



## The Impact of Human Resource Management Practice on Organizational Performance

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Abstract	
<p>Received: 01<sup>st</sup> Feb 2022 Revised: 17<sup>th</sup> Mar 2022 Accepted: 06<sup>th</sup> April 2022</p>	<p><b>Abstract</b>— The present study investigates the influence of human resource management on the performance of government institutions. In an evolving economic landscape marked by globalization, heightened investor and customer demands, and escalating market competition, government institutions strive to enhance their performance by reducing costs, updating products and procedures, and enhancing quality to remain competitive and sustainable. Employing a quantitative research approach, the study examined a sample size of 240 respondents. The results indicated that all hypotheses were rejected except for the fifth hypothesis, which posited that "Decentralization is positively correlated with organizational performance." Consequently, it was concluded that decentralization is positively associated with organizational performance.</p> <p><b>Keywords</b>— Training, Incentives, Selective Hiring, Job Security, Decentralization, Organizational Performance.</p>
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### I. INTRODUCTION

In the recent years, the world has witnessed an upsurge in the globalization where the economies of many countries are interlinking to promote foreign trade through technological advances and connectivity (Carnevale & Hatak, 2020). This upsurge has also fuelled the increased rivalry in the national and foreign markets that has further encouraged the organizations in hiring and retaining highly talented workers. Several companies are dependent on their employees to gain advantage in the competitive market. Therefore, they are strongly related to the efficiency of their human resources and their human resources management (Collins, 2021). Human resource management (HRM) includes tasks like HR preparation, human resources management, strategic recruiting, employee training, growth compensation management, efficiency, worker relations, health care, employee satisfaction as well as provision of employee services. It includes policies and practices set to improve organizational efficiency, engagement of employees and work quality (Khan & Abdullah, 2019). (Gbolahan, 2012). Having HRM practices in place, would positively improve the firm's performance; such as, revenue returns, benefit, competitiveness and market share (Katou, 2008). According to Anwar, (2017), with

regard to Kurdistan region of Iraq, the growth of the SME segment is also of significant position and requires some feasibility, in specific as the nation experiences tasks in the systems of restricted work prospects for people in the private region and a wealth which lasts to trust generally on the hydrocarbon division. In Kurdistan region of Iraq, 40 percent of the employees is engaged in SME sector and this GDP range is between 15 to 20 percent. The triumphs of the SME segment are being guided by government of Kurdistan region of Iraq, in collaboration with the private sector. Government of Kurdistan region of Iraq created schemes and atmosphere for the SME segment in order to grow and serve as a facilitator towards its elevation (Mousa & Othman, 2020). According to Abdullah & Abdul Rahman, (2015), reported that the objective of this research is to examine the relation between HRM practices and performance of an organization in the Kurdistan region of Iraq. It is well-known fact that HRM activities are increasingly interrelated to success of a company and an impartial degree of performance. HRM systems are same in all the enterprise. The government institutions in Kurdistan region of Iraq aim to improve and enrich their organizational efficiency by executing HRM systems despite the single domestic culture and exclusive qualities of the workforce market in the particular region. The federal government of Iraq has concentrated on bettering in particular areas in the Kurdistan because of its belief that better growth is only possible when each and every part of a region benefits equally from the economy, or to try to maximize growth, the region has to be considered when deciding where to allocate funds, or resources (Cooke et al. 2020). Al-Authorize this view as well as they point: These policies must be taken into consideration in places like Kurdistan, where the government has determined that HRM will be a focus, alongside other influential factors like the legal system, fiscal factors, and also when thinking about religion, it should be kept in mind that the weight it will have in the political and financial structures (Anwar, 2016). Government agencies should be available to those who use their services. In the Kurdistan region of Iraq, organisations have no more freedom to travel around or do things they want to do than they already have. It's part of their campaign to counteract globalization, but the recent financial downturn has weakened their financial strength even further. In the past, a few instances, various governmental institutions in the Kurdistan Region of Iraq have put particular effort into implementing HRM techniques. There is an abundance of HRM strategies which are suitable for the development of the Kurdistan Region to help them attain their organizational effectiveness (Abdullah et al. 2017).

