

Human Resource Issues of Medium-Small Organizations in Malaysia --Case in Amal Image Resources Sdn. Bhd

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Abstract

This paper is based on the reality of Malaysia's enterprises on how they manage their human resource issues. Therefore, we selected Amal Image Resources Sdn. Bhd. in where it is a local company that provide various services of repairing, maintenance, consultancy and landscaping building areas to other industry companies. After interviewing the managing director of the company, Mr. Mohd Safarin Bin Mat Nawawi, we could master more information about the HR related problems and policies of the organization. This paper is mainly divided into five parts. Firstly, I attempt to get a concise knowledge of the company's current situation. We have explored some information and attain basic knowledge regarding the company background. Secondly, I have identified human resource related problems such as labor shortage, conflict within employees, lack of discipline and so on. We provide situational evidences for problems that gathered during interview. We explore the reasons for the problems in the perspectives of organization culture, Corporate Social Responsibility (CSR), organizational sense of community, and human resource procedure. Thirdly, the organization carried out some HRM policies such as internal versus external recruiting, termination policy and equal employment opportunity policy to solve those problems, but they could not completely to get rid of it. Fourthly, combined with globalization challenge nowadays, putting forward target recommendations to solve problems that have identified and to improve performance of the company. Lastly, giving conclusion and expressing hopes on Malaysia's small and medium-sized enterprises. Above all, I present this paper comply with the thought of "Current Situation- HR Problems - Reason Analysis - HRM policies - Recommendations". For the sake of giving more scientific explanation, I use SWOT analysis to put forward different management strategy.

Keywords

Human Resource Management, Employee Performance, Organizational Culture

1. Introduction

The concept of "human resource management (HRM)" implies that employees are resources of the employer. As a type of resource, human capital means the organization's employees, described in terms of their training, experience, judgment, intelligence, relationships, and insight—the employee characteristics that can add economic value to the organization. Otherwise, with the rapid development of modern technology, many organizations confront more and more personnel challenges especially small and medium-sized enterprises.

As D'Aprile & Talo (2015) elucidates in his article, compared to large-sized organizations, small organizations are more likely to have fewer organizational sense of community. It is related to Corporate Social Responsibility (CSR), and its impacts on employees' work attitude, both psychosocial variables and the ability to engage the entire organization in behaving socially and responsibly. Thus, small organization needs more professional human resource management to prevent bad effects lacking of high-level of CSR.

2. Company Introduction

This section will briefly discuss about the company background, vision and mission and the organizational structure.

2.1 Background of the Company

Amal Image Resources Sdn. Bhd. which was established on June 19, 2003 is a trading company specializing in it is a small and medium-sized company that has ventured into the field of cleaning, maintenance and landscaping building area, to explore again a new experience. In term of the job description, the company gets tender of projects such as cleaning or landscaping from various corporations and work on it. The range of projects is worth from RM20, 000 to RM 2 million.

The company is already registered with the Ministry of Finance (MOF), the Contractor Service Centre and Construction Industry Development Board (CIDB Malaysia). Armed with a professional management team in this group of educated and experienced, committed the company is to provide the best service and quality with an affordable price basis. The organization operates in the area of Kajang and Hulu Langat, Selangor and it has about 2000 competitors around this area.

The founder of the company is Mr. Mohd. Safarin bin Mat Nawawi, together with his partner Mr. Zaidi bin Abdul Rahman. They started the company with capital RM500, 000 and have 13 professional staffs and two lorry drivers in the main administration department and more than 100 workers in the construction sites including foreign workers from Indonesia and Bangladesh.

As a company that is 100% indigenous, the company is committed to creating a work environment that is efficient and effective to customers. This is in line with the aspirations of the Malaysian government through the ongoing development program the National Development Policy (NDP) to developing quality indigenous company, dynamic and enterprising.

2.2 Vision and Mission

Vision

The vision of the company is to expand the services provided and enlarge the organization in the global market.

Mission

The mission of the organization is to provide a quality, effective, and competitive services to the customers. It also tends to establish a long-term business relationship with customers. Lastly, it is ambitiously aspiring to become a company that is creative, competitive, reliable and respected in the industry.

