HUMAN RESOURCE MANAGEMENT DETERMINANTS: CASE STUDIES OF MULTINATIONAL COMPANIES IN JAPAN.

ASEMOTA OSARODION (52117620)

SUBMITTED IN THE PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, RITSUMEIKAN ASIA PACIFIC UNIVERSITY, JAPAN, MAY, 2019.

Table of Contents

ACKNOWLEDGEMENT.

Above all, I wish to thank the almighty God with sincere thanks for the gift of life, his love, his protection and for his goodness and abundant mercies. Thus, without the support and assistance of some people the thesis would not have been completed. They all made it possible via some continuous support both for my MBA study and research work. I want to thank the thesis supervisor in particular, Dr. Damon Drummund. He gave me valuable support, encouragement, motivation and enormous knowledge, and he also provided me with the most valuable and professional guidance and feedback.

I couldn't have imagined having a better adviser and mentor on my master's degree. His guidance helped me throughout my research and writing of this thesis

My heartfelt thanks, too goes the JICE/JICA and the Japanese Government, who provided me scholarship opportunity to study in one of the most prestigious multicultural University in Japan. Also, to the people of Japan I say "Domo arigatogozaimashita" for the discipline, hardworking and honesty spirit you had instilled in me all-the-way.

I want to thank my family: my parents and sisters for their spiritual support. I would like to thank my family: my parents and to my brothers and sister for supporting me spiritually and, with all your heart and might all through the study and my my life in general. A VERY BIG THANK YOU GOES TO FULL GOSPEL OITA CHURCH, to Pastor Kim and family, Tim, Samuel, Opal, Opelo, Cia and all of you all, I say Thank You for your plenty support and prayers. You have really helped in transforming my life positively. Also, am thankful to all of Daimon Zemi group member, you all were so amazing, Edley, Ken , Habiba, Phoung, Asaka, Aisu, Nanami and all of you, am so happy and honoured that we crossed path for good and for knowledge.

Special hearty appreciation to Keni Johnson for his brotherly and kind hearted role you have

being playing in my life since I met you in Japan. I also thank my fellow course mate and friends who contributed their great positive effort in my study; such includes, Hosni, Desmond, Edley, Enia, Maddison, Malish, Haji, Sara, Enoma, Osazee to mention but a few, am indeed grateful.

ABSTRACT

This research examines human resources practices management and its most significant determinants factors for its adoption and practices in organizations to the successful realization of its aims and objectives for Japan. The study began with a literature review that helped in identifying a conceptual framework based on the organizational and environmental factors in the form of internal and external factors; A qualitative data survey questionnaire was completed by HR managers and professionals across multinational companies in Japan. Results established by factor analysis that, determinants that affect Human Resource Management practices are 'priorities of top management,' 'technological change,' 'size of the organization,' and 'HR staff experience.' Other findings are that both firm internal and external factors have a significant positive interrelationship, for example, internal organization practice to external economic impacts. This research is important for both researchers and practitioners because it gives insight into HR practices of multinational firms in Japan.

Keywords; Human Resource Management practice, Japanese human resource practices, internal factors, and external factors.

CHAPTER ONE

Introduction

Growing up with parents had always taught me how to manage both material and human resources, and after offering HRM class in the third semester, I began to develop more interest in this field of study and wanted to delve more into this research area.

Much as companies are concerned, be private, public, NGO's or MNC's as the case may be, HRM and practices have over time gained the utmost importance in productivity, efficiency, innovation and the overall success of any organization rather than been perceived as factor production. In recent times, where there is a rapid growth of technology and globalization that has broken barriers of international trades, human resources of any company indeed is believed to be is the biggest asset and if well practiced will gear the company to the realization of its aim and objectives.

According to (Dessler.G, 2017), Human resource management practice involves the practices and policies that are concerned with human resource, such includes, recruiting, training, screening, appraising, and rewarding. Also, (Nguyen, T. V., & Bryant, S. E., 2004) defined Human Resource Practice as a strategic integration of Human Resource practices into the development and management of the employee. However, it thus includes the interrelationship between employees and employers as recruitment and selection, development, and training as well as appraisal and compensation. Generally speaking, International Human Resource Management (IHRM) has been described as "HRM issues and business internationalization issues as well as the HRM policies and practices pursued by companies in response to business integration and development, (Scullion, H. and M. Linehan, 2005)". Going beyond the national context to international business, International Human Resource Management (IHRM) will become more involved with Human Resource problems of

multinational companies, such as "expatriate management." In a broader perspective, IHRM is more concerned with evolving HRM issues which linked with the different stage of the internationalization process, (Boxall, 1992).However, International Human Resource Management now focuses more on expatriate management than its traditional focus on expatriation.

Meanwhile, the Human Resource practices by foreign multi-nationals in Japan is believed to be influenced by the Japanese business system, which is known to be well rooted in the Japanese strong cultural heritage. However, the world is now becoming a smaller global village where economic activities are becoming more and more integrated. Much as multinational companies would depend on its international human resource best practices and strategies that will capacitate the MNCs in other to succeed. Because of this, Multinational companies (MNCs) had to introduce and work on their best practices. That will possibly lead to the internationalization of HRM. MNC's had to implement international practices in other to promote the maximization of its economic goals, much as the laws of the host country are also respected.

The Japanese invariably has a clear understanding between traditional and foreign things; this has to give them the importance of borrowing from others while preserving their Japaneseness, (Martins, 1994). Such common traits in Japanese society, such as protocol, group-centeredness, and authoritarianism, are still prominent ingredients in their work practice. Japanese practices of hiring workers that are college graduates into entry-level positions are still prevalent in Japan as promotion and pay increment are automatic. In traditional Japanese, human resources practice mainly focused on seniority-based (nenko-joretsu), and it is usually determined by the length of service, rather than merits or job duties. Another of this practice is the lifetime employment (Shushin Koyo) system and a culture of gathering after work hours to foster cooperation and harmony amongst many staff in the organization. However, the old

traditional ways of Japanese human resource management practice is a bit changing. However, because of the cultural significance of the Japanese tradition and been that it is well established, changing this practice is somewhat slow and limited. In as much as economic factors and today's globalization entails change, the deep-rooted mindsets and traditions of the Japanese have indeed resisted and limited these changes in some respects. It is now undeniable that rigidity and pressure exist in Japanese HR practices even between the new and old employees.

We could highlight some main features of the Japanese unique and ancient human resource management practices includes lifetime employment, seniority-based, unionism, loyalty to the company, gender inequality, and consensus decision making.

Although notwithstanding, tension continues to exist in the Japanese HR management between their traditional mindsets and competitive global efficiency mandate. We then say that Japanese HR practice, without a doubt, is slowly changing; this is primarily due to the impact of competitive globalization and recent weak economic performance. Furthermore, though the Japanese lifetime practice is somehow receding, still, a lifetime system of HR stands beyond doubt as a culture, even though it is not economically feasible. However, the shrinking in the seniority system resulting from the growing aging population is gradually replaced by the performance-based system, as the seniority-based system is perceived not to be economically viable, much as the latter will be retained due to the influence of senior staffs and traditions. The unionism practices had initially declined at the time of the economic downturn of Japan in the 1990s. The employee loyalty and the Quality Management System (QMS) are also bound to a gradual change as a more considerable influence, and authority is given to the younger generation which will allow then to exhibits more significant Individualistic character and characteristics, both in the workplace and all walks of life in general. The gender inequality and consensus decision-making are, without a doubt, the slowest changing practice as they represent the deep-rooted aspect of culture and HR practice in Japan.

Finally, it is evident that the standard Japanese HRM practices are already changing, although these changes are somewhat limited and slow. Contemporarily, these changes are unavoidable and undeniable as the younger generation and globalization put forth influence into the system. Because of the above developments regarding the gradual and slow change in the society. Based on the above, the following research questions are developed in other to addressing the above concerns.

1.2 Research Questions.

This research is set out to answer the following questions

a) What are the determinants of HR practice of Multinational companies in Japan?

b) What is the relationship between various determinants?

c) Find most significant determinants.

To review this, I modified a conceptual model of variables for Human Resource (HR) and collected and analyzed data from other literature (Hatic .O. & Harun .O. (2009), which is represented as the figure below.
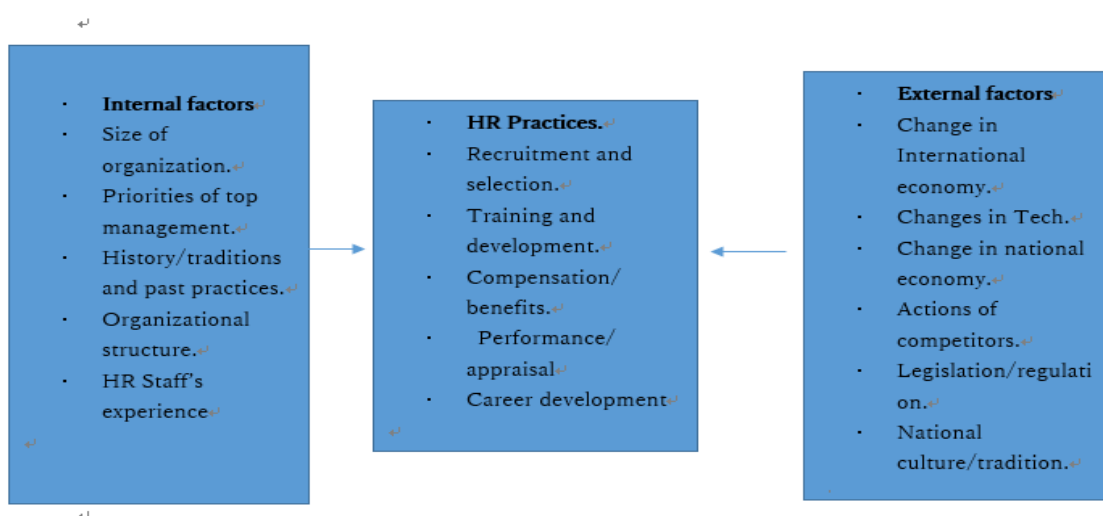
Figure 1.1 **A CONCEPTUAL FRAMEWORK MODEL FOR THE RESEARCH**.

The model above was modified from (Hatic, .O. & Harun, 2009)to fit into the context of the research. Generally, the figure is made up of three frames (internal factors, HR practices, and external factors), which was believed to be the primary constructs for an organization to function correctly. In other words, Human Resources activities in an organization are either influenced by factors within the organization or factors from outside the organization. In this research, we are set to ascertain which of these factors, from either internal or external affect Human Resource (HR) practices the most.

1.3 Chapters Overview

Chapter one (1), talks about the introduction. Chapter two (2) covered an intensive literature study of the concepts of Human Resource Management Practice. Section three (3) talks about the adopted methodology. After that, chapter four (4) delves into the discussion and analysis of the results. Concluding, is chapter five (5), and it covers the conclusion (discuss findings), limitations of the research, and further recommendation.

1.4 Summary

The section gave an understandable oversight of what is expected to be the findings of the research. A brief research background that includes; the research questions, research objectives, as well as the overview of the research chapters. The next section gives a comprehensive review of the existing literature of various forms and concepts of Human Resource Management Practice. (POOLE, M. and JENKINS G, 1996)

CHAPTER TWO.

LITERATURE REVIEW.

2.1 **Introduction**

Over the past few decades, there has been a heightened research and concerns in the area of Human Resources Management (HRM) practice. The quest for this area of study has brought about using the various configuration of Human Resource practice by organizations, (GONZALEZ, S. M. and TACORONTE, D. V., 2006). Much as Business organizations today are working in a challenging uncertain environment, rapid technological advancement and diffusion (Imran, M., & Tanveer, A., 2015), moreover globalization, all these forced new patterns of competition that exceed the local level into the international (Cortada, 2014). According to (Kotler, P., & Keller, K. L., 2012), the evolution of information and communication technology creates highly knowledgeable demanding customers with unlimited needs and expectations. Based on these conditions (Smith, A., Courvisanos, J., Tuck, J., & McEachern, S, 2012) pointed that traditional reactive operations are not sufficient anymore to satisfy customers' needs or to achieve competitive edge, organizations must rely on creativity, innovation, flexibility and speed in introducing novelty with value added as (Krajewski, L. J., Ritzman, L. P.,& Malhotra,M. K., 2013), recommended.

However, like many writers who have defined HRM as a practice, and systemic recruitment and development of employees in an organization, as well as influencing their attitude, behavior, and performance in other to attain organization aims and objectives, (Stone, 2008). Meanwhile, Human Resource Management had developed over time consequent upon external economic pressure, which had compelled organizations to some internal change in other to survive, (Molander, 1996). However, HRM in the residential palace involves dealing with issues of human resources within a sovereignty/ nation's boundary. Beyond the national contest

is the IHRM that includes one or more countries (expatriation). Thus, as companies begin to expand their business to other countries, there is usually a shift in is HRM practices due to its new international environment.

There is no doubt that multi-national companies do undergo some challenges, which are usually in MNCs ability to transfer its HR practices into a new overseas subsidiary, (Bjorkman, I., & Lervik, J. E., 2007). Generally speaking, determinants of Human Resource practice in Multi-National Companies, is being influenced by the tension between market peculiarities and global integration. (Hannon. J., Huang. I., and Jaw .B., 1995).

Human resource management practice involves the process of acquiring, selection, appraising, training, compensating employees, as well as attending to their labor relations, safety, health and fairness concerns (Dessler.G, 2017) HRM is then seen to be the function of the management process towards realizing organizational objectives. Thus, it is the sole function of every organization to manage employees' related issues, such as incentives, training, to mention but a few. Human resource management can be known to be a planned concept to manage employees in workplace culture. So, therefore, when this human resource effectively utilized, it positively contributes to actualizing the organization goals and objectives.

Today's HRM practice does not only involve just employee attendance and other fundamental issues; instead, it deals with a broader area such as safety and healthy environment consideration, motivational issues, employee capacity building as well as spiritual and material needs for employees. The traditional Human Resource Management practice had involved a planned utilization of employees, whereas modern HRM practice functions further to HRM metrics, measurement, and strategic planning. To this new functional influence, the traditional HRM system presently perceived as Talent Management.

