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The Relationship Between Human Resource Management and Business Strategy:
A Case Study University of Saba Region

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Abstract

In higher education, effective human resource management (HRM) is crucial for achieving objectives and maintaining long-term growth. This master's thesis investigates the relationship between Human Resource Management (HRM) and business strategy at the University of Saba Region, aiming to identify key HRM practices that align with the university's strategic goals and analyze the impact of this alignment on the university's performance. A quantitative research approach was employed, utilizing a cross-sectional survey design. Data was collected from 80 mid-management level employees at the University of Saba Region using a structured questionnaire and analyzed using descriptive statistics and inferential statistical tests.

The study revealed a weak relationship between business strategy and HRM performance at the University of Saba Region. Factors contributing to this weak relationship include poor communication between departments, lack of clear goals, low employee morale, and inadequate training programs. The research also found that the support of top managers and the presence of HR representation at the board level play significant roles in mediating the alignment of HRM with business strategy.

Based on the findings, several recommendations were provided for improving HR practices and aligning them with the university's strategic goals. These recommendations include improving communication between departments, establishing clear goals and objectives, enhancing employee morale, developing comprehensive training programs, and strengthening the role of top managers and HR representation at the board level.

The findings of this research have significant implications for the University of Saba Region, higher education institutions, and policymakers. By understanding and addressing the challenges faced in aligning HRM and business strategy, these institutions can enhance their organizational performance, promote employee satisfaction, and remain competitive in the higher education sector. This study contributes to the understanding of the relationship between HRM and business strategy in higher education institutions and serves as a foundation for future research and the development of more effective HRM practices.

In conclusion, this master's thesis highlights the significance of integrating human resource management practices with business strategy in higher education institutions. The case study of the University of Saba Region exemplifies how effective HRM can contribute to the achievement of strategic objectives, leading to long-term success and growth in the rapidly evolving higher education sector.

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Chapter 1 : INTRODUCTION

1.1 Study Background

The relationship between human resource management (HRM) and business strategy is a critical aspect of organizational success. This topic is of particular significance in today's competitive business environment, as organizations are constantly looking for ways to gain a competitive advantage and improve their overall performance. Human resource management is considered a key function within organizations as it deals with managing human capital, which is the most valuable asset of any organization. Business strategy, on the other hand, is a key driver of organizational performance and is critical for achieving the organization's goals. By studying the relationship between HRM and business strategy, we can gain a deeper understanding of how these two functions interact and influence each other, and how this relationship impacts organizational performance.

The choice of this topic is driven by the fact that the alignment of HRM and business strategy is crucial for organizational success. Organizations that align their HRM practices with their business strategy are more likely to achieve their goals and improve their overall performance. However, the alignment of HRM and business strategy is a complex and multi-faceted process, and organizations often struggle to achieve this alignment. Furthermore, there is a lack of research on the relationship between HRM and business strategy in the context of higher education, particularly in the region of Saba. This makes the study of the relationship between HRM and business strategy in the University of Saba Region particularly relevant and important.

The University of Saba Region is an excellent case study for exploring the relationship between HRM and business strategy, as it is a highly competitive institution that is constantly seeking ways to improve its performance and achieve its goals. The University of Saba Region is also an ideal case study because it provides a unique perspective on the relationship between HRM and business strategy, as it is located in a region with its own unique cultural, economic, and social characteristics. The University of Saba Region is also an ideal case study due to the fact that it is an institution of higher education, which is a sector that is facing significant challenges

in today's competitive environment. This makes the study of the relationship between HRM and business strategy in the University of Saba Region particularly relevant and important.

The theoretical significance of this topic is based on the fact that HRM is a critical function within organizations and plays a key role in shaping the overall direction of the organization. The strategic role of HRM is well-established in the literature, and it is recognized that HRM plays a key role in shaping organizational culture, creating a positive work environment, and attracting, developing, and retaining talent(Sanders and Frenkel, 2011). Business strategy, on the other hand, is a key driver of organizational performance and is critical for achieving the organization's goals (ALLEN AND HELMS. 2006).

The relationship between HR and business strategy has been widely studied in the literature, with various theories and models proposed to explain the nature of this relationship. One of the most widely cited models is the resource-based view (RBV) of the firm, which suggests that a firm's resources and capabilities, including its human resources, can be a source of sustained competitive advantage (BARNEY JA. 1991). Another important theory is the strategic human resource management (SHRM) perspective, which emphasizes the importance of aligning HR practices with business strategies in order to achieve organizational goals(ROGERS AND WRIGHT. 2011A).

 By studying the relationship between HRM and business strategy, we can gain a deeper understanding of how these two functions interact and influence each other, and how this relationship impacts organizational performance.

The practical significance of this topic is that it can provide valuable insights for organizations on how to optimize the alignment of their HRM practices with their business strategy. This can help organizations to improve their overall performance and achieve their goals more effectively. In the context of higher education, the alignment of HRM and business strategy can have a significant impact on the ability of universities to attract and retain students, retain, and develop faculty and staff, and maintain a positive reputation in the community (GIBBS 2019; S. 2007) .

1.2   Problem Statement.

A majority of educational organizations have weak and fragmented HRM systems. Human resource professionals are not routinely staffed, resulting in increased vacancy rates, delayed promotions, and heavier workloads. While the University of Saba Region has implemented HR functions such as training and development, recruitment and selection, performance management, and reward management, these practices are poorly applied due to a lack of integration with business strategy. As a result, line managers are not interested in performance appraisal and evaluation, which affects employee performance and healthy competition.

The outcomes of training courses are not measured, leading to a waste of resources and the possibility of staff being trained multiple times on the same topic. Public universities often view investing in training as costly and useless due to minimal budget allocation for HR functions.

Some educational organizations lack an independent HR department, and those that do often have an officer who is not capable enough to take care of HR activities. This shows that minimal attention is given to HRM practices, and they do not have a strategic approach to compete for scarce education professionals. While previous studies have evaluated HRM practices in the health sector, there is a lack of research on the alignment of HRM practices with business strategy. Therefore, this study aims to evaluate the strategic alignment of HRM practices with business strategy in the University of Saba Region to address the observed gap and provide recommendations while filling the literature gap in the strategic alignment of HRM practices with business strategy in the public educational sector.

Overall, the relationship between HRM and business strategy remains a topic of debate and research, particularly in the context of universities. While some scholars argue that HRM plays a key role in developing and implementing business strategies, others believe that HRM is simply a supporting function that implements strategies developed by other departments. The problem statement for this case study is: what is the relationship between HRM and business strategy in the University of Saba region?

1.3   Research Question

1. To what extent do the human resource management practices of the University of Saba Region align with its business strategy?

2. How does the University of Saba Region integrate its human resource management practices with its business strategy?
3. What are the challenges faced by the University of Saba Region in aligning its human resource management practices with its business strategy?
4. What are the potential benefits of strategic alignment between human resource management practices and business strategy in the context of the University of Saba Region?

1.4   Hypothesis Formulation

- ✓ **H1**: A positive correlation exists between Human Resource Management (HRM) practices and Business strategy.

- ✓ **H2**: Business strategy is a predictor of HRM.

- ✓ **H3**: The support of top managers plays a significant role in mediating the alignment of HRM with business strategy.

- ✓ **H4**: The presence of HR representation at the board level plays a significant role in mediating the alignment of HRM practices with business strategy.

1.5   Research Objective

The general objective of this research is to evaluate the relationship between Human Resource management and business strategy in the University of Saba Region.

The **Specific objectives** of this research are to:
1) Investigate the relationship between HRM and business strategy in the University of Saba Region.
2) Identify the key HRM practices that are aligned with the university's business strategy.
3) Analyze the impact of the alignment between HRM and business strategy on the university's performance.

1.6   Study Significance

The findings of this study will be helpful for the Yemeni government by the ministry of higher education and the University of Saba Region administrators as well. and it can measure the impact performance of the relationship between human resource management and business strategy. And it will provide appropriate data and information for both internal and external to support management function, giving advanced solutions for managers, helping administrators to take correct decisions in a large margin, improve the administrative level in the university and it can help to identify the key factors that influence the success of education of the university in this region. By understanding how Human Resources management and business strategy are linked, businesses can develop more effective strategies for managing their workforce and achieving their goals. Additionally, this research can provide insight into how to better align Human Resources practices with university objectives, which can help to ensure that the university in this region remains competitive and successful.

1.7   Scope Of the Study

The study is limited to examining how well human resource management practices are aligned with the business strategy in the University of Saba Region. Specifically, the research will concentrate on the core HR functions based on the matching model, which includes recruitment and selection, training and development, performance management, and reward management. The participants targeted in this research were the managers in the University of Saba Region who were available during the study period and could provide the best information about strategic alignment. They were invited to fill out a questionnaire as part of the research.

1.8   Study Limitation

There are several limitations to this study that need to be considered. Firstly, the study only focuses on the University of Saba Region and therefore, the findings may not be generalizable to other organizations or industries. Secondly, the research relies solely on the perceptions and self-reported practices of the participants, which may be subject to biases or inaccuracies. Thirdly, the study only examines a limited number of HR functions based on the matching model, and there may be other important HR practices that were not included in the analysis. Fourthly, the study did not consider the impact of external factors such as the economic or

political environment on the strategic alignment of HRM practices with business strategy. Finally, the study only uses a single data collection method (questionnaire), which may limit the depth and breadth of the data collected.

The research method used in this study will be a qualitative case study. The case study methodology will be used to gain an in-depth understanding of the relationship between HRM and business strategy in the University of Saba Region. Data will be collected through a combination of document analysis, interviews with key stakeholders, and survey questionnaires. The data collected will be analyzed using thematic analysis to identify patterns and themes in the data.

In conclusion, the topic of the relationship between human resource management and business strategy is of great theoretical and practical significance. The case study of the University of Saba Region is an ideal example to explore this relationship and the research objectives and methods have been formulated to achieve a clear understanding of the relationship between the two and how it impacts organizational performance. This research will contribute to the existing literature on the relationship between HRM and business strategy and provide valuable insights for the University of Saba Region and other universities and organizations seeking to improve their performance.

1.9   Terms Definition

Human Resource (HR): refers to the practices and policies an organization uses to manage its employees. It is an organizational function that deals with issues related to people such as talent acquisition, compensation, benefits, training and development, performance management, and organizational development(DESSLER et al. 2013) . HR is responsible for ensuring that the organization has the right people in the right roles, with the necessary skills and knowledge, to achieve its goals and objectives. This includes recruiting and hiring employees, developing, and implementing policies and procedures, and providing support and guidance to managers and employees (STONE et al. 2015).

Business strategy: is the plan of action a company takes to achieve its goals and objectives. It defines how a company will position itself in the market, what products or services it will offer, and how it will compete with other companies. The concept of business strategy involves the formulation and implementation of the major goals and initiatives taken by a company's top

management on behalf of owners, based on consideration of resources and an assessment of the internal and external environments in which the organization competes(Michael A. Hitt, 2014)

Strategic Human Resource Management (SHRM) is a management approach that integrates HR functions with the strategic goals of an organization. SHRM emphasizes the alignment of HR practices with business objectives in order to achieve organizational effectiveness and competitive advantage. The concept of SHRM was first introduced and has since gained significant attention from researchers and practitioners in the field of HR management(BEER et al. 1984).

SHRM is "the pattern of planned human resource deployments and activities intended to enable an organization to achieve its goals." This approach involves the development of HR strategies that are aligned with the overall business strategy of an organization, including recruitment and selection, training and development, performance management, and reward management. SHRM also focuses on the role of HR in creating a supportive organizational culture that values employees and promotes their engagement and productivity(HUSELID, 1995).

Alignment: refers to the degree of consistency and congruence among different elements or components of an organization. It can refer to the alignment of various functions, processes, or strategies within an organization, or the alignment of an organization's goals, objectives, and actions with external factors such as industry trends, market conditions, and customer needs(BEER AND EISENSTAT. 2000).In the context of management, alignment is often used to refer to the relationship between different functions or departments within an organization, such as the alignment of human resource (HR) and business strategy. When different functions or departments are aligned, they work together effectively and efficiently to achieve the goals and objectives of the organization.

Organizational Performance: the effectiveness of an organization in achieving its goals and objectives. It can be measured in terms of various factors such as financial performance, customer satisfaction, employee engagement, and overall efficiency. Organizational performance is a crucial aspect of any business as it determines the success or failure of the organization(HITT et al. 2016).

Competitive Advantage: A feature or a combination of features of an organization that allows it to outperform its rivals. It is a position of superiority that a company holds over its competitors, which enables it to achieve a higher level of profitability. Competitive advantages can be achieved through various means such as having a unique product or service offering, having access to unique resources or capabilities, or by having a better understanding of customer needs(PÁDRAIG, 2017).

Recruitment and selection are essential functions of human resource management. Recruitment is the process of identifying and attracting qualified candidates to fill job vacancies, while selection is the process of evaluating and choosing the best candidate for the job (BOXALL AND PURCELL. 2003)

Effective recruitment and selection processes can have a significant impact on an organization's performance and competitiveness. Studies have shown that recruitment and selection practices that are aligned with an organization's business strategy can result in improved employee performance and retention, reduced turnover rates, and increased productivity (CHEN AND HUANG 2009).

Training and development refer to the process of enhancing employees' skills, knowledge, and abilities to improve their job performance and career growth. Here's an example of a citation for a source that defines training and development(NOE. RAYMOND A. 2016).

Change Management: The process of preparing, supporting, and helping individuals, teams, and organizations to make organizational change. It involves assessing the need for change, developing a plan to implement the change, communicating the plan to stakeholders, and implementing and monitoring the change. Change management is a critical aspect of organizational development and is necessary to ensure the success of any change initiative(PALMER et al. 2016).

Reward management: is concerned with the strategies, policies and processes required to ensure that the value of people and the contribution they make to achieving organizational, departmental and team goals is recognized and rewarded(ARMSTRONG M, 2014)

Case Study: A research method that involves an in-depth examination of a specific case or situation, often used to explore a contemporary phenomenon within its real-life context.

University of Saba Region: The University of Saba is a Governmental university located in the city of Marib, in the Sheba region of Yemen. It offers undergraduate and graduate programs in various fields of study, such as engineering, medicine, business, and education. The university aims to provide high-quality education and to contribute to the development of the country by producing graduates who can meet the needs of the labor market.

Yemen: A country located in Western Asia, bordered by Saudi Arabia to the north, the Red Sea to the west, the Gulf of Aden and Arabian Sea to the south, and Oman to the east. It is the poorest country in the Middle East, facing a humanitarian crisis due to a long-lasting civil war and internal conflicts. The war has caused widespread destruction of infrastructure and has led to food and medical shortages, as well as displacement of millions of people.

Quantitative and Qualitative research methods: Two main types of research methods, quantitative research is a method of collecting and analyzing numerical data, while qualitative research is a method of collecting and analyzing non-numerical data such as words, images, and observations.

1.10   Organization of the study

The research is divided into five parts. The initial section provides an overview of the study's background. The second section includes several relevant literature sources to further comprehend the topic under investigation. The third section discusses the research methodology. The fourth section presents and discusses the main findings of the research. The final section includes the research's conclusions and recommendations. Additionally, there are references and appendices sections provided at the end.

Chapter 2 : LITERATURE REVIEW

2.1 Theoretical Evidence

2.1.1 Literature Background

The relationship between human resources and business strategy is crucial for the success of an organization. The effective alignment of HR practices with business strategy can create a competitive advantage for the organization by leveraging its human capital to achieve its goals and objectives.

Strategic human resource management (SHRM) is the integration of HR practices with the strategic goals and objectives of the organization. SHRM emphasizes the development of HR practices that support the long-term goals and objectives of the organization, and it involves the integration of HR practices with the overall business strategy. This integration allows HR to be viewed as a strategic partner in the achievement of organizational goals(SCHULER AND JACKSON. 1987).

The significance of the relationship between HR and business strategy can be seen in several ways. Firstly, HR practices such as recruitment and selection, training and development, and performance management can directly impact the achievement of business objectives. For instance, the recruitment of highly skilled employees can lead to the development of innovative products and services, which can enhance the competitiveness of the organization. Similarly, effective training and development programs can help to develop the skills and knowledge of employees, which can improve their productivity and efficiency.

Secondly, the alignment of HR practices with business strategy can help to create a culture of high performance and commitment among employees. This culture can lead to increased employee engagement, job satisfaction, and retention rates, which can improve organizational performance and reduce costs associated with turnover and recruitment.

As for the University of Saba Region, it is a relevant case study for research on the relationship between HR and business strategy as it is a large educational institution that is facing many of the same challenges and opportunities as other organizations. The University is committed to providing high-quality education to its students, and it must use its human capital effectively to

achieve this goal. Additionally, the University has recently undergone significant changes in its organizational structure and management practices, which provide an opportunity to examine the relationship between HR and business strategy in a real-world context.

2.1.2   Concept of Human Resource Management

Human resource management refers to the various processes involved in managing employees such as selecting, hiring, training, evaluating, compensating, and motivating them. This also includes maintaining good relations with employees and their unions, ensuring their safety and welfare in accordance with labor laws. Human resource management encompasses several management functions such as planning, organizing, directing, and controlling. It involves the acquisition, development, and maintenance of human resources, and helps organizations to achieve their goals. This subject is multidisciplinary in nature and involves the study of management, psychology, communication, economics, and sociology.