2.3 Organizational Structure

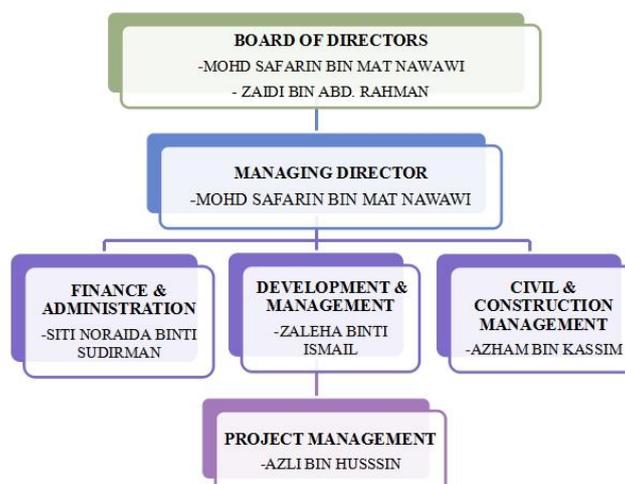
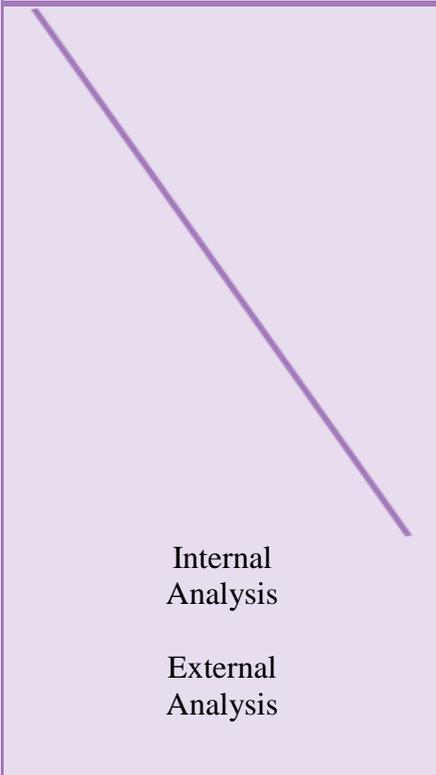


Figure 1. Organizational Structure of Amal Image Resources Sdn. Bhd.

Figure 1 shows the organizational structure of the Amal Image Resources Sdn. Bhd. The board of directors has very defined responsibilities within the business organization. They access overall direction and strategy of the company and establish a policy based governance system. However, one of the board of directors also function as the managing director of the company who direct and control the work and resources of the company and give strategic guidance and direction to the board such as recruitment of well-skilled staffs to ensure that the company achieves its mission and objectives. The finance and administration manager analyze and present financial reports in an accurate and timely manner and clearly communicate monthly and annual financial statements for all the projects. Moreover, the development manager will scope out a project through the tender and will plan, control and develop the project to ensure the quality of the tender project. The civil and construction manager will ensure that all civil activities within the designated areas are well planned, coordinated and be able to utilize all available resources. Lastly, the project manager will coordinate and carry out the projects according to the upper department predetermined plan by giving instruction to the site workers in the company

3. Swot Analysis

SWOT Analysis of Amal Image Resource SDN. BHD.		
 Internal Analysis External Analysis	Strengths - S	Weaknesses - W
		1. Offering many services, including cleaning, maintenance and landscaping building area. 2. Superior technique in repairing and cleaning. 3. Professional human capital, such as its founder and partner. 4. Relative long history, over 10 years. 5. Authority leader, the manager has a high prestige among employees
Opportunities - O	SO Strategy (Growth Strategy)	WO Strategy (Turnaround Strategy)
1. Great market potential, service industry is sunrise industry in Malaysia 2. Globalization of economy, Amal Image Resources Sdn. Bhd. is capable to establish global business.	1. Explore overseas market, such as offering service to Thailand. 2. Increase outlet in Malaysia, only one outlet limits its development.	1. Meliorate human capital, hiring various employees with different skills. 2. Expand into new industry, such as finance and investigation.