2.2.1. Training and Development

Training and development in the words of (Storey, 1995), training and development form the core components in the most formation of HRM. Also, according to (Noe, R., Hollenbeck, J., Gerhart, B. & Wright, P., 2004), in the economics of work, forward-looking management is one that provides opportunities for the development of human capital. The development then allows the employees to become its organizational most reliable partner if and only if they are best to develop to optimal potentials. Thus, training can be defined as systematic activities that aimed to reinforce human resources skills and knowledge to perform their current tasks properly (Noe, 2013). (DeCenzo D. A., and Robbins S. P, 2015) Perceived training as an organizational attempt to make a positive change in employee's attitudes, behavior, furthermore (Robbins, S. P., & Coulter, M. K, 2012) view training as a set of coordinated actions aimed at changing human resources trends and behavior to achieve organization objectives. (Bernardin, H. J. & Russell, J., 2013) Commented that training is the organizational efforts aimed to provide all staff with the necessary capabilities to perform their current tasks efficiently and effectively. Nowadays, most organizations take a broad insight into acquiring this idea of learning and development in both individual and organization's perspective, as a way of gaining competitive advantages. Thus, this will help them to meet the demands of continuous growing technology, customers, competition, amongst others. Continuous training and retraining as it is, in most cases, lead to better performance. To this end, superiors and supervisors alike are expected to be adequately trained to enable them to set standard criteria for the subordinate to follow suit.

Also, development program encompasses a group of organized activities, that have a broader objective in scope and content, and its usually directed by the organization's future intent and how it will accomplish its strategic purposes (Mello, 2015). The primary goals of development programs are to make sure that the needed future talents are available, and the expected future

jobs will be adequately occupied by competent qualifications (Dessler, 2014). (Noe, 2013) Emphasized that both types of programs are necessary for organizations; the training for achieving short term objectives and the long term strategic objectives can be attained through development programs. All employees must be provided with the right skills to perform current and future tasks as planned (Genç, 2014)

2.2.2. Selection and Recruitment

One main function of Human Resource Management in any organization is to provide the organization with efficient and sufficient resources at different areas and positions to best fit the job task accordingly. In other to actualize this, the relevant department start by making a proposed plan. Human Resource planning is an aspect of Human Resource Management practices that aids managers in anticipating and meeting changing needs that are associated with the acquisition, utilization, and deployment of employees, (Kleiman, 2000). (Noe, R., Hollenbeck, J., Gerhart, B. & Wright, P., 2004) Had stated that personnel forecasting is usually the first process in HR planning. According to (Dessler, 2000), developing personnel plans require three forecasts: one for personnel requirements, for the supply of outside candidates, and the supply of inside candidates. Meanwhile, Human Resource Management ability to getting the right candidate for the job is usually a priority of their plan, especially in a time when the concerns of the most organization are a focus on the effective and efficient functioning of the organization, (Lloyd L. B. and Leslie W. R., 2004).

2.2.3. Compensation/Incentives

Financial benefits or otherwise is significant to the employee and employers in every organization, as it is a major element that influences staffs in every organization. Thus, at the same time, when the organization fairly and properly compensates its employees, it increases their performance as well as the organization performance, (Bilal J. and Raja N. S., 2011). The

worth of a particular job or task usually calculated with a fair relative comparison to other jobs based on the content, which is most times described in terms of some compensable factors, such includes effort, skills, qualification, and responsibilities. According to (Noe, R., Hollenbeck, J., Gerhart, B. & Wright, P., 2004), incentives are the type of payment that is normally fixed to workers performances, profits, and other measures of success. As a result of this, most organizations usually control and direct employees as well as boost morale through the payment of incentive. This is so because the incentives are linked and influential to predefined outcomes or behavior.

However, (Dessler, 2000), said that incentives are usually giving to some specific employee who is working above standard. On the other hand, employee benefits are available to all employees as being a member of the organization. Employees that sufficiently compensated tend to perform better, as it is seen as an essential tool that helps to boost morale and to keep the organization going to the realization of its aim and objective.

2.2.4 Performance Evaluation

Performance appraisal is the assessment of the job performance levels of employees, (Kleiman, 2000). Human Resource department overtime evaluates the performance of employees in the organization. This, therefore, helps to know whether the employee is progressing positively towards the organization's aims and objectives. Conversely, it also helps bring to the notice of the organization about such employee areas of improvement, making it possible for the HR department in making relevant developmental plans as well as training. A sound performance appraisal system is capable of creating a competitive advantage as well as improving an employee's performance level. It also helps to direct and monitor employee behavior in line with the organization's demands and goals. It helps in knowing what is to be expected of the employee, thus, bolsters the organization strategic plan.

2.2.5 Career Development

Career development is another critical area of Human Resource Management. Career development comprises of various activities that aid staff growth and development to realize organization set goals and objectives. A well-designed career development program, together with merit-based internally developed opportunities, enhances employee', motivation, and has a positive influence on the overall performance of the organization (Milkovich, T. G., & Boudreau, W. J., 1998). This series of opportunities include learning new skills such as training, time management, seminars, exhibition, career management, communication management, teamwork, workshop, and other corporal functions as the organization deems fit. Thus, career development is an ongoing process that will not only help to grow professionally but also as an individual.

2.3. Determinants of Human Resource Practices

In understanding these determinants, the factors affecting HR practices are considered in the form of internal and external factors. Basically, within the organization and national contexts, HR practices seem to be diversified to a great extent as the difference in these practices is related to some organizational and environmental characteristics. The organizational factors, also known as the internal factors include; organization structure, organization size, business strategy, managerial experience, age and name of the organization. The environmental factors are associated with the external players and cause a significant influence on the organization, such includes; national economy, regulatory laws, and technological change. Thus, various practice is seen in different Human Resources models and practices as it has been affected by various factors (JACKSON, S.E., SCHULER, R.S. and RIVERO, J.C. , 1989). Below are some factors that can influence Human Resource practice, as its being classified under internal and external factors

2.3.1. External Environmental Factors

The external environment, which is mainly seen as the market environment, has always been in an unstable state in the past few decades. Therefore, in other to maintain a favorable outcome in spite of the fast global technological change, organizations must be able to critically understand and analyzes at least the necessary change and trend of environmental markets and by this, they will be able to develop efficient and effective practices and policies in other to meet the market demands. Meanwhile, the external factors influencing an organization's Human Resource practices are the pressure that is uncontrolled and cannot be changed in the desired way in the short while, (KANE, B. and PALMER, I., 1995). Some of these factors are listed hereunder.

Change in the International Economy. More concerns together with attention, are now giving to the international aspects of HRM practices, and it is becoming more and more critical and relevant following the involvement and development of the technology in the global economy. With this, the focus of Human Resource practices has moved to concepts such as international competition and globalization from traditional practices such as internal selection and rewards (SATOW, T. and WANG, Z.M., 1994).

Technological Change: (GARAVAN, T. N., WILSON, J. P., CROSS, C. and CARBERY R., 2008) has said that the recent global technological advancement has indeed created new wave markets across different sectors in the global market. It has provided various advantages in business. This new market has, in turn, created new skills and jobs which have helped in changing the old-fashioned ways of business into a faster, more comfortable, and convenient way. Thus, recent technology advancement has influenced the implementation of HR management practices and policies.

National culture: Culture, as we all know, in its basic form, is the way of life of people. In a more specific context, the culture of a country affects and interacts with their daily lives and in

their business practices. The increase in globalization and internationalization of businesses has made it more urgent than ever in understanding how to build HRM practices that can deal with national and cultural differences (ALAS, R., KAARELSON, T. and NIGLAS, K, 2008). Culture plays a crucial role in the preferences of organizations to develop appropriate structures and methods for their Human Resource practices (CHANDRAKUMARA, A. and SPARROW, P., 2004). However, a contextual difference exists between the HR practices between the industrialized and developing society. In the same vein, intra-nationals differences that also exist within a country has also led to the variation of HRM practices.

Industrial characteristics: The type of industry or sector to which an organization belongs could also affect the decision-making process of its human resources practices. Meanwhile, the Human Resource department is expected to take functional cognizance of the type of sector they belong to either service or manufacturing as the case may be. The idea is that different industries have different production processes, thus requiring specific human resource practices in other industries to fit in or fit into their production process.

Regulations: There is always a set of rules that, as the case may be, are constituted by a body, organization or country, and the people there are expected to obey and abide by the rules. Therefore, any organization operating within the purview of the country expected to follow the government's laws, even as staff and personnel of an organization also adhere to the guiding ethics, rules, and firm code of conduct. Thus, MNCs are subjected to laws within a host country, and such could influence the behavior and its operation.

Actions of competitors: There is no doubt that competition exists amongst different firms within and across the changed sector. So, in other to achieve a competitive edge over other competitors, one has to apply different Human Resource practices and strategies at a different time as situation demands. This allows organizations to develop more advanced practices and

strategies as an instrument for the actions of competitors. There are several means of companies gaining a competitive edge or sustainable benefit over competitors, such as developing a comprehensive HR practice (JACKSON, ET AL., 1989; KANE, B. and PALMER, I., 1995; POOLE, M. and JENKINS G, 1996; NARASIMHA, 2000)

Union activities: The activities of union is also considered as one factor affecting human resource practice. However, the influence of the trade union activities can vary between union and organization. The presence or lack of organizational unions is a significant factor that is known to be associated with certain Human Resource practices (KOCHAN, T.A., MC KERSIE, R.B. and CAPELLI, P., 1984). Meanwhile, there has been a kind of noticeable shift in focus from the mindset of industrial relations to the mindset of employers. The main issue (tussle) here is usually to find a peaceful coexistence between industrial relations and human resource practice. Thus, it is essential to achieve a reasonable balance between collective bargaining practice and specific employee relationships (ALAS, R., KAARELSON, T. and NIGLAS, K, 2008) in other to maintain an uninterrupted productive working environment.

2.3.2. Internal Factors

The internal working environment of an organization consists of the elements within (people), and it cooperates culture management. The organization HR practices could also be influenced by its characteristics response to a giving situation, as it affects or determines their practice. That is to say; another may at one point, replace one dominant variable as conditions change. (WELCH, 1994). Meanwhile, a long list of organizational characteristics related to HR practice has been compiled by researchers (MILKOVICH, G.T. and BOUDREAU, J.W., 1991). These characteristics are of the internal factors as it concerns HRM practices and they includes;

Size of Organization: The size of an organization, either small or big, could tell to what extent and capacity it can function. The size of the organization is a crucial factor that explains the intensity and the type of Human Resources Management (GARAVAN, ET AL., 2008) being

practice. As regards HRM practices, it remains an essential and essential element of organizations. Although HRM practices is a common practice across different organization, studies suggest that plenty of small firms do not practice it (MCPHERSON, 2008). HR practices could also be seen as a resultant of functional division and growth. In a small organization, one or two staff are most times are responsible for the conducting the affairs of human resource, whereas, in a larger firm, a different HR department may be required for each functional level (JACKSON, ET AL., 1989; KAYNAK, T., ADAL, Z. and ATAAY, İ, 1998). However, the organization culture remains a critical difference between both large and small organizations.

Organization structure: Organization's corporate structure and strategies over the years are becoming more integrated and flexible following the globally competitive, demands, and changing the environment. However, the existing structure and strategy in an organization also and usually determine the human resource practices integration and flexibility. Significant structural differences exist between companies that affect the design and implementation of HR practices.(GARVIN, 1986),(TOMER, 1995), (HUDSON, M., SMART, A. AND BOURNE, M., 2001).

Business strategy: These are sets of plans and actions that a firm uses to achieve its competitive advantage and set goals. There is always a cause and effect between human resource decisions and the organization's business strategies. However, various organizations apply different business strategies in responding to different situations in other to gain a competitive edge in their businesses. In most cases, the effectiveness of a corporate strategy is most times attain when coordinated following the organization's Human Resources practices. Companies can improve their environment by making tough choices about human resource practices that consistently support their chosen strategy Companies can improve their environment through the effective decision-making process on Human Resources practices that

support their chosen strategy (MILKOVICH, 1991; SCHULER, 1992).

History, traditions, and past practices: In any change process as it is today, be inflexible, and resistance to, or adopting this change is a subject matter that organizations usually put under critical consideration. Resistance is a behavior that seeks to maintain the status quo. Some closely related factors like traditions' history and past practices tend to resist change in most organizations. (KANE, B. and PALMER, I., 1995; PARDO, 2003)

The priority of top management: Priority top management plays a vital role in planning, implementing, and decision-making processes. Most writers appear to acknowledge the influence of top management on human resources practices, although only to the advice from the support of top management (ONDRACK, D.A. and NININGER, J.R., 1984; KANE, B. and PALMER, I., 1995). The organization's management style, practices, and priorities significantly impact Human Resource practices. (GARAVAN, T. N., WILSON, J. P., CROSS, C. and CARBERY R., 2008). Thus, the top management plays a vital role in designing and implementing HR activities to the realization of the organizations' objective. Top management responsibilities also change from time to time as they embraced a greater responsibility for issues associated with HR practices, following the awaken of Strategic Human Resource.

HR staff experience. Personnel from human resources are known to be highly involved in the decision-making processes of human resource policies and practices. Meanwhile, their experience and knowledge always determine their perception and as such, could have a significant impact on their decision. Thus, their knowledge baseline usually includes; experiences, written HR theories, and research, and information from peers alike as well as consulting professional firms. Because of the above, both internal and external factors affect HR practices, and we can then make an argument that the effect of the said factors can never be the same, both in extent and channel through which this factor has been encountered. In

order to analyze and determine which of the factor that has more effect than the other on HR management practices, we conducted an empirical analysis on them. In other to determine and analyze which factor has more impact on HR management practices than the other, an empirical analysis needs to be conducted. The empirical analysis below is targeted at determining the main factors that influence HR practices, both in terms of the subsidiary and general practice.