Management scientists defined that human resource management is the process of selecting, inducting employees, providing orientation, learning training and development, appraising the performance of employees, deciding compensation, and providing benefits, motivating employees, maintaining relations with employees and their trade unions, ensuring employees' safety, welfare, and health measures in compliance with labor laws of the land. Human Resource Management includes management functions like planning, organizing, directing, and controlling It includes procurement, development, maintenance of human resources It helps to achieve individual, organizational, and social objectives Human Resource Management is a multidisciplinary subject. Also, it involves the study of management, psychology, communication, economics, and sociology. It involves team spirit and teamwork. It is a continuous process. Many have been debated and written in the literature regarding the field of Human Resource Management (HRM), its contents, practices and applications, and its extents and limitations. Human resource management (HRM) has started to be considered as a broad function covering personnel management strategies, policies, practices, and overarching philosophies(SCHULER AND JACKSON. 1987).

Although HRM models originally were virtually disconnected from strategic thinking, the increasing importance of intangible resources has highlighted firms' workforce and social issues as a central element of strategy (BOXALL et al. 2007).In (1989)Guest offer four major policy

goals that distinguish the new concept of Human Resource Management from the 'personnel' management; these are First is encourage the commitment of employees to increase their performance and also be loyal to the organization as a whole; the second is an emphasis on the quality of employees engaged in organizations goes a long way in producing quality goods and services, which is of great benefit both to the customers and the organization. The third is ensuring flexibility plays an important part in the way employees are organized, this makes them be adaptive and receptive to all forms of changes in all aspects of their jobs such as work hours; working methods and; the fourth is Integrating organizational goals into strategic planning in order to make these policies cut across ranks and files of organization and ensuring that they are gladly accepted and implemented on a daily routine by line Managers.

2.1.3   The Resource-Based View of Strategic HRM

The resource-based view (RBV) is a theoretical framework used in strategic human resource management (HRM) that emphasizes the importance of resources in creating and sustaining a competitive advantage. According to this perspective, firms can gain a competitive advantage by utilizing their unique resources and capabilities to create value for customers and stakeholders.

The RBV of strategic HRM suggests that human resources are a key resource that can provide a competitive advantage. By investing in human capital development, firms can create a skilled and motivated workforce that can create value for the organization. This approach emphasizes the importance of aligning HR practices with the firm's overall strategy and goals. The resource-based view (RBV) has significantly impacted the way HRM is perceived and can be utilized to improve the value of HR's role in achieving a competitive advantage(WERNERFELT, 1984). strategy involves finding a balance between utilizing current resources and developing new ones.

One of the seminal works on the RBV of strategic HRM is the article "The Resource-Based View of the Firm: Ten Years After. In this article, Barney outlines the RBV framework and applies it to the field of HRM. He argues that human resources can provide a source of sustained competitive advantage if they are valuable, rare, difficult to imitate, and organized in a way that is difficult to substitute (BARNEY, 1991).

Another influential work on the RBV of strategic HRM is the book "Strategic Human Resource Management: A Guide to Action". In this book, Armstrong provides an overview of the RBV framework and discusses its application to HRM. He argues that firms must invest in their human resources to create a skilled and motivated workforce that can support the firm's strategic objectives (ARMSTRONG M, 2014).

The strategic objective resulting from the resource-based view is to create companies that are more intelligent and adaptable than their rivals by recruiting and nurturing talented personnel while broadening their skills. The resource-based strategy is therefore focused on improving the human or intellectual capital of the organization(BOXALL, 1996). It should be noted that a firm may not require an exceptionally gifted workforce to establish a unique competence, if it possesses managerial abilities that its competitors lack. The collective learning process within the workplace, particularly among managers and non-managers, on how to coordinate the diverse knowledge and skills of workers and integrate various information technology is a strategic asset that is difficult for rivals to duplicate. In summary, effective leadership skills are crucial in effectively utilizing the organization's human resources.

2.1.4   Strategic Fit

The concept of strategic fit refers to the alignment between an organization's strategy and its internal and external environment, including its resources, capabilities, and culture. It suggests that organizations must ensure that their strategies fit their strengths and limitations, as well as the opportunities and threats in the external environment.

One of the earliest and most influential works on strategic fit is the article "Toward a Synthesis of the Resource-Based and Dynamic-Capability Views of Rent Creation" by(COLLIS AND MONTGOMERY. 2008). In this article, the authors argue that strategic fit is crucial for creating sustainable competitive advantage. They propose a framework that integrates the resource-based view and the dynamic capability view to identify the key elements of strategic fit.

Another seminal work on strategic fit is the book "Strategic Management: A Dynamic Perspective - Concepts and Cases" by(SANDERS AND CARPENTER. 2003) . In this book, the authors emphasize the importance of strategic fit in creating a competitive advantage. They argue that organizations must align their strategies with their internal capabilities and the external environment to achieve long-term success.

This statement refers to the concept of strategic HRM, which involves developing human resource strategies that are aligned with and support the achievement of the overall business strategy. This alignment is often referred to as vertical integration or fit. Additionally, strategic HRM involves an integrated approach to developing HR practices, such as employee selection, development, reward, and relations, so that they complement and support each other in achieving the business goals. This integrated approach to HR practices is critical to achieving strategic fit and maximizing the value of the organization's human resources (ARMSTRONG M, 2014).

2.1.5   The Matching Model

The matching model between human resource management and business strategy is a framework that seeks to align HR practices with the overall strategic goals of the organization. The goal of this model is to ensure that the HR function is not seen as a separate entity but rather an integral part of the business.

The matching model suggests that HR policies and practices should be designed to support and reinforce the organization's strategic objectives. This requires HR professionals to have a deep understanding of the business strategy and the skills and competencies required to achieve it.

The matching model involves several key steps, including:

- ❖ Analyzing the organization's strategic goals and objectives.
- ❖ Identifying the skills and competencies required to achieve those goals.
- ❖ Designing HR policies and practices that support those goals.
- ❖ Implementing and monitoring the effectiveness of those policies and practices

Some examples of HR policies and practices that can support business strategy include:

- ▪ Recruitment and selection practices that target individuals with the required skills and competencies.
- ▪ Training and development programs that build the necessary skills and knowledge.
- ▪ Performance management systems that align employee goals with the organization's strategic objectives.
- ▪ Compensation and rewards systems that recognize and reinforce the behaviors and outcomes that support the organization's goals.

matching the model between human resource management and business strategy as the most appropriate model will depend on the specific needs and goals of the organization. However, there are several well-established models that have been used successfully by organizations in various industries. Here are some examples:

1. The Harvard model: This model emphasizes the importance of multiple stakeholders, including employees, customers, and shareholders. It also emphasizes the need to balance long-term and short-term objectives. (BEER et al. 1984).

2. The Resource-Based View (RBV) model: This model focuses on the importance of developing and leveraging the organization's unique resources and capabilities to gain competitive advantage. (BARNEY JA. 1991).

3. The High-Performance Work System (HPWS) model: This model emphasizes the importance of creating a work environment that encourages employee involvement, skill development, and continuous learning. (HUSELID 1995).

4. The Configurational approach: This model suggests that there is no one-size-fits-all approach to HRM, and that the best approach will depend on the specific organizational context. (DELERY AND DOTY 1996).

5. Storey's hard and soft HRM practices: It focuses on notions of tight strategic control. It emphasizes the role of management in cutting costs by keeping only the required number of workers in the organization (STOREY 1989).

Each of these models has its own strengths and weaknesses, and the most appropriate model will depend on factors such as the organization's industry, size, and strategic goals.

In my opinion the best model for HRM practices is one that can be implemented universally, (STONE et al., 2015)To achieve the best fit, HR policies should be in line with the organization's objectives and business strategy. This can be achieved by periodically evaluating the requirements of the organization and its employees. The best practices lead to excellent employees and a competitive edge for the organization. Some practices, such as job security, selective hiring, high compensation based on performance, self-managed teams, training to develop skilled workers, equality among workers, and sharing critical information with employees, are universal in nature and adoption of these practices results in superior organizational performance. However, critiques argue that different industries may require a different set of policies,(ARMSTRONG M, 2014). Therefore, there needs to be a balance

between the organization and its external environment to ensure that the policies are in favor of the organization. A strategy that works for one organization may not necessarily work for another organization due to varying external environments, resource availability, technology, management style, and work culture. Hence, it is best to consider good practice instead of the best practices.

Storey's HRM practices model distinguishes between two forms of HRM: Hard HRM and Soft HRM. Hard HRM focuses on resource management and strategic control to cut costs, while Soft HRM prioritizes communication, motivation, and employee involvement. Fombrun's model is an example of Hard HRM, while the Harvard model represents Soft HRM. The advantage of Hard HRM is efficient control, while Soft HRM benefits from employee commitment and participation. However, both approaches have their disadvantages, such as training costs and decision-making delays in Soft HRM and employee fatigue and manager dissatisfaction in Hard HRM. The model highlights the gap between HRM rhetoric and reality in workforce management.

In summary, the matching model emphasizes the importance of aligning HR practices with the overall strategic goals of the organization to achieve success.

2.1.6 Concept of Business Strategy.

Business strategy refers to the long-term plan of action that a company develops to achieve its goals and objectives while gaining a competitive advantage in the market(JOHNSON et al., 2020). "Business strategy is the direction and scope of an organization over the long term, which achieves advantage for the organization through its configuration of resources within a challenging environment, to meet the needs of markets and to fulfill stakeholder expectations."

Business strategy refers to a series of connected decisions that create a competitive advantage for an organization compared to its rivals. Miles and Snow proposed four general strategies for organizations, including defensive, analyzer, reactive, and passive. Meanwhile, Schuler and Jackson developed a classification of competitive strategies similar to Porter's model, which includes cost leadership, innovation, and quality improvement(AMIN et al. 2015).

A strategy is a plan for achieving specific goals or objectives over the long term. It outlines how a business should operate in all areas to achieve its goals and objectives, and a well-designed strategy aligns with the business's mission and vision to enable it to achieve sustained

profitability, competitiveness, and growth. The strategy-making process is a continuous one that helps a company prepare for the future and take the necessary steps to achieve a competitive advantage. Strategy involves making choices and decisions about where to allocate resources and what areas of the business to focus on. Clear and consistent decision-making in resource allocation is critical to strategy development. These decisions are important because they determine which businesses succeed or fail. Empirical research has shown that strategy and execution decisions made at the business unit level are critical for explaining performance differences between companies. The four fundamental elements of a business strategy are strategic posture, competitive advantage, business concept, and value delivery system, according to McKinsey research(TAWFIK F, 2020).

Business strategy involves making decisions and taking actions that relate to the business, with the aim of making the organization more competitive in its marketplace. Porter's framework in the 1980s made a significant contribution to understanding business strategy by identifying three competitive strategies: cost leadership, differentiation, and focus. **Cost leadership** strategy aims to increase market share by appealing to cost-conscious or price-sensitive customers. On the other hand, **differentiation** strategy assumes that managers distinguish their products or services from those of competitors by providing unique levels of service or high quality for which customers are willing to pay a premium price. With the **focus** strategy, managers concentrate on a specific buyer group or regional market. This dimension is not a separate strategy for big companies, but rather a response to small market conditions. Big companies that choose to apply differentiation strategies may also choose to use cost or differentiation in combination with focus strategies (PORTER 1985).

2.1.7 Mediation Model

The mediation model is a statistical framework that is commonly used in social science research to test the potential mediating effect of one variable between the relationship of two other variables. In this model, a mediator variable (also known as the intermediate variable or mediating variable) is thought to explain the relationship between an independent variable and a dependent variable.

The mediation model for the relationship between Human Resource Management (HRM) and business strategy in the case study of the University of Saba Region, the independent variable:

In this case, the independent variable is HR. The dependent variable: The dependent variable is business strategy. The potential mediator variable: One possible mediator variable could be employee job satisfaction.

Mediation refers to a proposed causal sequence, where one variable influences a second variable, which then impacts a third variable. The mediator, M, is the variable that intervenes and mediates the relationship between a predictor variable, X, and an outcome. This mediator variable is responsible for mediating the relationship between the predictor and outcome variables. Visually, mediation can be represented as a causal chain, where the predictor variable leads to the mediator variable, which in turn leads to the outcome variable. Mediation can be
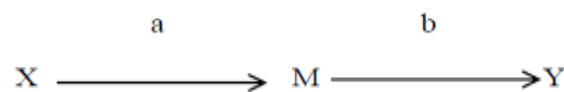
depicted in the following way:

Paths a and b are called direct effects. The mediational effect, in which X leads to Y through M is called the indirect effect. The indirect effect represents the portion of the relationship between X and Y that is mediated by M.
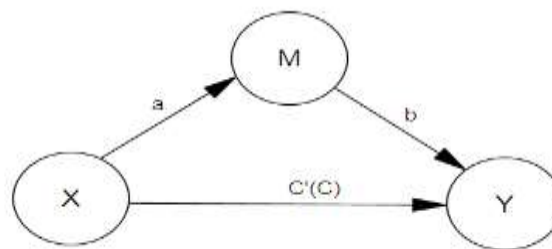
Figure 2.1:Mediation Model

Source: own survey

The impact of predictor variable X on outcome variable Y can be moderated by a mediating variable M, while X may still have a direct effect on Y. The direct effect is represented as path c'. M is also known as an intervening or process variable. In complete mediation, when M is controlled, variable X no longer has any effect on Y, and path c' becomes zero. In partial mediation, when M is introduced, the path from X to Y is reduced in absolute size, but it is still different from zero. It is important to note that a mediational model is a causal model, where the mediator is assumed to cause the outcome and not the other way around. The results of mediational analysis may be of little value if the causal model is not correctly assumed. Statistics

are used to evaluate the presumed mediational model, and Baron and Kenny (1986) proposed a four-step approach, which involves conducting several regression analyses and examining the significance of the coefficients at each step(Preacher and Hayes, 2004).

Step 1: Demonstrate a correlation between the predictor variable (X) and the outcome variable (Y) by using Y as the dependent variable and X as the independent variable in a regression equation. This step confirms that there is a relationship that may be mediated.

Step 2: Show that there is a correlation between the predictor variable (X) and the mediator variable (M) by using M as the dependent variable and X as the independent variable in a regression equation. This step involves treating the mediator as if it were an outcome variable.

Step 3: Establish that the mediator variable (M) affects the outcome variable (Y) by using Y as the dependent variable and X and M as independent variables in a regression equation. It is not enough to merely demonstrate a correlation between the mediator and the outcome variables because they may be correlated due to being caused by the predictor variable. Thus, controlling the predictor variable is necessary to establish the mediator's effect on the outcome.

Step 4: To confirm that M fully mediates the X-Y relationship, the effect of X on Y while controlling for M (path c') should be zero. The effects of both Steps 3 and 4 are estimated in the same equation.

If all four of these steps are met, it is consistent with the hypothesis that M fully mediates the X-Y relationship. If only the first three steps are met, it indicates partial mediation.

2.2   Empirical Evidence

2.2.1   Strategic Human Resource Management (SHRM)

Strategic Human Resource Management (SHRM) is an approach to managing human resources in a way that supports an organization's strategic objectives and goals. SHRM involves aligning HR policies and practices with the organization's overall strategy and using HR as a strategic partner in achieving business objectives.

Over the past few decades, the literature has extensively documented significant contributions dealing with issues related to people management. HRM has received considerable attention as a distinctive approach to managing employees effectively and efficiently. However, (DELERY AND DOTY. 1996) criticized the initial research in the field of HRM as micro-analytic,

primarily focusing on specific issues and their impact on organizations. In recent years, researchers have produced a new generation of theoretical and empirical work that links human resource management with business and corporate strategies, measuring its impact on overall organizational performance levels, beyond just the performance levels of employees. Consequently, researchers in the field have developed a current interest in SHRM.

Despite the increased attention given to SHRM, the concept remains somewhat ambiguous and uncertain. SHRM has been defined in various ways, such as a "pattern of planned HR deployments and activities" intended to help organizations achieve their goals(WRIGHT AND SNELL.1998), as "organizational systems designed to achieve sustainable competitive advantage through people," and as a process that links HR practices with business strategy. (TRUSS AND GRATTON. 1994) more generally define SHRM as the alignment of HRM with strategic goals and objectives to enhance organizational performance and promote an innovative and flexible organizational culture. Although there is a lack of a precise and clear definition of SHRM, the core idea is to connect and integrate HR functions with the overall strategic direction of the organization, thereby improving organizational performance and obtaining a sustainable competitive advantage.

(BRAUNS, 2013) argues that Strategic Human Resource Management (SHRM) is crucial for the Human Resource function to operate at its full potential. The literature on HRM in hospitals and healthcare organizations suggests that there is room for improvement in these settings(ASRAT. 2019) recommend several strategies, including setting HRM goals, improving personnel management processes, engaging staff in larger tasks, and providing continuous development and training opportunities for staff. Additionally,(BRAUNS, 2013) suggests that before initiating any performance development process, it is important to measure the hospital manager's performance in areas such as leadership ability, strategic thinking, and management experience.

Furthermore, despite the growing attention given to SHRM, many researchers have criticized the theoretical foundation of SHRM and called for the development of a new theory. This criticism stems from two main reasons. Firstly, HRM, on which SHRM is built, has faced criticisms regarding its theoretical foundation, which has affected the development of SHRM theory. Secondly, the SHRM field has been approached from various theoretical perspectives, such as resource-based view of the firm, contingency theory, human capital theory, resource

dependence theory, and behavioral theory, without adequate emphasis on the differences among these theories, leading to a lack of clarity in SHRM theory.

2.2.2 The Departure from HRM to Strategic

The shift from Human Resource Management (HRM) to Strategic Human Resource Management (SHRM) has been widely discussed in the literature. AS (BRAUNS, 2013) notes, without SHRM, HRM cannot perform at its optimal level. This departure from traditional HRM towards a more strategic approach has been attributed to the need for organizations to gain a sustainable competitive advantage through their human resources. According to (HUSELID, 1995) SHRM involves the use of HR practices that are integrated with the overall organizational strategy to enhance organizational performance. In essence, the aim of SHRM is to align HR practices with the strategic direction of the organization to achieve its objectives.