<p>3. Favourable government policies, Malaysian government is in favour of service industry due to service sector's rapid development in Malaysia.</p>	<p>3.Hiring more professional person, including workers and managers</p>	<p>3. Improve manager's leadership, become more amiable, carrying out flexible methods to implement policies.</p>
<p>Threats - T</p>	<p>ST Strategy (Diversification Strategy)</p>	<p>WT Strategy (Defender Strategy)</p>
<p>1. New entrants of the market, many other same type companies has established in Malaysia.</p> <p>2. Current competitor, such as HN PARIMA AND BHD and SP DISTRIBUTION SDN. BHD.</p> <p>3. The increase of human resources' cost, high salary demand of applicants</p>	<p>1. Develop new products, offering more categories of service.</p> <p>2. Hire diversified person, taking age, gender, skill level, labor demand into consideration.</p> <p>3. Create methods of selection & recruitment, taking advantage of external human resources.</p>	<p>1. Maintain current market share.</p> <p>2. Continue to serve extant group of consumers, giving more promotion and higher quality of service to maintain them.</p> <p>3. Deal with competitor's threats, exploring differentiation products.</p>

4. Identification of Problems

In this section, we are going to investigate the human resource related issues in Amal Image Resources Sdn. Bhd.

4.1 Human Resource Problems

Labor Shortage

The first step in human resource planning is forecasting and in personnel forecasting, the main purpose is to determine the supply and demand for various type of human resources. Based on the forecast, manager can understand if there will be a shortage or surplus of labor. After communicating with the managing director of our targeted company, we can find out that there is a labor shortage in the company. Based on the human resource management context, labor shortage is defined as labor demand is higher than labor supply in the organization. The labor shortage of the company is mainly described in the following aspects.

First of all, Amal Image Resources Sdn. Bhd. Currently having 13 professional staffs only. Although it has a relative small workplace, but many services of the organization demand more staffs. According to the managing director, an employee is assigned more than two jobs, for example, the workers who are in charge of consultation service also responsible for the delivery of materials. The situation of doing multiple tasks makes the staff stress and frustrated and it may affect the quality of project for a tender.

Other than that, labor shortage is shown in term of lorry driver. The managing director told us that when their service is expanded broadly, lorry driver can't follow the development of business. There are only 2 lorry drivers in the company, but there are number of tender projects that need delivery of equipment and materials. "If more than 2 cooperative partners need services, there is no available of driver to offer service for the third partner" said by the manager and in long run, it affects company's future development.

Behavior of the Employees

Decisions such as whom to hire, what to pay and how to evaluate employees' performance directly affect employees' motivation and effort. Referring to the issue above, Amal Image Resources Sdn. Bhd. also has most of the problems with the discipline and effort of staffs. There are two things highlighted about these issues; violate working hours and less honesty. Based on Mr. Mohd.Safarin statement, previously the working hours was at 8.30am – 5.00pm (Monday to Friday). At that time, Amal Image Resources Sdn. Bhd. does not have an organized system of employee attendance such as punch cards or taking attendance during working hours. This is because, Mr. Mohd. Safarin gives flexibility to workers who live far away from workplace and often face traffic jams. Unfortunately, there are some employees have taken advantage on this flexibility by misusing it. For example, some staffs came late for work, and some come to work just to point out face and then went back home if they sense there is no urgent work has to be done, and there were those who gave the reason work burden at the site (maybe construction place) were too much and could not get into the workplace which implies lack of staff's effort in work.

Next, employees with less honesty in work are one of the issues. This was considered the most important in any company policy. Based on the statement of the managing director, he strongly was very confident that all of his employees will contribute trustworthy and honesty in their work. However, his assumption was wrong. In 2015, one of his employees ran away or disappear himself with a sum of RM1.5 million, the revenue of his company's project in Melaka. He said the worker had been working more than five years in the company. Even though the organization has made police report and spread the news in social media, they fail to track the person. Finally, the RM 1.5 million losses were suffered by the company. In addition, there are also workers who stole the company's accessories and tools.

Poor Relationship among Employees

Good work environment is beneficial to improve efficiency in workplace. Poor work environment are shown as conflict among members, inefficient team work, lack of motivation among workers and so on. The managing director mentions that the relationship between the staffs is sometimes poor due to some conflicts that take place in work environment. For example, in this company the staffs are competitively strive to get various tender of project such that cleaning and landscaping building area since getting those tender will provide them commission fee. Thus, there occurs conflict between them if they have dissatisfaction about their commission fee. In some circumstances, this kind of conflict may have negative impact on their project work especially if it is in the form of teamwork. Furthermore, there are some employees who afraid of recognizing mistakes and even some of them shirk responsibility to others when confronting emergency issues. All these issues bring to the negative relationship among work members which may lead to lack of motivation and affect the company growth.

