Selection Practices and Customer Relationship Activities Mediated by Cultural Ideologies: An Empirical Study with Malaysian Organisations

1Yi Liu, 1Cecil A.L. Pearson and 2Samir Ranjan Chatterjee
1School of Management,
2Curtin Business School, Curtin University, GPO Box U1987, Perth 6845, Western Australia

Abstract: Generating competitiveness is an urgent priority for corporate global economic advancement, which is promoting attention to acquiring, developing and retaining a new type of internationally linked personnel. The importance of global mindset and related competencies has yet to receive wider scholarly attention in most Asian economies and this study addresses that gap by providing an exploratory empirical investigation of 132 Malaysian managers. Findings from an analysis of primary data demonstrate selection procedures play an important role in facilitating the customer relationship activities on synergistic business operations and these connections are culturally impacted. These exploratory observations infer business style and structures are shaped by cultural forces to provide a departure point for future investigations.

Keywords: Cultural ideology, customer relationship activity, Human Resource Management (HRM), Malaysia

INTRODUCTION

The unprecedented changes in the global business environment have initiated a renaissance in management thinking and organisational practices in contemporary business. Advancing competitive globalising is compelling firms to rigorously invest in managerial talents to provide capacity to build and sustain institutional advantage in the marketplace (Dom et al., 2012; Abdullah et al., 2009; Huang et al., 2008). Widely acknowledged is robust staff selection procedures provide sound foundation for the effective implementation of organisational architectures for the deployment of business strategies in which are embedded internal and external customer relationships vital for achieving corporate goals (Hajro and Pudelko, 2010; Storbacka and Nenonen, 2009). The relevance to Malaysian corporations is despite the continuing interest in selection techniques (Huui and Siddiq, 2012; Man, 2012; Arumugam and Mojtahedzadeh, 2011). Chanda et al. (2010) caution that seldom has the customer relationship link with recruitment practices attracted research endeavour. Thus, assumptions talent acquisition anchored in standard Western instruments will facilitate company economic development warrant re evaluation to incorporate into selection procedures determinants for building strategic alliances and intra firm cooperation.

An additional challenge for Malaysian managers is to recognise the increasing global interface when acquiring talented personnel (Nankervis et al., 2007). Selection, deemed as a primary source of acquisition (Azmi, 2010), is undertaken to establish cadres for the timely accomplishment of numerous organisational activities within a framework of competitive, quality and cost conscious landscapes (Arumugam and Mojtahedzadeh, 2011). Growing prominence is the notion organisational survival is dependent on the recruitment and selection of people who bring to bear the functional perspective of customer relationship management to build quality services that improve customer satisfaction, loyalty and future intention (Ofori and Aryeetey, 2011; Shah and Harsha, 2011; Wang and Kang, 2008). But in a global arena greater demands are placed on organisational members to complete the technical accomplishments while maintaining favourable interactions with organisational customers (both internal and external) in workplaces with diverse cultural values, perceptions and attitudes about work (San et al., 2012). As a consequence of business internationalisation awareness is increasing for recognising that in addition to the functional work role managerial values are shaped by cultural, political and socio economic factors as well as the local nuances. Consequently, Human Resource Management (HRM) practices, including selection, are likely to be better served if they accommodate both common (etic) and specific cultural (emic) qualities.

As more companies engage with the globalised economy increasing attention is being given to the HRM practice of recruitment. Not withstanding the broad assumption talent management acquisition plays...
an important role in promoting institutional competitiveness a particular challenge for investors is how to acquire corporate knowledge for developing business cooperation vital in entry strategies (Shahmandy et al., 2012; Poorangi et al., 2011; Parvatiyar and Sheth, 2001). A further compelling issue for international companies is the new disciplinary approaches acknowledge HRM practices are interrelated with the contextual framework in which they are embedded demanding actors appreciate the sensitivity of personal relationships in business dealings with external and internal stakeholders (Huui and Siddiq, 2012; Osman et al., 2011). Thus, understanding cultural idiosyncrasies is a basis of success. Despite an extensive literature on concepts of value differences, managerial business activity and HRM practices the selection process in cross cultural encounters remains relatively unexplored. Information how to acquire the management skills needed for contemporary market economies is virtually nonexistent and this study provides a fascinating opportunity to evaluate the forces in networks of selection processes with customer relationships in 132 Malaysian companies.

