

**A STUDY OF HUMAN RESOURCE MANAGEMENT IN A
JOINT VENTURE ORGANISATION COMPARED TO A
LOCALLY OWNED ORGANISATION IN CHINA**

Jindi SUN

**A thesis submitted in partial fulfillment of the requirements for the
degree of Master of Business, Unitec New Zealand, 2009**



DECLARATION

Name of candidate: Jindi Sun

Student ID Number: 1145344

This thesis is submitted in partial fulfillment for the requirements for the Unitec New Zealand, the degree of **Master of Business**.

Candidate's Declaration:

I confirm that:

- This thesis is my own work.
- The contribution of supervision and other to this thesis is consistent with the Unitec's Regulations and Policies.
- The research for this thesis has been conducted in approval with the Unitec Research Ethics Committee Policy and Procedure, and has fulfilled any requirements set for this thesis by the Unitec Ethics Committee.

The Research Ethics Committee Approval Number is: 2009 – 928

Candidate Signature:

Date:

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XieXie

DEDICATION

This thesis is dedicated to my father Zhanguo Sun and my mother Wenru CaiSun, whose lifelong understanding and encouragement to their daughter has made me want to make them proud of me.

TABLE OF CONTENTS

DECLARATION	i
ACKNOWLEDGEMENTS	ii
DEDICATION	iii
TABLE OF CONTENTS	iv
LIST OF TABLES AND FIGURES	vi
ABBREVIATIONS	vii
ABSTRACT	1
1. CHAPTER ONE: INTRODUCTION	2
1.1 BACKGROUND.....	2
1.2 INTRODUCTION TO THIS RESEARCH	4
1.3 THE RESEARCH QUESTIONS	5
1.4 OVERVIEW OF CHAPTERS	5
1.5 CHAPTER SUMMARY	6
2. CHAPTER TWO: LITERATURE REVIEW	7
2.1 INTRODUCTION.....	7
2.2 HRM CONCEPTS	7
2.3 HR FUNCTIONS.....	9
2.3.1 RECRUITMENT.....	10
2.3.2 SELECTION.....	10
2.3.3 TRAINING AND DEVELOPMENT	11
2.3.4 MOTIVATION	12
2.3.5 TERMINATION	12
2.4 HRM PROCESS	13
2.4.1 HRM FORMULATION	13
2.4.2 HRM IMPLEMENTATION	15
2.4.3 HRM EVALUATION/AUDITING/MONITORING	18
2.5 HRM IN THE CHINA CONTEXT VERSUS HRM IN A WESTERN JOINT VENTURE ORGANISATION.....	19
2.5.1 BACKGROUND.....	19
2.5.2 JOINT VENTURES IN CHINA	20
2.5.3 HRM MODELS AND CONCEPTS IN CHINA.....	22
2.6 INTERNATIONAL HRM.....	23
2.7 CHAPTER SUMMARY	25
3. CHAPTER THREE: RESEARCH METHODOLOGY	27
3.1 INTRODUCTION.....	27
3.2 THE QUALITATIVE APPROACH	27
3.3 THE QUANTITATIVE APPROACH.....	28
3.4 INTERVIEWS	29
3.5 QUESTIONNAIRES.....	30
3.6 INTRODUCTION OF RESEARCHED ORGANISATIONS	30
3.6.1 THE JOINT VENTURE ORGANISATION	31
3.6.2 THE LOCALLY OWNED ORGANISATION	31
3.7 DATA COLLECTION	31
3.7.1 INTERVIEWS	31
3.7.2 QUESTIONNAIRES	32
3.8 DATA ANALYSIS.....	32
3.8.1 INTERVIEWS	32
3.8.2 QUESTIONNAIRES	33
3.9 ETHICAL CONSIDERATIONS.....	33
3.10 CHAPTER SUMMARY	34
4. CHAPTER FOUR: RESULTS	35
4.1 INTRODUCTION.....	35

4.2	INTERVIEWS	35
4.2.1	THE JOINT VENTURE ORGANISATION	35
4.3	INTERVIEW	38
4.3.1	THE LOCALLY OWNED ORGANISATION	38
4.4	RESPONSE TO QUESTIONNAIRES	42
4.4.1	AGREEMENT AND SATISFACTION OF HRM PRACTICES	42
4.4.2	BACKGROUND INFORMATION FROM RESPONDENTS.....	52
4.4.3	EXPECTATIONS TO IMPROVE THE CURRENT HRM SYSTEM... 54	
4.4.3.1	THE JOINT VENTURE ORGANISATION	54
4.4.3.2	THE LOCALLY OWNED ORGANISATION	55
4.5	CHAPTER SUMMARY	56
5.	CHAPTER FIVE: DISCUSSION.....	58
5.1	INTRODUCTION.....	58
5.2	DISCUSSION ON INTERVIEWS.....	58
5.2.1	IMPORTANCE OF HRM PRACTICES	58
5.2.2	HR MANAGERS' EXPECTATION.....	61
5.3	DISCUSSION OF THE QUESTIONNAIRE.....	64
5.3.1	HRM PRACTICES AND POLICIES	64
5.3.2	IMPORTANCE OF HRM	69
5.3.2.1	HR INTEGRATION	69
5.3.2.2	INVOLVEMENT IN HR STRATEGIES	70
5.3.2.3	HRM AS AN IMPORTANT ROLE.....	71
5.3.3	TRADITIONAL CHINESE HRM PRACTICES VERSUS WESTERN HRM PRACTICES.....	72
5.3.4	EMPLOYEE EXPECTATIONS TO IMPROVE THE CURRENT HRM SYSTEM	73
5.3.5	COMPARISON TO PREVIOUS STUDIES DONE.....	77
5.4	CHAPTER SUMMARY	79
5.5	RESEARCH CONCLUSIONS.....	80
5.6	RECOMMENDATIONS	82
5.6.1	RECOMMENDATIONS FOR THE JOINT VENTURE ORGANISATION	82
5.6.2	RECOMMENDATIONS FOR THE LOCALLY OWNED ORGANISATION	83
5.7	LIMITATIONS	84
5.8	AREAS FOR FURTHER RESEARCH.....	84
5.8.1	CLOSING STATEMENT.....	85
	REFERENCES	87
	APPENDIX 1: THE INTERVIEW QUESTIONS	101
	APPENDIX 2: THE RESEARCH QUESTIONNAIRE	102
	APPENDIX 3: INFORMATION SHEET	105
	APPENDIX 4: CONSENT FORM	107
	APPENDIX 5: TABLE OF COMPARISON OF THE RESPONDENTS' EXPECTATION TO IMPROVE THE CURRENT HRM SYSTEM.....	109

LIST OF TABLES AND FIGURES

TABLES

Table 1: Differences between HRM in China and HRM in Western joint ventures.....	23
Table 2: Commonalities in the researched organisations.....	41
Table 3: Differences in the researched organisations.....	42
Table 4: Traditional Chinese HRM practices versus Western HRM practices.....	73
Table 5: Comparison of expectations in HRM practices.....	78

FIGURES

Figure 1: Effectiveness of the HR department.....	43
Figure 2: HRM practices and policies.....	43
Figure 3: Effectiveness of HRM practices.....	44
Figure 4: Communication.....	45
Figure 5: Involvement in HR strategies.....	46
Figure 6: Traditional Chinese HRM practices versus Western HRM practices.....	46
Figure 7: Team work with colleagues.....	47
Figure 8: HR integration.....	48
Figure 9: Performance appraisals.....	49
Figure 10: Use of performance appraisals.....	49
Figure 11: Opportunities in training and development.....	51
Figure 12: Staff recognition, reward, and remuneration.....	51
Figure 13: HRM as an important role in organisations.....	52
Figure 14: Gender.....	53
Figure 15: Age.....	53
Figure 16: Level of education.....	54

ABBREVIATIONS

HR: Human Resource

HRM: Human Resource Management

HRISs: Human Resource Information Systems

HRINZ: Human Resource Institute of New Zealand

JV: Joint Venture Organisation

KSAs: Knowledge Skills Attitudes

LO: Locally Owned Organisation

MNCs: Multinational Corporations

TQM: Total Quality Management

UREC: Unitec Research Ethics Committee

WTO: World Trade Organisation

ABSTRACT

The thesis examined the study of human resource management (HRM) in a joint venture organisation compared to a locally owned organisation in China. With the increase in foreign investment in China, more Western invested organisations of various kinds are being established in the Chinese business environment. HRM as a Western concept, has an effective influence in the transition from personnel management to HRM in China. The literature review in the research was focused on some aspects of HRM concepts, which are human resource (HR) functions, Western and Chinese HRM models, the HRM process and international human resource management (IHRM).

The research methods were decided using both a qualitative and quantitative approach. Two interviews were conducted with the HR managers from the selected joint venture and locally owned organisation, and questionnaires were completed by 50 employees from each of the selected organisations. All responses were received, and the rate of useable response is 38%.

After analysing the findings, the researcher concluded that the development of HRM practices in the joint venture focuses on HR integration in order to build the organisation's competitive advantage. The development of HRM practices in the locally owned organisation aims at some improvement in HR functions and the innovation of 'technological HRM'. Finally, it was recommended to both types of organisations to review their HRM system regularly and be more aware of the link between their HRM system and the business's developing direction.

More research is needed concerning HR integration with business development and HRM information management. These aspects are all important to investigate the success of HRM.

1. CHAPTER ONE: INTRODUCTION

1.1 BACKGROUND

Human resource (HR) can be defined as the most important resource to affect production performance in organisations (Stone, 2008). The study of how to manage employees is extremely important for organisations in sustaining their competitive advantage in today's business environment. Thus, human resource management (HRM) plays a very significant role in influencing employees' behaviour within organisations (Cowham, 2008).

China is a large and fast developing country, attracting more and more foreign investors to locate their business in the Chinese marketplace (Lightfoot & Almeida, 2007). China has a long history of dealing with people in its historical business culture; however, with its rapid development and the appearance of increasing joint ventures in the Chinese market, a 'Western HRM model' is beginning to exert a strong influence in modern China. It is becoming increasingly obvious that it is vital to operate effective HRM practices, as well as matching different cultural backgrounds, in order to manage and communicate with people in an appropriate way (Wang & Satow, 1994).

There are a number of influential factors which could manipulate the development of joint ventures in China; including political factors, economic factors, societal factors, cultural factors, and managerial factors (Yang & Lee, 2002). Joint ventures with the Western HRM model to manage employees in the Chinese working environment have to face a few clashes with Chinese traditions, and cultural issues can strongly influence the design and operation of HRM practices (Jolly, 2006). Zhang & Goffin (1999) point out that the business environment, operational issues, and performance evaluation are equally relevant in developing effective HRM models in a Western joint venture in China.

In the researcher's view, a joint venture with a Western background faces the difficulties of managing diversity, and operating HRM practices based on Western HRM concepts and aligning HRM practices with the working environment in China.

Cultural and environmental issues cannot be avoided in designing and implementing HRM practices in joint ventures. Effectively developed HRM practices act as a mainstay in reducing misunderstandings between employees and the organisation in the diverse environment. From a Chinese perspective, a Western joint venture can be seen as a model of obtaining new managerial ideas to improve and update the current activities.

Locally owned organisations in China have been undertaking personnel management in managing employees for a long time. There are still some locally owned organisations that perceive HRM as personnel management, and they are facing the transition to HRM by considering the Western HRM concept (Warner, 2004). The research has the focus of investigating the locally owned organisation's development of HRM practices, and its perspective of HRM.

Joint ventures have different features to locally owned organisations. Joint ventures in China, especially Western joint ventures, must face the challenge of diversity. Joint ventures have to consider cultural issues if they want to be involved in the Chinese environment. One of the researcher's key directions is to discover the implementation and development of HRM practices in the joint venture, and obtain its experience of operating Western HRM concept in the Chinese environment.

The entire research focuses on HRM practices in a joint venture organisation and a locally owned organisation in China. The research investigates how HRM practices work in the chosen joint venture organisation and locally owned organisation in China. It also compares the similarities and differences of HRM practices in these organisations. The research contributes to the current knowledge on HRM concepts, HR functions, HRM process, and international human resource management (IHRM). NPC Ltd and LPC Ltd as the selected organisations, will present their various understanding on HRM practices in Chapter Four.

From a theoretical point, the research provides some basic understanding of HRM concepts. HR functions such as recruitment, selection, training and development, motivation, and termination are explained to support the research strongly. IHRM is also explained theoretically to link the concepts and actual results in this research.

From a practical standpoint, two researched organisations share their experience on managing people and the problems that usually occur in their work place. The joint venture organisation pays more attention to employee recruitment and selection to attract candidates who are experienced in order to minimise the training cost. The locally owned organisation pays more attention on employee training and development, and also motivation; it aims at maintaining and motivating current employees to achieve their organisation's inclination. The researched organisations have a different perspective on their HRM practices; however, they have the same expectation which is to hire the most suitable people in the right work position to contribute their competence to the organisation.

1.2 INTRODUCTION TO THIS RESEARCH

First, the researcher makes a statement comparing similarities and differences on HRM practices between a joint venture organisation and a locally owned organisation in China.

Second, the literature review is analysed to identify HRM practices that are important to influence an organisations' performance. Besides focusing on HRM concepts and processes, the literature review also indicates the IHRM link to HRM practices in joint venture organisations. The research also discusses the 'Chinese HRM model' and 'Western HRM model', and the integration of these models in joint venture organisations and locally owned organisations in China.

Third, the research conducts a qualitative and a quantitative research method. Interviews with HR managers from the researched organisations give a clear understanding of HRM practices from a managerial point of view. The survey conducted of employees was to gain their perceptives on their current HRM practices. The research is designed with two methods in order to achieve the expected results as accurately as possible.

Finally, the research presents the collected results and discusses and compares them in the light of relevant theories. The research suggests the integration of strategies that can be used to improve effectiveness of HRM practices in a multicultural work

place. In the recommendation section, the research recommends the researched organisations undertake effective communication techniques to create superior relationships, and reassess the system to review their HRM practices regularly. The success of operating HRM practices can bring about success in an organisation's performance.

1.3 THE RESEARCH QUESTIONS

The research seeks to answer the core research question - **What are the differences of HRM practices in a joint venture organisation compared with a locally owned organisation in China?**

Under the core research question there are six sub-questions that need to be considered:

- What HRM practices are evidenced in the researched joint venture organisation and locally owned organisation?
- Who is responsible for developing and implementing these HRM practices?
- To what extent is HR strategy formulated and integrated with the organisational strategy?
- To what extent are the HRM practices consistent between 'Western HRM model' and 'Chinese HRM model'?
- How are HRM practices measured and evaluated?
- How are HRM practices perceived to be associated with success in a joint venture organisation or a locally owned organisation in China?

1.4 OVERVIEW OF CHAPTERS

Chapter One entails the introduction. In Chapter Two, an in-depth literature review of HRM concepts is presented. The next chapter, Chapter Three, presents an overview of designed research methodology in the current study of HRM practices. Chapter Four explores the results of this research. The discussion chapter, Chapter Five, discusses the findings from Chapter Four, as well as recommendations, limitations, and areas for further research.

1.5 CHAPTER SUMMARY

This chapter gives a clear direction as to what the reader can expect in the thesis, and summarises the main background of the research; including the main research question and relevant sub-questions that were explained, as well as an overview of the chapters in the thesis. Chapter One, the introduction, introduces the framework of the research project, with the results and discussion thereafter reflecting the researcher's views.

The following chapter provides an in-depth literature review of HRM concepts including HR functions, HRM process, and IHRM.

2. CHAPTER TWO: LITERATURE REVIEW

2.1 INTRODUCTION

In the previous chapter, a brief overview of the components in the research was given. The purpose of this chapter is to present an understandable explanation of HRM concepts from various sources to support the research theoretically. The relevant HRM concepts can explain benefits of undertaking effective HRM practices in organisations. The chapter gives an overview of HRM theories to indicate the importance of HRM in managing people in any organisation. HR functions are explained in order to make a clear distinction of elements which play main roles in HRM. The HRM process including HRM formulation, HRM implementation, and HRM evaluation/auditing/monitoring is discussed to present a logical frame work for HRM, and explains how HRM operates its various elements in organisations.

Because China has a long history and it has its own 'Chinese HRM model' to manage people relationships; with increasing foreign investment in China the 'Western HRM model' is influencing the current management system. The cultural background is also briefly explained in this chapter, and IHRM is discussed as important management knowledge to manage multicultural organisations.

2.2 HRM CONCEPTS

HRM is an American concept. Employees are resources in organisations, and as such they need to be trained and developed properly in order to achieve an organisation's goals and expectations (Brewster, 2007). The initial development of the HRM concept is based on the effective utilisation of people, and to treat them as resources leading to the realisation of business strategies and organisational objectives (Zhu, Warner & Rowley). HRM contributes to create high performance work systems by linking various employees in different departments in the same organisation (Brewster, 2007). Organisations use the effectual HRM system to increase their competitiveness by investing in employee development (Sutiyono, 2007).

HRM is a pattern of planned HR development and activities which affect the behaviour of individuals with the intention of enabling organisations to achieve their goals (Wood, Holman & Stride, 2006). All HR activities are dependent upon the managers' efforts to formulate and implement the organisational strategy (Wei & Lau, 2005). HRM refers to the policies, practices, and systems in organisations for recruiting and developing their employees, as well as influencing their behaviour, attitudes, and performance to achieve the organisations' goals (Stone, 2008). HRM competency contains an organisations' ability to recruit, train and develop, maintain and utilise prospect-oriented employees with their capacities in a way that they comply with their organisations' goals (Zaugg & Thom, 2003).

Wilkinson & Holden (2001) point out "The now extensive literature on HRM rarely differentiates between human resource management and human resource strategy, although the former would suggest the day-to-day implementation of policy while the latter is a long-term perspective" (p. 2). HRM, as a long-term strategy, plays an important role in creating and developing an organisation's competitive advantage in the corporate world. Adding value is another interest in HRM, as employees add value to their organisations with performance improvement. Richard & Johnson (2001) state that in order to improve effectiveness and efficiency HR managers must concern themselves with activities that affect the rank and file in their organisations.

HRM is a unique and important concept to develop superior people practices in organisations. The main research question deals with different HRM practices and the important role of HRM in the joint venture and the locally owned organisation. The role of HRM effectiveness creates a sustained competitive advantage in promoting an organisation's overall performance (Richard & Johnson, 2001). Effective HRM can identify each employee's knowledge, skills, and attitudes (KSAs), that motivates employees to use their KSAs, and place them in appropriate positions in order to achieve the organisation's effectiveness and efficiency (Lajara, Lillo & Sempere, 2003).

Having referred to several researchers' and authors' views on what HRM actually is, the researcher can therefore say that HRM is an essential implement to link different people in the same organisation to use their various capabilities for

achieving the organisation's goals. HRM is not understood as only working for managers or employees. Rather, it is a managerial function for creating the organisation's competitive advantage by developing people's KSAs, which in turn benefits the organisation.

Many authors explain HRM as management knowledge and function. Keegan & Boselie (2006) argue that HRM is a social construction, and it works as a form of social action in structuring employment relations. From that standpoint, people can understand that HRM plays a social role in managing relationships between employers and employees in their organisation. Some people are confused about the understanding of talent management, personnel management, and HRM. In developing their HRM practices, some Chinese locally owned organisations face and experience the transition from personnel management to HRM (Zhao, 2008).

These three types of management functions are very different theoretically and practically. Talent management focuses on managing people in strategic roles in their organisation, and it is the integrated and systematic process of engaging employees with potential competency (Kock & Burke, 2008). One of the sub-questions requires the respondents to give their views on the implementation of their HRM practices.

