



**FACTORS OF HUMAN RESOURCE MANAGEMENT PRACTICES
AFFECTING ORGANIZATIONAL PERFORMANCE**

MUHAMMAD 'AFFIF FARHAN BIN NORHISHAM
2017895684

Bachelor of Business Administration (Hons.)
HUMAN RESOURCE MANAGEMENT

JUNE 2019

ACKNOWLEDGEMENT

IN THE NAME OF ALLAH S.W.T., THE MOST COMPASSIONATE AND THE MOST MERCIFUL

We begin in the name of Allah, most merciful for the strength, insight and determination thought the course that we have chosen, bringing to the completion of this project as the of the requirement. This thesis project assigned to me gave a tremendous impact toward me my-self. The impact was very beneficial for me in terms of enhancing my knowledge into deeper accounts. First and foremost, I want to express my deepest appreciation to my research advisor, Puan Zuhairah Hasan for the guidance and advice. The willingness to motivate me had contributed tremendously to my project completion. I also want to say my deepest thanks to my parents and also my friends who also helped me on this project. Without their encouragement, suggestions, ideas and comment throughout the days and months, this research could not be completed on time. Besides, also thanks to all the respondents of employees from Jakel Trading Company Segamat that had gave a full commitment and support to answer the distributed questionnaire. They played a big role in order to help me to complete this research. Information needed will not able to be obtained without their help. Thus that may affect the process of preparing this thesis. Last but not least, a tons of gratitude to the lecturers, professors, classmates and to every one of those who helped me either direct or indirectly to finish this research and also a million thanks to UiTM Melaka, Kampus Bandaraya Melaka for the opportunity to conduct this research in very conducive facility provided as well as the environment.

ABSTRACT

The purpose of this study was to examine factors of human resource management practices affecting organizational performance. This study employed descriptive research method in gathering, analyzing, interpreting, and presenting the information. The descriptive research design helped in focusing at the strength of relationship among factors of human resource management practices affecting organizational performance. The use of questionnaires were applied to obtain responses from employees of Jakel Trading Company. 139 usable questionnaires were usable and analyzed. The study adopted both descriptive and inferential statistics in data analysis and presentation. Correlations and frequencies are among the statistical measures used in this study. The study found that all the three hypotheses are supported. The results of multiple regression showed that staffs training, performance appraisal and rewards and recognition are all significant factors of human resource management practices affecting organizational performance. It is clear from the findings that staffs training and recognition do affect the organizational performance as a whole. This study provides input the employers in how to reward and motivate their staffs for better performance.

Keywords: human resource, management practices, organizational performance, training

TABLE OF CONTENTS

	Page
TITLE PAGE	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF TRANSMITTAL	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v-vii
LIST OF FIGURES	viii
LIST OF TABLES	ix
ABSTRACT	x

1.0 INTRODUCTION

1.1	Background of the Study	1
1.2	Problem Statement	2
1.3	Research Questions	4
1.4	Research Objectives	4
1.5	Significance of the Study	5
1.6	Scope of the Study	5
1.7	Limitations of the Study	6
1.8	Definition of Key Terms	7
1.9	Chapter Summary	8

2.0 LITERATURE REVIEW

2.1	Introduction	9
2.2	Human Resource Management Practices	10
2.3	Organizational Performance	10
2.4	Staffs Training	11
2.5	Relationship between Staffs Training and Organizational Performance	12
2.6	Performance Appraisal	13
2.7	Relationship between Performance Appraisal and Organizational Performance	14
2.8	Rewards and Recognition	15
2.9	Relationship between Rewards and Recognition and Organizational Performance	15
2.10	Research Framework	16
2.11	Hypothesis	17
2.12	Chapter Summary	18

3.0 RESEARCH METHODOLOGY

3.1	Introduction	19
3.2	Research Design	19
3.2.1	Purpose of the Study	20
3.2.2	Types of Investigation	20
3.2.3	Study Setting	20
3.2.4	Extent of Research Interference	20
3.2.5	Unit of Analysis	21
3.2.6	Time Horizon	21
3.3	Population	21
3.4	Sampling Technique	21
3.5	Instrument or Measurement	22
3.5.1	Questionnaire Design	23
3.5.1.1	Nominal Scale	23
3.5.1.2	Likert Scale	23
3.5.2	Questionnaire Items	24
3.6	Data Collection Method	29
3.6.1	Primary Data Collection	29
3.6.2	Data Analysis Method	30
3.6.3	Reliability Analysis	31
3.6.4	Mean	31
3.6.5	ANOVA	31
3.6.6	T-Test	32
3.6.7	Pearson Correlation Coefficient	32
3.6.8	Multiple Regression Analysis	32
3.7	Chapter Summary	33

4.0 RESULTS AND DISCUSSION

4.1	Introduction	34
4.2	Demographic Profile	34
4.2.1	Gender	35
4.2.2	Age	36
4.2.3	Level of Education	37
4.2.4	Position	38
4.3	Reliability Analysis	39
4.4	Descriptive Analysis	40
4.4.1	Mean for Staffs Training (Research Objective 1)	40
4.4.2	Mean for Performance Appraisal (Research Objective 2)	41
4.4.3	Mean for Reward and Recognition (Research Objective 3)	43
4.4.4	Mean for Organizational Performance (Dependent Variable).....	44
4.5	Regression Analysis	47
4.6	Hypothesis Testing	48
4.6.1	Hypothesis 1	48
4.6.2	Hypothesis 2	49