

A CONCEPTUAL APPROACH OF HUMAN RESOURCES MANAGEMENT PRACTICES TOWARDS ORGANIZATION PERFORMANCE: AN EVIDENCE FROM THE PRIVATE UNIVERSITIES IN JORDAN

Dirar Abdelaziz Al-maaitah

Faculty of Leadership and Management, Universiti Sains Islam Malaysia, Nilai, Malaysia

Mahazan Abdul Mutalib

Faculty of Leadership and Management, Universiti Sains Islam Malaysia, Nilai, Malaysia

Abdul Rahim Zumrah,

Faculty of Leadership and Management, Universiti Sains Islam Malaysia, Nilai, Malaysia

Tamara Al-maaitah 

School of Business Innovation & Technopreneurship, Universiti Malaysia Perlis, Perlis, Malaysia

tamara_198992@yahoo.com

Abstract

The relationship between organizational performance and Human Resource Management has been a strongly argued topic through the decades. Throughout this paper, a closer look at the issues associated with HR practices and HR development in term of the academic institutes' enterprises. This paper also responds to the call of several HRM researchers who have emphasized the necessity of investigations into HRM practice issues. To date, almost all the studies on this topic have been conducted with regard to the industrial sector in the western context, but not in the service sector such as private universities. Many modifications and reforms have been attempted so far; however, nothing has been achieved except recycling the devious and reiterating the obvious. In Jordan, carrying out the performance reviews of the college and university programs have been intentionally avoided by the Ministry of Higher

Education. Thus, this paper is going to awake the contribution of human resource practices to an organization's performance while addressing the current problems that arise in the private universities in Jordan. Finding some solutions for local skilled staff recruitment, for example, increasing the number of professional skilled citizen workers is another suggestion which is necessary for investigation.

Keyword: Human Resource Management Practices, Training and development, Staff Recruitment, Organizational Performance

INTRODUCTION

The relationship between organizational performance and HRM has been a strongly argued topic through the decades. As Ichniowski et al., (1997) claimed, previous researchers investigated the relationship between HRM and performance and was founded on a theory that different human resource practices might generally be practical to return performance aids. On the other hand, there is currently a considerable organization of research describing the correlation between HRM and organizational performance, which are dedicated to packages of HRM that operated as a way to improve the organization performance (Barney 1995; Pfeffer 1998; Becker et al. 2001; Gould- Williams 2004). According to a number of researchers (Covey, 1989; Covey, 2004; Jones et al., 2000; cited Al-Khour, 2010), the development of organizational performance is believed to pertain to personal performance, experience, knowledge and skills, but one needs to take into account the fact that the most significant challenge faced by management nowadays is achieving and maintaining high performance and productivity in the organizations.

Al-Khasawneh (2013) believes that there are some advantages for performance assessment which include ensuring increased efficiency and effectiveness levels towards a better performance, in addition to assessing the individual's or organization's actual achievement compared to the standards. The organization and the staff are motivated by the results of the performance assessment which are produced continuously by an effective system that could push themselves and improve their performance. Focusing on the human resource management strategies, paying more attention to evaluation, training, rewarding, and empowering the human resources, as well as employ qualified staff will all result in improving organizational performance levels. It has often been said that the most important asset of any business is its employees. Indeed, people and the management of people are increasingly seen as key elements of organization performance (Pfeffer, 1998; Boxall, & Purcell, 2003).