The concept of HRM and firm performance assumes that a significant strategic shift has occurred in HRM, resulting in improved firm performance. Scholars have identified two critical distinctions between traditional HRM and SHRM (DELERY AND SHAW. 2001); (Becker and HUSELID, 2006). Firstly, SHRM focuses on the overall performance of the organization, rather than individual or employee performance. More recent studies have emphasized the link between HRM and organizational and financial performance, such as profit, market share, product development, return on investment, and return on assets. This strategic perspective of HRM is more appealing and relevant as it considers the entire business or industry, making it a more attractive and important field than before.

The second distinction between traditional HRM and SHRM is that SHRM researchers examine the impacts of HR practices as bundles or synergies of the whole HR practices on organizational performance. In contrast, traditional HRM has focused only on the impact of individual practices on employee performance. SHRM theory suggests that the appropriate level of analysis when examining the effect on firm-level performance is the HR system, as a whole (DELERY AND DOTY.1996). SHRM argues that HR practices must generate greater effects as a system or bundle than as individual practices because the whole is greater than the sum of its parts. (BARNEY, 1995) supports this argument by suggesting that individual HR practices have limited ability to gain a competitive advantage in isolation.

	Traditional HRM—(Micro HRM)	Strategic HRM—(Macro HRM)
Level of Analysis (Delery and Shaw, 2001; Brian and Huselid, 2006).	Individual, team or group level (for example, studying the effects of recruitment, selection, incentives and training on the employees' or teams' performance.	Business unit / organisation level / industry and country level.
HRM practices (Barney,1995; Delaney and Huselid, 1996;Delery and Shaw, 2001).	Studying the impact of the individual HRM practices.	Studying the impact of the whole HRM practices as bundles or complementarities of practices.
Performance (Dyer and Reeves, 1995; Brian and Huselid, 2006)	Individual employees' performance (for example, job satisfaction, absenteeism, retention, employees' commitment).	Organisational level (productivity, financial and market indicators.
Type of Fit (Huselid, 1995; Becker and Huselid; 1998; Way, 2002; (Noe et al., 2006)	Person-environment fit. Person-organisation fit.	Internal or horizontal fit. External or vertical fit

Table 2.1 :The transition from traditional HRM to strategic HRM

Source: own survey

2.2.3 HRM and Business Strategy

Human Resource Management (HRM) and business strategy are two closely related concepts that have gained much attention in the field of management in recent years. HRM refers to the management of people in organizations to achieve the goals and objectives of the organization, while business strategy refers to the set of actions and decisions taken by an organization to achieve its goals and objectives in the long run. The integration of HRM and business strategy is crucial for the success of an organization, as it aligns the management of people with the overall strategic goals of the organization.

The alignment of HRM and business strategy involves a number of key activities, such as identifying the competencies and skills required by the organization, designing job roles and structures that support the strategic goals of the organization, developing training and

development programs that enhance the skills and competencies of employees, and implementing performance management systems that link employee performance to the strategic goals of the organization.

Several studies have shown the positive relationship between the integration of HRM and business strategy and organizational performance. For instance, a study by (PURCELL AND BOXALL. 2017) found that organizations that integrated HRM and business strategy had higher levels of employee satisfaction, productivity, and financial performance. Another study by (HUSELID, 1995) showed that the adoption of a strategic approach to HRM was positively related to higher levels of employee skills, greater employee involvement, and better organizational performance.

According to (ROGERS AND WRIGHT. 2011B) "the fit between HRM practices and business strategy is an important organizational concern because it can influence firm performance, especially in the long run". HRM practices such as recruitment and selection, training and development, performance management, and reward management need to be aligned with the overall business strategy to ensure that the organization has the right people in the right positions with the right skills to achieve its strategic objectives.

Furthermore, (SCHULER AND JACKSON 2007) argue that HRM has a strategic role in achieving competitive advantage for the organization. They propose that HRM practices can be a source of sustained competitive advantage when they are valuable, rare, difficult to imitate, and non-substitutable (VRIN). The authors emphasize the importance of integrating HRM practices into the overall business strategy to achieve this competitive advantage.

In conclusion, the integration of HRM and business strategy is critical for the success of an organization. It helps to ensure that the management of people in the organization is aligned with the overall strategic goals of the organization, leading to improved performance and greater organizational success.

2.2.3.1 Recruitment and selection

Recruitment and selection are essential HRM practices that are closely linked to business strategy. According to (WRIGHT AND MCMAHAN. 1992), recruitment and selection are the initial HR activities that help to implement the HR strategy, which in turn supports the overall business strategy. Similarly, (SCHULER AND JACKSON. 1987) argue that the effective

alignment of HRM practices, including recruitment and selection, with business strategy is critical to achieving competitive advantage.

Several studies have provided empirical evidence supporting the importance of aligning recruitment and selection practices with business strategy. For example,(PAAUWE AND BOSELIE, 2005) found that the strategic alignment of recruitment and selection practices was positively related to organizational performance, as measured by financial and non-financial indicators. Similarly, research by (CHOW AND CHAN. 2008) demonstrated that recruitment practices that were aligned with business strategy had a positive impact on firm performance, as measured by market share and profitability.

Recruitment and selection are important HRM activities that contribute to higher productivity and market value of a company, as well as reducing turnover (HUSELID, 1995). By attracting and selecting the right employees who fit in with the culture and climate of the organization, HR can ensure that they have the desirable characteristics and knowledge required for the job. This can also help to decrease the cost of employee education and development. To sustain a high level of competitive advantage, firms require talented and skilled workers (LI et al., 2008). However, small companies may face challenges in recruiting due to limited resources and unclear job responsibilities (CARDON AND STEVENS. 2004)

According to (MICHIE AND SHEEHAN-QUINN. 2001), hiring managers and employees who share the same culture can lead to a positive impact on organizational growth. Selection involves choosing the most suitable candidate for a specific job, based on their qualifications and knowledge, in order to minimize costs and maximize profits through their skills and abilities (VLACHOS, 2008). Hiring selectively is linked to a better perceived market performance (Delaney and Huselid, 1996), and investment in recruitment and selection is positively related to labor productivity (KOCH AND MCGRATH. 1996). Effective hiring processes lead to the presence of qualified employees, resulting in the production of quality products and an improvement in economic performance (PAUL AND ANANTHARAMAN. 2003).(CHO et al., 2006) also found that pre-employment tests can increase employee retention by creating a sense of belonging to the company and higher levels of commitment.

According to (CHO et al., 2006) , there is a strong and positive correlation between HRM practices, specifically recruitment sources, pre-selection tests, IQ tests, structured interviews, and biographical information, and the financial or profit performance of an organization. This

suggests that organizations should focus on attracting qualified candidates to ensure their survival and growth. These results support the first hypothesis.

Overall, the strategic alignment of recruitment and selection practices with business strategy is essential to achieve organizational goals and gain a competitive advantage in the marketplace.

2.2.3.2 Training and Development

Training and development are essential aspects of HRM practices that are aimed at improving employee skills and knowledge to enhance job performance and productivity, which ultimately leads to the achievement of the overall business strategy. According to (HUSELID, 1995), training and development are some of the HRM practices that have a positive impact on employee productivity and contribute to a reduction in turnover. Similarly, (LI et al., 2008) argues that HRM practices such as training and development are critical to enhancing the competitive advantage of a firm.

Additionally, employee training and development provide an opportunity for the organization to increase employee satisfaction, which, in turn, leads to a reduction in turnover. According to (BONTIS et al. 2002), employee training and development programs positively affect employee job satisfaction, which reduces employee turnover, thus improving the firm's performance.

Furthermore, effective training and development programs help organizations develop and retain talented employees, which is essential for the firm's growth and sustainability. As pointed out by (PAUL AND ANANTHARAMAN. 2003) an effective hiring process ensures the presence of employees with the right qualifications, leading to the production of quality products, which, in turn, improves economic performance. Effective employee training and development programs also enhance the employee's ability to perform their tasks efficiently and effectively, leading to improved organizational performance (DELANEY AND HUSELID 1996).

The importance of training and development (T&D) in HRM is highlighted by (VLACHOS, 2008) and (LI et al. 2008). In today's competitive business world, employees need to acquire new knowledge and skills to perform their tasks effectively. Training programs increase the firm specificity of employee skills, which in turn increases employee productivity and reduces job dissatisfaction and employee turnover (HUSELID. 1995). Additionally, training and developing

internal personnel reduces the cost and risk of selecting, hiring and internalizing people from external labor markets, further increasing employee productivity and reducing turnover.

A company that systematically trains and develops its employees also increases their productivity, commitment, and lowers turnover. Other studies have shown that training has a positive impact on the different dimensions of firm performance, such as product quality, product development, market share, and growth sales. Moreover, training has a positive impact on perceived organizational performance, enhances the relationship between management and employees, and affects perceived organizational performance positively (DELANEY AND HUSELID. 1996). (TAI, 2006) emphasized that training and development plays a crucial role in increasing work adaptability, ability, flexibility, maintaining necessary competence, and motivating employees, ultimately influencing employee productivity. The indirect relationship between training and firm performance is discussed by (VLACHOS, 2008), who found a significant positive relationship between training and labor productivity. Rapid-growth firms depend heavily on their employees' abilities and efforts to maintain their growth-oriented strategies and use training programs to achieve their objectives. Finally,,(APOSPORI et al. 2008) found that training has a significant impact on firm performance. Based on these findings, the fourth hypothesis is proposed(ABDEL-MONEM, 2012).

Overall, training and development are essential HRM practices that are critical to the achievement of the overall business strategy of an organization. By improving employee skills and knowledge, training and development programs enhance employee productivity, job satisfaction, and retention, which ultimately lead to the achievement of the firm's strategic goals.

2.2.3.3 Performance Management

Performance management is a crucial component of human resource management (HRM) that has a significant impact on an organization's business strategy. According to (WRIGHT AND MCMAHAN. 2011), HRM practices, including performance management, should align with an organization's business strategy to achieve superior performance. A well-designed performance management system can help align employee efforts with organizational objectives, improve employee productivity and satisfaction, and ultimately contribute to achieving the organization's strategic goals. Additionally, the performance management process provides valuable

information to managers to make informed decisions about employee training and development, promotions, and compensation.

Several studies have emphasized the significance of performance appraisal, as it provides essential information for employee salary, training needs, compensation, promotion, development, transfer, and feedback. Performance appraisal has various applications, including assessing employee training needs, determining salary, providing feedback, and suggesting improvements for employee performance and development. Making suitable HRM-related decisions can have a positive impact on employee job performance. It is crucial to note that performance appraisal is an ongoing process and not just a yearly event. Organizations need to continuously enhance their performance to remain competitive in the market. Additionally, performance appraisal plays a vital role in achieving organizational goals, particularly in a rapidly changing environment with tighter budgets, downsizing, and greater employee accountability. To meet performance requirements, performance-related rewards are suggested by (STONE et al. 2015) .(CHO et al. 2006) and (CHAND AND KATOU. 2007).

When managers and employees are interviewed about strategic human resource management, they often mention the performance management system to hold individuals accountable for meeting a company's goals. However, previous research indicates that the performance management system was not fully aligned with the firm's strategy. Recently published research showed that many firms are now linking their performance management plans with the company's strategy and aligning this alignment down to the employee level. Strategic Performance Management creates a link between the company's strategy and its ability to manage employees' performance, which has a direct impact on business performance. Strategic Performance Management is focused on implementing strategies to deliver value by achieving the desired outcomes in line with the business strategy. It links individual objectives and performance management, driving the necessary skills and capabilities while ensuring alignment with the organization's core values. (ASRAT, 2019)

2.2.3.4 Compensation (Reward, Salaries and Wages)

One key aspect of the relationship between human resource management and business strategy is compensation, which includes rewards, salaries, and wages. As stated by (Barney and Wright, 1998), a firm's human resource management practices, including compensation, should be

aligned with its business strategy to achieve competitive advantage. This means that compensation should be designed to attract and retain the right employees, who possess the necessary skills and knowledge to execute the firm's strategy effectively.

In addition, compensation should also motivate employees to work towards achieving the firm's strategic goals. As noted by (GUPTA AND SHAW. 2014), strategic compensation systems should be used to motivate employees to enhance their performance and contribute towards the achievement of organizational goals.

Therefore, the compensation system should be linked to the firm's performance metrics and objectives. For example, employees could be rewarded based on their contribution to achieving the firm's strategic goals, rather than simply on their tenure or seniority within the company. This creates a sense of purpose for employees and aligns their efforts with the overall goals of the organization (ASRAT, 2019).

According to Vroom's expectancy theory, rewards, which include both monetary and non-monetary compensation packages, have the potential to influence employee motivation. This is supported by NGO et al. (1998), who state that employee motivation, based on perceived expectations, is the link between compensation and performance. Pay level can positively influence employee performance when they perceive a relationship between their efforts and performance and gain specific benefits for performing well. Performance-based compensation is the most commonly used HR practice to evaluate and reward employees' actions, which has been found to positively affect both employee and organizational performance (COLLINS AND CLARK. 2003); BROWN et al. 2003; CARDON AND STEVENS. 2004). Additionally, higher rewards are positively correlated with various dimensions of firm performance, such as product quality, development, profit, market share, customer satisfaction, and growth in sales (KALLEBERG AND MOODY.1994). Higher rewards also contribute to a better social climate between management and other employees, and reduce employee turnover (ARTHUR, 1994). DELANEY AND HUSELID (1996) claimed that incentive compensation has a positive impact on perceived organizational performance. The motivation of employees is positively influenced by performance-related pay, leading to increased productivity (DOWLING AND RICHARDSON. 1997; LAZEAR, 1996). Studies have demonstrated a positive correlation between performance-related pay and company performance. However, it is not just the pay level that matters, but also the pay structure (SINGH, 2005; WIMBUSH, 2005). Performance-

based compensation and merit-based promotion both serve as ingredients in organizational incentive systems that encourage individual performance and retention (UEN AND CHIEN. 2004). FEY et al. (2000) found that salary level and promoting managers based on merit are positively associated with firm performance in their study of foreign firms operating in Russia. Compensation systems are recognized as employee merit and widely linked with firm outcomes (HUSELID, 1995; BANKER et al. 1996). Effective reward systems are positively related to perceived profit, market share, and investments in the near future (BANKER et al. 2001). Furthermore, employee share ownership schemes, profit-related pay, and performance-related pay are positively related to financial performance (MCNABB AND WHITFIELD. 1999), and employee stock option plans positively affect productivity (MEIJHUIZEN, 1999). Compensation and rewards can be powerful tools for encouraging employees to fulfill organizational goals (THANG, 2004; PAUL AND ANANTHARAMAN. 2003; WAN, 2008). Thus, the fifth hypothesis of this study suggests that compensation and incentives directly affect operational performance.

In summary, compensation is an essential component of the relationship between human resource management and business strategy, and it should be designed to attract, retain, and motivate employees who possess the necessary skills and knowledge to execute the firm's strategy effectively.

2.2.4 The relationship between HRM and business strategy with its predicting factors

The relationship between Human Resource management (HRM) and business strategy has been studied extensively in the literature. According to (SCHULER AND JACKSON. 1987), HRM is the means by which organizations can achieve their strategic goals. HRM practices can be used to support and implement the business strategy, and in turn, the business strategy can provide direction for HRM practices (WRIGHT AND MCMAHAN 1992). In addition, HRM practices can be a source of competitive advantage for firms that are able to align their HRM practices with their business strategy (BARNEY JA, 1991).

Several factors have been identified as predictors of the relationship between HRM and business strategy. One key factor is the external environment, which can shape both the business strategy and HRM practices (GUEST, 2002). Another factor is organizational culture, which can influence the way that HRM practices are implemented and how they fit with the business

strategy (OGBONNA AND HARRIS. 2000). Leadership and top management support are also important factors, as they can provide the vision and direction needed to align HRM practices with the business strategy (JACKSON AND SCHULER. 1995)

Furthermore, the size and age of the organization, as well as the industry in which it operates, can also affect the relationship between HRM and business strategy (LENGNICK-HALL AND LENGNICK-HALL. 1988); (SUBRAMONY, 2009) . Finally, the level of human capital within the organization, in terms of the knowledge, skills, and abilities of its employees, can impact the ability of the organization to align its HRM practices with its business strategy (BECKER AND HUSELID. 1998)

Overall, the relationship between HRM and business strategy is complex and multifaceted, with a variety of factors influencing the alignment between the two. A deeper understanding of these factors can help organizations to develop HRM practices that are better aligned with their business strategy, and in turn, can lead to improved performance and competitiveness.

2.2.5   Issues Arising in Aligning HRM to Business Strategy

The alignment of human resource management (HRM) with business strategy is a critical issue faced by organizations. Various issues can arise in achieving this alignment, including lack of strategic vision, inadequate communication, and lack of coordination between HRM and business strategy (ALAGARAJA, 2013). Furthermore, resistance to change, insufficient resources, and lack of HRM skills and expertise can also create obstacles to aligning HRM with business strategy (OGBONNA AND HARRIS 2000).

here are some issues that arise in aligning Human Resource Management to Business Strategy:

1. Lack of Top Management Support: The alignment between HRM and business strategy requires strong support and commitment from top management. However, the lack of top management support can cause a misalignment between HRM and business strategy (COOKE AND SAINI. 2010)

2. Resistance to Change: The alignment between HRM and business strategy may require changes in organizational structure, culture, and policies. The resistance to change by employees can hinder the alignment process (CHUANG AND LIAO. 2010).

