

Research Article

The Effect of Human Resource Practices and Organizational Commitment on Employee Performance

La`aleh Al-Aali

Arab Open University, Bahrain

laaleh.alaali@aou.org.bh

Received: 9th March 2021; Accepted: 21st April 2021; Published: 1st May 2021

Abstract: The aim of this analysis is to examine the effect of HRM practices and organizational commitment on employee performance in the Bahrain Cement Industry. This research used a convenience sampling tool to obtain data from 315 respondents through a self-administered questionnaire. The proposed structural model was also tested using variance-based partial least structural equation modelling (PLS-SEM). The findings of this study showed that all HRM practices and organizational commitment have a significant and positive effect on employee performance. Furthermore, importance-performance map analysis (IPMA) was used to investigate the significance of different aspects of employee performance. The results of this study are intended to assist Bahrain Cement Industry in better understanding the role of different dimensions of HRM practices and organizational commitment in improving employee performance. The study presents results alongside implications for theory and practice. The study also mentions recommendations for future studies.

Keywords: HRM Practices; IPMA; Bahrain Cement Industry; Organizational Commitment; PLS-SEM

1. Introduction

Human resource is one of the organization's spearheads. A company's resources cannot be controlled and created without human resources. To achieve good results for the enterprise, any organization, including government agencies, requires human capital with the performance of skilled and trained employees. Management must recognize employee performance, and it is directly connected to improving organizational performance. Employee performance is a complicated mechanism that involves both internal and external considerations and the company's strategic activities. Good performance is, of course, required of all businesses and organizations that employ people since the performance of these employees is expected to increase company's overall performance. Human resource management practices and organizational commitment are two factors that will affect employee performance improvement (Mailisa et al., 2016; Waldan, 2017). Scholars have variously referred to the practice of planning and managing a company's human resource needs to meet general priorities and strategies in the short, medium, and long term as Human Resource Planning. Human resource management, manpower planning, strategic human resource planning, strategic human resource management, and so forth.

The different words that both apply to the company's human resource may be taken to mean the same thing for this analysis since they are used interchangeably because there is no substantive distinction between the terms. Human resource planning, also known as personnel planning, is a branch of human

resource management, a broader term that refers to managing an organization's human resource assets according to its organizational initiatives. Recruitment and procurement processes, discipline practices, reward and recognition policies, workforce retention policies, succession planning, and talent acquisition are all examples of human resource functions in organizations. Without the human capital, all other resources of a company would be dormant and useless. While having human resources that can use, handle, and convert other resources to manufacture goods and services is vital, having the correct quantity and quality of human resources at the right time and in the right place is much more critical. This emphasizes the significance of human resource management. As a result, the goal of human resource (HR) preparation is to ensure that staff and positions are a good match while preventing labor gaps or spares. When human resource planning is aligned to the organization's business goals in the short, medium, and long term, it is referred to as strategic human resource planning. Forecasting labor demand, analyzing current labor supply, and matching expected labor demand and supply are the three main elements of the HR planning process.

The degree to which someone recognizes himself as a member of the association and wishes to maintain active service in it is referred to as organizational loyalty. Organizational commitment may also be described as a condition in which an employee or person is committed to the business. As a result, strong corporate dedication reveals the degree of employee loyalty to the company that hires them. Organizational commitment is positively linked to employee performance, according to Pella et al. (2013); Anang (2016), and Supriyadi (2010) study. The key problem and obstacles faced by human resource management in Bahrain is described during the study, and suggestions were made about how to address them. It is predictable that by addressing the distinct issues and challenges in Bahrain HRM, employees' confidence, obligation, and efficiency can increase, foremost to better employees' performance. Companies working in Bahrain are in desperate need of proper strategic human capital planning. The external environment in which businesses in the country operate is tumultuous and complex. Since competition is fierce and technology is rapidly evolving, employees must be trained for innovative products and stay competitive. Importantly, there is also a scarcity of highly trained workers to run the numerous factory machines. This encourages rivals to poach employees, necessitating effective retention measures by organizations that have invested time and resources in training their employees. All of this contributes to the need for a thorough human resources management implementation that will allow the company to utilize its organizational resources to ensure employee performance, company longevity, and long-term development. As a result, this research aims to examine the effect of human resource management practices and organizational commitment on employee performance in the Bahrain Cement Industry.

