

Antecedents and Consequences of Hrm Effectiveness: Development of Research Agenda

Dr. Alaa Amin Hassan Omar*,

University of Khartoum, School of Management Studies, Khartoum, Sudan,

Corresponding Author: Dr. Alaa Amin Hassan Omar

Abstract: *This study investigates systematically the antecedents of HRM effectiveness, namely, top management support, HR competency, management incentive system and consequence (job performance). The purpose of this paper is to examine relevant empirical literature to develop propositions and suggest a research agenda on the antecedents and consequences of HRM effectiveness. Specifically, the researcher develop a model and testable propositions of the relationships between top management support, HR competency, management incentive system) As antecedents variables and job performance as consequence for HRM effectiveness. The target respondents for this research will be individual employees working in large organizations in Sudan. Furthermore, propositions are developed to guide future empirical research.*

Keywords: *Top management support, HR competency, management incentive system, job performance, propositions.*

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I. Introduction

In the past few decades, HRM has witnessed significant changes that recognize the significant importance of employees and their systematic management to achieve organizational success through coordinated HRM around the business needs of the firm (Azmi, 2011). Human Capital is considered to be a crucial asset because the effort and performance of employees ultimately decides the success of any business (Handa & Gulati, 2014). Number of researchers have examined HRM success in terms of having a positive relationship between the use of HRM for employee management and organization performance (Wood, Veldhoven, Croon & De Menezes, 2012; Katou, 2008; Guest, 2011). Also, research found that effective HRM helps achieve positive HR outcomes, such as, job satisfaction (Den Hartog, Boon, Verburg & Croon, 2013) improved employee well-being (Alfes, Shantz & Truss, 2012). Likewise, researchers have also considered HRM as effective HRM that can positively influence employee attitudes, perceptions and behaviours to generate HR outcomes as well as organizational outcomes (Gould-Williams & Mohamed, 2010).

II. Organizational Practices as Antecedents of HRM Effectiveness

This study uses the framework of organizational practices as a means of conceptualizing what an organization should do to perform effective HRM. Organizational practices are the organizational norms for decision making; allow specifying attributes for organizational activities in the organizational context; provide a common basis for the behaviour and activities of organizational members (Singh, Verbeke & Rhoads, 1996). Kostova (1999) stated organizational practices are the shared knowledge and competence of the organization; they are accepted and approved by the organization's employees and are a taken-for-granted way of doing certain tasks. HRM effectiveness means the success or performance level of HRM in terms of achieving intended goals of managing HR in that organization. Tsui (1987) defined HRM effectiveness as a measurement of the degree of fit between HR systems and the firm's business intentions with the ultimate criterion being the extent to which the firm has met its business objectives. HRM effectiveness is a very broad construct reflected in the management of employees to get the business needed that is the ultimate intention and unified goal of HRM (Ahmad, Kausar, & Sharif, 2011).

III. Hypotheses Development

3.1 Top Management Support and HRM Effectiveness

Top management support refers to the extent to which top managers are supportive and committed to providing direction, authority, and resources for taking and implementing any decision in the organization (Ifinedo, 2008). Top management support is seen as a critical element in the successful implementation of many HR programs such as anti-discrimination policies, equal rights and relevant work attitude (Day & Schoenrade, 2000).

Budhwar (2000) found that effective HRM could take place only when the top management recognize and accept the importance of Human resources. Furthermore, empirical research studied top management support as an important determinant of HRM effectiveness (Kane et al., 1999; Wie & Lau, 2005). Thus, the researcher can hypothesize a link between HR top management support and HRM effectiveness. On the basis of these arguments, the researcher propose the following,

Hypothesis 1a: Top management support is positively related to technical HRM effectiveness.

Hypothesis 1b: Top management support is positively related to strategic HRM effectiveness.

3.2 HR Competency and HRM Effectiveness

HR managers must be capable enough to enhance people management, business achievement and change their role in managing people for organizational success (Han et al., 2006). HR managers must have both professional and business competency to achieve strategic and technical HRM effectiveness (Huselid et al., 1997). Huselid et al. (1997) stated two broad categories of HR competency, namely, professional HRM capability related with performing traditional HR tasks and business-related capability required to understand business and to implement competitive strategies. Wei and Lau (2005) considered HR managers' professional ability, business ability and interpersonal ability to use HRM for achieving the firm's strategic goals. Wei and Lau (2005) considered HR managers' professional ability, business ability and interpersonal ability to use HRM for achieving the firm's strategic goals. HR must possess the ability to get everyone affected by the HR system to become involved and to ensure their ongoing support and commitment Therefore, the researcher proposes the following:

Hypothesis 2a: HR competency is positively related to technical HRM effectiveness.

