

The Impact of Human Resource Management on Organizational Development During COVID-19

Nkamare, Stephen Ekpo¹, Takon, Samuel Manyo², Ubi, Johnson Johnson³, Nwosu Eleazar Chimezie⁴ & Umana, Etebong Attah⁵

^{1&2}Department of Banking and Finance, Faculty of Management Sciences,
University of Calabar, Calabar, Nigeria

^{3&4}Department of Accountancy, Federal Polytechnic Ukana, Akwa Ibom State,
Nigeria

⁵Department of Business Management, Ebonyi State University, Abakaliki,
Nigeria

Abstract

The study examines the impact of human resource management on organizational development in Niger Mills, during covid-19. The specific objectives were; to examine the impact of employee recruitment, training and development, performance appraisal on organizational development. In this study, the research study adopted the survey research design. The study was carried out in Calabar, a study of Niger Mills. The population of 92 respondents constituting the sample size was adopted for the study. Chi-square statistical technique was used in testing hypotheses. The major findings of this study were stated thus; there was a significant impact of employees recruitment, employees training, performance appraisal on organizational development. The study recommended that effective training should be carried out on yearly basis, training and retraining of the employees should be done on regular basis to further enhance their proficiency. Management should carry out effective appraisal to evaluate the effectiveness, and efficiency.

Keywords: *Human resource management, recruitment, training/ development, performance appraisal, organizational development.*

DOI: [URL:https://doi.org/10.36758/ijpamr/v6n3.2021/03](https://doi.org/10.36758/ijpamr/v6n3.2021/03)

Introduction

Human resource management practices affect an organization's performance. Human resource management shows that the firm-level human resource management practice is effective in improving organizational Performance. Human resource management practices at the firm level affect employee's attitude, improve personal performance, and eventually enhance the company's overall performance. In the modern studies, human resource management practice is seen as a system; therefore, the effect of the whole system on organizational development (Mounfu & Taibat, 2012). The effect of each human resource

management practice must go through the process of employees' cognitions before it forms positive or negative attitudes of behaviors. Guest (1997) thinks human resource management practice affects the results of human resource management. When an organization has good performance management, employees are clear about their goals, the results, or feedbacks. When employees regard the performance assessment as fair, they have trust in the organization, willing to work hard and consequently having high organizational commitment. Education and training help to enhance the employees' skills and abilities. The more education and training employees receive, the more they think that the organization is willing to invest in employees. Therefore, the employees perceive that their organization sees them not as the tools for production but partners to grow up together. Human resources have been identified as the key organizational resource (Armstrong, 2006). The management of this resource is expected to play a key role in assisting firms gain competitive advantage. The role human resource plays in organizational performance depends, to a large extent, on how people are managed through the formulation and implementation of sound and consistent set of HRM policies at workplaces. This consistency underscores the importance of HRM policies and practices in people management. Hence, the study was designed to evaluate the impact of HRM on organizational development.

Literature Review

Human Resource management

Human resources management is a vital approach to achieving competitive advantage through the strategic deployment of highly committed and capable workforce using an integral array of planning, staffing, training and development, recruitment and selection, compensation and reward system, employee relations and structural techniques. In any organization, human resources should be considered as a pivot for boosting corporate performance. Human resource management (HRM) is the management of activities to attract, develop, motivate and maintain a high performance workforce within the organization. The purpose of HRM is to specify employee's potential and develop it in line with the needs of the organization. HRM holds the view that management has a common interest in the success of the organization.(Osman & Algudah,2015). Human resource management is the process of developing, applying and evaluating policies, procedures, methods and programmes relating to the employment, motivation, maintain and management of people in the organization (Armstrong 2009). HRM comprises a set of practices and policies designed to maximize organizational integration, employee commitment, flexibility and quality of work. Hence, the practice of human resources management (HRM) encompasses all aspects and characteristics of how people are employed and managed in an organization. Duke II and Udono (2012) argued that the framework for human resource management consisted of five main activity areas that operate in an overlapping continuum. Planning, staffing, compensation and reward, employee training and development and employee relations.

Theoretical framework

Resource-based view theory

This theory was propounded by Prahalad and Hamel (1990) and Barney (1991). The RBV holds that a firm's human resources are the key determinants of its competitive advantage by creating value that is difficult to imitate or replicate. The theory believes that the traditional sources of competitive advantage like financial and natural resources, technologies and economies of scale are increasingly accessible and replicated by competitors. The RBV is relevant to this study because it recognizes human resources as the key to organizational success. For human resources to meet this expectation, implementation of HR policies should be very effective so as to attract, motivate, retain and compensate employees appropriately for the firm to remain competitive in the ever changing and highly competitive business environment.