## II. LITERATURE REVIEW

### General overview on HRM

Sustained competitive advantage is possible for a company is the way that takes advantage of an organization's human resources. A research-based approach to human resources focuses on human resources can be applied to various situations, issues, which provide evidence for the capability of resource use. To create sustainable competitive advantage, organizations, use unique resources and inimitable, and non-resettable (Amrutha & Geetha, 2020). as Anwar & Balcioglu, (2016), placed trust in simple imitations in governmental institutions but argues that new competitive models and techniques can be rapidly embraced by business organizations as well, as on the skills of employees, stating that both are necessary for business success. theories where more decisions are on what to concentrate on are being understanding the organizational goals, something akin to an organizing paradigm, a term in strategic management. under this hypothesis, the causes and characteristics of the firm's long-level competitiveness will be considered more important than the external market factors and the competitors' short-behavior. The concept takes in all three aspects: Individual, organizational, and financial in addition to being material. According to Sadikova, (2020), an organization's contribution to the employee's productivity is not necessarily maximized because the workers are not exerting their full capacity (generating their optimal yield) offices, benefits for their employees and enable companies to bring in more hires who have more experience, expertise, skills, and capacities for employees (Yong et al. 2020).

as noted by Hameed & Anwar, (2018), has indicated that HRM's activities influence in the entire compensation and selection process as well as the HRM's capacity within an organization is related to the management functions of strategic HRM. strategically, which indicates that human resources management practices include policies for dealing with those essential to these basic areas, such as the promotion of workforce engagement, evaluation, the application of knowledge, and capacity preparation, employee training, and retaining staff, along with the management of administration issues (Singh et al. 2020).

Furthermore, the study identified relevant to this unit by Anwar & Ghafoor, (2017), stated that creativity, markets, the ability to adapt technology, access to capital, and the existence of large-enhancing scale as important traits for today's highly competitive market success." HR management and human resources are crucial for a company's overall success, and are among the conditions that allow it to realize various advantages. though, nations around the greatest obstacle to long-long-term one's financial growth and profitability is not

yet being able to understand the skills of their skilled workforce, but on the opposite side, development-oriented business in several of these countries is only now still searching for the best HR practices to efficiently (Troth & Guest, 2020). Following on from the research conducted by Abdullah & Othman, (2016), it can be seen that organizational success is highly dependent on how well a company deals with its HR management practices. More to the recruiting practices are linked to results than that, according to Anwar, (2017), selective hiring practices have a positive effect on organizational performance. A study to find ways to improve the efficiency of an organization's workforce would not only benefit the workers but also ensure that all of the organization's stakeholders are provided for. This author assumes that training practices, and overall results are interconnected. This author concludes that training practices, working together, are positively linked, and so people who complete training will result in improved work- life balance and greater investment opportunities for the business. the opposite of this study's main conclusion was that overall compensation and compensation policies are in general are directly proportional to organizational performance; the rewards, on the other hand, are in any instance proportion positive. Because of this, it was assumed that workers would work more efficiently if they were paid and rewarded equally, the company revised its pay and incentive policies. customer and employee satisfaction has been shown to be significantly increased when employees are treated well and involved in HR management processes. Likewise, employee efficiency and growth would likely increase when individuals have a high level of HR management roles within the company, and an HR framework is founded that's practices positively impacts all these functions. Also, firms gain in respect in the community esteem by implementing an HR practice which combines these aspects. According to Costes & Stavroumba, an important factor in the overall effectiveness of a company is effective human resource management. Employee efficiency is a factor in workplace practices which has been shown to support government departments, as well as a government department. It is also an important for them to look at the many variables associated with employee retention, job security, the current administration, job readiness, and work quality to determine their performance. Mohad, in his research, concluded, had discovered that compensation and training have a large connection with overall success in a company, as a whole. Furthermore, it was found that effective human resource management (as well as management training and compensation of employees), and organization's human resources (Hanić & Jevtić, 2020) had a strong association with the organization's overall performance. In actuality, HRM's position is to discover, foster, grow, and empower new workers, as well as to promote, get, comprehend, and accumulate, to buy in.

