Human Resource Management Practices and Job Performance among Travel Agencies Employees

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Abstract

The purpose of this research is to examine the relationship between human resource management practices and job performance among employees of travel agencies in Malaysia. It is discovered that recruitment, performance appraisal and training are the major human resource management practices that affect job performance among employees of travel agencies. A total of respondents were 260 employees of travel agencies which covered in Malaysia were questioned through the online survey. Pearson correlation coefficient was used in this research to investigate the relationship between recruitment, performance appraisal and training towards job performance. The result shows that there was a significance relationship between recruitment, performance appraisal and training towards job performance.

Keywords: Human Resource Management, recruitment, performance appraisal, training, job performance.

1. Introduction

The United Nations World Tourism Organization (UNWTO) describes tourism as a social, cultural and economic phenomenon involving people travelling for personal or business and professional reasons to countries or places outside their normal environment (UNWTO, 2020). From year 1758, tourism becomes more widespread with the start of business in the tourism sector. A company from British was a precursor to the establishment of a travel agency and at that time it was only the rich people who use the services of travel agencies. Tourism is the right to explore and leads to getting to know various cultures. The key benefits of tourism are the creation of jobs, the attraction of foreign currency to a certain area, the growth of other sectors closely related to tourism and the development of infrastructure that could not be identified without any tourist destinations and restricted access by tourists (Alsarayreh, Jawabreh & Helalat, 2010).

The travel agency is a business that was formed to facilitate customers to make travel arrangements such as booking tickets and hotels, travel schedules, travel destination and others related to travel and tourism. A travel agency is also a business in the tourism sector that are the biggest contributors to the economy of a country (Tsai & Bui, 2020). In order to maintain a business, efficient management is really important, especially in Human Resource Management (Cooke, Dickman & Parry, 2020). This is because human resources are needed to run a business operation (Baran, Filipkowski & Stockwell,

2019). Human capital, according to Brown et al. (2019), in terms of both the quantity and efficacy of health workers and the enhancement of the contribution of human capital needs to all components of human resource management, including planning, monitoring and performance management, it is a critical resource for every health system.

According to a report from the Department of Statistic Malaysia (DOSM) (2018), the labour productivity of the third quarter in the services sector increased by 5.1 per cent. The growth of the value-added expanded further at 7.2 per cent while hours of worked rose 2.0 per cent. Labour productivity expressed as the ratio of value-added to employment posted a better performance of 3.9 per cent as employment grew 3.2 per cent during the quarter. Researcher looked at tourism as a relatively larger system than a simple process of economic exchange and it is between business and consumer besides how the organizational handle their organization especially in Human Resource Management to maintain the performance in productivity of employees. In this study, the researcher used to illustrate why and how recruitment, performance appraisal and training can be used to influence job performance among the travel agency in Southeast of Malaysia. The researcher used the existing evidence to guide the arguments where available besides identify and justify a need for further research in this area mentioned before.

The recent outbreak is a chronic case which happened in the city of Wuhan, China and has become a global concern with an unknown virus detected for the first time in December 2019 and was identified as the Novel Corona Virus 2019 (COVID-19) which findings of the laboratory study (Addo, Jiaming, Kulbo & Liangqiang, 2020). In 2020, this outbreak has affected all countries including Malaysia and has a significant impact on the Malaysian economy besides affects to the performance job of workers because most premises are closed and employees have to work from home (Wong, 2020). Therefore, it affects the worker's performance in which the employee is likely to be depressed by an inappropriate environment or online harassment (Zwanka & Buff, 2020). According to Rahman (2020), a total of 168,182 of the respondents, 52.6% reported being particularly affected by the COVID-19 pandemic which faced the risk of being reduced in pay or terminated during Restricted Movement Order (RMO) and workers in the services sector recorded the highest percentage of job losses totaling 35.4%. From this total, among the most impacted services sectors is including the tourism sector which impressed not indicated more specifically a total that affected in the tourism sector (Rahman, 2020). According to Peter (2020), this plight also caused workers to lose their jobs and lost their wages because many premises had to be closed which affects the performance of the workforce. Therefore, this study intends to examine the relationship between human resource management practices (recruitment, performance appraisal, training) and job performance among travel agencies employees in Malaysia.