4.2 Reason Analysis for the Problems

Fail to Forecast the Demand for Labor

Usually, an organization forecasts demand for specific job categories or skill areas. After identifying the relevant job categories or skills, the manager investigates the likely demand for each. But Amal Image Resources Sdn. Bhd. failed to forecast the labor demand and as a result, it brings negative effects on business operation due to lack of staff.

Low Corporate Responsibility of Employees

Farooq et.al. (2014) claim that the effect of employee-related corporate responsibility actions on organizational identification is stronger for collectivist employees. Lack of corporate responsibility may cause decline of sense of belonging to company and bringing to dispersal of employees' spirit. Further lead to some bad behaviors among employees, such as violate rules, stealing, and lacking of honesty.

Poor Organizational Culture

Organization culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations (Zhang & Zhu, 2012, November). These shared values have a strong influence on the people in the organization and dictate how they dress, act, and perform their jobs. Thus, organizational culture is significant to company's development. During our interview with the managing director, we find out that their organizational culture is weak and employees don't have the similar objective in working for the company. As a result, the relationship between employees becomes worse, due to conflict with each other regarding commission fee.

5. Identification of Existing HRM Policies Practiced

Human resource policies are the formal rules and guidelines that an organization practice to hire, train, assess, and reward the employees of their organization. HRM policies are important so that employees and employer know their rights and limits across the organization. Amal Image Resources Sdn. Bhd. has practices some HRM policies that we will discuss below and it is related to some human resource issues that discussed earlier.

5.1 Existing HRM policies / Strength & Weaknesses of the Policies

Internal versus External Recruiting

This policy refers to the organizations with policies to "promote from within" try to fill upper-level vacancies by recruiting applicants internally that are finding candidates who already hold job in the organization. Decisions about internal versus external recruiting affects the nature of jobs and nature of applicants. The Amal Image Resources Sdn. Bhd. also practices this policy by recruiting employee internally since they face the problem where an employee misuse his responsibility by ran away RM1.5 million. Thus, the managing director of company take decision to maximize the internal recruiting since it provides candidate who well-known to the company and the process is cheaper and faster. If they do external recruiting they act more wisely by doing basic background checks about the candidates and conduct interviews.

Strength of the policy- By practicing this policy, the organization gets a framework on which recruiting style is more beneficial for them. They could enhance the hiring process and identifying applicants with good qualifications, knowledge, skills and abilities as well as reducing labor shortage.

Weaknesses of the policy- The drawback of the policy is, in case the company only focus on internal recruiting, the company will lack of new ideas or there will be no diversity in thinking style of the organization. However, candidates from external recruiting might provide innovative ideas and enhance the diversity culture of the company which made the company superior from competitors.

Termination Policy

All organization has several termination procedures in where they could lay off the worker if he or she violates any rules of the company. In Amal Image Resources Sdn. Bhd., the managing director said, the termination decision depends on the behavior of the employees. For example, the problems that we discussed earlier such that behavior of employees who was dishonest, deceitful and those skip work frequently will be terminated immediately.

Strength of the policy – The staffs or workers will be punctual for the work to avoid termination. The company could complete their project on time and loyal workers will make sure the company provide quality services and gain profitability.

Weaknesses of the policy – The workers become more stress and frustrated sometimes if those who are far from work place don't have the flexibility to come bit late because of the wage reduction for every one minute late.

Vacation Policy

Some organization providing vacation policy so that employees in an organization can communicate and mingle with each other so that they can avoid conflicts and build a healthy relationship among them. Thus, this policy is practiced in Amal Image Resources Sdn. Bhd. to ensure the workers are communicates and cooperate with each other, and also to have a peaceful work environment. The managing director declares that they will have vacation program for the employees twice a year so that they could forget their conflicts and misunderstandings and being friendly. For example, this kind of vacation will help to get rid of the employees' conflict in term of the commission fee for the tender. The managing director mentioned that they are going to celebrate family day in the company on 12th May 2016 to enhance the employees' relationships.