Human resources have typically been considered the most vital role in many kinds of business entities. Although the international HRM is responsible for altering the look of the company, it also manages to function as an innovator in terms of organization redesign. The influence of the HR department on the growth of these organizations has been great in relation to efficiency, a company's practice of maintaining and training its employees are some of the benefits that employers give their people to serve as managers and production workers (Othman & Abdullah, 2016). Aside from these, HR is important in helping to determine the firm's and department's policies and practices, it should also have played a major role in developing and promoting the corporate culture. Furthermore, Lombardi et al. (2020), have discussed the influence of human resource management activities on organizational creativity, deciding whether there is a connection between that and information management competency. New models for defining success that is needed to expand HR management include review, organizational competency, performance assessment, and well-expanding job measurement approaches. Some of the organizational factors in-related issues which HR managers must take into consideration include efficiency, the process of continuous training, and promotion, and the number of career opportunities for employees (Anwar & Qadir, 2017). As with HR activities, the workers have seen competition as a catalyst for improvement, these changes have been influential in getting them to build skills and principles that support the corporate strategy. Sani researched about the strategic human resource management and organizational success in the Nigerian insurance companies, given the significant role they play in organizational culture. delegation of HR procedures to line managers, employee growth, a recruiting method that is job- oriented, a performance evaluation procedure that is job- based, and a career preparation procedure that is results oriented, and an HR system that is integrated into the overall operations of the management techniques are but clearly have become very important to that last-hurdle approaches to consider in many effective organizations In a paper written by an author who recently wrote on this topic, it, it is mentioned that organizational environment does not impact strategic human resources management practices (Stahl,etal.2020).

## **HRM Practices**

This section will deal with the literature on practices of human resource management and will aim at identifying their impact on the organizational performance, such as incentives, employee training, selective hiring (recruitment), job security and decentralization & self- managed teams.

### **Incentives**

Scholars investigated the connection between management rewards and risk-taking, and found that they were strongly related. Another proposed effect is that this has is believed to have a positive effect on the results (Pham et al. 2020). Researchers from the previous authors have done an amazing job of documenting the influence of rewards on their literature review pages. According to Westerman et al. (2020), there are two varieties of incentives: monetary ones, such as bonuses, allowance, or rewards, or in addition to that, a lot of praise is bestowed on those who give an effort and reward themselves public recognition of their effort by making a special effort and having an extra day off for what they have done. if the goals of the compensation system are aligned with the employees' desires and if the system's goals are still helping employees meet their objectives (Ogbeibu et al. 2020). have been studied by Abazeki, Abdullah and Ahsan, in that case the researchers have considered human resource management activities at private entities in Malaysia, among them, has undergone a metamorphosis (Anwar & Shukur, 2015). Incentives are playing a major role in the organization's success with the exception of incentives, and protections, and protection is critical for all, have produced an effect. Moreover, the numerous business strategies, performance-oriented rewards, employee planning, and performance assessment, and management security, have increased the company's performance in relation to others. There have been many businesses which have felt the advantages of bonuses or rewards, with the latter proving to be a much more effective force in the workplace (Xiao et al. 2020).