Personnel management is the discipline of hiring and developing employees, and it is performance-related. Personnel management is defined as a 'hard' management function, in which employees are managed under organisational rules and procedures (Nishii, Lepak & Schneider, 2008). Personnel management has been renewed to HRM, which is to manage and develop employees as valuable resources. HRM believes that people drive an organisations' success (Chien, 2004). HRM conducts both 'hard' (policies) and 'soft' (motivation) management functions to manage employees and help them to achieve their organisation's expectation as well as work-life balance (Nishii et al., 2008).

2.3 HR FUNCTIONS

Employees have expectations regarding HR functions, including recruitment, selection, training and development, motivation, and termination in their organisation, and the role of HRM has an important effect on HR functions (Antila

& Kakkonen, 2008).

2.3.1 RECRUITMENT

Recruitment is defined as a process that seeks and obtains potential job applicants in sufficient numbers and quality in order to fulfil the available work positions, as well as meeting the organisation's requirements and expectations (Shen & Edwards, 2004). Recruitment is highly dependent on job analysis to identify the organisation's needs, and recruitment is also linked to organisational strategy through HRM planning (Macky & Johnson, 2003). Recruitment policy is very important to organisations, and it reflects an organisations' general strategy (Nel, Werner, Haasbroek, Poisat, Sono & Schultz, 2008). There are internal and external factors that influence recruitment. Government or trade union restrictions and labour markets are defined as mainly external factors influencing the development of recruitment policy; internal factors such as organisational policy and an organisation's image can indicate the recruitment effort (Nel et al., 2008).

Recruitment methods are various from both internal and external aspects. In the internal aspect, current employees are allowed to apply for their desired jobs within their organisation; referrals among current employees are also used as internal recruitment (Nel et al., 2008). External recruitment methods include advertisements, employment agencies/consultants, school recruitment, and electronic/Internet recruitment (Macky & Johnson, 2008). Internet recruitment is very common nowadays, and most organisations create 'online careers' for attracting applicants to post their applications online. Online recruitment brings more convenience for applicants as well as saving costs.

2.3.2 SELECTION

As a professional HR manager, it is vital to have the competency and ability to select appropriate employees and place them in suitable work positions (Marques, 2007). Selection is an important element in HR functions, because the selected employees have close relationships and connection with the organisation's development. Selection is the process of gaining information for the purpose that decides who should be employed in particular work positions (Shen & Edwards, 2004).

There are some factors that influence employee selection. Internally, these include the organisation's size and type, applicant pool, and selection methods to decide the requirements and outcome of employee selection. Externally, legislation and the labour market play key roles in influencing employee selection (Nel et al., 2008). Interviews including unstructured interviews and structured interviews, are key methods in employee selection. Interviews can give a much better picture of the candidates than reading their applications from paper (Macky & Johnson, 2003).

2.3.3 TRAINING AND DEVELOPMENT

Training and development is defined as activities within organisations, and managers have limited control over these activities. Training and development as a learning opportunity provides employees with an in-depth understanding of their organisations' value and performance standard (Antonacopoulou, 2000). General training is understood by its applicability to most employees, and specific training is understood as the attainment of KSAs valuable to one employer (Garavan, 1997). As supported by the literature, training and development is an essential function in HRM; and it plays a key role in giving employees an opportunity to improve their performance, and to gather more understanding of their organisations' expectations and future directions. The literature leads to the sub-question requesting information from the respondents regarding HRM practices such as training and development.

Investing in employee training and development can enhance an organisations' specific knowledge, especially in developing employees' KSAs in their professional area (Birdi, Clegg, Patterson, Robinson, Stride, Wall & Wood, 2008). It would not be easy to have fully capable and developed employees in organisations; however organisations can provide opportunities through effective training and development systems or programmes to improve their employees' capability (Cunningham, 2007). The importance of training and development is to recognise an organisation's skill gaps; the gaps are between the skills which existing employees have and the skills which their organisations require them to learn or improve (Holland & Cieri, 2006). Training and development helps the organisation's management meet its HR needs and requirements as well as improving their market value (Nel et al., 2008).

Training and development in personnel control can be utilised to adjust antecedent

conditions of performance including KSAs, and employee values and motives (Teo, Lakhani, Vrown & Malmi, 2008). Training and development is a way to add value to employees who are trained and developed, and it also adds value and creates a competitive advantage to their organisations (Burke & Hsieh, 2005). The purpose of training and development is to have the competency which relates to the cluster of KSAs that are associated with an organisations' effective performance, and can be evaluated and improved through training and development (Berge, Verneil, Berge, Davis & Smith, 2002).

2.3.4 MOTIVATION

From a psychological perspective, motivation is defined as an independent and a dependent factor; as an independent factor, motivation is a process administering people's choosing from alternative forms of their voluntary activities; as a dependent factor, motivation plays a role of stimulating people's behaviour and encouraging their intention to behave (Kooij, Lange, Jansen & Dikkers, 2008). In the HRM concept, motivation is one of the most important functions. Employee motivation is the way to make employees understand their organisation's special goals and requirements of achieving the goals, and employee motivation is also the way to give an opportunity to employees to recognise their capability (Nel et al., 2008).

It is imprudent for managers not to recognise changes in employee performance and attitudes. Employees need to be recognised and motivated in order to develop their potential to continue more effectiveness (Christie & Kleiner, 2000). Creating benefits for employees is a relevant way to motivate them in order to achieve better performance. From a HR point of view, money incentives are not the only way to benefit employees (Birdi et al., 2008). Employee motivation is also importantly related to customer satisfaction as the motivated employees will present high quality production or service in order to satisfy their customers for achieving their organisation's goals (Teo, Ling & Ong, 2005).

2.3.5 TERMINATION

Christie & Kleiner (2008) state that while terminating an employee is unpleasant,

the outcome of termination may have a positive influence. When managers want to terminate their employees rightfully, they must have a comprehensive understanding of employment law, as well as criteria for specially protected workers such as consideration of people's race, gender, or religion (Kleiner, 2003). Termination is a sensitive element for organisations, and it can build relationship stress in the work place. HR professionals must have the ability to reduce employees' stress about termination, and give them an accurate understanding of the organisation's discipline and termination procedure (Holmlund-Ryttonen & Strandvik, 2005).

2.4 HRM PROCESS

In this thesis, the HRM process is discussed in three stages – HRM formulation, HRM implementation, and HRM evaluation/auditing/monitoring. The HRM process becomes strategic in influencing organisational decision making. Utilising HRM practices and policy will determine the formulation and implementation of the HRM process, and the control perspective is also defined by HRM practices in order to regulate employees' behaviour within organisations as well as avoiding internal conflicts (Andolsek & Stebe, 2005).

2.4.1 HRM FORMULATION

The design of HRM policy is an initially important step to develop HRM process in organisations. To design an effective HRM policy, HRM needs to create the conditions which authorise the utilisation of human capital. HRM should integrate the designed policy with the organisation's business strategy, and that is the way to align HRM policy and the organisation's goal coherently (Heijltjes, 2000). HRM policy can be the central role in setting business performance in organisations, and it is an important stage in formulating an effective HRM system for employees to comply with and operate by in order to complete their tasks in the appropriate way (Chandrakumara & Sparrow, 2004).

Another sub-question requires the respondents' views on HR strategy in formulating an effective HRM process. Literature supports this in saying that by emphasising the importance of formulating HRM effectively in organisations. According to Godard (2009), there are four different types of HRM practices: traditional HRM

practices, new HRM practices, contingent pay schemes, and alternative work practices. Traditional HRM practices focus on maintaining a competent and stable work force and minimising problems such as turnover, absenteeism, and strikes (Godard, 2009).

New HRM practices focus on developing a highly committed and performance-oriented organisation, and the purpose of new HRM practices includes values-based selection, team skill training, performance appraisals, career development, and continuous learning (Godard, 2009). Contingent pay schemes focus more attention on employee self-interest rather than commitment; thus, they are considered as 'HRM best practices' (Godard, 2009). Alternative work practices are 'flexible' work forms in organisations, including autonomous or semi-autonomous teamwork, cross-training, and job rotation (Godard, 2009). Specific HRM practices are also considered in formulating HRM in organisations. Specific HRM practices are used to enhance employee activity and performance; as well as selective staffing, training and providing equitable rewards (Rodwell & Teo, 2004).

The concept of integration does not only focus on individual HRM policies and practices; it focuses on a set of HRM practices in organisations that are integrated and consistent with an organisation's business development (Bjorkman & Lervik, 2007). Alignment of HRM practices with specific organisational competencies is important for organisations to sustain their competitive advantage (Myloni, Harzing & Mirza, 2007). There is a positive relationship between high commitment or high performance of HRM practices, and organisational performance (Haynes & Fryer, 2000). Consequently, HRM practices have an essential linkage with organisational performance and outcome as well as the quality of an organisation's goal achievement. This gave rise to a sub-question designed to analyse HRM practices associated with the organisation's business development.

Paul & Anantharaman (2004) state that HRM practices have a significant positive relationship with organisational commitment, and organisational commitment has a positive influence on employee turnover rate. Organisations often operate their HRM practices through employee skills, motivation, and job design, resulting in

their employee's improved productivity, creativity, and discretionary efforts (Wright & Kehoe, 2008).

There are three common dimensions in describing aligning HRM practices in different departments within an organisation in order to improve employee commitment and performance quality. The first is HRM practices intended to improve employees' KSAs to match the organisation's business strategy and requirements. The second is HRM practices which motivate employee behaviour in order to create an effective and efficient team performance, especially in aligning different employees from various departments. Thirdly, HRM practices provide opportunities for employees to participate in decision making as a way of making employees become more involved in their organisations and contribute their commitment and loyalty (Wright & Kehoe, 2008). Thus, HRM practices positively relate to organisational commitment and negatively relate to employee turnover (Gardner, Moynihan & Wright, 2007).

HR strategy is formulated to improve the level of an organisations' performance, and HR strategy is also important in improving the organisation's business development and consistency. This means that integrating HR and organisational strategies can help ensure the developing direction in organisations (Zhao, 2008). Thus, HRM is not just a procedural management knowledge or function; it is considered as a weapon that integrates people from different departments, and motivates and monitors them to contribute their efforts in order to achieve their organisation's goals.

From the above, it can be seen that formulating a positive HRM system means designing an effective HRM policy to conduct employees' behaviour and attitudes, and utilising HRM practices to align and integrate people of various competencies from different departments within an organisation in such a way as they align with the organisation's goals and expectations.

2.4.2 HRM IMPLEMENTATION

HRM implementation refers to the varied involvement of managers within their organisations conducting and applying the designed HRM policy and practices in their working environment in order to manage their employees and lead them to

achieve their organisation's expectations (Houtzagers, 1998). HRM implementation also has an important relationship with total quality management (TQM), and TQM requires the motivation of all employees within organisations to achieve both the organisation's goals and customer satisfaction (Yang, 2006). The involvement of managers provides an opportunity for non-HR managers (such as line managers, production supervisors, marketing managers, and financial managers) to improve their relationships with their employees as well as achieving a harmonious working environment (Birdi et al., 2008). This section focuses on the sub-question of responsible involvement for developing and implementing HRM practices.

Most line managers have limited HR or HR-related knowledge, but line managers need HRM knowledge in their interaction with their employees (Perry & Kulik, 2008). From the literature review, it can be seen that implementing the HRM process improves managers' HR knowledge in both decision making, and employee empowerment. HR activities to be performed by line managers, including design of training programmes, HR budgeting, provision of coaching and mentoring initiatives, and creating positive working conditions (Watson & Maxwell, 2007).

Although line managers or production managers are dealing with quality of products or services, employees' working attitudes will strongly affect their performance. Employee satisfaction in organisations implementing HRM practices such as staff promotion, motivation, and training and development will definitely influence customer satisfaction which is also related to employee performance (Hay, 2002). Moreover, involvement of managers, especially line managers, in implementing HRM activities will improve the manager's skills and knowledge of dealing with employee issues over and above than the technical skills and knowledge in their own working areas (McGuire, Stoner & Mylona, 2008). In modern organisational design, HRM involves line managers in implementing HRM policy and practices, because line managers can integrate their knowledge and experience in a way that benefits the entire organisation (Zupan & Kase, 2007).

Involvement of senior managers is also importantly relevant to implement the HRM process. Senior managers are mostly looking at their organisations' strategic force and development of organisational effectiveness; thus senior managers play their

roles as long term planners, and need effective communication techniques to communicate with their employees to make them understand what their managers want them to achieve for their organisations (Maxwell & Farquharson, 2008).

The best organisational strategy needs the best people to implement it; whether they are managers or employees, and people can drive the success of organisations by their behaviour (Chien, 2004). From this perspective, implementing an effective HRM process is an important way to create an organisation's competitive advantage. In regards dealing with people, communication is the main tool between managers and employees; and communication skills can be defined as managerial knowledge to build good relationships with their employees (Desmarais, 2008). Organisational performance is affected positively by managers' and employees' behaviour effectively communicating their ideas and problems (Jorgensen, Laugen & Boer, 2007).

From reviewing the above, it can be seen that people are a strongly competitive advantage in organisations, and it is also difficult to sustain and develop this competitive advantage for an organisation's future improvement. For HR managers, communication is a fundamental technique in making every employee valuable for their organisation and in implementing the HRM process, communication between managers and employees can provide a straight pathway towards giving accurate direction and guidelines to satisfy the entire organisation (Gowen & Tallon, 2003).

From a HRM point of view, implementing communication well can reduce conflict between managers and employees in the work place as well as improving their understanding and interaction in carrying out their tasks (Cheng, Dainty & Moore, 2007). As with the previous discussion of integration of HRM practices and organisational business strategies in formulating the HRM system, communication with employees is a functional way to help employees understand their organisation's developing direction and expectations (Cakar, Bititci & MacBryde, 2003). Not only are HR managers responsible for developing and implementing an organisation's HRM practices and policies; as managers they need the 'HR' capability of managing their relationships with their employees. HR managers are the professionals who design and illustrate the organisation's HRM practices and

policies, and they play the role of leading other managers to implement HRM practices and policies to employees as well.

2.4.3 HRM EVALUATION/AUDITING/MONITORING

HRM evaluation and auditing relate to an organisation's performance and goal attainment, employee attitudes, reputation, assessment of HRM practices, and activity analysis (Baruch, 1997). The evaluation of HRM effectiveness looks at the 'fit' of HRM activities with an organisation's business strategy, and the integration of HRM, is the 'fit' between HRM policy and practices and the organisation's strategic direction (Gibb, 2000). HRM evaluation has the purpose of examining employees' actions and behaviours, against their organisations' requirements (Fleetwood & Hesketh, 2008). Thus HRM contributes to creating an organisation's competitive advantage, and HRM evaluation properly configured gives a competitive strategy through using, motivating and monitoring employee performance to accomplish the organisation's goals (Wang & Shyu, 2008).

The sub-question that covers the analysis and evaluating of HRM practices in the HRM process is supported by the literature in the section. Employee recognition is an important factor in HRM evaluation. Performance-based compensation is a dominant HRM practice, and it is used in order to evaluate employees' contribution to their organisations (Vlachos, 2008). Employees' recognition is mostly relevant to their quality of performance; HRM playing the role of leading and monitoring employee performance as well as analysing the results to make decisions (Boselie & Wiele, 2002). Employee recognition is also a tool to encourage and motivate the employee's intention to achieve a higher quality of performance' employees believe that there is a relationship existing between their efforts and their final performance (Vlachos, 2008).

The well-recognised employees will be more confident for their further tasks and they will put more efforts into their tasks to achieve more success and recognition from their organisations (Taylor, Li, Shi & Borman, 2008). Employee recognition can also be defined as an instrument to create a positively competitive environment within organisations (Budhwar, 2000). For instance, the employee is recognised by his or her organisation with money reward or any other non-monetary compensation,

and this stimulates other employees' willingness to put forth more effort in order to also achieve the organisation's recognition. It can therefore be seen that employee satisfaction is an effective way to evaluate whether an organisation's HRM practices are implemented profitably.

In evaluating the HRM process, it can be seen that monitoring is both important, and sometimes neglected, in organisations. Monitoring is consistent with behavioural perspectives and integrated with HRM practices in order to control employees' actions by setting the organisational constitution and policies (Liao, 2005). HRM evaluation also obtains employee perspectives regarding their organisations' rules and policy, and communicates with employees regarding the application of organisational rules and policy (Drumm, 1999). HRM monitoring is the way to control employees' behaviour under an organisation's designed constitution, to make an effective and harmonious working environment (Huang, 2001).

HRM evaluation has another important factor – appraisal. Appraisal, especially performance appraisal, is the managers' observation of employees' behaviour when they are carrying out their job (Liao, 2005). Performance appraisal is when managers give their feedback to employees' about their tasks; therefore feedback is the most important source of evaluation showing whether an employee's contribution is recognised by their organisation (Verreault & Hyland, 2005). HRM evaluation/auditing/monitoring is to reduce an organisations' strategic risk and create more value by restricting and limiting employee behaviour under organisational rules and policy (Hyland & Verreault, 2003).

2.5 HRM IN THE CHINA CONTEXT VERSUS HRM IN A WESTERN JOINT VENTURE ORGANISATION

2.5.1 BACKGROUND

The major research question requires information concerning HRM differences in Chinese and Western contexts. Chinese culture is characterised by collectivism and Confucian values, and Chinese cultural values including social duty and obligations,

loyalty, and respect for authority are expected to have an important impact on managing employees (Ma & Trigo, 2008). There are three important transitional periods of HRM in China. The first is personnel reform in locally owned organisations from 1978 to 1983, followed by a second wave of reform from 1984 to 1994. The third is the preliminary introduction of HRM after 1994, and in the middle of 1998 personnel management, including job analysis, recruitment, selection, training and development, performance appraisal, compensation, motivation and termination was shifted to the HRM department (Zhao, 2008).

With the Liberation in 1949 in China, 'jobs for life' became the main organisational concept in locally owned organisations; and personnel management was the key managerial function in managing employees (Warner, 2004). A new terminology of HRM has impacted on locally owned organisations in China, and the meaning of HRM in Chinese characters is 'labour force resource management' (Warner, 2004).

Personnel management was very common and government-oriented in locally owned organisations in China before the 1980s; in the middle of the 1980s there were major changes in traditional people management because of the introduction of the 'labour contract system'. In the mid-1990s the HRM concept started to influence the Chinese business environment (Zhu et al., 2007). With China joining the World Trade Organisation (WTO), most organisations studied changed their HRM policy and practices by adding an international dimension (Zhu & Warner, 2004).

2.5.2 JOINT VENTURES IN CHINA

With increasing foreign investment in China, more joint venture organisations and multinational corporations (MNCs) are joining the Chinese business environment. HRM strategies from these foreign organisations are visibly influencing Chinese locally owned organisations in hiring and managing their employees (Ma & Trigo, 2008). Nowadays, most locally owned organisations in China have perceived that people management has been changed from government-controlled personnel management to strategic relations between employees and their organisations with effective HRM policy and practices (Zhao, 2008). Thus, China's HRM is a combination of traditional personnel management and modern HRM (Shen &

Edwards, 2004).

A major factor in China's economic development has been the large number of international joint venture organisations which have been established in recent years (Blake, Gao & Wraith, 2000). More and more foreign owned organisations prefer joint venture businesses to invest their capital, because the joint-ventures format can easily implement business operations under a multi-cultural environment, as well as posing less risk compared with a complete foreign-owned organisation (Miah & Bird, 2007). Western joint venture organisations implement 'Western management philosophy' in their management structure, as well as merging the local culture to adapt to the local business environment (Wong, Maher & Luk, 2002).

