

Final Project 1

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Prepared by: Dr. Mona Moustafa Elashry

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Project title

**Impact of human resource management on
organizational performance within firms in Saudi Arabia**

Student name

Saeed Muhamed ali

Graduation Project – 1

Faculty of Management - Midocean University

Supervisor

Dr. Mona Moustafa Elashry

Faculty member- Faculty of management- Midocean University

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1. Chapter 1: Introduction

Background of the Study: Human Resource Management is an indispensable function for the both the private and public sector organizations. The process deals with several operational objectives such as recruitment, providing proper training to the employee, selection of the employee, assessment of the employee, motivating and maintaining a proper relationship with the employee and maintaining welfare and health for the employees in the organization through laws created by the concerned state and country. The human resource management is a process through which the organization utilizes their limited skilled workforce. The main intension is make effective utilization of the existing human resource for the organization. Apart from this, human resource management works in the diverse area like conducting of jobs, planning the employee's needs and recruitment, determination of wages and salaries, resolving the disputes and creating better working and safety environment for the employees (Bowen & Ostroff, 2004). The organization uses their human resource management for the proper utilization of their resources. Furthermore, the department plays an important role in the overall development of the employees for encouraging personal and career growth. Alternatively, it helps in improving professional skills and knowledge of the employees. Human resource management provides quality work life for the employees. Therefore, the significance of the Human resource management with respect to the organizational performance is evident. Large number of organizations has established their human resource management department and they understand its need in today's world of business (Cooke, 2005). The role of the higher performance work practices in the realm of the Human resource management is important. Although literature provide evidence that the Human resource management is crucial for organizational enactment, the

impact of effective human resource management on organizational performance is relatively less discussed area in the literature. Moreover, little research is available in Saudi Arabian perspective which sheds light on the role of the higher performance practices on the performance of the Saudi Arabian organization. The higher performance work practices are human resource work practices that aimed at influencing and enhancing the organizational and employee performance. Therefore, the present study has also focused on the investigation of the impact of the higher performance work practices on the organizational performance of the Saudi Arabian firms. For that purpose, the bundle of higher performance work practices was evaluated. These higher performance work practices are feedback, performance appraisal, employee suggestion systems and affective job description and specification (Francis, 2015). 3 ISSN 2320-5407 International Journal of Advanced Research (2017) The one of the core objective of the human resource management in the organization is to provide quality work life for the employees. The quality of work life can be defined as the activities through which the employees dignity and growth in the organization is developed. It helps the employees to work together in the organization and the actions, changes, and improvements which are necessary for the achievement of goals and improving the quality of life and improving the effectiveness of the organization. In the recent times, the organizational are not only focusing on employees for the work related aspects but also focuses on the holistic well-being of an employee. It is the fact that, if the employees life can't be compartmentalized and the disturbance in the life of the employee will disturb the professional life. Hence, the human resource management works for the overall development of the employee by reducing their stress and creating a healthy atmosphere in the workplace (Bowen & Ostroff, 2004). The impact of these higher performance work practices will be evaluated on organizational performance on important grounds which are creativity and innovation, core employee retention, customer satisfaction and organizational productivity (Kaufman, 2011). These grounds are considered very important for the organizational performance. Saudi Arabian organizations are also focusing on the implantation of the HR departments in their organization and to

change with the changing nature of the business environment. There is need to boost the organizational performance with the implantation of the higher performance work practices in the organization. Present study is quite significant in that regard. The study will enhance the literature on the higher performance HR work practice in local Saudi Arabia perspective. The academicians and the researchers will also be in position to get benefit and understand from the study results. The study will evaluate the whether there is positive and significant relationship between performance appraisals and core employee retention in Saudi Arabian's organizations. Moreover whether there is positive and significant relationship between job descriptions and specifications and organizational productivity in Saudi Arabian's organizations. The study will also evaluate the impact of the performance appraisal on core employee retention in Saudi Arabian's organizations and the impact of affective job descriptions and specifications on organizational productivity in Saudi Arabian's organizations.

Research Gap

The existing literature has offered numerous insights on HR management's influence on organizational performance. However, specific gaps exist. For example, the existing literature looks at how specific aspects of HR management like HR practice and management styles, and how each influence organizational performance. The literature has not addressed how these issues interact together to affect performance in general. HR managers do not work in isolation but interact with each other. There is, therefore, a need to analyze the overall impact of HR management on organizational performance.