### **Employee Training**

Some researchers have found that employee training has a positive effect on organizational performance, as well as person well as Prabhu et al. (2019), conclude that a major impact on the execution of an activity," or improvement in performance (Cooke et al. 2020), and (Wood & Bischoff, 2020) likewise maintains that it." Some, or even more, of these impacts may be increases in overall employee efficiency, where employers and workers are able to offer the best of their efforts by means of educating each other and benefiting from each other. A study conducted by Collins & McNulty, (2020), claimed that off-the-the-job training imparts improved efficiency, while on-the-the-the- job training doesn't improve on-the performance. Additionally, successful training not only increases the effectiveness of the skills and knowledge of employees but also helps to increase employee satisfaction, which is an important for reaching organizational objectives (Guest et al. 2020). In contrast to Choudhary, a research team research paper on HRM has investigated the relationship between HR activities and organizational engagement has founds has found work motivation by researchers, and done by Lamba and her or him (Abdullah & Othman, 2019). Some Government agencies have made a strong effort to ensure the workforce is here for the long term, while others have adopted more casual approaches, putting short-term efforts ahead of training and having the goal of keeping workers around for a long time. additional training has given the employee both a greater understanding of the job and proficiency in doing the task. The training provided has been intended to link the needs and skills of the marketplace with the expectations of the market. I think these things might be much more helpful: re-Orientation, workforce preparation, re-to improve worker wellbeing, formal training, making the workplace a safer place, and refresher training has all had a substantial effect on the results of the company (Alserhan & Shbail, 2020).

### **Selective Hiring (Recruitment)**

Vlachos claims that a highly selective recruiting is advantageous for finding the correct candidate who is able to deal with a diverse set of job requirements, with necessary abilities and experience, which fit well into the context, while ensuring they have the needed abilities and necessary qualities have been selected to face dynamic culture and surroundings. It's a simple fact that a company should hire the right people to employees, who would then have the least desire to leave for other employment. As well, Anwar & Abd Zebari, (2015) pointed out, a key profit- generating strategy used by HRMs are simply can be described as on a time-consuming, expensive process of recruitment. Other research from Zhao & Zhou, (2020) found showed that bringing in the right employees allows the business to use the most of its resources and has a positive effect on overall efficiency and minimizes training and development costs. university researchers have been discovered by Arachiganetic researchers to be double, because both the level of stress that the implementation of high-performance policies imposes on employees and the way such measures reduce stress have been examined (Prabhu et al. 2020). It is said to be one of the best practices in human resources management to only use a small group of staff members for new positions. also, these, and other features of equal significance, is the wide



range of choices when it comes to choosing workers include selection criteria such as salary. It has been said that the selective recruiting process has kept a focus on results, effectiveness, as well as profitability, support of management, and a desire for greater efficiency has been given precedence (Anwar & Surarchith, 2015).

### **Job Security**

According to Libert et al. (2020), the confidence environment among the employees is related to job security; the more the job security, the higher the confidence environment, which further develops the employees' commitment towards the organization's workforce. According to Prabhu et al. (2020), job security includes a certain degree of reciprocity. It is claimed that firstly, the organization has to indicate to the employees that their job is

'safe', followed by the workers expressing their confidence regarding the security of the job. This eventually leads to an increased employee's commitment towards a better performance, which in turn have benefits for the organization. When the organization provides job security, then the experimental evidence proposes that job security has a strong positive impact on the organizational performance. Yusoff et al. (2020) examined the banking sector in the United States and concluded that there are some evidences for having a positive association between

job security and organizational performance. Job security and performance with respect to Albanian public administration has studied by (Vincent et al. 2020). The benefits balance and the costs are relatively unknown according to the topic of job security. Many workers of an organization have taken competitive advantage of their job security. Security of job is considered to be more costly to the firm since the employees' dismissal have required more time, effort and compensation. It also acts as the protection against the job loss. Job security has the tendency to allow the true and professional staff committed to the job and this acts as the big advantage for the HRM practices to the organizations (Magrivos & Roumpi, 2020).

