Investment on HRM and Its Impact on Project Success

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Received: October 23, 2017
Accepted: December 27, 2017

ABSTRACT

This study was aimed to assess the impact of four major HR practices on the performance of projects of educational institutes in Gilgit Baltistan. In this regard, response of staff members in educational institutional projects has been collected through an adopted questionnaire survey. After recording the collected response in SPSS and processing the study related test, it has been found that three main HR practices are keeping the significant positive impact on the project performance of educational institutes in Gilgit Baltistan. These effective practices are compensation and rewards, training and development and employee involvement that have been assessed as they effectively been practices in their efficient practices performances of educational institutes have been seen as enhances. The one main HR practice of employee recruitment and selection have been seen as negatively associated, this has shown that the recruitment practices in educational institutes are notinlined with the HR fundamental practices. This requires serious attention for streamlining the recruitment and selection process for enhancing the functions of HRM for efficient project performance in the institutes. This study has come up with appropriate recommendations for betterment of educational institutional projects along with the directions for future research.

KEY WORDS: HRM Practices, Project Success, Gilgit Baltistan, Pakistan.

INTRODUCTION

It has been mostly recognized that people in any organization deliver one of the best important bases of competitive edges. Moreover, it is understood that the well skilled and operational staff management in any organizational structure is an influential asset to reply the fast moving and active backgrounds in order to attain higher organizational results [18]. Therefore, it is very essential for administrators to ensure an adequate resource of personnel that is formally and publically talented and capable of professional development into proficient departments [36]. HRM provides a bond among the team members who are working on a project through transformational leadership [1]. Indeed any project can be considered as a successful project if it is completed under the innovative cultural environment because in such environments, a creative HRM practices can be adopted and successful organizational strategies can be executed [12]. It is the need of the hour for organizations to burnish the capabilities of human capital in order to enhance the success of the projects which organization is establishing. It is highly significant for organizations to select the employees wisely, train them efficiently and carry on regular development program for organizational effectiveness. Training & development, successive planning structure and appropriate management system can enhance the performance of organizations and stimulate the motivational level of the employees and they can work in a satisfied environment [28]. The learning process in any organization can be improved by making strategic alliances. Managers can play supportive roles in making environment favourable towards the successful projects [40]. At present time organizational directors are facing encounters to find out the capable human capitals as per organizational purposes. This may partly be a result of the different kinds of problems, for example, administrative ambiguity, corruption, instituting issues, poor schedules, lower learning practices, shortage of available resources [17]. Such problems may cause harmful effects on the educational institutes because HRM main practices usually do not need to implement in this sector. So is the case of Gilgit Baltistan. In Pakistan’s perspective, it has been seen in practice that most of the educational institutes are not effectively implementing the human resource practices. Although the researches in effective HR practices regarding educational field are very scare. In developing countries, the concepts of employee selection, training and development, motivation, involvement in decisions are under practices but with ineffective planning and limited resources are still questionable [8]. So in such scenario, educational projects should be given more preferences to augment this sector in research and development. HRM practices in universities are to be adopted to analyze the
performances on individual as well as organizational bases [27]. Human Resource department usually works in evaluating the psychological aspects of employees so need to learn about the personality traits. Educational projects can be successful only if the key players like teachers and the students enhance them towards learning process [25] by associating their performance with the intrinsic and extrinsic motivation [15] and motivational activities also should be implemented in enhancing the skills of the lecturers at the university. They can behave positively if they get more satisfaction and less stress [20]. In Pakistan, the research gap has been highlighted regarding noticeable HR practices for effective organizational projects performances; this research will add worth in the field of educational projects by evaluating the executed practices of HR and will assess each practice association with the performance of different educational and research projects in Gilgit Baltistan, Pakistan. Current study is focusing on the following educational projects

1. “KIU UO” of Karakoram International University, Gilgit and the University of Oregon US.
2. “Active Citizen Project” which is a collaborative projective between Higher Education Commission and British Council

LITERATURE REVIEW

Project success

In accordance with the definition of the project success, it has been access through a specific frame of time and duration [3]. Performance has also been explained as the produced quantity in which return of the labour being utilized in specific amount [35]. Performance itself keeps its distinctive dimension such as quality, comprehensiveness with required quantity. Performance of any individual person refers to the ability of his knowledge and learning in professional context to present the output against the work objectives [33]. All organizations of services and production related are always remained interested in employee performances because it measures the effectiveness of employees and the level of efficiencies of organizations and groups. Many researchers of HR management have offered their results by suggesting the measurement of employee performance in effective way as the output received from the workers has been analysed as percentage of work that has been redone or rejected due to the quality [24]. Project manager is the key player in making any project successful and he has to show his positive impacts to transform leadership quality in making bonds among the team members [1].

Association of Recruitment and Selection with Project success

Recruitment and Selection is the process of attracting the suitable applicants to apply for job in the organization, internally or externally [30]. Many researchers have presented that the practices of recruitment and selection are not the only ways for enhancing the performance level of organization and its employees [4]. It has been highlighted in the study, that project managers are liable for understanding the importance of the process of recruiting the skilled individuals, wisely deciding the selection of competitive persons, making the special policies for effective hiring will definitely enhancing the organizational performances in general and project success in specific [11]. Further poor selection process negatively affects the organization or project for moving towards the personal performances and overall organizational performances [22]. Human Resource Management has an important influence on the presentation of business association. This has to do with learning and development activities, good arrangement structure and proper management as a persuader. Many studies specified to attain employee assurance that the employed situation has to be helpful to lead to and endure staff inspiration and high enactment. A research focused on the project of assessing the association between recruitment and selection and firm enactment in oil & gas sector. A strong association among recruitment & selection and organisation’s performance of oil and gas sector in Iraq has been highlighted [31].

H1: Recruitment and Selection is positively associated with Project success.

Association of Compensation and rewards and Project Success

Compensation and reward is the tool that is usually used to direct the employee’s personal energy and presentation of work in an organization. Past researches show that there is significant association of reward, compensation and the performance in an organization. These two variable i.e. reward and compensation keep the effective impact over the performance of employees. It has been assessed that the level of motivation and incentive programs keep the significant effect over employee’s performance against any task assigned to them [5]. A study found that the effect of recruitment & selection and performance & appraisal had significant impact on the projects related to the organizations [32]. A study has proved that the fair distribution of rewards can influence on the performance and
motivation level of an employee to its maximum [16]. Human factor has been highlighted as the prominent factor for achieving the successful performance in every organization. The contribution of employees that come up with significant input towards the managerial tasks, in this regard employee’s motivation and job satisfaction play a vital role for supporting the managers with inline efforts in a symmetric way. Organizational management is therefore face challenging environment to build and practice such policies for implementation against employee motivational and the ways to choose the intrinsic or extrinsic rewards for keeping the workforce well motivated [7]. Diekmann (2015) reported that in the absence of knowledge among employees against the value of compensation and pay system keeps the negative effect over the motivational level of employees or there is a negative result of management policies for keeping the employee benefited.

H₂: Compensation and rewards is positively associated with Project success.

**Association of Training and Development and Project Success**

It is a role of human resource management that trains the individuals and groups to better job performance within organizational atmosphere [29]. Teachers in educational institutes need in-service trainings to enhance their skills manage their day to day learning activities [39]. In-service training influence of effective feeling, sense of independence and level of self confidence in a person [34] while in order to compete in the market, all organisations are highly required to keep the employee up to date with modern technologies and trends for operating the organizational functions efficiently for better organizational performances in general and project in particular. Employees are the assets of an association if they are capable and skilled would accomplish improved than those who are inexpert and unqualified [23]. All training and development related activities have prominent interlinked impacts with project success. Research on training and development effectiveness has presented the results that these activities positively keep the greater impact on the performance of the organizations. In Pakistan, companies are trying to focus towards the training and development activities, in order to improve the process for better organizational performances through effective T&D programs [14]. Therefore, workers must corroborate their value of training activities to justify the investment [38].

H₃: Training and Development is positively associated with Project success.

**Association of Employee involvement and Project Success**

Employee involvement in decision-making has been referred as the managerial steady to strive for the effective performances in the organizations. Its outcomes are linked with employee commitment, turnover, motivation, job satisfaction level or the employee surviving in the respective organization [21-2]. An exploratory study showed that there are number of causes within the organization which blocked the role of employees to pursue in betterment of any project [26]. It has been assessed that by involving the employees in decision making process provide them with the sense of motivation towards the daily job that increases the performances [13]. By involving the workforce in time to time decision creates this sense of organization commitment; they adopt the positive work attitudes for the betterment of the organization [6]. Employees feel the modern human resource practices are likely to be more beneficial for their point of view, they also have acknowledged that the positive individual performances are resulting in response to these favourable HR practices.

H₄: Employee involvement is positively associated with Project success.

**Underpinning Theory**

Vroom (1964) indicated about the concept related to employee and motivation. As per expectancy theory personal expectations affect the motivational level of employee about their capacity to do the objectives and for obtaining expected recognitions and rewards. Every individual has an optimal choice for putting effort to achieve the reward in return. Expectancy is the combination of the determination on an assigned task and favourable performance with the combination of capacity, experience to perform and opportunity for performance. There are two combinations used in Vroom’s theory. P – O (Performance - Outcomes) and E – P (Expectancy - Performance) which states the behaviour of the employees towards their tasks within the organization. Either the employee work ended with expected outcome or vice versa. There is a significant relationship of Performance & Outcome and Expectancy & Performance. Therefore the expectancy theory of Vroom has been used in this study to support the relationship.
This study followed quantitative technique. A survey questionnaire was used to collect the data. Current study targeted the staff members from educational institutes in Gilgit Baltistan for having the assessment against effective HR practices and organizational performances. Simple random sampling technique was used and 195 employees were engaged by selecting 95 percent assurance level. Sample size was calculated from online calculators www.Raosoft.com. Correlation test was run for assessing the relationship of each variable. Multiple regression analysis was processed for analyzing the differences and combined effect of independent variables on dependent variable separately and collectively. Five point Likert scale 1=strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=strongly Agree was used in this study. Results were explained and discussed for acceptance and rejection of research hypothesis. Recruitment & Selection, Compensation & Reward, Training & Development and Employee Involvement were taken as Independent Variables [9] and Project Success was taken as dependent variable [19].

### Analysis

**Table 1: Analysis of Demographics**

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Classification</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td>Male</td>
<td>155</td>
<td>79.5</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>40</td>
<td>20.5</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td>20-25</td>
<td>21</td>
<td>10.8</td>
</tr>
<tr>
<td></td>
<td>25-35</td>
<td>34</td>
<td>17.4</td>
</tr>
<tr>
<td></td>
<td>35-45</td>
<td>77</td>
<td>39.5</td>
</tr>
<tr>
<td></td>
<td>45 Plus</td>
<td>63</td>
<td>32.3</td>
</tr>
<tr>
<td><strong>Designation</strong></td>
<td>Professor</td>
<td>23</td>
<td>11.8</td>
</tr>
<tr>
<td></td>
<td>Assistant Professor</td>
<td>45</td>
<td>23.1</td>
</tr>
<tr>
<td></td>
<td>Lecturer</td>
<td>66</td>
<td>33.8</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>61</td>
<td>31.3</td>
</tr>
<tr>
<td><strong>Qualification</strong></td>
<td>Intermediate</td>
<td>8</td>
<td>4.1</td>
</tr>
<tr>
<td></td>
<td>Graduate</td>
<td>29</td>
<td>14.9</td>
</tr>
<tr>
<td></td>
<td>Post Graduate</td>
<td>103</td>
<td>52.8</td>
</tr>
<tr>
<td></td>
<td>MS/PhD</td>
<td>55</td>
<td>28.2</td>
</tr>
<tr>
<td><strong>Experience</strong></td>
<td>2-5 Years</td>
<td>43</td>
<td>22.1</td>
</tr>
<tr>
<td></td>
<td>5-10 Years</td>
<td>57</td>
<td>29.2</td>
</tr>
<tr>
<td></td>
<td>10-15 Years</td>
<td>71</td>
<td>36.4</td>
</tr>
<tr>
<td></td>
<td>15 and Above</td>
<td>24</td>
<td>12.3</td>
</tr>
</tbody>
</table>
Table 2 Test of Cronbach’s Alpha, Correlation analysis

<table>
<thead>
<tr>
<th>Variable</th>
<th>α</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Recruitment &amp; Selection</td>
<td>.844</td>
<td></td>
<td>.828**</td>
<td>.825**</td>
<td>.640**</td>
<td>.580**</td>
</tr>
<tr>
<td>2. Compensation &amp; Rewards</td>
<td>.892</td>
<td>.828**</td>
<td></td>
<td>.907**</td>
<td>.597**</td>
<td>.661**</td>
</tr>
<tr>
<td>3. Training &amp; Development</td>
<td>.882</td>
<td>.825**</td>
<td>.907**</td>
<td></td>
<td>.620**</td>
<td>.689**</td>
</tr>
<tr>
<td>4. Employee Involvement</td>
<td>.799</td>
<td>.640**</td>
<td>.597**</td>
<td>.620**</td>
<td></td>
<td>.843**</td>
</tr>
<tr>
<td>5. Project Success</td>
<td>.857</td>
<td>.580**</td>
<td>.661**</td>
<td>.680**</td>
<td>.843**</td>
<td></td>
</tr>
</tbody>
</table>

** Significant Correlation at the 0.01 level (1-tailed).

Table 3 Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>.884</td>
<td>.781</td>
<td>.777</td>
<td>.38293</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Employee Involvement, Compensation & Reward, Recruitment & Selection, Training & Development

<table>
<thead>
<tr>
<th>ANOVA</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>Regression</td>
<td>4</td>
<td>24.894</td>
<td>169.766</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>27.861</td>
<td>190</td>
<td>.147</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>127.439</td>
<td>194</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Project Success
b. Predictors: (Constant), Employee Involvement, Compensation & Reward, Recruitment & Selection, Training & Development

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td>.395</td>
<td>.142</td>
<td>2.774</td>
<td>.006</td>
</tr>
<tr>
<td>Recruitment and Selection</td>
<td>-2.266</td>
<td>.057</td>
<td>-.360</td>
<td>-4.621</td>
<td>.000</td>
</tr>
<tr>
<td>Compensation and Rewards</td>
<td>.173</td>
<td>.076</td>
<td>.195</td>
<td>2.285</td>
<td>.023</td>
</tr>
<tr>
<td>Training and Development</td>
<td>.293</td>
<td>.080</td>
<td>.313</td>
<td>3.647</td>
<td>.000</td>
</tr>
<tr>
<td>Employee Involvement</td>
<td>.689</td>
<td>.043</td>
<td>.729</td>
<td>16.125</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Project Success

In this study survey table 1 shows Gender wise frequency distribution that out of 195 participants there are 155 male members, these male participants have valued the survey with 80 percent to overall survey response. Faculty members of educational institutes have been involved for responding the filled questionnaires. Out of 195 responding staff member’s majority of respondents are lecturers with the response frequency of 66, that is 34 percent of overall survey response. Further, As above table is showing the response of education that the majority of responding individuals have educational level of post graduate, these individuals are 103 in frequency that have represented the 53 percent proportion to overall survey response collection. The next best category of responding individuals are the individuals holding the educational status of MS/PhD level qualification, these individuals are 55 in frequency and representing the percentage 28 to overall survey response. Gender wise frequency distribution that out of 195 participants there are 155 male members, these male participants have valued the survey with 80 percent to overall survey response.

