

THE IMPACT OF HUMAN RESOURCE MANAGEMENT ON SUSTAINABILITY OF EMPLOYEE'S PERFORMANCE

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Abstract

The study examined the impact of HRM on Sustainable employee's performance in CUBS PROJECT MSH NIGERIA, the study ascertained how HRM affects employee's performance in an organization, to effectively do that the study formulated two research questions and one null and alternative hypothesis in order to achieve the research objectives. The findings of the study indicated that large number of the respondents strongly agreed that HRM has positive and significant impact on the sustainable employee's performance, the finding also shown that, the computed value of r is 0.692, and the p -value is 0.000, which shows a significant result. This leads to the acceptance of H_1 , i.e. there is a positive and significant relationship between human resource management and sustainable employee's performance and that lead us to rejection the Null hypothesis. The content analysis from the findings of the semi structured interview conducted with three managers of the organization of study indicated that HRM has positive and significant impact on employee's performance.

Keywords: human resource management, sustainability and employee's performance

INTRODUCTION

Since the acceptance of HRM practice in the mid 1980, by commercial and academia, it has evoked several kind of unsolved debate of what variables among the two important variables is responsible for organizational success or failure. Storey (1992) argued that HRM is an important variable that determine organizational success when properly manage in the phrase competitiveness. While Ojo (2009) claims that employee's performance is supreme in a drive to organizational success.

Managers and other organizational 's leaders faced the problems of resources: how to find a skilled persons for the right tasks, how to make sure people do what they should be doing, how to keep people going when the time are tough (Senyucel, 2009) these and many other has been the challenge faced by organizations whether public, private or nonprofit.

Today's managers and organizational leaders are not only responsibly for getting the job done but finding the right people for the right job, getting the job done on the right time, save cost liaise with the stakeholders, develop and retain existing employees, keep employees morale high and increase employee's performance. (Senyucel, 2009)

Despite the importance attached to these two variables as drive force to organizational success, there is little empirical study to ascertain the impact of human resource management on employee's performance. Hence this studies at hand. Academic interest in HRM is also evidenced by the level of attention it has received over the last few decades. The relationship between HRM and employee's performance has been the subject of concern and interest, to dig deeper into the field in order to obtain finding that can easily be use for generalization.

STATEMENT OF PROBLEMS

Over the years organizational excellence is thwarted by low performance and short term collapse, falls in investment, many researchers has sought a solution to this ugly situation, hence organizations has engages on several organizational review and x-ray to ascertain the problem and the way forward . all fingers seem to point on human resource management and the need for sustainable employees performance in an organization. Turai (2008) argues that non-governmental organizations and civil society organizations are building a new culture of organizational success. Hence the study using nongovernmental organization as a case study to ascertain the impact of HRM and sustainability of employees performance in relation to organizational success. Therefore it is appropriate to explore non-governmental organizational culture in the light of their contribution to the acclaimed success for generalization.

MOTIVATION AND THE SIGNIFICANCE OF THE STUDY

The aim of this study is to examine the impact of human resource management on sustainable employee's performance. The motivation behind the selection of this topic is that researchers and authors have explore HRM more comprehensively in the business and public sectors, without bring to fore the sustainable development of employee's performance in the face of sustainable organizational excellence. Hence this paper became paramount in bridge the gap.

Some research findings reveal that HRM share common culture with employee's performance as such culture is consistent (Schein, 1988). The research will examine how consistent the influences of human resource management on sustainable employee's performance in organization.

Sustainable employee's performance has gained the acceptance in human resource management literature, though since 1980 only little work has been carried out by researchers to examine the impact of human resource management on sustainable employee's performance (Senyucel, 2009). Previous research conducted has been found to be inclusive while others recommended further research (Aycan et al., 2000). This study aims to contribute to the body of knowledge that relates human resource management, sustainability of employee's performance for organizational excellence.

In summary, the study will contribute to the pool of knowledge and practice to benefit students of business administration, human resource management practitioners, public sector, businesses, non-governmental organizations and other business consultants. Specifically, the study would be of benefit in the following ways:

CONTRIBUTION TO KNOWLEDGE

The study will contribute to the literature of sustainable human resource and employee's performance in its attempt to provide theoretical understanding of the key concepts. It will bridge the literature gap found in some current studies. It can also be used as basis for comparing findings of similar studies and building theoretical, conceptual frameworks.