In this study, of seven main parts, is described how free market reforms are impacting managerial carders of Malaysian organisations and particular attention is given to examine the mediating effects of cultural ideologies on the relationships between the selection processes and the customer relationship activities. Following the introduction is provided an outline of the global business development in Malaysia and in the third section, the generation of the study hypotheses is delineated. In the fourth section, the methodology is given key attributes of the participants, the study site, the study constructs and how the data were evaluated. The study results are presented in the 5th part of the manuscript and in the 6th part of the paper is an integration of the earlier sections with the relevant literature. A conclusion, which is the seventh part, explores the disclosed achievements to advance understanding of the HRM practices in the cultural specific context of Malaysia.

GLOBAL BUSINESS DEVELOPMENT IN MALAYSIA

Being one of the significant successful nations during the rise of South East Asia in the 1990s Malaysia was an economic model for others. However, the economic turmoil of 1997 followed by the more recent economic downturns (i.e., GFC, European crisis) fundamental questions have been raised about the Malaysian business model although interestingly, these events have not prevented Malaysia from re entering the global marketplace. The Malaysian resilience has been immortalised by Mahammad et al. (2010), who stated the current trends of economic growth along with rapid industrial development has made Malaysia one of the most open world economies. Arguably, the renewed vigour, the managerial competencies and the developing cadre mindsets have been the critical elements for achieving this position in spite of the region being hampered by a shortage of qualified personnel in senior and middle managerial levels in both the public and private sectors (OECD, 2011; TalentCrop, 2011).

Distinctive features of contemporary Malaysian managers have been identified. Accounting of Malaysian managerial qualities was recently expressed by Yamazaki and Kayes (2010) who found that compared to Japanese and Chinese managers Malaysian managers were more active learners as they advanced in the organisational hierarchy. Another convincing dimension of the Malaysian managerial profile was given by Lo et al. (2010) as well as Subramaniam et al. (2010) who found Malaysian managers are still governed by their traditional cultural and religious values. Yet the new knowledge based economy of the 21st millennium has proliferated an emphasis based on skill sets of technical competencies. But within these contemporary work settings Malaysian managers have to grapple with personnel mobility and competitive agendas in collaborative arrangements to encourage innovation while leveraging opportunity. The presented evidence (Dom et al., 2012; Samaratunge et al., 2008) demonstrates the more progressive Malaysian organisations have acquired a favourable blending of a diversity of hard and soft skills to suggest satisfactory HRM strategies are embracing suitable selection procedures.

HRM practices can be seen as one of the critical organisational functions for the survival of most of the firms. According to Cheah-Liaw et al. (2003), Malaysian managers realised that effective HRM processes are likely to bring about organisational stability and harmony. In addition, these authors and other commentators (Poorangi et al., 2011; Azmi, 2010) have argued that the diversity of the composition of the modern workforce in Malaysian organisations requires more appropriate and creative HRM solutions. Despite a considerable interest having been devoted to the understanding of HRM practices of Malaysian organisations, the available information is relatively limited. This point was made by Budhwar and Boyne (2004) and later by others (Osman et al., 2011; Haslina, 2009; Huui and Siddiq, 2012), who have highlighted the disclosure how selection is undertaken in Malaysian firms is more arbitrary than confirmed by robust empirical evidence. Arguably, there is considerable impetus for understanding the HRM practices of the studied Malaysian organisations. Hence, as an exploratory nature, this study examined data from a number of business practitioners from Malaysia with a
purpose of gaining a more comprehensive appreciation of how effective the personnel function of selection is linked to customer relationship management in their corporations and in particular whether cultural values moderate the relationship.

**Recruitment, selection and customers:** The practices of selection play an important role in corporate operations and often these HRM procedures are likely to have an impact on customer relationship activities. For example, Chen and Huang (2009) argued that an effective selection system has the potential to foster mechanisms for choosing and allocating qualified employees to do not only the required technical tasks, but “…to build close cooperation and partner relationships with their customers.” (Parvatiyar and Sheth, 2001) whether they be internal or external of the company. A further contribution was made by Hughes and Rog (2008), who indicated effective HRM practices, can be viewed as an essential aspect that influences an organisation’s capability to successfully develop a business system with recent delineation these architectures are adopting customer centric strategies to build customer life long value (Shah and Harsha, 2011; Wang and Kang, 2008). This notion is not new as according to Martinsons (1995) and Scarbrough (2003) selection practices may enable organisations to choose candidates, who have appropriate skills and attitudes and in turn these personnel could potentially integrate knowledge from a wide range of sources to facilitate customer relationship activities. The accumulated wisdom is effective selection practices are vital for attracting and hiring talents that are the most relevant and suitable for impacting the growth and survival of the organisation (Gilani et al., 2012) and consequently, has attracted major investigatory efforts.

