.50	2.67	2.00	2.00	2.91
Maximum		4.83	5.00	5.00	5.00	5.00	5.00	4.88

Frequency Table

RecruitmentandSelection

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	1	1.6	1.6	1.6
	2.50	3	4.7	4.7	6.3
	2.83	3	4.7	4.7	10.9
	3.00	1	1.6	1.6	12.5
	3.17	5	7.8	7.8	20.3
	3.33	2	3.1	3.1	23.4
	3.50	4	6.3	6.3	29.7
	3.67	8	12.5	12.5	42.2
	3.83	12	18.8	18.8	60.9
	4.00	10	15.6	15.6	76.6
	4.17	7	10.9	10.9	87.5
	4.33	2	3.1	3.1	90.6
	4.50	2	3.1	3.1	93.8
	4.83	4	6.3	6.3	100.0
	Total	64	100.0	100.0	

ManpowerPlanning

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.25	1	1.6	1.6	1.6
	2.75	1	1.6	1.6	3.1
	3.00	2	3.1	3.1	6.3
	3.25	4	6.3	6.3	12.5
	3.50	3	4.7	4.7	17.2
	3.75	10	15.6	15.6	32.8
	4.00	14	21.9	21.9	54.7
	4.25	10	15.6	15.6	70.3
	4.50	9	14.1	14.1	84.4
	4.75	5	7.8	7.8	92.2

5.00	5	7.8	7.8	100.0
Total	64	100.0	100.0	

JobDesign

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.50	1	1.6	1.6	1.6
	2.75	4	6.3	6.3	7.8
	3.00	1	1.6	1.6	9.4
	3.25	4	6.3	6.3	15.6
	3.50	11	17.2	17.2	32.8
	3.75	14	21.9	21.9	54.7
	4.00	6	9.4	9.4	64.1
	4.25	11	17.2	17.2	81.3
	4.50	4	6.3	6.3	87.5
	4.75	2	3.1	3.1	90.6
	5.00	6	9.4	9.4	100.0
	Total	64	100.0	100.0	

TrainingandDevelopment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.67	1	1.6	1.6	1.6
	3.33	4	6.3	6.3	7.8
	3.67	6	9.4	9.4	17.2
	4.00	26	40.6	40.6	57.8
	4.33	7	10.9	10.9	68.8
	4.67	6	9.4	9.4	78.1
	5.00	14	21.9	21.9	100.0
	Total	64	100.0	100.0	

QualityCircle

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	1	1.6	1.6	1.6
	2.75	5	7.8	7.8	9.4
	3.00	7	10.9	10.9	20.3
	3.25	12	18.8	18.8	39.1
	3.50	6	9.4	9.4	48.4
	3.75	9	14.1	14.1	62.5
	4.00	9	14.1	14.1	76.6
	4.25	3	4.7	4.7	81.3
	4.50	6	9.4	9.4	90.6
	5.00	6	9.4	9.4	100.0
	Total	64	100.0	100.0	

Paysystems

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	3	4.7	4.7	4.7
	2.50	1	1.6	1.6	6.3
	3.00	2	3.1	3.1	9.4
	3.50	8	12.5	12.5	21.9
	4.00	29	45.3	45.3	67.2
	4.50	16	25.0	25.0	92.2
	5.00	5	7.8	7.8	100.0
	Total	64	100.0	100.0	

OrganisationalPeformance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.91	1	1.6	1.6	1.6
	3.09	2	3.1	3.1	4.7
	3.15	2	3.1	3.1	7.8
	3.36	3	4.7	4.7	12.5
	3.42	2	3.1	3.1	15.6
	3.48	1	1.6	1.6	17.2
	3.52	1	1.6	1.6	18.8
	3.61	2	3.1	3.1	21.9
	3.67	2	3.1	3.1	25.0
	3.70	3	4.7	4.7	29.7
	3.73	2	3.1	3.1	32.8
	3.76	1	1.6	1.6	34.4
	3.79	2	3.1	3.1	37.5
	3.85	3	4.7	4.7	42.2
	3.94	3	4.7	4.7	46.9
	3.97	1	1.6	1.6	48.4
	4.03	2	3.1	3.1	51.6
	4.06	3	4.7	4.7	56.3
	4.09	2	3.1	3.1	59.4
	4.12	1	1.6	1.6	60.9
	4.18	2	3.1	3.1	64.1
	4.27	2	3.1	3.1	67.2
	4.30	3	4.7	4.7	71.9
	4.45	1	1.6	1.6	73.4
	4.48	6	9.4	9.4	82.8
	4.52	2	3.1	3.1	85.9
	4.61	6	9.4	9.4	95.3
	4.85	1	1.6	1.6	96.9

4.88	1	1.6	1.6	98.4
4.88	1	1.6	1.6	100.0
Total	64	100.0	100.0	

CORRELATIONS /VARIABLES=RecruitmentandSelection ManpowerPlanning
 JobDesign TrainingandDevelopment QualityCircle Paysystems
 OrganisationalPeformance /PRINT=TWOTAIL NOSIG
 /MISSING=PAIRWISE.

