

The Moderating Effects of Strategic Human Resource on Organizational Performance of Selected NGOs in Saudi Arabia

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Abstract- Over the last decade, organizations have been aware of the vital role human resources play in achieving better performance. Nevertheless, non-governmental organizations are not fully aware of this problem and need to make more use of human resource strategies to improve their organizational efficiency. Thus, the purpose of this study was to examine the relationship between Strategic Human Resource Management (SHRM) and organizational performance in non-governmental organizations and to determine the extent of the impact on organizational performance of SHRM (acquisition, training, retention and internal labor market); Data were collected through hard copy questionnaires distributed to 531 management and non-management staff of non-profit organizations based in Riyadh, Al-Qassim and Al-Sharqiyah districts of Saudi Arabia. The study's instrument included 45 items and was designed to assess the practices of Strategic Human Resources (SHR), mediator variables and organizational performance. Hypothesized relationships between SHRM, organizational performance and mediators were then tested using Structural Equation Modeling. The results of the analysis showed that SHRM was significantly and positively related to organizational performance. Moreover, the results have shown that mediator variables, such as employee engagement, play a significant role in mediating between SHRM and organizational performance. The results showed that the acquisition and retention of all four independent variables had the greatest impact on organizational performance. In addition, the results of this study indicated that the mediated variables successfully mediated between the SHRM and the operational performance of non-governmental organizations. Finally, the results may help shape the foundation for practical guidelines for administrators of non-governmental organizations of promoting human resource management activity and for workers associated with preserving their strategic edge for long-term organizational performance.

Keywords: Moderating; SHRM; NGOs; Organizational performance; Saudi Arabia

I. INTRODUCTION

In the quickly changing financial condition, globalization encourages the arrangement of a typical overall market, changing client and speculator requests, and ever-expanding item advertises rivalry. The progressions request that organizations enhance their execution to increase more noteworthy upper hands by lessening costs, improving quality, and separating their items and administrations. Be that as it may, these can be effectively imitated by the contenders.

To eclipse them, organizations turn to their workers as a strategic wellspring of the upper hand (Barney, 2001).

The administration of individuals inside organizations have turned into an inexorably imperative concentration for analyst and professionals alike finished the previous 20 years. Organizations are ending up more mindful of the essential part of HR play in the accomplishment of their organizations to accomplish monetary execution. Therefore, organizations are getting to be representative driven by concentrating on upgrading worker engagement and organizational commitment.

Organizations need to receive human resource management (HRM) framework that streamlines its workforce as it can enable organizations to accomplish the upper hand in the present worldwide market economy that gives more extensive access to innovation, funds, and different resources. As per the resource-based view (Barney, 2001), the upper hand of an organization lies fundamentally in the utilization of the heap of essential resources at the organization's transfer. He included, generally, sources, for example, natural resources, innovation, and financial matters of scales, could make an upper hand for organizations, yet these conventional sources have lost their aggressive edge as the contenders could effortlessly imitate them. Subsequently, HR has supplanted them as a fundamental wellspring of the upper hand. High HR empowers organizations to contend based on showcase responsiveness, nature of item and administration, separated items, and mechanical advancement (Becker, Huselid, 2001). Powerful HRM helps with forming HR into a high caliber and proficient workforce, along these lines empowering the organization to acquire an upper hand through their kin. Conversely, a wasteful workforce can expand work expenses and lessening an organization's efficiency and execution. In reality, HR has progressively influenced organizations' market valuations, even though it does not show up on the organization's money related articulations (Lev, 2001).

For Saudi Arabia firms to get by in an overall economy in the latest few years, they requisite to mishandle the available resources as a strategy for accomplishing high ground. One tool starting late obvious as giving a wellspring of high ground is the HR of the company, and it is extensively recognized that people in affiliations are an important

wellspring of high ground for firms (Pfeffer, 1994). Different experts have rehashed that the growing enthusiasm for HR is a product of the expectations that delegates and the way they are driven are important to the accomplishment of a company (Lado and Wilson, 1994). Because solid execution is regarded as one of the significant progressive goals, an extraordinary piece of the present human resource organization (HRM) investigation has been composed of understanding the organization between HRM practice and solid execution.

The contention that recommends that companies can increase the upper hand through their HR has prompted expanding informative examinations concerning the impact of HRM on authoritative execution (Lev, 2001).

Hierarchical execution can be divided into monetary execution, client execution, internal method execution, learning and development execution, social execution and ecological execution, and so on (Mitchell, 2002). The way could uplift the enthusiasm for HR-execution relation that the secret supposition of HRM is that authoritative execution is impacted by an arrangement of Strategic HRM (SHRM). A few analyses have provided experimental proof on this relationship (e.g., Becker and Huselid, 1998; Guthrie, 2001).