2.4. SUMMARY

This chapter (two) talked about the literature review, which was carried out through articles, journals, and textbooks. Also, it talked about the functions of Human Resource Management practice. It went further to talked on the determinants of Human Resources practices based on internal organizational characteristic and external environmental characteristics. The next chapter will discuss the conceptual framework based on the internal and external characteristic factors that influence Human Resource Practices.

CHAPTER THREE

CONCEPTUAL FRAMEWORK

Figure 3.1 depicts the conceptual framework for this study based on external and internal factors that affect Human Resource practice. The model provides an insight into the various influencing factors (internal and external) involved in a business environment. To explain this, we used a multiple constituency perspective because it analyzes the various factors that affect HR practices. However, there are different perspectives of this theory, namely;

i. Constituency theory

ii. Structural functionalism theory and

iii. Strategic Human Resource Management (SHRM).

All these can then be tailored together to develop a multiple- constituency approach, which is fundamental in answering the research questions as well as to the research.

3.1 Strategic Contingency Theory (External)

This theory focuses critically on contingencies in the external factors of an organization. The underlying assumption is that organizations have highly permeable boundaries, and the HR practices respond directly to environmental demands. The underlying assumption is that organizations have very permeable limits and the HR practices directly respond to environmental demands even as the organizational strategy's buffering role is not taken into consideration (TSUI, A.S., and MILKOVICH, G.T, 1987). In addition to this, Human Resources Management practices are perceived as a response to severe external pressures such as laws and trade union activity (Jacoby, 1983; Kochan, MC Kersie, &Capelli, 1984; Kane and Palmer, 1995). However, the above theory does not place any importance on the internal factors affecting HR practice. This concept is depicted in figure 3.1 by the external environment box.

3.2 Structural Functionalism (Internal).

The effect of internal factors that affect Human Resource practices, and it is also an essential theoretical view used for the activities of the Human Resource Management (Tsui & Milkovich, 1987; Darmer, 2000). On this ground, Human Resource Management functions are designed so to fit the aims and objectives of the functional organization, that produces as efficiently as possible a limited line of products or services, (MILES, R.E. and SNOW, C.C., 1984). Therefore, this only focuses on internal factors, even though the external factors are not thoroughly examined within this concept.

3.3 **Human Resource Practice.**

In today's era, Human Resource (HR) practices, together with Strategic Management, has led to a new area of research known as SHRM. This can be defined as designing and implementing a series of internal consistency practice by Human Resource (HR) to help the organization achieve its goals and objectives (CHANG, W-J. A. and HUANG, T.C., 2005). This is chiefly aimed at perceiving Human Resources Management as a strategic factor, not only because of its duty in implementing the management strategies and practices but also due to its potential as a competitive sustainability source (WANG, D-S and SHYU, C-L, 2008). However, both environments (external and internal) environments are acting in response to organizational aims and SHRM objectives. Having established a functional set of organizational HRM, the Human Resource strategy then constitutes part and parcel of this broader corporate strategy. (KANE, B. and PALMER, I., 1995).

3.4 **The Multiple Constituency Perspective**

The above is vital in investigating the many activities that are performed by the Human Resource department; each view emphasized. However, HR practices have a more dynamic and complex economic and organization context than are shown individually by either of the

three (3) theories. The multiple constituency approach views Human Resources Management is in an organization as the system unit and defines the environment in terms of the multiplicity and complexity of constituency expectations, (TSUI, A.S., and MILKOVICH, G.T, 1987). These constituents may include players from inside and outside and may be defined as an individual, group or organization that is of particular interest for or against an organization. Therefore, HR practices are perceived to influence by both internal and external factors. Meanwhile, the level of impact varies accordingly depending on the factors that are involved, some of these include; sector, country, and size of the firms e.t.c.

3.5 A RESEARCH MODEL

Given the above subject matter, we can then apply a simple and appropriate descriptive model, as shown in the below table to describe multinational human resources.HR practice in Japan. Thus, the model is taken to be a function of internal, external, and controlled variables. Meanwhile, the internal and external variables that were selected for the research is following the research model of, (Hatic, .O. & Harun, 2009). Also, included in the model is the controlled variables, which includes firms' market orientations, total quality management (TQM) amongst others

Also, this model took on HR practices functions such as selection and recruitment, development and training, compensation and benefits, such as recruitment and selection, training and development, benefits, performance assessment, industrial relations, and career development.
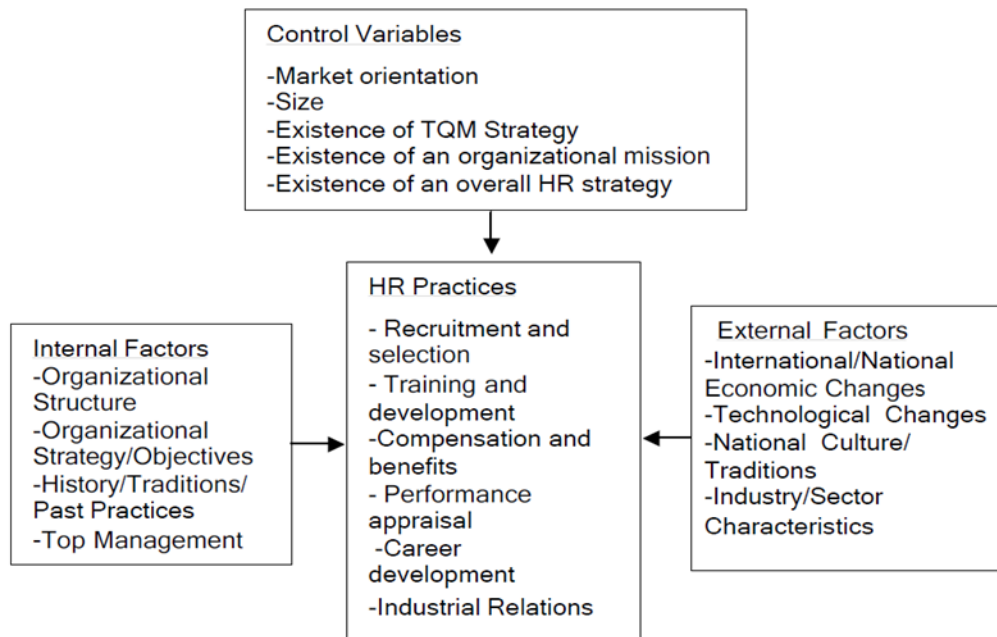
Figure 3.1. Source; (Hatic, .O. & Harun, 2009).

3.6 HYPOTHESIS (factors under investigation)

From the Research Question and the model of a conceptual framework, the following hypotheses can then be suggested based on the above knowledge. First of all, the internal factors affecting HRM policies and practices listed above should be related to external factors. In other words, there is a need for coherence in policies and practices. Generally speaking, all external and internal variables should be put into consideration when an organization is to determine its practices and strategies. This circumstance, therefore, requires an overall approach to external and internal factors that affect Human Resource Management activities. However, the internal elements of Human Resource practice are influenced by external environmental factors and vice versa. That is to say; external factors create an internal structure. Therefore, during the HR policy and practice planning process, the Human Resource manager/expert should take into account all the environmental and structural elements.

Thus, it can then be stated that the hypotheses for the research include;

Hypothesis one (H1) is the Size of the organization.

Hypothesis two (H2) is Priorities of top management.

Hypothesis three (H3) is Traditions of past practices

Hypothesis four (H4) Organizational structure.

Hypothesis five (H5) is the Human Resource staff experience.

Hypothesis six (H6) is Change in the International Economy.

Hypothesis seven (H7) is Changes in Technology

Hypothesis eight (H8) is Change in the National economy.

Hypothesis nine (H9) is the Actions of Competitors.

Hypothesis ten (H10) is Government legislation and regulation.

Hypothesis eleven (H11) is National culture and traditions.

CHAPTER FOUR

METHODOLOGY AND APPROACH

4.1 INTRODUCTION

Research Methodology: A research methodology is believed to be followed in realizing the goals(s) and objectives(s) of the Research before embarking on an environmental study, which takes the form of data collection as required. It seems to send a compromise in the force of practical consideration related to the solution of a problem. This chapter represents the methods and different approaches that were adopted in the cause of the research. It describes how the sampling and analytic methods that were applied in carrying out the research survey.

In this research, quantitative research with the cross-sectional approach of Multinational companies in Japan was conducted. A web-based survey is distributed to human resource professionals and management control professionals, as well as using a personal interview with HR managers of multinational companies. In this research study, structured questionnaires comprising thirty (30) questions that were constructed and were used in collecting the primary data from the respondent.

The research survey questions were structured into two (2) sections that were used in collecting data from human resource managers and professionals. Section

The first section consisted of twenty (20) questions, which included questions about working conditions, HR years of experience, level of academic, etc.

The second section of the survey has ten (10) questions, designed to get the interviewee response to Human Resource Management practice in their organization.

In both sections, a five (5) point Linear-scale was used for the questions. The range of scale used in this study varies from, "strongly agree" to "strongly disagree," as well as from "very

high" to "very low" as the case may be. Thus, the data collection was from the primary source and with an extensive review of other literature, text, articles, journal, e.t.c.

4.2 PRIMARY DATA.

The source of this data is from validated structured questionnaires and was given to different Human Resource managers and professionals who after that, responded to the survey questions accordingly.

4.3. SECONDARY DATA

The secondary data source for this research was through the review of related literature, from textbooks, journals, and other research publications.

4.4 THE STUDY POPULATION

The population target of this study includes human resource managers and human resources professionals in multinational companies in Japan. A sample frame is defined as the collection of all units of a population from which the data was collected, such as individual or institution, as the case may be. Thus, the sample frame for this research is Multinational companies in Japan.

4.5 SAMPLE SIZE

A response rate of (34) questionnaire was used in this research, although about one hundred and twenty (120) questionnaire was administered to the various respondents across Japan, Upon these respondents feedback information was a test statistics conducted. SPSS factor analysis was run in other to test the reliability and correlation of collected data.

4.7 SAMPLING METHOD

In getting the appropriate sampling method, this study considered the study population. The

simple parametric test method was used in this method. This is believed not to be biased much as the data collection is restricted to only HR managers and professionals in multinational companies in Japan.

4.8 **SUMMARY**

This study is expected to show what and to what extent internal and external factors in an organization influence HR practices. The data analysis will be used to enable a more in-depth comparison between variables and also to test for the extent to each of these factor influences HR activities. A non-parametric statistical test, in the form of Tables, graphs, pictures, and percentage[s] is used in the presentation of the data.

CHAPTER FIVE.

5.1. RESULT AND ANALYSIS

In this chapter of the research, we computed the responses from the survey in other to determine and establish what factors affect the human resources the most. The analysis was carried out, and the Cronbach's Alpha and Factor correlation analysis were used for data analyses. The reliability test analysis was carried out for the data collected using Cronbach's Alpha in testing the Questionnaire's validity and reliability coefficient.

Questionnaire's Reliability: (Sekaran, 2003) clarified that reliability is about the internal consistency of the questionnaire and the degree of correlation between the questions that measured each variable. According to (Saunders, M., Lewis, P., & Thornhill, A, 2013), the most frequently used measure of internal consistency is Cronbach Alpha. Cronbach Alpha is the most commonly used measure of internal consistency. The results in a table (1) show that all values are higher than the acceptable value of the test, which is 70%, based on (Sekaran, 2003).

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.936	.938	11

RELIABILITY STATISTICS   TABLE. Table. 5.1.

From the table above, all the scales were found to be reliable according to the reliability tests performed on the eleven (11) variables. The Cronbach's Alpha is more significant 0.90, shows that the content of the scale used in the research is valid.

Item Statistics

	Mean	Std. Deviation	N
Priorities of top management	1.3529	0.54397	34
Changes in Technology	1.7353	0.99419	34
Size of organization	1.9706	0.96876	34
HR staff experience	2.0588	0.9192	34
Organizational structure	2.0582	0.9192	34
Change in international economy	2.3529	.94972	34
Traditional practices	2.4118	095719	34
Legislation & government regulations	2.4706	0.96091	34
Change in National Economy	2.5882	0.96091	34
Actions of Competitors	2.5882	1.1042	34
National culture/tradition	2.8235	1.16698	34

STATISTICS RESULT (Table 5.2)

The table5.2 above shows the variables means from the strongest to weakest accordingly to the scale type of "strongly agree (1) to strongly disagree (5) that was used in the survey questions as shown in the table above.

Meanwhile, the results from factor analysis revealed eleven factors. Besides, the reliability analysis showed that the scale was reliable (Alpha = .936). According to the factor analysis,

there are eleven types of dimensions achieved. These are, "size of organization", "priorities of top management", "history and traditional practices ", "organizational structure", "HR staff experience", "change in international economy" and "change in technology", "Change in National Economy", 'Actions of Competitors", " Legislation and Government Regulations", and " National Cultural/ Traditions".

As shown above, the factors which affect Human Resources Management practices the most are as follows; "The priorities of top management" has the highest mean of "1.3529". Thus, this result demonstrates that the most important factor affecting Human Resource Management practices is the" priorities of top management". The second factor is a change in technology (1.74) which also have a strong effect on Human Resource Practice, then the size of an organization appear to have a partially strong effect with a mean of (1.97) as well as Human Resource (HR) staff experience with a mean of (2.06). The organizational Structure has a mean of (2.09), while change in international economy has a mean of (2.35) demonstrates a moderate effect on Human Resources Management practice. Legislative and

Government regulations has a mean of (2.47) shows that it has moderate effect on Human Resource Management practice. However, change in national economy with a mean of (2.53) shows that it has a weak effect on HRM, Actions of competitors (2.59) and National culture/traditions (2.82) also demonstrate to have a weak effect on Human Resource Management practice.

  Note the result has been rounded up to two decimal places.