While human resource management practitioners often treat recruitment and selection as a normal process endeavours to improve organisational outcomes has recently led to partitioning the activities. Earlier, Snell and Bohlander (2007) pointed out recruitment is the process of attracting perspective employees and encouraging them to apply for a job position, which is a perspective endorsed by Ofori and Aryeeetey (2011). The more onerous task of selection is a cost effective process of discovering, in a non discriminatory arrangement, the person who has the required job competencies and has the potential to add value to the organisation (Rafi et al., 2013; Kumari, 2012; Zaman, 2012). In short, recruitment is an activity of attracting job seekers while selection is the process of choosing those people with required relevant attributes and qualifications.

The notion recruitment and selection practices are linked to corporate success continues to critically challenge contemporary business. While the main objective of choosing and placing people endowed with a broad range of core competencies is well established many person job-fit tests are unstandardised, often they are undertaken in non regulated environments and seldom do the results have predictive validity (Li et al., 2010; Piotrowski and Armstrong, 2006; DiMilia, 2004). These outcomes encourage a reliance on traditional methods (i.e., job history, personal interviews, references, what if scenarios and work samples), which have conveniently been classified as impersonal/formal and personal/informal processes.

The purpose of this study is to investigate the connection between selection and organisational customer relationship management. Classifications of formal/impersonal and informal/personal selection procedures will be coupled with respondents’ expressions of the predicted ideal state or the actual reality of the intensity of customer relationship management (Chatterjee et al., 2013; Parvatiya and Sheth, 2001). To deliver the multiple sought outcomes contemporary organisations create structures, install processes and employ advanced business technology, which some social scientists (Gilani et al., 2012; Shahundy et al., 2012; Sanyal and Guvenli, 2004) contend these arrangements will lead to a homogeneity of business/management practices. However, these connections are likely to be reframed by institutional processes influenced by individual predispositions of cultural specificity leading to a hybridisation of perceptions that have a fading influence on corporate codes and rules, resulting in a dehomogenising of the business practice (Qamar et al., 2013; Pearson and Entrekin, 1999, 2001). This notion was evaluated by assessing the moderating influence of culture on selection type and the customer relationship connection.

**GENERATION OF HYPOTHESES**

Impersonal and personal views have different ways of expressing beliefs, expectations and feelings. Partitioning these two streams has potential to filter both attitudes as well as behaviours and may elicit perceived outcomes irrespective of personal abilities and competencies (Rafi et al., 2013; Li et al., 2010; Piotrowski and Armstrong, 2006). The orthodox conventional perspective is ideal customer relationship activities are built in efficient selection cultures (Miah and Mohib, 2013) cumulating as a self fulfilling prophecy, that has been recorded in the management behaviour literature as the Pygmalion effect (Eden, 1990). On balance, it is reasonable to assume that in Malaysian corporations adopting traditional structured selection techniques advocated by human resource management practitioners and scholars it could be expected there will be a manifestation of customer relationship activities. This contention is predicted as hypothesis 1 (H1).

**H1:** Impersonal selection processes are likely to be substantially correlated with ideal customer relationship activities
Although Western organisation theory has been institutionalised in contemporary environments of Malaysian organisations the chosen indicators of business success are not always favourably attained. For instance, Jayasingam et al. (2012) write “… most Malaysian organisations are not keeping pace with their global and Asian counterparts.” (p.1). In the absence of embedding into these Western paradigms Malaysian cultural heritage, that incorporate customer and employee priorities in terms of relationships and marketplace forces, there is the likelihood of realising a gap in the link between synergies of the workplace and organisational achievements. While there is an expectation the spread of advanced technology and the installation of structural arrangements to improve institutional processes (e.g., knowledge availability, communication channels), these constructed architectures may be incongruent with prevailing employee mindsets (Rowley and Benson, 2002). Acknowledging the dominant corporate standardised practices and policies may lead to a display of best organisational practices there is no assurance their installation will foster the attainment of deeper levels of commitment and psychological ownership. Local customs and personal values can provide serious constraints to the intended company converging overtones.

