

## Investigate and Explain the Relationship Between Human Resource Competency Dimensions with Organizational Performance

Afsharfir Firooz

Student HRM (Ph.d), Tehran-IRAN

[Afsharfir\\_6@yahoo.com](mailto:Afsharfir_6@yahoo.com)

**Abstract:** Human resource has been exposed to many challenges and developments in recent decades. These challenges and changes. Has affected all aspects of human resource functions, including custodians, units and human resources systems. Custodians of human resources in the era of newly emerging are responsible new roles. Such roles that the custodians of human resources to effectively perform the tasks and activities have to do, are include strategic partner, functional expert, Employee Advocate, human capital developer, This roles is to indicate what activities and actions must be performed. For playing efficient of roles, which requires new competencies of the human resources custodians in that field should be capable, the current research with studying aspects of competence in human resources, tried to investigate the efficient of this aspects on the organizational performance in Organizations case study.

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### Introduction

Today's, tourism becomes as an important motive forces of economical development around the world. At the present, tourism further than any other economical activities in the world cause investment move and many exchanges in a local, regional, national and international measures, and tourism costs were developing more and speedy than national unmixed product and services and goods world export (Mahalatti, 1998, p 208).

If tourism Industry managed as well, it can be an integral part for other economical activities of a society, and it's influence can increase in way of selling local production. Management genre and governmental great diplomacy have a considerable importance on tourism development.

According to asters, tourism is a multi course science that if it is completed and developed without careful political analyzing, surely it cannot be completed (Birchil, 2005, International Tourism).

Iran is a prepared country in order to tourism industry considered by the country tourists and in the field of investment.

International investors and invest owners have a considerable attention on Iran. But, why the Iran's tourism industry are intangible and in active? One of the main reasons of great management weakness can be bestowed on regulations and governmental insight of managers in all surfaces of this industry that is create management system healthy and with special strategy cause growth and progress in that. Organizations in the new millennium In today's competitive conditions, Cannot get the competitive

advantage with the rules of yesterday in today's business. But recreating the methods, systems, structure, technology, human resources and competencies can provide favorable conditions for sustainable competitive, changing the attitude of Today's organizations managers can be evaluated as a first step to achieving new competencies in human resource. experts in the field human resource strategy believe that the activities of human resources may lead to increase performance and can be considered as a source of sustainable competitive advantage (Wright, Danfvrd and Snell, 2001). Competence of human resources as a new approach in human resource management sought to provide opportunities to identify the talents, abilities and competencies of managers. Competence of human resources includes five dimensions: business knowledge, strategic management, information technology, employee relationships, quality of working life -family. This study sought to examine the relationship between the competence of human resources and features of organizational performance.

### 2 Definitions of human resource competencies and performance

Abbas-Pour (2010) says: "Today's transcendent organizations in order to achieve to purposes competitive advantage in a turbulent environment requires more attention to their human resource. In recent decades which seen the growth and maturation of thinking management in the field of Postmodernism, the superior believe is that organizational success depends on its human resources management and it's also based on

strategic thinking”.

Based on numerous advantages derived from the relationship between human resource management and organizational performance, many researchers and human resource managers were encouraged to understand the VARIOUS types of competencies of human resource and indicating of it in order to raise the performance of their organizations (pin,2005).

Competencies are applicable in different fields of human resource management from individual functions is included employment and performance management functions such as strategic planning, design organizational structure, organizational culture. Such reasons that human resources executives is not used Active form for strategic planning, can be the inability of managers to incidence competencies needed in the LIFE (Barney and Wright, 1998).

Human resource professionals to perform the task in the role of strategic partner, need to regularly define and measure the required competencies. competencies to the knowledge, refers to skills, abilities or personality characteristics that directly affects his job performance. Competence can be described as combination of skills, attitudes and behavior that a person or organization have them (Slmr and Chyv, 2004).

in the other words, the ability in order to present, perform tasks with relative ease and with a high level of predictability is based on the quality at the right time. Performance management strategies tries to such issues as how to achieve management objectives.

Performance management can be define as a strategic and integrated method for providing sustainable success in organizations by way of improve the performance of staff.

Performance management is strategic because it pay attention to broad issues facing the organization, whether the organization in its environment act such that effective and if overall direction of organization is toward achieving organizational goals or not? Attention the above points Dslr (2005) that refers to performance management strategies, he considers some goal For this purpose:

- Help to human resources to improve the performance
- Developing and fostering of staff for career path
- Using from the ideas of staff to improve the organization
- Encourage and participation employee;
- Collecting the information necessary to compensate staff
- Discovery Improvable points and planning for their improvement

### 3 Organizational competence dimensions

Experts believe that managers to gain required competence, Characteristics and indicators is important. Therefore the basis in this research was based on five dimensions mentioned above. It is believed that the integration of human resource competencies together shows a perfect image from organizational managers levels.