	Size of organization	Priorities of top management	Traditional practices	Organizational structure	HR staff experience	Change in international economy	Changes in Technology	Change in National Economy	Actions of Competitors	Legislation and govt. regulations	National culture/tradition
Size of organization	4.67										
Priorities of top management	-0.722	3.907									
Traditional practices	0.137	-1.841	4.965								
Organizational structure	-0.925	-1.249	-0.57	5.366							
HR staff experience	0.021	-0.453	-0.579	-1.982	4.299						
Change in international economy	-0.072	2.828	-3.467	-1.967	0.322	6.534					
Changes in Technology	1.881	-0.676	-1.312	-1.966	1.238	1.68	5.102				
Change in National Economy	0.212	0.996	0.636	-1.572	1.468	-3.091	-0.754	11.479			
Actions of Competitors	-1.959	1.093	0.103	-1.591	-1.218	1.683	-0.251	-3.344	7.297		
Legislation and govt.regulations	-1.852	3.557	-2.943	-2.507	1.088	7.237	1.895	-8.247	5.543	20.483	
National culture/tradition	-1.52	-4.85	3.284	8.264	-4.032	-8.655	-6.373	1.733	-6.442	-19.606	32.918

a. Only cases for which Written HRM Practices = Strongly agree are used in the analysis phase.

Figure 5.3 INVERSE CORRELATION TABLE

The table above represents the inverse correlation analysis. Since a perfect positive correlation and an utterly cynical correlation range from +1 to -1. We can then say that from the table. Thus, Organizational Structure and Size of the organization (-0.925) has a perfect negative (downhill) linear relationship, while Change in National Economy and priorities of top Management (0.996) has the most perfect uphill (linear) relationship.

INTER-ITEM FACTORS MATRIX

Inter-Item Correlation Matrix

	Size of organization	Priorities of top management	Traditional practices	Organizational structure	HR staff experience	Change in international economy	Change in Tech.	Change in National Economy	Actions of Competitors	Legislation and government regulations	National culture/tradition
Size of organization	1										
Priorities of top management	0.538	1									
Traditional practices	0.438	0.644	1								
Organizational structure	0.64	0.653	0.738	1							
HR staff experience	0.615	0.684	0.66	0.806	1						
Change in international economy	0.539	0.338	0.535	0.75	0.704	1					
Changes in Technology	0.558	0.514	0.627	0.549	0.482	0.423	1	.			
Change in National Economy	0.668	0.385	0.579	0.656	0.513	0.719	0.69	1			
Actions of Competitors	0.583	0.502	0.653	0.683	0.741	0.576	0.505	0.497	1		
Legislation and government regulations	0.634	0.484	0.574	0.561	0.551	0.543	0.547	0.739	0.531	1	
National culture/tradition	0.585	0.292	0.501	0.432	0.434	0.441	0.611	0.599	0.741	0.725	1

Figure 5.4 INTER-ITEM FACTORS MATRIX

The Inter-term factors matrix area "Organization Structure and HR staff experience" has the most strong positive linear relationship (0.806) followed by "Past/ Traditional practices and Organizational Structure (0.738). "Traditional Practices and National Culture/Tradition (0.501)", "Priorities of Top Management and Actions of Competitors (0.502)", "Change in Technology and Actions of Competitors (0.505)" and "Change in National Economy and Actions of Competitors (0.497)" have a moderate positive linear relationship. Finally, "Priorities of top management and national culture and traditions (0.292) has a strong, weak linear relationship. Thus, it is evident from the table that the Actions of Competitors could be

a reference point (benchmark) linear relationship to other of this factor.

Correlation Matrix		Size of organization	Priorities of top management	Traditional practices	Organizational structure	HR staff experience	Change in international economy	Changes in Technology	Change in National Economy	Actions of Competitors	Legislation and govt. regulations	National culture/tradition
Correlation	Size of organization	1										
	Priorities of top management	0.264	1									
	Traditional practices	0.508	0.44	1								
	Organizational structure	0.495	0.384	0.739	1							
	HR staff experience	0.662	0.523	0.654	0.668	1						
	Change in international economy	0.508	-0.038	0.712	0.597	0.504	1					
	Changes in Technology	0.527	0.528	0.649	0.537	0.599	0.416	1				
	Change in National Economy	0.748	0.01	0.559	0.501	0.523	0.678	0.625	1			
	Actions of Competitors	0.811	0.3	0.584	0.6	0.752	0.584	0.681	0.788	1		
	Legislation and govt. regulations	0.762	0.102	0.449	0.303	0.499	0.449	0.637	0.878	0.705	1	
	National culture/tradition	0.8	0.295	0.548	0.369	0.663	0.548	0.759	0.842	0.824	0.919	1
Sig. (1-tailed)	Size of organization											
	Priorities of top management	0.138										
	Traditional practices	0.013	0.03									
	Organizational structure	0.016	0.052	0								
	HR staff experience	0.001	0.011	0.001	0.001							
	Change in international economy	0.013	0.439	0	0.003	0.014						
	Changes in Technology	0.01	0.01	0.001	0.009	0.003	0.038					
	Change in National Economy	0	0.483	0.006	0.014	0.011	0.001	0.002				
	Actions of Competitors	0	0.106	0.004	0.003	0	0.004	0.001	0			
	Legislation and govt. regulations	0	0.339	0.027	0.104	0.015	0.027	0.002	0	0		
	National culture/tradition	0	0.11	0.008	0.06	0.001	0.008	0	0	0	0	

Figure 5.5 CORRELATION MATRIX RESULT

It can be seen from the table5.5 above, that there exist a positively strong and significant interrelationship the both internal and external variables. Accordingly, the effect of size of organization and priorities of top management are significantly correlated (0.264; 0.138), and with Traditional practices (0.508; 0.013), Organizational structure (0.495; 0.016), HR staff experience (0.662; 0.001), Change in international economy (0.508; 0.013), Change in technology (0.527; 0.010), Change in national economy (0.748; 0.000), Actions of Competitors (0.811; 0.000), Legislation and Govt. Regulations (0.762; 0.000), National culture (0.800; 0.000). Also, the Priorities of Top Management is positively and significantly correlated to Traditional practices (0.440; 0.030), Organizational structure (0.384; 0.052), HR staff experience (0.523; 0.011), Change in international economy (-0.038; 0.439), Change in technology (0.528; 0.010), Change in national economy (0.010; 0.483), Actions of Competitors (0.300; 0.106), Legislation and Govt. Regulations (0.102; 0.339), National culture (0.295; 0.110). Past/Traditional practices is significantly positive and correlated with Organizational structure at (0.739; 0.000), HR staff experience (0.654; 0.001), Change in international economy (0.712; 0.000), Change in technology (0.649; 0.001), Change in national economy (0.559; 0.006), Actions of Competitors (0.584; 0.004), Legislation and Govt. Regulations (0.449; 0.027), National culture (0.548; 0.008).

The organizational structure is positive and significantly correlated with HR staff experience (0.668; 0.001), Change in international economy (0.597; 0.003), Change in technology (0.537; 0.009), Change in national economy (0.501; 0.014), Actions of Competitors (0.600; 0.003), Legislation and Govt. Regulations (0.303; 0.104), and National culture (0.369; 0.060). HR staff experience is positively significant with Change in international economy (0.504; 0.014), Change in technology (0.599; 0.003), Change in national economy (0.523; 0.011), Actions of Competitors (0.752; 0.000), Legislation and Govt. Regulations (0.499; 0.015), and with

National culture (0.663; 0.001). Change in International economy is positively correlated with Change in technology at (0.416; 0.038), Change in national economy (0.678; 0.001), Actions of Competitors (0.584; 0.004), Legislation and Govt. Regulations (0.449; 0.027), and with National culture (0.548; 0.008). Change in Technology is positively correlated with Change in the National economy at (0.625; 0.002), Actions of Competitors (0.681; 0.001), Legislation and Govt. Regulations (0.637; 0.002), and with National culture (0.759; 0.000). Change in National Economy is correlated and significant with Actions of competitors at (0.788; 0.000), Legislation and Govt. Regulations (0.878; 0.000), and with National culture (0.842; 0.000). Actions of Competitors are correlated and significant with Legislation and Govt. Regulations (0.705; 0.000), and National culture (0.824; 0.000). Lastly, Legislation and Govt. Regulations is strongly correlated and significant with effect of National culture / traditions, (0.919; 0.000).

5.2. CONCLUSION

This research has examined the main determining factors for the management of Human Resources in multi-national companies, which is undoubtedly an important area for every organization. Therefore, this research focuses on investigating these determinants as they apply to Multi-National firms in Japan. The literature-review coupled with the survey results analysis shows that human resource practices which include the function of recruitment, training, and development, compensation and benefits, performance appraisal, are correlated to the organization's internal and external factors as well as environment. From the research questions, the determinants of HR practice of Multinational companies in Japan were shown to be "priorities of top management (figure 5.2)". Furthermore, the relationship between various determinants has also proven that the Inter-term factors matrix area "Organization Structure and HR staff experience" has the strongest positive linear relationship (0.806) even as "Priorities of top management and national culture and traditions (0.292) has a strong, weak linear relationship.

The findings show the main factors (external and internal) affecting Human Resource (HR) practice in multinational companies in Japan, is the "priorities of top management." According to the research, "change in technology," size of an organization," HR staff experience." 'Organization structure", 'Change in the international economy," and "past/traditional practice" are some of the other high ranking factors that affect HRM practices.

The top management priorities are undoubtedly the elements/ factors that are taken into consideration account in the first place, whenever practices and strategies have been formulated much as they are indeed perceived as the main drivers and makers of decisions in any establishment. Thus, the result also reveals the significance and effectiveness of top organizational management. Furthermore, Change in Technology, as the second main factor

that affects Human Resource Management practice in Multi-National companies, has also proved to be the   truth, be that technology has become a necessity in this current age, sequel to the rapid growth in technology that is almost becoming a "can't do without factor" in today's international/global business. Therefore, these two main factors reflect the reality of today's business.

Besides, the result shows that both, internal and external environmental factors are significantly associated, and it was found that the variables were significantly correlated and it demonstrates how the interrelated factors (internal and external) functions together to affect HRM practice. The research has further revealed that there is no strong linear relationship between "external factors versus HR practices." Also, as there exists a weak correlation between "internal factors vs. HR practices," we can then conclude that the internal organizational environment and external environmental factors both complement each other in other to have a significant impact on Human Resource practice (i.e., both of them function together to influence HRM practice strongly). Thus, figure 1.1, been a model that reconstructed/ developed for Human Resource activities, having to answer the research mentioned above questions, and it is believed to be a contribution to the field of study.

The practical implications of the result of this research are as follows; the top management position has proved to be a susceptible position towards an organization's decision making, and it is pertinent enough for such a position to be attained through progressive ranks or positions as the case may be. Thus, it will help to gives such management staff a better understanding of the organization's specifics towards decision making.

Also, the growing increased in technology is no doubt playing a very vital and sensitive function in today's' life and in Human Resource Management practices. Thus, as we all know that businesses across the globe have grown into the use of technology, so,   employees' needs

to be conversant with this technology and a subsequent update as the trend unfolds is paramount and this will help to positively enhance Human Resource Management practices in an organization. More so, the rapid growth in technology which has successfully given birth to the internet that has successfully integrated businesses across the globe is the same time weakening traditions as the barrier of culture continue to reduce to an infinitesimal degree.

Diagrammatic representation of the Research Results
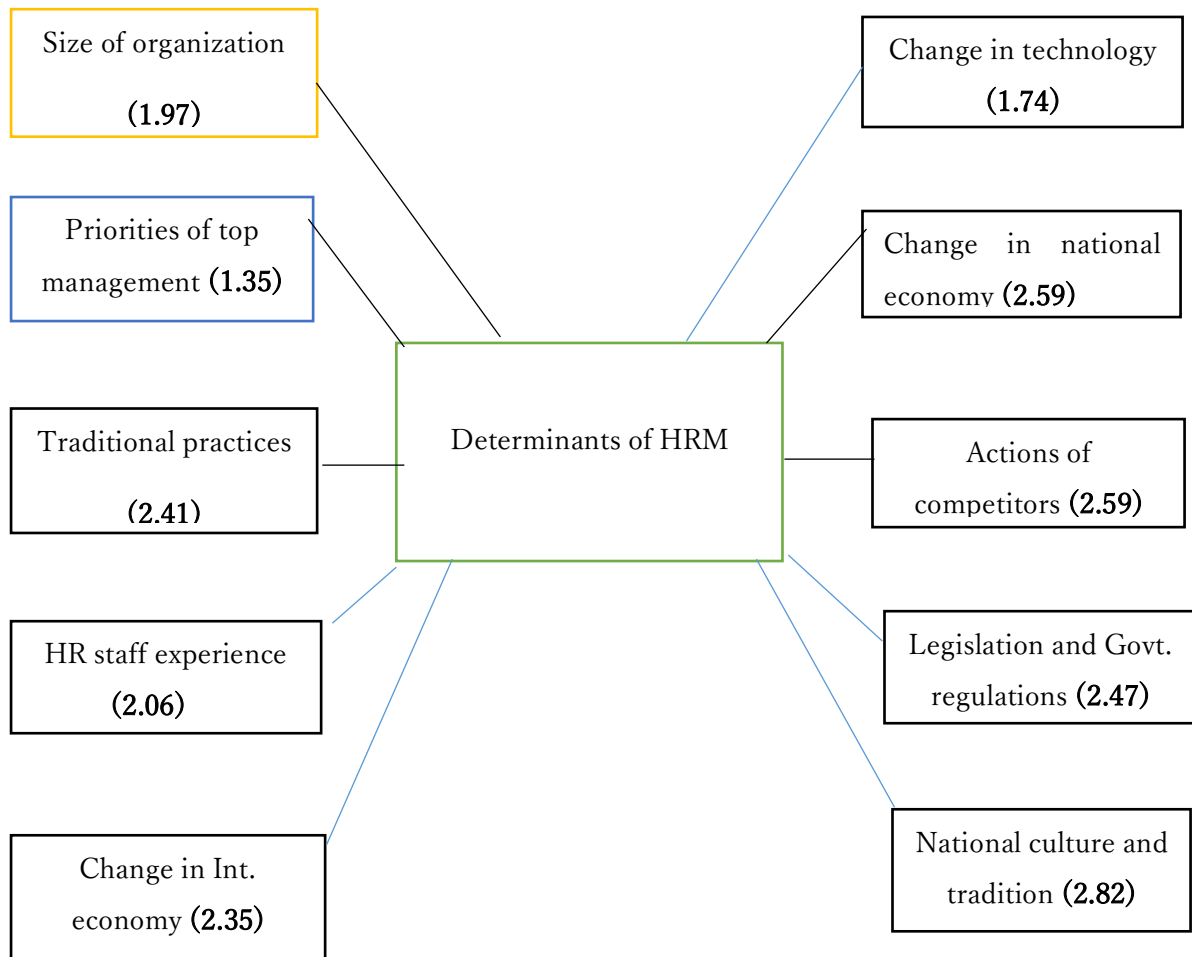
FIGURE 5.1 DETERMINANT RELATIVE IMPACT STRENGTHS

The Figure 5.1 Determinants of Relative Strengths, illustrates how the "priorities of top management" and "change in technology" are the main determining factors for Human Resource Practice in Japan. Clearly the decision of the top management plays a vital role towards gearing the organization to its goals and objective. Also, in today's market, the global change in technology has in deed caused a great effect in the global business as organizations in general now depends on technology for the effective running of its activities. Meanwhile, other factors with the least impact on HRM practice are, "National culture and tradition", "change in national economy" and "actions of competitors" amongst others.

