HUMAN RESOURCE MANAGEMENT BEST PRACTICES AND FIRM PERFORMANCE: A UNIVERSALISTIC PERSPECTIVE APPROACH

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Abstract

The universalistic perspective of human resource management practices perceives that a set of practices can achieve competitive advantage and firm performance. This study sought to investigate the relationship between best human resource practices and firm performance. A descriptive survey research design was used to gather primary data using self-administered questionnaire. The study population (n=312) was comprised of non-executives, executives, managers, and top management from seven major insurance firms at headquarters in the Klang Valley, Malaysia. The study found that performance appraisal, internal communication, SHRM alignment in the organization, and career planning were the human resource management best practices.


1. INTRODUCTION

The perceived level of productivity and customer service provided by the insurance industry in Malaysia has deteriorated due to lack of skilled and competent workforce. Organization today, specifically insurance industry is aware of the importance of human resource management (HRM) as the leading indicator in achieving improved sales growth and the creation of innovative insurance products. Therefore, local insurance firms have to be more efficient, productive and innovative on its HRM practices implementation that is closely aligned to the firm’s objective, business needs as well as the culture to sustain competitive advantage in the market. The contribution of this paper

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