Speculations about the impact of HRM on authoritative execution at the non-governments organizations can be divided into three noteworthy points of view, i.e., HRM rehearses, HRM system, and strategic RM. HRM rehearses hypothesis incorporates the affecting variables of authoritative execution, confirmation of the effect of HRM practices on hierarchical execution, and searching for the most strategic components related to HRM practices. Research on HRM framework takes HRM as one of the essential parts of the organization, which impacts authoritative execution as a framework. In this framework, each component of HRM communicates with each other. Through these links, HRM impacts hierarchical execution (Katou, 2008). Strategic HRM framework is an example of arranged HR organizations and exercises proposed to empower an organization to accomplish its objectives. Ulrich and Lake (1990) described SHRM as the linkage of HR capacities with strategic objectives and authoritative goals to improve business execution and establish a hierarchical culture that cultivates development and adaptability. This analysis would investigate the effect of the organization's implementation on non-governmental organizations in Saudi Arabia from the point of view of the SHRM. The study examined the following research questions:

1. Is there a relationship between strategic acquisition and organizational performance?
2. Is there a relationship between strategic retention and organizational performance?
3. Is there a relationship between strategic training and organizational performance?
4. Is there a relationship between strategic internal labour market and organizational performance?

5. Does the employee commitment moderate the relationship between SHRM and organizational performance?

The study also developed the following null hypothesis:

1. H1: There is a statistically significant relationship between the acquisition and the organizational performance of NGOs.
2. H2: There is a statistically significant relationship between retention and organizational performance in NGOs.
3. H3: There is a statistically significant relationship between training and organizational performance in NGOs.
4. H4: There is a statistically significant relationship between the internal labor market and the organizational performance of NGOs.
5. H5: There is a statistically significant relationship between the commitment of employees and the organizational performance of NGOs.

Evidence from various past studies stated that the existing Evidence is not enough Strategic Human Resource on Organizational Performance of NGOs in Saudi Arabia. It is from this perspective that this study will be contributing to knowledge. The rest of the study is divided into three sections: Section two deals with the literature review, section three deals with methodology empirical analysis respectively, while section four concerns conclusion and recommendations.

II. LITERATURE REVIEW

2.1 Single HRM Practices and Firm performance

Various specialists working on the link between HRM and firm execution have adopted a smaller-scale strategy, examining single HRM practices, for example, staffing, preparation, objective setting, remuneration, etc., and the impact of such practices on hierarchical results.

Russell, Terborg, and Powers (1985) broke down the association between the preparation, final assistance and the execution of associations in the case of sixty-two retail stores. They used both genuine data information obtained from the association to carry out a prospective investigation. The revelations stated that both of them were getting ready, and the various leveled help was unequivocal and related to the execution of the store.

Gerhart and Milkovich (1990) examined the effects of both sudden pay and pay construction in the light of firm execution. They also considered the determinants of the pay mix as the ultimate objective of seeing how much the pay mix decision changes as a result of controlling the interests of specialists in human capital, unique characteristics and work traits. They found help with the assortment in the pay mix, even after controlling for these segments.

In addition, Terpstra and Rozell (1993) examined the effects of large-scale staffing practices, with firm execution as their

penniless variable. The staff rehearsals examined were (1) follow-up considerations on enlistment sources, (2) endorsement inspections on decision-making instruments, (3) sorted / formalized gatherings, (4) mental or mental limit tests and (5) common information spaces or weighted application spaces. It was found that the level of utilization of these rehearsals varied by industry and by progressive size. The implementation measures analyzed in the investigation were an annual benefit, development of benefits, development of deals and general implementation. The consequences of the investigation showed a positive and noteworthy impact on the yearly benefits, benefits and overall performance of large staff rehearsals.

The investigations referred to above provide cases of developing premiums for the impact of particular HRM rehearsals on authoritative results. However, there are no HRM strategies and practices in disengagement organizations. Subsequently, the development of a collection of work has moved towards the review of these frameworks of SHRM practices, with the aim of deciding on the actual impact of SHRM on organizational performance.

Advancement of SHRM is accepted to enhance strategic responsibility and to encourage, complement and support the advancement of empowered and individual capacity in strategic administration (Brown, 2005). Brown (2005) further stressed that the objectives and outlines of key management improvement programs need to coordinate the organization's level of sense of duty with respect to key management and the level of development of its key administrative procedures and capacity to upgrade strategic hierarchical capacity. It is believed that authoritative achievement generally relies on the ability of individuals and their sense of duty to understand their goals.

2.2 Methodologies in Reviewing HRM Practices

The association between the HRM rehearsals and the final execution of the HRM rehearsals, instead of the distinctive observational relationship, was the subject of an essential examination of the trial. Jackson, Schuler, and Rivero (1989) reviewed the effects of HRM systems on final budgetary performance through a behavioral approach. They found that it is essential, for a definitive sensitivity, for HRM systems to give firms the ability to obtain, produce, convince and hold agents that will enhance different levelled amplexness.

In illuminating the importance of HR to the firm's execution, most of the work in HRM captured the firm's asset-based view (Barney, 1991; Delery, 1996). As this view shows, an association can gain a high ground from the HR it has. In any event, the association does not, by any means, get a high ground from the HRM techniques, but, essentially, from the HR that the association employs and maintains (Delery, 1996). These theoretical conflicts point to the capacity of the general method of managing HR, which revolves around capital change. However, in addition to theoretical disputes, there have also been observational assertions in support of a

positive association between a far-reaching approach to managing HRM practices and firm execution.