DIAGRAMMATIC REPRSENTATION OF THE SIGNIFICANT LEVEL FOR EACH FACTOR.

Size of organization (0.006)

Change in technology (0.000)

Priorities of top management (0.001)

Change in national economy (0.007)

Traditional practices (0.001)

DETERMINANTS OF HRM. (HRM EFFECTIVENESS)

Actions of competitors (0.007)

HR staff experience (0.007)

Legislation and Govt. regulations (0.001)

Change in Int. economy (0.167)

National culture and tradition (0.002)
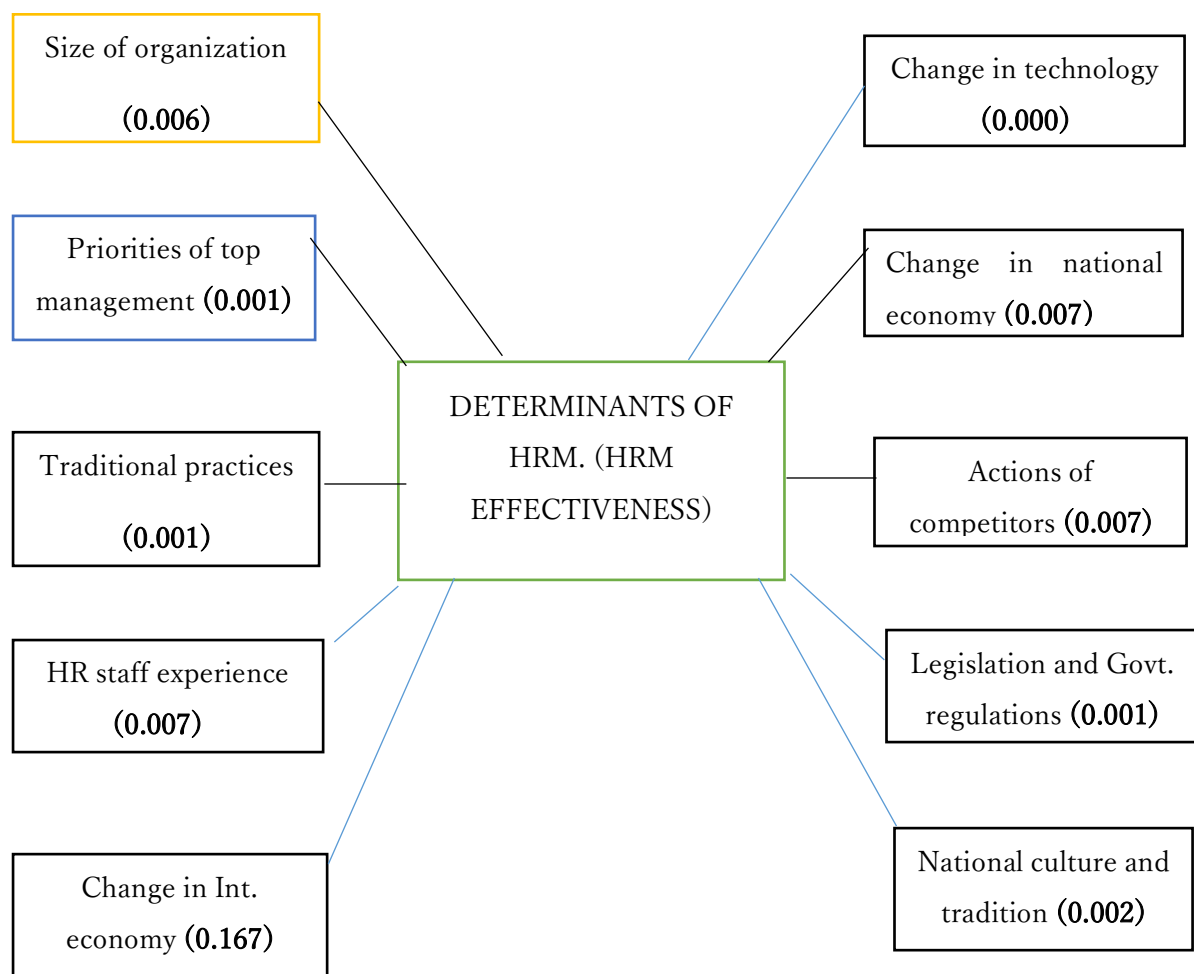
Figure 5.2. Significant level of each factors

Above diagram illustrates the significant level of each of the factors. From the diagram it can be seen that all of the factors are strongly significant at a significant level of 0.05 (i.e, 95% confidence level) confidence level. Meanwhile, change in technology shows to be the most statistically significant factor, having a significant level of 0.000, followed by priorities of top management, traditional practices and legislation/govt. regulations with a significant level of 0.001 respectively, amongst others. Also, from the table, the dependent variable is seen as HRM effectiveness while the other are the independent variables.

5.3. Limitations and Recommendation

This research has been view in light of its limitation and which if it has been a review, open up an avenue for future study.

This research has some obvious limitations. Firstly, this paper focuses only on some fundamental external and internal factors as it affects the practice of Human Resources Management (HRM).

Secondly, this research was carried out across Multi-National Companies across different sectors for Japan. This study is also limited from Strategic Human Resource Management (SHRM), and Human Resource planning much as Traditional Human Resource Management practice of Japanese was not extensively looked into it. As a result, it may not be typical to a sector or industry.

Thirdly, the study relies only on a small number (respondents) of quantitative evidence, as getting the response of HR managers and professionals was difficult in as much as they are not familiar with you. Perhaps, larger samples could shed more light on the subject matter.

Further research should be done with more variables (internal and external) factors and with a larger sample. Also, further study of this kind of concept has been suggested in another different country. Another recommendation for further investigation on the determinants of Human Resource Management practice could also be conducted with only a specific type of industry. E.g., manufacturing or service industry or sector.

REFERENCE

ALAS, R., KAARELSON, T. and NIGLAS, K. (2008). "Human Resource Management in Cultural Context: Empirical Study of 11 Countries". *EBS Review, 24 (1)*, 49-63.

Bernardin, H. J. & Russell, J. (2013). *Human resource management: An experiential approach. 7th Ed,*. Iowa: McGraw-Hill.

Bilal J. and Raja N. S. (2011). Impact of Compensation, Performance Evaluation and Promotion Practices on Government Employee Performance Vs Private Employee Performance. *Interdisciplinary Journal of Contemporary Research in Business, vol 3*, 907-913.

Bjorkman, I., & Lervik, J. E. (2007). *Transferring HR practices within multinational.*

Boxall, P. F. (1992). Strategic human resource management: ,. *beginnings of a new theoretical sophistication Human Resource Management Journal*, 2: 60-79.

CHANDRAKUMARA, A. and SPARROW, P. (2004). Work Orientation as an Element of National Culture and Its Impact on HRM Policy-Practice Design Choices. *International Journal of Manpower, 25 (6)*, 564-589.

CHANG, W-J. A. and HUANG, T.C. (2005). Relationship between Strategic Human Resource Management and Firm Performance. *International Journal of Manpower, 26 (5)*, 434-449.

Cortada, J. W. (2014). When knowledge transfer goes global: how people and organizations learned about information technology, 1945–1970. *Enterprise & Society, 15(1)*, 68-102.

DeCenzo D. A., and Robbins S. P. (2015). *Fundamentals of human resource management, 11th*

Ed. . New Jersey: John Wiley & Sons.

Dessler, G. (2000). *Human resource management.* . U.S.A.: Prentice Hall.

Dessler.G. (2017). *Human Resource Management. Global edition,* . Pearson education limited.

GARAVAN, T. N., WILSON, J. P., CROSS, C. and CARBERY R. (2008). "Mapping the Context and Practice of Training, Development and HRD in European Call Centers". *Journal of European Industrial Training, 32 (8/9)*, 612-728.

GARVIN, D. (1986). What Does Product Quality Really Mean? *Sloan Management Review*, 25-43.

GONZALEZ, S. M. and TACORONTE, D. V. (2006). "Is There More Than One Way to Manage Human Resources in Companies? Personnel Review.

Hannon. J., Huang. I., and Jaw .B. (1995). International Human Resource Strategy and Its Determinants: The Case of Subsidiaries in Taiwan. *Journal of International Business Studies. 26*, 531-554.

Hatic, .O. & Harun. (2009). The determinant of HR practices; an empirical investigation in the Turkish manufacturing industry. *Ege Academic review 9 (1)*, 73-93.

HUDSON, M., SMART, A. AND BOURNE, M. (2001). Theory and Practice in SME Performance Management System. *International Journal of Operations and Productions Management, 21*, 1096-1115.

Imran, M., & Tanveer, A. (2015). Impact of traning and development on employees' performance in banks of Pakistan. *European Journal of Training and Development Studies 3(1)*, 22-44.

JACKSON, S.E., SCHULER, R.S. and RIVERO, J.C. . (1989). Organizational Characteristics

As Predictors Of Personnel Practices. *Personnel Psychology, 42 (4)*, 727-786.

JACOBY, S. (1983). *Industrial Labor Mobility In Historical Perspective.*

KANE, B. and PALMER, I. (1995). Strategic HRM or Managing the Employment Relationship? *International Journal of Manpower, 16 (5)*, 6-21.

KAYNAK, T., ADAL, Z. and ATAAY, İ. (1998). *Human Resource Management,:.* Istanbul Turkey.: Donence Basin ve Yayin Hizmetleri,.

Kleiman, L. (2000). *Human resource management: A managerial tool for competitive advantage.* U.S.A: Prentice Hall.

KOCHAN, T.A., MC KERSIE, R.B. and CAPELLI, P. (1984). Strategic Choice and Industrial Relations Theory. *Industrial Relations, 23*, 16-39.

Kotler, P., & Keller, K. L. (2012). *Marketing management 14e.* . Boston: Pearson Prentice Hall.

Krajewski, L. J., Ritzman, L. P.,& Malhotra,M. K. (2013). *Operations management; processes and supply chains (10th) Ed.* Harlow: Pearson Education.

Lloyd L. B. and Leslie W. R. (2004). *Human Resource Management..* New York: McGraw hill.

Martins, G. J. (1994). *Understanding global cultures: Metaphorical journeys through 17 countries.* California: Published by Sage Publications.

MCPHERSON, M. (2008). HRM Practices and Systems within South-Asian Small Business. *International Journal of Entrepreneurial Behaviour & Research, 14 (6)*, 414-439.

Mello, J. (2015). *Strategic human resource management. 4th Ed.* . South-Western,: Cengage Learning.

MILES, R.E. and SNOW, C.C. (1984). Designing Strategic Human Resource Systems. *Organization Dynamics, 13*, 36-52.

MILKOVICH, G.T. and BOUDREAU, J.W. (1991). *Human Resource Management.* USA: Richard D. Irwin, Inc.

Milkovich, T. G., & Boudreau, W. J. (1998). *Human Resource Management (8th ed.)* . Boston: Irwin.

Molander, .. (1996). *Human Resources at Work.* Copenhagen Business School Press.

NARASIMHA, S. (2000). Organizational Knowledge, Human Resource Management and Sustained Competitive Advantage: Toward A Framework. *Competitiveness Review, 10 (1)*, 123-136.

Nguyen, T. V., & Bryant, S. E. (2004). A Study of the Formality of Human Resource Management Practices in Small and Medium-Size Enterprises in Vietnam., . *International Small Business Journal 22(6)*, 595–618.

Noe, R. A. (2013). *Employee training and development 6th Ed.* . New York: McGraw-Hill Irwin.

Noe, R., Hollenbeck, J., Gerhart, B. & Wright, P. (2004). *Human resource management. Gaining a competitive advantage.* Boston: Irwin McGraw Hill.

ONDRACK, D.A. and NININGER, J.R. (1984). (Human Resource Strategies-The Corporate Perspective. *Business Quarterly, 49 (4)*, 101-109.

PARDO, M. a. (2003). "Resistance to Change: A Literature Review and Empirical Study",. *Management Decision, 41 (2)*, : 148-155.

POOLE, M. and JENKINS G. (1996). . Competitiveness and Human Resource Management Policies. *Journal of General Management.22 (2)*, 1-19.

Robbins, S. P., & Coulter, M. K. (2012). *Management.* Boston: Prentice Hall.

SATOW, T. and WANG, Z.M. (1994). "Cultural and Organizational Factors In Human Resource Management In China and Japan". *Journal of Managerial Psychology, 9 (4)*, 3-11.

Saunders, M., Lewis, P., & Thornhill, A. (2013). *Research methods for business students, 6th Ed.* Harlow: Pearson education.

SCHULER, R. (1992). Strategic Human Resource Management: Linking People with the Needs of the Business. *Organizational Dynamics, 20*, 19-32.

Scullion, H. and M. Linehan. (2005). *International Human Resource Management.* Basingstoke: Palgrave Macmillan.