Functional features of HRM styles in joint venture organisations can positively influence employee behaviour in the multi-cultural environment (Wang & Satow, 1994). For example, a Chinese employee in a Western-Chinese joint venture organisation, with his or her tradition of collectivism, can easily develop the ability to work as part of a team. On the other hand, this employee is also supported by a western tradition of individualism to innovate his or her performance.

One of the most important factors to influence the development of joint ventures is leadership in organisations, particularly in managing employees, because joint ventures have more complex people diversity than locally owned organisations (Li & Clarke-Hill, 2004). In the business environment in China, understanding the traditional Chinese management style and acquaintance with Chinese employees' attitudes and criterion for their evaluation is necessarily important in building an effective HRM system and good employment relations in the diverse environment (Yang & Lee, 2002).

In joint ventures team diversity is very common. Team diversity can improve employee creativity and innovation. Different perspectives from employees can enhance the decision making process. However, team diversity is also the main source of internal conflict in an organisation's HRM process (Cabrales, Medina, Lavado & Cabrera, 2008). When people with a Western background work and manage in joint ventures in China, it is indispensable for them to try appropriate

knowledge and understanding about the Chinese business environment and cultural background in order to avoid any needless conflicts and improve employment relations for achieving the expected performance (Jolly, 2006).

2.5.3 HRM MODELS AND CONCEPTS IN CHINA

HRM models have a strong impact on influencing HRM practices and policies. The tradition of collectivism has influenced China for a very long time, and the dominant Chinese intellectual ideal is focused on hierarchy and low individualism (Sun, 2000). Thus, in traditional Chinese organisations, and owing to an indirect communication system, employees do not have opportunities to make suggestions. Tsang (2007) highlights that in traditional Chinese organisations the relationship between employers and employees is perceived in honourable terms, and is not confined to a simple employer-employee relationship in Western terms. For example, identification with the organisation is high in the Chinese employee – such factors as loyalty and trust are strong. However, due to more and more foreign investment in the Chinese marketplace, the Western tradition of individualism is influencing current Chinese management concepts. Most current Chinese organisations expect to place emphasis on HRM skills development as well as developing innovation (Lightfoot & Almeida, 2007).

The HRM model from the Western aspect has been divided into ‘hard-oriented’ and ‘soft-oriented’; and these two models are named the Matching model and Harvard model respectively (Zhu et al., 2007). The matching model focuses on linking personnel functions to an organisation’s structure and strategies, and it emphasises a ‘tight fit’ between the HRM process and the organisations’ structure and strategies (Hyman, 2001). The Harvard model pays more attention to the ‘soft’ aspect of HRM, which focuses on the ‘human’ aspect of ‘human resource management’. This model highlights various stakeholders’ interests within an organisation and aligns their interests with the organisation’s goals and objectives. The Harvard model also aims at influencing employer–employee relationships (Zhu et al., 2007). There is also a famous Western HRM model known as ‘Contextual’, based on the Harvard model, and focused on integrating strategy making and the ability to transform HRM practices (Budhwar & Debrah, 2001).

For any HRM model, the success of HRM integration into the organisation is as important as the role of people working within their organisations' HRM area (Sheehan, 2005). Joint ventures need to consider factors at a national level - national cultural distance, national institutional distance, organisational level and structure, compatibility of the organisational culture with the Western one, and the way HRM operates in the organisation - in order to select and develop the best and the most appropriate HRM model to conduct their entire HRM process (Liu, 2004).

The main differences are summarised in several key points in the following table:

Table 1: Differences between HRM in China and HRM in Western joint ventures

HRM in the China Context	HRM in Western Joint Ventures
Culture Issue: Collectivism	Culture Issue: Individualism
Working Environment: Less diversity	Working Environment: More diversity
Influences in HRM: <ul style="list-style-type: none"> ● Transition from personnel management to HRM ● Encouraging group work to achieve the same idea ● High power distance ● Indirect communication style 	Influences in HRM: <ul style="list-style-type: none"> ● Transition to strategic HRM ● Encouraging employee innovation in new and different ideas ● Low power distance ● Direct communication style

2.6 INTERNATIONAL HRM

IHRM can be explained as a system involving distinct activities, functions, and processes in order to attract, develop, and maintain human resources in a multinational organisation (Shen, 2005). Senior management decisions strongly determine and influence an organisations' success in the international environment, and human resources is an important part of the success in aligning HRM practices to an organisations' business strategies and culture integration in the international environment (Du Plessis, Venter & Prabhudev, 2007). IHRM policies and practices are influenced by an organisation's different structures and strategies, as well as their institutional and cultural conditions (Muratbekova-Touron, 2008). The

literature on IHRM is very clear and links up with the sub-question about consistency between the Western HRM model and the Chinese HRM model.

In the researcher's view, IHRM faces managing diversity in an international environment, and it requires the HR manager's ability to organise and manage employees based on cultural and environmental issues in other countries. As misunderstandings and conflicts could occur in the international environment due to the confusion of culture and society, HR managers must use effective HRM practices and crucial HR strategies to manage their employees.

Intercultural differences are important in influencing the IHRM processes. One such intercultural difference is "power distance", which refers to the degree of acceptability in the distribution of power. In different cultures the power distance dimension in the work place is different (Broadway, 2006). 'Intercultural effectiveness' is a momentous element influencing the success of an organisations' IHRM development. Intercultural effectiveness is defined as people's competence in the intercultural environment; and the competence includes effective communication skills, as well as the ability to create interpersonal relationships and cope with stress (Fisher & Härtel, 2003). In the Chinese collectivist culture employees in locally owned organisations prefer the recognition and reward of groups, whereas Western countries like Germany have a culture of individualism - employees in German organisations prefer the recognition of individuals to groups (Du Plessis et al., 2007).

Due to globalisation in today's world, many MNCs chase efficient management styles and systems which have a global reach, rather than focusing solely on productive activity (Perkins, 2003). There are four key approaches to managing international subsidiaries: the ethnocentric approach refers to direct control to the host country subsidiary and is common in the early stage of the organisation being international; the geocentric approach refers to the parent organisations recruiting their staff and placing them in key positions intentionally; the regiocentric approach allows staff to move in geographic operations in MNCs; the polycentric approach refers to the expatriate manager being employed in order to help the local organisation and provide support when the organisation is in a mature stage of

international development (Nel et al., 2008). The geographic approach to IHRM is considered the best way to operate global integration by implementing the concept of 'thinking globally and acting locally' (MuratBekova-Touron, 2008).

In a global industry, an organisation's competitive position in one country can affect competition in other countries; hence, developing international competitive strategies is complicated and indispensable to winning a strong position in one or more countries (Myloni et al., 2007). For an organisations' growth IHRM becomes a more competitive and strategic function, and internalised HRM policy and practices are capable of being conducted in the deregulated international economy (Thory, 2008). Whether joint ventures have their parent organisations in their home countries or independently established overseas, implementing IHRM as a necessary management function will assist joint ventures by solving many problems within organisations such as staff selection and diversity management (Miah & Bird, 2007). With increasing competition among various organisations, MNCs need to operate IHRM by conducting effective and efficient policy and practices in their increasingly diverse environment in order to win a sturdy and stable position in other countries as well as being more competitive among their rivals (Ozbilgin, 2004).

2.7 CHAPTER SUMMARY

HRM is important for organisations managing and developing their employees and creating a good employment relationship in order to encourage employees to achieve the expected performance. Understanding of the HRM concept is the initial step in the strategic management of employees to achieve their organisation's goals.

HR functions are extremely essential elements in developing HRM policy and practices. The effectiveness and efficiency of developing employee recruitment, selection training and development, and motivation and termination will bring huge benefits for an organisations' quality of productivity and services, as well as benefits for employees' well-being within organisations.

Well-formulated and articulated HRM practices and policies influence both employees' and managers' perceptions and attitudes towards HRM development

(Gubbins, Garavan, Hogan & Woodlock, 2006). HRM formulation, implementation, and evaluation seriously influence the success of an organisations' HRM process.

HRM has taken different forms in China in different periods in history, and there are many differences between Chinese HRM and Western HRM; there are differences, too, in the way Chinese locally owned organisations perceive the 'Western HRM models'. From an IHRM's point of view, it is important and necessary to evaluate the effects of global development in management knowledge (Du Plessis et al., 2007). Especially in joint ventures, IHRM is the main instrument to manage diversity with different cultures and improve the entire working experience.

In Chapter Three, the research methodology is discussed and the selection of empirical data and collecting approach is also described.

3. CHAPTER THREE: RESEARCH METHODOLOGY

3.1 INTRODUCTION

In Chapter Two, the literature review revealed a definition of HRM and its relevant components in this research from different theoretical perspectives. In this chapter the research methodology, including qualitative and quantitative approaches, is discussed. The interviews, questionnaire design, and data collection instrument is also considered. In the final sections, the chapter discusses the procedure of data analysis, as well as research limitations and ethical issues.

3.2 THE QUALITATIVE APPROACH

Silverman (1999) states that there is the common belief that qualitative research can provide a 'deeper' understanding of social and environmental phenomena, rather than quantitative data alone. Quantitative approaches are more about what is contained in the research, and qualitative approaches are focused on an insight into the deeper question of 'why' (Williams & Gunter, 2005). The basic beliefs of a qualitative approach are that the world is socially constructed and subjective, and the observer is part of the observation (Amaratunga, Baldry, Sarshar & Newton, 2002). Qualitative researchers believe that they can get closer to the respondents' perspectives by using detailed interviews and observations, and they tend to believe that rich descriptions are valuable, while quantitative researchers are less concerned with detailed descriptions (Naslund, 2002).

Murphy (1995) states that a qualitative approach can establish the meaning of relationships including influences and actions; it is not concerned with the scale of actions as is the case in a quantitative approach. Qualitative approaches are widely used in order to measure the extent of phenomena, while principles of qualitative approaches focus on gathering insight, meaning, and new ideas in the area of interest (McKenzie, 2006). Thus, a qualitative approach has the ability to lead to new issues, and ideas for generating theories.

Symon & Casell (1999) argue that qualitative approaches in research have

difficulties in analysing and interpreting data. A qualitative approach cannot easily control the progress and pace of the research process either. It is difficult for researchers to control the time frame of the research. In addition, sometimes the response may produce low credibility for the results. All these issues depend on the type and personality of selected respondents, because a qualitative approach is gathering information from people directly. Qualitative approaches also inevitably have some barriers in the research process, the careful consideration and recognition of various business positions and environment can help the research proceed more effectively and efficiently (Cassell, Symon, Buehring & Johnson, 2006).

3.3 THE QUANTITATIVE APPROACH

A quantitative approach in research methods is numerically and statistically focused on logical positivism, and it aims to test hypotheses (Collis & Hussey, 2003). A quantitative approach has the basic belief that the world is external and objective, and the observer is independent (Amaratunga et al, 2002). Thus, a quantitative approach focuses on facts, and needs to take a large sample to test. Hence, quantitative approaches have a strong emphasis on methodology, procedure, and statistics. A quantitative approach can be implemented quickly and economically. Once the sample size is determined and the questionnaire is designed, then the research action can start immediately. It will not take a long time to finish, and the cost is not very high.

Results from quantitative research approaches are mostly statistical, and have limitations when it comes to potential changes and future action. A quantitative approach cannot in and of itself indicate the richness of social and environmental phenomena, and it is not flexible in some research areas (Swartz & Boaden, 1997). It is also argued by Eldabi, Irani, Paul & Love (2002) that a quantitative approach relies on measuring and analysing statistical and numerical data in order to determine the relationships between one group of data and another.

Nobody has so far successfully established that only one method is best for a successful research study. It would appear that the collaborated methodology of both quantitative and qualitative research approaches is needed to make the

investigation as accurate as possible. Researchers must define the research problem, and then consider and select the research method which will provide sufficient quality evidence to address the problem (Given, 2006). The research problem must present a clear research direction; then the selected research approach or combined research approach can be utilised advantageously.

Researchers also need to review the research aim and objectives carefully to check whether their research action is following the research aim and objectives, as well as evaluating whether their selection of research approaches match their research target. Qualitative and quantitative approaches are complementary paradigms; they are selected depending according to different research circumstances. Selecting and utilising adequate research approaches will guide the research in an accurate way to meet the research direction, as well as helping to avoid any problems along the way.

This research utilises a 'mixed' approach, which is a combination of the qualitative and the quantitative approach. The mixed approach provides both statistical and conceptual results to support the entire research.

3.4 INTERVIEWS

In surveying an interview, information is gathered from participants and transferred to the researcher through a communication process; thus, interviews can be characterised by concepts of information, communication, and control (Zouwen & Smit, 2005). Interviews have sampling advantages including control of selecting respondents, and more depth, context, and flexibility in the inquiry process (Stokes & Bergin, 2006). Interviews concentrate on qualitative research in specific areas, and are focussed on investigating respondents' perspectives to collect the data. The collected information from interviews can support the research in a more in-depth way than questionnaires alone (Bryman & Cassell, 2006).

In researching the development of HRM practices in a joint venture organisation and a locally owned organisation in China, a qualitative approach brings some strength. A planned interview is necessary in order to gather sufficient information to support the research. The required respondents are the HR managers from both the joint venture organisation and the locally owned organisation. Interviews focus

on the questions relating to the implementation of HRM practices and HR functions in their organisations, performance management, HRM models, communication techniques, and future expectations (Appendix 1).

3.5 QUESTIONNAIRES

Questionnaires contribute to survey respondents' feedback from presenting statistical evidence, and questionnaires should be designed to obtain feedback in an unbiased manner (Synodinos, 2003). Questionnaires should be designed for respondents, and guidelines for answering questionnaires must be clarified. Questionnaires must be designed to relate to objectives in the evaluation process. The questionnaire must serve the research purpose; they must cover the issues, and the data must be able to be collected and analysed (Rowley, 2003).

The questionnaire for this research has 17 questions including two sections and one open-ended question (Appendix 2). Section A focuses on questions concerning their organisations' HRM practices, such as ranking effectiveness of their organisations' HRM practices, employment involvement, participation of performance appraisals, and the organisations' training and reward policies. These questions are designed to find out different employee perspectives regarding both the Western HRM model and Chinese HRM model. Section B focuses on employees' background information, namely gender, age, and education. The open-ended question is to gain the employees' perspective on how to improve their organisations' HRM system. Thus the purpose of questionnaires is to gather perspectives concerning HRM practices from different employees as well as evaluating their attitudes for the current HRM practices in their organisations.

3.6 INTRODUCTION OF RESEARCHED ORGANISATIONS

The researcher received permission to do research in both the organisations, but would prefer not to use their full names, although it is available on request. The researcher would therefore rather refer to the joint venture as NPC Ltd and LPC Ltd for the locally owned organisation.

3.6.1 THE JOINT VENTURE ORGANISATION

NPC Ltd is a German-Chinese joint venture organisation developing and manufacturing industrial electrical and electronic equipment. It was originally founded more than 80 years ago in Germany (Phoenix Contact, 2008). In 1993, Phoenix Contact targeted the Chinese market and formed a joint venture with China Electronic Power Corporation Ltd in Nanjing (Nanjing Phoenix Contact, 2008). The operating range of NPC Ltd includes electronic interface and surge protection components, system solutions for industrial and device connection, and automation products (Nanjing Phoenix Contact, 2008). NPC Ltd focuses on innovation, financial independence, establishing international contacts, and production in its daily work (Nanjing Phoenix Contact, 2008).

3.6.2 THE LOCALLY OWNED ORGANISATION

LPC Ltd is in the city of Shijiazhuang in China. It was founded in 1935, and it is the largest pharmaceutical manufacturing and retail organisation in Hebei province (Lerentang, 2008). This organisation is manufacturing very similar components as the joint venture. The operating range of LPC Ltd includes mainly electronic pharmaceutical equipment and biological products for the Chinese as well as Western markets. Another section produces medicine and chemical reagents (Lerentang, 2008). LPC Ltd is a large organisation also focusing on pharmaceutical technology research, development, and innovation (Lerentang, 2008).

3.7 DATA COLLECTION

3.7.1 INTERVIEWS

The researcher called the HR managers to make interview appointments. Interviews took about 20 to 30 minutes for each HR manager from both companies. The HR managers were asked 11 planned questions, and the interviews were recorded with the respondents' agreement. The entire interview process was carried out with mutual respect and trust.

3.7.2 QUESTIONNAIRES

NPC Ltd has 500 employees closely working with their supervisors and managers who were the target population for this research project. The employees working in the other departments did not form part of the target population because of their unavailability to attend a meeting to complete the questionnaires. LPC Ltd has 530 employees working closely with their managers and supervisors who were the target population for this research project. The other employees did not participate due to their unavailability for a meeting and because the production line cannot be stopped to answer the questionnaires.

These researched organisations had the same target population, and they both focus on manufacturing electronic equipment and components with technology research and development departments. Therefore, it was easy to make a comparison between these two similar organisations.

The researcher has discussed the process with the HR managers in these two organisations to use every tenth employee on the payroll data base to get 50 respondents from each of the two organisation's employees in an effort to have the respondents randomly selected. The respondents completed their questionnaires in an arranged meeting. The HR managers introduced the researcher to respondents, and the researcher explained to all respondents about the purpose of their questionnaire, and confirmed that respondents have the option to not complete the questionnaire if they do not want to, and they do not need to write their names and payroll numbers in the questionnaire. The entire research process is voluntary. The HR managers and the researcher left the meeting room after their explanation. After respondents finished their research, they left the meeting room, and the researcher went to collect their answered questionnaires.

3.8 DATA ANALYSIS

3.8.1 INTERVIEWS

The researcher expects managers who are involved in interviews to share their experiences of communicating with their employees, and how they understand

implementing and developing HRM practices in their organisations. After collecting information from the interviews, the researcher will analyse the data and compare with sufficient HRM literature and HRM theories to make coherent arguments for this research.

Because the researcher used Chinese language to conduct these two interviews, the researcher recorded the interview and made a transcript of it, and the researcher translated all responses from respondents in English to present it in this thesis.

3.8.2 QUESTIONNAIRES

The completed questionnaires will give various results from different categories of people, and it is easy to analyse different attitudes for the same question by analysing different respondents' answers.

Statistical Package for Social Sciences (SPSS) is statistical software used to manage, analyse, and present data from a quantitative research (Argyrous, 2000; Delahaye, 2005). SPSS will be used to analyse results which are collected from the questionnaires.

3.9 ETHICAL CONSIDERATIONS

In this research, both quantitative (questionnaire) and qualitative (interview) methods are used to investigate and analyse the collected evidence. Awareness of ethics issues is important in order to avoid any problems and difficulties in the research process. The researcher completed a Unitec Research Ethics Committee (UREC) application (Form A). Any respondent's name was not mentioned in the research from interviews and questionnaires, and the raw data from the completed questionnaires and interviews is safely locked in the research's private locker. The document attached in the ethical application includes an information sheet (Appendix 3) and a consent form (Appendix 4). The application (Form A) was submitted and approved by UREC for the research to be conducted from 25 March 2009 to 24 March 2010. The ethical application number is 2009-928.

3.10 CHAPTER SUMMARY

Chapter Three explains the methodology used in the research. It explains the decision of the researcher to conduct research on these two selected organisations. The researcher used interviews and questionnaires to gather information for the thesis. SPSS was used as the major software to analyse the collected data from respondents.

The researched results are presented in Chapter Four to gain an overview of relevant data collected and analysed in a qualitative and quantitative method.

4. CHAPTER FOUR: RESULTS

4.1 INTRODUCTION

The previous chapter, Chapter Three, explains the designed methodology in this research, plus key elements in data collection and analysis as well as ethical consideration. This chapter presents the researched results of the thesis based on interviews with two HR managers from a joint venture organisation and a locally owned organisation in China, and the completed questionnaires from employees in these two organisations. The collected data from the questionnaires is presented in tables and bar charts.