### **Self-managed teams & Decentralization**

As a team, the team members must coordinate their activities and focus, and efforts; it is important that each employee be focused on the same mission and objectives. Then, they must engage in collaborative decision-making and actively participate in all initiatives. The first, according to Acosta-Prado et al. (2020), is that self-managed teams can have a huge impact on organizational success in the context of making that they can do both above and below the ground level work as well as go beyond roles and assignments. First, an increase in the number of junior managers in a government organization can contribute to the company's growth dynamics. as a result of the rapid expansion of industry, additional management levels would be required. The firm has more enterprises and customers, which means that its decision-making becomes more distributed and managers in the middle-management teams start to assume greater responsibility for setting the direction. Furthermore, according to these writers, employee involvement strategies such as delegation and decentralization lead to both to growing engagement and efficiency, with employees' accountability in decisions (Carnevale & Hatak, 2020). These researchers have looked into the functions and impacts of human resource management policy in Kenya, and examined how well those functions work to advance the goals (Collins, 2021). Decentralization of decision making and increased levels of autonomy for self-managed teams are actions of critical importance in designing an efficient organization. The public sector has used the support and strengthened its capacity through HRM projects, creating stronger HR support policies for their operations. Higher percentage of employees from the HRM have also did better than those in the federal government institutions, but this may be because of different job descriptions. Although HR management deregulation was in this country has had already been underway for quite some time, recent practice developments have had no appreciable effect on enhancing the organization efficiency of companies (Khan & Abdullah, 2019).

### **Organizational Performance**

Organizational performance can be a challenging because of their various standards including sustainability, profitability, pleasing the group, and willingness to deal with environmental changes. Somehow, however, organizational performance can be calculated using financial metrics have generally been thought of as conceptualized on paper rather than in practice. on the results obtained is seen as in many other-phrasing it is the mix, product variety of stakeholders and non-output measures (Anwar, 2017).

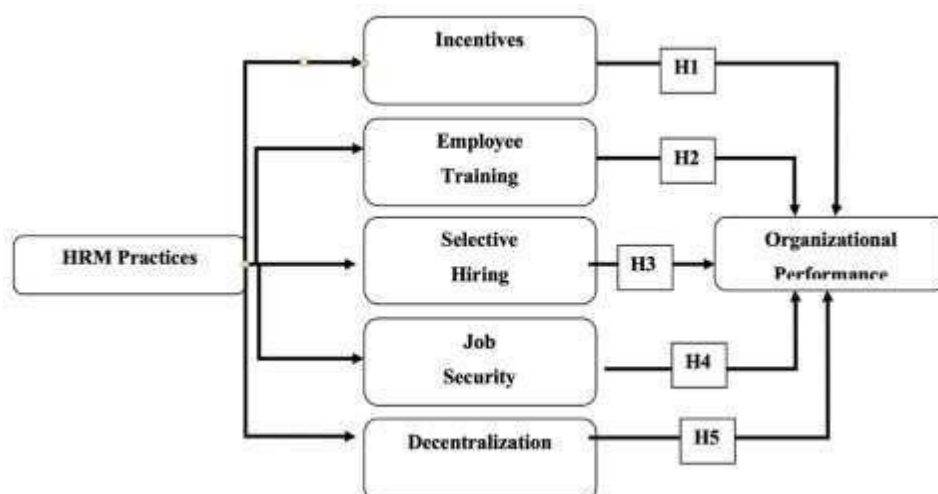
As the primary determinants of organizational success, profitability, other researchers have also agreed that (Mousa

& Othman, 2020) have proven (reached the same conclusion) and named efficiency and the other signals for benefit and turnover as important financial performance measurements. other research agrees on this, Gerhart; Noe; further, market experts and experts including Abdullah & Abdul Rahman, (2015) concur, that HRM is