Human capital theory: Human capital refers to the productive capabilities of people. It is a recognition that people in organizations and businesses are important and essential assets who contribute to development and growth in a similar way as physical assets such as machines and money. According to human capital approach any expenditure in training, development, health etc of employee could be considered as an investment, not just an expenses. This is because skills, experience and knowledge have economic value to organization, hence, they enable organization to be productive and adaptable. Like other assets, human capital has value in the market place but unlike other assets, the potential value of human capital can be fully realized only with the cooperation of the people.

Performance appraisal and organizational development

Leigh (2006) asserted that performance appraisal can have a positive effect on organizational development. Performance appraisal does not benefit only employees. Organizations use the results of performance appraisal to identify areas of strength and opportunity. Performance appraisal can provide an indication of areas of training need as well as direction for leadership development, performance improvement and succession planning. Performance appraisal is not about a single event, such as completing a standard review form, but rather an ongoing process. Appraisal activities, as an ongoing process, should connect the process to organizational function as the focused staff improvement, not simply salary adjustment or disciplinary action. They outline several approaches to performance appraisal, including behavior based approaches, results-focused approaches, and appraisals of team performance.

Training and development

Training and development is an important element of HRM. Organizational performance may benefit from training and development in several ways. Training is a marshaled activity aimed imparting instructions or information to enhance performance, knowledge, or skills

of the trainees (Saed & Asgher, 2012). While on other hand, development refers to the activities that help individuals attain new knowledge or skills necessary for their personal or organizational growth. All-inclusive training and development programs help trainees to focus on the skills, attitudes, and knowledge that are necessary to achieve goals and to generate competitive advantage for organization.

Training and development influences the performance of an organization because the skills, knowledge, and abilities of employees would be improved. Blair (2007), found that investment on training and development could produce huge benefits for an organization. Several researchers have reported that training and development improves productivity, and employees and employers can benefit maximally (Conti, 2006). A significant relationship between training/development and organizational performance was also established in several studies (Dimba, 2010). Performance of an organization is entirely determined by the performance of its work force. It is recognized that past performance is not a reliable indicator of potential or future success. Yet many organizations continue to use past performance to identify high potential employees. Management needs to use a new tool called return on talent (ROT). ROT has the power to revolutionize organization. Consequently, for decades many organizations have use key metrics like return on talent (ROT) and return on asset (ROA) to determines value. ROT is calculated by dividing the knowledge generated and applied by investment in the talent:

$$ROT = \frac{\text{Knowledge generated and applied}}{\text{Investment in talent}}$$

ROT helps to monitor performance, forecast opportunities and determine the profitability of the investment in human resource management that stimulate organizational growth.

Recruitment and organizational development

Recruitment is the process of gathering qualified applicants for available positions within an organization (Mathis, 2004), and deciding whether to employ the qualified applicants or to reject them. Selection involves choosing the most suitable applicants who satisfy the requirements for a particular job. The practice of selection is a decision-making activity or a psychological calculation of appropriateness (human resource management practices: influence of recruitment and selection, and training). Organizations that adopt appropriate selection processes are guaranteed to hire employees with the right skills and levels of confidence for a particular job. Researchers found that prerogative recruitment and selection practices positively affect organizational performance. Delary and Huselid (2006) also found that effective recruitment and selection processes positively affect organization performance. By studying the employee recruitment, retention, and performance strategies in the Nigerian civil service, other researchers suggested that a significant and positive relationship exists between recruitment/selection and organization performance.

Empirical Review

Empirical evidence on human resource management and organizational development.. A study by Cho, Woods, Jang and Erdem (2006), in which they measured the impact of HRM practices on hospitality firms' performances using 12 HRM practices and organizational performance measured by turnover rates for managerial and non – managerial employees, labour productivity and return on assets, it was discovered that HRM practices had significant effects on turnover rate of non – managerial employees. That those companies implementing HRM practices such as labour – management participation programmes, incentive plans, and pre – employment tests were more likely to experience lower turnover rates for non – managerial employees than companies that did not implement such HRM practices.