3. Lack of HRM Expertise: The alignment between HRM and business strategy requires HR professionals to have the necessary knowledge and skills to understand and

implement the strategic goals of the organization. However, the lack of HRM expertise can result in a misalignment between HRM and business strategy (STAVROU AND BREWSTER 2005).

4. Resource Constraints: The alignment between HRM and business strategy may require additional resources in terms of time, money, and personnel. Resource constraints can limit the organization's ability to align HRM with business strategy (CHUANG AND LIAO. 2010)

5. Short-Term Focus: The alignment between HRM and business strategy may require a long-term focus to achieve the strategic goals of the organization. However, organizations may have a short-term focus due to financial pressures or other priorities, which can hinder the alignment process (BUDHWAR AND DEBRAH, 2009)

Moreover, as organizations increasingly rely on HRM to drive strategic initiatives, new issues are emerging that require attention. For instance, the digital transformation of work and the emergence of the gig economy have created new challenges for HRM in aligning with business strategy (AMRUTHA AND GEETHA, 2020) Additionally, the changing demographics of the workforce and the growing importance of employee well-being and diversity and inclusion require organizations to adopt new HRM practices and strategies to align with their business goals (JACKSON et al. 2014).

In summary, the alignment of HRM with business strategy is a complex and ongoing process that requires organizations to address various issues and challenges. Effective communication, strategic vision, adequate resources, and HRM expertise are crucial factors for successful alignment.

2.2.6   Challenges Faced by Organizations Towards Linking HRM To BS

Human Resource Management (HRM) plays a vital role in linking organizational strategy and business performance. However, despite the benefits of aligning HRM with business strategy, organizations face various challenges in achieving this alignment. This essay explores some of the key challenges that organizations face in linking HRM to business strategy and proposes some strategies that organizations can use to overcome these challenges.

One of the main challenges organizations faces is the lack of strategic HRM expertise. Implementing HRM strategies that align with business goals requires HR professionals who

understand business strategy and can translate it into effective HR practices. Unfortunately, many HR professionals lack the strategic mindset and business acumen required to create and implement HRM strategies that support business goals (WRIGHT AND MCMAHAN. 2011) .This can lead to a misalignment of HR practices with business objectives, resulting in a suboptimal use of human capital and reduced organizational performance. To overcome this challenge, organizations need to invest in the development of HR professionals with a strategic mindset and provide them with opportunities to gain exposure to the business operations.

Another challenge organizations face is the difficulty in measuring the impact of HRM practices on business performance. While HRM practices have been linked to positive organizational outcomes, such as improved productivity, reduced turnover, and increased profitability, it is challenging to measure the precise impact of HRM practices on business performance (GUEST, 2002). Consequently, it can be challenging to determine which HRM practices are most effective in supporting business objectives. To overcome this challenge, organizations can use various methods, such as key performance indicators (KPIs) and analytics, to measure the impact of HRM practices on business performance. These measures can help organizations identify the most effective HRM practices and adjust their strategies accordingly.

Another challenge is the resistance to change from stakeholders, including employees and management. Organizations may encounter resistance to change when implementing new HRM practices aligned with business strategy. Resistance can occur when employees perceive HRM changes as a threat to their job security, and management may resist changes that may require a significant investment of resources (KAVANAGH AND JOHNSON. 2017). Overcoming resistance to change requires effective communication and engagement with stakeholders, including explaining the benefits of HRM practices aligned with business strategy and involving them in the design and implementation process.

Another significant challenge is the dynamic nature of business environments. Business environments are constantly evolving, requiring organizations to adapt their HRM practices continually. The need to keep up with changes in the business environment can make it challenging to maintain HRM practices aligned with business objectives (MELLO, 2014). Overcoming this challenge requires HR professionals to stay up to date with trends and best practices in HRM, including new technologies and changing workforce demographics.

Organizations also need to be agile and flexible in their HRM practices, enabling them to adapt to changing business environments quickly.

In conclusion, organizations face various challenges in aligning HRM practices with business objectives. These challenges include a lack of strategic HRM expertise, difficulty in measuring the impact of HRM practices on business performance, resistance to change from stakeholders, and the dynamic nature of business environments. To overcome these challenges, organizations need to invest in developing HR professionals' strategic mindset, use various methods to measure the impact of HRM practices on business performance, communicate effectively with stakeholders, and remain agile and flexible in their HRM practices. By addressing these challenges, organizations can effectively align HRM practices with business objectives, optimize the use of human capital, and improve organizational performance.

2.3   The Conceptual Framework

The relationship between human resource management (HRM) and business strategy has been extensively studied in the literature. A conceptual framework has been developed to explain this relationship, which includes four main components: (1) the external environment, (2) the organization's strategy, (3) HRM policies and practices, and (4) the outcomes of the HRM and business strategy alignment (JACKSON AND SCHULER. 1995) .The external environment includes factors such as technology, globalization, and competition that affect the organization's ability to achieve its strategic objectives. The organization's strategy is a plan that outlines how it will achieve its goals in this environment. HRM policies and practices are the tools used to implement the strategy, including recruitment, selection, training, and performance management (HUSELID, 1995) .The outcomes of HRM and business strategy alignment include improved performance, increased employee satisfaction, and higher levels of innovation (JACKSON AND SCHULER 1995).

In the case of the University of Saba Region, the external environment includes factors such as increasing competition among universities, changes in technology, and shifts in the job market. The organization's strategy is to increase its enrollment, improve the quality of education, and expand its research capabilities. To achieve these goals, HRM policies and practices have been implemented, including a focus on attracting and retaining high-quality faculty members,

providing professional development opportunities, and improving the work-life balance for employees.

The outcomes of the HRM and business strategy alignment at the University of Saba Region include improved student outcomes, increased research productivity, and higher levels of employee engagement and satisfaction. For example, the university has seen an increase in the number of publications by its faculty members, as well as improved student retention rates. Employee satisfaction surveys have also shown an increase in job satisfaction and a decrease in turnover rates.

Overall, the conceptual framework provides a useful tool for understanding the relationship between HRM and business strategy and its outcomes. By aligning HRM policies and practices with the organization's strategy, the University of Saba Region has been able to achieve its goals and improve its overall performance.
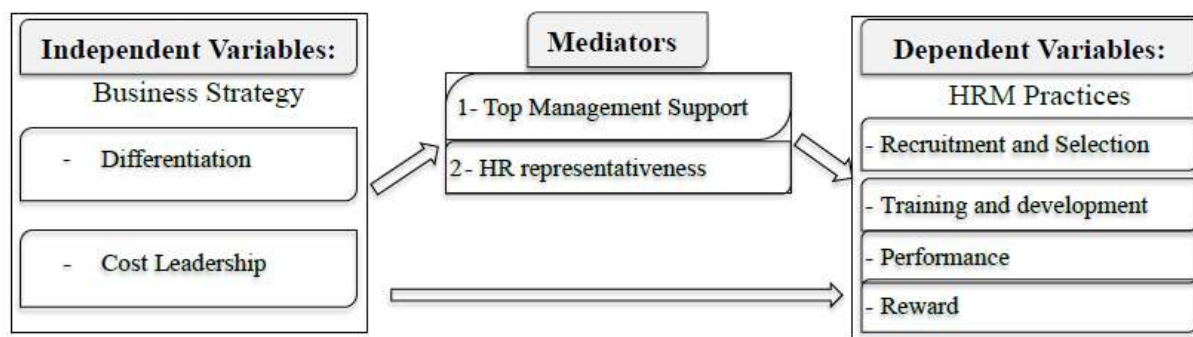
Figure 2.2: Conceptual framework for this study

Source: own survey

Chapter 3 : METHODOLOGY

3.1 Introduction

This study aims to investigate the relationship between business strategy and human resources management, with specific focus on training and development, salaries and wages, recruitment and staff selection, and human resources performance at the University of Saba Region. The study will utilize a questionnaire to collect data from participants, and the collected data will be analysed using descriptive statistics. The methodology section will outline the research design, data collection, data analysis, and ethical considerations.
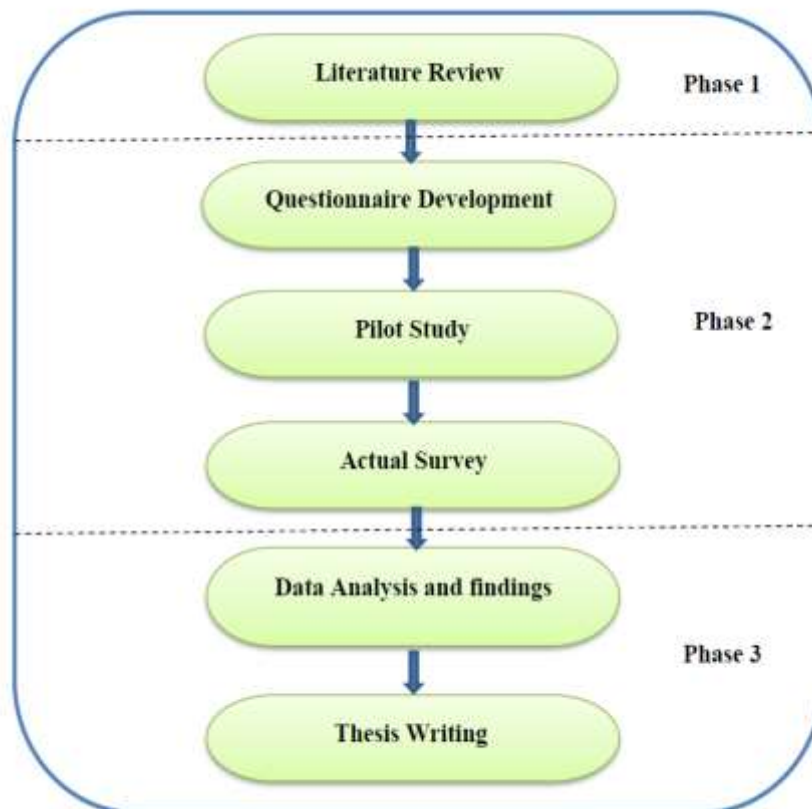
Figure 3.1: Research Methodology Flowchart

Source: own survey

3.2 Sampling Method

The sample selection method is crucial in determining the quality and reliability of the data collected in this survey. It is important to ensure that the sample is representative of the target population to increase the generalizability of the study's findings. You can use a random sampling method to select the participants, and you can target employees who work in the University of Saba Region.

3.3 Data Collection

The data for this study will be collected using an online questionnaire. The questionnaire will be designed using Google Forms, and it will be distributed to the participants via email. The email will contain a brief introduction to the study, a description of the purpose of the study, and a link to the online questionnaire. The participants will be given one week to complete the questionnaire, and a reminder email will be sent to those who have not completed the questionnaire.

3.4 Research Design

The research design for this study is a cross-sectional survey. The survey will be conducted using an online questionnaire, and the participants will be selected using convenience sampling. The participants will be employees of the University of Saba Region, and the survey will be administered through email. The questionnaire will consist of six parts: Part 1 - Business Strategy and Human Resources Management, Part 2 - Training and Development, Part 3 - Salaries and Wages, Part 4 - Recruitment and Staff Selection, Part 5 - Framework for Relationship between Business Strategy and Human Resources Performance, and Part 6 - Demographic.

3.5 Questionnaire Design

The questionnaire will be divided into six parts, and each part will contain a set of questions related to the research objectives. The first part will focus on the importance of human resources management to the success of the organization, and the extent to which it aligns with the organization's business strategy. The second part will explore the relationship between training and development and business strategy. The third part will examine the relationship between

salaries and wages and business strategy. The fourth part will look at the relationship between recruitment and staff selection and business strategy. The fifth part will develop a framework for the relationship between business strategy and human resources performance at the University of Saba Region. The sixth and final part will collect demographic information about the participants.

3.6   Questionnaire

The questionnaire consists of six parts that aim to measure participants' perceptions of the relationship between business strategy and human resources management, as well as the factors that contribute to a strong or weak relationship between business strategy and human resources performance. The questionnaire includes the following parts:

Part 1: Business Strategy and Human Resources Management

This part includes three questions that aim to measure participants' perceptions of the importance of human resources management to organizational success, the alignment of human resources management with the organization's business strategy, and the impact of the organization's business strategy on human resources management.

Part 2: Training and Development

This part includes three questions that aim to measure participants' perceptions of the importance of training and development to organizational success, the alignment of training and development with the organization's business strategy, and the impact of the organization's business strategy on the training and development program.

Part 3: Salaries and Wages

This part includes three questions that aim to measure participants' perceptions of the importance of salaries and wages to employee satisfaction, the alignment of salaries and wages with the organization's business strategy, and the impact of the organization's business strategy on employee salaries and wages.

Part 4: Recruitment and Staff Selection

This part includes three questions that aim to measure participants' perceptions of the importance of recruitment and staff selection to organizational success, the alignment of recruitment and staff selection with the organization's business strategy, and the impact of the organization's business strategy on recruitment and staff selection.

Part 5: Framework for Relationship between Business Strategy and Human Resources Performance

This part includes six questions that aim to measure participants' perceptions of the factors that contribute to a strong or weak relationship between business strategy and human resources performance. Participants will be asked to rate the strength of these factors on a scale of 1-5.

Part 6: Demographic

This part includes questions on participants' gender, age, work position, education level, and functional area.

3.7   Data Collection

The data for this study will be collected using an online questionnaire. The questionnaire will be designed using Google Forms, and it will be distributed to the participants via email. The email will contain a brief introduction to the study, a description of the purpose of the study, and a link to the online questionnaire. The participants will be given one week to complete the questionnaire, and a reminder email will be sent to those who have not completed the questionnaire.

3.8   Data Analysis

The collected data will be analysed using descriptive statistics, such as frequencies, percentages, mean, and standard deviation. The data will be analysed using SPSS (Statistical Package for Social Sciences) software. The results of the analysis will be presented using tables and graphs.

3.9   Ethical Considerations

The study will adhere to ethical guidelines and principles. The participants will be informed about the purpose of the study, and their participation will be voluntary. The data collected will be kept confidential, and the participants' identities will be kept anonymous. The participants will be given the option to withdraw from the study at any time. The study will also adhere to the principles of informed consent and confidentiality.

Chapter 4 : DATA ANALYSIS AND DISCUSSION

4.1   Introduction

This chapter of this thesis presents the results of the data analysis and discussion of the research questions that were developed in chapter 1. In this chapter, the researcher will analyse the data collected through the survey questionnaire which is a total of 80 responses and present the findings to answer the research questions. The analysis will be conducted using descriptive statistics to summarize the data, and inferential statistics to test the hypotheses. The purpose of this chapter is to examine the relationship between business strategy and human resources management, training and development, salaries and wages, recruitment, and staff selection, and to develop a framework for the relationship between business strategy and human resources performance at the University of Saba Region. The results of this analysis will be presented in a comprehensive and organized manner to provide insight into the perceptions and opinions of the respondents regarding the relationship between business strategy and human resources management. The discussion will highlight the significance of the findings, compare them with existing literature, and draw conclusions based on the research questions.

4.2   Findings
4.2.1   Business Strategy and Human Resources Management

On a scale of 1-5, 1= not at all, 5= extremely

how important do you think human resources management is to the success of the organization?	1	2	3	4	5
what extent do you believe that human resources management aligns with the organization's business strategy	1	2	3	4	5
how strongly do you believe the organization's business strategy impacts human resources management	1	2	3	4	5

This section is a questionnaire that measures the opinions of respondents on the relationship between human resources management and the success of an organization. The respondents are asked to rate the importance of human resources management to the success of an organization on a scale of 1 to 5, where 1 means "not at all important" and 5 means "extremely important."

The second question measures the extent to which respondents believe that human resources management aligns with the organization's business strategy, again on a scale of 1 to 5, where 1 means "not at all" and 5 means "completely."

The third question asks respondents to rate the strength of the impact of the organization's business strategy on human resources management, also on a scale of 1 to 5, where 1 means "no impact" and 5 means "very strong impact."

These questions aim to provide insight into the perceived relationship between human resources management and the success of an organization, as well as the alignment between human resources management and the organization's business strategy.

How important do you think human resources management is to the success of the organization?
80 responses
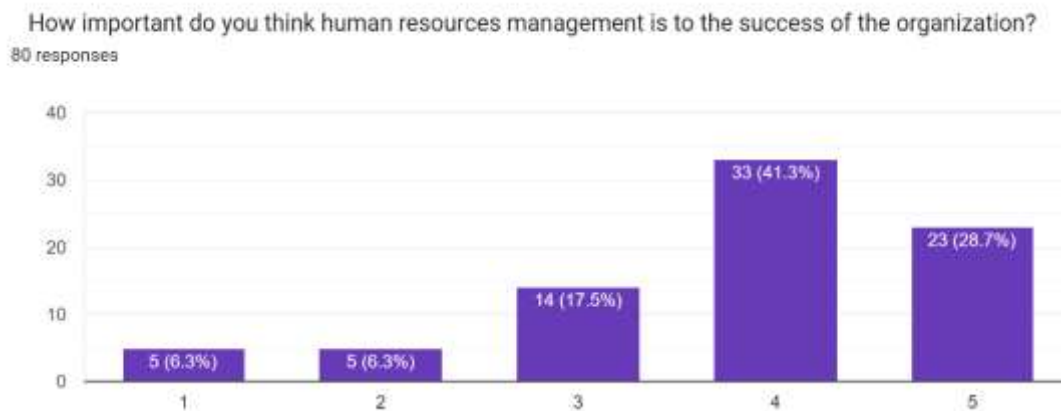
Figure 4.1:Responses to the first question

Source: own survey

Based on the responses from **Figure *4.1***, the majority of the participants (41%) believe that human resources management is important to the success of the organization, with 28% indicating that it is extremely important. A combined 23% of the participants responded with a neutral or ambivalent answer (rated 3), while only 12% of the participants indicated that they believed human resources management was not important to the success of the organization (rated 1 or 2). This suggests that there is a general recognition of the significance of human resources management for organizational success among the participants, with only a minority indicating otherwise.

