



اَوْنُوْرَسِيْتِي تِيْكْنُوْلُوْجِي مَارَا
UNIVERSITI TEKNOLOGI MARA
CAWANGAN KELANTAN

THE ADOPTIONS OF HUMAN RESOURCE MANAGEMENT FUNCTIONS IN SMALL AND
MEDIUM ENTERPRISE: CASE STUDY AT PENGKALAN CHEPA 2 INDUSTRIAL ZONE.

NIK NAWWAR TASNIM BT NIK ABDUL RAHMAN

2010484802

BACHELOR OF BUSINESS ADMINISTRATION (HONS) MARKETING

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGY MARA

JULY 2012

ACKNOWLEDGEMENT

To complete the student's academic knowledge in practical condition of industry, twenty weeks industrial training has been included in the final semester of Bachelor Degree in Business Administration (HONS) Marketing (BM 220).

I have the honors to express my sincere thanks to the management of Falasino Sdn Bhd for providing me the opportunity to pursue my training in the esteemed organization. I place on record my thanks to Mr. Muhammad Fahmi Bin Hassan as the manager of Falasino Sdn Bhd for giving me every sort of help and guidance. I thank once to all the staff members of Falasino Sdn Bhd with the active support at whom I am able to complete my practical training successfully.

To complete the research project of "A Study on the Adoption of Human Resource Management Functions in Small and Medium Enterprise: Case Study at Pengkalan Chepa 2 Industrial Zone", I want to thank to Madam Hatinah Abu Bakar and Mr. Mohd Zainuri Muhammad as my thesis advisor who had guide me to complete my thesis project.

I also want to thank to MARA University of Technology for give me the opportunity to further my studies at the university. It would be my pleasure to thank to all of my lectures for teaches and guide me until I finish my studies. I also want to thank my parents and siblings for supporting me all the times and give support in term of financial and moral. They give me strength and thought me a lot in becoming a successful person in the future. Thank you all.

ABSTRACT

The focus of this study is to investigate the adoptions of human resource management functions in small and medium enterprise, where the case study is at Pengkalan Chepa 2 Industrial Zone. The objective of this study is to determine the adoptions of human resource management functions in small and medium enterprise. The second objective of this study is to know the relationship between the adoptions of human resource management functions in small and medium enterprise and training and development, performance appraisal, and compensation and reward. The variables involve in this research study are the adoptions of human resource management functions in small and medium enterprise as the dependent variable, while the independent variables are training and development, performance appraisal, and compensation and reward. The descriptive research design is being use in this research study. The sampling frames of this research study are the factory workers who work for Falasino Sdn Bhd, Terang Nusa Sdn Bhd, Rohm-Wako Electronic (M) Sdn Bhd, and Era Bayam Kota Sdn Bhd. From this research, the result shows that none of human resource management functions is being adopted by the company

Keywords: adoptions, human resource management functions, small and medium enterprise

TABLE OF CONTENTS

Letter of Declaration	i
Letter of Transmittal	ii – iii
Acknowledgement	iv
Table of Contents	v – vi
List of Tables	vii
Abstract	viii

CHAPTER 1: INTRODUCTION

1.0 Introduction	1
1.1 Overview of the Industry	1 – 2
1.2 Background of Study	2 – 3
1.3 Problem Statements	4 – 5
1.4 Research Objectives	5
1.5 Research Questions	5
1.6 Hypothesis	6
1.7 Significant of Study	7
1.8 Definition of terms	8
1.9 Limitations	9

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction	10
2.1 Small Medium Enterprise (SME)	10 – 11
2.2 Human Resource Management Functions	11 – 12
2.3 Training and Development	13 – 14
2.4 Performance Appraisal	14 – 15
2.5 Compensation and Reward	16 – 17
2.6 Theoretical Framework	18

CHAPTER 3: RESEARCH METHODOLOGY

3.0 Introduction	19
3.1 Research Design	19
3.2 Data Collection Methods	20
3.3 Sampling Technique	20 – 21
3.4 Data Analysis Methods	21 – 22

CHAPTER 4: FINDINGS

4.0 Introductions	23
4.1 Frequency Analysis	23 – 25
4.2 Reliability Analysis	26 – 27
4.3 Regression Analysis	28 – 30
4.4 Correlations Analysis	31 – 32
4.5 Hypothesis Analysis	33 – 34

CHAPTER 5: CONCLUSION

5.0 Introduction	35
5.1 Conclusion	35 – 36
5.2 Recommendations	36 – 37

APPENDIX

Questionnaire	38 – 43
Frequency Data	44 – 45
Rotated Components Matrix	46 - 49
Reliability Data	50
Regression Data	51
Correlations Data	52

REFERENCE	53 – 59
------------------	---------