4) Correlations: Pearson -r Correlation

Notes

Output Created		01-Dec-2011 21:22:45
Comments		
Input	Data	C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	64
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics for each pair of variables are based on all the cases with valid data for that pair.
Syntax		CORRELATIONS /VARIABLES=RecruitmentandSelection ManpowerPlanning JobDesign TrainingandDevelopment QualityCircle Paysystems OrganisationalPeformance /PRINT=TWOTAIL NOSIG /MISSING=PAIRWISE.
Resources	Processor Time	0:00:00.031
	Elapsed Time	0:00:00.047

[DataSet1] C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav

Correlations

		Recruitment and Selection	Manpower Planning	Job Design	Training and Development	Quality Circle	Pay systems	Organisational Performance
Recruitment and Selection	Pearson Correlation	1	.465**	.435**	.294*	.466**	.555**	.635**
	Sig. (2-tailed)		.000	.000	.019	.000	.000	.000
	N	64	64	64	64	64	64	64
Manpower Planning	Pearson Correlation	.465**	1	.604**	.528**	.547**	.522**	.706**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	64	64	64	64	64	64	64
Job Design	Pearson Correlation	.435**	.604**	1	.540**	.716**	.612**	.561**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000
	N	64	64	64	64	64	64	64
Training and Development	Pearson Correlation	.294*	.528**	.540**	1	.273*	.451**	.521**
	Sig. (2-tailed)	.019	.000	.000		.029	.000	.000
	N	64	64	64	64	64	64	64

	N	64	64	64	64	64	64	64
QualityCircle	Pearson	.466**	.547**	.716**	.273*	1	.442**	.706**
	Correlation							
	Sig. (2-tailed)	.000	.000	.000	.029		.000	.000
	N	64	64	64	64	64	64	64
Paysystems	Pearson	.555**	.522**	.612**	.451**	.442**	1	.549**
	Correlation							
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000
	N	64	64	64	64	64	64	64
OrganisationalPeformance	Pearson	.635**	.706**	.561**	.521**	.706**	.549**	1
	Correlation							
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	64	64	64	64	64	64	64

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

```

REGRESSION  /MISSING LISTWISE  /STATISTICS COEFF OUTS R ANOVA
/CRITERIA=PIN(.05) POUT(.10)  /NOORIGIN  /DEPENDENT
OrganisationalPeformance  /METHOD=ENTER RecruitmentandSelection
ManpowerPlanning JobDesign TrainingandDevelopment QualityCircle
Paysystems.

```

5) Regression

Notes

Output Created		01-Dec-2011 23:17:22
Comments		
Input	Data	C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss271111.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	64
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on cases with no missing values for any variable used.
Syntax		REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT OrganisationalPeformance /METHOD=ENTER RecruitmentandSelection ManpowerPlanning JobDesign TrainingandDevelopment QualityCircle Paysystems.
Resources	Processor Time	0:00:00.000
	Elapsed Time	0:00:00.000
	Memory Required	4516 bytes
	Additional Memory Required for Residual Plots	0 bytes

[DataSet1] C:\Users\user\Desktop\tesis\Data SPSS\Final Q spss2711111.sav

Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	Paysystems, QualityCircle, TrainingandDevelo pment, RecruitmentandSel ection, ManpowerPlanning , JobDesign ^a		Enter

a. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.874 ^a	.763	.738	.24958

a. Predictors: (Constant), Paysystems, QualityCircle, TrainingandDevelopment, RecruitmentandSelection, ManpowerPlanning, JobDesign

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.441	6	1.907	30.610	.000 ^a
	Residual	3.551	57	.062		
	Total	14.991	63			

a. Predictors: (Constant), Paysystems, QualityCircle, TrainingandDevelopment, RecruitmentandSelection, ManpowerPlanning, JobDesign

b. Dependent Variable: OrganisationalPeformance

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.449	.291		1.543	.128
	RecruitmentandSelection	.214	.069	.257	3.122	.003
	ManpowerPlanning	.249	.078	.292	3.206	.002
	JobDesign	-.251	.093	-.313	-2.708	.009
	TrainingandDevelopment	.248	.076	.275	3.276	.002
	QualityCircle	.385	.072	.538	5.340	.000
	Paysystems	.062	.068	.084	.922	.360

a. Dependent Variable: OrganisationalPeformance