Sekaran, U. (2003). *Research methods for business: A skill building approach (4 th ed.). ,* . New York: NY. John Wiley & Sons.

Smith, A., Courvisanos, J., Tuck, J., & McEachern, S. (2012). *Building the Capacity to Innovate: The Role of Human Capital. Research Report.* National Centre for Vocational Education Research.

Stone, R. J. (2008). *Human resource management (6th edition).* Australia, Milton: John Wiley & Sons.

Storey, .. (1995). *Human Resource Management: Theory and Practice.* UK: Routledge.

TOMER, J. (1995). Strategy and Structure in the Human Firm: Beyond Hierarchy, Toward Flexibility and Integration". *Journal of Socio-Economics, 24 (3)*, 411-432.

TSUI, A.S., and MILKOVICH, G.T. (1987). Personnel Department Activities: Constituency Perspectives and Preferences. *Personnel Psychology, 40*, 519- 537.

WANG, D-S and SHYU, C-L. (2008). Will the Strategic Fit between Business and HRM

Strategy Influence HRM Effectiveness and Organizational Performance. *International Journal of Manpower, 29 (2)*, 92-110.

WELCH, D. (1994). Determinants of International Human Resource Management Approaches and Activities: A Suggested Framework. *Journal of Management Studies, 31(2)*, 139-161.

APPENDIX 1 **Consent Letter**

5/29/2019 Human Resource Management Practice

Dear Sir,

I am currently conducting research on "multinationals human resource practices in Japan". This Research is being completed as a part of my research work as a graduate student at the Graduate School of Management at Ritsumeikan Asia Pacific University.

The research findings would benefit policymakers, organizations, and HRM managers in developing effective HRM practice. Your participation is a critical part of the research. The data collected will be valuable to the research and will be treated in strictest confidence. No reference will be made to any individual and results will only be generically reported in summary at the end of the survey. A summary of the findings can be provided at your request available at the end of the survey. I thank you in advance for your assistance and consideration. Any queries please address them directly to me or my research supervisor Dr. Damon Drummond.

Regards,

Asemota Osarodion.

Graduate School of Management   Damon Drummond, Ph.D

Ritsumeikan Asia Pacific University, Japan   Associate Professor of Management,

 Email: barry.asemota@yahoo.com   Ritsumeikan Asia Pacific University,

  Tel: 07045642592   Tel. 0977781027

                                email;   damondrummund@mac.com

APPENDIX 2   Research Question

Answer the following with your own opinion from the perspective of your occupation to your position.

1. Your organization has written HRM practices and policies such as selection, recruitment,

Promotion, benefits etc.

Mark only one oval.

1 2 3 4 5

Strongly agree strongly disagree

3. 2. The effectiveness of your HRM practices is

Mark only one oval.

1 2 3 4 5

Highly effective totally ineffective

4. 3. Does HR manager communicate the HRM practices and policies with staff?

Mark only one oval.

1 2 3 4 5

always never

5. 4. What is your involvement in HR strategies?

Mark only one oval.

1 2 3 4 5

Highly involved Never involved

6. 5. I prefer traditional Japanese HRM practices (focused on hierarchy) rather than Western

HRM practices (communication, participation, and involvement)

Mark only one oval.

1 2 3 4 5

Highly prefered Never prefered

7. 6. I am requested to work with other managers from different departments

Mark only one oval.

1 2 3 4 5

Always Never

8. 7. The current HR strategy is integrated with your organizations business strategy for

achieving the organization's goals.

Mark only one oval.

1 2 3 4 5

strongly agree strongly disagree

9. 8. Your organization conduct performance appraisals.

Mark only one oval.

1 2 3 4 5

Always Never

10. 9. The recruitment and selection processes in this organization are impartial.

Mark only one oval.

1 2 3 4 5

strongly agree strongly disagree

11. 10. My organization provides opportunities in training and development of staff.

Mark only one oval.

1 2 3 4 5

strongly agree strongly disagree

12. 11. I am satisfied with my organizations' recognition, reward, and remuneration policy.

Mark only one oval.

1 2 3 4 5

strongly satisfied strongly dissatisfied

13. 12. I believe HRM practices play an extremely important role in my organizations' future.

Mark only one oval.

1 2 3 4 5

strongly agree strongly disagree

14. 13. What is your age level of experience?

Mark only one oval.

2 - 5 years

5 - 8 years

8 - 11 years

11 - 14 years

14 years above

15. 14. Which of these highly influences the implementation of your HR practices.

Mark only one oval.

Head Quarters

Subsidiary management

HR manager

Existing policy

Other staff

16. 15. Your organization is committed to building a strong relationship between employees.

Mark only one oval.

1 2 3 4 5

strongly agree strongly disagree

17. 16. Your organization provides staff with various training opportunities enabling personnel to

develop a range of skills and abilities.

Mark only one oval.

1 2 3 4 5

strongly agree strongly disagree

18. 17. Promotion and appointments in my organization are based on merit.

Mark only one oval.

1 2 3 4 5

strongly agree strongly disagree

19. 18. My work conditions are good

Mark only one oval.

1 2 3 4 5

strongly agree strongly disagree

20. 19. Your organization has an effective HRM department.

Mark only one oval.

1 2 3 4 5

strongly agree strongly disagree

SECTION B. In this section you are expected to rate how the

below affects human resource practices in your organization.

21. (20) Size of organization

Mark only one oval.

1 2 3 4 5

very high very low

22. (21) Priorities of top management

Mark only one oval.

1 2 3 4 5

very high very low

23. (22) History/traditions and past practices

Mark only one oval.

1 2 3 4 5

very high very low

24. (23) Organizational structure

Mark only one oval.

1 2 3 4 5

very high very low

25. (24) HR Staff's experience

Mark only one oval.

1 2 3 4 5

very high very low

26. (25) Change in International economy

Mark only one oval.

1 2 3 4 5

very high very low

27. (26) Changes in Technology.

Mark only one oval.

1 2 3 4 5

very high very low

28. (27) Change in national economy.

Mark only one oval.

1 2 3 4 5

very high very low

29. (28) Actions of competitors

Mark only one oval.

1 2 3 4 5

very high very low

Powered by

30. (29) Legislation and government regulations

Mark only one oval.

1 2 3 4 5

very high very low

31. (30) National culture/tradition.

Mark only one oval.

1 2 3 4 5

very high very low

32. Thank you for your participation. If you would like a copy of summary results please avail me

your email address as I acknowledge and understand that all information in this study is confidential. For any queries, please contact.

Asemota Osarodion, Graduate School of Management,

Ritsumeikan Asia Pacific University, Japan.

email: barry.asemota@yahoo.com , Tel.

07045642592.

Optional responses

33. Company's name

34. Participant's name

35. Position

36. e-mail

Appendix 3

Normal distribution Tables and Curve of various variable.

This help to further prove the validity of the result.

Size of organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	13	38.2	38.2	38.2
	Agree	12	35.3	35.3	73.5
	Neutral	6	17.6	17.6	91.2
	Disagree	3	8.8	8.8	100.0
	Total	34	100.0	100.0	

Size of organization

Mean = 1.97
Std. Dev. = .969
N = 34
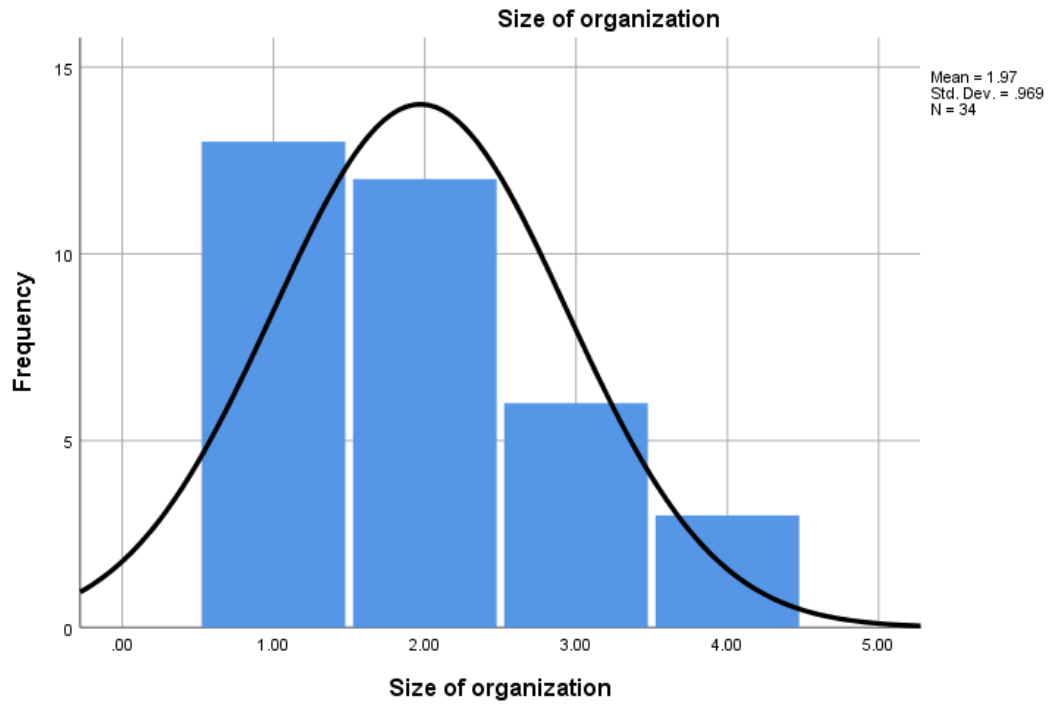
2.

Priorities of top management

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	23	69.7	69.7	69.7
	Agree	9	27.3	27.3	97.0
	Neutral	1	3.0	3.0	100.0
	Total	33	100.0	100.0	

Priorities of top management

Mean = 1.33
Std. Dev. = .54
N = 33

3
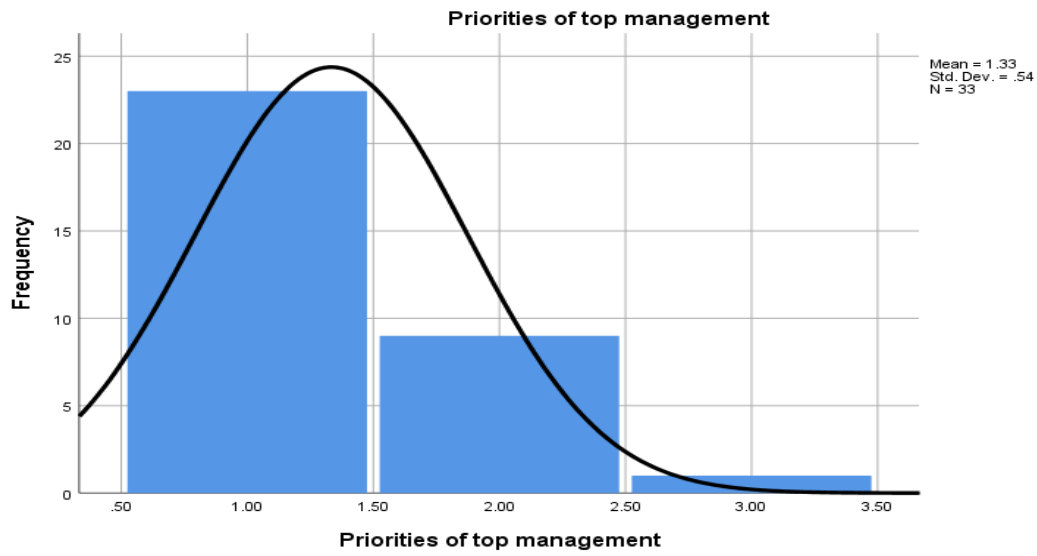
Traditional practices

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	5	14.7	14.7	14.7
	Agree	16	47.1	47.1	61.8
	Neutral	7	20.6	20.6	82.4
	Disagree	6	17.6	17.6	100.0
	Total	34	100.0	100.0	

Mean = 2.41
Std. Dev. = .957
N = 34

4
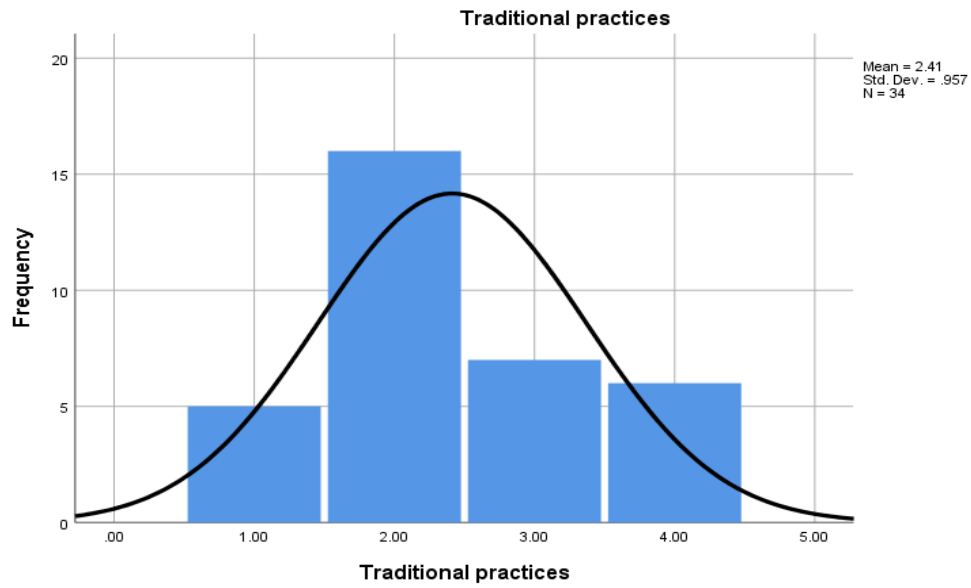
Organizational structure

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	9	26.5	26.5	26.5
	Agree	17	50.0	50.0	76.5
	Neutral	4	11.8	11.8	88.2
	Disagree	4	11.8	11.8	100.0
	Total	34	100.0	100.0	