Contribution to Practice

The study will be useful to employees, the management team and human resource management practitioners, as it would help establish the relationship that exists between the constructs of human resource management sustainable development and employee's performance. This can enable the stakeholders to understand which aspect of their culture needs to be changed and why and employees would realize the reasons for higher performance having understood the cultural framework of their organization. The management would then be able to nurture a culture that can promote sustainable employees commitment while mending lapses or oversight of the past.

Contribution to Further Research

The study should evoke new approaches either to validate the findings or dispute, or to expand its findings. Hence the study will result in further or new research in the same or related areas.

OBJECTIVES OF THE STUDY

- i. To ascertain how HRM affects employee's performance.
- ii. To determine empirically the relationship between HRM and employee's performance.
- iii. To formulate recommendations regarding iii. HRM and employee's performance

RESEARCH QUESTIONS

- i. Does HRM impact on sustainable employee's performance in any way?
- ii. What ways does HRM affects on employee's performance?

HYPOTHESES

H1: There is positive and significant relationship between HRM, Sustainable and employee's performance.

H0 There is no positive and significant relationship between HRM, sustainable and employee's performance

LITERATURE REVIEW

The study holistically review related literature following the suggested guideline developed by Richardson (2009) who argues that a good literature review must consider, Current state of knowledge in the chosen area, the key ideas, variables, factors and concept of the area, the theories purporting to explain the phenomena, the major lacunae (significant gap in knowledge) and Social significance of the lacunae (Richardson, 2009)

HUMAN RESOURCE MANAGEMENT

Human resource management is a multidisciplinary organizational function that draws theories and ideas from various fields such as management, psychology, sociology and economics (Storey, 1992). Aimed at developing people through work (Bratton & Gold, 2001), human resource management includes administrative activities that are associated with planning, recruitment, selection, orientation, training, appraisal motivation and remuneration (Storey, 1992). Robbins and Judge (2009) sum up human resource management by five key concepts: motivating, disciplining, managing conflict, staffing and training. Similarly, Storey (1992) describes the five functional areas of human resource management as staffing, rewards, employee development, and employee maintenance and employee relations.

In addition, human resource management may be viewed as a distinctive approach to employment management which seeks to achieve competitive advantage through strategy deployment of a highly committed and capable workforce (Storey, 1992) using an integrated array of cultural, structural and personal techniques (Senyucel, 2009). Likewise, Armstrong (1995) proposes human resource management as a strategic and rational approach to managing of organization's most valued assets, the employees who contribute to the achievement of their goals and objectives. In summary, human resource management involves all management decisions that influence the relationship between the organization and its employees (Gregory, Harris, Armenakis & Shook, 2009).

SUSTAINABILITY

Sustainability has been subject of thought and reflection in the field of management for a long time, only recently, however that the link between sustainability and HRM issues, seem to have received attention, where sustainable human resource management has developed different approaches, in identifying the benefit of the perception, against the traditional HRM, which is a drive towards a Sustainable development (Ehnert, 2006). Sustainability is a now evolving approach that promotes the use of human, natural and financial resources to improve the economy, the environment, and society in an integrated way for the

benefit of current and future generations. The concept is a global policy theme, widely used since 1987 when the United Nations World Commission on Environment and Development (the Brundtland Commission) defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

Human Resources Management (HRM) is the function within an organization that focuses on recruitment of, Management and providing direction for the people who work in the organization.

EMPLOYEE'S PERFORMANCE

Employee's performance is an issue that has received wide attention in literature and research due to its importance since every organization aims to achieve higher performance (Ojo, 2009). For clarity, the two concepts, employees and performance, will be defined separately as follows to ensure common understanding.

(a) Employees are people who are hired, working on the basis of part time or full time under an employment arrangement, whether it is in written or oral expression. It also includes agreement on the remuneration and the kind of duties expected of the employee within a time frame (Shumen, 2009).