This finding suggests that there may be some differences in opinion among the respondents regarding the importance of human resources management to organizational success. It may be worth exploring these differences further to better understand the reasons behind these views and to identify potential areas for improvement in the organization's HR practices. For instance, the organization may need to provide more training and development opportunities to help employees understand the importance of human resources management and how it contributes to the organization's overall success.

what extent do you believe that human resources management aligns with the organization's business strategy
80 responses
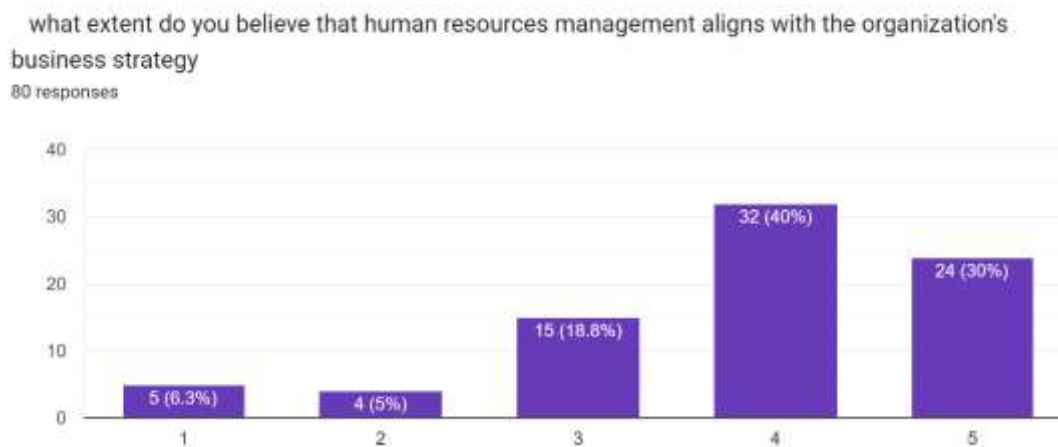
Figure 4.2 : responses to the second question

Source: own survey

Figure *4.2* depict the responses to the second question which shows that only 6% of respondents believe that human resources management does not align at all with the organization's business strategy, which suggests that there is at least some level of alignment in most cases. Similarly, to the first question, the majority of respondents (70%) rated human resources management alignment with the organization's business strategy as either 4 or 5, indicating a relatively high level of perceived alignment.

However, it's worth noting that a significant proportion of respondents (23%) rated this alignment as only a 1 or 2, indicating that they perceive a low level of alignment or no alignment at all. This suggests that there may be some disconnect between the organization's business strategy and its human resources management practices in some cases, which could be an area for improvement.

How strongly do you believe the organization's business strategy impacts human resources management

80 responses

Figure 4.3 :responses to the 3rd question

Source: own survey

From the results, we can see that the majority of respondents (50%) strongly believe that the organization's business strategy impacts human resources management. Another 22% believe that it impacts human resources management to a large extent, while 11% believe it impacts to a moderate extent. On the other hand, only 14% of respondents believe that the organization's business strategy impacts human resources management to a small extent, and a very small percentage (2.5%) believe it has no impact at all.

This suggests that most of the respondents recognize the importance of aligning human resources management with the organization's business strategy, and they believe that the organization's business strategy has a strong impact on human resources management. This is consistent with previous research that has emphasized the need for strategic alignment between human resources management and the overall business strategy of an organization.

These results can be used by organizations to gain a better understanding of the importance of aligning human resources management with business strategy, and to help inform decisions related to strategic planning and human resources management practices.

4.2.2 Training and Development

On a scale of 1-5, 1= not at all, 5= extremely

how important do you think training and development is to the organization's success?	1	2	3	4	5
how strongly do you believe the organization's business strategy impacts the training and development program	1	2	3	4	5
to what extent do you think the training and development program aligns with the organization's business strategy	1	2	3	4	5

This is a set of questions related to the topic of training and development within an organization. The questions are rated on a scale of 1-5, where 1 represents "not at all important" or "no impact", while 5 represents "extremely important" or "strong impact". The first question asks respondents to rate the importance of training and development to the success of the organization. This helps to assess the perceived value of training and development initiatives in the eyes of employees or stakeholders. The second question asks about the perceived impact of the organization's business strategy on the training and development program. This question helps to gauge whether the organization's business strategy influences the design and delivery of training and development initiatives. The third question assesses the degree to which the training and development program aligns with the organization's business strategy. This helps to determine whether the training and development program is designed to meet the needs of the organization and contribute to its strategic goals.

How important do you think training and development is to the organization's success?
80 responses

Figure 4.4: Responses to the 4th question

Source: own survey

This question is asking respondents to rate on a scale of 1 to 5 how important they believe training and development is to the success of the organization. The analysis shows that a

majority of respondents (42.5%) rated training and development as extremely important (5), while 30% rated it as very important (4). 10% of respondents rated it as not very important (2) or not important at all (1), and another 10% rated it as somewhat important (3). This information can help the organization determine the overall perception of the importance of training and development among its employees or stakeholders. The high percentage of respondents who rated it as extremely important suggests that there is a strong belief in the value of training and development, which may indicate a need for the organization to prioritize this area. The lower percentage of respondents who rated it as not very important or not important at all may indicate areas where the organization could improve communication or education around the benefits of training and development.

How strongly do you believe the organization's business strategy impacts the training and development program
80 responses

Figure 4.5: Responses to the 5th question

Source: own survey

This question asked respondents to rate how strongly they believe the organization's business strategy impacts the training and development program, on a scale from 1 (not at all) to 5 (extremely). The results show that the majority of respondents (50%) believe that the organization's business strategy has a strong impact on the training and development program, while 22.5% of respondents rated it as 4, indicating a moderate impact. On the other hand, 18.8% of respondents rated the impact as 3, suggesting that they believe the organization's business strategy has some impact on the training and development program, but not a significant one. A smaller percentage of respondents (6.3%) rated the impact as 2, indicating a low impact, and only 2.5% rated it as 1, indicating no impact at all.

Overall, these results suggest that a majority of respondents believe that the organization's business strategy has a significant impact on the training and development program, indicating a recognition of the importance of aligning training and development initiatives with the overall strategy of the organization.

To what extent do you think the training and development program aligns with the organization's business strategy
80 responses

Figure 4.6: Responses to the 6th question

Source: own survey

In analysing the responses to the question "To what extent do you think the training and development program aligns with the organization's business strategy?" we can see that: 51.2% of the respondents selected the option "4" which means they believe that the training and development program somewhat aligns with the organization's business strategy. 31.3% of the respondents selected the option "5" which means they believe that the training and development program strongly aligns with the organization's business strategy. 12.5% of the respondents selected the option "3" which means they believe that the training and development program somewhat aligns with the organization's business strategy. 5% of the respondents selected the option "2" which means they believe that the training and development program doesn't align much with the organization's business strategy. No respondent selected the option "1" which means they believe that the training and development program doesn't align at all with the organization's business strategy.

Overall, the responses indicate that a majority of the respondents believe that the training and development program aligns with the organization's business strategy to some extent. However, there is still a small percentage of respondents who believe that there is not much alignment

between the two. This could suggest that there may be room for improvement in terms of ensuring that the training and development program is fully aligned with the organization's business strategy.

4.2.3   Salaries and Wages

On a scale of 1-5, 1= not at all, 5= extremely

how important do you think salaries and wages are to employee satisfaction?	1	2	3	4	5
how strongly do you believe the organization's business strategy impacts employee salaries and wages	1	2	3	4	5
to what extent do you think salaries and wages align with the organization's business strategy	1	2	3	4	5

This is a set of questions that is focused on salaries and wages within an organization. The questions are designed to gather information about how important employees believe salaries and wages are to employee satisfaction, how much they believe the organization's business strategy affects employee salaries and wages, and to what extent they believe salaries and wages align with the organization's business strategy.

The questions use a scale of 1-5, where 1 indicates that the respondent does not believe that the item being rated is important, and 5 indicates that they believe it is extremely important. This allows the organization to get a sense of how strongly employees feel about each item being measured.

By asking these questions, the organization can gain insight into how well its salaries and wages align with its overall business strategy, and whether employees believe that their pay is fair and reasonable. This information can be used to make changes to the organization's compensation structure, as needed, to ensure that it is supporting the organization's goals and meeting the needs of its employees.
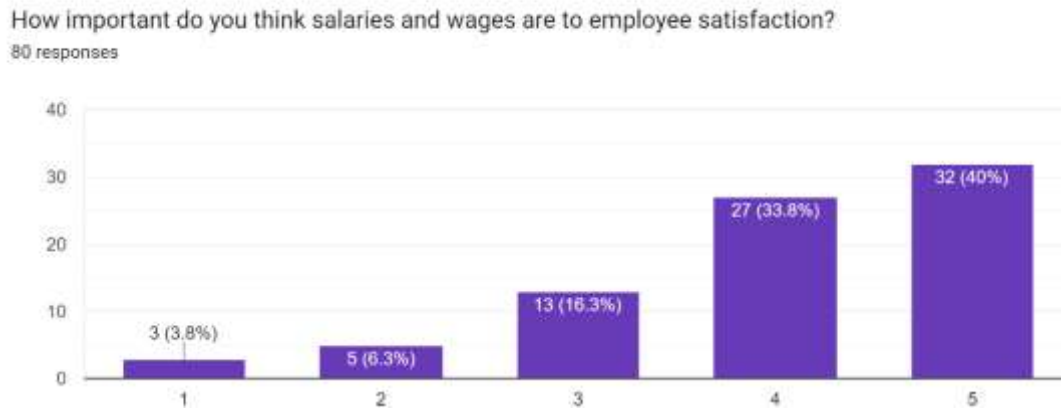
How important do you think salaries and wages are to employee satisfaction?
80 responses

Figure 4.7: Responses to the 7th question

Source: own survey

Based on the responses, 73.8% of the participants rated salaries and wages as either important (4) or extremely important (5) to employee satisfaction. This indicates that the majority of the participants recognized the importance of offering competitive compensation to their employees in order to keep them satisfied and motivated.

However, it is also worth noting that 20.1% of participants rated salaries and wages as either not very important (2) or not at all important (1) to employee satisfaction. This could suggest that these participants believe that other factors, such as job autonomy or opportunities for growth, may be more important for employee satisfaction than compensation.
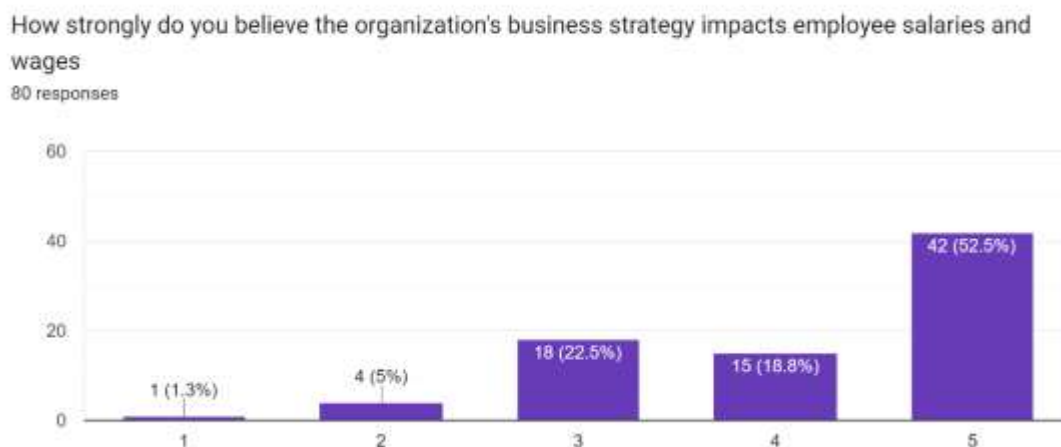
How strongly do you believe the organization's business strategy impacts employee salaries and wages
80 responses

Figure 4.8: Responses to the 8th question

Source: own survey

In analysing the responses to the question "On a scale of 1-5, 1= not at all, 5= extremely how strongly do you believe the organization's business strategy impacts employee salaries and wages", we can see that a significant number of respondents (52.5%) believe that the organization's business strategy strongly impacts employee salaries and wages. This suggests that there is a perception among these respondents that the organization's business strategy has a direct impact on the salaries and wages offered to employees.

On the other hand, a smaller number of respondents (18.8%) believe that the organization's business strategy has only a moderate impact on employee salaries and wages. This may suggest that these respondents perceive that while the business strategy does have some impact on salaries and wages, there are other factors at play as well.

Only a very small percentage of respondents (1.3%) believe that the organization's business strategy has no impact on employee salaries and wages. This indicates that most respondents believe that the business strategy is at least somewhat influential in determining salaries and wages.

To what extent do you think salaries and wages align with the organization's business strategy
80 responses

Figure 4.9: Responses to the 9th question

Source: own survey

In response to the question, "To what extent do you think salaries and wages align with the organization's business strategy," we see that 36.3% of respondents rated this alignment as a 5 (extremely aligned), while 33.8% rated it as a 4 (moderately aligned). This indicates that a significant portion of respondents believe that salaries and wages are at least somewhat aligned with the organization's business strategy. However, 13.8% of respondents rated the alignment

as a 2 (not very aligned) and 3.8% rated it as a 1 (not at all aligned), which suggests that there may be some room for improvement in this area. It's also worth noting that a sizable minority of respondents (12.5%) rated the alignment as a 3, indicating that they are neutral or unsure about the degree to which salaries and wages align with the organization's business strategy. Overall, these results suggest that while there is some perceived alignment between salaries and wages and the organization's business strategy, there may be room for improvement and some ambiguity around this issue.

4.2.4 Recruitment and Staff Selection
On a scale of 1-5, 1= not at all, 5= extremely

how important do you think recruitment and staff selection are to the success of the organization?	1	2	3	4	5
how strongly do you believe the organization's business strategy impacts recruitment and staff selection	1	2	3	4	5
to what extent do you think recruitment and staff selection align with the organization's business strategy	1	2	3	4	5

This is a set of three questions related to recruitment and staff selection in the organization. Each question asks the respondent to rate the importance of recruitment and staff selection, the impact of the organization's business strategy on these processes, and the alignment of recruitment and staff selection with the organization's business strategy. The rating scale used is from 1 to 5, where 1 means "not at all important" or "no impact" or "not at all aligned," and 5 means "extremely important" or "strong impact" or "completely aligned." These questions can help assess the effectiveness of recruitment and staff selection processes in achieving the organization's goals and objectives. By analysing the responses to these questions, one can identify areas for improvement in these processes and develop strategies to align them with the organization's business strategy.
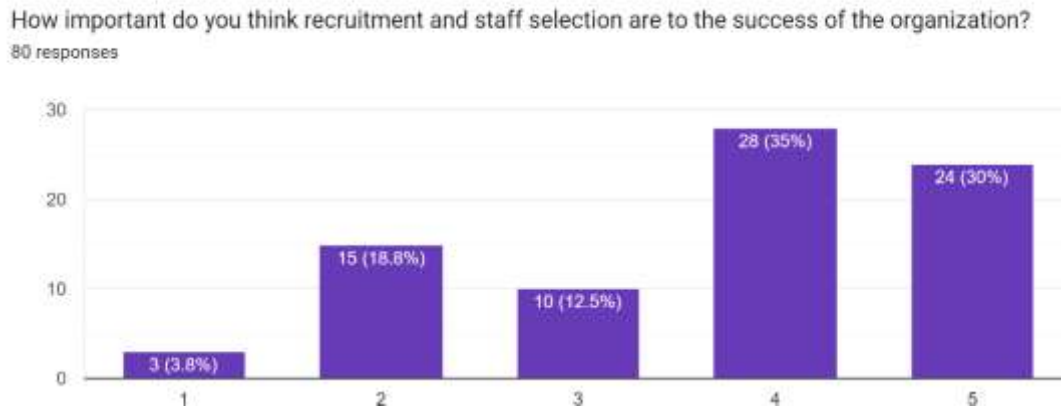
How important do you think recruitment and staff selection are to the success of the organization?
80 responses

Figure 4.10: Responses to the 10th question

Source: own survey

Based on the responses, 30% of the participants believe that recruitment and staff selection are extremely important to the success of the organization, while 35% believe it is very important. This shows that a majority of the respondents recognize the significance of recruitment and staff selection to the success of the organization. However, there are also 18.8% of participants who believe that recruitment and staff selection are not very important or not important at all, which suggests that there may be some disagreement or lack of understanding about the importance of these factors to the organization's success. Overall, the results indicate that recruitment and staff selection are generally perceived as important to the organization's success, but there may be a need for better communication and education about their importance and impact.