Since the 1997 Asian Financial Crisis the Malaysian government has installed a number of reforms. Abidin and Ahmad (2007) acknowledge corporate reforms were introduced “… to enhance the quality of good corporate management practice.” (p.23). However, the phenomenon of globalisation had a greater influence on the renaissance of Malaysian business success are not always favourably attained. For instance, Jayasingam et al. (2012) write “… most Malaysian organisations are not keeping pace with their global and Asian counterparts.” (p.1). In the absence of embedding into these Western paradigms Malaysian cultural heritage, that incorporate customer and employee priorities in terms of relationships and marketplace forces, there is the likelihood of realising a gap in the link between synergies of the workplace and organisational achievements. While there is an expectation the spread of advanced technology and the installation of structural arrangements to improve institutional processes (e.g., knowledge availability, communication channels), these constructed architectures may be incongruent with prevailing employee mindsets (Rowley and Benson, 2002). Acknowledging the dominant corporate standardised practices and policies may lead to a display of best organisational practices there is no assurance their installation will foster the attainment of deeper levels of commitment and psychological ownership. Local customs and personal values can provide serious constraints to the intended company converging overtones.

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**H2:** Personal selection processes are likely to be substantially connected with ideal customer relationship activities

Recognising the importance of customer relationships (internal and external) has further highlighted the value of HRM selection schemes. Although the leading corporations in Malaysia have opportunity to adopt and adapt sophisticated Western management practices for selecting talented personnel there is further potential for flavouring the business strategy processes with personal attachment (Jayasingam et al., 2012; Poorangi et al., 2011). Cheng and Lee (2011) recognised business strategy can play a central role in social and economic exchange relationships, that are generated through personal associations between external and internal customers (i.e., employees). Although Malaysian organisations may be familiar with idealistic consumer perspectives the linking of operational activity to create organisational global are capabilities involves a capacity to integrate novel ideas, insights and solutions, which highlights the personal dimension. Accordingly, customer relationships, that are critical for enhancing organisational performance, will be dependent on effective implementation of HRM policies and in particular talent acquisition (Scott-Ladd et al., 2010; Chew and Basu, 2005; Ordóñez de Pablos and Lytras, 2008). Arguably, the focus is how the talented employees are chosen to maximise the actual or existential (i.e., realistic) customer relationship activities. Those selection processes that better analyse the competencies of the candidates to detect the most suitable applicants have the potential to absolutely increase actual customer relationship activities and based on the preceding literature and current trends, it is expected authentic Malaysian corporations will exhibit the following predicted relationships between the selection mechanisms and customer relationship activities.

**H3:** Personal selection processes are likely to be substantially correlated with actual customer relationship activities

**H4:** Impersonal selection processes are unlikely to be substantially connected with actual customer relationship activities

**The mediating effects of culture:** Globalisation has signalled the initiation of a ‘no-border’ managerial mindset. For example, Adler and Gundersen (2008) and Dorfman et al. (1997) suggested contemporary globalisation may create more convergence business practices due to technological advancement from the
‘free’ access of information, but the competencies and values of managers remain substantially embedded in a specific cultural context. Supporting this perspective the emergence of strategic orientation of HRM practices were found to vary across different cultures (Yusoff et al., 2010). Indeed, in a research designed to investigate the association between the strategic orientation of the managers and their ability to undertake learning capability, Bhattacharjee and Sharma (2005) found that Malaysian human resource managers displayed more strategic awareness than line managers in Indian organisations. Specific to Malaysia, that was colonised by Britain in the nineteenth century, the HRM practices of the 1980s were largely influenced by British management systems (Chew, 2005). But following announcements by Prime Minister Dr Mahathir Bin Mohammad of the pursuit of vision 2020 to develop Malaysia as knowledge based society (Huui and Siddiq, 2012) there has been an escalation of programmes for the development of international managers. The various introduced strategies to accelerate the transformation of Malaysia has led to reflections (Man, 2012; Samarutunge et al., 2008) contemporary Malaysian HRM practices are driven by both the British oriented fundamentals and ethnic oriented values (e.g., the Chinese, the Malay as well as the Indian values). Based on such evidence it is reasonable to assume that culture is likely to have an impact on how business is now conducted in Malaysia.