(b) Performance is the achievement of a set of assigned tasks that are anchored to time, with a result indicator that will measure the accomplishment level of the task assigned, which can be measured only when a performance standard has been put in place (Shumen, 2009). Performances are activities that ensure goals are consistently being met in an effective and efficient manner (Cardy & Selvarajan, 2004; McNamara 2005). Employee's performance refers to the observable behaviors and actions which explain *how* a job is done, plus the results that are expected for satisfactory job performance (McNamara, 2005). To achieve or encourage higher performance from employees, the following criteria should be considered (Cardy & Selvarajan, 2004).

(i) Performance standards

The purpose of performance standards is to communicate expectations, and it is often behaviors that determine whether performance is acceptable (Cardy & Selvarajan, 2004). Collins (1998) and Cooper (1998) view employee's performance as a process for establishing a shared workforce understanding about what is to be achieved at organization level. Employees are involved in the development of standards, and performance standards should form the basis for performance evaluation that clearly states how employees would be recognized when expectations have been met, exceeded, or not met (Gruman & Saks, 2010).

Performance standards should be position oriented and not individualistic; it should be visible, with anchored indicators for success which may be expressed in terms of quantity, quality, and within time frame (Cardy & Selvarajan, 2004; Armstrong, 1995). Though the concept

is differentiated by the views put in place by www.ispi.org (2002), performance standard is a result that positions an organization to question, confirm and reconfirm that people share the same vision and goals, that the job procedure is sufficient, and that people have the skills and knowledge they require (www.ispi.org 2002).

My working definition is that of Richer (2005): Performance standard refers to the kind of behaviors or results that are expected of performance to be considered satisfactory. In this case, standards are the criteria against which performance is judged; these standards should be achievable, unique, monitored, purposeful, measurable, and stated in terms of quality, quantity and time.

(ii) Performance appraisal

Performance appraisal tools and systems of appraisal vary greatly from countries, organizations and managers, although all aim at achieving the purpose of best performance practice (Jones, 1995). Performance appraisal is the process where managers examine, evaluate and assess employee's behavior and performance at work against set standards. The appraisal must be documented and the results used as feedback to the employees to indicate where improvement is needed and why (Cardy & Selvarajan, 2004). The appraisal also serves as both punishment and reward to performing and non-performing employees. It is also a major determinant of who needs what training and at which time; it can also be a reward mechanism (Jones, 1995).

Elgin (1993) views performance appraisal as the process of cognitively processing information in order to make judgment and evaluation which is summarized as follows:

- (a) Acquisition of information about those to be evaluated,
- (b) Organization and storage of this information in a memory, and
- (c) Retrieval and integration of the information in a fashion that leads to the recording of an evaluation of the person being evaluated.

SUSTAINABLE HUMAN RESOURCE MANAGEMENT AND ORGANIZATIONAL PERFORMANCE

The sustainable development of the organization is taking a more far approach, in its attempt for achieving a long term goals and objectives which the organization aimed to achieve within a specific period, the long term input directed on the organization to produces an output in relation to the organizational goal and objectives, is a clear interplay of the sustainable human resource management and the organizational performance, the construct of sustainable human resource management represents the inputs that is directed to the organization with view for an expected results and the construct of organizational performance represents the outputs of the construct, expected by the first construct sustainable human resource management (Anand, and Sen, 2000). Those long-term oriented conceptual approaches and activities aimed at a socially responsible and economically appropriate recruitment and selection, development, deployment, and release of employees, to

produces a sustainable HRM outcomes like Employee satisfaction, Employee motivation, Employee retention, employee presence, Social climate' between workers and management

Employee involvement and loyalty. The above mentioned sustainable human resource management outcomes will produces organizational performance through the following; Profit Market value, Market share, Increase in sales, Productivity, Product/service quality, Customer Satisfaction, Development of, products/services and Future investments

Thus the review, has proven that sustainable human resource management has a significant impact on organizational performance. This finding concurs with that of David, Gorge and Bill (1999) who attest that sustainable HRM can influence organizational; employee morale and goodwill; productivity and efficiency; the

quality of work; innovation and creativity and the attitude of employees at the workplace.

Similarly, Denison's (1990) research indicates that HRM, influences organizational performance directly. An organization whose sustainable HRM is propagated extensively and profoundly, and practiced in management decision, enjoys much better repayments in terms of investment and sale than organizations that do not popularize. Therefore, studies prove that cultural factors can lead to the realization of a lot of the organization's value achievements, and it may be the extreme crucial factor for the success of organizations (Denison, 1990). Later research on organizational growth has gradually developed culture into a more macroscopic organizational aspect (David, Gorge & Bill, 1999). In short, research has shown a close connection between sustainable HRM and organizational performance at least (David, Gorge & Bill, 1999).

