EFFECTS OF HUMAN RESOURCE MANAGEMENT PRACTICES ON ORGANIZATIONAL PERFORMANCE: A STUDY IN ENAMC AS A PUBLIC MANUFACTURING COMPANY IN ALGERIA

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UNIVERSITI UTARA MALAYSIA
2012
EFFECTS OF HUMAN RESOURCE MANAGEMENT PRACTICES ON ORGANIZATIONAL PERFORMANCE: A STUDY IN ENAMC AS A PUBLIC MANUFACTURING COMPANY IN ALGERIA

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A project paper submitted to
Othman Yeop Abdullah Graduate School of Business,
Universiti Utara Malaysia;
In Fulfilment of the Requirement for Master of Human resource Management

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ABSTRACT

This study investigates the effects of Human Resource Management practices on organizational performance, which include practices such as recruitment and selection process, training and development practice, compensation and benefits system and performance appraisal system and are treated as independent variables. The study was conducted in public manufacturing company in Algeria ENAMC. The data was collected and analyzed objectively from a total of 130 responses; examined if Human Resource Management practices have significant effects on organizational performance. The aim is to get a clear and actual picture of the effects of Human Resource Management practices on organizational performance. The finding indicates that, there are positive effects of Human Resource Management practices on organizational performance. This study is important for several reasons. Firstly, recognizing positive effects between, HRM and organizational performance; secondly, to clarify the problems and barriers encountered in the application of human resource programs in Algerian companies in the context of the case included in this study. Thirdly, to participate in and contribute to research, resulting in Knowledge increase, and lastly, to assist scholars and other researchers in the HRM field.
Bismi Allah Elrahmani Elrahim, Alhamdulillah, All praise, gratitude is given to Allah for the help, blessing and guidance in the completion of my work and for the enormous strength, patience, courage, and ability He gave me to complete this thesis. Although any learning activity is a lonely personal project, it requires help, support and encouragement of others to be successful. Just as an eagle could not soar without the invisible strength of the wind, I could not have arrived at this place without all invisible hands that provided me that strength. I would like to present my humble appreciation and gratitude to all the people who made this journey possible. I am indebted to those who knowingly and unknowingly were so helpful and showed their importance during those difficult moments.

Firstly, my deepest appreciation goes to my supervisor and my teacher of HRM subject, Dr. Caroline. M. Acosta who provided me with unlimited amount of encouragement and professional support. She valued my commitment to self and lifelong learning and all the while supported my professional endeavors.

Secondly, to Dr. Martino Luis for his guidance and kindness and all the support that he provided me with to complete my dissertation.

I will not forget to thank Prof. Hussna Juhari, Assoc. Prof Khulida, Dr. Faiz Ahmad, Assoc. Prof Vimala Sanjeevkumar, Dr Muhammed Awais Bhati, Dr. Juhanim Juhari, Dr. Mohammad Lazim, Assoc Prof Faridahwati Mohd Shamssudin, for the knowledge, assistance, guidance, reading assignments, sharing ideas, providing technical and psychological assistance, and for guiding and supporting my efforts to succeed in this program.
I am grateful to my friends who know the meaning of friendship and to my classmates who only could be described as a great people.

To all my friends (National) and consider them as my older brothers from Algeria who studied with me in UUM, Ghemari Abedelkarim, my friend and roommate, Elhachemi Hacine Gharbi, Abbas Ramadani, Hassine Meddour, Tarek Kacemi, Mohammad Tahar Nid, Mossab Bey, Ali Mehalo, Rochdi Debili, Djamal Lekhdari and his brother Naserddine, Ben Othman Messoud, Harrouchi Omar and Omar Djessas who contributed so hugely by helping me collect data from Algeria. To all my friends and relatives in Algeria; to my best friend, classmate and brother from Pakistan, Fareed Muhamed Hafiz; to all the friends and brothers who are also international students in UUM, I say thank you.

Most of all, I extend my gratitude to the employees from ENAMC for their willingness to participate in this study.

I would like to express my gratitude to my beloved family, starting with my dear parents, Ahmad and Serrar Djamila, my elder brother Anouar, his respectful wife and his cute daughter (my beloved niece born during my study in Malaysia), my elder sister and her husband and daughter, my beloved younger sisters, for their constant demonstration of love and continuous moral supports throughout my years of study. I again like to thank Allah, The Sublime, The Majestic, for instilling in me the courage and strength to complete this study. May Allah, in His infinite Grace and Mercy, accept this humble effort—*Amin*.

*Saoula Oussama*

*December 2012*
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CHAPTER 1 INTRODUCTION

This chapter presents an introduction to this study to give a clear picture of the research. The discussion will be on the practices of Human resource management namely; recruitment and selection process, training and development practices, compensation and benefits system and performance appraisal system and its effects on organizational performance. This chapter contains (1) Background of the Study, (2) Problem Statement, (3) Research Questions, (4) Research Objectives, (5) Significant of the Study, (6) Scope and Limitation of the Study, and (7) Organization of the thesis.

1.1 Background of the study

Changing business environment in knowledge economy has made the use of human resource management (HRM) important for organizations to gain competitive advantage. Human Resource Management is believed to have effect on knowledge, skills, abilities, attitudes and behavior of employees, hence the possibility for it to have effect on the performance of an organization (Den Hartog, 2004). Human resource management has become popular among organizations in their bid to earn and sustained their competitive advantage. Research reveals that organizations develop sustainable competitive advantage through effective management of valuable but scarce resources (Barney, 1991). Through the adoption of human resource management organizations are able to achieve and optimize resources, create effectiveness and consistently improve the organization and its employees.
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