

UNIVERSITI TEKNOLOGI MARA

**EXPLORING THE ROLE OF
HUMAN RESOURCE
MANAGEMENT (HRM)
PRACTICES, ORGANIZATIONAL
COMMITMENT, AND
ORGANIZATIONAL
PERFORMANCE IN MALAYSIAN
STATE SPORTS COUNCIL**

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Thesis submitted in fulfilment
of the requirements for the degree of
Master of Science
(Sports Science and Recreation)

Faculty of Sports Science and Recreation

April 2024

ABSTRACT

Organizational performance can be evaluated through the effectiveness of Human Resource Management (HRM) practices implemented in the organization. However, the problem of improper and misguided implementation of HRM practices causes conflict between employees and organizations, influencing commitment and performance. This study examines the role of HRM practices, organizational commitment, and organizational performance among Malaysian State Sports Councils' (MSSC) employees by adapting the Social Exchange Theory and Organizational Commitment Model. This survey involved a total of 280 MSSC employees. The research instrument included 48 items designed to assess HRM practices, organizational commitment, and organizational performance. Data analysis was carried out using descriptive, inferential, and Structural Equation Model (SEM) using Analysis of Moment Structures (AMOS) software. Based on the findings, four dimensions of HRM (recruitment and selection, reward, performance appraisal, and participation and communication) were high, while training and development were moderate. The organizational commitment (affective and continuance) was at a moderate level, and normative commitment was at a high level. In the meantime, organizational performance was reported at a high level. Besides, the result also indicates a significant and direct effect between variables and organizational commitment partially mediates between HRM practices and organizational performance. In conclusion, the organization's excellent structure of HRM practices enables employees to commit to work and perform tasks according to the organizational goals. Future researchers should extend the study sample to other sports organizations or other public and private organizations in measuring HRM practices, organizational commitment, and organizational performance.

Keywords: Human Resource Management (HRM) Practices, Organizational Commitment, Organizational Performance, Malaysian State Sports Council

ACKNOWLEDGEMENT

Firstly, I would like to thank and praise Allah SWT for the precious time and opportunities I have been given in completing my master's successfully. My deep sense and gratitude are given to my main supervisor, Dr. Mohamad Firdaus Ahmad and co-supervisor, Dr. Muhammad Syukri Abdullah, for the continuous encouragement, patience and valuable ideas in assisting me to complete the writing of this thesis. Indeed, all the advice and guidance are very much appreciated. The knowledge provided is beneficial to make me learn the academic world deeply.

My appreciation is also directed to my family, especially my parents Hj. Safwan bin Hj. Ahmad and , who always educated and supported me in completing this research project. Besides, I greatly appreciate my friends who always assist and share knowledge in completing this journey.

Moreover, I would thank the National Sports Council for supporting this research to be conducted. Besides, thank you to Malaysian State Sports Council respondents who participated in the study for giving me cooperation and commitment in providing useful information. I also highly appreciate and thank the lecturers of the Faculty of Sports Science and Recreation for guiding me. Lastly, thanks to everyone that contributes directly or indirectly to this study.

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CHAPTER 1

INTRODUCTION

1.1 Background of the Study

In the era of transformation, both public and private organizations have given full attention to Human Resource Management (HRM) practices to remain their competitiveness in the global market. The success of an organization in adopting and implementing HRM practices serves as a clear indicator of its level of modernization. According to Cameron and Grootenboer (2018), the presence of human resources does not ensure the success of an organization. Still, it can produce a high level of performance when the execution of appropriate HRM practices can meet expectations. Organizations are aware that the implementation of appropriate HRM practices is a crucial requirement to succeed. This recognition stems from the fact that HRM practices can produce a satisfactory, effective, and efficient workforce among employees (Al Kurdi et al., 2021).

HRM practices have prompted organizations to implement policies aimed at recruiting, selecting, and training employees, thereby enabling them to develop greater flexibility, intelligence, and competence in business management compared to their competitors (Cherif, 2020). It is crucial for organizations to enhance employee motivation through their efforts. This is supported by Sarfraz et al. (2018), who argue that effective HRM practices can help secure talented employees, who are pivotal for an organization to accomplish its mission and vision. The capabilities of HRM practices are recognized as essential elements contributing to desired outcomes. This underscores that the adept application of HRM practices may influence employee productivity, indirectly fostering high organizational performance.

Moreover, HRM practices are also implemented to guide and enhance employees' commitment to the organization. Wijesiri et al. (2019) assert that the adoption of best HRM practices by organizations plays a fundamental role in their growth by facilitating the development and retention of committed employees. This is because HRM represents one of the significant investments organizations must undertake, particularly in terms of time and cost (Islam et al., 2019). For instance, organizations are required to make substantial financial investments in providing