Additionally, existing literature has not looked at the ways in which HR

managers can have a negative impact on organizational performance. The focus of the literature is on things that impact performance positively. The gap exists because researchers have focused on the perceptions of HR practitioners at the expense of what employees think. What employees think is essential because it determines their adoption and implementation of the policies set by management.

This research aims to address these gaps and contribute to the existing body of knowledge. There is a need to analyze how HR management impacts organizational performance in general instead of looking at specific aspects of HR practice.

Additionally, there is a need for further research on how HR management impacts organizational performance negatively. There is a need to use qualitative research to understand how employees perceive the influence of HR management on their practice. Most research focuses on the perspectives of HR practitioners while ignoring how employees perceive HR practices. The research will focus on getting employees' views on the overall impact of HR management on their performance to address these gaps.

Aim and Objectives :

The aim of the present research study is investigate the impact of the higher performance work practices on the organizational performance in Saudi Arabian perspective. The impact will be investigated in the realm of the Saudi Arabian firms.

The specific intentions of the firms will be as follows;

RO1: To examine the impact of the feedback on organizational creativity and innovation in Saudi Arabian's organizations?

RO2: To investigate the impact of the suggestion systems on customer satisfaction in Saudi Arabian's organizations?

RO3: To investigate the impact of the performance appraisal on core employee retention in Saudi Arabian's organizations?

RO4: To investigate the impact of affective job descriptions and specifications on organizational productivity in Saudi Arabian's organizations?

1.1 Research Question

Research questions:

RQ1:What is the impact of the high performance human resource work practices on organizational performances in Saudi Arabian's organizations?

RQ2:Do high performance human resource work practices exist in Saudi firms?

Research hypothechs:-

H1: There is positive and significant relationship between high performance human resource work practices and its impact on organizational performances in Saudi Arabian's organizations

H2: High performance human resource work practices exist in Saudi firms

1.2 Scope of the Research:-

The scope of the research is restricted to the on the investigation of the impact of the higher performance work practices on the organizational performance of the Saudi Arabian firms. The data can be collected in both form the primary and the secondary data. The present study will collect primary data to acquire the perceptions of the respondent's o high performance human resource work practices. The primary data provides more accurate and authentic up to date information about the topic under investigation. The use of the primary data is thus important and worth considering in order to evaluate the impact of the high performance human resource work practices on the organizational performances.

1.1 Significance of the Research:-

The roles and responsibilities of the human resource management are mainly oriented to the designing, planning, developing and management of the policies for effective utilization of the human resources of the organization. The major objectives of the human resource management are effective utilization; provide a productive environment and individual development. The functional areas of HRM are planning, staffing, and development of workforce and maintenance of the employees. Therefore,

the human resource management of an organization has a broader area of functionality.

The human resource planning is the most vital aspect of the management of human resources in an organization. The planning mainly involves designing and formulation of strategies to manage and control the workforce. The planning also determines the number and types of workforce require for the productive output. However, the major part of planning is dominated by the elements which develop the professional aspect of the employees. The professional development is essential for both employees and the organization. The human resources management provides educational programs and training for the workforce, which helps in understanding the task, profession, and career development prospect. Apart from this, the human resources management system provides opportunities for personal and professional growth such as individual higher education, training, and assistance. Apart from this, the HR management department takes initiatives in developing the communication system within the employees. The training programs and interaction in the workspace helps in developing the communication of the employees. In context with the business communication, employees are attains good communication approach which helps in professional development(Robertson and Morrison, 1996).

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1.1 Research Methodology:-

- 2 The explanatory research design will be followed in the present research. The explanatory research design assesses the causal relationship between the variables. The impact of the independent variable will be investigated on the dependent variable. The nature of the present research study and its objectives also requires that the explanatory research design is most suitable. The causal relationship between the high performance human resource work practices and its impact will be evaluated on the organizational performance of the Saudi Arabians firms. The quantitative data analysis will be employed in order to assess whether the high performance human resource work practices has significant and positive impact on organization performance. The nature and the objective of the study also require the implantation of the explanatory research design in that regard. Thus, the quantitative research is best suitable that supports the nature and the objective of the study in that instance. The questionnaire will be used in

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- 4 order to collect the perceptions of the respondents regarding the high performance human resource work practices and the organizational performances. The questionnaire is the cost affective and easy to reach method that is essential for the collections of the right responses from the respondents (Kothari, 2009).

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2.Chapter 2: Literature Review

2.1. Introduction

Brief introduction for the chapter

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مع أطيب الأمنيات بالنجاح والتوفيق

It`s Never Too Late to START. Just Begin!

Best of Luck 😊 *Dr. Mona Moustafa Elashry*

