



Research Summary

The paper investigates whether the Japanese Human Resource Style of Management (HRM) in Malaysia has lost its appeal and if the model is heading into a declining stage as a result of the global economy crisis? Similarly, the paper also attempts to understand if the Japanese subsidiaries like in Japan are seeking the American HRM model as a source of inspiration? Six major HRM practices were identified to facilitate in this study. They are staffing practices, welfare system, promotion system, career path, training and development and recruitment. Staffing practices previously resembled a hybridization model. The practice however has since undergone changes in view of the recession and now resembles closely to the American HRM model. In terms of the welfare system, there is no indication that the practices are orienting towards the American HRM model. However on the promotion system, there seems to be a declination in the seniority principles. There are evidences that employees are being promoted regardless of the length of service. This however is exceptional case and not widespread. In general, most of the Japanese subsidiaries still value the seniority principles. Likewise behavior and internal promotion are still heavily stressed while on the whole, MBO still serve no purpose apart from formality. Thus, we opine that there are indications of movements towards the American HRM model although they are not particularly strong. Likewise, in terms of the career path, the practices resemble a hybrid model previously and there was no indication of changes or convergence towards the American HRM model. By and large, training and development practices are also not orienting towards the American HRM model. Lastly, evidences suggest that the recruitment practices are orienting towards the American HRM model. Thus in relation to the emergence of 'dominance effect' on the Japanese subsidiaries, findings conclude that the effect will not take place on practices which would lead to higher production cost. This will probably be true for all emerging markets context. American HRM interestingly was never viewed by any of the subsidiaries as their source of inspiration. In fact the local management does not have much confidence in the particular model as it's regarded as costly and burdensome. Ironically, local managers are against the idea of adopting to a total American HRM model. Whether the Japanese HRM model will be outdated? In some way, the conclusion is mixed. Japanese HRM is still regarded as practical and cost effective by the Japanese subsidiaries. However, majority of the respondents agreed that they should do away with seniority principles, more merit payments, benefits and promotions and realistic MBO. Thus, will there be an end to the Japanese HRM model in the coming years? Insights and perspectives from the top managements suggested otherwise. Strong conclusive points were given. Japanese HRM practices will go through major reforms especially in staffing and recruitment practices while the other practices are likely to remain as hybrid or resemble the Japanese HRM practices due to economic considerations and organization strategies.

Publication of the Results of Research Project:

Verbal Presentation (Date, Venue, Name of Conference, Title of Presentation, Presenter, etc.)

June 28th – July 1st 2011, Oulu Finland, TIIM 2011 Proceedings, The Adoption Of American Human Resource Management Among Japanese Subsidiaries In Malaysia: Myth Or Reality?, Dr. Ooi Keng Boon

Thesis (Name of Journal and its Date, Title and Author of Thesis, etc.)

Under Review at Cross Cultural Management and International Journal, N.A, The End of Japanese HRM in Malaysia? Garry Tan Wei Han, Ooi Keng Boon, Tan Boon In and Alain Chong Yee Loong

Book (Publisher and Date of the Book, Title and Author of the Book, etc.)

Nil.