Organizationjal structure

Mean = 2.09
Std. Dev. = .933
N = 34

5
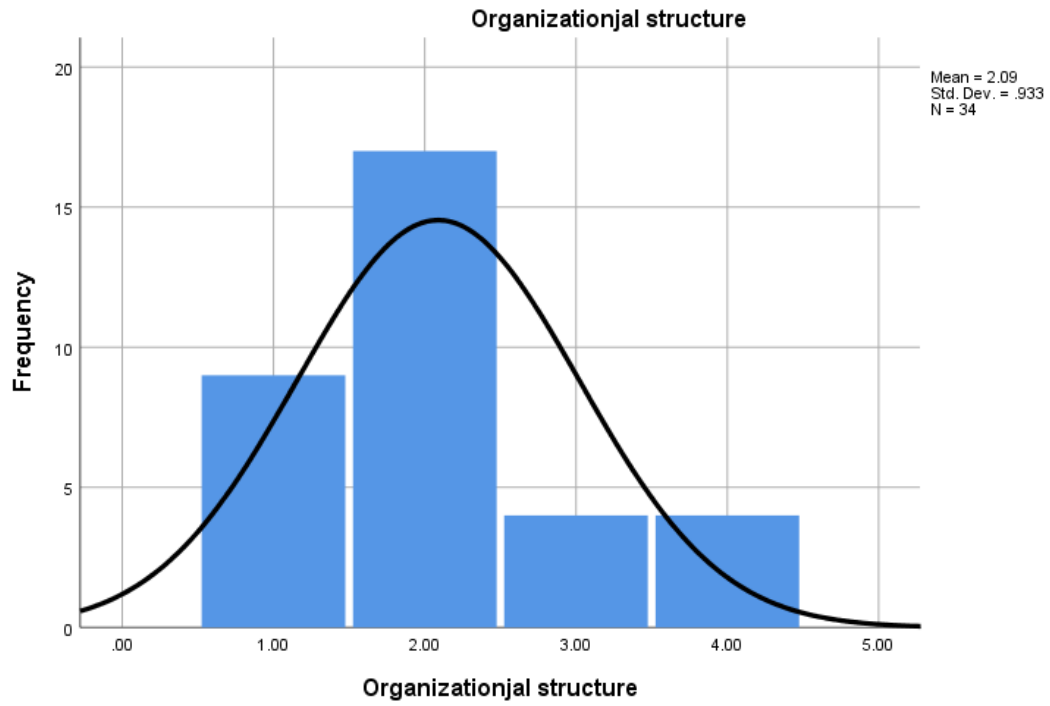
HR staff experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	10	29.4	29.4	29.4
	Agree	15	44.1	44.1	73.5
	Neutral	6	17.6	17.6	91.2
	Disagree	3	8.8	8.8	100.0
	Total	34	100.0	100.0	

HR staff experience

Mean = 2.06
Std. Dev. = .919
N = 34
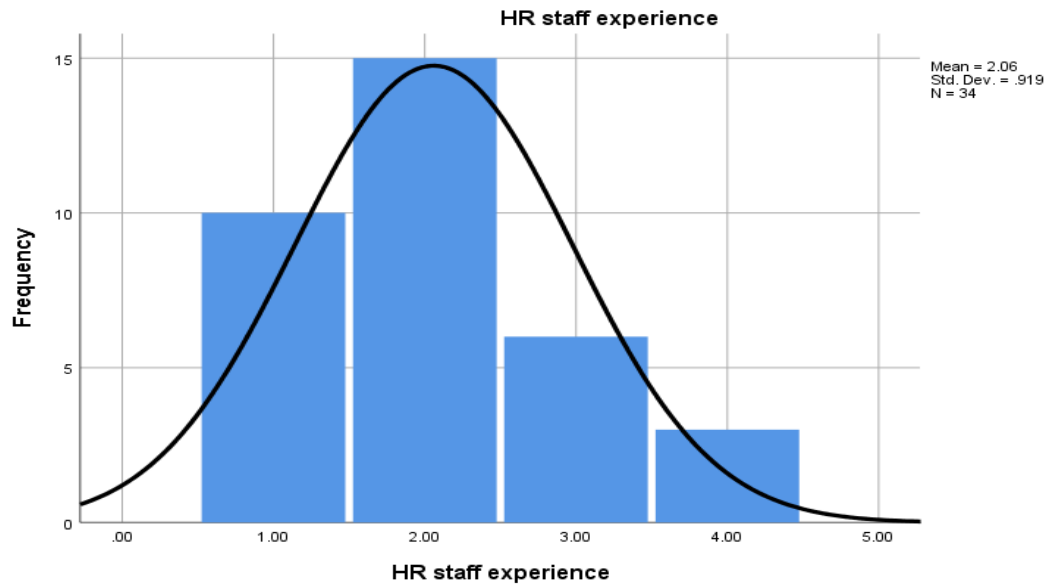
6.

Change in international economy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	5	14.7	14.7	14.7
	Agree	17	50.0	50.0	64.7
	Neutral	8	23.5	23.5	88.2
	Disagree	3	8.8	8.8	97.1
	Strongly disagree	1	2.9	2.9	100.0
	Total	34	100.0	100.0	

Change in international economy

7.
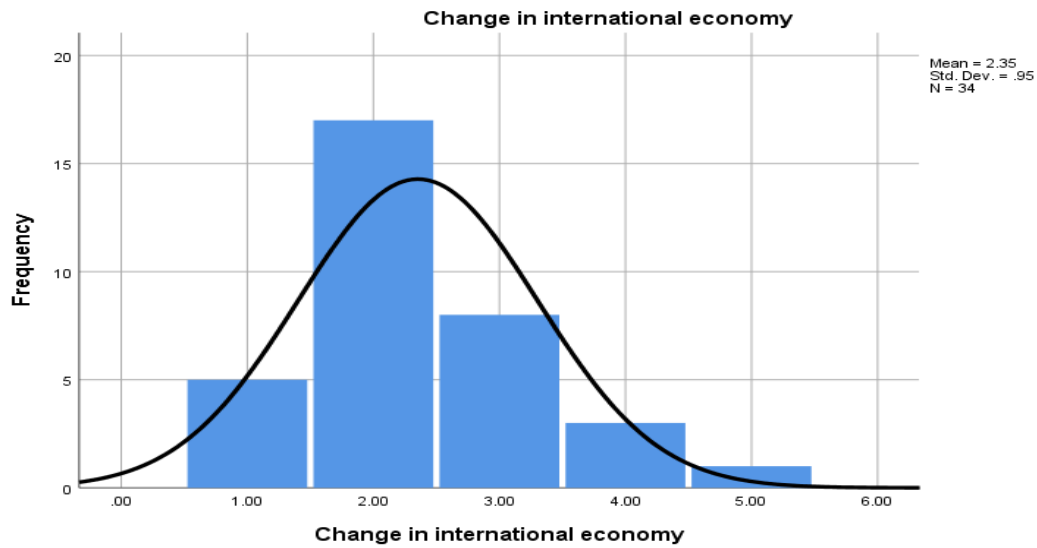
Changes in Technology

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	19	57.6	57.6	57.6
	Agree	5	15.2	15.2	72.7
	Neutral	7	21.2	21.2	93.9
	Disagree	2	6.1	6.1	100.0
	Total	33	100.0	100.0	
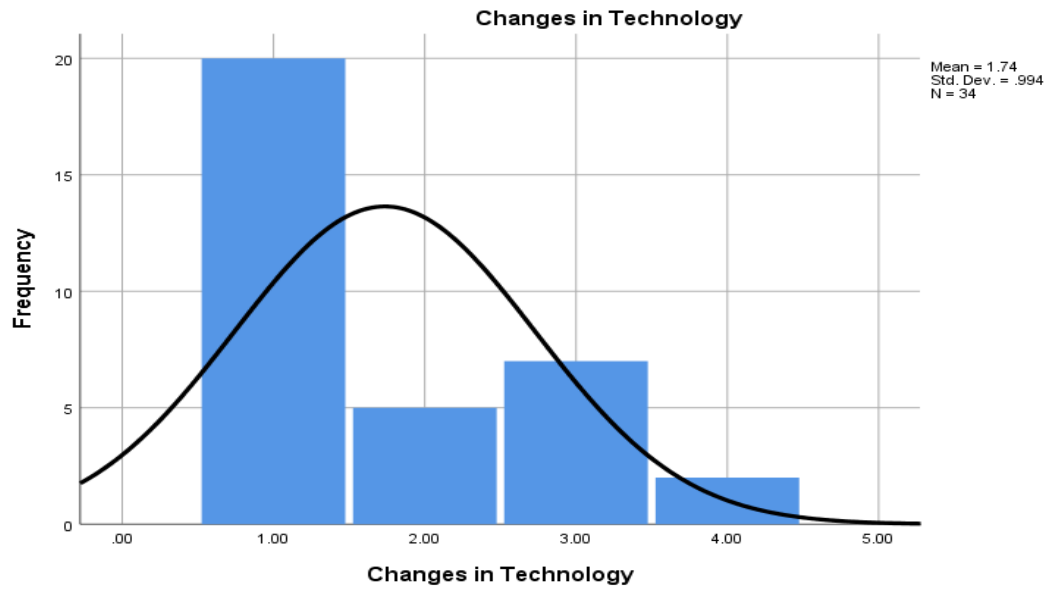
Changes in Technology

Mean = 1.74
Std. Dev. = .994
N = 34

8

Change in National Economy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	3	9.1	9.1	9.1
	Agree	15	45.5	45.5	54.5
	Neutral	8	24.2	24.2	78.8
	Disagree	7	21.2	21.2	100.0
	Total	33	100.0	100.0	

Change in National Economy

Mean = 2.53
Std. Dev. = .961
N = 34

9.
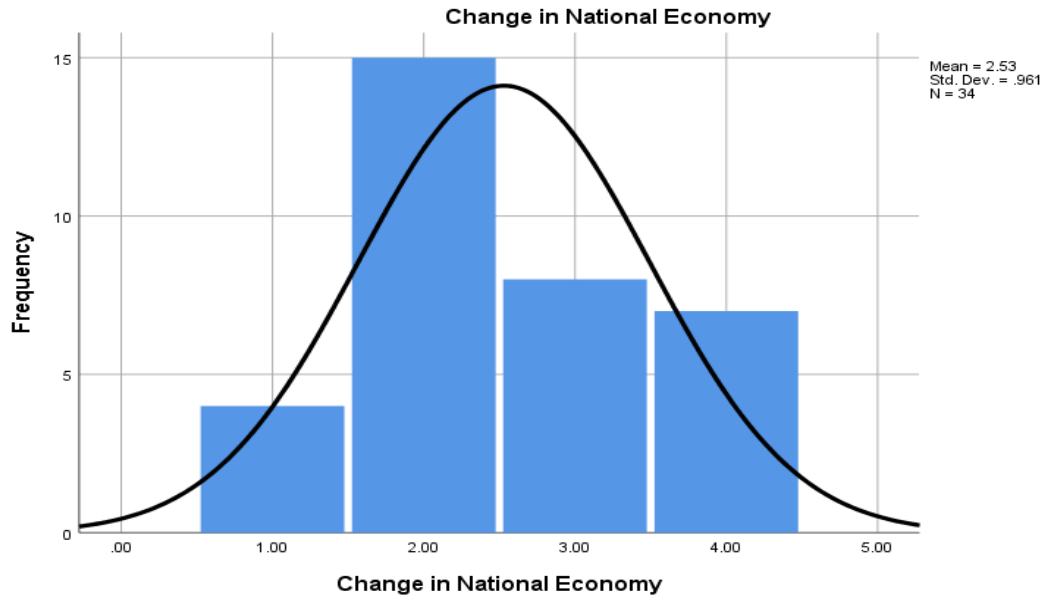
Actions of Competitors

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	5	15.2	15.2	15.2
	Agree	14	42.4	42.4	57.6
	Neutral	6	18.2	18.2	75.8
	Disagree	7	21.2	21.2	97.0
	Strongly disagree	1	3.0	3.0	100.0
	Total	33	100.0	100.0	

Actions of Competitors

Mean = 2.59
Std. Dev. = 1.104
N = 34

10.
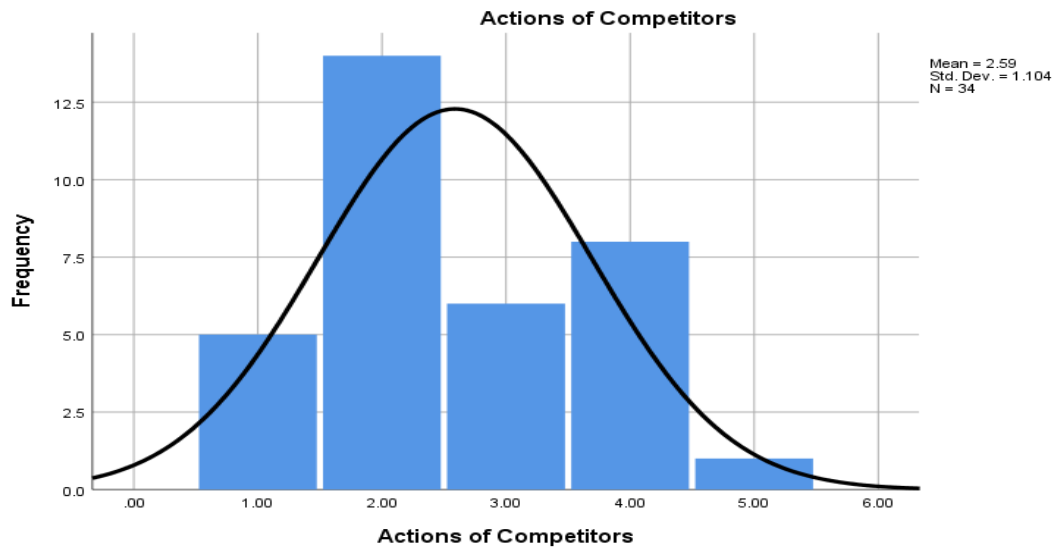
Legislation and goverment regulations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	3	9.1	9.1	9.1
	Agree	18	54.5	54.5	63.6
	Neutral	6	18.2	18.2	81.8
	Disagree	5	15.2	15.2	97.0
	Strongly disagree	1	3.0	3.0	100.0
	Total	33	100.0	100.0	