In recent decades, various organizations, have begun to join to the knowledge process and new concepts such as knowledge work, knowledge management and knowledge organization, reports from the intensification of the process. Peter Drucker by applying these concepts reports from creating new types of organizations in which instead of arm strength, mental strength is the rule (Drucker, 1999, p 79). Based on this theory in the future only communities can expect to develop that have more knowledge. Alvani (1380) tells the enjoyment of natural resources cannot be important as knowledge. Knowledge organization achieves to capabilities that is capable make a enormous power from little force (P. 283).

### 4 Employee relations

Refers to create competitive advantage through training, development and improvement of staff and with the help of diverse workforce, in order to improve competitive context of the organization (Ulrich, 1997).

### 5 Information of technology

Today, information technology is considered as an effective and most important part in organization theories. Research and study of Technology and its impact on organization and has a long history in management development. DeWitt and Jones (2001) say information technology is a basic instrument and in management and reduce of Uncertainties of management and producing processes.

### 6 Quality of work-family life

Formulate and develop policies and programs with the aim of achieving the balance between work and family life and also provide recommendations in order to identify and develop career of staffs (Payne, 2005). The quality of work life has been proposed for the first time in the late 60 and these words encompasses a range of theoretical concepts with the aim of organizational problems adjustment. The quality of work life has dynamic and multifaceted structure that covers concepts such as job security, reward systems, training and career advancement opportunities and participation in decision making.

### 7 Strategic of management

Presence of human resource managers in long-term strategic decisions as well as it is participation in the formulation of business strategies (Payne, 2005).

The strategic role of human resources is focused on align the strategies and process of HR with business strategy.

In order to play this role, HR tries by helping the realization of business strategies, become the strategic partner becoming of business strategies to human resource practices help to business through three ways. The first is that business can be flexible against changing, because the interval between the perceptions of strategy to implement of it is short. Second, businesses can better provide customer requests. Because customer service strategies are converted to specific policies and procedures. Third, business can do the financial performance through more effective enforcement strategies.

### 8 Performance of organization

Performance management is the area of human resources that could has the greatest contribution in improving organizational performance. The purpose of performance management strategies, increase organizational effectiveness, increase employee productivity and groups and gaining higher level of skill, competence and increase commitment and motivation of staff. Performance management can be defined as a strategic method for providing a sustainable success for organizations by means of improve the performance of staff. Performance management is strategic, because it pay attention to broad issues facing the organization, whether the organization in its environment act such that effective or if overall direction movement of organization is forward to organization goal or not?

### 9 Theoretical of framework

According to Skaran (2007) theoretical framework of research is theoretical relationships-based conception, between factors and Effective variable on the subject of research. The variables investigated in this research is derived from theoretical principles of research includes human resource competencies and organizational performance. Competence of human resources includes five dimensions: knowledge of business, information technology, quality of working life - family, strategic management, employee relations. In this of research to examine the relationship between the two variables, human resources competencies and mentioned aspects related to organizational performance is considered. Research model has been mentioned in Figure 1

### Dependent variables Independents variables (Human resource competences aspects)

Based on research model the following assumptions are developed:

The main hypothesis: There is a relationship between competence of human resources and organizational performance

First hypothesis: There is a relationship between business knowledge and organizational performance.

Second hypothesis: There is a relationship between information technology and organizational performance.

Third hypothesis: There is relationship between the quality of working life - family and organizational performance.

Fourth hypothesis: There is a relationship between strategic management and organizational performance.

Fifth hypothesis: There is a relationship between organizational performance and employee.

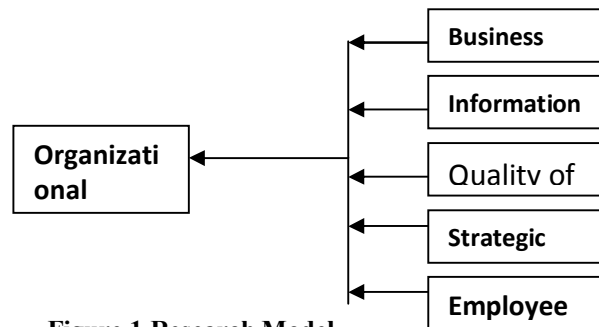


Figure 1 Research Model

### 10 Method of research

Present study in terms of goal it follows, is an applied research in the field of human resources. Because it is findings solves specific problems within the organization and improves existing conditions. The current research in terms of data-collection method is descriptive and co relational research. Statistical population of research comprise of managers at different levels of studied organization in Tehran. The required data gathered by means of surveys from 145 managers, from studied population. This research has done at Tehran in 2011. Data-collection method, are library and field and has used Questionnaire instrument for data collection. Questionnaire that is support human resources competence and organizational performance is researcher made questionnaire.