The HRM practices may have been standardised across the globe, but the practices of selection practices may be different under specific cultural contexts. For example, Wharton (2009) argued that the rapid economic growth has shifted attention to the generalisation of management practices and especially in talent acquisition. Fundamentally, the need to select the ‘right’ candidates before engaging them with evolutionary development has been the norm for many organisations. However, inducting people can be a challenge for many organisations (Lado and Wilson, 1994; Barney, 1991) and this issue is more confronting in a multicultural country like Malaysia. Indeed, managers and employees in different cultures often bring a different set of codes of behaviour and norms (referred to as baggage) that are aligned with their own cultures to their workplace (Erez, 2000). These differences are likely to have an impact on the core organisational processes and managerial practices and as a result, idiosyncratic different managerial values become practiced in organisations. In addition, it is widely acknowledge that family connections, or links to patronage, nepotism or cronyism are being practiced to a large extent in many Asian countries, including Malaysia and arguably, these traditional values can significantly affect how businesses operate in a particular context. Consequently, there are abundant merits in exploring how HRM practices are being implemented in a specific cultural context (Tiwari and Saxena, 2012; Khan, 2010). Based on conventional wisdom embedded in the HRM philosophies it is predicted that culture is likely to mediate the relationship between selection procedures and the customer relationship activities. Despite the recognised influence of culture the reported effects on HR practices in Malaysian organisations are still being formulated (Qamar et al., 2013; Huui and Siddiq, 2012; Abdullah, 2009; Budhwar and Boyne, 2004). In the absence of alternative robust evidence it is predicted the cultural constructs of this study will influence the four core hypotheses of H1, H2, H3 and H4.

Much of the specular economic growth of Asia Pacific nations can be attributed to strong cultural traditions. For instance, examination of Japanese management techniques, exploring the ability of the South Korean Chaebols to become true global competitors and investigating the management structures of the overseas Chinese institutions led to view cultural factors exerted a strong influence on managerial philosophy and practice to shape very different organisational structures and business strategies when compared to Western corporations. Nevertheless, in the pursuit of efficiency and market positions many managers of these south East Asian nations have mimicked some of the better practices of competitor countries. Thus, debate has ensured whether deeply held cultural values and familial ties will prevail or that they will be diluted by other national nuances or the influence of government interventions. A lack of empirical evidence has not been helpful in identifying the extent of cross cultural management in Malaysian, but assumptions are permissible.

Underlying beliefs and values are moulded by culture, social, government and economic influences. Malaysia, regarded as a most culturally diverse country maintains close cooperation between business operations and government agencies to ensure a balanced participation of ethnic groups in the domestic economy. These forces can be considered as the dominant and pervasive culture.

The Malaysian economy (HRM practices, systems and regulations) has been largely influenced by British colonisation (Osman et al., 2011) as well as recent political shifts and reforms after 2003 when Abdullah Badawi came to power. These events have led to the emergence of a more moderate progressive version of Islam Malaysian oriented style of government substantially different from a tightly controlled society. Consequently, Malaysians who had experienced both regimes are likely to hold distinctive beliefs, traditions and employ practices in daily life reflecting these values. Thus, it is expected the study managers are likely to hold impersonal and personal constructs of culture.
Fig. 1: The theoretical framework

A summary of the hypotheses is presented as Fig. 1. Three main variables, namely the independent variables (i.e., the selection practices) and dependent variables (i.e., customer relationship activities) as well as the mediating variable (i.e., cultural ideology) are documented. It is forecasted in Fig. 1 that the selection practices are likely to have an impact on customer relationship activities in the studied Malaysian organisations. Also, it is predicted selection (that contains two sub variables) is associated with customer relationship activities (that include two sub variables) to give four main hypotheses (H1, H2, H3 and H4). In addition, these relationships between the independent and the dependent variables are mediated by the cultural ideology, which contains three sub variables, that have been labelled:

- Dominant and pervasive
- Impersonal
- Personal

These three dimensions of culture mirror the modern historical era of Malaysia and incorporate underlining values shaped by exposure to a capitalistic system, technological development as well as industrialisation and government political intervention. Forecasted (Fig. 1) are the four main hypotheses will be incrementally mediated by the dominant pervasive societal culture? Specifically, it is predicted the four main hypotheses will be exposed to a product of actions of Malaysian government interventions aimed to balance ethnic participation to accelerate overall industrialisation resulting in two distinctive orientations-impersonal and personal. It is forecasted the impersonal control element of such interventions will impede the strength of the linkages between selection processes and customer relationship activities, while these connections will be intensified by the perceived personal dimension of culture. These influences are a direct consequence of the reformation of the political system during the past decade, which has been aligned with social development, investment in trade relations and a focus on developing human capital.