The interview questions and answers are presented and summarised in the first section in this chapter, as well as the implementation and development of HRM practices in the researched organisations from the HR managers' point of view. The second section shows the data collected from employee questionnaires, and the focus of this section explores employees' perspectives and attitudes concerning their organisations' HRM practices as well as suggestions and expectations for future development. Some personal background of the respondents including gender, age and educational level is also presented in this section.

4.2 INTERVIEWS

4.2.1 THE JOINT VENTURE ORGANISATION

Lead Question

Do you think your organisation focuses more on production than on developing HRM practices?

Responses from the respondent (transcript):

We focused on developing production at the first stage in our organisation, but we are focusing more on HRM practices recently.

Lead Question

Does your organisation practice HR functions such as health and safety, and good

working conditions?

Responses from the respondent (transcript):

Yes, we do practice HR functions including health and safety and good working conditions; and we pay more attention to creating good working conditions for our employees.

Lead Question

Do you carry out performance management, such as performance appraisals, motivation, reward ceremonies, evaluation, and auditing? If so, do employees obtain feedback from their managers?

Responses from the respondent (transcript):

We always carry out performance appraisals in our organisation. I think performance appraisals are very useful and important to employees and the organisation. Our employees usually get feedback from me or other managers.

Lead Question

Do you think it is important to formulate and integrate HR strategy with your organisation's business strategy? If so, please give an example; if not, please explain.

Responses from the respondent (transcript):

Definitely ... formulating and integrating HR strategy with our organisation's business strategy and goals are important. For example, our auto-products need a very high level of technology, and they are our organisation's main developing target, we spend money and time on technology development. On the other hand, we also need an excellent team with skills and competency to produce these auto-products. How does the organisation select and manage this team? That is an important task for our HRM department. We play the role of selecting the most appropriate employees to create an excellent team, and their task is to achieve the best result of developing auto-products to satisfy our organisation's business goal.

Lead Question

Do you think HRM practices are still new in the joint venture business environment?

Responses from the respondent (transcript):

Not really.

Lead Question

What do you think about the link between the 'Chinese HRM model' (hierarchical model) and 'Western HRM model' ('soft' HRM and 'hard' HRM)?

Responses from the respondent (transcript):

The 'Chinese HRM model' has more emphasis on hierarchy, control, and monitoring. The 'Western HRM model' focuses on employee motivation and communication. As a joint venture, we develop our HRM according to both a Chinese model and Western model.

Lead Question

What medium/technique do you use to communicate with your employees?

Responses from the respondent (transcript):

I prefer face to face communication with employees. I also sometimes use emails and the telephone.

Lead Question

What behaviour do you expect from your employees in the organisation?

Responses from the respondent (transcript):

Be more responsible and conscientious.

Lead Question

Do you think HRM practices contribute to your organisation's success?

Responses from the respondent (transcript):

Yes, I think so.

Lead Question

What is your future expectation of HRM practices in your organisation?

Responses from the respondent (transcript):

... First it is important to create a professional HRM team in our organisation; second, the HRM department needs to build recruitment, selection, training and development, performance appraisals and other HR activities more systematically and consistently in order to improve the organisation's competitive advantage. Third we need to understand and support staff training and development, and staff motivation in order to enhance the quality of team work; fourth is to include HRM in the organisation's operational strategy and development.

Lead Question

If you have a choice would you support a change to traditional Chinese HRM practices?

Responses from the respondent (transcript):

If it is necessary, I will support a change to traditional Chinese HRM practices. Because we are a joint venture business, we have to maintain some traditional Chinese HRM practices, and most employees are Chinese in our organisation.

4.3 INTERVIEW

4.3.1 THE LOCALLY OWNED ORGANISATION

Lead Question

Do you think your organisation focuses more on production than on developing HRM practices?

Responses from the respondent (transcript):

We always focus on developing HRM practices in our organisation.

Lead Question

Does your organisation practice HR functions such as health and safety, and good working conditions?

Responses from the respondent (transcript):

Yes, we do have these HR functions.

Lead Question

Do you carry out performance management, such as performance appraisals, motivation, reward ceremonies, evaluation, and auditing? If so, do employees obtain feedback from their managers?

Responses from the respondent (transcript):

Yes, we often carry out performance appraisals. I think performance appraisals are very useful to improve employee competency.

Lead Question

Do you think it is important to formulate and integrate HR strategy with your organisation's business strategy? If so, please give an example; if not, please explain.

Responses from the respondent (transcript):

Yes ... But I think our organisation still has a long way to go to completely achieve the consistency of integrating HR strategy with the organisation's business strategy.

Lead Question

Do you think HRM practices are still new in the traditional Chinese business environment?

Responses from the respondent (transcript):

No, HRM practices have existed for a long time in our organisation.

Lead Question

What do you think about the link between the 'Chinese HRM model' (hierarchical

model) and 'Western HRM model' ('soft' HRM and 'hard' HRM)?

Responses from the respondent (transcript):

... The Chinese and Western HRM models have different emphases. The 'Chinese HRM model' has the emphasis on organisational culture, especially on the culture of collectivism. The 'Western HRM model' has the emphasis on employee encouragement and motivation, and it is more about the culture of individualism. We implement the 'Chinese HRM model' in the organisation mostly.

Lead Question

What medium/technique do you use to communicate with your employees?

Responses from the respondent (transcript):

I usually arrange meetings for communicating official tasks. I also sometimes use emails and telephone to communicate with employees.

Lead Question

What behaviour do you expect from your employees in the organisation?

Responses from the respondent (transcript):

A positive attitude. I think a positive attitude is the most important factor to influence employees' performance.

Lead Question

Do you think HRM practices contribute to your organisation's success?

Responses from the respondent (transcript):

Yes, I think so.

Lead Question

What is your future expectation of HRM practices in your organisation?

Responses from the respondent (transcript):

... Obtain more support from the organisation for operating its HRM department,

and provide systematic internal performance management, remuneration, and task allocation. Staff selection and training is very important. The organisation needs more talent to implement and develop its business plan, and align and integrate HRM strategy with the organisation's developing direction and strategy. We need to create consistency in operating products and managing employees.

Lead Question

If you have a choice would you support a joint venture with a Western organisation?

Responses from the respondent (transcript):

Yes, I would support a joint venture with a Western organisation if there is an opportunity. I think the HRM system would be much more innovative through supporting a joint venture with a Western organisation. I am currently waiting for this kind of opportunity to make positive changes for our organisation.

According to the interviews with these HR managers in the joint venture and the locally owned organisation, the following tables (Table 2 and Table 3) summarise the main commonalities and differences:

Table 2: Commonalities in the researched organisations

The Joint Venture:	The Locally Owned Organisation:
<ul style="list-style-type: none"> ● Practices HR functions ● Carries out performance appraisals and thinks they are useful for a joint venture ● HRM is not new to the joint venture ● The HR manager prefers face to face communication and sometimes uses emails and telephones as communication techniques. ● HRM practices contribute to the joint venture's success ● Suggests the joint venture can support staff training and development 	<ul style="list-style-type: none"> ● Practices HR functions ● Carries out performance appraisals and thinks they are useful for a locally owned organisation ● HRM is not new to the locally owned organisation ● The HR manager prefers face to face communication and use emails and telephones as communication technique in the locally owned organisation ● HRM practices contribute to the locally owned organisation's success ● Suggests the locally owned organisation can support staff training and development

Table 3: Differences in the researched organisations

The Joint Venture	The Locally Owned Organisation
<ul style="list-style-type: none">● The organisation has developed HR integration● The organisation develops both a Chinese model and Western model in HRM● The HR manager expects employees to be more responsible and conscientious● The HR manager expects to make HRM involves in the organisation's operational strategy and development	<ul style="list-style-type: none">● The organisation still has to go a distance to implement HR integration● The organisation develops a Chinese model in HRM mostly● The HR manager expects employees to have positive attitudes in work● The HR manager expects to implement HR integration in the organisation

4.4 RESPONSE TO QUESTIONNAIRES

The designed questionnaire has 17 questions. The researched joint venture organisation had 50 participants completing questionnaires, and the researched locally owned organisation also had 50 participants. The researcher collected 100 totally completed questionnaires from these two organisations, and used SPSS to analyse the collected data in this section.

4.4.1 AGREEMENT AND SATISFACTION OF HRM PRACTICES

Abbreviations are used as follows: JV for the joint venture and LO for the locally owned organisation.

The result of the joint venture in researching effectiveness of the HRM department, 8% of the respondents strongly agree that their organisation has an effective HRM department; 86% of the respondents agree; 6% disagree, and no participants strongly disagree. Hence, 94% of the respondents in the joint venture think their organisation has an effective HRM department. Figure 1 (below) presents the data below.

In the locally owned organisation, 76% of the respondents strongly agree that their organisation has an effective HRM department; 10% of the respondents agree; 6%

of the respondents disagree, and 8% strongly disagree. 86% of the respondents think their organisation has an effective HRM department. Figure 1 shows the data distribution.

Figure 1: Effectiveness of the HRM department

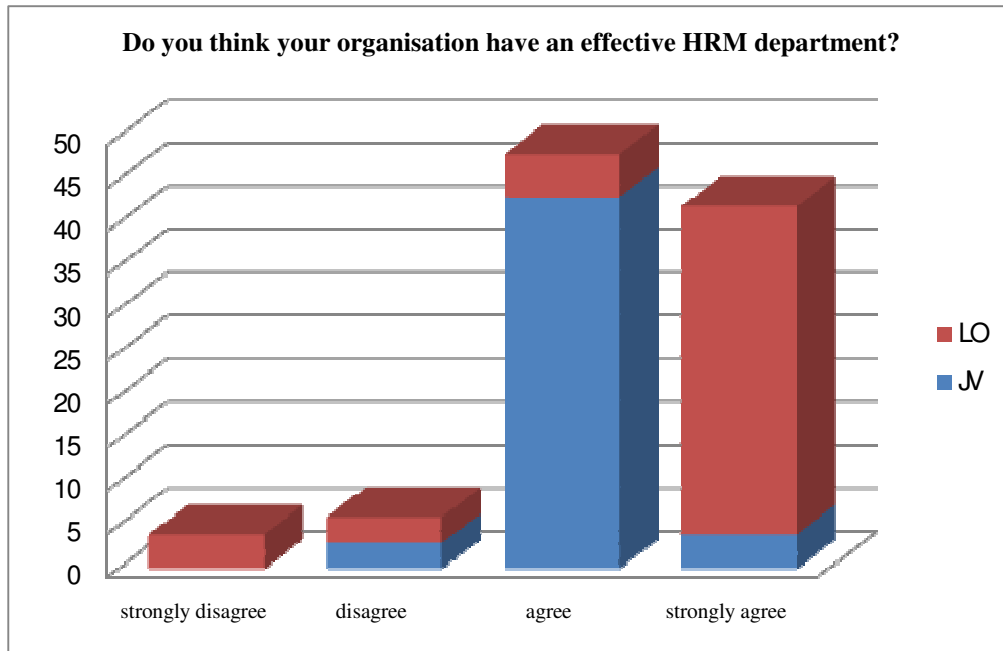
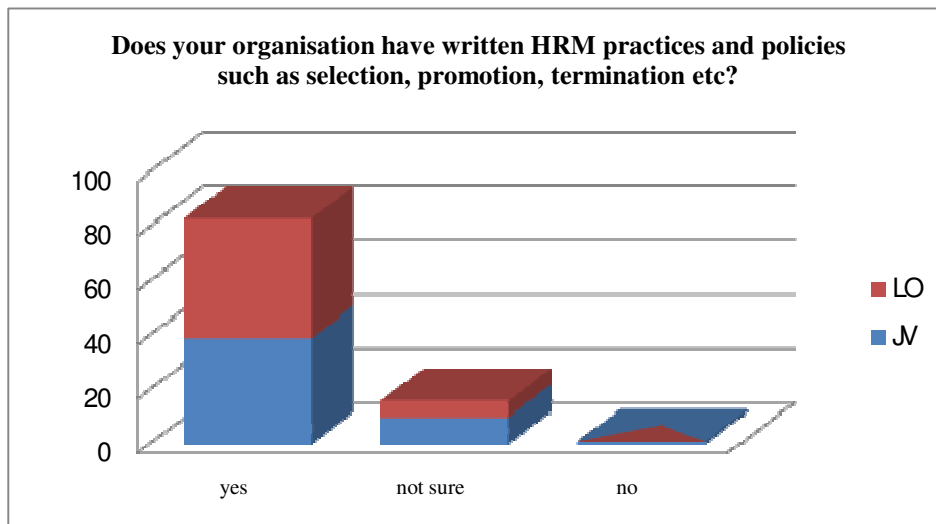


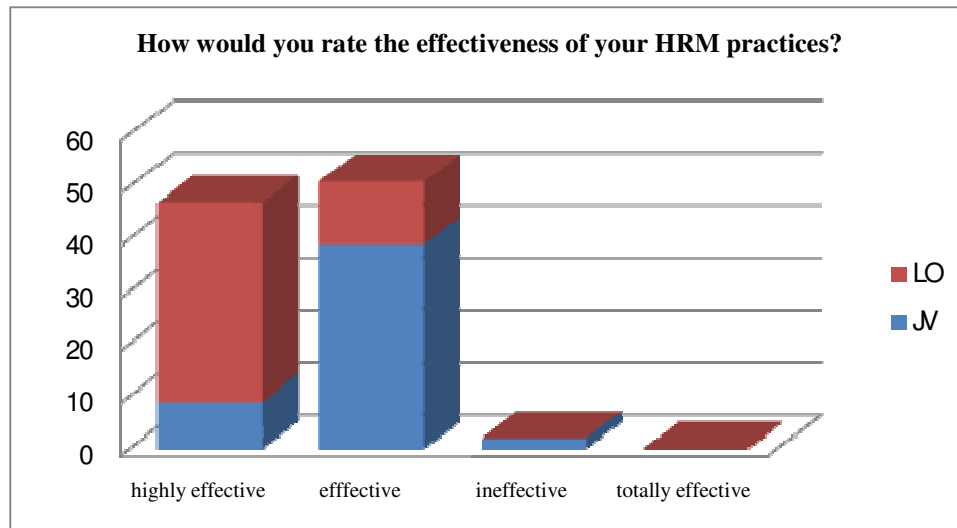
Figure 2: HRM practices and policies



In the joint venture organisation, 78% of the respondents responded that their organisation has written HRM practices and policies, 20% of the respondents are not sure, and 2% of the respondents do not think the organisation has written HRM practices and policies.

In the locally owned organisation, 88% of the respondents responded that their organisation has written HRM practices and policies, and 12% of the respondents are not sure. No participants negated (see Figure 2 above).

Figure 3: Effectiveness of HRM practices

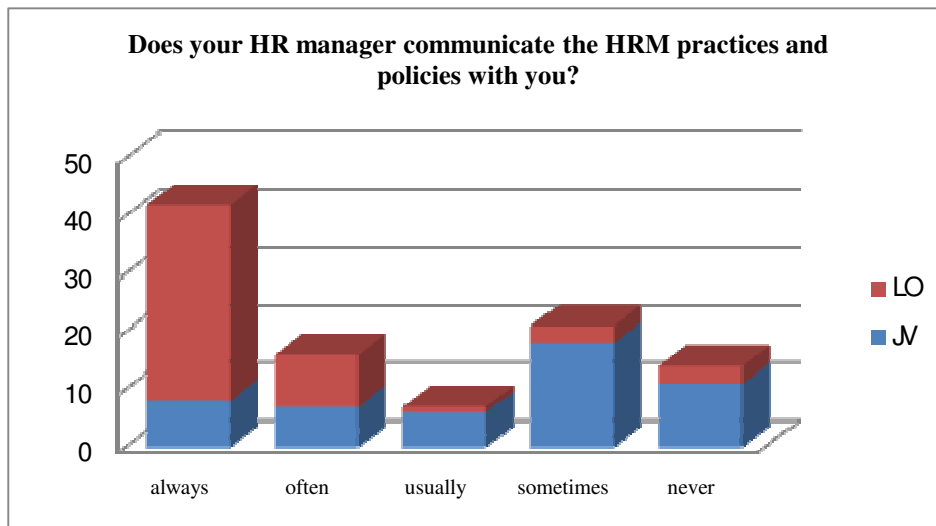


In the joint venture organisation, 18% of the respondents rated their HRM practices as highly effective and 78% of the respondents rate it as effective. A mere 4% of the respondents rate the effectiveness of their HRM practices as ineffective and no respondents rate it as totally ineffective. Surprisingly a total of 96% of the respondents think their organisation’s HRM practices are effective (see Figure 3 above).

Also in Figure 3 above, it can be seen that in the locally owned organisation, 76% of the respondents rate their HRM practices as highly effective and 24% of the respondents rate it as effective. There are no participants that rate their organisation’s HRM practices as ineffective or as totally ineffective. All (100%) of the respondents think their organisation’s HRM practices are effective.

This is a large number of respondents perceiving that they work under effective HRM practices in their organisation.

Figure 4: Communication



In the joint venture organisation, 16% of the respondents responded that their HR manager always communicates the HRM practices and policies with them, and 14% of the respondents said their HR manager often communicates the HRM practices and policies with them. Only 12% of the respondents said that their HR manager usually communicates the HRM practices and policies with them, and 36% of the respondents said that their HR manager sometimes communicates the HRM practices and policies with them. Almost a quarter (22%) of the respondents said that their HR manager never communicates it with them. Thus 78% of the respondents reported that they had communication with their HR manager concerning the organisation's HRM practices and policies.

In the locally owned organisation, 68% of the respondents said that their HR manager always communicate the HRM practices and policies with them, and 18% of the respondents said that their HR manager often communicates the HRM practices and policies with them. A total of 2% of the respondents said that their HR manager communicated the HRM practices and policies with him or her, and 6% of the respondents said that their HR manager communicated it with them sometimes. A total of 6% of the respondents said that their HR manager never communicated the HRM practices and policies with them. A very high percentage (94%) of the respondents reported their HR manager communicated with them concerning the HRM practices and policies. These percentages are reflected in Figure 4 above.

In the joint venture organisation, 40% of the respondents are involved in their organisation's HR strategies; and 60% of them are not involved at all (see Figure 5 below).

In the locally owned organisation, 84% of the respondents are involved in their organisation's HR strategies; and only 16% of them are not involved, as pointed out in Figure 5 below.