2. Past Studies on Recruitment, Performance Appraisal, Training and Job Performance

A study conducted by Sutanto and Kurniawan (2016) stated the excellent recruiting program may have an effect on increasing employee engagement, efficiency and employee results. Recruitment and selection in tourism business for new or existing positions is an important part of human resources (Saltık, 2017). Based on the quantitative study conducted by Sutanto et al. (2016) in the article the effect of recruitment, employee retention and labour relations on employee performance on Batik Industry in Solo City Indonesia, it was reported that recruitment is the factors that can influence and improve employee performance. From the results, there is a substantial coefficient of recruitment

against job performance which means that if recruitment is increasingly high, job performance increase significantly. These previous studies have contributed to the evidence supporting the quantitative research for this study which recruitment is an important factor to improving job performance.

Another study with the title of the relationship between performance appraisal and job performance by Sopiah (2016), shows there are numbers of empirical study results that strongly support the researcher studies that there is a positive relationship between the performance appraisal and the employee's performance. Moreover, the researcher also concludes that in a theoretical or empirical basis, there is a positive relationship between performance appraisal and employee performance.

Based on Hafeez et al. (2015)'s analysis the quantitative study of effect training on employee performance, their outcome indicates that there is a strong positive relationship between training and job performance. This previous study used similar types of analysis such as reliability analysis, descriptive analysis and Pearson Correlation to investigate the correlation between training and employee performance which implemented into this study. There is a statistically significant correlation or shows a positive correlation between training and job performance because their Sig (2-Tailed value is (0.00) which is less than 0.05) from this previous study give further strengthen the factors for this study that give a correlation with job performance.

3. Methodology

A quantitative study was selected to respond to the research goals and to resolve the research issue. An accurate data can be generated through this quantitative research gathered in overview inquiries about, utilizing strategies, for example survey by using a questionnaire.

3.1 Participants

A total of 8,838 registered travel agencies around the Malaysia as the population of this study (Ministry of Tourism, Arts and Culture (MOTAC), 2020). This research use the Krejcie & Morgan (1970) equation to evaluate the sample size in order to obtain a good and accurate sample of this study. The target population of this research is 368 travel agencies' employees.

$$S = \frac{x^2 NP(1-P)}{d^2(N-1) + (x^2 P(1-P))}$$

S = sample size

N = population size

e = the degree of accuracy expressed as proportion (0.05)

x^2 = chi-square of degree of freedom 1 and confidence 95% (3.841)

p = proportion of population (if unknown, 0.5)

$$S = \frac{3.841(8838)(0.5)(1-0.5)}{(0.05)^2(8838-1) + 3.841\,(0.5)(1-0.5)}$$

$$S = \frac{8486.6895}{23.05275}$$

$S = 368.142$

S = 368

3.2 Data Collection Instruments

A research instrument is a method to gather data to answer your research question. The quantitative method is applied for research instruments. For example, an online survey which is the researcher were distributed the Google Form link to the respondents. This survey was used a questionnaire to collect data on the relationship between human resources management and job performance among travel agencies in Peninsular Malaysia. The researcher's questionnaire build consists of 5 parts A, B, C, D and E. Section A deals with demographic such as age, gender, race, status, working experience and level of education. In section B, the data collection is job performance. Next, gather an independent variable data which is the recruitment of the employee in section C. Section D is also independent variable, performance appraisal of the employee. The third independent variable is in section E, training of the employee that was given by human resources management.

4. Findings

The Pearson correlation analysis was one of the significant studies that calculated the linear relation between two variables. The aim of the analysis was to determine whether independent variables (recruitment of the employee, performance appraisal of the employee and training of the employee) and dependent variables (job performance) are correlated. If the relationship is important, researchers need to determine if the degree of intensity of the association is appropriate.