Hypothesis 2b: HR competency is positively related to strategic HRM effectiveness.

3.3 Management Incentive System and HRM Effectiveness

Much literature states that, the employees become energized by the unique rewards and recognition provided to them for their contributions to the organization (Lee et al., 2014; Esq & Adoko, 2015). Kahn (1990) reported that people engage in work differently according to the benefits they received. Further, a sense of return on investment can be created through meaningful work and proper incentive system. Generally speaking, incentive are formulated to support the achievements supporting the values of the organization whether those are reaching sales goals, coming up with innovative ideas or providing the best customer service (Brown, 2011). Gilbert et al. (2011a) gave evidence that providing institutional incentives can be beneficial in reducing managers' perceptions of experiencing overload for performing HR tasks. From the above discussions, it can be hypothesized that:

Hypothesis 3a: A management incentive system is positively related to technical HRM effectiveness.

Hypothesis 3b: A management incentive system is positively related to strategic HRM effectiveness.

3.4 HRM Effectiveness and Job Performance

According to Armstrong and Baron (2004), people and their collective skills, abilities and experience, coupled with their ability to deploy these in the interests of the employing organization, are now recognized as making a significant contribution to organizational success and as constituting a major source of competitive advantage. The organization relies on HR as its employees. Effective HRM strategy systematically organizes all individual HRM measures to directly influence employee attitude and behavior in a way that leads business to achieve its competitive strategy (Huang, 2002). Firm can use technical HRM activities to select high ability employees who is ability is rare by definition (Wrighth & McMahn, 1992) and to train employees so they have the unique skills needed. Strategic HRM activities, on other hand, help firm to ensure that its human resources are not easily imitated. Because of social complexity and causal ambiguity inherent in strategic HRM practices. Competitors can neither easily copy these practices nor readily replicate the unique pool of human capital that such practices help to create.

Hypothesis 4.1a: A technical HRM effectiveness is positively related to firm performance.

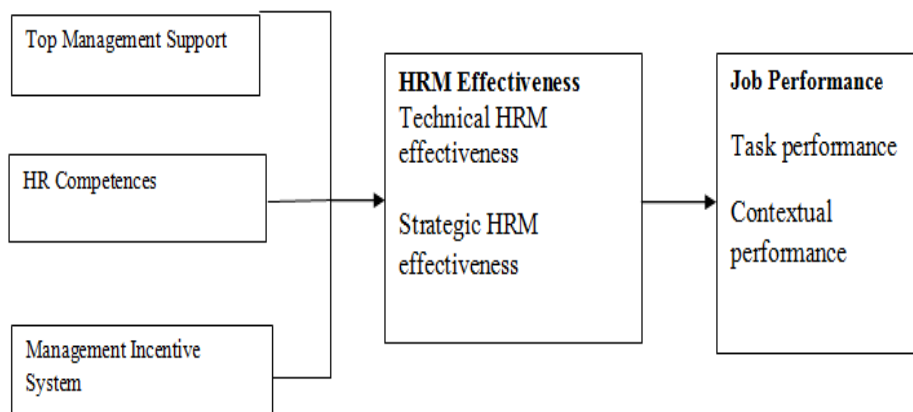
Hypothesis 4.1b: A technical HRM effectiveness is positively related to firm performance.

Hypothesis 4.2a: A strategic HRM effectiveness is positively related to firm performance.

Hypothesis 4.2b: A strategic HRM effectiveness is positively related to firm performance.

IV. The Proposed Research Model

In Figure 1, the researcher illustrates the propositions described above.



V. Conclusion

In this paper, we compiled an overview of HRM effectiveness and the organizational practices. From the literature study, this paper has proposed a set of antecedents that will most significantly influence HRM effectiveness and job performance. They are (top management support, HR competency, and management incentive system). For this purpose, in this research, the researcher has proposed and delineated a research model to explore the relationships among the organizational practices and HRM effectiveness and job performance.

In concluding this paper, the researcher stress that HRM effectiveness is being studied with little focus on understanding the factors that influence it. Thus, the future results from this proposed research will provide valuable knowledge that can be used to design and implement organizational practices that promote HRM effectiveness in developing countries which are rare.

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