Research Paper



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HRM Effectiveness within the Role of HRM Department at the Large Companies in Malaysia

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Abstract: This study examines the relationship between the role of the HRM department (strategic partner, change agent, employee champion, and administrative expert) and HRM effectiveness among large firms (i.e., manufacturing firms that have 150 or more full-time employees, whilst, 50 or more full-time employees for the service firms) in Malaysia. Data from a survey of 108 firms were analyzed using hierarchical multiple regression. The results indicated that business partner role positively related with HRM effectiveness, whilst the other two roles were unrelated to HRM effectiveness. Lessons and implications for the role of the HRM department and HRM effectiveness are presented. We conclude that the role of the HRM department is changing in Malaysia from administrative expert role to business partner role. Role changes of the HRM department helped the organization to increase the effectiveness of HRM.

Keywords: Role of the HRM department, HRM effectiveness, HRM, Malaysia

INTRODUCTION

The field of human resource management (HRM) is in transition. The linkage between HRM and firm performance has dominated much of the debate within the HRM literature since the mid-1990s. HRM practices and firm performance links are well established in the Western literature (e.g., Delaney and Huselid, 1996; Delery and Doty, 1996; Huselid, 1995). HRM has been an appealing area of corporate management but less academic focus since socio-economic

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