Figure 5: Involvement in HR strategies

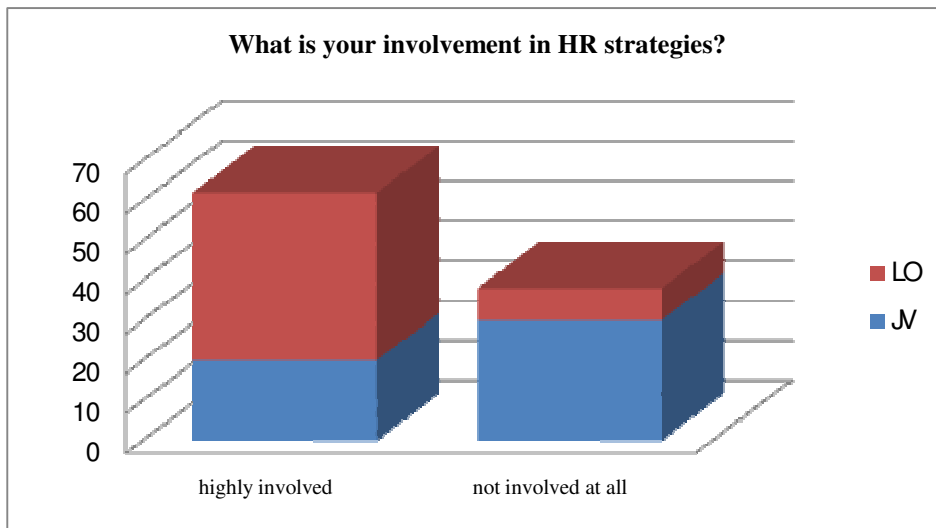
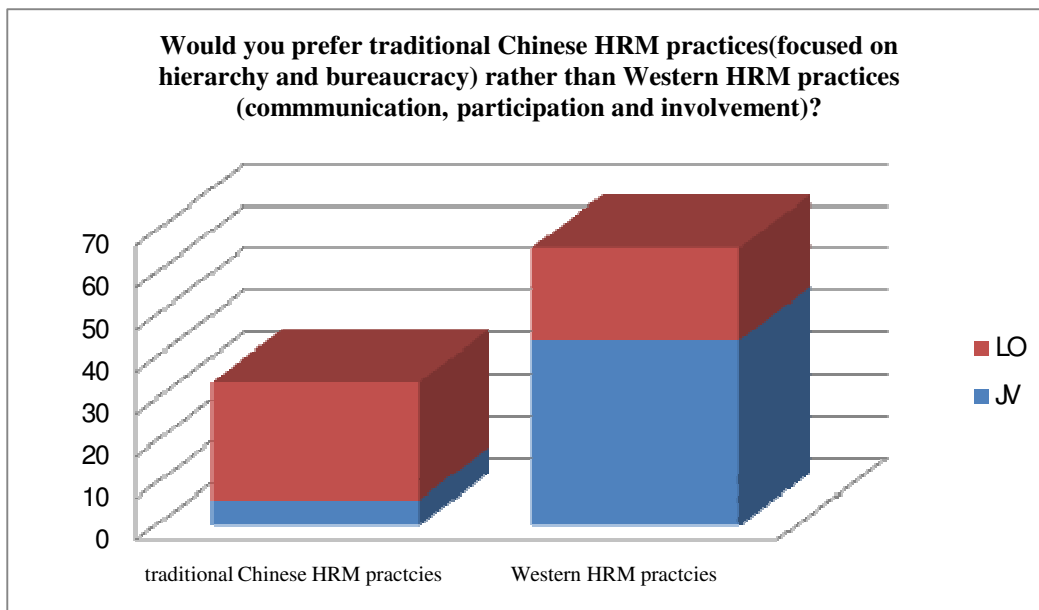


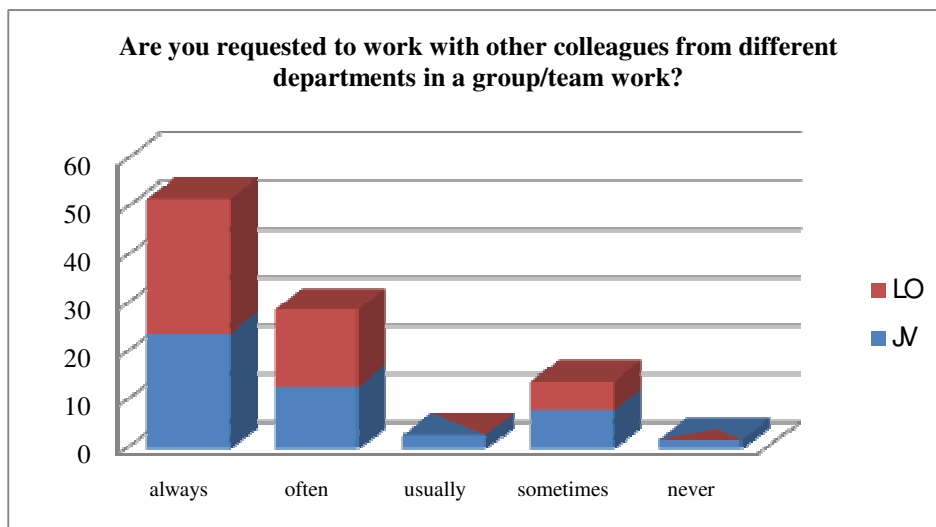
Figure 6: Traditional Chinese HRM practices versus Western HRM practices



In the joint venture organisation, 12% of respondents preferred traditional Chinese HRM practices, and 88% of the respondents preferred Western HRM practices (see Figure 6 above).

In the locally owned organisation, 56% of the respondents preferred traditional Chinese HRM practices, and 44% of the respondents preferred Western HRM practices as shown in Figure 6 above.

Figure 7: Team work with colleagues



In the joint venture organisation, 48% of the respondents responded that they are always requested to work with other colleagues from different departments. A total of 26% of the respondents said that they are often requested to work with other colleagues. Only 6% of the respondents indicated that they are usually requested to work with other colleagues, and 16% of the respondents reported that they are requested to work with other colleagues sometimes. A very small amount (4%) of the respondents responded that they are never requested to work with other colleagues. Most of the respondents (96%) have experience of working in a team with other colleagues (Figure 7, above).

In the locally owned organisation, 56% of the respondents said that they are always requested to work with other colleagues from different departments. Almost a third (32%) of the respondents replied that they are often requested to work with other colleagues, and 12% of the respondents reported that they are requested to work

with other colleagues sometimes. A total of 100% of the respondents have experience of working in a team with other colleagues (Figure 7 above).

In the graph below, the numbers presented below mean that in the joint venture organisation, 8% of the respondents strongly agree with that their organisation's HR strategy is integrated with the business strategy for achieving their organisation's goal; 80% of the respondents agree with it. Surprisingly only 12% of the respondents disagree with it, and no participants strongly disagree with it. Consequently, 88% of the respondents accept that their organisation's HR strategy is integrated with the business strategy for achieving their organisation's goal.

In the locally owned organisation, 60% of the respondents strongly agree that their organisation's HR strategy is integrated with the business strategy for achieving their organisation's goal, 28% agree and just 10% and 2% respectively disagree and strongly disagree. As with the joint venture, 88% of the respondents accept that their organisation's HR strategy is integrated with the business strategy for achieving their organisation's goal (see Figure 8 below).

Figure 8: HR integration



Figure 9: Performance appraisals

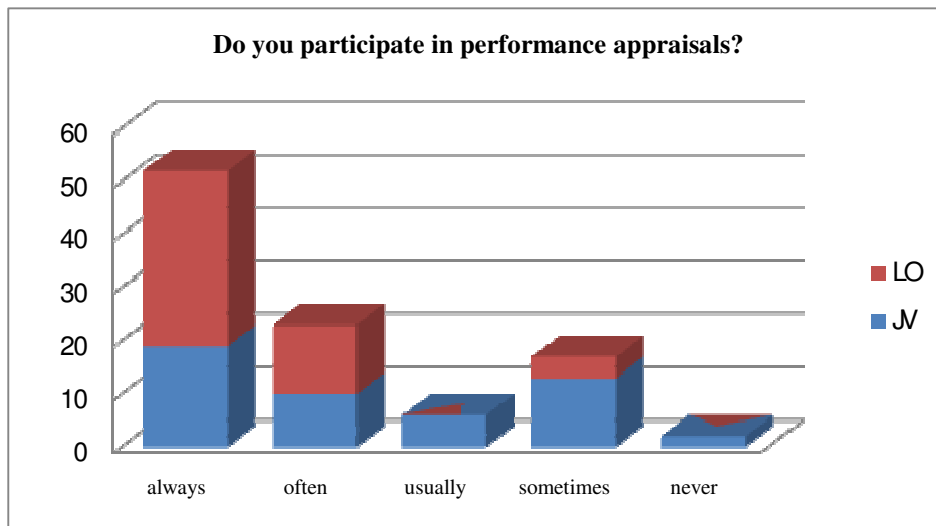
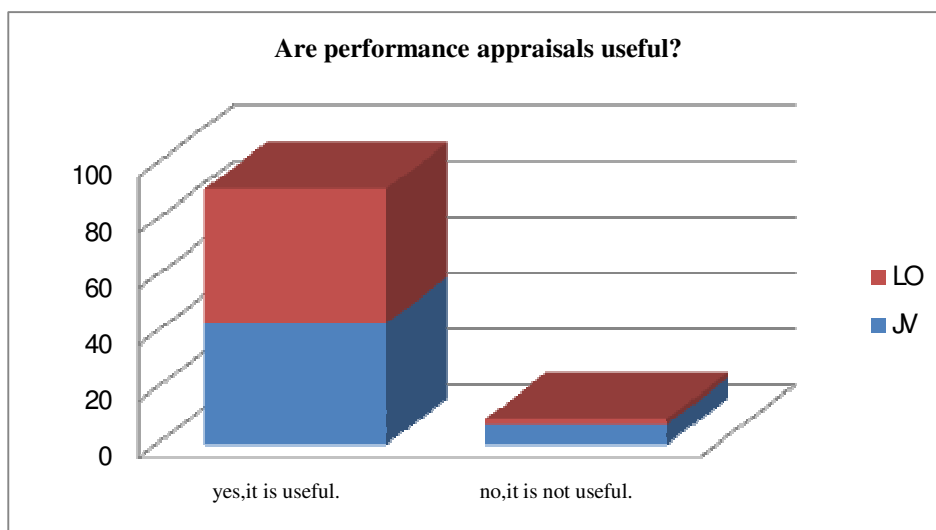


Figure 10: Use of performance appraisals



In the joint venture organisation, 38% of the respondents said that they always participate in performance appraisals; with 20% of the respondents saying that they often participate in performance appraisals. Only 12% of the respondents indicated that they usually participate in performance appraisals, while 26% of respondents said they participate in performance appraisals sometimes. Almost none (4%) of the respondents said that they never participate in performance appraisals. A total of 96% of the respondents have the experience of participating in performance appraisals as shown in Figure 9 above.

In Figure 10 above, 86% of joint venture respondents think performance appraisals are useful; and 14% of the respondents do not think it is useful.

There are 4 respondents who specify in their comments why they think performance appraisals are not useful:

- Performance appraisals are not linked with the organisation's goals.
- The employees whose performances are evaluated do not have decision making authority in the organisation.
- Performance appraisals are over formalised.
- Performance appraisals are useless.

In the locally owned organisation, 66% of the respondents said that they always participate in performance appraisals and 26% of the respondents said that they often participate in performance appraisals. A few (8%) of the respondents replied that they participate in performance appraisals sometimes. A total of 100% of the respondents have the experience of participating in performance appraisals (see Figure 9 above).

In the locally owned organisation, 96% of respondents think performance appraisals are useful; and 4% of the respondents do not think it is useful, but they do not give details in their comments (see Figure 10 above).

The following figure, Figure 11, shows that in the joint venture organisation, 20% of the respondents strongly agree that they have equal opportunities in training and developing their career; and 64% of the respondents agree. Only 14% of the respondents disagree with that they have equal opportunities in training and development; and 2% of the respondents strongly disagree. In total, 84% of the respondents think they have equal opportunities in training and developing their career in their organisation.

In the locally owned organisation, 66% of the respondents strongly agreed that they have equal opportunities in training and developing their career; and 24% of the respondents agree with it. A very small number (8%) of the respondents disagree that they have equal opportunities in training and development; and 2% of the respondents strongly disagree. As a result, 90% of the respondents think they have equal opportunities in training and developing their career in their organisation as

shown in Figure 11 below.

Figure 11: Opportunities in training and development

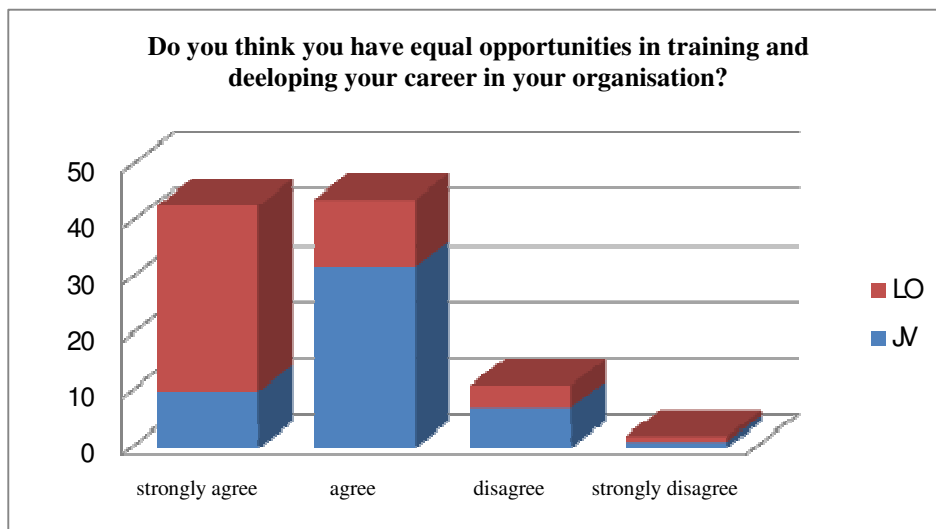
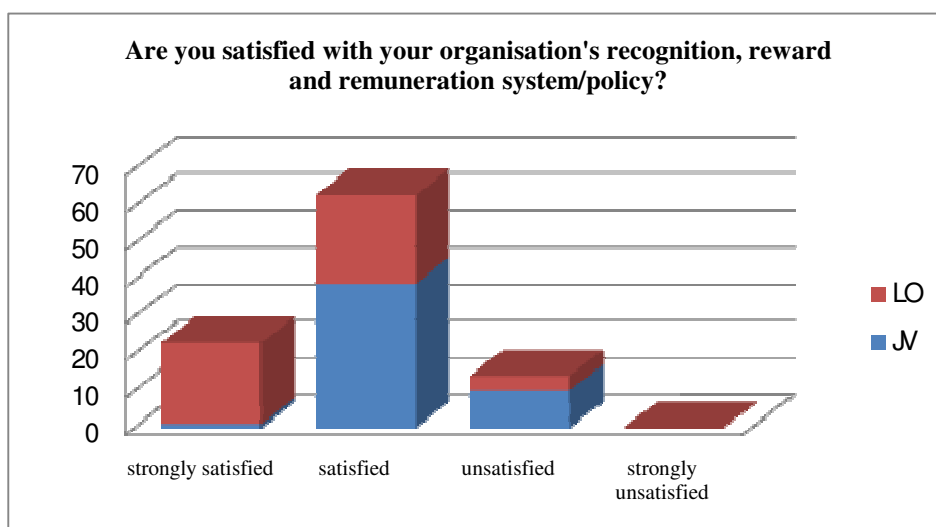


Figure 12: Staff recognition, reward and remuneration



In the joint venture organisation, 2% of the respondents are strongly satisfied with the organisation's recognition, reward, and remuneration system/policy. 78% of the respondents are satisfied with it. The fact that only 20% of the respondents are unsatisfied with their organisation's recognition, reward and remuneration system/policy is surprising; more than three quarters (80%) of the respondents are satisfied with their organisation's recognition, reward and remuneration system/policy as shown in Figure 12 above.

In the locally owned organisation, 44% of the respondents are strongly satisfied

with their organisation's recognition, reward and remuneration system/policy. 48% of the respondents are satisfied with it, while 6% said they are unsatisfied. A total of 92% of the respondents are satisfied with their organisation's recognition, reward and remuneration system/policy (see Figure 12 above).

Figure 13: HRM as an important role in organisations

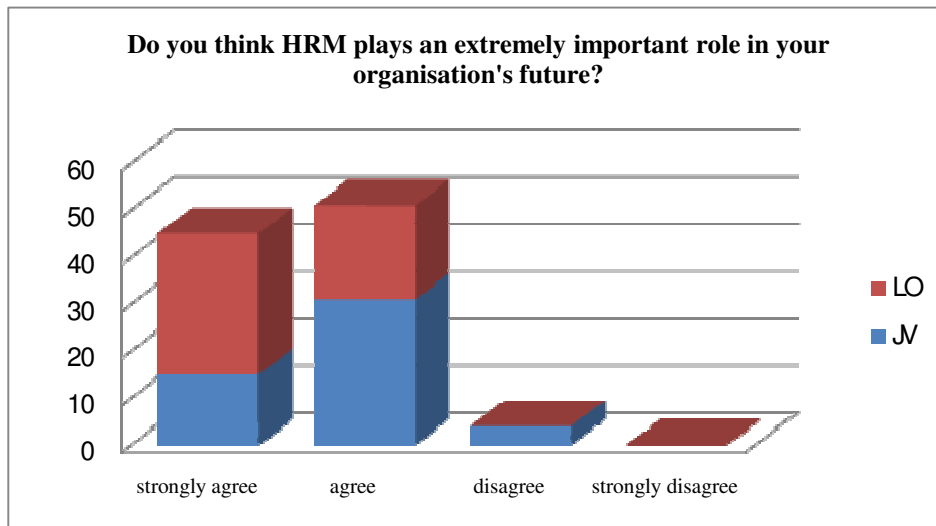


Figure 13, above, shows that in the joint venture organisation, 30% of the respondents strongly agreed that HRM plays an important role in their organisation; and 62% of the respondents agree. With only 6% of respondents disagreeing that HRM plays an important role in their organisation and none strongly disagreeing, a total of 92% of the respondents accept that HRM has an important role in their organisation.

In the locally owned organisation, 60% of the respondents strongly agreed that HRM plays an important role in their organisation; and 40% of the respondents agreed with it, making a total of 100% of respondents who accept that HRM has an important role in their organisation (Figure 13 above).

4.4.2 BACKGROUND INFORMATION FROM RESPONDENTS

Figure 14 below shows the gender of respondents. In the joint venture organisation, 58% of respondents were male, and 42% female. In the locally owned organisation the distribution was exactly equal with 50% of the male respondents; and 50% female (Figure 14 below).