Table.1. Correlation coefficient for recruitment of employee and job performance among employees of travel agencies in Peninsular of Malaysia.

		Job Performance	Recruitment of the employee
Job Performance	Pearson Correlation	1	.899**
	Sig. (2-tailed)		.000
	N	260	260
Recruitment of the employee	Pearson Correlation	.899**	1
	Sig. (2-tailed)	.000	
	N	260	260

Interpretation of Table 1.

The Pearson correlation coefficient, significant value and number of cases, which was 260, were shown in Table 1. The p-value was 0.000, less than the significant 0.01 level. A high positive correlation between recruitment of employee and job performance was suggested by the 0.899 correlation coefficient.

Table.2. Correlation coefficient for performance appraisal of employee and job performance among employees of travel agencies in Peninsular of Malaysia.

		Job performance	Recruitment of the employee
Job performance	Pearson correlation	1	.387**
	Sig.(2-tailed)		.000
	n	260	260
Recruitment of the employee	Pearson correlation	.387**	1
	Sig. (2-tailed)	.000	
		260	260

Interpretation of Table 2.

The Pearson correlation coefficient, significant value and number of cases, which was 260, were shown in Table 2. The p-value was 0.000, less than the significant 0.01 level. The correlation coefficient of 0.387 suggested a tiny but clear correlation between performance appraisal of employee and job performance.

Table.3. Correlation coefficient for training of the employee and job performance among employees of travel agencies in Peninsular of Malaysia.

		Job performance	Training of the employee
Job performance	Pearson correlation	1	.200**
	Sig.(2-tailed)		0.000
	n	260	260
Training of the employee	Pearson correlation	.200**	1
	Sig.(2-tailed)	0.000	
	n	260	260

Interpretation of Table 3.

The Pearson correlation coefficient, significant value and number of cases, which was 260, were shown in Table 3. The p-value was 0.000, less than the significant 0.01 level. A slight, almost negligible correlation between training of the employee and job performance was suggested by a correlation coefficient of 0.200

5. Discussions

The Correlation Analysis was performed by the researchers to calculate the linear relationship between the two variables defined as the targets of this study. The Correlation analysis was shown in Table 4, where the relationship between employee recruitment, employee performance appraisal, employee training and job performance among travel agency employees in the Peninsular of Malaysia was weak, moderate and highly positive.

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Table.4. Summary of Correlation Analysis.

Hypothesis	Significant Value	Conclusion	Correlation Value	Conclusion
1	0.000	Accepted	0.899	High Positive Correlation
2	0.000	Accepted	0.387	Moderate Positive Correlation
3	0.000	Accepted	0.200	Slight Positive Correlation

Interpretation of Table 4.

There were three independent variables (recruitment of the employee, performance appraisal of the employee and training of the employee) that had a significant relationship to the dependent variable (job performance). The highest Pearson correlation value is 0.899 between recruitment of the employee and job performance. The lowest Pearson correlation value, meanwhile, is between training of the employee and work performance, which is 0.200. The Pearson correlation of performance appraisal of the employee with job performance is 0.387. Therefore, there were only three independent variables, including recruitment of the employee, performance appraisal of the employee and training of the employee, which had a significant relationship with the performance of work among employees of travel agencies in Malaysia.

6. Conclusion

There were three independent variables (recruitment of the employee, performance appraisal of the employee and training of the employee) that had a significant relationship to the dependent variable (job performance). The highest Pearson correlation value is 0.899 between recruitment of the employee and job performance. The lowest Pearson correlation value, meanwhile, is between training of the employee and work performance, which is 0.200. The Pearson correlation of performance appraisal of the employee with job performance is 0.387. Therefore, there were only three independent variables, including recruitment of the employee, performance appraisal of the employee and training of the employee, which had a significant relationship with the performance of work among employees of travel agencies in Malaysia.

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