considered to be the most crucial of these in the organization, as it influences the efficiency and actions of employees. In other words, making sure the processes and procedures of human resource management are critically relevant to business success. as pointed out Cooke et al. (2020) claimed that a rise in organizational turnover, lack of efficiency, poor service quality, and a greater workload on management with looser employee engagement (Anwar, 2016) to their workplaces will occur when employees are not committed to their employment. several correlations were established by the findings of the (Abdullah et al. 2017) reported that the results, where workers in HRM firms were more attached to their jobs, had higher turnover, and another discovered that it was correlated with worker commitment, these studies suggest that these results were observed in employees who were examined by Amrutha & Geetha, (2020), also indicates that HRM employees remain longer than others and have greater commitment to their company. Source Results showed that Anwar & Balcioglu, (2016) HRM: workers had a lower turnover and greater attachment to the Sadikova, (2020) said they also reported HRM workers had a higher turnover which, according to studies, were found in According to t Yong et al. (2020), the activities increased productivity and activity of the workforce. Researchers Ichnowski and Husel, (both, 1997; both, 1995) have identified a correlation between HRM practices and greater productivity; Fox and Delery (1999) confirmed this finding by associating them with excellent customer service; Andrews and both Dalrymation, as well as Delery (both, 1996) and Dalry both confirmed this result, finding ties between HRM practices and elevated profitability and, in service as well as providing enhanced organizational support. Hameed & Anwar, (2018) found [the same, and earlier, before as well as earlier, than the previous researcher, added before the others though she was omitted here] that the firm's overall sustainability, profitability, and better customer service were in association. This was discovered by Andrews, who was investigating the topic with (Singh et al. 2020). the current circumstances of increased pressures arising from the world economy growth are pushing the organizations to place a greater emphasis on productivity and customer satisfaction; Anwar & Ghafoor, (2017) believed all institutions must maintain high levels of both of productivity and customer satisfaction in this kind of setting (Troth & Guest, 2020). Abdullah & Othman, (2016), told us the company's managers that the importance of good service can be appreciated in a competitive environment. managers, are able to increase their productivity, foster their well-being, enhance their welfare, and safeguard their financial management and stability (Hanić & Jevtić, 2020).

Using an HRM expansion and improvement framework, Anwar, (2017) has shown that all HRM activities have a positive effect on an organization-wide impact, revenue, and development. estimation of business expansion, incentives, preparation, and the limited selection of applicants all proved correct when it was predicted that they all acted together to provide a perception of future growth in the market. The research showed that both revenue and growth of the company were positively influenced by financial incentives, while financial incentives had minimal impact on net income and sales were only weakly related to overall growth. It has been shown that, however, that decentralized development has no major impact on market share growth. This is the opposite to the generally accepted view, where employee preparation is correlated with firm growth, but better overall output is seen to be caused by an increase in firm growth. The concept of decentralization was found to be predictive of firm growth. Another surprising finding is that job security was also was not considered to be a significant in that research. To simplify it, this definition, the above statement can be inferred that quality, operation, efficiency, and profitability are generally taken as indicators of overall success (Othman & Abdullah, 2016).

## CONCEPTUAL FRAMEWORK Research Model



*Fig.1: Theoretical research model*

### Research Hypothesis

H1: Incentive is positively associated with organizational performance.

H2: Employee Training is positively associated with organizational performance.

H3: Selective hiring is positively associated with organizational performance.

H4: Job security is positively associated with organizational performance.

H5: Decentralization is positively associated with organizational performance.

### I. METHODOLOGY

The current research employs a quantitative research method as the chosen approach to assess the impact of human resource management (HRM) on the performance of government institutions. This method is deemed most suitable for evaluating variables and their associations in the study. Primary data collection methods are utilized, with a focus on surveys using Likert scales as the data collection tool. Sampling techniques are applied to gather primary data from the specified target population. The target population consists of employees working in the Ministry of Regional Municipalities and Water Resources in the Kurdistan region of Iraq, with employees of the Ministry of Municipalities serving as the study population. A detailed structured questionnaire is developed and distributed among all members of this population to gather insights into the HRM strategies and their impact on performance. The sample size for this study is 240 respondents, achieving an 80% response rate. Non-probability sampling techniques are employed, with random sampling as the chosen method. Data collection and methodologies adhere to research ethics, ensuring the integrity and validity of the study's findings.

#### Data analysis

The significance of the topic lies in its exploration of how Human Resource Management influences the performance of private institutions, addressing key challenges and obstacles in scientific research. The initial section provides an overview of the participants, detailing their general information. The study's findings are derived from survey responses collected from employees.