Figure 14: Gender

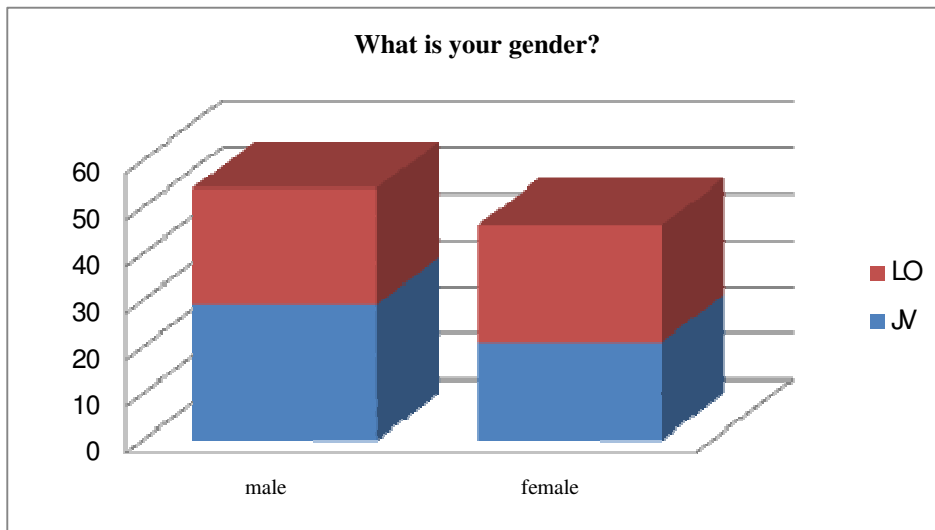
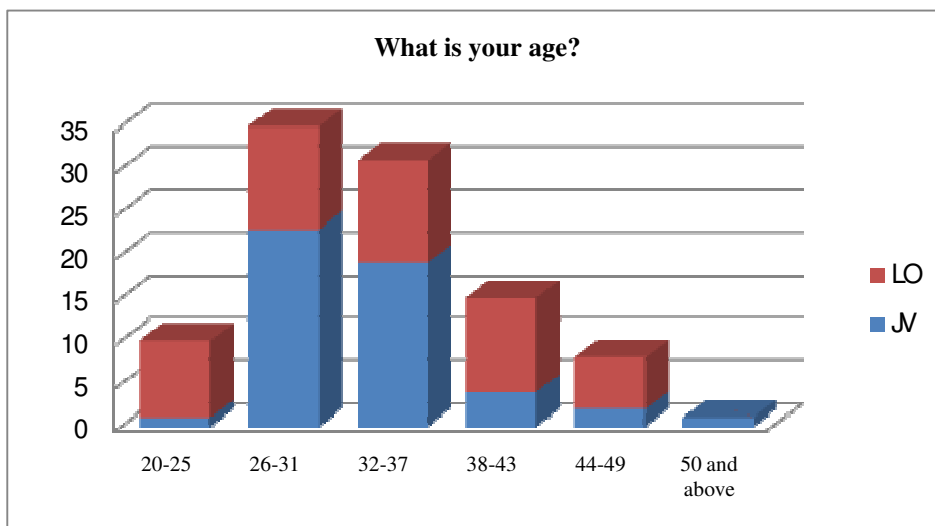


Figure 15: Age

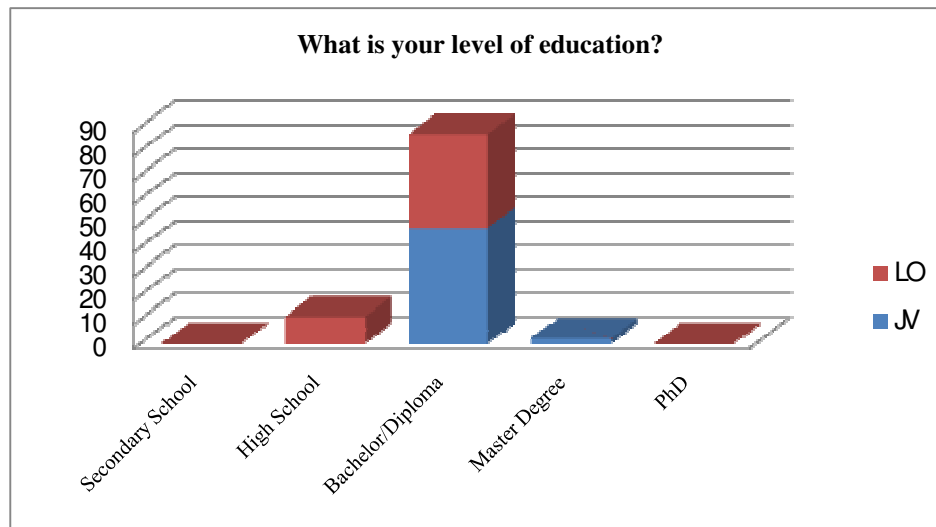


In the joint venture organisation (Figure 15, above), 2% of respondents were in the age group of 20 – 25; 46% of the respondents in the age group of 26 – 31; 38% of the respondents in the age group of 32 – 37; 8% of the respondents were in the age group of 36 – 43; 4% of the respondents in the age group of 44 – 49; and 2% of the respondents in the age group of 50 and above.

Also in Figure 15 above, in the locally owned organisation 18% of the respondents in the age group of 20 – 25; 24% of respondents were in the age group of 26 – 31; 24% of the respondents were in the age group of 32 – 37; 22% of the respondents

were in the age group of 36–43; and 12% fell between the ages of 44 and 49. There were no respondents in the age group of 50 and above.

Figure 16: Level of education



In the joint venture organisation, 96% of the respondents graduated with a Bachelor Degree/Diploma in Business; while 4% of the respondents had a Masters (see Figure 16 above).

Figure 16, above, also shows that in the locally owned organisation, 22% of the respondents graduated from high school and 78% of the respondents graduated with a Bachelor Degree/Diploma in Business.

4.4.3 EXPECTATIONS TO IMPROVE THE CURRENT HRM SYSTEM

4.4.3.1 THE JOINT VENTURE ORGANISATION

A total of 10 respondents wrote their comments on the last open-ended question to express their expectations and suggestions for improving their organisation’s HRM system, as well as answering sub-questions referring to the extent of HR integration and evaluation of HRM practices. These can be summarised as follows:

- Integrate the organisation’s business strategy with effective use of HRM practices in order to improve the entire development of the organisation as well as improving the organisation’s competitive advantage.
- Create effective staff motivation, and give clear explanation of the

organisation's goals and the HRM department's expectations. Provide more encouragement and less control.

- Improve the transparency and equality in the organisation.
- Learn from a successful organisation's HRM system and experience to improve the current HRM model.
- Integrate performance appraisals with reward decisions consistently.
- The organisation's HRM policy should be more open, fair, and equal.
- If the HRM system is improved stage by stage, it will be more effective in the future.
- Relate the HRM practices to the organisation's current developing circumstances.
- Make the organisation's employee rules and guidelines more clear and understandable.
- Make the HRM system more transparent to employees.

4.4.3.2 THE LOCALLY OWNED ORGANISATION

There are 24 respondents who wrote their comments on the last open-ended question to express their expectations and suggestions for improving their organisation's HRM system. The sub-questions include the extent of HR integration, evaluating HRM practices, and how HRM practices are perceived to be associated with the organisation's success. They are summarised as follows:

- Learn more about information management in order to improve HR information systems (HRISs) in the organisation.
- Increase training opportunities, and learn more from successful organisations.
- Learn more from successful overseas organisations.
- Learn more from successful organisations' HRISs.
- Learn from successful organisations' HR strategies in order to improve the organisation's current HR strategies.
- Keep learning and enhancing HRM knowledge and experience to improve the current HRM system.
- Learn from successful organisations.
- Use effective software to operate HRISs, such as analysing recruiting requirements, training needs and managing other data concerning employees.

- Enhance performance appraisals to improve employees' competency.
- Create the most appropriate HRM model to manage employees in order to improve the organisation's effectiveness and efficiency.
- The HRM department should be more aware of utilising knowledge, formulation and autonomy to build a better working environment as well as improving effectiveness.
- Enhance performance appraisals to motivate employees' potential competency.
- Manage HRISs systematically in order to operate HRM strategies more effectively.
- The organisation's HR information should be shared with employees in order to implement the connection between information systems and HRM system.
- The organisation's HRM department should use appropriate strategies to manage employees in order to improve effectiveness.
- The organisation's HRM department should pay more attention to employee motivation.
- Managers should pay more attention to communicating with employees, and increasing training opportunities.
- Learn from successful organisations.
- Improve team work in order to create effective working teams to achieve the organisation's goals. Managers should focus on communication with team members, and give them both trust and opportunities.
- Focus on staff training communication in order to efficiently solve the organisation's internal problems.
- The organisation's HRM department should enhance efficiency through developing better communication techniques.
- Use technology to improve the organisation's HRISs.
- Learn from successful organisations.
- Improve transparency in the organisation's HRM department.

For a comparison of the above points, refer to Appendix 5.

4.5 CHAPTER SUMMARY

In this chapter, the collected information and data has been explored by prose descriptions, figures, and tables. It was used to provide actual evidence from

respondents and to support the relevant literature in Chapter Two. Furthermore, it gives answers and sheds light on the main research question as well as the sub-questions, and links the discussion in the next chapter of this thesis. Although there is some unanswered information from respondents, the collected data is still valuable, valid and sufficient for answering the research questions and sub-questions posed.

The results presented in this chapter are discussed in detail in Chapter Five; the analysed data is compared with the research question and sub-questions and relevant theories in the literature review to gain support for the rationale of this research.

5. CHAPTER FIVE: DISCUSSION

5.1 INTRODUCTION

In Chapter Four, the findings from collected and analysed data results are presented. The discussion in Chapter Five is based on the results of the interviews and questionnaires in Chapter Four, and it is integrated with the relevant theories in literature review in Chapter Two. The discussion in this chapter focuses on answering the research question and sub-questions which are presented in Chapter One. This chapter has two main sections which are the discussion on interviews and the discussion on questionnaires. The comparison between the joint venture organisation and the locally owned organisation is based on these interview questions and questionnaires.

The summary concludes the key points in this chapter, and summarise the entire analysis from the research's perspective. The recommendations present the suggestions for further study, and the limitations present the lack of relevant data and resource in the research.

5.2 DISCUSSION ON INTERVIEWS

5.2.1 IMPORTANCE OF HRM PRACTICES

In the interview, the HR manager from the joint venture organisation expresses that their organisation focused on production more than developing HRM practices in the early stage. However, the joint venture pays more attention on its HRM practices currently. The locally owned organisation's HR manager expresses that they always focus on developing HRM practices. There is no significant difference between these two organisations; HRM practices play the very important role in these two organisations, although the joint venture did not pay much attention on HRM practices, it found that HRM practices are necessarily vital for developing effective production. Relationship and networking is very imperative in Chinese culture as collectivism, therefore managing people in organisations means managing their relationship in traditional Chinese culture. Thus, the locally owned

organisation in China always pays more attention on HRM practices in managing employees; however, the understanding of HRM practices is different from Western concept of HRM.

These two organisation both practice HR functions such as health and safety and good working conditions. The joint venture's HR manager mentions that their organisation pays more attention on creating good working conditions for employees. Good working conditions as an important factor to influence employees' attitudes for presenting their performance. In most joint venture organisations or MNCs, managers focus on good working conditions in creating their HRM practices and policies; because the working environment in joint ventures or MNCs is more complex and diverse (Cooke, 2009).

In comparison, the locally owned organisation in China develops its HRM practices regularly; and the working environment is less complex than the joint venture's. Performance management is also appeared in the interview questions. These two researched organisations take performance appraisals frequently; both interviewed HR managers think performance appraisals are very useful. Performance management, especially performance appraisals are the key instrument by managers to evaluate their employees. Most managers think that performance appraisals are necessary to undertake in order to obtain understanding of their employees' competency and shortness in their working positions.

In the joint venture organisation, the HR manager mentions about feedback from performance appraisals. Western joint ventures' management focuses on communicating feedback with employees; they make emphasis on employees' understanding from the feedback from their managers. In most locally owned organisations in China, managers make emphasis on the improvement of their employees' competency after collecting the feedback from their managers. Performance management as a necessary factor in HRM practices, the discussed differences from the joint venture and the locally owned organisation in doing performance appraisals bring more evidence in answering the sub-question of finding the evidenced HRM practices in these researched organisations.

Integrating HR strategy with organisations' business strategy is to formulate HRM practices being strategic and powerful in operating its roles in different situation. The joint venture's HR manager gives an example of their auto-products to explain how they integrate their HRM practices with the organisation's business strategy. Therefore, the HR manager in the joint venture totally agree with that it is important to integrate HR strategy and practices with organisations' business strategy in order to create more benefits for organisations' future development. HRM strategy and practices have the closed relationship with organisations' business development. This statement confirms the sub-question of the extent that HR strategy formulates and integrates with the organisational strategy.

People undertake activities to influence organisations' outcome and development, and people operate technology to conduct organisation's production. Thus, managing people effectively is necessarily positive to accomplish expected performance. In this perspective, the HR manager from the locally owned organisation has different point of view. The HR manager agrees with it; however, he explains that integrating HR strategy with the organisation's business strategy still has the distance to achieve for their organisation.

Making HRM to be more strategic and business-related is still new to locally owned organisations in China. Most traditional Chinese organisations think HRM is only focusing on managing people and their activities within organisations, and organisations' business development is relevant to the management in the organisational level. However, there is missed out an important point that is any kind of development in the organisation is undertaken by people; therefore, the HRM plays the extreme momentous role of linking appropriate people to implement their organisation's business development.

HRM is not a new subject to joint ventures and locally owned organisations in China. In joint ventures especially in Western joint ventures, the concept of HRM is more about employment relations, communication between employees and employers/managers, performance management, and employee motivation. The researcher finds that the understanding of the HR manager from the locally owned organisation concerning HRM concept squint towards some areas of personnel

management. Personnel management is still very common in locally owned organisations in China, there is still a way for them to develop the well-understood HRM strategy and align it with their business developing direction (Zhu et al., 2007).

HRM is understood simply on managing employees' activities in the locally owned organisation; the HR manager has the power of managing and controlling employees' work-related behaviour, and the HR manager aims on these managerial activities to monitoring employees. The HR manager in the locally owned organisation mentions that 'Chinese HRM model' and 'Western HRM model' have different emphasis due to different cultural background. In 'Chinese HRM model', organisational culture as an important element to influence employees' behaviour and attitudes, and organisational culture is formed by a group of a large numbers of employees, therefore, the group of employees have the ability to influences others, in reason of collectivism culture in China. In the opposite of collectivism, individualism as the feature of Western culture; 'Western HRM model' is more focused on employees' innovative competency, and encourage them to make positive changes in work.

The joint venture's HR manager and the locally owned organisation's HR manager both prefer face to face communication to employees. They use phone calls and emails to communicate with their employees sometimes, but they think a face to face conversation is more directly to make employees understand what they want. Although these two HR managers have different understanding of HRM, they all think that HRM practices contribute to their organisations' success.

5.2.2 HR MANAGERS' EXPECTATION

These two HR managers expressed their different expectation of their employees' behaviour. The HR manager in the joint venture expects employees to be more responsible and conscientious. The HR manager in the locally owned organisation expects employees to have positive attitudes for facing their work. The HR manager in the locally owned organisation also mentions that positive attitudes are important to influence employees' performance.

Attitude is the imperative in Confucian culture in China, and it is defined as the initial factor to achieve goals in work and life; in the influence of Confucianism, most locally owned Chinese organisations want their employees to present and position positive attitudes before they implement their plans or goals (Hannabuss, 2004). Hence, the HR manager in the locally owned organisation expects employees to have positive attitudes in operating their work with implementing the organisation's HRM practices.

Positive attitudes can also influence others, as the culture of collectivism positive attitudes among employees would build the positive organisational culture to motivate all employees. According to the sub-question of how HRM practices perceived to be associated with success in the organisation, employees' positive attitudes are vital to influence their perspectives of receiving the organisation's HRM practices and associate with the organisation's success.

In the future expectation of HRM practices in the organisation, these two HR managers have similar statements of associating the HRM practices with the organisation's success. The HR manager in the joint venture states four points which are creating a professional HRM team, building recruitment, selection, training and development, performance appraisals and other HR activities more systematically and consistently, obtaining more support on employee training and development and motivation, and involving HRM in the organisation's operational strategy and development. To analysis the statement; creating a professional HRM team is the main leading point, and the next three points are surroundings and conditions to support it.

A professional and effective HRM team must have the competency to make HRM activities systematically and consistently, because the effective HRM can bring competitive advantage to the organisation. If the organisation's HRM department arrange proper recruitment process and select the appropriate employees, and train them and motivate them; the positive working circumstance is established, and the organisation's competitive advantage is created and maintained steadily. Employees who are trained and motivated fairly will have more confidence to contribute their KSAs to achieve their organisation's goals.

The HR manager also mentions about HRM involvement in the organisation's operational strategy and development. From this statement, Western joint ventures pay more attention on making their HRM strategic and long term oriented.

Strategic HRM plays the role of aligning HRM practices and strategy with organisations' business strategy to achieve the win-win solution of using the most suitable employees, place them in the most appropriate working positions, and accomplish the expected goals in the organisation's business development. The sub-question refers to the extent of HR strategy integrating with the organisational strategy has been answered from this discussion.

The HR manager in the locally owned organisation expresses three points in future expectation of HRM practices, which are gaining more support from the organisation for operating HRM activities, improving employee selection and training, and integrating HRM strategy with the organisation's developing direction. This is similar to the HR manager's perspective in the joint venture. The HR manager in the locally owned organisation expects to obtain support from the organisation to improve HRM activities such as recruitment, training and development, remuneration, and performance management. The HR manager expects that the organisation can give more support to its HRM department, and the HRM department has the power to foster employees' KSAs.

The concept of strategic HRM also influences the locally owned Chinese organisation. The HR manager expects the organisation's HRM practices and strategy can integrate with the business development to achieve the consistency of managing employees and improving production effectively and efficiently. Designing HRM strategically is still new to some locally owned organisations in China; they think the role of HRM is only focusing on managing employees and not very closed relating to organisations' business level. This statement is confirmed by answering the sub-question of the extent of HR strategy integrating with the organisational strategy in the locally owned organisation in China.

Referring to the sub-question of discussing the extent of HR integration with the

organisation's business strategy; recently, more and more Western HRM concepts influence Chinese organisations; HR professionals accept and consider making HRM to be strategic and integrated with organisational business development in order to sustain organisations' competitive advantage as well as achieving organisations' success consistently.

The HR manager in the joint venture would support a change to traditional HRM practices; the HR manager explains that the organisation is formed as a western joint venture in China, more than 85% employees in the organisations are Chinese, and they have to support a change to traditional HRM practices if necessary to balance to diversity in the organisation. Western organisations including joint ventures or MNCs in China need to understand the cultural background to manage diverse employees. As HR managers in joint ventures, it is necessary to understand their local employees' culture to minimise misunderstanding and conflict. In such an understandable working environment, employees will be more encouraged to achieve the organisation's expectation.

On the other hand, the HR manager in the locally owned organisation would support a joint venture with a Western organisation if there is an opportunity. The HR manager explains that the organisation needs a change by developing innovation in the current HRM styles, and an involvement of a joint venture with a Western organisation would be able to bring positive influence to the organisation as well as facing new challenge in these changes. HRM as a Western concept plays an important role in Chinese organisations, 100% respondents agreed with this point in the questionnaires; an evolution of HRM in Chinese organisations would bring new developing opportunities.

5.3 DISCUSSION OF THE QUESTIONNAIRE

5.3.1 HRM PRACTICES AND POLICIES

In surveying employees' perspectives of the effectiveness of their HRM department, 94% of the respondents in the joint venture agree that their HRM department is effective, and 6% of them do not agree with it. In the locally owned organisation 86% of the respondents agree with that their HRM department is effective. A total

of 78% of the respondents in the joint venture and 88% participants in the locally owned organisation reported that their organisations have formally written HRM practices and policies. Almost hundred percent (96%) of respondents in the joint venture and 100% of the respondents in the locally owned organisation think that their organisations' HRM practices are effective.

An effective HRM department is very important to influence employees' working attitudes and it also as an important role to allocate tasks for employees appropriately. From these percentages, the joint venture and the locally owned organisation have their official HRM departments, and most of their employees approve their organisations' HRM departments. HRM as a necessary managerial function in any forms of organisations in China, and in organisations, constitutions of HRM becomes more officially managed. HRM practices including recruitment, selection, training and development, remuneration, termination, and staff motivation; and HRM policies including health and safety, good working conditions, and performance management are implemented completely in organisations. Employees also have consciousness to obtain benefit from utilising their HRM practices and policies.

In the research in the locally owned organisation, 100% of the respondents think their organisation's HRM practices are effective; there is no negative response. In China, from personnel management to HRM there is a long evolution in most Chinese organisations. HRM as a necessary management function, it contributes its unique competency to economic and business growth in China; and HRM is defined as the key source of creating competitive advantage in most Chinese organisations (Zhao, 2008).

Nowadays, the Western concept of HRM influences and transforms Chinese organisations in managing relationships among managers, employees, and their organisations. HRM in Chinese organisations almost casts off the image of traditional personnel management; however, some small business may still keep some managerial styles of traditional personnel management. As joint ventures, HRM is also important to reduce conflict in the diverse working environment. Designing HRM practices and policies should consider the cultural background of

various employees and the main environment in the market. In China, the country has collectivism culture; a Western joint venture needs to use 'Western HRM model' to manage Chinese employees as well as accepting and integrating cultural background in the managerial activity. HRM is dealing with people and their performance, creating an understandable environment is a way to implement HRM practices and policies successfully.