Huselid (1995) examined the impact of the use of thirteen HRM rehearsals on the firm's execution. Two measures of HRM practice have been distinguished. The first was assigned "employee skills and organizational structures;" work on improving capacity, capacity, and part execution; and the second was called "worker inspiration," with rehearsals aimed at assessing and strengthening wanted worker practices. His discoveries showed that when these two measures were relapsed on efficiency independently, both were sure and huge; however, when they were taken all the time, only the measure of inspiration remained noteworthy.

2.3 SHRM

Pearce and Robinson (1988) characterized strategic administration as the arrangement of choices and activities, the development of planning and the updating of procedures intended to achieve hierarchical objectives. As Kanter has indicated. (1984) its motivation is to: "elicit presentations for the future" and to become an "action vehicle—integrating and firming mechanisms for change." The idea of key administration is based on the idea of technology. In this way, the system is the approach chosen to achieve the pre-ordained objectives that organizations might want to achieve later. Just as per Chandler. (1962) The technique is "the determination of the long-term objectives and objectives of an enterprise and the adoption of courses of action and the allocation of resources necessary for the achievement of those objectives." These descriptions mean, in large part, that the key HRM is a transition from the ideas of the business system and the HR (Boxall, 1996).

Late assumptions show that the upper hand of the organization could be created from the organization's (HR) system. According to an asset-based view (Barney, 1986), the association could make the overseas high ground by motivating itself in a way that is phenomenal and difficult for the contenders to copy. Customary wellsprings of high ground, such as trademark assets, development and money-related parts of the scale, have ended up being logically easy to duplicate. The possibility of HR as a key asset has proposals to address this issue. HR is an intangible asset that takes into account when it is introduced into the operating system in a way that redesigns the association's ability to deal with a turbulent situation.

Changes in acceptance of SHRM are examined in this way through best-fit, best-sharp, and configuration approaches that have a critical impact on the appreciation of SHRM dedication, through extended, high-level and inclusive consideration, for the different levelled executions. Undoubtedly, it ends up being certain that, whether the point of convergence of SHRM is in the course of action with the external setting or on the internal setting of the firm, the importance of SHRM must be greatly underestimated in relation to the different levelled executions, paying little

attention to whether that is the extent to which the money related consideration included and the extended specialist financial consideration; According to Guest (2001), speculative research shows that SHRM practices are not established and, as needed, researchers tend to choose the course of action of SHRM chips, depending on the theoretical perspective used.

As far as HR is concerned, hones are imperative; the composition often relies on packs of HR rehearsals as determinants of firm execution (Lepak et al., 2008). The HRM rehearsals for this investigation are included in the review by Ahmad and Schroeder (2003) and include specific resourcing, preparation and advancement, group utilization and decentralization, data sharing and implementation incentives for enrolling and compensating workers, and so on.

2.4 The Environment of SHRM in HR

As noted above, HRM has characterized an approach that structures how the organization points and targets will be exported through individual HR practices and coordinated HR strategies and practices. SHRM is thought to be an attitude that underscores particular ideas and sees instead of an arrangement of rules, methods and directions. These techniques help to lay the groundwork for key audits in which reviews of authoritative settings and existing HR practices prompt decision-making on key assumptions, generally developing or specific HR methodologies. Key HRM includes the activity of key decisions (which is dependably there) and the foundation of key needs (Armstrong, 2009).

SHRM is not only making key arrangements, but also providing for a viable execution of the procedure and the strategic conduct of the HR authorities working with their partners once a day to ensure that the objectives of the organization are achieved and that their esteem is maintained and incorporated.

The key point of key HRM is to produce authoritative capacity by guaranteeing that the organization has the talented, drawn in, conferred and all-inspired representatives to accomplish managed upper hand. As indicated by Armstrong (2009), extensively, this key HRM has a few fundamental destinations; the main target is to achieve mix vertically with business procedures and on a level plane with HR techniques. The second objective is to manage the organization in a turbulent situation, bearing in mind the ultimate goal of meeting hierarchical requests and individual and aggregate representative needs. These needs and requests must be met through the creation and implementation of rational and reasonable HR approaches and programs. The key HRM is, for the most part, about mixing and changing. Its main point is to ensure that: 1) HR organization is totally planned with the framework and key needs of the firm; 2) HR game plans stick both transversely finished approach areas and across finished movements; and 3) HR practices are adjusted, recognized and used by line executives and

delegates as a segment of their standard work (Armstrong, 2009)

2.5 SHRM Development

SHRM has developed extensively over the last 15 years. Schuler, Jackson, and Story (2001) described the advancement of SHRM from faculty administration in terms of a two-stage change: first from labor administration to customary HRM (THRM) and then from THRM to SHRM. In order to enhance the organization's performance and influence the organization as a whole, the HR association must focus on another requirement. These new needs are more business and key, arranged and less organized towards standard HR limits, such as staffing, preparation, assessment and compensation. Vital requirements consolidate assemblies based on occupation diagrams, versatile labor force, quality change practices, labor fortification and pay-as-you-go. SHRM was expected to dissect key association needs and organized capacity change needed to achieve a strong technique and operational objectives (Huselid, Jackson and Schuler, 1997). And make the organization a top priority, the HR organization needs to focus on a different set of needs.