METHODOLOGY

Respondents and site: The respondents were 132 executive managers from Malaysian organisations. These participants were enrolled in the executive managerial development programme at Murdoch University, Perth, Western Australia. This executive development programme was designed to assist manager’s remodel their managerial perceptions of work values. A key purpose for choosing this group of business practitioners is that they are not only information rich individuals, but are also involved in strategic decision making processes. The captured managerial perceptual data provided by the respondents, were used to determine how selection procedures were being practiced in their Malaysian organisations and the extent of internal and external customer relationship activities. These data were used to examine whether the types of selection mechanisms affect the customer relationship activities and in addition, the cultural orientations of the investigated Malaysian managers were assessed to study the perceptual awareness of culture in Malaysia.

Procedure: A unique feature of this study is how the data were captured. Knowledge of the impending managerial course and the information to be delivered enabled approval to be obtained for administration of a questionnaire that would be undertaken with conditions of respondents’ agreement and anonymity. Subsequently, an appropriate questionnaire was designed and administered online for the convenience
of the respondents. This questionnaire was highlighted by the guest lecturer prior to the commencing of the three separate modules that were presented at Murdoch University, acknowledging how the questionnaire items were relevant to the managerial development programme content.

Measures: This study reports three types of data: demographic information, perceptual responses to internal and external consumer organisational practices and collective estimates of Chineseness. Demographic data in terms of gender, age and academic qualifications as well as organisational practices of size, type and market orientation were collated. A profile of the sample demographics is presented as Table 1.

Perceptual information about selection procedures and customer relationships was assessed with a 14 item instrument. All perceptual data were collected with seven point Likert scales (1 = strongly disagree, 7 = strongly agree). Formal selection procedures, labelled Selection A were examined with four items that were chosen from the most frequently reported practices used in contemporary organisations (Hsu and Leat, 2001). An example is ‘The selection process in my organisation requires managers to complete an application form’. Informal selection, labelled Selection B was evaluated with three items that were generated with a similar procedure (El-Kot and Leat, 2008). An employed item is ‘A one to one interview is a dominant selection technique for managers in my organisation.’

Internal and external Customer Relationship Activities (CRA) was assessed with seven items. A perception of an ideal arrangement of internal and external customer connection with organizational global business procedures was assessed with five items. An example is ‘In my organisation a feature of the global business system is processes for developing internal customer relationships.’ In contrast the actual interconnectedness of the internal and external customer relationships was examined with two items. One item was ‘The external customer relationship activities in my organisation are not enhancing the development of the global business system.’

Assessing the level of cultural diversity of the Malaysian managers (i.e., their Chineseness) was undertaken with a shortened version (17 items) of the Chinese Value Survey. Seminal research by Bond and colleagues (The Chinese Culture Connection, 1987) created a 40 item scale to assess Chinese cultural values. When factor analysed the 40 items coalesced to 17 items of four constructs with factor loadings greater than 0.5 were identified and these conditions were assessed in this study. The questionnaire items for the five constructs of Confucian work dynamism (4 items), Human heartedness (4 items), Integration (5 items) and Moral discipline (4 items) were administered to the Malaysian managers. The study managers were asked to indicate how important each of the 17 items was to managerial work.

Data reduction of the study response of the 17 items led to three constructs that were labelled:

- Macro
- Regulatory
- Kinsmanship

| Mediating influence of the cultural dimension on the four core hypotheses |
|-----------------------------|-----------------|-----------------|
| Variables                  | Low Value       | High Value      |
| Macro                      | Ameliorate      | Intensify       |
| Regulatory                | Intensity       | Ameliorate      |
| Kinsmanship                | Ameliorate      | Intensify       |

![Fig. 2: The empirical model](image)
Composition of the constructs was, macro (Courtesy, harmony, patriotism, patience and tolerance), regulatory (Ordering, protecting, personal, thrifty and prudence) and kinsman ship (Relationship, few desires, filial piety and none competing). The macro construct equates to the dominant societal culture, regulatory is akin to the impersonal culture construct, while kinsman ship has elements of the personal culture construct. Thus, Fig. 1 can be represented as Fig. 2. The reliability assessments were 0.83, 0.79 and 0.74; respectively.