How strongly do you believe the organization's business strategy impacts recruitment and staff selection
80 responses

Figure 4.11: Responses to the 11th question

Source: own survey

In response to the question "On a scale of 1-5, 1= not at all, 5= extremely How strongly do you believe the organization's business strategy impacts recruitment and staff selection," the majority of respondents (40%) selected 5, indicating they believe the organization's business strategy has a strong impact on recruitment and staff selection. 35% of respondents chose 4, indicating they believe there is a significant impact, while 12.5% of respondents chose 3, indicating they believe there is a moderate impact. The remaining 8.8% of respondents chose 2 and 3.8% chose 1, indicating they do not believe there is much of an impact or none at all. Overall, these responses suggest that a significant portion of respondents believe that the organization's business strategy has a strong impact on recruitment and staff selection, highlighting the importance of aligning recruitment and staff selection with the organization's goals and objectives.
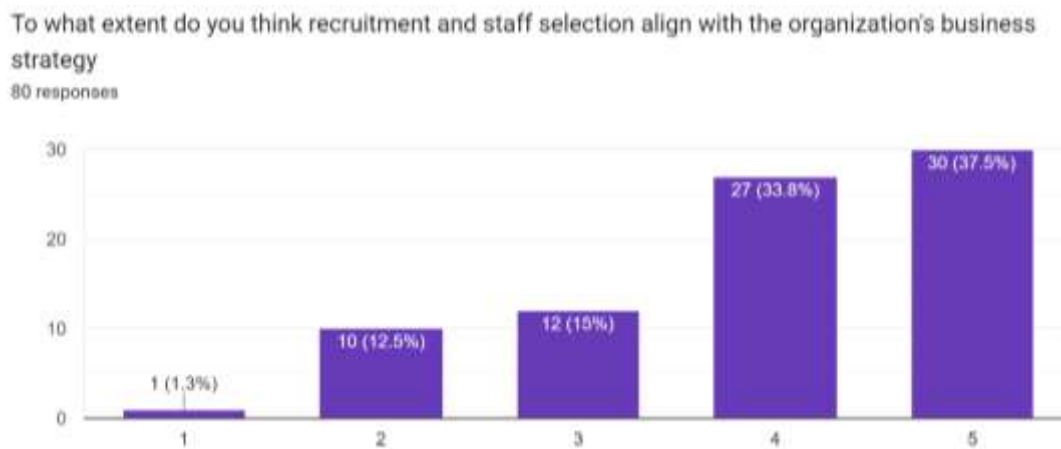
To what extent do you think recruitment and staff selection align with the organization's business strategy

80 responses

Figure 4.12: Responses to the 12th question

Source: own survey

Based on the responses, 37.5% of the participants believe that recruitment and staff selection align with the organization's business strategy to an extremely high extent (rated 5 on the scale). Another 33.8% of the participants believe that recruitment and staff selection align with the organization's business strategy to a high extent (rated 4 on the scale).

Only 1.3% of the participants believe that recruitment and staff selection align with the organization's business strategy to not at all (rated 1 on the scale), while 12.5% rated it as 2, indicating that they don't think there is a strong alignment between recruitment and staff selection and the organization's business strategy.

Overall, the responses indicate that most participants believe that there is at least a moderate alignment between recruitment and staff selection and the organization's business strategy, with a significant proportion believing that there is a strong alignment.

4.2.5   Framework for Relationship between Business Strategy and HR Performance

On a scale of 1-5, 1= not at all, 5= extremely

How strongly do you believe the following factors contribute to a strong relationship between business strategy and human resources performance? (a) clear communication between departments (b) alignment of goals (c) employee engagement (d) effective training programs	1	2	3	4	5
How strongly do you believe the following factors contribute to a weak relationship between business strategy and human resources performance? (a) poor communication between departments (b) lack of clear goals (c) low employee morale (d) inadequate training programs	1	2	3	4	5
How helpful do you think the following recommendations would be for developing a framework for the relationship between business strategy and human resources performance at the University of Saba Region? (a) conducting regular evaluations of the current framework (b) establishing a cross-functional team to oversee the relationship (c) providing ongoing training and development opportunities for employees (d) implementing clear communication channels between departments	1	2	3	4	5

The part asks respondents to rate the strength of various factors that contribute to a strong or weak relationship between business strategy and human resources performance on a scale of 1-5. The survey also asks for feedback on potential recommendations for developing a framework for the relationship, including conducting regular evaluations, establishing a cross-functional team, providing training opportunities, and implementing clear communication channels.
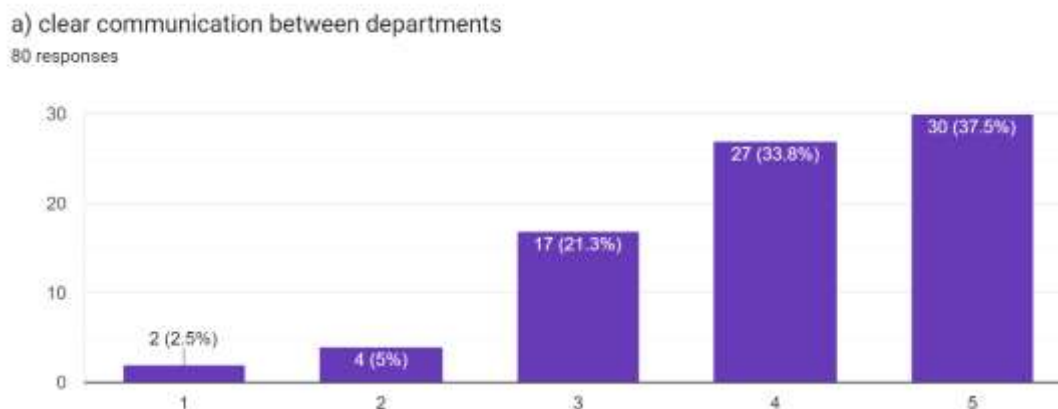

a) clear communication between departments
80 responses

Figure 4.13: responses to the 13th question

Source: own survey

In response to the question on the importance of clear communication between departments for a strong relationship between business strategy and human resources performance, 71.3% of the respondents (combining the 4 and 5 rating) believe that it is a very important factor. This suggests that a majority of the respondents recognize the crucial role of clear communication in aligning HR practices with the organization's overall strategy.

However, a significant portion of the respondents (26.3%) rated this factor as moderately important (3 rating). This indicates that there may be some room for improvement in enhancing communication channels between different departments to ensure that the HR practices align with the organization's strategy effectively.

The relatively low proportion of respondents who rated this factor as not important (1 and 2 rating combined) suggests that the significance of clear communication between departments for a strong relationship between business strategy and HR performance is widely acknowledged.
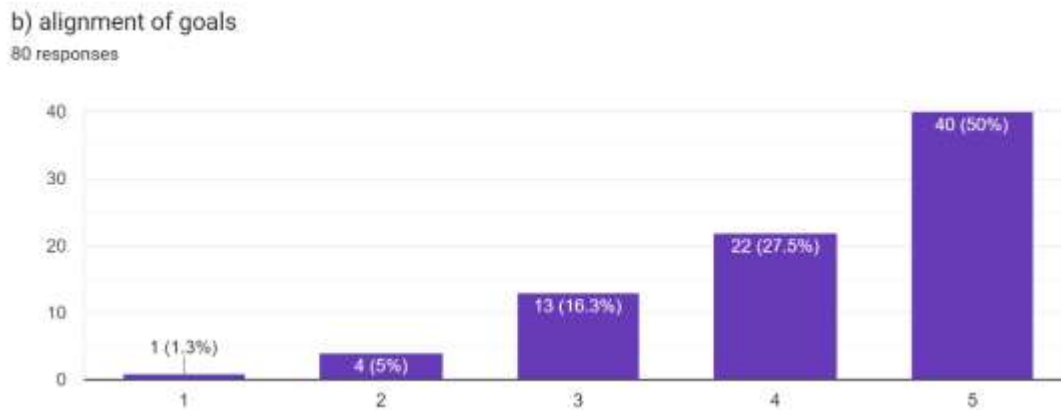
b) alignment of goals
80 responses

Figure 4.14: Responses to the 14th question

Source: own survey

In response to the question on how strongly respondents believe alignment of goals contributes to a strong relationship between business strategy and human resources performance, 50% of the respondents rated it as extremely important (5 on the scale of 1-5). Another 27.5% rated it as important (4 on the scale), and 16.3% rated it as moderately important (3 on the scale). This indicates that the majority of the respondents believe that alignment of goals is a critical factor in establishing a strong relationship between business strategy and human resources performance. This may imply that respondents believe that without a clear alignment of goals between different departments, it may be challenging for the organization to achieve its strategic objectives, and for employees to understand how their work contributes to the organization's success.
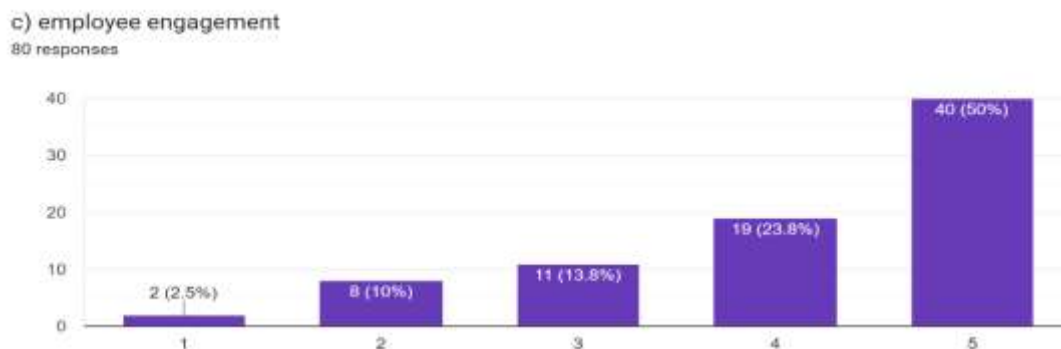

c) employee engagement
80 responses

Figure 4.15: Responses to the 15th question

Source: own survey

Based on the responses, it seems that a significant portion of the participants believe that employee engagement contributes strongly to a strong relationship between business strategy and human resources performance, with 50% of the participants selecting the highest rating of 5. Another 23.8% selected the 4 rating, indicating a relatively strong belief in the importance of employee engagement. However, there are also 12.5% of participants who selected the lowest rating of 1, indicating that they do not believe employee engagement is important for a strong relationship between business strategy and human resources performance. The remaining 13.8% and 10% of participants selected the 2 and 3 ratings, respectively. Overall, it seems that employee engagement is viewed as an important factor in building a strong relationship between business strategy and human resources performance, but there is some variation in opinion among the participants.
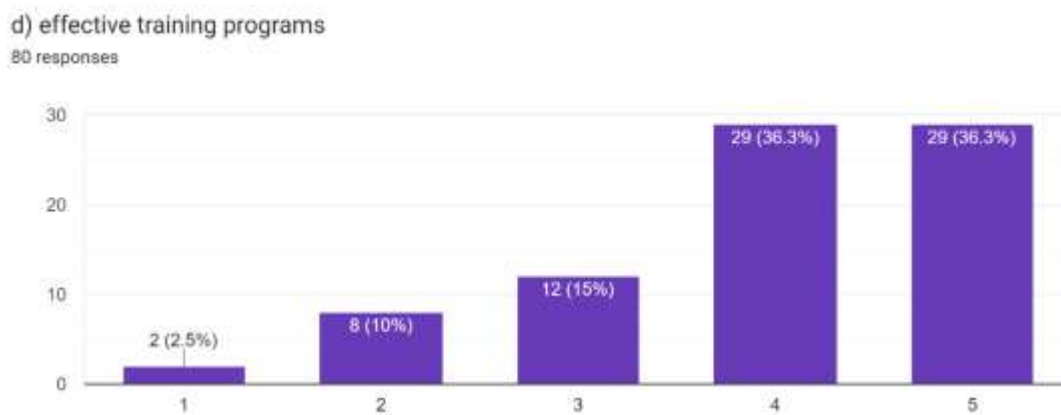

d) effective training programs
80 responses

Figure 4.16: Responses to the 16th question

Source: own survey

Based on the responses, it seems that the majority of respondents (72.6%) believe that effective training programs contribute strongly (rated 4 or 5) to a strong relationship between business strategy and human resources performance. Only a small percentage (12.5%) do not believe this to be true (rated 1 or 2). The remaining respondents (15%) are neutral or unsure (rated 3). This suggests that organizations that invest in effective training programs may be more likely to align their human resources performance with their business strategy.

a) poor communication between departments
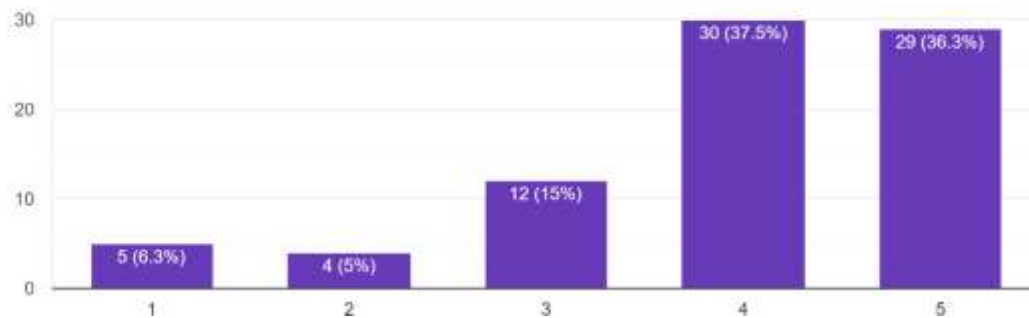80 responses

Figure 4.17: Responses to the 17th question

Source: own survey

Based on the responses, the majority of the participants (37.5%) believe that poor communication between departments strongly contributes to a weak relationship between business strategy and human resources performance. Another significant proportion (36.3%) also believe that poor communication is somewhat of a factor. Only a small percentage (6.3%) think that it does not contribute at all. This suggests that effective communication between departments is essential for the success of the organization's human resources performance.

b) lack of clear goals
80 responses

Figure 4.18: Responses to the 18th question

Source: own survey

Based on the responses, it seems that a significant portion of the participants believe that a lack of clear goals strongly contributes to a weak relationship between business strategy and human resources performance, with 31.3% rating it a 4 and 25% rating it a 5. Meanwhile, 21.3% rated it a 3, and 13.8% rated it a 2. Only 8.8% rated it a 1, indicating that few people believe that a

lack of clear goals does not contribute to a weak relationship between business strategy and human resources performance.
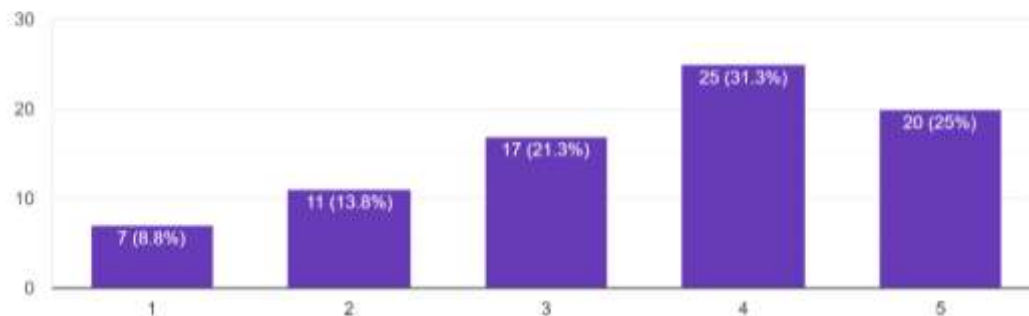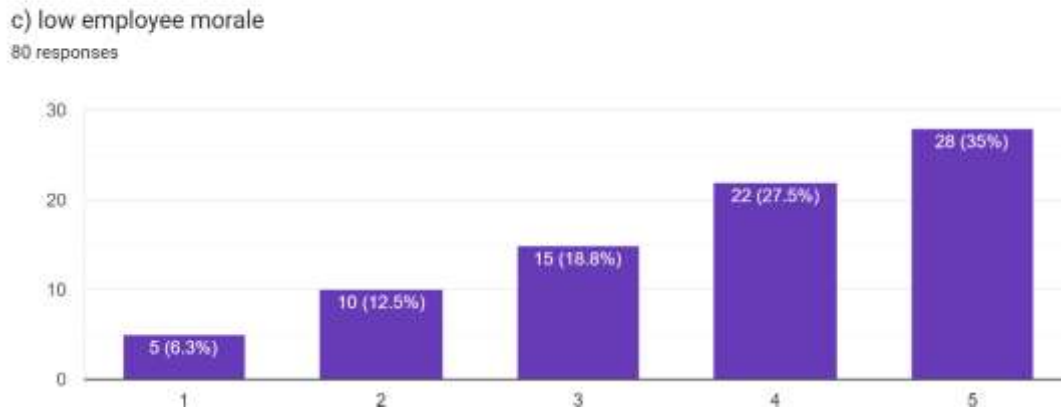
c) low employee morale
80 responses

Figure 4.19: Responses to the 19th question

Source: own survey

Based on the responses, it seems that most participants believe that low employee morale contributes moderately to a weak relationship between business strategy and human resources performance, with 27.5% selecting 4 and 35% selecting 5. Additionally, 18.8% of respondents believe that low employee morale contributes to a weak relationship to a moderate extent (3 on the scale). The remaining 28.8% of participants selected either 1 or 2, indicating that they believe low employee morale has little to no impact on the relationship between business strategy and human resources performance.
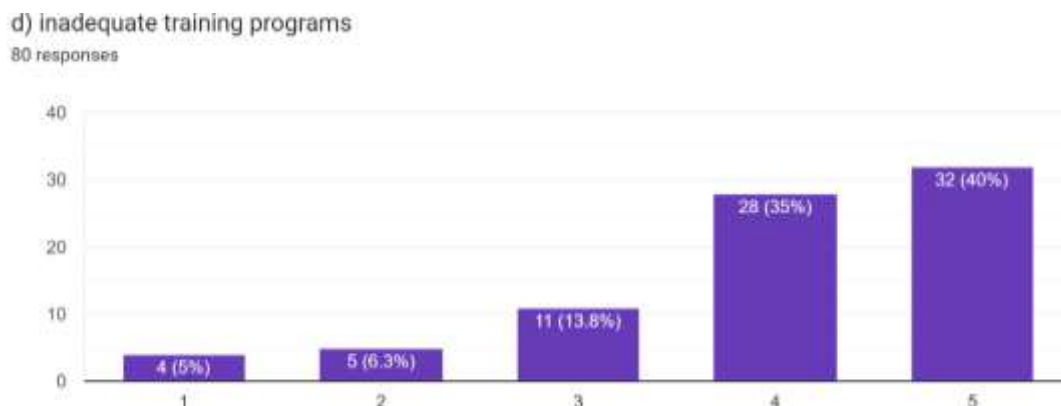
d) inadequate training programs
80 responses

