

**The longitudinal effect of HRM effectiveness and dynamic innovation performance on organizational performance in Taiwan**

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Abstract

This longitudinal study examined whether HRM effectiveness and dynamic innovation performance increase the level and growth rate of organizational performance. In 2002 we sent questionnaires to the top 1,000 manufacturing companies in Taiwan, and 181 valid questionnaires were returned. Otherwise, innovation and organizational performance between 2002 and 2005 were measured by research intensity and labor productivity. Latent growth curve modeling methodology was used to analyze the panel data over the 4-year period. Our results indicated that there was significant individual variability in terms of the intercept and slope factors for research intensity and labor productivity. HRM effectiveness was found to be a significant predictor of the intercept and slope factors of labor productivity. Initially, research intensity had a significant impact on the initial status of labor productivity, and an increasing rate of research intensity could significantly affect the growth rate of labor productivity.

Key words: HRM effectiveness, innovation performance;  
latent growth curve modeling; longitudinal effect;  
organizational performance