2. Literature Review

2.1. Human Resource Management Practices

The practices, systems, and policies that affect employee behavior, efficiency, and attitudes are referred to as human resource management (HRM). Selecting human resource needs, monitoring, interviewing, teaching, rewarding, appraising, and attending to labor relations, safety and health, and justice issues are examples of human resource activities. The management of knowledge-based organizations has become increasingly popular in recent years. HR processes implemented effectively in companies serve as the core source of competitive advantage and have a strong correlation with company success. The study of current management subjects, such as recruiting and selection, preparation and growth, and the factors influencing practice, is a new idea for developing countries like Jordan. As a result, studying this topic in this sense adds to the importance of this analysis, which often takes into account technical and economic circumstances and variables.

The multi-policy approach, as used in Jordan's private sector, necessitates the implementation of the principle of recruiting, as well as screening, preparation, and advancement from the applicants' viewpoint.

Such a technique will keep up with the rapid developments in the world. Human resource management practices are described as "a collection of distinct but interrelated operations, roles, and processes aimed at recruiting, creating, and retaining (or disposing of) a firm's human resource" (Lado & Wilson, 1994). HRM activities in most organizations are mainly concerned with processes, systems, and topics such as benefits, individual growth, and hiring. When HRM practices take on a strategic role, they concentrate on delivering greater performance in the near future (Pfeffer, 2005). Investments in HRM strategies embraced by companies can lead to the creation of organization-specific human capital that is impossible to replicate and enhance employee awareness, talents, and abilities, reduce employee turnover and increase employee enthusiasm for work (Huselid, 1995). While many HRM practices can be added as dimensions, this research will concentrate on three of them: Ability, Motivation, and Opportunity. These practices were chosen because they had a strong correlation with the study's variables. These characteristics are thought to have the power to inspire employees and deter them from quitting their employment by offering a sense of stability, versatility, discipline, and the desire to improve employee performance (Gadi & Kee, 2018).

2.2. Organizational Commitment

Organizational commitment is a personal ethic that often refers to a company's loyalty or commitment (Rokhman et al., 2011). The term "organizational commitment" comes from research that looks at employee-to-employee and person-to-person relationships. The expectation that workers who are loyal to the organization will support the enterprise because of their future talents, decrease attrition, and increase efficiency motivate conducting organizational loyalty studies. Organizational loyalty is described as a proclivity or proclivity to stick to clear lines and activities. Organizational commitment is defined as a situation in which an individual supports a certain company or organization's aims and intends to remain a member of the organization (Mihardjo et al., 2020; Pahi et al., 2020). The desired consistency that must be preserved among workers is organizational dedication. Stuff that may impair one's corporate contribution must be seen in this situation.

Organizational commitment is stronger for employees who have enriched jobs and roles with low levels of conflict and ambiguity. According to Ismail et al. (2017), organizational dedication should be seen as strategically significant for people working in groups. As a result, numerous businesses devote time, effort, and resources to researching corporate obligations related to their operations. Companies must first determine what their employees want and then shape the organization accordingly. According to a report, organizational commitment has a positive effect on optimal outcomes such as productivity and a negative impact on the potential to travel and lose a job. Three elements characterize organizational commitment: a strong desire to be a part of the association, a strong willingness to work with the organization, and a strong belief in and appreciation of the organization's values and objectives.

These three characteristics show that organizational responsibility requires more than just following orders. This necessitates a fruitful collaboration with the management, in which employees themselves and directly contribute to the company goals and their achievement (Pella et al., 2013). Michell et al. (2009) identified three types of organizational engagement in their analysis of the literature on the subject: Affective commitment refers to the degree to which a person is emotionally committed to the organization by feelings such as interaction, attachment, and alignment with organizational goals. Thus, an individual's successful organizational commitment is linked to its relationship with the organization; continuance commitment relates to an understanding of the costs of leaving the organization. Continuous loyalty describes a scenario in which people are compelled to work because they believe that leaving the enterprise will be disastrous. In other words, people who have a high level of organizational loyalty will continue work for the business because they need it. Normative commitment is an employee's sense of duty to remain in the organization. According to Brahmana et al. (2018), normative organizational commitment denotes to employees' belief that they are obligated to live or thrive in a specific organization due to

personal loyalty. In other words, workers who have a high level of normative organizational commitment will stay in the company when they must.