Table 2 shows the Cronbach’s Alpha values of all the variables are satisfactory because each variable has value more than .700 and scales has been accepted as reliable for proceedings. Correlation value of recruitment and selection with project success has been noted as .580. Similarly compensation & rewards has correlation value with project success of .661. Whereas Training and development has been found the correlation value with project success as .689. The last independent variable employee involvement has been found with 84 percent correlations value with dependent variable of project success. It has been shown in this study test that all the variables keep the significant correlation values and each variable is well correlated with other.

Table 3 of multiple regression analysis shows model summary that there is value of $R^2=.781$ and Std. Error of estimate is .3829; R-square value for above model significantly indicating that there is 78% of variance among independent variables and dependent variable, displaying that independent variables initiating change in dependent variable with portion of 78 percent. Here is significant effect have been observed in the positive way between independent variables (Recruitment and Selection, Compensation and Reward, Training & Development and Employee Involvement) over the dependent variable (Project Success) of the model. As table 3 of coefficients for
multiple regression analysis shows that there are all the p values for this model has been noted as significant. The value for change in beta has been assessed as negative, along with the t value negative result showing the opposite behavior of the variable (recruitment & selection) in this model. Rest of variables in this model has been assessed as having beta changes in the positive values and all t statistics values are positively higher than 2, depicting the satisfactory association and impacts of compensation reward, T&D and employee involvement in the positive way for organizational performances. The overall effect of change variance valued 78 percent has significantly accepted for pleasant impact of independent variables on dependent variable.

**DISCUSSION OF RESULTS**

This study has presented the lower results of recruitment and selection in the positive way. The previous study also presented that the practices of recruitment and selection are not the only ways for enhancing the performance level of organization and its employees [4]. Next, study has presented the result of significant impact of compensation and rewards on the performance of educational institutional projects. Same like results of compensation has been justified by (Ayesha, 2015) that the level of motivation and incentive programs keep the significant effect over employees performance against any task assigned to them so current study justifies these results. Then findings also show the significant impact of training and development activities for better project performances in any educational institutes. Previous research on training and development effectiveness has presented the results that these activities positively keep the greater impact on the performance of the organizational projects. A study has resulted that involving the employees in decision making provide them with the wellbeing opportunities inside the organizational projects[42]. It has been assessed that by involving the employees in decision making process provide them the senses of motivation towards the daily job that increases the project performances [13]. So this study also has justified the findings related to the importance of involving employee and keeping them motivated which ultimately proved as fruitful for the growth oriented progress of the organizations.

**Conclusion**

This study was aimed to assess the impact of four major HR practices on the performance of educational institutional projects in Gilgit Baltistan. In this regard, response of staff members in educational institution related to the projects has been collected through an adopted questionnaire survey. After recording the collected response in SPSS and processing the study related test, it has been found that three main HR practices are keeping the significant positive impact on the performance of projects of educational institutes in Gilgit Baltistan, these effective practices are compensation and rewards, training and development and employee involvement which have been assessed that they have effectively been practices whereas, the one main HR practice of employee recruitment and selection has been seen as significant in negative way, this has shown that the recruitment practices in educational institutional projects are notinlined with the HR fundamental practices. This requires serious attention for streamlining the recruitment and selection process for enhancing the functions of HRM for efficient performance in the institutes.

**Recommendations**

Higher management of the educational institutes in Gilgit Baltistan should empower the HR departments to launch the effective process implementation for recruiting and selecting the capable staff members. Further, HR department requires to actively moving forward for staff refresher courses and efficient system of intrinsic, non-intrinsic rewards system with appropriate recognition practices so that public based institutes may represent the satisfied and motivated staff as compared to private institutions in Gilgit Baltistan.

**Research implications and future directions**

- This study results will prove as helping hand for senior management of educational institutes, heads of the departments and especially HR executives to consult the perception level of employees in educational management.  
- This study will also invite the concerns to consult and make effort for the local governments to establish a systematic approach for public based organizational projects for accommodating personals.  
- This study will also assist the young researchers to come up with new dimensions for assessing the HR practices in different projects.  
- This research will provide a knowledge bank in the field of education and specialized HR related and management related practices in any organization.  

Future research has been directed for assessing each HR fundamental practices to detain in different departments.
REFERENCES