Unlike traditional views on competitive advantage which emphasized such barriers to entry as finance, access to capital, and regulated competition, more recent views have highlighted an organization's human resource as a tool to improve organizational outcome (Úbeda-García et al., 2014), which cannot easily be acquired or imitated. As a significant competitive advantage source, people management has been emphasized because the global marketplace faced by the organizations is changing radically. The other reason is that the acquirement and imitation of other competitive advantage sources (technology, manufacturing processes, structure, and business strategy, to mention some) can be undertaken quite easily. As a result, according to what is believed by Guest (2011), searches for the way of managing the organizations' human resources is the aim of improving organizational performance. According to Nishii and Wright (2007), it involves the complete activities applied by an organization to influence the behavior of individuals with the purpose of applying the strategic business requirements. While HRM researchers have a long tradition of examining the impact of HRM practices on individual-level outcomes such as task performance (Locke & Latham, 1990), and turnover (Mudor & Tooksoon; 2011), the outcomes of macro-level performances have been highlighted significantly by strategic HRM researchers (Rogers & Wright, 1998; Wright 1998).

Throughout this paper, a closer look at the issues associated with HR practices and HR development in the academic institutes' enterprises in the wake of private universities attempts to enhance their organizational performance. This paper also responds to the call of several HRM researchers who have emphasized the necessity of investigations into HRM practice issues (Darwish et al., 2015), from different approaches (Katou, 2007, Lengnick-Hall, Andrade & Drake, 2009). To date, almost all the studies on this topic have been conducted with regard to the industrial sector in the western context particularly in the USA and the UK. Private or public new institutions are allowed to be built in Jordan only if they establish an accepted quality standard. The accrediting procedures are carried out by the Accreditation Commission that infrequently considers the conceptual framework of the specific university or college to ensure that the candidates receive a high standard of preparation as determined by the conceptual framework of the institution.

Moreover, with poor quality higher education, no actual and supportable development can be assured by Jordan. Considering the notion, a massive overhaul is specifically required in order to raise and deliver quality. Quality assurance systems must be improved, indicators must be made apparent, and Standards of College and University must be established. For a policy based on merit, the quality search is essential. Briefly, the image of higher education seems not to be as brilliant as it may represent. In order to alter the image from one based on false prestige that links to impressive performance, some amendments are required. Many

modifications and reforms have been attempted so far; however, nothing has been achieved except recycling the devious and reiterating the obvious. In Jordan, carrying out the performance reviews of the college and university programs have been intentionally avoided by the Ministry of Higher Education; all program accountabilities of higher education will be lost without the reviews. According to the report by Al Adwan, (2013), 'Students' increasing numbers which are estimated at 8000 annually, accompanied by decrease of opportunities to study abroad, which is estimated by 5000-6000 annually, contributed to the high pressure on universities and at the same time affecting the level and quality of higher education. Most universities are unable to absorb the growing number of students either in terms of facilities or faculty.' Many traditional and doubled programs throughout universities have weak linkages with the labor market in terms of partnership and technical skills needed. Based on the report of the Ministry of Higher Education in Jordan, there has been a decrease of six Jordanian private universities from 23 (2013) to 17 (2014). The evidences show that it is important to focus on the private universities' performance.

To assess how much is learned by the students and to determine Jordan's universities ranking according to the performance of the universities' in educating students, a survey needs to be carried out (Khader, 2010). The institutions of higher education have ended in failure to adapt to the emerging and growing evolution and changes in the labor market, considering higher education relevant to market requirements. Poorly equipped, the students of the university were unable to take part in the quickly changing globalized and internationalized market. Employers of Jordan look for positive consequences and continually seek for productions which are suitable to their demands. Thus, universities as well as the Ministry of Higher Education are urged to take the work field into consideration and adapt themselves to the recent actuality for the actual society requirements and for working out solutions.

LITERATURE REVIEW

Higher Education Performance Challenges in Jordan

Badran (2014), stated that most universities in Jordan apply approaches of the traditional education based on the memorization of books thereby depriving students to be innovative and inductive. Members of the faculty were not brought up on integrating technology into discipline and pedagogy; hence students missed the chances of utilizing analytical or critical approaches towards multiple subjects. Poorly trained in teaching with no preparation, most faculty members attempt to teach their own traditional way (Zemsky, 2009) and Badran (2014) is of the opinion that by using computers and communication technology in institutes of Jordan will bring several areas under its influence, including: the learning process, i.e. both teachers and students, as

well as the complete institutional infrastructure and behavioral pattern within the education system. According to the researchers, in building human capital, a transformation era is being passed through by Jordan, the kind of transformation which has not been observed in its history. Arranging individuals in the information entail overwhelming challenges faced by education.

