

IMPACTS OF HUMAN RESOURCE PRACTICES ON ORGANIZATIONAL PERFORMANCE: PERSPECTIVES OF TAIWANESE AND CHINESE HIGH-TECH COMPANIES

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ABSTRACT. *This study adopted the data envelopment analysis and the analytical hierarchical process technique to derive the importance rankings for items of human resource practice and organizational performance in the different culture using the high-high tech firms in Taiwan and China. Research findings indicated that: (1) AHP/DEA is successfully used to derive importance rankings of items of human resource practices to organizational performance; (2) participation is the most important item in human resource practices and employee relations in organizational performance for both the Taiwanese and Chinese samples in all types of culture; (3) employee relations in organizational performance is the less important item for both the Taiwanese and Chinese samples in common culture than in others; (4) motivation is the least important item in human resource practices for the development culture type, as is hiring for the common and stratum culture type, and compensation for the rational culture type in both the Taiwanese and Chinese samples; (5) hiring is the most important item in human resource practices for development culture as is motivation for rational culture in both the Taiwanese and Chinese samples; (6) innovation is the most important item in organizational performance for common culture, as are employee performance, productivity, and perceived market performance for rational culture in both the Taiwanese and Chinese samples.*

Keywords: Human resource practices, Culture, Organizational performance, Data envelopment analysis, Analytical hierarchical process

1. Introduction. Many approaches to evaluate how human resource practices impact organizational performance have demonstrated useful information for making human resource policy [1-5]. Items used for human resource practices include motivation, training, compensation and hiring [6,7], while those used for organizational performance are turnover, productivity, and innovation [7,8]. However, the item ranking with respect to their impact has received less attention. For instance, of relevant concern is which item is more important or having 100% efficiency. Data envelopment analysis (DEA) and analytical hierarchical process (AHP) are extensively applied to examine efficiency for multiple decision making units. Combining AHP and DEA indicates that the AHP/DEA model