Proposed Model of Sustainable HRM and Organizational Performance



Source: summary of researcher's approach (2013).

THE ROLE OF HRM ON DRIVING POSITIVE EMPLOYEE'S PERFORMANCE

In human resource management has organizations focus its attention on competition and quality rather than cost, so that means organizations relying heavily on their human resources. They realize that high performance and competitive advantage is achieved by employees with their skills and abilities, motivation, commitment and job satisfaction. Most organizations now see employees as the most essential tool that help the organization to achieve its goals and objectives, leading to the achievement of organization's high performance and profit (Storey, 1989). As employees' performance is essential to service quality and performance, the organization will need to empower their employees to work with their best interests for the organization (Storey, 1989). High commitment work system is another key that enhances employees to become highly involved in the organization, where employees could be included in the decision making process as well as have their inputs reflected in the organization decision outcomes. As a result, employees are expected to perform consistently at

a high level, as well as show their initiatives and willingness to put extra effort out for the organization. Guest (1989) describes the channel through which HRM is linked to employee's performance as follows: promotion, job security and workplace reward system, and recognition of employees as equal (Guest 1989).

HRM and employees' performance appear to establish the fact that HRM has a positive effect on organizational performance (Guest, 1989). Guest (1989) opines that HRM will not only improve employee involvement but enhance organizational performance and productivity, and manage capability. Employee's performance management is a critical aspect of HRM effectiveness because it is the key process through which work is accomplished to meet goals and objectives (Guest, 1989). However employees believe that performance management process lays more emphasis on improving employees' performance through human resource management practice, without giving much attention on challenges facing employees. This is seen on how employees are often instructed to refocus attention on their performance management and not on the challenges they face (Cardy, 2004).

METHODOLOGY

A research method is simply a procedure for collecting data. The choice of research method reflects decisions about the type of instruments or techniques to be used (Richardson et al., 2009). Research methodology includes sampling design, data collection, data analysis, and limitations or constraints that the research faced (Schindler, 1998). Choosing the right research methodology depends on several criteria, such as the aim of the study, the type of information needed, the character of respondents, manipulation of independent variables, the degree of control that the researcher has over the case under study, and constraints of time and money (Sekaran, 2005).

RESEARCH APPROACH

The approach to this research incorporated both quantitative and qualitative methods. A combination of qualitative-quantitative approach to the research was adopted based on the nature of the information that needed to be explored and the expectations about the most effective methods to have such information from respondents. It is obvious that using the combination of two methods is an acceptable methodology in the social sciences research (Saunders, 2009). Westbrook (1994) suggests that combinations of positivistic, or quantitative, and naturalist, or qualitative, approaches provide the most complete or insightful understanding of the problem. In the same vein, Margolis (1987) argues that the criterion for accepting knowledge claims is not adherence to a particular method, but evidence in the knowledge generating process.

DATA ANALYSIS AND STUDY FINDING

This section highlights the results of data analysis obtained from the research respondents. It has been established that the main purpose of the study was to examine the correlation that exists between the independent variable (HRM) and the dependent variables (Employee's Performance). The study also aimed at achieving the research objectives, to answer the research questions and verify the two hypotheses stated in Chapter above.

The section also shows the reliability tests that were done on the research instruments using Cronbach's alpha. Descriptive analysis generated by SPSS Version 15 was used. The statistical analysis included Regression analysis which was used to determine the relation between the variables mentioned above. The entire findings were summarized.

RELIABILITY TEST

Table 1 Reliability statistics for HRM subscale.

Case Processing Summary		
	N	%
Cases Valid	43	100.0
Excluded ^a	0	.0
Total	43	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.626	12

Table 1 shows the Cronbach's alpha value to be 0.626 for the HRM subscale. The value depicts a reasonably reliable subscale.

