

Studying Effectiveness of Human Resource Management Actions and Organizational Agility:

Resource Management Actions and Organizational Agility

Hadi Teimouri, University of Isfahan, Isfahan, Iran

Kouroush Jenab, Embry-Riddle Aeronautical University, Daytona Beach, FL, USA

Hamid Reza Moazeni, University of Isfahan, Isfahan, Iran

Bardia Bakhtiari, University of Isfahan, Isfahan, Iran

ABSTRACT

Knowledge and competency of human resources are valuable assets of an organization and human resource actions are the major tools through which organizations can exploit skills, attitudes, and behaviors of people to do their tasks and fulfill organizational purposes. The present study explores the relationship between effectiveness of human resource management actions and organizational agility. It is applicable from objective aspect and descriptive-field-correlational from methodological aspect. The statistical population included all experts and managers of the selected branches of Melli Bank in Isfahan Province. Stratified random sampling method was employed for sampling and the sample size was estimated equal to 310. The results disclosed that there is a positive and significant relationship between effectiveness of human resource management actions in various fields of training, selection and recruitment, compensation and performance evaluation with organizational agility.

KEYWORDS

Agility, Effectiveness of Human Resource Management Actions, Human Resource Management

INTRODUCTION

Human resource management (HRM) is now well established as an underpinning theory for professional practice, and its nomenclature is used globally to reflect the need for firms to identify the potential contributions which the effective management of their employees can produce in support of their ongoing performance, competitiveness and sustainability (Boselie and Paauwe, 2005; Sonnenberg et al., 2011). It has progressed from its humble origins in personnel administration or personnel management concepts, in which staffing, employee development, remuneration, career development and industrial relations functions were often performed effectively (Sheehan and Cooper, 2011). However, at times, HRM is conducted without clear integration either between the functions or towards broader firm goals and objectives (Smale, 2008; Soderquist et al., 2010).

Various changes in the business environment have provided HR practitioners and researchers with opportunities to investigate the role of HRM in enhancing organizational performance. For example, the globalization of business, emergent technology, often unpredictable effects on the types and

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nature of work, dynamic skills requirements, decline in union participation and influence, growing professionalism of HR practitioners and researchers, and changing employment conditions have acted as catalysts to the ongoing development of theory and practice of HRM (Bach and Bordogna, 2011; Rau, 2012; Tissen et al., 2010). In response, various HRM theories and frameworks have been proposed in an attempt to advance the field.

Nowadays, human resource management has found newer dimensions along with theoretical changes and thus, what is expected from human resource management is totally different from its previous challenges. Human resource management should direct the process of transformation in the organization by means of efficient human capital management through playing new roles and help the organization achieve competitive advantage by relying on their capabilities (Noe et al., 2006). Clearly, effectiveness of human resource management system in each organization depends on several factors that are different in various environmental and organizational conditions (Yeganeh and Su, 2008; Okpara and Wynn, 2008; Antwi and Analoui, 2008; Gilbert and Boxall, 2009).

Studies show that the human resource management system in Iran is focused on traditional tasks of selection and recruitment, training, performance evaluation, compensation and so on and does not have the required effectiveness in doing these tasks (Yeganeh and Su, 2008).

Perhaps the most important reason for lack of effectiveness is that the current approach and systems of human resource management in Iran cannot respond to the existing challenges in each specialized scope. Since effectiveness of human resource management system depends on effective methods of facing with challenges which affect different dimensions of this system, efficient playing of new roles by human resource managers requires accurate recognition of these challenges and their degree of effectiveness on human resource management system.

Moreover, paving the way for human resource management activity has a considerable role in success or failure of an agile organization (Sabirkhan & Rashid, 2015). Therefore, this study aims to explore the relationship between effectiveness of human resource management actions and organizational agility among the experts and managers at different levels in Melli Bank in Isfahan Province. The reason chosen Melli bank as our statistical population of the research in this article is the fact that the banking industry is quite competitive in Iran and the significance of the organizational agility and the effectiveness of resource management measures are vital factors and beneficial in the competition. In the following, literature review is presented. Then the hypotheses and conceptual model are proposed. In the next section, research methodology and results of data analysis are addressed. And finally, discussion and conclusion are represented.

LITERATURE REVIEW

Human Resource Management Actions

Human resources are the most basic strategic resource in any organization. Undoubtedly, success of organizations and work environments depends on efficient use of human resources based on behavioral sciences (Ananthram & Chan, 2013). In order to encounter with the challenge of efficient use of this resource, it is necessary to recognize the concepts and structures related to human resources and its special tools more comprehensively. Finally, management skill and using these structures and tools are essential. Human resource management and the related actions is one of the most comprehensive structures (Dewettinck & Remue, 2011). By human resource management, it is meant the required policies and actions to perform one part of management task that depend on some aspects of employees' activity, especially for staffing, employee training, performance assessment, rewarding, and creating a healthy and fair environment for employees (Hertog, Iterson & Mary, 2010).

Organizations have to identify the best actions for their human resource management in order to reach higher performance and implement these actions in their organization. Human resource actions mean that an organization can shape skills, attitudes and behaviors of people to do job and as

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