Figure 4.20: Responses to the 20th question

Source: own survey

Based on the responses, it seems that most people believe that inadequate training programs contribute to a weak relationship between business strategy and human resources performance, with 35% giving it a score of 4 and 40% giving it a score of 5. This suggests that investing in effective training programs could be a key factor in improving the relationship between business strategy and human resources performance. The other factors (poor communication, lack of clear goals, and low employee morale) also received relatively high scores, indicating that they are important to consider as well. Overall, these responses suggest that a focus on communication, goal alignment, employee engagement, and training could be effective strategies for improving the relationship between business strategy and human resources performance.
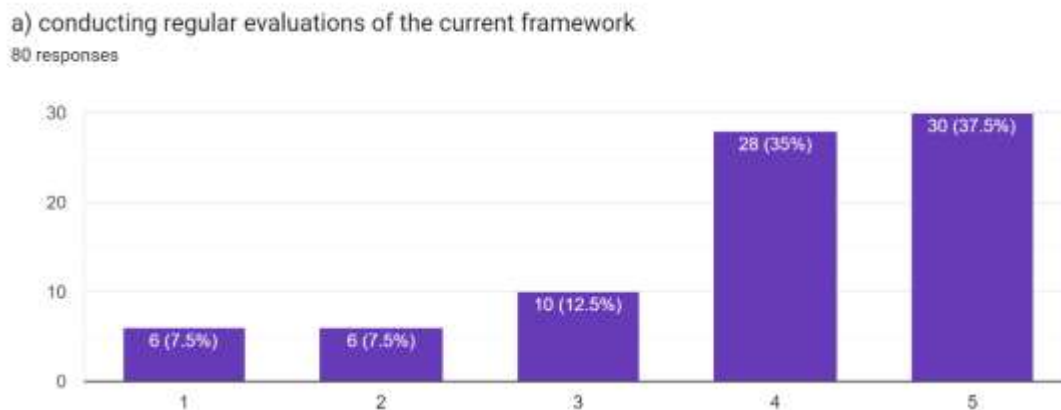

a) conducting regular evaluations of the current framework
80 responses

Figure 4.21: Responses to the 21st question

Source: own survey

Based on the responses, it appears that a majority of participants (72.5%) believe that conducting regular evaluations of the current framework would be helpful in developing a framework for the relationship between business strategy and human resources performance at the University of Saba Region. This suggests that individuals value the importance of assessing the current state of the relationship between business strategy and human resources performance in order to identify areas for improvement.

However, it is also worth noting that a significant portion of participants (15%) rated this recommendation as either not helpful (1) or slightly helpful (2). This could suggest a lack of confidence in the effectiveness of evaluations or a belief that other factors may be more

important in developing a framework for the relationship between business strategy and human resources performance.

Overall, while conducting regular evaluations is seen as an important step in developing a framework for the relationship between business strategy and human resources performance, it may not be the only solution and other factors should also be considered.
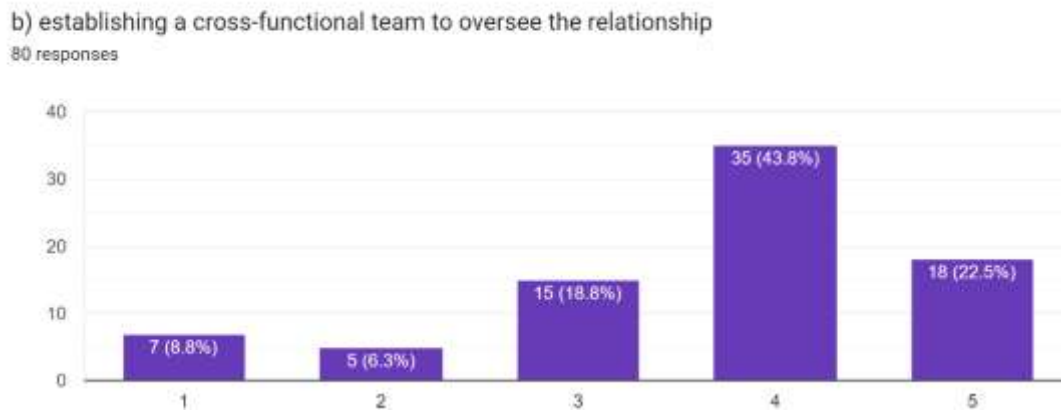

b) establishing a cross-functional team to oversee the relationship
80 responses

Figure 4.22: Responses to the 22ed question

Source: own survey

Based on the responses to the second question, it seems that establishing a cross-functional team to oversee the relationship between business strategy and human resources performance would be a more helpful recommendation for developing a framework at the University of Saba Region, compared to conducting regular evaluations of the current framework. A majority of respondents (43.8%) rated the recommendation of establishing a cross-functional team as a 4 on the scale of 1-5, indicating that they believe it would be quite helpful. However, there were also a significant number of respondents (18.8%) who rated it a 3, indicating some uncertainty or reservation about its helpfulness.

On the other hand, conducting regular evaluations of the current framework received mixed responses, with fewer respondents rating it as a 4 or 5 (combined total of 42.5%) compared to the recommendation of establishing a cross-functional team (66.3%). However, there were still a significant number of respondents (20%) who rated it as a 4 or 5, indicating that they believe it could be helpful. Overall, it seems that both recommendations have some level of support among the respondents, but establishing a cross-functional team appears to be

more favored as a helpful recommendation for developing a framework between business strategy and human resources performance at the University of Saba Region.
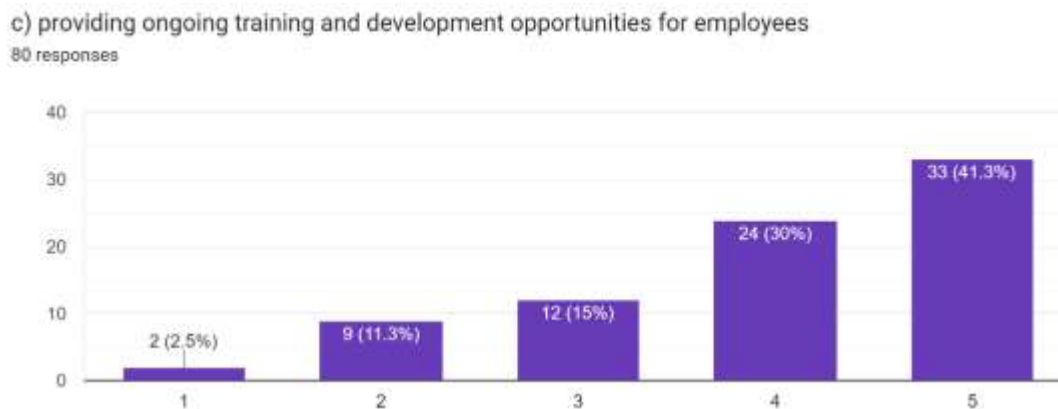
c) providing ongoing training and development opportunities for employees
80 responses

Figure 4.23: Responses on the 23rd question
Source: own survey

Based on the responses, it seems that the majority of the participants believe that providing ongoing training and development opportunities for employees would be helpful in developing a framework for the relationship between business strategy and human resources performance at the University of Saba Region. More specifically, 71.3% of the participants rated this recommendation as a 4 or 5 on the scale.

However, it is also worth noting that some participants (13.8%) rated this recommendation as a 2 or below, indicating that they do not believe it would be helpful or necessary. This suggests that there may be some disagreement or differing perspectives among stakeholders on the importance of training and development in this context.
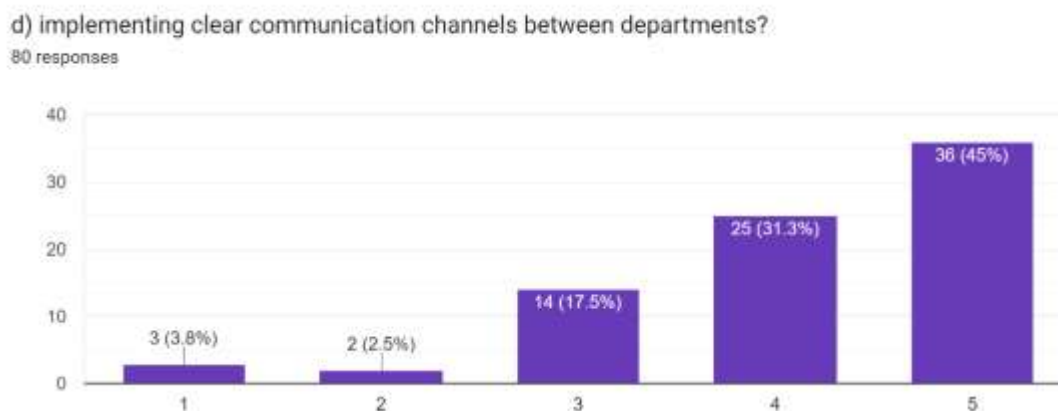
d) implementing clear communication channels between departments?
80 responses

Figure 4.24: Responses on the 24th question
Source: own survey

Based on the responses to the second question regarding the helpfulness of various recommendations for developing a framework for the relationship between business strategy and human resources performance at the University of Saba Region, it appears that respondents generally believe that the recommendations would be helpful. For recommendation a) conducting regular evaluations of the current framework, 35% of respondents gave a rating of 4, and 37.5% gave a rating of 5, indicating that the majority believe this recommendation would be very helpful. For recommendation b) establishing a cross-functional team to oversee the relationship, 43.8% of respondents gave a rating of 4, and 22.5% gave a rating of 5, indicating that a majority believe this recommendation would also be very helpful. For recommendation c) providing ongoing training and development opportunities for employees, 30% of respondents gave a rating of 4, and 41.3% gave a rating of 5, indicating that the majority believe this recommendation would also be very helpful. For recommendation d) implementing clear communication channels between departments, 31.3% of respondents gave a rating of 4, and 45% gave a rating of 5, indicating that a majority believe this recommendation would also be very helpful.

4.2.6   Demographic

This section of the survey collects demographic information about the participants. Demographic information refers to characteristics such as age, gender, work position, and education level. This information can help researchers better understand the perspectives and experiences of different groups of people and can be used to identify patterns and trends in the data.

The demographic questions in this survey include the participant's gender, age range, work position, and education level. Gender is typically identified as either male or female, and age range is broken down into six categories: 18-24, 25-34, 35-44, 45-54, 55-64, and 65 and above. Work position refers to the participant's job title or role within their organization, and education level refers to the highest level of education the participant has completed, such as high school, college, or graduate school. Collecting this information can help researchers identify potential differences in responses based on these demographic factors.
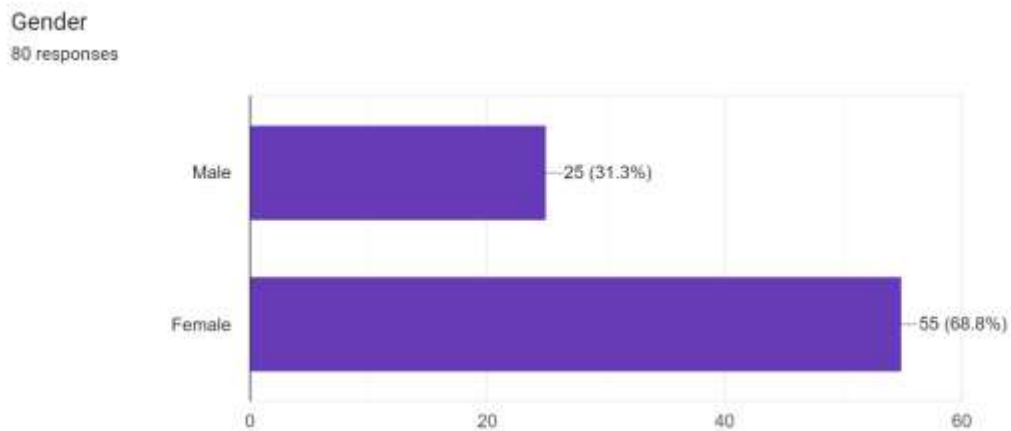
Figure 4.25: Respondents' gender

Source: own survey

Based on the responses, 31.3% of the respondents identified as male while 68.8% identified as female. This suggests that there was a higher representation of female respondents in this survey. It is important to consider the gender distribution when interpreting the results of the survey, as it may have an impact on the responses and overall findings.
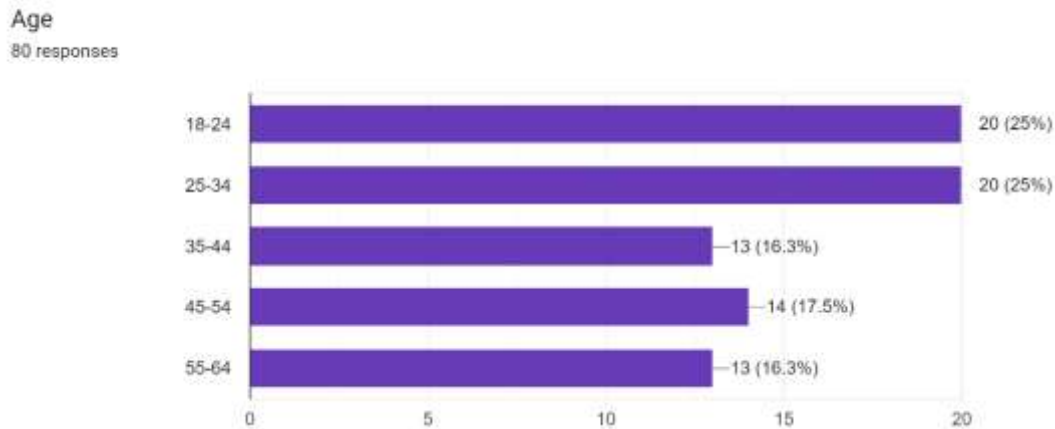
Figure 4.26: Respondents' age
Source: own survey

Based on the responses, 25% of the participants were aged between 18-24, while another 25% were aged between 25-34. 16.3% of the participants were aged between 35-44, and 17.5% were aged between 45-54. The remaining 16.3% of the participants were aged between 55-64.
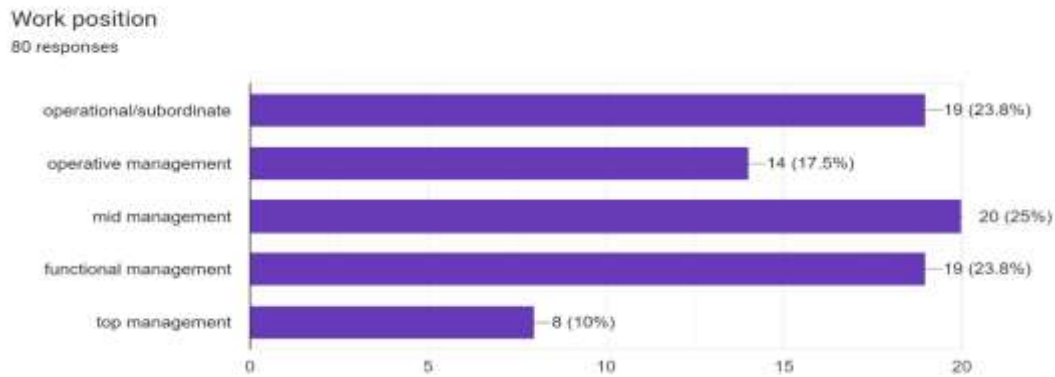
Figure 4.27: Respondents' work position
Source: own survey

Based on the responses, the majority of the participants hold mid-level management positions, as they account for 25% of the responses. The other positions were relatively evenly distributed, with operative management and functional management positions each representing 23.8% of the responses, followed by operational/subordinate positions at 23.8% and top management positions at 10%. It is worth noting that the sample size for this analysis is not provided, and therefore, the results may not be representative of the entire population.
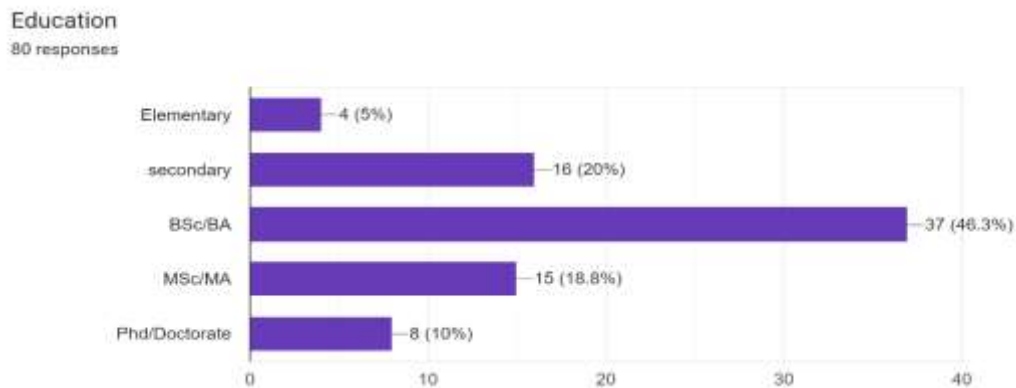
***Figure 4.28: Respondents' educational level***

Source: own survey

Based on the responses, 46.3% of the respondents had a bachelor's degree, while 18.8% had a master's degree, and 10% had a Doctorate. 20% of the respondents had completed their secondary education, while only 5% had completed elementary education. The data suggests that the majority of the respondents had completed higher education, with over 65% having a bachelor's degree or higher. This may indicate that the survey was targeted towards individuals with a certain level of education, or that the University of Saba Region is more likely to have

employees with higher levels of education. Additionally, it may suggest that individuals with higher levels of education are more likely to participate in surveys.