These new needs are more business-oriented and strategically located and less aligned with traditional HR capabilities, such as staffing, preparation, evaluation and remuneration. Strategic needs to incorporate group-based career outlines, adaptable workforce, quality change rehearsals, work-enhancing and motivating force pay. The aim of the SHRM was to analyze the strategic needs of the organization and to improve its capacity, which is necessary for the implementation of aggressive procedures and the achievement of operational objectives (Huselid, Jackson and Schuler, 1997).

Key HRM emphasizes the compatibility or "fit" between HR practice and business methodology. Numerous researchers have shown that the use of powerful HR practices and the definition of a good HR framework with a firm approach is essential for the successful use of business methodology (Baird and Meshoulam, 1988). An increasing number of experimental investigations conducted in different countries addressed the link between key HRM and firm execution or upper hand. Essentially, key HRM accentuates building up the company's ability to respond to external conditions through superior HR sending. As the firm system reflects its response to aggressive external changes, a pool of human capital with an expansive cluster of skills that is well aligned with corporate methodology is an incentive to meet key objectives through the advancement of worker behavioral utility.

One of the real contrasts between ordinary HRM and key HRM, as indicated by Karami et al (2004), is the extent to which HRM is incorporated into key basic forms of leadership that tend to guide hierarchical efforts to adapt to nature. Sensational improvements on the planet, emerging from the heightened aggressiveness, globalization, and mechanical advancement of the global commercial center, empower the

organization to change its HR rehearsals. Consequently, the new strategic components were designed to adapt to the conditions of the aggressive global market. As described above, regular HRM overemphasized physical abilities, preparing to cover only specific tasks, useful and sub-useful specialization, and worrying about singular productivity.

2.6 SHRM in NGO Organizations

SHRM has just received superficial consideration in non-governmental organisations. However, the powerful use of HR is of fundamental importance. Contents shown in the previously mentioned writing of declining enterprises and declining private institutions suggest that organizations that interface their HR needs with key arrangements will be more effective than organizations that fail to do so.

Consistent times of development in non-governmental organizations have provided a framework for instructive pioneers who have worked out how to deal with the abundance of understudy, labor force and subsidies. Since schools and colleges are difficult to oversee due to their temperament (Cyert, 1978), the time of decay presents a special difficult undertaking for executives, these difficulties and difficulties may give rise to open administrative doors, irrespective of the issues. As a result of the distribution of the "Academic Strategy" (Keler, 1983), a number of firms have been inspired by the launch of a key approach to dealing with HRM in their organizations.

Others saved judgment while anticipating more convincing evidence that training would be profitable. It is crude to write about how organizations rehearse key HRM and how effective they are accordingly. In the mid-1980s, two persuasive investigations recognized the intention of profit-making and non-profit organizations to deal deliberately with their HR rehearsals (Misa and Stein, 1983; Smith Cook and Ferris, 1986). The two examinations inferred that the HRM exercises of high-performing firms in the investigation are mirrored by a strategic introduction

2.7 HRM Configurations

2.7.1 Acquisition

Acquisition is the procedure for organizing and estimating, enlisting, evaluating and selecting representatives, setting performance standards or expectations, and managing employees' performance (Terpstra & Rozell, 1993). Acquisition is essential in building the overall level of human capital of an organization by acquiring talent with specialized knowledge and experience from outside the organization. HR planning, extensive recruitment and selective staffing practices have been seen as key to the acquisition of higher levels of human capital (Koch & McGrath, 1996; Terpstra & Rozell, 1993). Effective acquisition management enables organizations to perform these functions and to better align workforce management and improve performance in a fine manner. Hiring the right person is one of the most important functions of HRM for the organization (Crowley, 1999). By

hiring the right candidate, the organization can save training effort and time, increase retention rates and reduce turnover (Terpstra & Rozell, 1993). As a result, acquisition practices lead to financial success and therefore increased organizational performance (Terpstra & Rozell, 1993). Acquisition is the procedure for organizing and estimating, enlisting, evaluating and selecting representatives, setting performance standards or expectations, and managing employees' performance (Terpstra & Rozell, 1993). Acquisition is essential in building the overall level of human capital of an organization by acquiring talent with specialized knowledge and experience from outside the organization. HR planning, extensive recruitment and selective staffing practices have been seen as key to the acquisition of higher levels of human capital (Koch & McGrath, 1996; Terpstra & Rozell, 1993). Effective acquisition management enables organizations to perform these functions and to better align workforce management and improve performance in a fine manner. Hiring the right person is one of the most important functions of HRM for the organization (Crowley, 1999). By hiring the right candidate, the organization can save training effort and time, increase retention rates and reduce turnover (Terpstra & Rozell, 1993). As a result, acquisition practices lead to financial success and therefore increased organizational performance (Terpstra & Rozell, 1993).