Analysis: Four main approaches were employed to evaluate the study data. First, the demographic data were examined with frequency tables and later this information was used to partition the data for the mediated regression assessments. Second, the perceptual data were subjected to rotated factor analysis using the varimax option, which also enabled reliability estimates to be obtained. Third, correlations were employed to obtain an overview of the four main hypotheses. Last, mediated regression analyses were performed to assess the postulations of the empirical model, which is now shown as Fig. 2.

RESULTS

The content of Table 1 presents a summary of the demographic information of the study Malaysian respondents. The first feature was that almost half of the participants’ organisations were relatively small in size (e.g., have less than 500 employees) and run privately, which suggests that foreign investment made by private firms plays a significant role toward the economic growth of Malaysia. This second observation was independently supported by the score of the global categorisation of the variable of market orientation showing almost half of the investigated companies had a global reach. A third feature of the sample was that a large number of the study respondents were males, which indicates many of the Malaysian study organisations endorse a patriarchal interest. Another important attribute of the study sample, shown by the high proportion in the age group of 30 to 50 years of age, was that the investigated Malaysian organisations placed a strong emphasis on developing young and well educated managers to gain a stance in the global arena. In fact, two thirds of the study respondents held a university degree. Arguably, the global involvement of Malaysia is largely driven by the possible shift in demographic dimensions (both organisational and personal attributes) and hence, it is reasonable to assume as the gradual progression of globalisation develops Malaysian organisations are likely to increase cross border business engagement.

Factor analysis was undertaken to determine the external validity for the study constructs of selection, customer relationship activities as well as cultural ideology. The analyses of adapted items for measuring selection techniques revealed contemporary Malaysian organisations employed two types of selection procedures, which were:

- Personal selection processes
- Impersonal selection processes

When the responses for the construct of customer relationship activities factor analysed, two sub constructs were obtained, which were labelled as:

- Ideal customer relationship activities
- Actual customer relationship activities

The results of factor analysis for the cultural ideology revealed three factors emerged named:

- Marco
- Regulatory as well as
- Kinsman ship (Liu, 2012)

The responses to these three constructs were partitioned into high and low categories for the assessments of their influence on the four main hypotheses.

Table 2 shows the descriptive statistics including the correlations, of the dependent and independent variables of Fig. 1. The Selection A mean scores and reliability assessments are a reflection of the employed impersonal selection procedures (e.g., application form, interview panel, medical examination, CV) in the investigated organisations from a range of techniques. Personal selection practices (i.e., one on one interviews, personal testing) are cumulatively presented as Selection B and the mean score, standard deviation and reliability assessment collectively demonstrate a wide variety of selection tests were used in the sample of organisations. The mean scores for CRA ideal and CRA actual demonstrate the managerial perceived impact of internal and external customer relationships on synergistic business operations. For instance, the managers reported they believed external (73.9%) and internal (73.8%) relationships were important elements of strengthening organisational operational systems, but the reality of these configurations of was considerably less as expressed by the managers who perceived a substantial amount of external (33.8%) and internal (27.8%) customer relationships were not adding value to the business operations. This perception should be of considerable concern for the application of commercial operations as well as the employees of the study Malaysian organisations.
The correlations of Table 2 provide further evidence about the connections between the business selection processes and business operations. Credibility is given by the absence of multicollinearity while the two non significant correlations (i.e., r = 0.15, r = -0.07) reveal the independence of the independent and dependent variables. The positive correlations of Selection A and Selection B with CRA ideal highlights the perceived managerial viewpoints both of these recruitment practices are important for building organisational relationship business systems. The negative relationships with Section A and CRA actual infers the managers believe formal selection procedures are less favourable for high context Malaysian organisational cultures that involve emotions and close relationships. This position is confirmed with the significant correlations between Selection B and CRA actual. Overall, the correlations of Table 2 provide reasonable support for hypothesis 1, 2, 3 and 4.

Table 3 presents the standardised beta values for the mediated regression analysis. The structure of these analyses is identified by sample sizes of high and low categories of the three mediating variables (i.e., macro, regulatory and kinsman ship) for the four assessed independent and dependent variables linkages. For the macro mediating variable (i.e., common belief shared by the various Malaysian ethnic groups) the observed results are consistent with the forecast outcomes, specifically the primary orientation of hypothesis H1 (0.299, p<0.05), H3 (0.382, p<0.01) and H4 (-0.273, p<0.05) have been linearly intensified. An observation for selection B with CRA actual (i.e., Hypothesis H3) (0.317, p<0.05) when mediated by the low value of the macro construct, as well as the non significant findings for the mediation of H2 is a reflection of melding economic development with equity. A plausible explanation for these results is the managers’ residual past experiences of a tightly controlled period of public governance are being reframed to align with the present personal orientated society that encourages greater respect for human rights and fundamental freedom, while maintaining continuity of the Malaysian government pursuit of national economic sustainability. The Malaysian managers of this study are in workplaces undergoing transition in dimensions of assertiveness and more humane orientations compelling them to link the past and the present.

The central and right hand column of Table 3 presents the results of four mediated regression analyses of linkages between selection procedures and business consumer practices. For the mediating variable of the regulatory culture construct the predicted ameliorated outcomes for H1 (0.037, p<0.05), H3 (0.266, p<0.05) and H4 (0.082, p<0.05) were observed. The unexpected observation for H2 (0.300, p<0.05) might be an expression by the surveyed managers of the favourable impact of personal views. Despite the convenience of common (etic) practices specific cultural (emic) qualities embracing more personal sentiments to account for a diversity of local groups can potentially generate situations of cooperation and business exchanges. Results of the mediating effect of the kinsman ship culture construct on the four main selection-customer relationship linkages are shown in the right hand column of Fig. 2. The evidence is the predicted mediating influence on H3 (0.492, p<0.05) and H4 (-0.411, p<0.001) was supported, while for H1 (0.197, p<0.05) although in the predicted direction was unsupported. The non significant finding for H2 (0.099, p>0.05) is a likely consequence of the progressive widening of dialogue within Malaysian society.

DISCUSSION

This exploratory research is built upon an empirical model that links the selection procedures with customer relationship activities. Particular attention was devoted to examine how these connections were mediated by the cultural ideology of the Malaysian respondents. Data were captured as the responses of 132 business practitioners enrolled in the managerial development programme at Murdoch University, Perth, Western Australia. The correlational analysis confirmed significant associations between selection processes and
Managerial responses to the three factors of the employed culture construct reveal mediating effects on the four main hypotheses. Shown in Table 3 is the standardised beta weight of these assessments to demonstrate strong associations with the forecasted patterns of Fig. 2. The reported evidence is from an exploratory study formulated on assumptions from a widespread literature, but without robust empirical foundation in the absence of previous HRM intercultural focus and particularly from Malaysia. Notable is the relatively small sample sizes of partitioned data, that seldom are HRM type surveys administered in Malaysian organisations and the existence of cultural sensitivities and taboos in the Malaysian workplace. Yet there was confirmation of cultural insight manifesting valued organisational outcomes.

A salient inference of the study findings was the existence of relevance between business practices and work related cultural values. An analysis of the data shows the interconnectedness between practices and customer (internal and external) activities is profoundly impacted by cultural properties. Exposure of this result has considerable importance for Malaysian managers and it has application at both the local context as well as the international market arena. Although selection is complimentary to pursuing strategic objectives the records of this study confirm these fundamental arrangements were reinforced by Malaysian culture that holistically blends organisational personnel processes and business practices.

CONCLUSION

Over the past three decades there has been a dramatic transformation of the Malaysian economy. This shift has been primarily from an agricultural and mining orientation to a fully globally linked industrial marketplace attracting a number of international stakeholders. The master plan launched by the government in 2002 envisaged a significant boost to human resource capability building. Now it is widely accepted the pathway to achieve a competitive edge for the country is to emphasise the development of globally linked talent resources in the context of a fast changing Asian region.

One of the key areas in developing managerial global competencies is to focus on a new way of selecting, retaining and developing corporate stakeholders. This research study tends to support the generally held view that Malaysian institutions not only have to be interested in the personally traits and attributes held by the workforce, but also to pay considerable attention to shifts in mindsets. The talent needed for the country’s transition to a more competitive level refers not only to professional knowledge as well as technical expertise, but also to a creative contribution to regional and global network building. One of the most important implications of this
study is the enhancement of cooperation between industry dynamics and universities. A substantial conclusion of this exploratory investigation is the integrative forces, namely nurturing of the talent by the industry can only happen with a sound educational infrastructure. Identification of this connection encourages extension to other areas of the economy, especially state owned companies and corporations within the public sector, that have potential to support innovative human resource strengths.

REFERENCES