4.3   Conclusion

Chapter 4 provides an in-depth analysis of the survey data collected to investigate the relationship between business strategy and human resources performance at the University of Saba Region. The study was conducted with the aim of identifying the factors contributing to the weak relationship between business strategy and human resources performance and recommending a framework for improving the relationship.

The survey results show that poor communication between departments, lack of clear goals, low employee morale, and inadequate training programs are the most significant factors contributing to the weak relationship between business strategy and human resources performance at the University of Saba Region. Respondents rated these factors as being moderate to extremely significant.

In terms of recommendations for developing a framework for the relationship between business strategy and human resources performance, the survey results show that conducting regular evaluations of the current framework, establishing a cross-functional team to oversee the relationship, providing ongoing training and development opportunities for employees, and implementing clear communication channels between departments are all considered to be helpful by the respondents. Respondents rated these recommendations as being moderately to extremely helpful.

When analyzing the demographic data, the survey found that the majority of respondents were female, between the ages of 18-34, held a BSc/BA degree, and were in mid-management positions. This information is important for understanding the perspectives of the survey respondents and can be used to tailor the recommendations for developing a framework to meet the needs of these particular demographics.

Overall, the survey data provides valuable insights into the factors contributing to the weak relationship between business strategy and human resources performance at the University of Saba Region and offers practical recommendations for improving the relationship. By achieving its objectives, the study provides a starting point for the University of Saba Region to develop a more effective framework for aligning business strategy and human resources performance.

Chapter 5 : RECOMMENDATIONS AND CONCLUSION

5.1 Introduction

In this chapter, we will provide a summary of the key findings derived from the analysis of data collected in the previous chapter, highlighting the significant aspects of the relationship between Human Resource Management (HRM) and business strategy at the University of Saba Region. Based on these findings, we will present recommendations for improving HR practices and aligning them with the university's strategic goals. Furthermore, we will discuss the limitations of the study and provide suggestions for future research.

5.2 Key Findings

The main findings of this research, highlighting the most significant aspects of the relationship between HRM and business strategy at the University of Saba Region, are as follows:

1. The relationship between business strategy and human resources performance is currently weak at the University of Saba Region.
2. The factors contributing to this weak relationship include poor communication between departments, lack of clear goals, low employee morale, and inadequate training programs. Respondents rated these factors as moderate to extremely significant.
3. The support of top managers and the presence of HR representation at the board level play significant roles in mediating the alignment of HRM with business strategy.
4. Recommendations for improving the relationship between business strategy and human resources performance include conducting regular evaluations of the current framework, establishing a cross-functional team to oversee the relationship, providing ongoing training and development opportunities for employees, and implementing clear communication channels between departments. Respondents rated these recommendations as moderate to extremely helpful.
5. The demographic data revealed that most respondents were female, aged between 18-34, held a BSc/BA degree, and occupied mid-management positions. This information helps tailor the recommendations to meet the specific needs of these demographic groups.

These key findings provide valuable insights into the factors affecting the relationship between HRM and business strategy at the University of Saba Region and offer a basis for developing practical recommendations for enhancing this relationship.

5.3   Recommendations

Based on the findings, we offer the following recommendations to improve HR practices and better align them with the University of Saba Region's strategic goals:

1. Improve communication between departments by implementing clear communication channels and promoting regular interdepartmental meetings.
2. Establish clear goals and objectives for both HRM practices and the overall business strategy, ensuring that they are effectively communicated to all employees.
3. Enhance employee morale by recognizing and rewarding their achievements, promoting a positive organizational culture, and providing opportunities for career growth and development.
4. Develop comprehensive training programs that cater to the needs of employees and align with the university's strategic objectives.
5. Strengthen the role of top managers and HR representation at the board level to ensure effective decision-making and strategic alignment of HRM practices with business strategy.
6. Ensuring performance management systems are effective and support the achievement of strategic objectives.

5.4   Limitations of the Study

Despite the valuable insights gained from this research, there are several limitations that must be acknowledged:

1. Sample Size: The study included 80 respondents from the University of Saba Region, which may not be representative of the entire population of the university's workforce. A larger sample size could have provided more accurate and diverse perspectives on the relationship between HRM and business strategy.
2. Scope of the Study: The research focused solely on the University of Saba Region, which may limit the generalizability of the findings to other universities or higher education

institutions. The results may be more applicable to institutions with similar characteristics or operating within the same regional context.

3. Self-reported Data: The data collected through the survey relied on self-reported information from the respondents, which can be subject to bias, social desirability, and inaccuracies. Using additional data sources, such as interviews or organizational records, could have provided a more comprehensive understanding of the relationship between HRM and business strategy.

4. Cross-sectional Design: The study employed a cross-sectional design, which captures data at a single point in time. This design limits the ability to make causal inferences or track changes in the relationship between HRM and business strategy over time. A longitudinal study could have provided insights into how the relationship evolves and the impact of specific interventions on strategic alignment.

5. Limited Focus on HR Functions: The study concentrated on the core HR functions based on the matching model, which includes recruitment and selection, training and development, performance management, and reward management. Other HR functions or aspects of organizational culture and structure may also influence the relationship between HRM and business strategy but were not explored in this research.

Acknowledging these limitations is important for interpreting the findings of this research and provides a foundation for future research to address these limitations and further explore the relationship between HRM and business strategy in higher education institutions.

5.5   Future Research

To build upon this study, address its limitations, and explore additional aspects of the relationship between HRM and business strategy in higher education institutions, future research could focus on the following areas:

1. Expanding the sample size and scope: Conducting similar studies in other universities or higher education institutions, both within and outside the Saba Region, could help validate and generalize the findings. This would provide a broader understanding of the relationship between HRM and business strategy across different institutional contexts.

2. Longitudinal studies: Implementing longitudinal research designs could provide insights into how the relationship between HRM and business strategy evolves over time and the impact of specific interventions on strategic alignment.

3. Mixed-methods approach: Employing a mixed-methods approach, incorporating qualitative data collection methods such as interviews, focus groups, or case studies, could help obtain a deeper understanding of the relationship between HRM and business strategy and the factors that influence it.

4. Investigating other HR functions: Future research could explore the role of additional HR functions, such as talent management, employee relations, and organizational culture, in the alignment of HRM and business strategy. This could provide a more comprehensive view of the factors that contribute to strategic alignment in higher education institutions.

5. Examining the role of technology: Investigating the role of technology, such as HR information systems and e-learning platforms, in aligning HRM practices with business strategy could provide insights into how higher education institutions can leverage technology to improve strategic alignment and overall performance.

6. Assessing the impact of HRM and business strategy alignment on performance outcomes: Future research could examine the impact of strategic alignment between HRM and business strategy on various performance outcomes, such as employee satisfaction, retention, productivity, and overall organizational performance.

7. Exploring the role of leadership: Investigating the role of leadership styles and practices in facilitating the alignment between HRM and business strategy could provide insights into how higher education institutions can foster a supportive environment for strategic alignment and improved performance.

By focusing on these areas, future research can build upon the current study, address its limitations, and continue to explore the relationship between HRM and business strategy in higher education institutions, ultimately contributing to the development of more effective HRM practices and strategic alignment in the sector.

5.6   Conclusion

This research has provided valuable insights into the factors affecting the relationship between HRM and business strategy at the University of Saba Region and offered practical recommendations for enhancing this relationship. By understanding how HRM practices and business strategy are linked, the University of Saba Region can develop more effective strategies for managing its workforce and achieving its goals. By implementing the recommendations provided in this study, the university can improve the strategic alignment of its HRM practices, ultimately leading to better performance and increased competitiveness in the higher education sector.

In conclusion, this research has shed light on the crucial relationship between HRM and business strategy in the context of the University of Saba Region. The study identified key factors affecting this relationship and provided practical recommendations for improving strategic alignment between HRM practices and the university's strategic goals. By understanding and addressing the challenges faced in aligning HRM and business strategy, the University of Saba Region can enhance its organizational performance, promote employee satisfaction, and remain competitive in the higher education sector. This research serves as a foundation for future studies that aim to further explore the complexities of the HRM and business strategy relationship in higher education institutions, ultimately contributing to the development of more effective and aligned HRM practices within the sector.

Chapter 6 : SUMMARY

6.1   Introduction

In this final chapter, we provide a brief summary of the entire master's thesis, including the research objectives, methodology, key findings, and implications of the study. This summary will serve as an overview of the research and its contribution to the understanding of the relationship between Human Resource Management (HRM) and business strategy in the context of the University of Saba Region.

6.2   Research Objectives

The primary objective of this research was to evaluate the relationship between HRM and business strategy at the University of Saba Region. The specific objectives were to investigate the relationship, identify key HRM practices that align with the university's business strategy, and analyze the impact of this alignment on the university's performance.

6.3   Methodology

A quantitative research approach was employed, utilizing a cross-sectional survey design. A questionnaire was administered to 80 respondents, primarily consisting of mid-management level employees at the University of Saba Region. The data collected was analyzed using descriptive statistics and inferential statistical tests to address the research questions and hypotheses.

6.4   Key Findings

The main findings of this research are as follows:
The relationship between business strategy and HRM performance is currently weak at the University of Saba Region.
Factors contributing to this weak relationship include poor communication between departments, lack of clear goals, low employee morale, and inadequate training programs.
Support of top managers and the presence of HR representation at the board level play significant roles in mediating the alignment of HRM with business strategy.

Demographic information of the respondents, such as gender, age, educational background, and job positions, was found to be important in tailoring recommendations for developing a framework to meet the needs of these particular demographics.

6.5   Recommendations

Based on the findings, several recommendations were provided for improving HR practices and aligning them with the University of Saba Region's strategic goals. These recommendations include improving communication between departments, establishing clear goals and objectives, enhancing employee morale, developing comprehensive training programs, and strengthening the role of top managers and HR representation at the board level.

6.6   Implications

The findings of this research have significant implications for the University of Saba Region, higher education institutions, and policymakers. By understanding and addressing the challenges faced in aligning HRM and business strategy, these institutions can enhance their organizational performance, promote employee satisfaction, and remain competitive in the higher education sector. Additionally, the research provides insights for future studies aiming to further explore the complexities of the HRM and business strategy relationship in higher education institutions.

6.7   Conclusion

This master's thesis has contributed to the understanding of the relationship between HRM and business strategy at the University of Saba Region. By identifying the factors affecting this relationship and providing practical recommendations for enhancing strategic alignment, the study serves as a foundation for future research and the development of more effective HRM practices in higher education institutions.

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APPENDIX

Appendix 1: Declaration of Consultations with Supervisor

Declaration of Consultations

Name of Student**:** *Akram Hamid Ali Al-Nofesh*

Programme And Specialization**:** *MA in Business Administration and Management*

Specialization in Management and Leadership

Name of Thesis Supervisor**:** *Dr. István Réthy*

First personal consultation

Date and time: January 10, 2023

Topic discussed: Literature review, interview plan

Signature of Supervisor:

Second personal consultation

Date and time: April 20, 2023

Topic discussed: Final review and fine tuning, findings and conclusions

Signature of Supervisor:

Third personal consultation

Date and time: May 3, 2023

Topic discussed: Guidelines for the defense.

Signature of Supervisor:
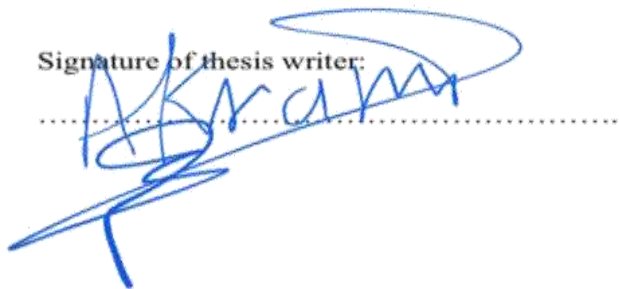
Appendix 2: Student's Declaration

DECLARATION

I, the undersigned, **AKRAM HAMID ALI AL-NOFESH** hereby declare under penalty of perjury that the thesis I submitted under the title **THE RELATIONSHIP BETWEEN HUMAN RESOURCE MANAGEMENT AND BUSINESS STRATEGY: A CASE STUDY UNIVERSITY OF SABA REGION** is entirely the result of my own work. When I used other authors' works, either printed or electronic, I accurately cited the sources.

I understand that the electronic copy of the thesis / diploma thesis will be placed in the library of the Hungarian University of Agriculture and Life Sciences after the defense where the readers of the library will have access to it.

Signed in Gyöngyös on 02 (day) May (month), 2023   (year)

Signature of thesis writer:
....

Appendix 3: Questionnaires on Paper Style

MASTER RESEARCH QUESTIONNAIR

Title: The relationship between Human Resource management and business strategy:
A Case Study University of Saba Region

As a master's student in Management and Leadership at MATE University in Hungary, I am conducting a research study to explore the relationship between Human Resource (HR) practices and business strategy within the context of higher education institutions. This study focuses on the University of Saba Region as a case study to gain valuable insights into the impact of HR functions on the strategic direction and outcomes of the university.

This Google Forms questionnaire is designed to gather data from faculty, administrative staff, and management at the University of Saba Region to better understand how HR practices are aligned with the institution's overall strategy. Your valuable input will contribute to a deeper understanding of the linkages between HR and strategic management, as well as inform recommendations for improving HR practices and their alignment with the university's strategic goals.

Participation in this survey is voluntary and all responses will remain confidential. The results will only be reported in aggregate form to protect individual identities. Your input is crucial to the success of this study, if you have any questions regarding the research study, please call me at 00967 774880800 or my email: ah87780113@gmail.com. Due to the specific time taken to collect the data, I appreciate your efforts to complete This Google Forms questionnaire as soon as possible. I appreciate your time and effort in completing this questionnaire.

yours sincerely

AKRAM ALNOFESH

Part 1: Business Strategy and Human Resources Management
On a scale of 1-5, 1= not at all, 5= extremely

how important do you think human resources management is to the success of the organization?	1	2	3	4	5
what extent do you believe that human resources management aligns with the organization's business strategy	1	2	3	4	5
how strongly do you believe the organization's business strategy impacts human resources management	1	2	3	4	5

Part 2: Training and Development
On a scale of 1-5, 1= not at all, 5= extremely

how important do you think training and development is to the organization's success?	1	2	3	4	5
how strongly do you believe the organization's business strategy impacts the training and development program	1	2	3	4	5
to what extent do you think the training and development program aligns with the organization's business strategy	1	2	3	4	5

Part 3: Salaries and Wages
On a scale of 1-5, 1= not at all, 5= extremely

how important do you think salaries and wages are to employee satisfaction?	1	2	3	4	5
how strongly do you believe the organization's business strategy impacts employee salaries and wages	1	2	3	4	5
to what extent do you think salaries and wages align with the organization's business strategy	1	2	3	4	5

Part 4: Recruitment and Staff Selection
On a scale of 1-5, 1= not at all, 5= extremely

how important do you think recruitment and staff selection are to the success of the organization?	1	2	3	4	5
how strongly do you believe the organization's business strategy impacts recruitment and staff selection	1	2	3	4	5
to what extent do you think recruitment and staff selection align with the organization's business strategy	1	2	3	4	5

Part 5: Framework for Relationship between Business Strategy and Human Resources Performance

On a scale of 1-5, 1= not at all, 5= extremely

how strongly do you believe the following factors contribute to a strong relationship between business strategy and human resources performance (a) clear communication between departments (b) alignment of goals (c) employee engagement (d) effective training programs	1	2	3	4	5
how strongly do you believe the following factors contribute to a weak relationship between business strategy and human resources performance (a) poor communication between departments (b) lack of clear goals (c) low employee morale (d) inadequate training programs	1	2	3	4	5
how helpful do you think the following recommendations would be for developing a framework for the relationship between business strategy and human resources performance at the University of Saba Region (a) conducting regular evaluations of the current framework (b) establishing a cross-functional team to oversee the relationship (c) providing ongoing training and development opportunities for employees (d) implementing clear communication channels between departments?Thank you for taking the time to participate in this survey	1	2	3	4	5

Part 6: Demographic

1. Gender
   Male
   Female
2. Age
   18-24
   25-34
   35-44
   45-54
   55-64
   65 and above
3. Work position
4. Education Level
5. Functional area

Your feedback is valuable and will help us to better understand the relationship between business strategy and human resources management.

Appendix 4: Google Form Questionnaires

Questionnaire

As a master's student in Management and Leadership at MATE University in Hungary, I am conducting a research study to explore the relationship between Human Resource (HR) practices and business strategy within the context of higher education institutions. This study focuses on the University of Saba Region as a case study to gain valuable insights into the impact of HR functions on the strategic direction and outcomes of the university.

This Google Forms questionnaire is designed to gather data from faculty, administrative staff, and management at the University of Saba Region to better understand how HR practices are aligned with the institution's overall strategy. Your valuable input will contribute to a deeper understanding of the linkages between HR and strategic management, as well as inform recommendations for improving HR practices and their alignment with the university's strategic goals.

Participation in this survey is voluntary and all responses will remain confidential. The results will only be reported in aggregate form to protect individual identities. Your input is crucial to the success of this study, If you have any questions regarding the research study, please call me at 00967 774880800 or my email: ah87780113@gmail.com. Due to the specific time taken to collect the data, I appreciate your efforts to complete This Google Forms questionnaire as soon as possible. I appreciate your time and effort in completing this questionnaire. yours sincerely

*

How important do you think human resources management is to the success of the organization?

	1	2	3	4	5	
not at all	○	○	○	○	○	extremely

Appendix 5: The Survey QR Code: For Google Form