2.7.2 Training & Development

Improving training is a field concern about categorized movement aimed at improving the execution of people and gatherings in authoritative settings (Barrett and Connell, 2001). Swanson (1995) characterized preparation and improvement as a methodological process of creating people's ability to improve execution. The organization strategically implements training and development programs to enhance the skills and information of workers in their current occupations and to make them ready for future employment.

As indicated by the trade hypothesis, this speculation can make an ethical commitment on the part of representatives to ensure that the organization receives its cash value and, in return, increases organizational performance (Harel & Tzafrir, 1999).

As a result, employees need to be trained and retrained to meet their business needs. Training may be carried out on-or even by consultants. Training and development are expected to be a systematic process for developing individual expertise in order to improve personal and organizational performance. The organization strategically implements training and development programs to improve staff skills and knowledge of their current jobs and to prepare employees for future jobs.

(Hare & Tzafrir, 1999) Researchers (e.g. Bartel, 2004; McElroy, 2001) have found evidence to support the notion that training activities are building human capital, which in turn influence organizational performance.

Numerous studies also suggested that training and development play a critical role in the development and maintenance of competitive advantages and retention of employees (e.g., Barrett & O'Connell, 2001).

2.7.3 Internal Labor Market (ILM)

ILM refers to the portability of the representative within the organization. Harel and Tzafrir (1999) recommended that representative versatility could enhance hierarchical execution in two ways. Right off the bat, learning, background and fulfillment in the workplace are directly advanced. It may also reduce enrolment, choice and cost preparation. Inner work shows a one-trade process (Baron and Kreps, 1999); directors who are likely to advance the inward worker may hope to increase the extended execution as a result. Analysts have found that the open door for the advancement of the profession offered by the organization to its workers is definitely a matter of authoritative execution (Delery, 1996; Huselid, 1996).

2.7.4 Retention

Maintenance systems refer to the methods, plan or set of essential leadership actions set up by organizations to hold their workforce to work (Gberevbie, 2008). Analysts have found that representatives are likely to remain and work towards the effective achievement of authoritative objectives when proper labor maintenance procedures are received and implemented by organizations (Amadasu, 2003).

Studies have shown that proper worker maintenance systems, for example, work-fulfillment resulting from appropriate awards (Gomez-Mejia, Balkin and Cardy, 2001), pay-performance (Griffeth, Hom, and Gaetner, 2000), representative preparation and career advancement, production of a social group in a working environment that improves social ties, for example, empowering a representative.

The test for most organizations is to build capacity to hold their resources. Frank (2004) stated that today, the representatives are not exclusively cash-concentrated, but slightly more concerned about the feeling of contribution, the development of skills, the feeling of being empowered, the working conditions and the outline of the occupation. Workers may also be less likely to leave the organization if there is a set-up of socialization practices that cultivate evidence of differentiation with the organization (Frank, 2004). A large number of present representatives hope to adjust their own and working lives as the most critical needs that determine their eagerness to remain with the organization (Izzo and Withers, 2002). Manoochehri and Pinkerton (2003) argued that adaptable work schedules and conditions lead to a high level of worker compliance through adaptability and capacity to adjust family needs and work requirements.

2.8 Organizational Performance (OP)

OP shall donate the actual consequences of the organization as estimated against its planned objectives and destinations (Skinjar, Bosilj, Indihar and Stemberher, 2008). Hierarchical execution includes strategic organizers, activities, funds, legitimate and authoritative advancements. In order for an organization to achieve its objectives, it is essential for each representative to understand the specific parts and responsibilities of the organization with regard to objective achievement, and there must be persistent discussions among the pioneers and workers to determine the wishes for execution, to monitor progress and to assess the outcome (Skinjar, Bosilj, Indihar and Stemberher, 2008).

Dyer and Reeves (1995) proposed four kinds of authoritative performance measures: (a) HR outcomes; (b) corporate consequences; (c) cost outcomes; and (d) capital market outcomes.

The HR results identify changes in the behavior of the representatives, including turnover rates, non-appearance rates and the performance of the worker. Authoritative results include profitability of work, consumer loyalty and the nature of goods and administrations. Out of the four categories of organizational performance, the organizational outcomes of this study are used to measure organizational performance. In this context, organizational outcomes consist of two primary measures: customer outcomes and operational efficiency outcomes. Customer outcomes refer to changed customer behavior and perceptions such as customer satisfaction, customer complaints, perceived product and service quality. On the other hand, operating efficiency results refer to the level of efficiency achieved by a company through its operational functions (Dyer & Reeves, 1995). Research by Roger and Wrights (1998) indicated that organizational outcomes are the most commonly used organizational performance measurements compared to the other three outcomes.

2.9 Employee Commitment

According to Maheshwari (2005), the implementation of human resource practices leads to an increased commitment of employees. He suggested increased bonding, and states need to reform their human resource management practices in an effort to increase employee involvement and hence commitment. Smeenk (2006) examined the factors affecting organizational commitment and found that issues such as compensation, training, career mobility, age organizational culture, working time, organizational tenure and social importance all affect employees' overall organizational commitment and therefore overall performance.