2.3. Employee Performance

The term "job" comes from the word "performance." Job refers to the actions that an individual or organization engages in to carry out their responsibilities. While the term "performance" derives from the word "job success" or "real performance," which refers to someone's actual accomplishment or accomplishment in carrying out the tasks assigned to him (Krysik & Finn, 2010). Action, success, or the overall presentation of the abilities possessed are both examples of success (Arifin et al., 2015). This assumes that success can be described as both an activity and accomplishment and the skills shown by someone working. According to Robbins (2016), performance is the product of comparing the work done to predetermined parameters. Performance is a word that is often heard and synonymous with a person's or organization's actions in achieving its goals. During this time, several analysts viewed and described the performance from different viewpoints. The context in which the meaning of output is put determines how it is interpreted. According to Krysik and Finn (2010), performance is described as a person's level of progress in carrying out his or her job responsibilities.

According to Michell et al. (2009), performance is described as a behavior that improves at specific times or moments, is the subject itself, and is often used as an indicator of something else, such as lessons and motivation. Supriyadi (2010) defines performance as the desired outcome of each job action. In other words, success is the outward appearance of a person's capacity to do work, as shown by his work actions. The presentation of something or what is created by someone in his workplace activity is referred to as performance (Ahmad, Rafiq & Ahmed, 2019). To work, one must have a combination of talents, efforts, and opportunities that the outcomes of one's work can measure. Employee success refers to the outcomes attained by employees in the workplace based on specific job-related requirements. According to Robbins (2016), employee performance is a feature of the relationship between talent and motivation. According to Ismail et al. (2017), setting performance targets is to set goals that are useful not only for performance assessment at the end of the cycle but also for controlling the work process during that period.

According to Elmuti (2013), employee performance is a person's ability to complete a task successfully. The job of an individual over a period of time is referred to as performance. The following metrics are used to assess employee success, according to Robbins (2016): productivity, i.e., near-perfect results of operations carried out in the context of modifying some of the desired methods of performing activities in order to meet the activity's expected objectives: quantity, i.e., the number of units produced or the number of cycles of service completed; experience and capacities, i.e., the competence and talents possessed by a company's staff; and contact, i.e., the company's relationship or interaction with co-workers. According to this definition, the metrics for evaluating employee performance are efficiency, quantity, experience and skills, and connectivity.

2.4. HRM Practices, Organizational Commitment and Employee Performance

Policymakers, investors, and managers are anxious about how quickly their costly inputs are transformed into diverse goods and services in a constantly changing global economy. The optimal and effective use of human resources is needed for this evolution of input into output. The researchers analyzed the critical studies available on the effect of HRM practices and organizational commitment on organizational performance as well as employee performance since the analysis focuses on the impact of HRM practices and organizational commitment on employee performance. Employers are more likely to contribute more to their job if they feel invested in it. They will outperform, if not outperform, the industry norm. Such actions would almost inevitably benefit the organization's success. Strong organizational commitment has long been regarded as a prerequisite for achieving higher levels of performance.

Enhancing organizational commitment among employees is a critical feature of improving performance since an organization's effectiveness depends on its employees' performance. We looked at a number of previous research papers that seemed to support the idea that organizational commitment has a significant positive effect on employee performance. Birdi et al. (2008) looked at the impact of human resource and operational management practices on organizational success and found that worker empowerment and thorough planning increase productivity. None of the organizational techniques, on the other hand, were directly related to productivity or collaborated with other practices in environments where sustainable manufacturing or lean production principles were completely consistent. Khan (2010) looked into the effect of human resource management operations on organizational performance in Pakistan's oil and gas industry and found a strong correlation between HRM practices and employees' performance.

Another research was conducted by Shahzad et al. (2008) among university teachers in Pakistan. The study's findings show a strong association between pay and advancement practices and employee perceptions of success, but no such relationship exists between performance assessment practices and employee perceptions of performance. Marwat et al. (2006) investigated small companies and discovered that good HR strategies greatly impacted job outcomes. According to Guest (2002), the effect of HRM on results is determined by the employee's reaction to HRM practices, so the impact would shift in the direction of the employee's view of HRM practices. If the view is favorable, the effect will be favorable; if the perception is unfavorable, the impact will be unfavorable. According to Wright et al., (2003), once a good performance management scheme is in operation and is assisted by a compensation structure connected to the performance management system, an individual can expend discretionary initiative. Marwat et al. (2009) looked into the effect of human resource management practices in Pakistan's telecom industry on employee productivity perceptions. The results found that all of the variables examined are positively correlated, with the highest correlations being pay and instruction. In a recent paper, Baloch et al. (2010) looked at the impact of three HR systems on employee success: compensation, promotion, and performance assessment practices.

According to the correlation findings, there was a strong association between pay practices and perceived employee success, advancement practices and perceived employee performance, and performance assessment practices and perceived employee performance. