



3rd International Conference on New Challenges in Management and Organization: Organization and Leadership, 2 May 2016, Dubai, UAE

Multinational companies' human resource management practices' and their organizational culture impact on employees' loyalty: Case of Japanese multinational company in Morocco

Yassine Aljayi*, Ahmed Fjer, Malak Guennioui, Ahmed Tamek

School of Business Administration, Al Akhawayn University, Ifrane 53000, Morocco

Abstract

The Japanese economy has made a huge leap since WWII and strategically placed itself as one of the world's leading powers. The Japanese Human Resources Management (HRM) system is thought to be the foundation of this growth. This article analyzes the Japanese HRM system, workers' loyalty which is its backbone and its degree of transferability and alignment with the Moroccan values and culture. This qualitative research uses an exploratory case study a Japanese multinational company's (MNC) subsidiary in Morocco. Findings from the extant literature are consistent with this study, which identifies the presence of loyalty among the Moroccan employees who are supported by both the company's Japanese HRM practices and Moroccan supportive environmental traits.

© 2016 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

Peer-review under responsibility of the Ardabil Industrial Management Institute

Keywords: Japan; Morocco; HRM practices; Transferability; Loyalty.

1. Introduction

World economies are more connected now than any time before undergoing the positive and negative effects of globalization. The increasing rate of deregulation in almost all industries along with the elimination of boundaries between countries led to higher collaboration on the international level. Movement of capital has been facilitated by the advent of a more flexible global framework adopted by countries worldwide—the open market model. As a

* Corresponding author. Tel.: +212-673-574-220.

E-mail address: y.aljayi@gmail.com

result, organizations expanded beyond geographic borders to seize growth opportunities on the international level, creating MNCs. Within this context of expansion and growth, scholars and management professionals are investigating the opportunities and obstacles to manage a diversified workforce with the goal of increasing overall organizational performance.

In the early 2000s, Morocco adopted an open market strategy that aimed to boost foreign investment in the local economy and assist its modernization process. Besides the traditional French and Spanish investors, who have historical ties with Morocco, Japanese and German ones have shown increasing interest in establishing subsidiaries of their MNCs in the local market. Nevertheless, there is a significant gap in the existing literature that fails to depict the MNC challenges and opportunities in implementing their sites in Morocco, especially from a HRM perspective.

This article focuses on loyalty or employee commitment towards the organization as an aspect of Japanese HRM practices in MNCs in Morocco. Loyalty is highly valued by Japanese organizations because of its assumed positive impact on the overall stability of the company workforce. Furthermore, it investigates the current state of HRM practices in Japanese corporations in Morocco while concentrating on the local characteristics and Japanese HRM practices impact on the Moroccan employees' loyalty and commitment towards the organization.

Starting with a brief introduction about the research framework and objectives. Then, the methodology is described. The third part is organized into two subsections. The first consists includes insights about the Japanese contribution to HRM theory and description of Japanese HRM practices, focusing on loyalty, and ties these practices to illustrate the transferability of these practices outside of Japan. It, also, includes a discussion of Moroccan HRM practices and the most important cultural traits of Moroccan employees, especially values and behaviors of loyalty. The article concludes with the possible challenges and opportunities supported by the local environment.

2. Methodology

This qualitative research uses a case study analysis based on field research work performed at a Japanese MNC subsidiary operating in Morocco. Yin (1981) considers case studies to be a viable research strategy enabling a broader perspective of data collection and analysis that can combine both quantitative and qualitative data collection, without a restriction on the use of either of them. The strength of this strategy resides in the possibility to analyze "(a) a contemporary phenomenon in its real-life context, especially when (b) the boundaries between phenomenon and context are not clearly evident" (Yin, 1981, p. 59). In other words, one cannot isolate loyalty from its organizational nor environmental context. This case study serves as a preliminary exploratory tool to identify the presence of loyalty among employees of the Japanese MNC subsidiary in Morocco.

Furthermore, a deductive analysis, found on six interviews and site observations, is used to identify HRM practices and Moroccan socio-cultural traits that support loyalty. This decision is aligned with Yin's study (1981) highlighting that case-survey method use is restricted by the identification of highly significant factors impacting the studied phenomenon. The case study section follows the general presentation guidelines proposed by Durepos, Mills, and Weibe (2010). After a description of the studied organization and its background in the case study section, data collected from interviews and observations is analyzed. The final section includes argumentation and discussion of the results with a continuous comparison with previous findings from the literature.

3. Literature review

3.1. HRM Practices in Japan and the work values: A Focus on Loyalty

Besser (1993) argues that Japanese employees are more committed to their work and companies. This is apparent in their low-level of turnover and absenteeism compared to countries such as the US. One the most important reasons for this high commitment among Japanese employees is the cultural context. Companies demand a level of commitment in the Japanese culture that does not necessarily correlate with personal worker commitment. The focus on employees' commitment is very important since many researchers have concluded that workforce commitment and employees' loyalty are interrelated. If the worker shows up to work more and changes jobs less often, he or she will yield better results than the counterpart who is absent or always changing jobs. This is a key component of Japan's success in improving their economy.

Download English Version:

<https://daneshyari.com/en/article/5126245>

Download Persian Version:

<https://daneshyari.com/article/5126245>

[Daneshyari.com](https://daneshyari.com)