Legislation and goverment regulations

11.
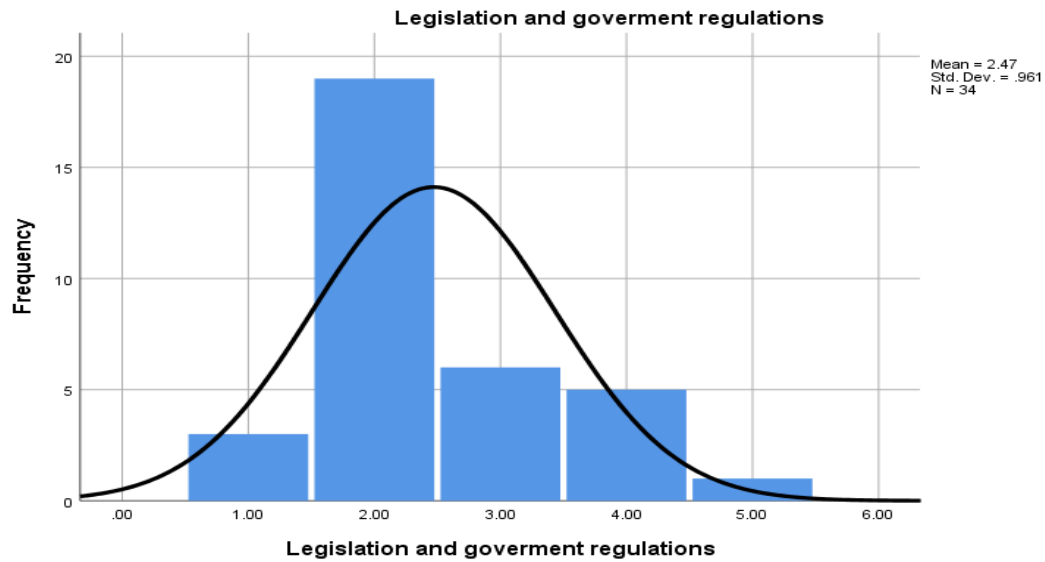
National culture/tradition

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	2	6.1	6.1	6.1
	Agree	14	42.4	42.4	48.5
	Neutral	9	27.3	27.3	75.8
	Disagree	3	9.1	9.1	84.8
	Strongly disagree	5	15.2	15.2	100.0
	Total	33	100.0	100.0	

National culture/tradition

Mean = 2.82
Std. Dev. = 1.167
N = 34
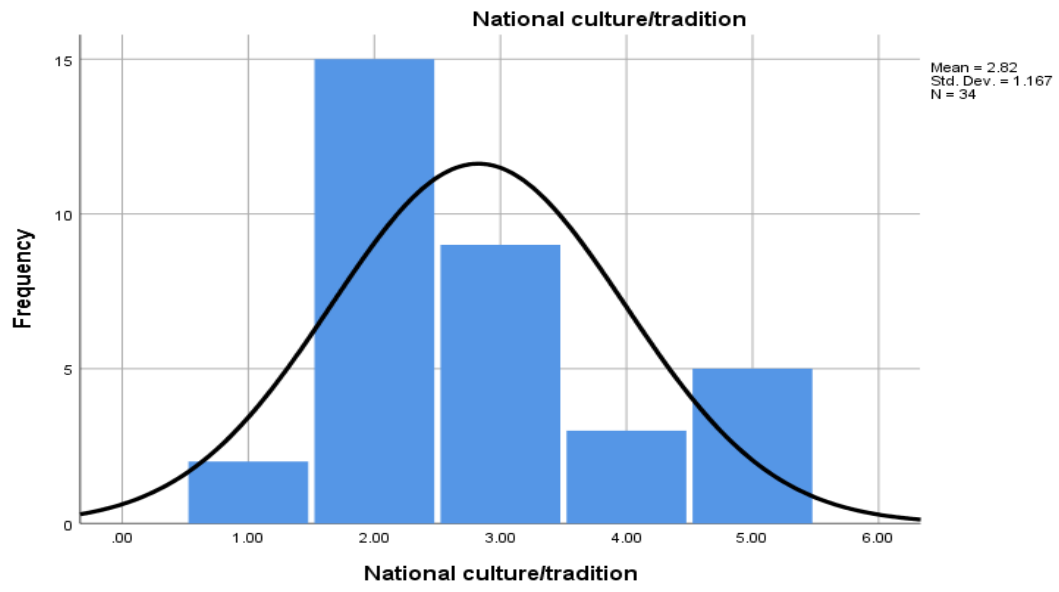
APPENDIX 4   RESULTS

Descriptive Statistics

	Mean	Std. Deviation	N
Effective HRM department	1.7576	.90244	33
Size of organization	2.0000	.96825	33
Priorities of top management	1.3333	.54006	33
Traditional practices	2.3636	.92932	33
Organizational structure	2.0909	.94748	33
HR staff experience	2.0303	.91804	33
Change in international economy	2.3939	.93339	33
Changes in Technology	1.7576	1.00095	33
Change in National Economy	2.5758	.93643	33
Actions of Competitors	2.5455	1.09233	33
Legislation and government regulations	2.4848	.97215	33
National culture/tradition	2.8485	1.17583	33

SUMMARY OF THE ANALYSIS

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.422	.397		1.062	.300
	Size of organization	-.383	.187	-.411	-2.048	.053
	Priorities of top management	1.058	.344	.633	3.072	.006
	Traditional practices	-.256	.242	-.264	-1.060	.301
	Organizational structure	-.084	.278	-.088	-.303	.765
	HR staff experience	.289	.284	.294	1.017	.321
	Change in international economy	-.407	.258	-.421	-1.575	.130
	Changes in Technology	.410	.192	.454	2.129	.045
	Change in National Economy	.136	.258	.141	.525	.605
	Actions of Competitors	.150	.273	.182	.549	.589
	Legislation & govt. regulations	.152	.239	.164	.636	.531
	National culture/tradition	.011	.257	.014	.042	.967

a. Dependent Variable: Effective HRM department

Coefficient Correlations[a]			National culture/tradition	Priorities of top management	Change in international economy	Changes in Technology	Size of organization	Legislation and goverment regulations	Traditional practices	HR staff experience	Change in National Economy	Organizationjal structure	Actions of Competitors
Model													
1	Correlations	National culture/tradition	1.000	0.267	0.134	-0.313	-0.121	-0.649	-0.199	0.177	0.139	0.323	-0.798
		Priorities of top management	0.267	1.000	0.312	-0.209	-0.221	-0.262	-0.257	-0.294	0.157	-0.132	-0.088
		Change in international economy	0.134	0.312	1.000	0.276	0.154	-0.005	-0.208	-0.507	-0.432	-0.125	-0.189
		Changes in Technology	-0.313	-0.209	0.276	1.000	0.009	0.329	-0.302	-0.215	-0.468	0.048	0.137
		Size of organization	-0.121	-0.221	0.154	0.009	1.000	-0.040	0.272	-0.178	-0.297	-0.171	-0.065
		Legislation and goverment regulations	-0.649	-0.262	-0.005	0.329	-0.040	1.000	-0.026	-0.229	-0.441	-0.054	0.466
		Traditional practices	-0.199	-0.257	-0.208	-0.302	0.272	-0.026	1.000	0.151	-0.088	-0.433	0.104
		HR staff experience	0.177	-0.294	-0.507	-0.215	-0.178	-0.229	0.151	1.000	0.295	-0.203	-0.259
		Change in National Economy	0.139	0.157	-0.432	-0.468	-0.297	-0.441	-0.088	0.295	1.000	-0.085	-0.026
		Organizationjal structure	0.323	-0.132	-0.125	0.048	-0.171	-0.054	-0.433	-0.203	-0.085	1.000	-0.326
		Actions of Competitors	-0.798	-0.088	-0.189	0.137	-0.065	0.466	0.104	-0.259	-0.026	-0.326	1.000
	Covariances	National culture/tradition	0.070	0.025	0.009	-0.016	-0.006	-0.042	-0.013	0.014	0.010	0.024	-0.059
		Priorities of top management	0.025	0.125	0.029	-0.015	-0.015	-0.023	-0.023	-0.030	0.015	-0.013	-0.009
		Change in international economy	0.009	0.029	0.070	0.014	0.008	0.000	-0.014	-0.039	-0.030	-0.009	-0.014
		Changes in Technology	-0.016	-0.015	0.014	0.039	0.000	0.016	-0.015	-0.012	-0.025	0.003	0.008
		Size of organization	-0.006	-0.015	0.008	0.000	0.037	-0.002	0.013	-0.010	-0.015	-0.009	-0.003
		Legislation and goverment regulations	-0.042	-0.023	0.000	0.016	-0.002	0.060	-0.002	-0.016	-0.029	-0.004	0.032
		Traditional practices	-0.013	-0.023	-0.014	-0.015	0.013	-0.002	0.062	0.011	-0.006	-0.031	0.007
		HR staff experience	0.014	-0.030	-0.039	-0.012	-0.010	-0.016	0.011	0.085	0.023	-0.017	-0.021
		Change in National Economy	0.010	0.015	-0.030	-0.025	-0.015	-0.029	-0.006	0.023	0.070	-0.006	-0.002
		Organizationjal structure	0.024	-0.013	-0.009	0.003	-0.009	-0.004	-0.031	-0.017	-0.006	0.082	-0.026
		Actions of Competitors	-0.059	-0.009	-0.014	0.008	-0.003	0.032	0.007	-0.021	-0.002	-0.026	0.079

a. Dependent Variable: HRM effectiveness

Correlations

		HRM effectiveness	Size of organization	Priorities of top management	Traditional practices	Organizatiojnal structure	HR staff experience	Change in international economy	Changes in Technology	Change in National Economy	Actions of Competitors	Legislation and goverment regulations	National culture/tradition
Pearson Correlation	HRM effectiveness	1.000	0.428	0.537	0.511	0.410	0.427	0.174	0.636	0.427	0.424	0.523	0.484
	Size of organization	0.428	1.000	0.598	0.521	0.647	0.668	0.519	0.548	0.655	0.650	0.631	0.576
	Priorities of top management	0.537	0.598	1.000	0.623	0.672	0.672	0.413	0.559	0.474	0.477	0.516	0.328
	Traditional practices	0.511	0.521	0.623	1.000	0.778	0.646	0.658	0.702	0.721	0.630	0.629	0.567
	Organizatiojnal structure	0.410	0.647	0.672	0.778	1.000	0.823	0.771	0.551	0.679	0.705	0.561	0.434
	HR staff experience	0.427	0.668	0.672	0.646	0.823	1.000	0.788	0.518	0.597	0.731	0.578	0.468
	Change in international economy	0.174	0.519	0.413	0.658	0.771	0.788	1.000	0.406	0.698	0.672	0.541	0.426
	Changes in Technology	0.636	0.548	0.559	0.702	0.551	0.518	0.406	1.000	0.687	0.553	0.542	0.605
	Change in National Economy	0.427	0.655	0.474	0.721	0.679	0.597	0.698	0.687	1.000	0.600	0.748	0.593
	Actions of Competitors	0.424	0.650	0.477	0.630	0.705	0.731	0.672	0.553	0.600	1.000	0.567	0.796
	Legislation and goverment regulations	0.523	0.631	0.516	0.629	0.561	0.578	0.541	0.542	0.748	0.567	1.000	0.722
	National culture/tradition	0.484	0.576	0.328	0.567	0.434	0.468	0.426	0.605	0.593	0.796	0.722	1.000
Sig. (1-tailed)	HRM effectiveness		0.006	0.001	0.001	0.009	0.007	0.167	0.000	0.007	0.007	0.001	0.002
	Size of organization	0.006		0.000	0.001	0.000	0.000	0.001	0.000	0.000	0.000	0.000	0.000
	Priorities of top management	0.001	0.000		0.000	0.000	0.000	0.008	0.000	0.003	0.003	0.001	0.031
	Traditional practices	0.001	0.001	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	Organizatiojnal structure	0.009	0.000	0.000	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.006
	HR staff experience	0.007	0.000	0.000	0.000	0.000		0.000	0.001	0.000	0.000	0.000	0.003
	Change in international economy	0.167	0.001	0.008	0.000	0.000	0.000		0.009	0.000	0.000	0.001	0.007
	Changes in Technology	0.000	0.000	0.000	0.000	0.000	0.001	0.009		0.000	0.000	0.001	0.000
	Change in National Economy	0.007	0.000	0.003	0.000	0.000	0.000	0.000	0.000		0.000	0.000	0.000
	Actions of Competitors	0.007	0.000	0.003	0.000	0.000	0.000	0.000	0.000	0.000		0.000	0.000
	Legislation and goverment regulations	0.001	0.000	0.001	0.000	0.000	0.000	0.001	0.001	0.000	0.000		0.000
	National culture/tradition	0.002	0.000	0.031	0.000	0.006	0.003	0.007	0.000	0.000	0.000	0.000	
N	HRM effectiveness	33	33	33	33	33	33	33	33	33	33	33	33
	Size of organization	33	33	33	33	33	33	33	33	33	33	33	33
	Priorities of top management	33	33	33	33	33	33	33	33	33	33	33	33
	Traditional practices	33	33	33	33	33	33	33	33	33	33	33	33
	Organizatiojnal structure	33	33	33	33	33	33	33	33	33	33	33	33
	HR staff experience	33	33	33	33	33	33	33	33	33	33	33	33
	Change in international economy	33	33	33	33	33	33	33	33	33	33	33	33
	Changes in Technology	33	33	33	33	33	33	33	33	33	33	33	33
	Change in National Economy	33	33	33	33	33	33	33	33	33	33	33	33
	Actions of Competitors	33	33	33	33	33	33	33	33	33	33	33	33
	Legislation and goverment regulations	33	33	33	33	33	33	33	33	33	33	33	33
	National culture/tradition	33	33	33	33	33	33	33	33	33	33	33	33