Of the 145 questionnaires were sent to the studied population, six questionnaires didn't return back and five questionnaires were excluded due to defects and gathering and analysis of data was conducted with 134 questionnaires. Based on Morgan table if the size of population is about 150, the sample size should be considered 108. With respect to the desired population was comprised of 145 persons, And 134 questionnaires were received in this study. Then we can generalize the results to whole population with 95% confidence. The scale of data is considered distance-based, therefore, to

determine correlations between variables, the Pearson correlation was used. Also tools such as ANOVA, linear correlation test, stepwise multiple regression and ultimately to prioritize independent variables, the Friedman test was used. To calculate the internal coordination, measuring instrument that measure the various features. Initially 30 each prototype is considered as pre-test the coefficient of reliability by using Cronbach's Alpha obtained 91%. On the resulting alpha value the reliability of the questionnaire endorsed. Logical validity of the questionnaire from the two aspects, content and APPEARANCE validity in terms of Clarity and ambiguity and also adequacy of quantity and quality of items by experts, scholars and university professors were approved. Also for the construct validity, the Factor analysis instrument was used. This method as a data reduction technique is very advanced and technical. This method can use for determining the factor load for each of questions. In general, by applying this method, Relevance of questions for measuring of a factor or component can be determined. In this case it is called confirmatory factor analysis. Based on factor analysis, load factor of each dimension of human resource competencies is non-zero.

**11 Findings**

Research is focused on explanation of the relationship between human resources competence aspects and organizational performance. In order to more understanding these relationships, analysis was performed with the development of hypothesis in this field. The resulting of main hypothesis and peripheral hypothesis shows in table 4 given correlation coefficients.

Between human resource competences and its aspect with organization performance, corroborated the relationship between predictor variable and dependent variable. The most amount correlation with organizational performance is related to business knowledge and lowest is employee relations.

Test result	Correlation coefficient	Std.error	p-value	Dependent variable	Independent variable
Acceptance H1	.606	.01	.000	Performance management	Main hypothesis hr competencies aspects
Acceptance H1	.685	.01	.000	Performance management	First hypothesis: Business knowledge
Acceptance H1	.274	.01	.001	Performance management	Second hypothesis information technology
Acceptance H1	.543	.01	.000	Performance management	Third hypothesis : quality of life
Acceptance H1	.600	.01	.000	Performance management	Fourth hypothesis strategic management
Acceptance H1	.27	.01	.002	Performance management	Fifth hypothesis employee relations

\*p<0/05. \*\*p<0/01, N=134

Also for checking the prediction rate of dependent variable based on the predictor variable variance was used from two-variable linear correlation and stepwise multiple regression.

Which results in Tables 5 and 6 is visible. For this purpose the following hypotheses were tested.

**12 Result of linear correlation analysis**

H0: There is no linear relationship between hr competences and organizational performance

H1: There is a linear relationship between hr competences and organizational performance

Table 5 Linear correlation test

Test result	sig	B	Dependence variable	independence variable
acceptance H1	./000	/495	organizational performance	hr competences aspects

According to table 5 obtained B value consolidated the linear relationship between tow-variables and is justifier the changes in organizational performance based on human resource competencies.

**13 The Stepwise multiple regression analysis results**

There is most commonly used method for building stepwise model selection method. in this method each time after inserting a variable into model, all variables already have inserted to model and is not meaningful predictor for model exclude from the model. It is means, the variables that theirs significance is reduced by adding other variables exclude from the model. In this method, the following hypotheses were tested:

H0: There is no linear relationship between hr competences aspects and organizational performance.

H1: There is a linear relationship between hr competences aspects and organizational performance.

Table 6 final stages of the stepwise multiple regressions

Result test	Sig	B	Dependent variable	Independ nt variable	The fourth stage of regression D
Acceptence H1	./000	/429	Organizational performance	Intercept	
	.	2		Business knowledge	
	./000	./321		Information	
	.	./204		Technology	
	./000	./207		Quality of Life	
	.	-.070	Strategic Management		
	./048	.	Employee Relations		
	.	.			