Background of Human Resource in Jordan

During recent years, Jordan has opened its markets to world trade and investment, and is fast becoming a credible player in global commerce. However, given its limited natural resources, the onus is falling on the services sector, which contributes to over 75 per cent to the country's national income (World Factbook, 2009). Importantly, the financial sector occupies a prominent position within the services. It is recognized that the services sector had been largely insulated from the recent financial crisis owing to its somewhat limited exposure to overseas capital markets. This, however, is changing fast, as became clearly evident during the course of the research for this paper, during which the researchers spoke to over 100 HR directors responsible for financial issues. It was discovered that HR directors have been engaged in several HR initiatives with the aim of enhancing organizational performance to make their firms competitive. Several HR directors relayed to researchers their firms' evolving belief that employees are key resources who can enable businesses to gain competitive advantages (academic work in this arena can be found in Pfeffer, 1994 & 1998). Allied to the realization of these HR directors is also the fact that there is now a burgeoning (but, as yet, inconclusive) literature on the link between the SHRM and positive firm performance, however, measured (Huselid, 1995; cited Darwish et al., 2013). Within the organization, the implements of SHRM changes are primarily the HR directors, the focus of whom is now shifting gradually from routine functions to strategic aspects.

Human Resource Management

An organization's most important property is definitely its human resources, however, not all of the organizations make full use of its potential. Organizations are strongly competing with each other in today's world which increases annually. As a result, each organization is required to improve its performance continuously and as much as possible. Recently, one of the most important functions in helping the performance of organizations has been identified to be the human resource management (HRM) by Jain et al., (2009). The innovation of the staff, employee creativity and receiving appropriate recognition were what business management mainly depended on in the 1990s. Consequently, according to Aladwan et al., (2014),

improvements in competitiveness and higher productivity levels would result from more appropriate attention given to the human resource issues in the organizations.

Human Resource Practice

The institutional theory suggests that regulatory pressure common to firms in the same industry increases their tendencies toward conformity with regulations that are dominant in the industry, causing them to exhibit similar structures and activities. According to this perspective, industrial regulation may pressure firms to adopt certain HRM practices (Chuang et al., 2013). However, the diffusion of such HRM practices does not necessarily imply that they can provide similar benefits (Kim & Wright, 2011). A highly regulated context limits managerial autonomy, and social justification strongly underpins organizational activities. Higher institutional forces may decrease employees' positive attributions regarding HRM practices (Kim & Wright, 2011). In this situation, employees may perceive the adoption of HRM practices as a way to obtain social approval by complying with formal regulations or by copying other firms' actions, rather than as a discretionary choice of the employer. Therefore, employee attributions mitigate the effect of HRM practices on organization performance (Zakaria 2011).

