THE INFLUENCE OF HUMAN RESOURCE PRACTICES TOWARDS ORGANIZATION PRODUCTIVITY: A STUDY IN SMALL AND MEDIUM ENTERPRISES (SMEs) IN PULAU PINANG

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DECLARATION OF ORIGINAL WORK

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ABSTRACT

Human resource practices is very important for every organization including the Small and Medium Enterprises (SMEs) in order to achieve the goals and be successful. This study discuss about 'The Influence of Human Resource Practices towards Organization Productivity: A Study in Small and Medium Enterprises (SMEs) In Pulau Pinang. The independent variables are the human resource practices that focusing to staffing, training and development, performance management and compensation management. Meanwhile the dependent variable is organization productivity. This study aims to identify the relationship between human resource practices among SMEs in Pulau Pinang. There are three (3) categories of SMEs size which are micro, small and medium.

There are 381 questionnaire was distributed to the randomly selected SMEs in Pulau Pinang. The questionnaire was sent through Google Form survey and also hard copy questionnaire. However there are only 57 returned questionnaire and only 40 of useable questionnaire. The data collecting method is simple random sampling. All the useable data was analysed with the SPSS version 21 using frequency analysis, descriptive analysis, reliability analysis, correlation analysis and lastly multiple regression analysis.

Lastly, the result of this study showed, (i) there is an insignificant relationship between staffing and productivity, (ii) there is an insignificant relationship between training and development and productivity. However, (iii) there is a significant relationship between performance management and productivity and (iv) there is a significant relationship between compensation management and productivity.

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