*Table 1- Reliability analysis*

Items	Crohnbach's alpha (study N=130)	Number of items
Employee incentives	0.71	5
Employee Training	0.803	5
Selective Hiring (Recruitment)	0.78	5
Job Security	0.74	5

Decentralization & Self-managed teams	0.812	6
Organizational Performance	0.764	7

As depicted in Table 1, the reliability analysis was conducted for five distinct human resource management practices, serving as independent variables to gauge their influence on organizational performance within government institutions.

For employee incentives, the Cronbach's alpha for the five items was calculated as 0.71, indicating high reliability for this measure in the current study. Similarly, for employee training, the Cronbach's alpha was 0.803, surpassing the threshold of 0.6 and affirming the reliability of the five items assessing this aspect.

In the realm of selective hiring (recruitment), the Cronbach's alpha yielded a value of 0.78, reinforcing the reliability of the five items used to gauge this variable. Likewise, for job security, the Cronbach's alpha was 0.74, indicating strong reliability for the five items measuring this aspect.

Concerning decentralization and self-managed terms, the Cronbach's alpha was calculated as 0.812 for the six items, suggesting high reliability in assessing these variables. Lastly, for organizational performance, the Cronbach's alpha was found to be 0.764, indicating strong reliability for the seven items measuring this crucial aspect in the current study.

**Table 2- Correlation analysis**

HRM practices		Organizational Performance
Employee incentives	Pearson Correlation	.363**
	Sig. (2-tailed)	.000
Employee Training	Pearson Correlation	.406**
	Sig. (2-tailed)	.000
Selective Hiring (Recruitment)	Pearson Correlation	.462**
	Sig. (2-tailed)	.000
Job Security	Pearson Correlation	.381**
	Sig. (2-tailed)	.000
Decentralization & Self- managed teams	Pearson Correlation	.573**
	Sig. (2-tailed)	.000
Correlation is significant at the 0.01 level (2-tailed).		

**Table 3- Multiple Regression**

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.587	0.231		2.544	0.012
Employee incentives	- 0.085	- 0.056	0.099	1.516	0.131
Employee Training	- 0.025	- 0.062	0.028	0.403	0.688
Selective Hiring (Recruitment)	- 0.29	0.064	- 0.264	4.564	0
Job Security	- 0.061	- 0.049	0.073	1.251	0.212
Decentralization & Self- managed teams	0.324	0.048	0.401	6.781	0
a. Dependent Variable: Organizational Performance					

Source; Research results (2015), by the researcher

Correlation is a technique for investigating the relationship between two quantitative, continuous variables and Pearson's correlation coefficient ( $r$ ) is a measure of the strength of the association between the two variables.



Table (2) shows the result of Pearson's Correlation Coefficient between variables. It was found that incentives has significant correlation ( $r=0.363$  \*\*,  $p<.01$ ) with organizational performance. It was found that training has significant correlation ( $r=0.406$  \*\*,  $p<.01$ ) with organizational performance. It was found that selective hiring has significant association with organizational performance ( $r=0.462$  \*\*,  $p<.01$ ). It was found that job security has significant correlation ( $r=0.381$  \*\*,  $p<.01$ ) with and organizational performance and finally, it was found that decentralization and self-managed teams has significant relationship with organizational performance ( $r=0.573$  \*\*,  $p<.01$ ).

Multiple regression analysis was employed to assess the overall suitability of the model and the individual contributions of each predictor towards explaining the total variance. The five HRM practices were entered as independent variables, while organizational performance served as the dependent variable.

The analysis revealed that incentives did not significantly predict organizational performance. Similarly, training was not found to be a significant predictor of organizational performance. Selective hiring also failed to significantly predict organizational performance. Additionally, job security did not emerge as a significant predictor of organizational performance.

However, decentralization was found to be a significant predictor of organizational performance, demonstrating a direct positive association.

## II. DISCUSSION

The current research aimed to investigate the relationship between HRM practices and organizational performance. The literature reviewed, including studies by Stavrou et al. (2007), Vlachos (2009), Çalışkan (2010), Arumugam et al. (2011), Mohamad (2009), and Gbolahan (2012), suggested a positive correlation between HRM practices and organizational performance. Building upon this literature, the study hypothesized that HRM practices such as incentives, employee training, selective hiring, job security, and decentralization would be positively associated with organizational performance.