Strength of the policy- Workers becomes friendly, avoiding dissatisfaction and become more motivated towards work by having good atmosphere in workplace.

Weaknesses of the policy- There are employees who are interested in joining the vacations and it is costly for small organization if the vacation plan is too expensive.

Equal Employment Opportunity Policy

This policy can be described as in an organization the employer should not discriminate the employees in term of gender, age, race, religion and other disabilities. For example, the organization may not discriminate against individuals with disabilities who could perform a job with reasonable discrimination. If they discriminate the employees they can be legally charged.

In Amal Image Resources Sdn. Bhd., the managing director practices equal employment opportunity for their worker by recruiting male and female for the main departments as well as for the construction site workers. He also provides the fair payment or salary for the workers based on current market pay rate. He also takes care of their foreign workers by providing them necessary accommodations.

Strength of the policy- The company is free from legal charges and the workers are more motivated in completing the project.

Weaknesses of the policy – Female employees in construction sites may get injured and raises the cost of providing accommodation to the disability workers and foreign workers.

6. Recommendations

6.1 Solutions by the Managing Director

Hiring Temporary Workers

The solution given by the managing director of Amal Image Resource Sdn. Bhd to solve the problem of labor shortage in their small company is by hiring part-time workers since it is very fast in speed of results and has high ability to change later. As we know, temporary workers are very popular with managers on eliminate labor shortages and affords flexibility needed to operate efficiently especially when their company facing works overload or having swings in demand. Temporary employment status means that the majority of workers enjoy little or no social protection (income security or social security) (ILO, 2001). Thus, temporary worker offers lower costs and also frees the manager from administrative tasks and financial burden associated with being “employer of record”. While most small businesses do not have formal HR departments, all firms have recruitment and HR policies, even if they are only implicit (Aldrich & Von Glinow, 1991). Therefore, Amal Image Resources Sdn. Bhd always find and searching for the students or any person who want to do part time or doing internship in their company. For them, even though temporary workers may offer value not the same one as the experience workers, but because of these temporary workers has little experience at the organization, so that they can brings an objective point of view to the organization's problems and procedures.

Install Thumbprint Scanner System

After several meetings conducted with employees, the board of directors decided to install a device called thumbprint scanner to track workers attendance. Every staff required to record their attendance through thumbprint when entering and leaving the company. This strategy was intended to ensure that all employees come to work on time and for those who delay, salary will be deducted by every minute that she or he is late. Mr. Mohd. Safarin also assign each employee must work 8 hours per day and the working hours now are more flexible that are from 8.00am - 5.00pm / 8.30am - 5.30pm / 9.00am - 6.00pm. In addition, there will be impose disciplinary action if find out workers who skip work. This is to ensure that new employees do not follow such a thing was done by the old employees.

6.1.3 Behave Wisely in Recruiting and Selecting Employees.

Based on the incident of losses about RM1.5 million, the organization has made a police report and all the employees' information was distributed and shared to other companies so that outside parties are also aware when dealing with the employees. Since the incident, new hiring process becomes more complex and strict. The managing director attempts to recruit new employees if they are recommended by internal sources since they are well-known to the company and can be trustworthy. He will also conduct interview in more detail so that such things do not happen again in his company.

Having Conversation with the Problematic Employees

The managing director said that if they found there are conflicts (maybe regarding commission fee) between the staffs they take steps to solve it so that it doesn't affect their work. For instance, the board of directors will have meeting with their employees twice a month to share their thoughts, dissatisfaction, and problems. For problematic employees they will have a personal conversation so that can give them some counselling.

6.2 Recommendations by Students

There are a few recommendations from our group to the problems faced by Amal Image Resources Sdn. Bhd. based on what we have learnt in Human Resource Management concepts. We combined two problems which are bad behavior and poor relationship among employees since both having almost similar recommendations that are related and they considered as main problem.