In researching opportunities in training and development, staff recognition, reward and remuneration; 80% - 84% of the respondents in the joint venture are satisfied with their organisation's arrangement; and 90% - 92% of the respondents in the locally owned organisation are satisfied with it. To compare these percentages, the joint venture has lower percentage of employee satisfaction than the locally owned organisation.

As discussed above, the joint venture has a more complex environment to implement and develop HRM, because of working diversity. The Western joint venture has many aspects of 'Western HRM model'; however, the employees in the joint venture are most Chinese, some of them might accept it and some might not. Therefore, developing the appropriate HRM in managing a joint venture or even MNCs in China is more difficult than managing in a locally owned organisation.

In the Chinese locally owned organisation, if most of employees can accept and follow such a HRM model; that means all employees would follow it due to there is a large group of people follows it. That is also a representation of collectivism culture; in the other way to explain it, most Chinese locally owned organisations achieve 'consistency' in work, employees would allow their organisations' decisions if most employees accept it. The environment in Chinese locally owned organisations is simpler than joint venture, because of less diversity; hence, differences in notions are also less than in joint ventures. In Chinese locally owned organisations, an effective and positive HRM model is extremely fundamental; if employees do not want to express their discontentment directly, the organisation would face losing its employees and losing the market.

Usefulness of performance appraisals is also researched in the joint venture and the

locally owned organisation. A total of 96% of the respondents in the joint venture have experience of participating in performance appraisals in their organisation, and 86% of them think that performance appraisals are useful. The 14% of respondents who think that performance appraisals are useless, 4 respondents specify their reasons. The main aspects are lack of linkage with the organisation's goals, no authority of making decisions, and over formalised style. In the locally owned organisation, 100% of the respondents have experience of participating in performance appraisals and 96% of them think that performance appraisals are useful. The 4% of the respondents who think that performance appraisals are useless do not specify their reasons.

Performance appraisals are common instruments in performance management, and performance appraisals are often utilised in organisations in order to evaluate employees' KSAs with performance. It is also important to link performance appraisals with the organisation's goals; employees need to understand their organisation's goals, subsequently they can work out for themselves how to align themselves with the organisation's direction. Performance appraisals are also used as an instrument to evaluate and measure whether the organisation's HRM practices have a positive influence in an employee's performance. This is confirmed by answering the sub-question of evaluating and measuring HRM practices.

Employees must be aware of their organisation's developing direction in order to accurately perceive their own performance. Performance appraisals as an evaluation device in HRM, can strategically link with the organisation's business developing directions and goals. If managers evaluate an employee's performance and share feedback by linking with the organisation's goals, it will be easy for employees to understand the pathway to improvement.

One respondent mentioned that employees should be more involved in performance appraisals. It is necessarily important for managers to provide feedback to and discussions with employees. Communication also is an imperative factor in HRM. In the research 78% of the respondents in the joint venture have regular communication with their HR managers concerning HRM practices and policies and 94% of the respondents in the locally owned organisations have regular

communication with their HR managers concerning HRM practices and policies. Employees who regularly communicate with their HR manager or other managers concerning their performance can directly obtain their managers' requirements and achieve an improvement in their performance, as well as diminish the possibility of misunderstandings arising.

Communication is an extremely important technique for HR managers and other managers to learn and enhance, in order to build a positive employment relationship with their employees. In China, most Chinese locally owned organisations' HR managers prefer meetings or group discussions as the key communication technique. They do not prefer to give individuals feedback about their performance, but choose to gather together employees who are in similar situations, and give them suggestions and requirements in groups. If most employees in the group within the meeting accept their managers' suggestions, the others often follow suit.

In the joint venture, the percentage of communication with HR managers is less than in the locally owned organisation. In such a Western joint venture, managers like communicating with employees directly if there is any problem with an employee's performance. Some Chinese employees with a traditional cultural background might not adapt this kind of 'direct management style'. In most joint ventures, HR managers like allocating performance feedback to proper departmental managers and departmental managers, who feed back to their employees concerning their performance or other problems relating to HRM practices and policies.

The reason could be that they think departmental managers have more understanding of the employees as they belong to their department, the same background and working base makes for easier communication. This kind of communication style is designed in order to reduce misunderstanding and conflict, and most joint ventures prefer to select departmental managers with a local background. Therefore, communication with employees and the underlying perspectives that govern such communication are very different in the joint venture and the locally owned organisation in China.

5.3.2 IMPORTANCE OF HRM

5.3.2.1 HR INTEGRATION

The joint venture and the locally owned organisation both have 88% of the respondents agreeing that their organisations' HR strategy is integrated with the business strategy for achieving their organisation's goals. A total of 5 respondents in the locally owned organisation disagree with this and 1 respondent strongly disagrees with it. No participants in the joint venture disagree with it. From these percentages, it can be seen that participants in the joint venture have a very clear understanding of integrating HR strategy and the organisation's business strategy to achieve consistency in utilising appropriate employees to achieve the expected production or services.

In the locally owned organisation in China, HR integration is still new and unacquainted. As with the previous discussion in the interview with the HR manager, the local HR manager also mentions that their organisation's HRM still has a way to go before achieving the integration of HRM strategy with the organisation's business strategy, and the HR manager expects that their organisations can be successful in this in just a few years. Thus, employees in the locally owned organisation still do not understand HR integration; because in most Chinese organisations the HRM department is 'separate' from the organisation's business level strategy and decisions, HRM only focusing on recruiting and selecting employees to work in the organisation. Nowadays, new HRM concepts encourage HRM to be roundly strategic in supporting the organisation's goal achievement. HR integration can bring strong benefits for organisations, and can give employees the opportunity to understand their organisation's needs and developing direction.

HR integration is defined as a strategic transmutation in Western HRM concepts, and it makes HRM involved in setting business strategy and facilitating the organisation's business development by utilising the best employees and implementing the best HRM practices (Myloni et al., 2007). The research discloses that the joint venture has the understanding of how to develop and implement HR integration, and managers and employees are clear about the importance and

benefits from developing HR integration in the organisation. The Chinese locally owned organisation still has some confusion around HR integration, especially in the group of employees. The HR manager should communicate with employees concerning the importance of HR integration and give them a comprehensive understanding for their organisation's transition to HRM. They should encourage them to support working under a well-integrated and strategic HRM model in the organisation.

5.3.2.2 INVOLVEMENT IN HR STRATEGIES

A total of 40% of the respondents in the joint venture and 84% of the respondents in the locally owned organisation express that they are involved in their organisations' HR strategies. Involvement in HR strategies means different things to different organisations, and different organisations have their own way of implementing employee involvement in HR strategies. In Western joint ventures, HRM strategies are designed for the purpose of encouraging and motivating employees' passion and potential to present the expected performance. Not every employee has the opportunity to participate in designing the organisation's HR strategies; however, the designed HR strategies are implemented for the organisation's benefits as well as employees'. In fact as joint ventures, it is complicated to involve all or most employees in the organisation's HR strategies.

As the literature and research pointed out previously, the structure of joint ventures is more complex than locally owned organisations; thus, it is not possible to allow everyone to be involved in HR strategies. Because of diversity in joint ventures, HR managers must be very understanding and considerate to their employees' background and culture; HR strategies are designed to include employees' interests and worries. Consequently, involvement in HR strategies can be explained differently in the business construction of joint ventures; their employees cannot be involved in designing HR strategies because of the diverse conditions. However, employees' thoughts and perspectives are definitely involved in designing and implementing HR strategies for HR managers.

In the locally owned organisation, the percentage of employee involvement in HR

strategies is 44% higher than in the joint venture (40% of respondents are involved in HR strategies in the joint venture, 84% of respondents are involved in the locally owned organisation). Most Chinese locally owned Chinese organisations still maintain a few aspects of the traditional Chinese management style. People working in Chinese organisations always perceive their organisations as families; because of the collectivist culture, most Chinese organisations like gathering information from employees to make decisions, though the final decision might not reflect the decision voted. The HR manager in the Chinese locally owned organisation treats the employees within the organisation as an entire group; therefore most employees have opportunities to be involved in the organisation's HR strategies.

This is very different from the perspective of involvement of HR strategies in the joint venture. Chinese locally owned organisation like involving all employees in making decisions to achieve collective consistency, and organisations expect that all employees can support one or a few strategies in decision making. Therefore, keeping employees involved in HR strategies means that HR managers obtain huge agreement and support for their decisions. As working environment and conditions in Chinese locally owned organisations is not as diverse as in joint ventures, developing employee involvement is easier.

5.3.2.3 HRM AS AN IMPORTANT ROLE

An enormous number (92%) of respondents in the joint venture and 100% of the respondents in the locally owned organisation agreed that HRM plays an important role in their organisations. Currently more and more organisations perceive HRM as their weapon to enhance their competitive advantage; especially in China, due to the increase in joint ventures and MNCs. The Western HRM concept is a vital influence in Chinese locally owned organisations, and is transforming their understanding of traditional personnel and HRM. Nowadays, in China, most organisations utilise the HRM model to attract talent, and operate successful HRM practices and policies to manage and motivate their employees. It is necessary to say that HRM has the role of linking employees with required KSAs to the organisations' goals in order to add more value for the organisations' development and for the employees themselves.

5.3.3 TRADITIONAL CHINESE HRM PRACTICES VERSUS WESTERN HRM PRACTICES

Not surprisingly, a total of 88% of the respondents in the joint venture prefer Western HRM practices, and only 12% of them prefer traditional Chinese HRM practices. Almost half (44%) of the respondents in the locally owned organisation prefer Western HRM practices, and 56% of them prefer traditional Chinese HRM practices. Traditional Chinese culture supports reciprocity, harmony, and stability in the working environment, and some cultural values such as collectivism, social obligations, loyalty, and respect for authority, are considered as key factors with employees (Ma & Trigo, 2008). Chinese locally owned organisations emphasise group/team work, with 100% of the respondents reporting experience of working in a team; and in the researched joint venture 96% of the respondents have team working experience. Team work is becoming very common in organisations; however, team work in different forms of organisations with different HRM practices has different underlying factors.

Western HRM practices focus on employee motivation and innovation. Even in a working team, employees have various opinions and they are encouraged to express their thoughts no matter if they are wrong. Traditional Chinese HRM practices focus on compliance under hierarchy. When employees work in a team, the team leader's suggestion is often the final decision. Employees are not passionate about articulating their opinions, because of compliance for authority and fear of mistakes. In Western joint ventures, HRM plays an important role in influencing employees. However, there are still a small group of employees who prefer traditional Chinese HRM practices, and most of them are affected by the culture of collectivism and Confucius for a long time.

In the locally owned organisation, over 50% of the respondents prefer traditional Chinese HRM practices, because they are conventional in the working environment and HRM practices. Another 44% of the respondents prefer Western HRM practices - normally they are young and educated, are passionate to express their opinions, and expect innovation in the organisation. Currently Western HRM practices in textbooks and Western joint ventures are strongly influencing Chinese locally owned organisations to transform their own HRM model. Most Chinese locally

owned organisations still operate under personnel management styles, or maintain some areas of personnel management. It is necessarily important for them to make a transition to effective and strategic HRM in order to enhance their success and create a sturdy competitive advantage.

The above discussion is summarised in the following table:

Table 4: Traditional Chinese HRM practices versus Western HRM practices

The Joint Venture	The Locally Owned Organisation
<ul style="list-style-type: none"> ● More respondents prefer Western HRM practices ● 100% of respondents have experience in team work ● HRM practices focus on employee motivation and innovation ● More respondents prefer Western HRM practices 	<ul style="list-style-type: none"> ● More respondents prefer traditional Chinese HRM practices ● 4% of respondents have no experience in team work ● HRM practices focus on compliance in hierarchy ● More respondents prefer traditional Chinese HRM practices

This comparison has summarised the employees’ perspectives in answering the main research question of finding the differences of HRM practices in the joint venture and the locally owned organisation.

5.3.4 EMPLOYEE EXPECTATIONS TO IMPROVE THE CURRENT HRM SYSTEM

There are 10 respondents who give comments on the question about employee expectations in improving the current HRM system in their organisation. These comments, which are listed in Chapter Four, can be summarised in 5 key points.

- Respondents expect their organisation to integrate the HR strategy with the organisation’s strategy effectively for creating a sustainable source of competitive advantage.
- Respondents expect to improve the organisation’s employee motivation system, and they also want their organisation’s HRM department to give clear explanations and guidelines about the organisation’s goals, HR policies, and HRM expectations.
- Respondents expect their organisation’s HRM department to improve

transparency and equality, as well as making the HRM system fairer and more open to employees.

- Respondents expect their organisation to make improvements in its HRM models by learning from other successful organisations.
- Respondents expect their performance appraisals to be related to the organisation's reward system.

There are 24 respondents in the locally owned organisation who give their comments on their expectations for improving the current HRM system. Their comments are summarised in 10 key points.

- Respondents want their organisation to improve the organisation's HRIS.
- Respondents expect the organisation to provide more training opportunities.
- Respondents suggest that the organisation should learn from successful organisations.
- Respondents expect their organisation to link performance appraisals to employees' competency.
- Respondents want their organisation to create the most appropriate HRM model and strategies to manage employees.
- Respondents expect the organisation to offer a better working environment and communication techniques.
- Respondents expect the organisation's HRM department to share HRM information with employees.
- Respondents expect their HRM department to pay more attention to employee motivation.
- Respondents suggest their organisation creates an effective working team in order to achieve a competitive advantage.
- Respondents expect the organisation to improve transparency in the HRM system.

Reviewing the respondents' expectations for improving their organisation's HRM system, the respondents in the joint venture state that their perspectives focus on HR integration and the superiority of building HRM practices and policies. HR integration has an important responsibility to make the connection and alignment between HR strategies and the organisation's business development. It is extremely

necessary to involve HRM strategy in the organisation's business developing plan; HRM role in attracting and selecting talents is the first point of entry into the organisation. Therefore it must clearly understand the organisation's developing direction and expectations in order to make an accurate decision in hiring employees with the needed KSAs.

In developing successful HR integration, HR managers need to design a high quality of HRM practices and policies. In the diverse environment of joint ventures, HR managers should explain the HRM policies to employees clearly to ensure that employees with different backgrounds can understand and accept them.

Employees need the organisation's HRM policies to be transparent, open, fair, and equal to everyone, and this is the initial condition to create effectiveness in HRM, and obtain employees' loyalty. Performance appraisals linking with the organisation's reward decisions can be a way to make employees aware of the transparency and equality of HRM policies. Performance appraisals linked with a reward system can also stimulate employees' enthusiasm to excel. In one of the sub-questions, which is to explain how HRM practices can be associated with the organisation's success, most respondents referred to employee recognition and reward for good performance. Rewarding employees can be a strategy in developing HRM practices because it links the employee's success with their organisation's success. Therefore, rewarding employees' efforts helps achieve the organisation's success.

In the Western HRM concept, employee motivation, including monetary and non-monetary motivation, is imperative. Employees need to be recognised when they achieve the organisation's expectations. Organisations should recognise their employees in a positive way, as opposed to unnecessary controls and limitations. An employee's potential KSAs can be unearthed by receiving the organisation's recognition. Employees under an appropriate and fair reward system will obtain more trust from their organisations. Linking reward with performance is a way of aligning HRM practices with the organisation's success.

The respondents in the locally owned organisation have similar expectations about

improvements to the HRM system with the participants in the joint venture. These include making HRM policies equal and transparent, giving clear explanations, making more efforts to motivate employees, and learning from successful organisations to improve the current HRM model.

The concept of HRISs appears in some participants' comments in the locally owned organisation. HRISs include four components which are hardware, software, data, and the user, and they are interrelated. If any one component is defective, the one or more of the other components can be affected (Nel et al., 2008). HRISs play the role of collecting, recording, and analysing data concerning the organisation's HRM.

Most locally owned organisations in China still have less awareness of HRISs in their HRM system. HRISs are convenient; many locally owned organisations are willing to implement them in their HRM system. An effective HRIS can be used to create software concerning employee data maintenance, payroll process, competency management, recruitment and selection and other HRM activities (Nel et al., 2008). Nowadays, many Chinese locally organisations have improved their technology in the production line; now they need to consider innovative technology in HRM in order to create effectiveness and efficiency.

The respondents also have expectations concerning equal training opportunities in the organisation. The HRM department must arrange equal opportunities for employees to be trained and developed. A lack of training is often used as an excuse for poor performance among employees. HR managers should provide equal opportunities for every employee to develop his or her competency.

Because of the collectivist culture, Chinese people like working in groups, and effectively as part of a team is expected from employees. An effective team is built by good working conditions through the managers' and team leaders' ability to communicate well. Most Chinese organisations use visible hierarchy to manage employees, but this is not perceived as an effective arrangement in HRM. A lack of communication between managers and employees will bring about misunderstandings and conflict, and affect the quality of performance. Providing employees with good working conditions through implementing better

communication techniques can enhance employees' positive attitudes towards their work.

5.3.5 COMPARISON TO PREVIOUS STUDIES DONE

Previous studies were done in the HRM field, and the researcher used studies by Burchell in 2000, Nel, Marx and Du Plessis in 2002 and Paine in 2008 to compare it with her own. Some interesting commonalities as well as some differences have been noted as shown in Table 5, below.

In the 2000 study a very comprehensive HRM questionnaire covering 358 items to identify HRM and management trends was jointly compiled in New Zealand and Australia in 1994: it was used for a survey to identify, among other factors, the future role, quality and expectations of HR in those countries for the year 2000 to be used by the Institute of Personnel Managers of New Zealand (IPMNZ, 1994). The same questionnaire was modified and refined and used again in 2000 by Burchell (2001) in association with the Human Resource Institute of New Zealand (HRINZ) to determine the current (i.e. 2000) and future perspective on HR in 2010 in New Zealand. The same questionnaire was used with permission after minor modifications for an identical survey in South Africa in 2002.

In the South African research that was executed and used to compare this study with, a comparison of the responses of the respondents for 2002 (see Table 5 below) was envisaged for 2010. The envisaged 2010 results are not reflected in Table 5 below. Results were recorded to reflect the percentage of all respondents. The profile of the respondents is spread over a wide spectrum (and each respondent has some relationship to HR). The fact that 67.9% of the respondents are HR practitioners in South Africa, and more than 70% in the comparison studies makes their opinions for the current and future role of HR very reliable and valuable. There is basically very little difference between the two countries in this regard.

In the 2008 study done by Sonja Paine (Paine, 2008), five of the most important but closely related themes were used to compare her study to previous studies done in the same areas of HR functions and HRM practices. Data was collected

via the e-survey, which was specifically designed for her study. The invitation to participate in her study went to 364 members of HRINZ. A response rate of 41% was achieved. Five HR themes were researched in her study and it is therefore very valuable and useful for a comparison with the current (2009) study. The comparison gives an overview of the same HRM practices by respondents from three different countries over four different periods (Table 5 below).

Table 5: Comparison of expectation in HRM practices

Issues in the Comparison	2000	2002	2008	2009	2009
	NZ	SA	NZ	JV China	LO China
	%	%	%	%	%
Recruit and retain employees	61.3	61.9	63.6	78.0	88.0
Strategic role aligned with business	16.4	70.8	78.9	88.0	88.0
Training opportunities	13.0	30.6	76.8	84.0	90.0
Employee motivation	66.3	58.7	78.0	80.0	92.0
Transparent HRM system	38.0	32.2	N/A	96.0	100

Referring to the above table, in this research, the respondents' expectations on recruitment and HR integration with business has a similar percentage to data obtained from previous research in New Zealand and South Africa. However, the percentage of HR integration with business in New Zealand in 2000 was very low (16.4%), and it has increased to 78.9% in 2008. A total of 88% respondents in the joint venture and the locally owned organisation in China think HR integration is important to their organisations, and expect their organisations to implement HR integration in future directions.