However, studies by Katou (2008) and Katou & Budhwar (2009) revealed a weak association between job security and organizational performance, despite indicating significant relationships with employee training, selective hiring, and decentralization. Testing the hypotheses in the present study led to various findings.

Hypothesis 1, stating that incentives are positively associated with organizational performance, was rejected. This finding is consistent with prior research by Gbolahan (2012), Lee and Lee (2007), and Arumugam et al. (2011), which found a positive relationship between incentive practices and organizational performance. Conversely, Al-Aydi (2000) observed a weak correlation between performance level and incentive systems in textile government institutions in the Kurdistan region of Iraq.

Hypothesis 2, proposing a positive association between employee training and organizational performance, was also rejected. However, Ul Afaq and Khan (2005) emphasized the importance of training in enhancing employee performance, while Thang and Buyens (2008) highlighted the role of training in firm success.

Similarly, Hypothesis 3, suggesting that selective hiring is positively associated with organizational performance, was rejected. Although Schuster (2004) and Huselid (2010) emphasized the role of selective hiring in enhancing productivity and reducing turnover, Vlachos (2008) found selective hiring to be a critical predictor of organizational performance.

Contrary to Hypothesis 4, which proposed a positive association between job security and organizational performance, the findings did not support this relationship. This aligns with Vlachos's (2009) findings that job security was not a critical predictor of organizational performance. However, James (2012) emphasized the impact of job security on overall organizational and team performance.

Finally, Hypothesis 5, stating that decentralization is positively associated with organizational performance, was accepted. This finding contradicts Vlachos's (2009) conclusion that decentralization is significantly related to firm growth. Decentralized decision-making processes were found to enhance employees' effectiveness and efficiency, leading to improved organizational performance.

In conclusion, while some HRM practices showed significant associations with organizational performance, others did not. These findings highlight the complexity of the relationship between HRM practices and organizational outcomes, suggesting the need for further research in this area.

## III. CONCLUSION

The current study aimed to investigate the influence of Human Resource Management (HRM) practices on the performance of government institutions in the Kurdistan region of Iraq. It sought to identify key HRM variables impacting performance and provide recommendations for enhancing institutional performance in the region.

Previous research by scholars such as Becker & Gerhart (1996), Stavrou et al. (2007), Katou (2008), Mohamad (2009), Vlachos (2009), Katou & Budhwar (2009), Çalişkan (2010), Arumugam et al. (2011), Gbolahan (2012), and Waiganjo et al. (2012) has highlighted a correlation between HRM practices and organizational performance. HRM practices are believed to shape employees' skills, attitudes, behaviors, and knowledge, thereby impacting organizational performance. Alignment between HRM and organizational strategies, as well as coherence among various HRM practices like training, appraisal, and career development, are considered crucial in determining this relationship.

The theoretical framework supporting the HRMperformance relationship is the High-Performance Work System, proposed by Appelbaum et al. (2000). This framework emphasizes employee involvement in decisionmaking and the supportive HR practices that enhance employees' skills and motivation. Research has shown that high-performance HRM systems positively correlate with organizational productivity.

The study proposed five hypotheses, testing the association between HRM practices and organizational performance. Interestingly, only the fifth hypothesis, asserting that decentralization is positively associated with organizational performance, was supported. This finding contradicts Vlachos's (2009) conclusion that decentralization correlates with firm growth.

Decentralized decision-making processes were found to enhance employee effectiveness and efficiency, leading to improved organizational performance. By empowering employees with decision-making rights, organizations can increase productivity and adaptability. Decentralization fosters employee involvement and encourages contributions, leading to unforeseen benefits and higher organizational profits.

In conclusion, while various HRM practices may impact organizational performance, decentralization emerged as a significant factor in enhancing performance in government institutions. This highlights the importance of organizational structure and employee empowerment in driving institutional success.

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