Suggestions for Main Problem: Bad Behavior and Poor Relationship

Performance Management

When employees violate rules, the company management should give corresponding punishment, by establishing suitable mechanism of performance assessment to improve sense of obeying rules. The organization should specify relevant aspects of performance such as employees' behavior towards subordinates, punctuality, discipline level, involvement in teamwork and dedication of completing task. Next, the performance appraisal steps need to be done by identifying what kind of behavior the staffs establish in term of honesty, strength and weaknesses and from that employer could identify problematic and immoral employees Based on the performance feedback, workers with good performance can be encouraged with rewards such as bonus and pay increases while, workers with poor ranking will be given training to improve job performance or demoted. Performance evaluation could avoid the conflict of commission fee among staffs since the company recognize the achievement of workers in other part of work and reward them. In organizational behavior, individual's organizational commitment is the psychological attachment to the organization and the development of organization commitment needs effective HRM practices such performance feedback, team activities and training of job skills (Sendogdu et.al., 2013)

Gathering Background Information of Employees

Gathering or collecting background information is verifying the information of candidates at the beginning of selection process to ensure the information given by the candidate is true. For Amal Image Resources Sdn. Bhd., since the company experienced in recruiting unethical employee, it has to be more careful on the following recruiting process by gathering information about the candidates maybe through application form that provide basic information of the applicants; resumes that

provide some insight on how the candidates present themselves; background checks by verifying the applicants criminal record, banking record, bankruptcy situation and also through social media such as Facebook and Linked-In; and through reference checks by getting information from the former employer or other referee about the strength, weakness and capability of potential candidates. Background investigation helps to identify true colour of certain employees in term of honesty, relationship with previous workers and commitment.

Organizing Teamwork to Improve Employees' Relationship

Martin et.al. (2016) states that the greater the number and complexity of relationships organizations have with others, the more like they will resemble hybrid organizations. Thus, teamwork in an organization is crucial and functions as a booster to enhance the relationship of employees. It is important for the sake of conflicts and formulating organizational culture. Amal Image Resources Sdn. Bhd. should often systematize group activity in doing the project of the tender to enhance the ability of team work. By working together to achieve a same goal through group activity, they can formulate better relationship gradually. Moreover, team members have the opportunity to learn from each other and foster greater cooperation among members. Communication and information exchange may be facilitated and increased in teamwork and it may stimulate performance and attendance of the staffs. Teamwork destroys the conflicts and misunderstanding between employees.

Training and Development to Employees

Čech et.al. (2015) claims that current employees need more training and development because they have the knowledge and experience that has more to do with the organization, as well as the advantages that can be used as an innovation for the organization. Hence, Amal Image Resources Sdn. Bhd., can provide more training and development to employees to achieve the company's goals. The training should provide on how to perform good behavior within company and to customers and how to behave ethically so that can build strong relationship within subordinates.

Suggestions for Other Problem: Labor Shortage

Overtime

Aryanto et.al. (2015), finds that in order to improve innovation capability, firms should pay attention and hold a good strategic human resource management. One of the suggestions to avoid labor shortages is set up overtime (expanded hours) system. If the organization sees that the shortage to be temporary problem, manager itself may prefer a solution that is simpler and less costly by giving their workers opportunity to work overtime. Even though the organization needs to pay one-and-a-half times of their worker's normal wages for work overtime, but it was a preferable solution the manager can do rather than facing the costs of hiring and training new employees. But this solution have its own advantage and disadvantage for the workers itself, where work overtime will makes the workers appreciate the added compensation given by the organization, but it also will make the workers feel stress and frustration on working in long hours (more than 8 hours).

Outsourcing

Another way to avoid labor shortage is through outsourcing. Amal Image Resources Sdn. Bhd. is the organization that doing services on the field of cleaning, maintenance and landscaping building area that need to make contracting collaboration to another organization to perform it. This is what we call it as outsourcing, where it can help the organization to operate efficiently and save money with the outsourcing firms that they are cooperated with. The existing corporate structure affects the paths chosen to create shared business services and to move to outsourcing which is one of the corporate functions to reduce labor shortage (Gospel & Sako, 2010). The organization can get the benefit economies of scale if the outside organization specializes in the services or in the necessary skills that are needed to accomplish the projects.

Retrained Transfers

It refers to the effect that knowledge or abilities acquired in one area have on problem solving or knowledge acquisition in other areas. Thus, Training transfer enables employees to apply the skills

learned in training on the job. Training transfer is performing certain activities before, during, and after a training session that enables employees to more effectively and quickly apply the skills learned in training on the job. Training transfer is the goal when employees are involved in any internal or external training activity, session, seminar, or on-the-job training. The goal of training is to enhance the skills, knowledge, and thinking and learning ability of employees. But, even more important is the capability to apply the new information, skills, or knowledge in the employee's job.