Zhu (2007) indicates that various human resource management practices have significantly determined organizational commitment and that organizational commitment has been affected by the fitness, remuneration, recognition and opportunities for undertaking challenging

organizational tasks. Chan (2004) examined the impact of human resource practices on organizational commitment and found that training and career development were not significantly related to organizational commitment, and challenging assignments were not related to the intention to stay. Human resource management practices help the organization to develop a better climate for human resource development in the organization. Smeenk et al. (2006) noted that organizations with better learning, development, reward and recognition systems have promoted better organizational climate and better overall commitment.

2.10 Theoretical Review

The study used the Herzberg Two Factor Theory to clarify the impact of SHRM and the maintenance of workers. As Samuel (2009) indicated, a worker who is not inspired is likely to leave the organization. This hypothesis inferred that a fully-fledged representative was spurred from inside to buckle down and stay in the organization. It takes a gander in two classes of components related to worker inspiration; satisfies and dissatisfies. Armstrong (2010) gives satisfaction as achievement, recognition, duty, progress and development. Compensation, organization with chief, working conditions, status and security are deceased. As Michael (2008) has pointed out, external factors, such as a high level of work place, professional stability and characteristics, such as improvement and preparation, have a remarkable commitment to representative maintenance in organizations.

Hughes (2010) Employees consider both the inside and the outside elements of an organization to decide whether to stay or leave work, since they do so in return for their administration to the organization. The above infers that both the characteristics and the external factors have an impact on the representative maintenance of the organization should therefore be considered reliably, as these variables are likely to have an impact on maintenance.

III. METHODOLOGY

3.1 Research Methodology

This exploration used quantitative strategies to address the examination questions. The quantitative approach was first used by the distribution of a questionnaire to understand and classify the HR status in objective organisations. Since this review was of an exploratory nature, it was proposed to establish an establishment from which further comparable investigations could be concluded.

The questionnaire was common to any NGO location at KSA and was designed to target the commitment, unwavering and intellectual attention of the respondents as well as their individual organizations. The practices of the SHRM and their impact on the respondents were also inspected.

The investigation included private organizations in the KSA's authoritative structure, which had not already been presented for the investigation of organizational performance. From the

examination, the information was combined and subjected to a triangulation of strategies to assist the investigation.

3.2 Population and Sampling

As per Sekaran and Bougie (2013), the populace refers to "a huge group of intrigues." As it was, the populace is a collection of people with similar attributes. The precise meaning of the population is exceptionally essential for quantitative research, since scientists select an example from the population. Subsequently, the accuracy of the definition would involve the scientist, regardless of randomization, in asserting the agents of the example and thus presume that the discoveries are speculation.

This study included all employees of selected private organizations in the Kingdom of Saudi Arabia. Riyadh, Al-Qasim and Alsharqiah are the three main districts that the researcher focuses on, as these regions cover the majority of non-profit organizations in the KSA.

The total population of the Human Resources Department, including employees of selected non-governmental organizations in these three regions, is 1791, both male and female.

IV. RESULTS AND DISCUSSION

4.1 Data Screening

Since the first dataset contained an information composition string depicting the reactions caught in the light of the Liker scale, which extended from unmistakably and differed from the concurrent. It should have been changed to write numeric information from 1 because it strongly disagrees to 11 because it strongly agrees to encourage the use of the AMOS bundle by SEM (as recommended by Kline, 2011). The specialist used 11 scales to give respondents a shifted chance to look at different choices, thereby increasing the unwavering quality of the scale. Assortment is therefore assuming a large part of the reliability investigation. At a time when there are numerous choices for respondents, and they have addressed them in a fluid manner, this would increase the estimation of unwavering quality. As a result, the specialist used this scale (1-11) to provide respondents with a range of choices and to obtain high reliability scores.

At first, the aggregate number of respondents to the investigation was 531 from non-governmental organizations in KSA, as previously stated. The information analysis was conducted on clean and organized datasets in both SPSS and AMOS.

4.2 Descriptive Analysis of The Respondents Background

Frequencies of statistical factors, such as sexual orientation, encounter, occupation, age and ability, for example, of 531 HR executive respondents in Saudi Arabia are shown in Table 1

Variables	Categories	n	%
Gender	Males	481	90.6
	Females	50	9.4
Experience	1-5	66	12.4
	6-10	66	12.4
	11-15	131	24.7
	16-20	128	24.1
	21-25	98	18.5
	26 and above	42	7.9
Occupation	General Manager	2	0.4
	Assistant G. Manager	4	0.8
	Manager	14	2.6
	Assistant Manager	20	3.8
	Head of Department	49	9.2
	Employee	442	83.2
Age	20 - 25 years	17	3.2
	26 - 30 years	66	12.4
	31 - 35 years	129	24.3
	36 - 40 years	163	30.7
	41 - 45 years	114	21.5
	46 - 50 years	42	7.8
	51 above	0	0
Qualification	Diploma	91	17.1
	Bachelor Degree	270	50.8
	Higher diploma	44	8.3
	Master degree	97	18.3
	Ph.D.	29	5.5

The table shows that most of the respondents who took an interest in this investigation were male (9.6 per cent, n= 481), while 9.4 per cent (n= 50) were female. This gender irregularity, in the example, mirrored the particular circumstances of the non-governmental organization in KSA, where the boys dwarfed their female partners. As far as members' level of understanding is concerned, it has been shown that the more significant part of them (24.7%, n= 131) have work encounters of between 16 and 20 years, followed by 24.1% (n= 128) with between 11 and 15 years of experience. In addition, the review also recommended that 18.5 per cent of the members (n=98) be between 21 and 25 years of age, 12.4 per cent (n=66) be between 1 and 5 years of age, while 12.4 per cent (n=66) be between 6 and 10 years of age. However, that may be, only 7.9% (n 42) of the respondents have a participation of 26 years or more.