\*p<0/05, \*\*p>0/01, N=134 p>0/01, F=47/43, R2=/59

According to Table 6, the independent variable, one of the organizational achievements Aspects, for this reason it's significant by inserting of other variables were missed, excluded from the model. It is mean; it has no significant linear relationship with the dependent variable. Positive and significant linear correlation between predictor variables, business knowledge, employee relations, information technology, quality of work life and strategic management has been fixed. Because the B calculated for the employee relations variable is 0.07. This variable has a negative linear relationship with organizational performance. The obtained linear relationship as follows:

+/207	(strategic managment)
-/070	(employee ralations)
+/321	( business knowledge)
+/204	(information technology)
2/429	Organizational performance

Coefficient of determination value in the fourth stage of this test is 0.59 (R<sup>2</sup>= 0.59) that is justifier of organization performance based on predictor variables. The value of F (F=47.43) has confirmed the goodness of model in the p>0/01 level.

**14 Friedman analysis of variance results**

In order to checking of the Equality of priorities we used Friedman test. For doing of this test the follow hypothesis investigated.

H0: The average Rank of each dimension of human resource competencies have significant differences with together.

H1: minimum of average Rank of a pair of the HR competencies have significant differences with together.

Figure 7 Friedman test results and ranking of predictor variables

rank	Mean value	independent variablese
2	33/3	Business knowledge
1	32/4	Information technology
4	56/2	Quality of life
3	3	Strategic management
5	79/1	Employee relations

\*p<0/05 Sig=/000, N=134, dF=4, x<sup>2</sup>=194/002

**Conclusion**

Based on exploratory factor analysis and confirmatory factor analysis, six factors have most effect on the HR competencies. Also, based on standard estimation model "HR competencies".

The priority of main factors of this model respectively is:

Business knowledge, strategic management,

quality of working life – family,employee relations. the results of this research in many aspects Is corresponded with other studies that is done in this field. For example, based on finding of Sung Leung and Khyralzman(2008). Dimensions of strategic management, business knowledge, and information technology are important factors affecting the "company performance". Also the findings of Bvslly and Pao (2004), has indicated, active managers in the field of human recourse knew the Business Knowledge competence as a main factor in creating of value added by HR functions

Also all of researcher already have investigated HR competencies have emphasized, recognizing and identifying of HR competencies leads to better understanding of role and positions of human resource managers as strategic partners

And by using of can estimate the HR manager performance and by Equipping of HR managers to strategic objectives achieve to organization objects.

For example, Leung (2008) in his study concluded that improving human resources competences (including strategic management, business knowledge, talent management, employee relations, quality of working life - family and information technology) has a significant positive relationship with the success of human resources managers

The thing, in relation to correlation study analyzing is resulted,

fixed the relationship between predictor variable (HR competencies )and dependent variable (performance management). The other findings of this study indicate, there is significant relationship between business knowledge, information technology, quality of life, strategic management, employee relations and organizational performance. That correlation coefficient and it's significant level individually (main and peripheral hypothesis ) is shown in table 4 proving linear relationship between predictor variable and dependent variable is resulted in main hypothesis and between HR competencies aspects and organizational performance, Through the two-variable regression and stepwise multiple regression. The obtained results is shown in figure 5, 6. In stepwise multiple regressions, considering this the predictor variable has inserted to model based on correlation coefficient.

Was determined that by inserting of variables with higher correlation. the variable employee relations, missed its linear correlation with performance management.

Also the Variable quality of working life has negative partial correlation with organizational performance.

It's mean the it 'relationship is negative. The

variance of organizational performance can be predicted based on HR competencies (B). Based on obtained Coefficient of determination can be said organization performance value dependent to the variables: strategic management, information technology, knowledge business, quality of life (up to 95%).

Considering that five aspect of HR competencies present a perfect imagination of manager's competencies with together. The new findings of research proved, in discussed community, managers have more interested to gain HR competencies. Thus this has been effective in improving organizational performance.

According to confirmation of relationship between "competence of human resources" and "organizational performance", should be seek ways to implement the "competence of human resources". Thus, by more increasing of the level of "competence of human resources", can improve "organizational performance" in the studied organizational sets. Obtained Proposals based on results from performed tests including the results is suggested.

HR managers can be encouraged to design appropriate strategies for human resources.

Accordance with design requirements, implement and evaluate some plans.

- Based on obtained results, studied organization should use from managers in the field of human resource and they have education and Professional knowledge and academic in the field of human resources.
- Also human resource managers have required knowledge in the field of business and financial problems
- Based on obtained results (HR competencies), it is important, planning as Training programs for employee by managers.
- In addition to human resource managers in order to use of desired Capacities of the employees with difference and inconsistent cultures, have to plan to accept this peoples.
- Creating Physical and psychological health programs for organization human resources.

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