

Human Resource Management excellence and its effect on business results in Large industrial organizations in Jordan

تميز إدارة الموارد البشرية وأثرها على نتائج العمل في المنظمات الصناعية الكبيرة في الأردن

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المستخلص :

هدفت هذه الدراسة إلى تطوير واختبار نموذج " لقياس تميز إدارة الموارد البشرية وأثرها على نتائج العمل " ، مبني على ذات الأسس المرجعيات العالمية التي لخصت أفضل الممارسات، بحيث يكون أداة مثالية للمنظمات الأردنية الصناعية الكبيرة، ويغطي كافة جوانب الأعمال، يتم استخدامه كخريطة إرشادية للتحسين المستمر.. إن النموذج النظري المقترح مبني على فرضية أن هناك مجموعة من العناصر الرئيسية التي من الضروري توافرها في إدارة الموارد البشرية المتميزة ، والتي بالتالي تؤثر في نتائج العمل (Business Results). تكون النموذج من بعدين :- البعد الأول:-إدارة الموارد البشرية المتميزة " (أي الطرق التي تتبعها قيادة المنشأة في تفعيل وتنفيذ الأنشطة المختلفة) ، ويشمل مجموعة من العناصر الرئيسية التي من الضروري توافرها في المتميزة ، وتم تقسيمها إلى ستة معايير :- تخطيط الأفراد ، التزويد، التدريب والتنمية ، تقييم الأداء والمكافآت ، التمكين والمشاركة ، ورضا وسلامة الأفراد . -البعد الثاني:-النتائج، وشمل كلا من نتائج العملاء، نتائج العاملين، نتائج المجتمع، نتائج الأعمال الرئيسية، و نتائج العمليات. ولقد توصلت الدراسة إلى عدة نتائج:- أولاً:- أن درجة "تميز إدارة الموارد البشرية " لدى المنظمات الأردنية الصناعية الكبيرة أعلى من المعدل، مما يعني توافر مناهج وطرق تنظيمية لجميع معايير التميز المبحوثة، ودرجة تطبيق متوسطة لجميع الطرق والمناهج المتعلقة بمعايير التميز المبحوثة. ثانياً :- أن جميع أبعاد تميز إدارة الموارد البشرية تؤثر في نتائج العمل (Business Results). ثالثاً:- أن النموذج النظري هو نموذج ذو مصداقية للتنبؤ بالنتائج من خلال مجموعة من العناصر الرئيسية التي من الضروري توافرها في إدارة الموارد البشرية المتميزة. وفي نهاية البحث، خرجت الدراسة بمجموعة من التوصيات الخاصة بكل من المنظمات الصناعية في الأردن، والأبحاث المستقبلية.

Abstract:

This study aimed at developing and testing a model for measuring Human Resource management excellence and its effect on business results. It contains the following six human Resource management excellence criteria (key areas that firms must perform well if firms' Human Resource management is to excel): - human resources planning, Staffing, training & development, performance appraisal & rewards, Empowerment &

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involvement, and finally the personnel satisfaction and wellbeing issue. The main theory of this model is established on the premise that business results with respect to financial and non financial results are achieved through a set of Human Resource management excellence criteria. Based on these constructs, measurement scale was created and applied in the large Jordanian industrial firms. Measurement results indicated that large industrial Jordanian firms have well defined systematic approaches for all examined criteria, with means of all variables obtained above average, and moderate deployment in all of the examined key areas, with outcome achievements ranges from 50%-80% of the firm's target. The prior theory of this causal model is confirmed. All of the hypothesized causal relationships in the model are statistically significant. All human resource management criteria have a strong influence on business results.

Key words: - Excellence, Human resource management excellence, human resource management excellence criteria, Driver, Approach, Deployment, Results, Measurement tool.

1. Introduction

Human resource management definitely is considered by different researchers as one of the most crucial factors in the achievement of business excellence. It was found that `world-class' firms and less successful firms

were clearly different in terms of human resource management practices, A review of literature identified many of researchers who have attempted to define the concept.

Porter and Tanner, (2004), viewed firm's human resource management as one of the core themes of business excellence, considering an organization's success is highly dependent upon the knowledge, skills, creativity and motivation of its people. This people potential is best harnessed through shared values supported by a culture of trust and empowerment

Also, the definition of various business excellence awards (Deming Quality Awards, European Quality Awards, Malcolm Baldrige National Quality Awards (MBNQA) were built upon the similar previous view , where firms excel in human resource management were seen as those focus on its people, releasing the full potential of people through trust and empowerment, encouraging and enabling people to contribute to the organization's goals whilst releasing their full potential, developing potential through effective people management involvement, training and communication, and care recognition.

Watson, (2003)., adopted the view that Human resources are the efforts, knowledge, capabilities, and committed behaviors which people contribute to a work, as part of an employment exchange. These behaviors are managerially utilized to carry out work tasks and enable a firm to continue its existence However, the possession of human resources does not guarantee success. Success is essentially concerned with how these resources are deployed, managed, and controlled, and is motivated to create competencies in these business processes needed to run the business.

Lastly, for the purpose of this research, an amended and more applicable definition, which builds upon the integration of different principles identified in previous excellence human resource management definitions.

Therefore, for the purpose of the research work, Human resource management excellence is seen as those firms the manage, develop,, and release the full potential of people at individual, team-based and organizational levels. They promote fairness and equality, and involve and empower their people, through building an efficient and effective human resources plan. Excellent firms work on designing and managing successful staffing processes, strengthen their skills, knowledge and capabilities, reward and recognize employees in a way that motivates staff and builds commitment to using their skills and knowledge for the benefit of the organization, and maintain safety in the working environment.

The problem of the study

In recent years Jordanian firms have been facing both various opportunities and challenges. Despite the adoption of different initiatives, studies show that Jordanian firms are still facing difficulties in measuring the extent of firm's human resource management excellence, and identifying the key areas that firms must perform well if firms' human resource management is to excel.

On the other hand, the early 1990s had witnessed the emergence of various models for measuring human resource management excellence. These models were seen by the international firms as the best-practice models for performing self- assessment, benchmarking and, ultimately, delivering the improved performance

In Jordan, we lack such a model, which could be used by large industrial Jordanian firms as a self - measurement tool in their journey to excellence. In the light of this problem, this research project was launched for the purpose of measuring human resource management excellence, which was built upon the same core concepts, and principles of most popular international business excellence approaches, incorporating certain human resource management criteria (key areas that firms must perform well if firms' Human resource management is to excel).

This study incorporates following questions:-

1. What are the criteria of human resource management excellence?
2. How business excellence can be measured?
3. What is the degree of "business excellence," according to the selected criteria in large industrial Jordanian firms?
4. What are the approaches being used, and the extent to which the approaches are deployed for selected human resource management criteria in large industrial Jordanian firms?
4. What are the trends and current performance of key balanced business results of large industrial Jordanian firms?
5. Do human resource management excellence criteria affect business results in large industrial Jordanian firms?

Study Objectives

First:- To develop and test a model for measuring human resource management excellence that includes multi-dimensional excellence criteria embodied in different international business excellence theories and models.

Second: To analyze the effect of human resource management excellence criteria on

business results.

Third: To develop an analytical model, which could be used as a self measurement tool by large Jordanian industrial firms, which enables them to continuously measure and monitor where they are on the path to excellence, identifying their gaps, and stimulating-solution

Hypotheses

First hypothesis (H01): There is no statistically significant influence of human resource management excellence criteria on business results

Second hypothesis (H02): There is no statistically significant effect of different human resource management excellence criteria on business results as follows:

H02a: There is no statistically significant effect of human resource planning on business results

H02b: There is no statistically significant effect of staffing on business results

H02c: There is no statistically significant effect of performance and rewards management on business results

H02d: There is no statistically significant effect of personnel training and development on business results

H02e: There is no statistically significant effect of personnel empowerment and involvement on business results.

H02f: There is no statistically significant effect of personnel safety on business results

Third hypothesis (H03): There is no statistically significant effect of human resource management excellence criteria on different business results as follows:

H02a: There is no statistically significant effect of human resource planning on financial results

H02b: There is no statistically significant effect of human resource management on customer results.

H02c: There is no statistically significant effect of human resource management on process results

H02d: There is no statistically significant effect of human resource management on society results

2. Conceptual Framework

As shown in figure 1, the proposed human resource management excellence model is established on the premise that business results with respect to financial and non financial results are achieved through a set of human resource management excellence criteria (key areas that firms must perform well if firms' human resource management is to excel)

The proposed research's model includes two interrelated dimensions:-

First Dimension: Human resource excellence criteria. As shown in the first block of figure 1, human resource management excellence criteria include the following 5 key areas:-

A. Develop human resources plan

Human resources planning are the first step in any effective human resources management. It involves forecasting the personnel needs of the firm (requirements) and internal personnel supply (availabilities). Then the firm needs to compare these projections to determine employment gaps and develop action plans for addressing these gaps. Action

plans include necessary steps (staffing planning) to meet these needs.

Firms which engage in planning activities should be proactive in human resources planning, carefully anticipating needs and systematically planning to fill them far in advance. Choose a broad focus by planning in all human resources areas, including recruitment, selection, career development, and succession planning within equal opportunities framework, employee participation, recognition and reward, management-labor relations and employee satisfaction. Also a firm should have a formalized plan, ensuring a full integration with the firm's strategic plan. A human resources plan should also involve flexibility (the ability of the plan to anticipate and deal with contingencies).

In order to perform previously mentioned human resources planning effectively, computerized-based human resources information system is needed. This computerized-based human resource information system (HRIS) should be part of the larger management information system (MIS). It should be made up of numerous elements that help gather, collect, and analyze the data necessary for the human resource department to do its job properly. These elements include employee information, company policies and procedures, and other personnel-related information.

This computerized based system should provide high quality information (accurate, relevant, comprehensive, readable, and consistent) necessary to make a good

decision, and be tailored to support meeting the firm business goals, through linking it directly to the firm's key business strategies. Of course, having all the data about the workforce online and at the fingertips of management allows firms to better forecast its human resource needs, and thus better plan for the future.

B. Staffing and orienting new personnel

Staffing (a mutual process by which the individual and the firm become matched to form the employment relationship) is a critical firm function concerned with the acquisition and deployment of the firm's workforce. After reviewing extensive literature on the subject of personnel selection, it seems that there are two perspectives on selection approaches. The first is the traditional view of selection, which focuses on defining an ideal candidate profile, based on a systematic analysis of the job demands. Then potential employees are "measured" in order to choose the candidate who most closely fits this ideal profile. Thus selection involves a number of logical steps, which results in a rational decision, where the best candidate is offered the job.

The other perspective focuses on the processual approach to selection, where the recruitment and selection are seen as a process of exchange and negotiation. The outcome of this process, if successful, is that a viable psychological contract is negotiated which encapsulates congruence between the expectations of both parties.

Both the systematic and the processual emphasize "fit" between the person and the job environment. However, in the former case, "fit" is assumed between personal characteristics and competencies of the individual and the technical demands of the particular job (person-job fit). In the later, "fit" relates to the matching of expectations and needs of the individual with the values, climate and goals of the firm (person-firm fit). It should be noted that the traditional view continues to dominate practice.

Therefore, the firm should have an appropriate staffing system for selecting candidates

(traditional or processual) aligned with its objectives and strategies.

In addition, staffing should involve different managers, to ensure providing the needed technical inputs from candidates.

Finally, the very first step in welcoming new employees in the firm is the orientation program. Firms should develop formal orientation programs including welcoming, and familiarizing new employees with the rules, policies and procedures of the firm. Usually orientation program include a welcoming meeting with the boss and fellow employees, completing papers, reviewing the employee handbook, introducing job duties and performance initial training, and finally, after a period of time, a follow up session will be conducted.

C. Train and develop personnel

Building personnel skills, knowledge and attitudes is becoming an increasingly important part of the work of any firm. The goal of training (providing an employee with skills that can be used immediately on the job) and development (providing an employee with knowledge that may be used today or at some time in the future) programs of all firms should be to maintain or improve the performance of individuals, and, in so doing, that of the firm.

This requires a clear process for establishing the requirements and evaluating the skills and capabilities of the people. Also, training programs should be based on firm's tasks, and employee needs assessment as seen in figure(1). Furthermore, any meaningful training and development system must be closely integrated with other human resource strategies in performance appraisal, promotion or pay advances. Training and development are shared responsibilities between top management, human resources, immediate supervisor and employee himself.

D. Personnel performance and rewards

An important aspect of the human resources management is the systems and approaches the firm uses to manage its personnel performance and rewards. The assessment and reward systems should help the firm retain good employees, motivate staff, administer pay within legal regulations, facilitate firm's strategic objectives, and support individual learning and development.

A successful performance management (systematic approach to improving individual and team performance in order to achieve organizational goals) system should be formal (occurs at specified time periods once or twice a year, and asked by firm to evaluate employee performance), built around clear objectives, and have the support of both management and employees. It should also be flexible enough to adapt to firm's changes, and foster open discussions and dialogue between supervisors and employees. A successful firm considers both inputs (behavior) and outputs (results), because performance is about how things are done, as well as what is done. It should also place an emphasis on both development and evaluation.

Also, firms should assure performance feedback to employees. Research has shown that many employees believe performance feedback should be given more frequently than once or twice a year, where more than 80 percent ranked feedback about their performance as

one of their top five priorities (Kacmer and more, 1999, p.371). Also it is important to link between the performance appraisal system and the firm's long-term strategic plans. The validity of the performance management system should be evaluated at regular basis.

On the other hand, the incentive and reward structures within a firm are very complex to understand and address. Effective rewards system should include both intrinsic rewards (those that result from the job itself), and extrinsic rewards (those that are provided externally, by others in the firm) to increase employee motivation. Also, the reward structure should assure internal and external equity or perceived fairness both in the design and implementation of the compensation system and increase employee acceptance of the system and lower pay dissatisfaction.

Managers should identify what employee's value and then try to match rewards with employees. Also, incentive systems should encourage competition among workers. Therefore, firms should link pay to performance requirements because of their ability to tie pay to individual employee or group performance. Also, firms should have a wide variety of rewards and recognition schemes, linked to the corporate objectives and values. objectives of performance appraisal to employees

Evaluating the validity of the performance and reward management processes at regular intervals

E. Empower and Involve Personnel

Another important aspect of the human resource management function is the empowerment and involvement of personnel Empowerment is a new technique for unleashing human potential in firms, and attempts to move the firm from the traditional "I just work her, I don't make the rules," type of culture to one of shared visions and goals. Empowerment gives employees the authority to make decisions, and have more direct control over their work. Although empowerment means giving employees the power to make decisions about their work, it also means personnel are accountable for results. The desired effect is to have individuals' purpose and vision congruent with that of the firm, and develop a feeling of psychological ownership which leads to concern, interest, commitment and responsibility.

Empowerment and involvement, start with sharing information with every one (about the company business), builds trust, creates autonomy through boundaries, and replaces the old hierarchy with self-directed teams. Also the firms need to have a wide variety of mechanisms to encourage employee participation at all levels and promote self directed team work. The firm may make use of devices such as in-house conferences, ceremonies, and team working. Also, firms need to understand how personnel are empowered to take actions, and how the effectiveness of the approach is reviewed.

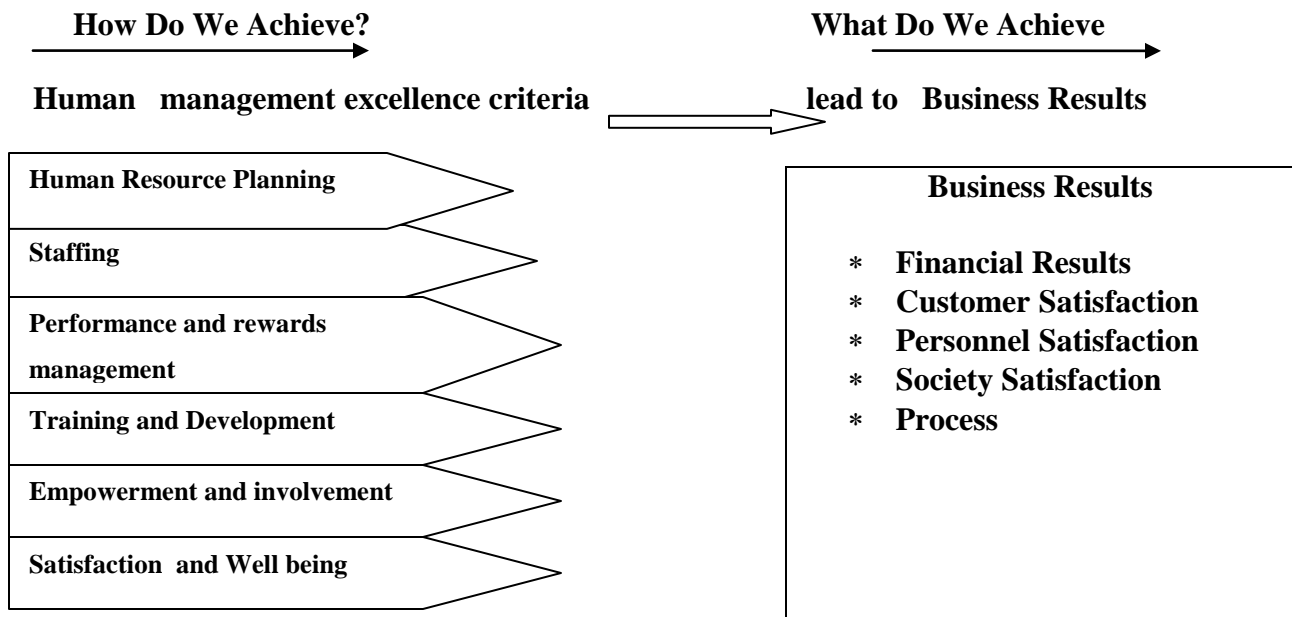
F. Satisfaction and wellbeing of personnel

Keeping a supportive and content work force is becoming more important in this era of global competition. Creating the work and support structures to retain loyal and satisfied employees is difficult, but important for a firm. This aspect of the human resources function deals with all the programs and systems in place to ensure employees are protected and dealt with in accordance with appropriate legislation. It includes all the activities the firm implements to address issues of health and safety.

Second Dimension: Business Results

Business results are the outcomes from overall organizational achievements. In this study, as shown in the second block of Figure 1, will focus on selecting balanced business results covering the performance of the firm, and representing five key business areas. These key areas are: customer-focused results, financial results, personnel results, process results, and social responsibility results

Figure (1)
Conceptual Human Resource Management Excellence model



Operational Definitions Excellence: - doing something well, and with high degree of proficiency, superiority, and first class (Webster dictionary, 2002)

Human resource management criteria: A series of key areas reflecting the approaches and deployment that excellent firms will have in place. It includes the following aspects: planning, staffing, performance and rewards management, training and development, empowerment and involvement, satisfaction and wellbeing.

It was measured by 31 items (section one of the questionnaires).

Business Results:

These are the outcomes from the overall firm's achievements. This concerns what the firm has achieved and is achieving through its human resource management criteria. It reflects the actual financial results, and the actual level of satisfaction of both external and internal customers. It was measured by 15 business area items (section 2 of the questionnaire)

Human Resource management excellence: - defined as those firms that manage, develop, and release the full potential of people at individual, team-

based and organizational levels. They promote fairness and equality, and involve and empower their people, through building an efficient and effective human resources plan. Excellent firms work on designing and managing successful staffing processes, strengthen their skills, knowledge and capabilities, reward and recognize employees in a way that motivates staff and builds commitment to using their skills and knowledge for the benefit of the organization, and maintain safety in the working environment.

Human Resource management Excellence measurement model: A mean of assessing human resource management excellence, linking together the human resource management excellence key areas, and business results to provide forces of excellence in a firm.

Human resource management excellence measurement Process

The excellence measurement will be on the basis of the approaches (methods, and processes used to address the sub-criterion), the deployment of approaches that excellent firms will have in place, and results achieved. Excellence assessment scale includes 7 levels, ranges from 1 to 7, where each level indicates the approaches, and the degree of the deployment of area of examination, and results achieved (from lowest-highest) as follow:-

Approach Scale: None, reactive, defined, partially systematic, systematic integrated, innovative

Deployment Scale: None, Very weak, Weak, Some keys (50%), Most keys (70%), Most keys (90%), All keys (100%).

Results Scale: None, very weak, weak, positive met less than 50%, Positive met 50% target, positive met 70% of target, positive met 100% of target)

3. Literature review

Farrar (2004), argued that the secret to success for excellent firms that, they have a keen understanding of their purpose, both now and in the future, connect their purpose and mission to all key stakeholders, and share common visions. Also, excellent firms have innovative strategies for income generation. Taking well-calculated risks and responsive to constituents needs. Where pointed the following four factors as keys to success: stakeholders, process, resources, and organization.

Al-Fayyad(2005), detected the impact of empowerment on organizational competitiveness of Jordanian Medical manufacturing companies. Four factors of both empowerment (organizational culture, organizational learning, team building, and flexible technology regarding production, and communication), and competitiveness (product quality, prices, urgent fulfilling for customers orders, quality services, and customer interaction) had been studied.

Results showed that the most determinant factors were teams, and communication technology. While the other two empowerment factors, organizational culture, and organizational learning, did not have a statistically significant effect on organizational competitiveness.

The study found a significant relationship between the size of the firm and empowerment activities, where the small size firms empower their employees less than the middle, and

larger size organizations. The researcher recommended focuses on team building, improving the quality of products, cost efficiency, and including the employees' empowerment in organizations' human resources management. Indeed, the above mentioned research shows the importance of giving more attention to employees' empowerment as one of the factors effecting organization competitiveness. And also the importance of including employees' empowerment approaches in human resources management.

Muasher & Haieti (2002) identified the relationship between TQM elements, the human resources dimension, and its impact on performance. One hundred and two subordinates responded on a questionnaire developed for this purpose. Eight variables of TQM principles (Customer, product design, statistical control, feedback, job environment, employees, and supplier relationship), and Five variables of Human resources management (staffing, training, appraisal, rewarding systems, and quality) had been studied. Results indicated that statistically; there was a significant relationship between TQM and performance, and between the human resources dimension and organization performance. In fact, the research results are consistent with the recent theories on human resources as one of the TQM pillars.

Tarawneh (1999) determined the factors affecting labor productivity in the Jordanian industrial companies. The analysis conducted on the data was collected from the sample, composed of 28 companies. Results showed that, the most determinant factors were training and aspects related to the employees such as skill, individual abilities, and satisfaction. Where other factors, such as technology, information, control, research and development, incentives, equipment, work structure and organization, and the organization policy did not have statistically significant relationships with labor productivity. This result shows the importance of giving more attention to the labor productivity as one of the primary components to the total productivity, and to the firms' performance.

Dahlgaard (1999), in his research, The cornerstones of business excellence, indicated '4 Ps' that a company must focuses on in order to achieve excellence. The 4 Ps are People; Partnerships; Processes of work; and Products. This means that excellent employees together with excellent partners through excellent processes create excellent products. Therefore, the main driver of excellence is thus the employees of the firm.

Other researchers, such as: Prabhu and Robson (2000), have focused their research on identifying the leadership practices, and comparing these practices between the world-class, and the less successful firms. Results showed that the world-class firms differed in the development of the service culture, in the customer orientation, in the establishment of human resources strategies, in innovation, and in the existence of a quality mindset.

Hornner (1997)₂ highlighted the importance of certain team leadership behaviors, such as developing shared knowledge among team members, providing information, promoting an open communication, and providing goals. He also emphasized the value of acting as a mentor and allocating resources efficiently so an effective team leader ensures teams' unit functions, and works with a common goal.

4. Population and sample of the study:

Large industrial firms working in Jordan, and registered in the Ministry of industry and Trade represent the population of this study. The “capital” was used as the criteria against which firms were judged as being large or small. After lots of thinking, as well as general investigation of the firms active in the different economic sectors, specifically in the industrial sector, the researcher decided that a capital size of JD 1,000,000 is the acceptable threshold (dividing line) in Jordan. A computer list of all Jordanian industrial companies with registered capital exceeding the JD 1,000,000 threshold was obtained from both the Ministry of Industry and Trade and the Chambers of Industry. The final list containing 172 firms showing the distribution of the research population was produced. A stratified – random sample of 119 firms representing (69%) of the whole population constitutes the sample of the empirical study. The unit of the analysis in this study is the firm.

5. Methodology

This study utilized both primary and secondary methods of data collection. A questionnaire (measurement tool) consists of a seven point scale, which reflected the approaches (none innovative), and the deployment (none- all key) of the approaches of key human resource management areas (criteria) in large industrial Jordanian firms, as well as the business results (none- met target) achieved. The survey questionnaire was distributed to 119 firms, which 108 questionnaires were approved.

To check reliability of the questionnaire, a pilot test was conducted by distributing questionnaires to 35 large Jordanian industrial firms. Of these, 30 firms returned the surveys, giving a response rate of 85, the pilot study Cronbach Alphas ranged from 0.84 to 0.92, thus establishing the reliability of the survey questionnaire.

As for the validity, the requirements for validity are met. The content validity is met since research instrument was constructed after completing a comprehensive and exhaustive literature review covering different articles, papers, reports, and books. A review of similar research instruments was also conducted. The research instrument was also subject to evaluation by some academicians and practitioners before it was actually administered.

6. Results and Discussion.

a. Central Tendency and Variation

Considering the human resources management excellence criteria, the assessment included following six sub-criteria:-human resources planning, Staffing, training & development, performance appraisal & rewards, Empowerment & involvement, and finally the satisfaction and wellbeing issue. Human resources criterion was measured by 31 items. While the business excellence assessment focused on reflecting the existing approaches (None-Innovative), and the degree of the deployment (none-all key) of approaches of criterion in large Jordanian industrial firms.

Most of the means generated took the values between 5 and 6. Where the item “develop training plans” has the highest mean which is (6.23), and the item “Develop mechanisms to encourage self-directed teamwork” has the lowest value which is (5.53).

The above mentioned result indicates that, the examined human resources management criterion approaches and deployment are above the average. Where a clear existence of

systematic approaches, and moderate (50-70%) deployment of the examined human resources management key areas.

Moreover, high mean of training plans" area indicates that attention is being given to human resources training and development issues, by applying tools and methods which foster continues development. While, the slightly lower mean of teams suggest that further efforts need to be made in team building issue. Overall, the performance of sampled firms is relatively good, since all their key areas are above average. With the existence of systematic approaches, as well as moderate deployment (70%) of the examined key areas of human resource management A possible reason that, human resource management considered by different researchers as one of the most crucial factors in the achievement of business excellence. And an important tool to survive, and compete in the national, regional, and international market.

On the other hand, the moderate deployment of the examined human resource management key areas (50-70%) indicates that there are difficulties facing these firms in the deployment area. Possible reasons of moderate deployment such as: - financial cost, the time required for such implementation, and the need for commitment of top-level management and staff. .

As for business results, are concerned with what the firm has achieved and its achieving through its human resource management criteria. It included following five measures: customer results, financial and market results, people results, process results, and society results. It was measured by 16 perception and performance outcome measures. The assessment focused on reflecting the actual financial results, the actual level of satisfaction of both external and internal customers, and other stakeholders existing results from lowest to highest at large Jordanian industrial firms. Results indicated that all of the means of sampled firms generated took values above the mean. Where the item "customer satisfaction result" has the highest mean which is (6.26), and the item "Involvement in the community and environment results", has the lowest value which is (5.83). This above mentioned result indicates that, business results outcome are above the average, with achievements ranges from 50%-80% of the firm's target.

Therefore, , it can be concluded that, large industrial Jordanian firms have well defined systematic approaches for all examined criteria, with means above the average While, the moderate deployment (less than 50 % -70%), in all of the examined key areas, indicates that there are difficulties facing these firms in the deployment area. Also firms have moderate outcome, with outcome achieved ranges from 50%-80% of the firm's target Moreover, high mean of customer satisfaction results, indicates that attention is being given to the customer issue. While the lower mean related to the community and society area requires further efforts to be made in the firm's societal responsibility area.

Hypothesis Testing

Hypotheses were tested using simple and multiple linear regressions. Hypotheses were divided into the following three groups:-

First Hypothesis: There is no statistically significant influence of human resource management excellence criteria on business results
results show calculated F-value was (238.5445) with significance level of (0.000).

Table (1)
Human Resources Assessment Results

Human resources criterion	Mean	S.D	VAR.
Human resources Planning			
1.1 Develop human resource plans aligned to firm objectives	5.89	.740	.548
1.2 Study and analyze firm's demand of personnel, experiences, and capabilities	5.87	.750	.562
1.3 Study and analyze firm's existing personnel, experiences, and capabilities	5.82	.818	.670
1.4 Procedures taken to fill gap between needed and existing personnel	5.85	.905	.819
1.5 Review human resource plan regularly	5.93	.782	.611
1.6 Develop a computerized - based human resource information system	5.76	.852	.727
Staffing			
2.1 Develop adequate and competent staffing system aligned to the firm's objectives	5.89	.998	.997
2.2 Involve managers in providing the needed technical inputs from candidates	5.94	.940	.884
2.3 Develop a formal orientation program to the new staff members	5.92	.987	.974
Personnel are trained and developed			
3.1 Develop a personnel development plan	5.72	1.159	1.343
3.2 Develop a training plan	6.23	0.793	0.628
3.3 link training and development plans to business strategy	5.67	1.246	1.551
3.4 Develop training plans based on needs assessment	5.56	1.376	1.894
3.5 Develop a budget for training and development programs	5.76	.852	.727
Personnel performance and Rewards are managed			
34.1 Develop formal performance appraisal system	6.03	.633	.401
4.2 Develop performance appraisal system includes both individual and team performance	6.10	.723	.522
4.3 Develop performance appraisal processes foster open discussions and dialogue between supervisors and employees	5.97	.755	.569
4.4 Develop performance appraisal processes consider inputs (behavior), and output(results) of employees	5.93	.782	.611
4.5 Develop performance appraisal processes including feedback to employees	5.76	.852	.727
4.6 Develop performance appraisal processes integrated with personnel development and training area	5.93	.914	.836
4.7 Introduce variety of rewards and incentive schemes to support corporate objectives	5.91	.881	.776
4.8 Communicate purpose, and objectives of performance appraisal to employees	5.96	.784	.615
4.9 Evaluate the validity of the performance and reward management processes at regular intervals	5.98	0.547	0.299
Personnel are empowered and involved			
5.1 Develop programs to empower employees	5.82	.818	.670
5.2 Develop strategies to encourage employee involvement and commitment in improvement and innovation	5.76	.852	.727
5.3 Develop mechanisms to involve individual employees in improvement and innovation	5.87	.750	.562
5.4 Develop mechanisms to encourage self directed teamwork	5.53	1.370	1.878
Personnel are Satisfied and cared for			
6.1 Develop employee's safety and wellbeing policy	5.72	.946	.894
6.2 Communicate employee safety and wellbeing policy to all employees	5.56	1.248	1.557
6.3 Prepare periodic reports for top level managers about work accidents	5.66	.909	.825
6.4 Assess the effectiveness of safety and well being programs periodically	5.57	1.007	1.013

Table (2)
Business Results Criterion Assessment Results

Results	Mean	S.D	VAR
1. Customer results			
1.1 Customer satisfaction criteria	6.26	.689	.474
1.2 Customer relationship criteria	6.33	.611	.374
1.3 Customer requirements criteria	6.37	.540	.291
1.4 Comparisons of results with competitors or benchmarks within the industry and across industries	6.25	.657	.432
2. Financial results			
2.1 ROI	6.06	.438	.192
2.2 Economic value added	6.11	.370	.137
2.3 Comparisons of results with competitors or benchmarks within the industry and across industries	6.08	.566	.320
3 Human resources results			
3.1 Employee empowerment and involvement criteria	5.88	.707	.499
3.2 Employee training and development criteria	5.69	.952	.906
3.3 Employee satisfaction criteria	5.93	.591	.350
3.4 Comparisons of results with competitors or benchmarks within the industry and across industries	5.90	.579	.335
4 Process results			
4.1 Process planning criteria	5.88	.666	.443
4.2 Supplier and partner relationship criteria	5.93	.693	.480
4.3 Comparisons of results with competitors or benchmarks within the industry and across industries	5.92	.657	.432
5 Society Results			
5.1 Involvement in community and environment activities	5.83	.859	.738
5.2 Comparisons of results with competitors or benchmarks within the industry and across industries	5.87	.786	.619

which is less than (0.05). Therefore, the null hypothesis is rejected. The alternative hypothesis is accepted, proving that there is a statistically significant effect of human resource management excellence criteria on business results . This means that the fitted regression model is appropriate for the set of data being studied.

Second hypothesis (H02): There is no statistically significant effect of different human resource management excellence criteria on business results as follows:

As regards, influence of each human resource management excellence criteria on business results. Results indicated that there is statistically significant effect of each component of human resource management criteria on business results block as follow:-

1. There is statistically significant effect of personnel planning on business results with F-value was (293.285) and a statistical significance of (0.001).
2. There is statistically significant effect of staffing on business results with F- value was (163.412) with a statistical significance of (0.001).
3. There is statistically significant effect of personnel training and development on business results with F- value was (132.733) and a statistical significance of (0.001).
4. There is statistically significant effect of personnel performance and rewards on business results with F- value was (95.710) and a statistical significance of (0.001)

5. There is statically significant effect of personnel empowerment and involvement on business results with F- value was (113.373) and a statistical significance of (0.001)

6. There is statically significant effect of personnel satisfaction and wellbeing on business results with F- value was (91.432) and a statistical significance of (0.001)

Third hypothesis (H03): There is no statistically significant effect of human resource management excellence criteria on different business.

As regards, influence of human resource management excellence criteria on each business results. Results indicated that there is statistically significant effect of human resource management criteria on each business results as follow:-

1. There is statistically significant effect of human resource planning on financial results with F- value was (20.747) with a statistical significance of (0.001).

2. There is no statistically significant effect of human resource management on personnel results with F- value was (75.889) with a statistical significance of (0.001).

3. There is no statistically significant effect of human resource management on customer results. with F- value was (81.316) with a statistical significance of (0.001).

4. There is statistically significant effect of human resource management on process results with F- value was (89.501) with a statistical significance of (0.001).

5. There is statistically significant effect of human resource management on society results with F- value was (119.168) with a statistical significance of (0.001).

It was clear from the previous statistical results that, there is a significant influence of each human resource management criterion on business results block. Thus, the causal relationships were justified. This result shows the positive effect of the development and deployment of: personnel planning, staffing, training and development, empowerment and involvement, and personnel satisfaction and wellbeing on business results block.

Moreo, results show a significant influence of human resource management criterion on each business results. Therefore, researcher believes that she has the reasons to believe that all examined criteria are definitely critical factors on the achievements of business results. Thus confirms the prior theory of model that human resource management criteria effect business results

7. Conclusion & Recommendation

1. The human resource management excellence model proved to be a valid and reliable measurement tool, which captures multi-dimensional nature of business criteria, that could be used as a diagnostic tool for assessing the current health of the human resource management in the firm.

2. The prior theory of this causal model that that business results with respect to financial and non financial results are achieved through a set of human resource management excellence criteria is confirmed. Results show that human resource management criteria have a strong influence on business results. This result is consistent with the recent theories, and international business excellence models.

3. human resource management excellence measurement results indicated that large industrial Jordanian firms have well defined systematic approaches for all examined criteria, with means of all variables obtained from the sample are above average, and moderate deployment (less than 50 % -70%), in all of the examined key areas. Moderate deployments indicated difficulties facing sampled firms in the deployment area. Also, measurement results indicated that large industrial Jordanian firms outcome achievements ranges from 50%-80% of the firm's target

Recommendation

1. The researcher believes firms could benefit from applying the model as a diagnostic tool for assessing the current health of the firm's human resource management and, benchmarking.
2. Researcher suggests that, moderate deployment percentage, and outcome achieved should be elevated by large Jordanian industrial firms that are serious about improving their performance, and competitive entry into international markets.
3. Firms should depend on balanced measures representing different stakeholder perspective both internally and externally.
4. Researched criteria areas are not the only criteria effecting human resource management excellence. Other research projects could study other key areas reflecting excellence of human resource management.

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Annex -1-

Human resource management Excellence Assessment Tool

Dear senior level manager,

Business excellence has gained a great importance in the industrialized world, and its impact on firm's competitiveness.

This research is intended to analyze thoroughly the key areas that affect firm's business excellence, and its impact on business results.

You are kindly requested to give your professional opinions of the issues in the attached questionnaire.

Thank you very much for your time and cooperation, your help in supporting this research endeavor is highly appreciated.

The Researcher
Rula Ali Al-Damen

Note:-

If interested in the results of this research, pls.

Contact the researcher at:

E-mail: damenrula @ yahoo.com

Section:-1 Demographic Characteristics

1. Please identify the post you currently occupy

- | | |
|---|--|
| 1. <input type="checkbox"/> Chief Executive Officer manager | 2. <input type="checkbox"/> Senior Human resources |
| 3. <input type="checkbox"/> General administrative Manager | 4. <input type="checkbox"/> Senior Financial Manager |
| 5. <input type="checkbox"/> Other post _____ | |

2. Educational level

- | | | |
|--------------------------------------|---|---|
| 1. <input type="checkbox"/> Bachelor | 2. <input type="checkbox"/> High Diploma. | 3. <input type="checkbox"/> Master degree |
| 4. <input type="checkbox"/> PhD | 5. <input type="checkbox"/> other _____ | |

3. **Work Experience (in general)**

1. Less 5 2. 6-10 3. 11-15 4. 15-20
5. Above 21

4. **Age**

1. Less then 30 2. 31-50 3. More 50

Questionnaire

Section 2: Firm Profile

A. **Name of the firm**

B. **Age of firm (years in business)**

1. Less than 9 years 2. From 10 to 19 y
3. From 20 to 29 years 4. From 30 to 39 years
4. From 40 to 49 years 5. Above 50

C. **Industrial Sector:**

1. Drugs & Cosmetics 2. Plastic & Rubber 3. Chemical Industries
4. Printing & Paper 5. Packaging 6. Construction
7. Agricultural business 8. Mining 9. Engineering
10. Textiles, & leather 11. Food Processing 12. Wood & Products
Metal Furniture

D. **Which one of the following excellent initiatives your firm is currently implementing :-**

1. ISO principles 2. Total Quality Management
3. Both of them 4. Others/ specify _____
5. None

E. **Performance measures used in the firm**

1. Financial measures 2. Financial and None financial measures
3. Non Financial measures

Section-3-

Instructions for following section

Please express your professional opinions regarding the sentences in each of the following seven sections. Put “level” you think it is the most suitable to your opinion.

Section 1-

The following sentences are related to certain areas in the firm like leadership, strategic management, resources, processes, and customer focus

Level	1	2	3	4	5	6	7
Approach	None	Reactive	Defined	Partially Systematic	Systematic	Systematic & Integrated	Innovative
Deployment	None	Very Weak	Weak Less than 50% of keys	50% of the keys	Most of the keys 70%	Most of the keys 90%	100% of the keys

1. Human Resources management excellence criteria

	1	2	3	4	5	6	7
A. Human resources Planning							
Develop human resource plans aligned to firm objectives							
Study and analyze firm's demand of personnel, experiences, and capabilities							
Study and analyze firm's existing personnel, experiences, and capabilities							
Procedures taken to fill gap between needed and existing personnel							
Review human resource plan regularly							
Develop a computerized - based human resource information system							
B. Staffing							
Develop adequate and competent staffing system aligned to the firm's objectives							
Involve managers in providing the needed technical inputs from candidates							
Develop a formal orientation program to the new staff members							
C. Personnel are trained and developed							
Develop a personnel development plan							
Develop a training plan							
link training and development plans to business strategy							
Develop training plans based on needs assessment							
Evaluate training results							
Develop a budget for training and development programs							

	D. Personnel performance and Rewards are managed								
	Develop formal performance management system								
	Develop performance management system includes both individual and team performance								
	Develop performance appraisal processes foster open discussions and dialogue between supervisors and employees								
	Develop performance appraisal processes consider inputs (behavior), and output(results) of employees								
	Develop performance appraisal processes including feedback to employees								
	Develop performance appraisal processes integrated with personnel development and training area								
	Introduce variety of rewards and incentive schemes to support corporate objectives								
	Communicate purpose, and objectives of performance appraisal to employees								
	Evaluate the validity of the performance and reward management processes at regular intervals								
	E. Personnel are empowered and involved								
	Develop programs to empower employees								
	Develop strategies to encourage employee involvement and commitment in improvement and innovation								
	Develop mechanisms to involve individual employees in improvement and innovation								
	Develop mechanisms to encourage self directed teamwork								
	Incentives for individuals and teams new ideas and continuous improvement								
	Assess the effectiveness of empowerment approaches periodically								
	F. Personnel are Satisfied and cared for								
	Develop employee's safety and wellbeing policy								
	Communicate employee safety and wellbeing policy to all employees								
	Prepare periodic reports for top level managers about work accidents								
	Assess the effectiveness of safety and well being programs periodically								

Section 2:- Business Results

	1	2	3	4	5	6	7
Results	None	Very Weak	Weak	Less than 50% of target	50% of target	70% of target	100% of target

Results	1	2	3	4	5	6	7
1.1 Customer results							
Customer satisfaction							
Customer relationship							
Customer requirements							
Comparisons of results with competitors or benchmarks within the industry and across industries							
1.2 Financial results							
1.2.1 ROI							
1.2.2 Economic value added							
1.2.3 Comparisons of results with competitors or benchmarks within the industry and across industries							
1.3 Human resources results							
1.3.1 Employee empowerment and involvement criteria							
1.3.2 Employee training and development criteria							
1.3.3 Employee satisfaction criteria							
Comparisons of results with competitors or benchmarks within the industry and across industries							
1.4 Process results							
Process planning							
Supplier and partner relationship							
1.5 Society Results							
1.5.1 Involvement in community and environment activities							
Comparisons of results with competitors or benchmarks within the industry and across industries							

Annex-2-Table -3-the Sample Stratification

No	Sector	Total	Percent	Percent x n	nj
	Drugs & Cosmetics Medical and health supplies industries Cosmetics and perfumes	22	13 %	0.13 x 119= 15.47	15
	Plastic and Rubber industries	6	3%	0.03 x 119= 3.57	4
	Chemical industries	20	12%	0.12 x 119= 14.28	14
	Engineering and Metal industries	14	8	0.081 x 119= 9.68	10
	Construction	29	17	x 119= 20.23	20
	Printing , Paper, carton, and stationary supplies	13	7	0.07 x 119= 8.53	9
	Supply and foodstuff industries	31	18	0.18 x 119= 21.42	21
	Textiles, Garments & Leather products	9	5	0.05 x 119= 5.95	5
	Packaging	7	4	0.04 x 119 = 4.76	5
	Agricultural business	10	6	0.06 x 119=	7

				7.14	
	Mining and Quarrying industries	8	4.6	$0.046 \times 119 = 5.4$	5
	Wood and Metal Furniture	4	2.4	$0.024 \times 119 = 2.76$	3
Tota		172	100%		119

Note : n = sample size, nj = Stratum size

Table (4) Reliability test, Cronbach's Alpha for measures of variables.

Variable	Number of items	Value of Cronbach Alpha
Personnel planning	6	.84
staffing	3	..85
Performance and rewards management	9	.92
Empowerment and involvement	4	.90
Training and development	5	.87
Satisfaction and wellbeing	4	.85
business results	16	.87

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