As far as the occupation of the respondents is concerned, Table 4.3 shows that the lion's share of the members (83.2%, n= 442) were common representatives, while 9.2% (n= 49) were Heads of Department (HOD). In addition, the examination showed that 3.8 per cent of the members (n=20) were right-hand supervisors, 2.6 per cent (n=14) were directors, while 8 per cent (n=4) were assistant general chiefs individually. However, only 4% of the members (n=2) were general administrators.

As regards the age of the respondents, Table 4.3 shows that the lion's share of members (30.7%, n= 163) is between 36 and 40 years of age, while 24.3% (n= 129) are between 31 and 35 years of age. In addition, the examination showed that 21.5 per cent (n= 114) were between 41 and 45 years of age, while 12.4 per cent (n= 66) were between 26 and 30 years of age. Again, the investigation recommended that the age of 7.8 per

cent (n=42) should be between 46 and 50, and 3.2 per cent (n=17) of the members should be between 20 and 25 years of age, with no age of 51 years or more.

For the scholarly capacity of the respondents, the table shows that the majority of respondents had four-year certification (50.8 per cent, n= 270), while 18.3 per cent (n= 97) and 17.1 per cent (n= 91) were individually certified by their lords. In addition, 8.3 per cent (n= 44) had a higher confirmation, while 5.5 per cent (n= 29) had a Ph.D.

4.3 Normality Test for Strategic Human Resource Practices (SHRP)

Table 2 shows the typical assessment of the estimation model of the Strategic Human Resources Practices (four variables). Chua (2013) stated that the limits for the type of information, skewness and kurtosis should be within the range of -1.96 to + 1.96. Kline (2005) argued that factors with higher skewness estimates than 3.0 appear to be highly skewed, and the moderate general guideline is that all the accounts suggest that total estimations of the kurtosis record are more prominent than 10.0. The consequences of the factual examinations indicated the similarity of the information to the characteristic.

Item	Mean	SD	Kurtosis	Skewness
Acquisition	6.02	2.22	-.64	-.64
Training	6.28	2.25	-.726	-.208
Internal Labor Market	4.99	2.08	-.492	.198
Retention	4.41	2.35	.212	.608

In this review, the factual appreciation for kurtosis of each of the four key HR practices was within the + 1.96 limit, with the highest incentive being .212. Also, the skewness values for all factors were within the range of + 1.96, with the highest incentive being .608. This suggested that the example was regularly appropriated, and no real infringement of skewness and kurtosis was observed. In this way, the information meets the need for a structural equation modeling analysis.

4.4 Normality Test for Mediator Variable

As shown in Table 3, the information was analyzed for the characteristics of the estimation model of the factors that are a concern for the client, concern for the worker, performance benefits, conduct assistance, and client learning. The after-effects of the graphical and factual investigations have shown that the information is congruent to normality. All seven markers were within a satisfactory range. This showed that the example was typically dispersed and that there was no infringement of the ordinariness assumption.

Item	Mean	SD	Kurtosis	Skewness
Employee's Commitment	5.087	2.206	-.620	.231

The statistical value for mediator variable skewness and kurtosis was within the threshold values of + 1.96 and -1.96

with values of -.620 and .231, respectively. This suggested that the example was typically conveyed, and no real infringement of skewness and kurtosis was observed. In this way, the information meets the need for a structural equation modeling analysis.

4.5 Normality Test for the Organizational Performance

As shown in Table 4, there has also been no evidence of infringement of the typicality of the consequences of the assessment of normality for the authoritative execution. The conveyance of scores for all exhibitions indicated satisfactory skewness and kurtosis.

Item	Mean	SD	Kurtosis	Skewness
Performance	5.391	2.424	-.707	.036

The statistical value for skewness and kurtosis of organizational performance was within + 1.96, with the highest values at -0.707 and -0.036, respectively. This suggested that the example was typically disseminated, and no real infringement of skewness and kurtosis was observed. The information therefore satisfies the need for a structural equation modeling analysis.

Again, the linearity suspicion implies that there is a straight-line connection between two factors. Linearity is essential, in a reasonable sense, on the ground that Pearson's r only has a direct relationship (Tabachnick and Fidell, 2001). As Schumacker and Lomax (2004) have indicated, the degree to which one or both of the factors are removed from the suspicion of a direct relationship will influence the extent of the coefficient of connection. The analyst directed a progression of different relapses, using the studentized (SRED) leftover pilot against each of the expected ward factors to look at linearity. Visual investigation of the remaining plots showed that the scores had been arbitrarily dispersed without any particular example, and therefore suggested that this presumption had been reasonably fulfilled. At the end of the day, the lack of confirmation of a genuine infringement of the assumptions made it legitimate for the scientist to proceed with estimation and structural equation modeling, and then to respond to the examination investigations as set out in Chapter one.