Atteyas (2012) adopted an integrative approach to test the impact of HRM practices on job satisfaction, organizational commitment, organizational citizenship behavior, quitting intention and negative words of mouth (NWOM) as they affect job performance. It was found that the HRM practices had a significant impact on job performance. That the more fair and objective HRM practices were the higher job satisfaction, organizational commitment and organizational citizenship behavior; the lower the quitting intention and negative words of mouth. If supervisors were satisfied with their jobs, they were willing to exert more efforts for the welfare of the organization, believe in the values of the company, will demonstrate voluntary helping behavior, sportsmanship behavior, civic virtue, individual initiative, organizational loyalty, and self–development and consequently, higher job performance. He concluded that HRM practices had significant effects on job performance and that job satisfaction, organizational commitment, organizational citizenship behavior, quitting intention and negative words of mouth exerted significant moderating roles on job performance.

Jeet and Sayeeduzzafar (2014) examined HRM practices and their impact on employees' job satisfaction at the senior, middle and lower levels in private sector banks in India, and found out that the HRM practices like training, performance appraisal, teamwork, and compensation had significant impact on employee job satisfaction; but that employee participation did not have a significant impact on job satisfaction of HDFC bank employees. Singh (2004) examines seven HR practices - selection system, job definition, training/development, performance appraisal, compensation, career planning, and employee involvement/ participation systems and found that each has impact on the firm specific outcome either positively or negatively depending on how they were deployed. In his explanation, Singh (2004) posits that rigorous, valid and sophisticated selection system helps identify the right candidate with the potential to perform and brings out the best in the candidate, creates high performance expectation and sends a message of importance of the people to the organization.

Research Method

In this study, the research study adopted the survey research design. The design well help in the measurement of variables and their relationship with one another. The adoption of this design allowed the use of questionnaire for data collection. This research focused on the impact of human resource management on organizational development. The research was carried out in Niger Mills, Calabar. The population of the study was 120 staff. To determine the sample size, the research study used the Taro Yamane (1967) formula. Therefore, the sample size is ninety two (92). Data for this study was gotten from primary sources. Chi-square statistical technique was used in testing hypotheses.

Results and Discussion

Hypothesis 1

There is no significant impact of employee recruitment on organizational development.

$$\begin{aligned} \text{Calculated value} &= 257.63 \\ \text{Degree of freedom} &= n-1 \\ &= 5-1 \\ &= 4 \end{aligned}$$

$$\text{Critical value of 0.05 at 4df} = 9.49$$

From the X^2 analysis of H_1 , the calculated value is 257.63 while the critical value is 9.49. The X^2 rule states that since the calculated value (257.63) is greater than critical value (9.49), it is therefore concluded that alternate hypothesis is upheld and null hypothesis is rejected. The analysis revealed that there is a significant impact of employee recruitment on organizational development

Hypothesis 2

There is no significant impact of employee training and development on organizational development.

$$\begin{aligned} \text{Calculated value} &= 61.79 \\ \text{Degree of freedom} &= n-1 \\ &= 5-1 \\ &= 4 \end{aligned}$$

$$\text{Critical value of 0.05 at 4df} = 9.49$$

From the X^2 analysis of H_1 , the calculated value is 61.79 while the critical value is 9.49. The X^2 rule states that since the calculated value (61.79) is greater than critical value (9.49), it is therefore concluded that alternate hypothesis is upheld and null hypothesis is rejected. The analysis revealed that there is a significant impact of employee training and development on organizational development

Hypothesis 3

There is no significant impact of performance appraisal on organizational development

Calculated value	=	118.9
Degree of freedom	=	n-1
	=	5-1
	=	4
Critical value of 0.05 at 4 df	=	9.49

From the X^2 analysis of H_1 , the calculated value is 118.99 while the critical value is 9.49. The X^2 rule states that since the calculated value (118.99) is greater than critical value (9.49), it is therefore, concluded that alternate hypothesis is upheld and null hypothesis is rejected. The analysis revealed that there is a significant impact of performance appraisal on organizational development. The major findings of this study are;

1. There is a significant relationship between employee recruitment and organizational development.
2. There is a significant relationship between employee training and organizational development.
3. There is a significant relationship between performance appraisal and organizational development.

Conclusion

Human resource management is concerned with the management of people within organization, focusing on polices and system. It is a product of the human relations movement. Human resources management (HRM) refers to the practices, systems and policies that influence the behaviour, performance, and attitude of employees. Human resources practices include selecting human resource needs, screening, recruiting, training, rewarding.

Recommendations

Based on the findings, the following recommendations were made:

1. Management should recruit employees that are competent to accelerate productivity and organizational development.
2. Effective training should be carried out on yearly basis (training and retraining of the employees should be done on regular basis to further enhance their proficiency)
3. Management should carry out effective appraisal to evaluate the effectiveness, and efficiency.

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