Table 2: Reliability statistics for Employee's Performance subscale

Case Processing Summary		
	N	%
Cases Valid	43	100.0
Excluded ^a	0	.0
Total	43	100.0

a. Listwise deletion based on all variables in the procedure

Reliability Statistics

Cronbach's Alpha	N of Items
.954	13

From Table 2 the Cronbach's alpha value of 0.954 is indicative of a highly reliable subscale assessing Employee's Performance.

In summary, the Cronbach's alpha test has shown the 35 questions in the questionnaire are reliable and internally consistent, while each subscale are also reliable and internally consistent.

TEST OF HYPOTHESES

H1: There is a positive and significant relationship between human resource management and employee's performance in the CUBS Project in Nigeria.

Table 3: Correlation relationship between HRM and Employee's Performance

Group	Number of Respondents	Computed mean (x)	Computed r	p-value	Critical value	Decision
Human resource management	43	2.84	0.692	0.000	Nil	H1 is accepted.
Employee's performance	43	2.03				

Table 3 shown that the computed value of r is 0.692, and the p -value is 0.000, which shows a significant result. This leads to the acceptance of H_1 , i.e. there is a positive and significant relationship between human resource management and employee's performance and that lead us to rejection the Null hypothesis.

SUMMARY OF QUALITATIVE FINDINGS

The following is a summary of the findings from the qualitative aspect of the research.

Table 4: Summarized Responses of Interviewees A, B and C

Simplified Questions	Summarized Responses of Respondents A, B & C
Q1 Is selection positively correlated to Employee's Performance?	Selection is positively correlated to employee's performance particularly when the selection was done following due process or when adheres to principle of selection.
Q2 Does training impacts Employee's Performance positively.?	The ability to perform effectively and efficiently, is easily obtain through training, trained employee is more effectively and efficiently hence we can conclude that training correlate with employee's performance.
Q3 can you say that, Performance appraisal is positively correlated to Employee's Performance?	Appraisal tool is a pointer on the ability of employee on the job hitherto performed. It also point out where an employee need to improve upon and why. That shows that it correlates to employee's performance.
Q4 Is career planning positively correlated to Employee's Performance?	Every employee aimed at developing career by putting up there best in order to be promoted this indicates that career planning correlates with employee's performance .
Q5 Is Compensation positively correlated to Employee's Performance?	Compensation is term as security to employees when an organization has compensation package, it boast the performance of its employees hence we can say that compensation correlates with employees performance..
Q6 Is employee participation positively correlated to employee's performance?	Employee's participation increases self confidence and job satisfaction, its correlates with employee's performance.
Q7 Is job definition positively correlated to Employee's Performance?	Every good job must clearly be defined, when job is not clearly define it s delivering will not be properly carry out. So job definition is correlates with employee's performance.

In the qualitative analysis conducted through the semi-structured interviews on three respondents who were CUBS senior officers, all the three senior executive officers responded to the seven questions. The content analysis of their separate responses shows that HRM has significant and positive impacts on employee's performance.

CONCLUSION

With the two research questions being addressed through both qualitative and quantitative analyses, the three objectives of the present study have been fulfilled. The conclusions of the study are summarized in the following paragraphs: The outcome of the data analyzed shows that the computed value of r is 0.692, and the p -value is 0.000, which shows a significant result. This leads to the acceptance of H_1 , i.e. there is a positive and significant relationship between human resource management and employee's performance and that lead us to rejection the Null hypothesis

The qualitative analysis conducted through the semi-structured interviews on three respondents who were CUBS senior officers, all the three senior executive officers responded to the seven questions. The content analysis of their separate responses shows that HRM has significant and positive impacts on employee's performance.

RECOMMENDATIONS

Based on the findings of the study, the following are recommendations for the stakeholders of organizations concerned Organizations should articulate their HRM practice clearly, if possible explicitly in codified form (Storey, 1992). For example, this could be done by publishing the HRM in the employee's handbook, on the company website or through any suitable media

The findings from both quantitative and qualitative results are matching with the findings of Qureshi M. Tahir (2006) where he concluded that all these practices are positively correlated but correlation .These results are also matching with the findings of Singh K (2004), and Tahir, Ramay & Mohammad (2006). Who respectively concluded that Training and compensation are having positive effects on organization and employee's performance?

All those organizations who are interested for High growth through increasing employee participation must pay attention on Training, Selection, Compensation and employee participation for policy development

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