Training opportunities, employee motivation, and transparency in the HRM system are also represented as a high percentage in the joint venture and the locally owned organisation. These three issues are explored as having the most similarities on improving the current HRM system. This is a comprehensive comparison with different respondents in different countries. It gives a broader view of expectations and perception, as well as trends employees have on how to improve the HRM system.

Overall, the respondents' expectations in the joint venture and the locally owned organisation have different emphasised aspects as well as some similar emphases. The respondents in the joint venture expect the development of their organisation's HR strategy, and the respondents in the locally owned organisation expect more of the innovation in HRM technology.

5.4 CHAPTER SUMMARY

The discussed results provide some aspects of similarities and differences in the joint venture's and the locally owned organisation's HRM systems. The joint venture focuses on developing HR integration to make the HRM system strategic and long-term oriented, and the locally owned organisation focuses on improving the quality of the system by innovating HRM practices and policies. The HR manager in the locally owned organisation expresses the view that the organisation still has a distance to go before achieving HR integration as the main HR strategy in their current HRM system. Therefore, these two different organisations with different forms and cultural backgrounds, but in the same business environment, both realise that HRM is necessarily influential to their competitive advantage and the achievement of their business goals.

The discussion of results presents two main perspectives, that of HR managers and employees. HR managers expect that the organisation can provide more support to the HRM department for HR integration and innovation in HRM practices and policies. Employees expect that their HR managers can improve their HRM system by developing better communication, opportunities for training and development, and employee motivation. The respondents in these two organisations have different backgrounds, ages, genders, and educational levels; thus, they all have a different understanding of their HRM system. The joint venture with high cultural diversity, and the locally owned organisation with a lack of HR integration both have to face problems concerning their HRM development, and need to solve these by selecting the most appropriate HRM model and strategy.

5.5 RESEARCH CONCLUSIONS

The research focuses on investigating HRM practices in two different forms of organisations in China – a Western joint venture and a locally owned organisation – in order to make a comparison between these two organisations concerning the implementation and development of HRM practices and policies, as well as their expectations about future HRM development.

The research developed interviews with HR managers from these two organisations, and conducted surveys among employees by implementing questionnaires. The researcher obtained expected results from these organisations. In analysing the results, the researcher observed that HRM is becoming more and more compulsory in an organisations' management, and the Western concept of HRM is having an initial and important influence in the transition from personnel management to HRM in China. Moreover, HRM as a Western concept brings benefits in establishing positive relationships among organisation, managers, and employees.

The investigated issues from the research of these two different organisations show similarities and differences in their HRM practices, models, and policies. These organisations have various understandings in operating their HRM practices. Although they face different issues - different working environments and conditions with a variety of culture and diversity - HRM is a unique and essential managerial function to formulate and regulate relationships in the work.

Nowadays, in China, organisations are influenced by the Western concept of HRM. Chinese locally owned organisations are intending to make innovation in their HRM styles by improving HRM practices. The joint venture has a clear direction to enhance HR integration within the diverse environment. HRM is extremely significant in promoting an organisation's competitive advantage by utilising the most appropriate people to conduct business among strong rivals in the competitive market. China has a huge population and there is a visible increase in population diversity. For organisations in China, no matter what model of organisation, HRM is a unique and effective weapon to achieve an organisation's goals.

The main research question, (see page 77 in Section 5.3.3), focused on HRM differences in a joint venture and locally owned organisation, has been answered. The main difference in HRM practices was explored from different perspectives and cultural influences and it was found that the joint venture has a focus on employee motivation and innovation while the locally owned organisation's HRM practices are more focused on compliance in a hierarchy. A total of 88% of respondents in the joint venture prefer Western HRM practices, and 56% of respondents in the locally owned organisation prefer traditional Chinese HRM practices.

The first sub-question requested answers from different respondents regarding HRM practices from the joint venture and the locally owned organisation and the research provided evidence from the HR managers of these organisations by conducting interviews. A total of 100 respondents responded by answering the questionnaire with 17 questions. The main conclusion is that the joint venture and the locally owned organisation have different focuses on implementing their HRM practices, and they have different strategies to improve their HRM system in the future. The collected results in detail are presented in Chapter Four.

Referring to the second sub-question concerning responsible involvement in implementing HRM practices, the HR managers in the organisation indicated that other managers – production and line managers – also have the capability of implementing the organisation's HR practices. This is explored in the literature review in Section 2.4.2 (page 19). In Figure 5 (page 51), the rate of involvement in HR strategies from respondents is explored, from which it was deduced that the locally owned organisation, with a strong collectivist culture, has a high rate of employee involvement (84%); and in the joint venture with the Western culture of individualism, less than half (40%) respondents are involved in the organisation's HR strategies. In Section 5.3.2.2 (page 75), this is discussed in detail.

HR integration is discussed in the third sub-question concerning HR strategy formulation and integration. The research found that the joint venture focused on HR integration in its HRM practices and business development, and the joint venture recognised HR integration as the key in improving its HRM system.

In researching the consistency between the ‘Western HRM model’ and the ‘Chinese HRM model’ (sub-question 4), the HR manager in the joint venture expressed that in their organisation they must achieve success in HRM practices by obtaining consistency between developing the ‘Western HRM model’ and the ‘Chinese HRM model’.

Sub-question Five is concerning measurement and evaluation in HRM practices. Performance appraisals were discussed in the research; a total of 100% of respondents in the locally owned organisation expressed that they had experience of participating in performance appraisals. Performance appraisals are considered as an instrument of analysing employees’ capabilities as well as evaluating the impact on the organisation’s HRM practices.

The final sub-question (sub-question 6) refers to HRM practices associated with the organisation’s success, and the research gained support from respondents in the joint venture and the locally owned organisation. The HR managers from these two organisations stated that HRM practices contribute to the organisation’s success. A total of 100% of respondents in the locally owned organisation and 92% of respondents in the joint venture perceived that HRM has an important role in influencing the organisation’s future success.

5.6 RECOMMENDATIONS

There are some recommendations from the research project that the researcher would recommend, applicable to both the joint venture organisation and the locally owned organisation. The culture differences have influenced the recommendations made by the researcher, which can be summarised as follows:

5.6.1 RECOMMENDATIONS FOR THE JOINT VENTURE ORGANISATION

- Develop better HR integration to improve the organisation’s HR strategy by creating linkage between product development and employee development.
- Review the organisation’s HR policies and employee guidelines. Ensure that these are open, transparent, fair, and equal to every employee. Create a

‘suggestion box’, to allow employees to express their suggestions and consider and discuss these suggestions.

- Provide clear expectations from the organisation’s HRM department in order to make employees involved in the organisation’s HRM plan, and understand what contribution they can make to the organisation.
- Pay more attention to employee motivation in order to motivate their potential to achieve improved production.
- Keep conducting performance appraisals, and link performance appraisals with employee recognition. The recognised employees have more passion and potential to develop their KSAs within the organisation.
- Enhance communication with employees. This should not only apply to the HR managers, but also to other managers who must be aware of using appropriate communication skills to encourage and even criticise their employees. As a joint venture with complex diversity, communication is one of the most important skills to apply.
- Review the organisation’s HRM model regularly and make necessary changes. The changes must be met to develop employees’ competency.

5.6.2 RECOMMENDATIONS FOR THE LOCALLY OWNED ORGANISATION

- Create a proper HRIS in the organisation in order to make the HRM system operate better from a technological point of view. HRISs are convenient and efficient in managing employee information and data systematically.
- Provide equal opportunities for employee training and development. Give employees a chance to expand their KSAs in order to perform to expectations.
- Improve employee motivation by utilising employee recognition and encouragement instead of compulsion with the organisation’s hierarchy.
- Create good working conditions for employees in order to promote a positive organisational culture.
- Use communication with employees in order to make them understand the organisation’s HRM system. Share information about the HRM system with them.
- Develop an effective working team in the organisation, and use it as the paradigm to stimulate a positive internal ‘competition’ within the organisation

to motivate employees. In a collectivist culture, people are very serious and passionate about achieving their group's reputation.

- Review the HRM system with the organisation's goals to verify whether it can sustain contributions to the organisation's long term and strategic development.

5.7 LIMITATIONS

The study has several limitations in the research process, though the researcher has conducted both qualitative and quantitative methods for the research. The interviews with the HR managers in the joint venture and the locally owned organisation in China have limitations at a managerial level. For example, interviews with the production manager and the organisational director in these organisations would have brought different points of view about the organisation's HRM practices and policies.

In surveying these organisations by questionnaire, there are some areas missing from the respondents. In the question to specify the reason why performance appraisals are not useful, in the joint venture 92% of respondents missed out this question; in the locally owned organisation, 100% respondents missed it. The open-ended questions were also left out by 80% respondents in the joint venture and 52% respondents in the locally owned organisation. The missed information affects the analysis negatively by collecting insufficient evidence in order to support the research.

If the researcher could have conducted a focus group with respondents, there would have been more information collected, and an in-depth analysis could have provided a wider range of findings to support the entire research.

5.8 AREAS FOR FURTHER RESEARCH

The research has revealed certain areas for further study in investigating the comparison between Western HRM and traditional HRM in different organisations. Suggestions are made in this section to improve the study of HRM practices in various forms of business in today's China.

The literature is focused on the discussion of initial HRM concepts, HR functions, HRM process and IHRM as well as comparing differences between the Western and Chinese HRM models. It summarises differences in the implementation of HRM practices in the organisation's efforts to sustain its effectiveness in using and developing its employees as a key resource in the organisation's success.

For further research, it is suggested that there be more focus on discussing HR integration as an important concept in promoting HRM to create a strategic relationship with the organisation's goals. HR integration expands the effectiveness of traditional HRM, and creates innovation in enhancing the organisation's competitive advantage.

It is also suggested to explore HRISs as the 'technology of HRM' for further study. In this study, from the answered questionnaires of locally owned organisations in China, some respondents mentioned HRISs in answering the last open-ended question. In most Chinese locally owned organisations, HRISs are thought of as innovative and technical 'software' to manage employee data and information.

Regarding the research methodology, it is suggested that interviews be conducted with the production manager and the managing director, or even the line manager, to obtain different perspectives of HRM practices from the managerial level. Thus the sample size would enlarge to improve research accuracy. It is also suggested that a focus group be organised with selected employees to discuss their opinions and expectations concerning their organisation's HRM practices. Consequently, more information will be collected from various respondents, and a more persuasive argument will be made to convince readers.

5.8.1 CLOSING STATEMENT

In conclusion, HRM practices are implemented and developed as a beneficial instrument to manage relationships among managers, employees and the organisation. In China, due to the influence of the Western HRM concept and HRM models in Western joint ventures and MNCs, most Chinese locally owned organisations are supporting innovation in their current HRM system. There is a long way to go for Chinese locally owned organisations to develop a completely

Western HRM model, because of traditional cultural influences. However, there are already visible changes in Chinese locally owned organisations as they move from traditional personnel management to HRM. Accordingly, there is an extensive and meaningful range of investigations for HR researchers to inspect the future development and improvement of HRM in China.

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APPENDIX 1: THE INTERVIEW QUESTIONS

1. Do you think your organisation focuses more on production than on developing HRM practices?
2. Does your organisation practice HR functions such as health and safety, and good working conditions?
3. Do you carry out performance management, such as performance appraisals, motivation, reward ceremonies, evaluation, and auditing? If so, do employees obtain feedback from their managers?
4. Do you think it is important to formulate and integrate HR strategy with your organisation's business strategy? If so, please give an example; if not, please explain.
5. Do you think HRM practices are still new in the locally owned Chinese/joint venture business environment?
6. What do you think about the link between 'Chinese HRM model' (hierarchical model) and 'Western HRM model' ('soft' HRM and 'hard' HRM)?
7. What medium/technique do you use to communicate with your employees?
8. What behaviour do you expect from your employees in an indigenous Chinese organisation/a joint venture organisation?
9. Do you think HRM practices contributed to your organisation's success?
10. What is your future expectation of HRM practices in your organisation?
11. If you have a choice would you support a joint venture with a Western organisation? (for the locally owned Chinese organisation only)
12. If you have a choice would you support a change to traditional Chinese HRM practices? (for the joint venture organisation only)

APPENDIX 2: THE RESEARCH QUESTIONNAIRE

Section A: HRM Practices

1. Do you think your organisation have an effective HRM department?
 - A. Strongly agree
 - B. Agree
 - C. Disagree
 - D. Strongly disagree
2. Does your organisation have written HRM practices and policies such as selection, promotion, termination etc?
 - A. Yes
 - B. Not sure
 - C. No
3. How would you rate the effectiveness of your HRM practices?
 - A. Highly effective
 - B. Effective
 - C. Ineffective
 - D. Totally ineffective
4. Does your HR manager communicate the HRM practices and policies with you?
 - A. Always
 - B. Often
 - C. Usually
 - D. Sometimes
 - E. Never
5. What is your involvement in HR strategies
 - A. Highly involved
 - B. Not involved at all
6. Would you prefer traditional Chinese HRM practices (focused on hierarchy and bureaucracy) rather than Western HRM practices (communication, participation and involvement)?
 - A. Traditional Chinese HRM practices
 - B. Western HRM practices

7. Are you requested to work with other colleagues from different departments in a group/team work?
 - A. Always
 - B. Often
 - C. Usually
 - D. Sometimes
 - E. Never
8. Do you think the current HR strategy is integrated with your organisation's business strategy for achieving the organisation's goals?
 - A. Strongly Agree
 - B. Agree
 - C. Disagree
 - D. Strongly Disagree
9. Do you participate in performance appraisals?
 - A. Always
 - B. Often
 - C. Usually
 - D. Sometimes
 - E. Never
10. If you do participate in performance appraisals, do you think it is useful?
 - A. Yes, it is useful.
 - B. No, it is not useful.
If no, please specify_____
11. Do you think you have equal opportunities in training and developing your career in your organisation?
 - A. Strongly Agree
 - B. Agree
 - C. Disagree
 - D. Strongly Disagree
12. Are you satisfied with your organisation's recognition, reward and remuneration system/policy?
 - A. Strongly Satisfied
 - B. Satisfied
 - C. Unsatisfied

- D. Strongly Unsatisfied
13. Do you think HRM plays an extremely important role in your organisation's future?
- A. Strongly Agree
 - B. Agree
 - C. Disagree
 - D. Strongly Disagree

Section B: Background Information

14. What is your gender?
- A. Male
 - B. Female
15. What is your age?
- A. 20 – 25
 - B. 26 – 31
 - C. 32 – 37
 - D. 38 – 43
 - E. 44 – 49
 - F. 50 and above
16. What is your level of education?
- A. Secondary School
 - B. High School
 - C. Bachelor Degree / Diploma in Business
 - D. Master Degree
 - E. PhD
17. What is your expectation to improve the current HRM system in your organisation?

APPENDIX 3: INFORMATION SHEET



Information for participants

A study of human resource management in a joint venture organisation compared to a locally owned organisation in China

My name is Jindi SUN and I am a Master of Business student at Unitec Institution of Technology. Part of my degree programme involves a research paper on a subject of my choice. My research topic looks at the part HRM practices in a joint venture and a locally owned organisation in China. I am doing the research at your organisation and have the approval of Unitec Business School (UBS) to carry out the research.

What am I doing

I want to find out if there are any differences in HRM practices between a joint venture and a locally owned organisation in China. By taking part in this research project you will be helping me to understand what is relevant and important for employees and HR managers regarding HRM practices.

What it will mean for you

I want to interview you and ask the questions as per the questionnaire.

I would appreciate it if you could meet with me for about 30 minutes to talk about the questions on the interview schedule. I will visit your organisation at the suitable time for you as pre-arranged between us. I will record the interview and will use it as a backup later. All features that could identify you will be removed and the tapes used will be locked for 5 years and then destroyed.

If you agree to participate, you will be asked to sign a consent form. This does not stop you from changing your mind if you wish to withdraw from the project.

Your name and information that may identify you will be kept completely confidential. All information collected from you will be stored on a password protected file and only you and I will have access to this information.

Please contact me if you need more information about the project. At any time if you have any concerns about the research project you can contact our supervisor:

My supervisor is Dr Andries Du Plessis, phone 815 4321 ext. 8923 or email aduplessis@unitec.ac.nz

UREC REGISTRATION NUMBER: 2009 - 928

This study has been approved by the UNITEC Research Ethics Committee from 25/03/2009 to 24/03/2010. If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 7248). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.



PARTICIPANT INFORMATION FORM

My name is Jindi SUN. I am currently enrolled in the *Master of Business* degree in the School of Business at Unitec Institution of Technology and seek your help in meeting the requirements of research for a Thesis course which forms a substantial part of this degree.

The aim of my project is: A study of human resource management in a joint venture organisation compared to a locally owned organisation in China.

I request your participation in the following way:

Answering the questions on the interview schedule

You will not be identified in the Thesis. The results of the research activity will not be seen by any other person in your organisation without the prior agreement of everyone involved. You are free to ask me not to use any of the information you have given, and you can, if you wish, ask to see the Thesis before it is submitted for examination.

I hope that you will agree to take part and that you will find your involvement interesting. If you have any queries about the research, you may contact my principal supervisor at Unitec Institution of Technology.

My supervisor is Dr Andries Du Plessis, phone 815 4321 ext. 8923 or email aduplessis@unitec.ac.nz

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APPENDIX 4: CONSENT FORM



Participant consent form

A study of human resource management in a joint venture organisation compared to a locally owned organisation in China

I have had the research project explained to me and I have read and understand the information sheet given to me.

I understand that I don't have to be part of this if I don't want to and I may withdraw in two weeks prior to the completion of the research project.

I understand that everything I say is confidential and none of the information I give will identify me and that the only persons who will know what I have said will be the researchers and their supervisor. I also understand that all the information that I give will be stored securely on a computer at Unitec for a period of 5 years.

I understand that my discussion with the researcher will be taped and transcribed.

I understand that I can see the finished research document.

I have had time to consider everything and I give my consent to be a part of this project.

Participant Signature: *Date:*

Project Researcher: *Date:*

UREC REGISTRATION NUMBER: 2009 - 928

This study has been approved by the UNITEC Research Ethics Committee from 25/03/2009 to 24/03/2010. If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 7248). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.



CONSENT FORM

TO:

FROM: Jindi SUN

DATE: 25/03/2009

RE: A study of human resource management in a joint venture organisation compared to a locally owned organisation in China

I have been given and have understood an explanation of this research project for the *Master of Business*. I have had an opportunity to ask questions and have had them answered. I understand that neither my name nor the name of my organisation will be used in any public reports, and that I may withdraw myself or any information I have provided for this project without penalty of any sort.

I agree to take part in this project.

Signed: _____

Name: _____

Date: _____

UREC REGISTRATION NUMBER: 2009 - 928

This study has been approved by the UNITEC Research Ethics Committee from 25/03/2009 to 24/03/2010. If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 7248). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.

APPENDIX 5: TABLE OF COMPARISON OF THE RESPONDENTS' EXPECTATION TO IMPROVE THE CURRENT HRM SYSTEM

The Joint Venture	The Locally Owned Organisation
<ul style="list-style-type: none"> ● HR integration ● Staff motivation encouragement (reduce control in managing employees) ● Transparency and equality in HRM ● Obtain knowledge and experience from successful organisations ● Reward-related with performance appraisals ● Open and fair HRM policies ● Relate HRM practices with the current circumstance ● Clearly explained employees' rules and guidelines ● Transparent HRM system 	<ul style="list-style-type: none"> ● Improve HRISs ● Increase training opportunities ● Learn from successful organisations ● Enhance HRM knowledge ● Augment performance appraisals ● Create the appropriate HRM model ● Build better working conditions ● Connection between information system and HRM system ● Staff motivation ● Managers' communication ● Transparency in HRM system