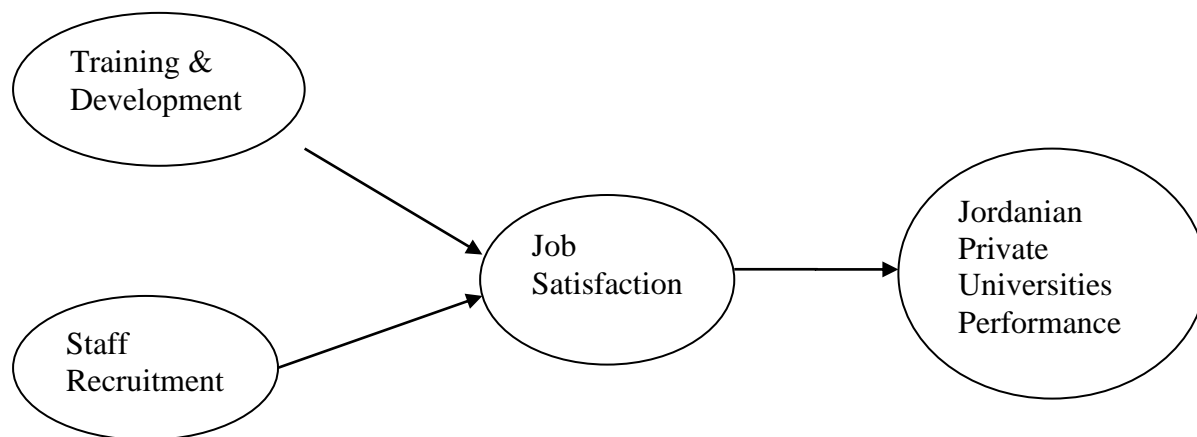
The Relationship Between Human Resource Management Practice and Organization Performance

Yang et al (2004) and Dirani, (2004), stated that a learning-oriented operation has a beneficial influence on work results, such as work performance. Some researchers, (Huselid, 1995), believe that organizations should make use of better human resource management activities since there are always some activities that are better than others. According to Hussein et al (2014), company performance is positively influenced by HRM activities. These activities include compensation, training, assignment of workers through a recruiting and selection process, employee participation as well as an internal labor market. Studies by Yang et al., (2004) and Dirani, (2004), shows they underline that learning-oriented operations have a beneficial influence on work results, such as staff satisfaction. Certain empirical studies indicate an intense positive correlation between major characteristics of organizational training and employee job satisfaction (Paşaoğlu & Tonus, 2014). They also stated that individuals employed by companies operating on the pattern of organizational training, are portrayed as strongly motivated and energized, and tend to experience positive psychological outcomes, such as increased commitment and work satisfaction.

The Relationship between Human Resource Practice and University Organization Performance

Good organizational performance can be achieved by well-assigned and accomplished tasks. The academic staff's employment security will also increase in value by its help. According to what is believed by Xing (2009), employment security and the academic staff's organization performance are positively related. The findings of the study conducted by Dressler revealed that employment security and influencing career development were considered significant factors for staff planning to stay longer with the organization. Whenever the employees feel safe with their employment status, their job is done much more easily and their academic staff performance is improved as well. Their job is also performed much more efficiently and as a consequence they become much more skillful in their tasks. According to Kurland et al., (2015), the training attended within the organization has a great impact upon the high level of university performance shown by the academic employees. Their teaching skills would improve and administrative skills could be facilitated with the help of training. As a direct result of this, the staff's performance would improve.

Figure 1. Proposed Conceptual Framework



Conclusion

Human resource practices for sustainable organizational performance is as an important and high priority strategy. It is important to nurture and train the human resources in an organization for better competitive advantages and survive in this competitive environment. A rapidly changing world in knowledge base and skilled workers has impacted organization performance within the current competitive environment. Therefore, knowledge capital and human resource play fundamental roles in the structure of an organization's performance. Based on the

literature, organizational performance is the most standard interference in human resource practice because it can assist professionals in constructing their skills through knowledge. This paper offers plenty of knowledge and information regarding the significance of private university operational development, particularly in the case of Jordanian private universities as a number of higher education provider centers in Jordan. Human resource practices are defined as the tools to increase quality through performance and cost effectiveness and innovation by a relationship with satisfaction. With the above consequences, quality should be considered in detail of the job performance and will be useful during the research project. Finding some solutions for local skilled staff recruitment, for example, increasing the number of professional skilled citizen workers is another suggestion which is necessary for investigation. It is suggested future research may adopted a similar suggested framework. However, other determinants factors may also may included in this study or any other intervening variable. This study is suggested to be conducted in Jordan and similar study could be conducted in different context and geographical.

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