4.6 Reliability

Reliability quality is a strategic part of a request for quantitative research. It is the extent to which the measures are without error; it reflects the stability and consistency between the things used to quantify the variable. The scales were checked for inward consistency between the objects used to quantify the variable. The reliability of the License Buildings estimates of the arrangement of components that are within steady in their estimation and are subsequently repeatable for different scientists to gage (Hair et al., 1998).

The Cronbach alpha investigation indicates the normal relationship between each of the things on the scale. Qualities

range from 0 to 1, with higher values showing higher reliability. As per Chua (2013), the estimate of Cronbach's alpha reliability between .70 and .95 is appropriate, and values greater than .95 are considered problematic on the grounds that this will cause a multi-collinearity issue between the factors and the components. Table 5 shows the reliability of the quality assessment of a considerable number of factors for this investigation.

No	Variables	No. of Questions	Cronbach's Alpha
1	Acquisition	5 items	.914
2	Training	8 items	.914
3	Internal labor market	7 items	.908
4	Retention	7 items	.907
5	Employee commitment	8 items	.915
6	Organizational performance	10 items	.908

Cronbach's alpha, as shown in Table 5, was over .70 for all factors; (this is the base level prescribed by De Vellis, 2003). As shown in Table 5, the internal consistency estimates for each of the investigation factors ranged from .908 to .915. This outcome, in this way, demonstrated that the response of the respondents to all things in the scales was predictable. On the whole, the outcome showed that the respondents understood and translated each of the things in a similar way, thus expanding the nature of the inner consistency of the situation.

4.7 Correlation Coefficient

Correlation Coefficient, Means and Standard Deviations of the summated variables in the study

	Acquisition	Training	Internal Labour Market	Retention	Employee's Commitment	Organization performance
Acquisition	.447**					
Training	.434**	.520**				
Internal Labour Market	.501**	.485**	.672**			
Retention	.279**	.206**	.495**	.468**		
Employee's Commitment	.339**	.307**	.567**	.515**	.624**	
Organization performance	.400**	.426**	.606**	.613**	.519**	.656**
Means	6.02	6.28	4.96	5.27	5.09	6.62
S. D	2.22	2.25	2.08	2.16	2.21	2.23

V. DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Discussions of Findings

The results of the Confirmatory Factor Analysis (CFA) demonstrated that each construct was found to be within the one-dimensional construct. The analysis indicated that the

work performance system items were statistically and significantly loaded into their respective factors. Unlike in Exploratory Factor Analysis, the items were controlled and placed in their respective factors based on theoretical underpinning and familiarity with the topic under study. In other words, a confirmatory factor analyst starts the analysis with a firm idea about the number of factors in the analysis and which variables are most likely to load into each factor. According to Brown (2006) in Confirmatory Factor Analysis (CFA) the researcher must pre-specify all aspects of the factor model such as the number of factors and patterns of indicator-factor loading.

5.2 Conclusion

In conclusion the results of present study show that there are four underlying factors of strategic human resource management based on confirmatory factor analysis. These factors are acquisition, training, internal labour market and retention. The confirmatory factor analysis also found a significant effect of strategic human resource management practices on organizational performance. This simply means that when non-profit organization adopt the practices of strategic human resource management, it will enhance their performance dramatically. Additionally, the study also suggested that the relationship strategic human resource management and organizational performance is not only direct relation but there is also indirect relation via mediator variable namely employee commitment played a pivotal role in mediating between strategic human resource management and organizational performance.

5.3 Limitations and Recommendations

The report makes the following suggestions for future research in the light of the results of the study and on the basis of the theoretical and empirical evidence provided by the previous research. The limitations of this study are also discussed in this section.

Samples of the sample were staff members of non-governmental organizations in Saudi Arabia, all of whom were Muslim and of a single ethnicity (Arab). Nevertheless, if the research was performed in a multi-religious and multi-cultural context, the results might be different. The researcher would therefore strongly suggest that future studies should take into account the representativeness of different races and beliefs, since what study finds true with Muslim or Arab workers may not be true with other communities or religions, and even if it is found to be repeated across ethnic groups and religions, the significance might be different.

5.4 Suggestions for Future Studies

Although this study employed high and sophisticated statistical methods to examine the relationships among the constructs, the results might be different if experimental studies and longitudinal statistical methods were used. The experimental methods would precisely diagnose the actual relationship among the constructs of the study while the

longitudinal study would precisely describe the patterns of the change and establish the direction and the magnitude of causal relationship. Moreover, the combination of qualitative and quantitative methods (mixed method) should be encouraged so both methods can complement each other for more exploration. By using mixed method to carry out the research, the researcher would be able to explain the relationships existing among the constructs in a more comprehensive manner. Thus, the researcher recommends that future study should employ mixed method to explain the interaction between strategic human resource management and organizational performance holistically and comprehensively.

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