

## **The impact of HR strategy on knowledge capability in the Malaysian electrical and electronics firms**

### **ABSTRACT**

This paper identified the impact of the human resource (HR) strategy on knowledge capability in the Malaysian electrical and electronics firms. Due to the importance of electrical electronics firms to the Malaysian economy, the objectives investigate the impact of human resource strategy on knowledge capability in this sector. A quantitative approach using a questionnaire as the research tool was adopted using a 5-point Likert scale. The respondents of this study consist of 287 managers from electrical and electronic firms across Malaysian states including Kuala Lumpur, Selangor, Penang, Johor, Kedah, and Melaka. The list from the Federation of Malaysian Manufacturers (FMM) indicated that most of the firms were located in these states. Statistical package for social science was used to generate the descriptive statistics besides the partial least squares structural equation modelling (PLS SEM) as the statistical instrument to examine the measurement model and structural model. The results confirmed that human resource strategy (facilitation, accumulation, utilization, etc.) is significant to knowledge capability (T-shaped skills, IT support, learning culture, centralized structure, etc.) in Malaysian electrical and electronics firms. Based on the results, the HR strategy adopted by a firm has a significant effect and can be a strong predictor of the knowledge. Some guidelines are suggested for top management and decision-makers in electrical and electronics firms on how to encourage the application of human resource strategy that enhances the level of knowledge and skills, besides developing appropriate behaviour. Eventually, management and decision-makers would identify the necessary steps on how to encourage and generate knowledge capability in their organizations.