Turnover Reduction

Turnover costs for many organizations are very high and can significantly affect the financial performance of an organization. Direct costs include recruitment, selection and training of new people, with a phenomenal cost of time and expense. Indirect costs include increased workloads and overtime expenses for co-workers and reduced productivity associated with low employee morale. The turnover reduction can be successfully achieved by the steps:

- 1.Hire the right people and continue to develop their careers.
- 2.Develop an employee oriented culture.
- 3.Develop an overall strategic compensation package.
- 4.Consider other options such as alternative work schedules, flexitime, preventative health care and wellness programs.

For every company, the right time to outsource is different. Some businesses have in-house staff to handle daily activities, but may need outside help to undertake new projects that don't warrant another full-time employee. When the current employees are unable to manage the day-to-day business of your company and build the business satisfactorily, it may be time to consider outsourcing. This is what the Amal Image Resources Sdn. Bhd. needs to do when they are facing works overload or surplus of tender but lack of staff to do it.

6.3 Implementation Plan

Time / Activities	PERFORMANCE MANAGEMENT MAY 2016-NOV 2016						
	MAY	JUN	JULY	AUG	SEP	OCT	NOV
Job Analysis							
Recruitment & Selection							
Specify relevant performance aspects							
Performance appraisal							
Disciplinary processes (Feedback)							
Training and Development							
Reward & Recognition							
Succession Planning (Expected Result)							

Figure 2. Implementation Plan for Performance Management

Figure 2 shows the implementation plan or time frame for Amal Image Resources Sdn. Bhd. to solve the main problem; employees' behaviour and poor relationship issues. As a first step, the company should identify conduct job analysis in where it is a process of getting detailed information about jobs for example, finance and administration job in the company. Then, it should conduct recruitment and selection of candidates for the job by investigates the background information about the applicants. Next, the organization should specify the relevant aspects of performance in term of behavior of employee, knowledge in completing task, critical thinking, moral of employee, degree of relationship and teamwork with peers, discipline level and so on. These aspects help the company to evaluate the performance of the employee in the job by identifying their strength and weaknesses, which area of the job needs improvement and what kind of behavior the employee imposed on the job. Usually performance appraisal is done by managing director through observation. Through the disciplinary process, the managing director should set a performance standard and evaluate whether the employees actual performance meet the targeted performance level. The managing director should provide feedback on the performance level and coaching the poor performer. If they find performance of a job needs improvement they should proceed with training and development program. There are several aspects that the company can provide training and development. The managing director should analyze the skill gap of employees. The training can be given to staffs in term of storing the information and data accurately, communication skills especially English language so that employee can deal with foreign clients, training on completing projects effectively, and conduct training program such as motivation camp and seminars to improve the workers interest and discipline level on job. For training program, they should have skilled trainers who can provide coaching and mentoring. The board of director should explain to the trainers the knowledge, skills and abilities that a job required so that the trainer provides the appropriate training. However, if the employee achieved targeted performance, they will be rewarded with promotion, bonus, pay increases and other benefits. The succession planning is done by identifying the higher rank performer in a job and the performance management should gain positive result so that the company perform effectively.

7. Conclusion

Human Resource Management is all about the combination of theory, practice and professional accreditation that ensures to give us the skills and knowledge that we need to pursue a successful career in Human Resource Management (HRM) In other words, HRM teaches us how the proper management of employees contributes towards organizational effectiveness. We will know about HRM functions such as organizational behavior, employment relations systems and processes, human resource planning, recruitment and selection, performance management, training and development, and others which will give us valuable skills as an employee in any given industry.

Thus, from this case of Amal Image Resource Sdn. Bhd, we learn about how the small companies will survived to compete with around 2000 companies in Selangor that also gives the services closed to their specialization too with applying the functions of HRM well. Even though there is many problem among their employees in term of poor behavior and conflicts, but the manager take a fast actions to overcome those problems. With knowledge of HRM, the managers can solve the problems without any dissatisfaction or complaints from their employees. The most important things to the small companies like Amal Image Resources Sdn. Bhd. are the workers itself and teamwork among their workers to give best quality and high productivity of services to their customers. Without these two things, the company or organization may face a lot of problems or may be shut down.

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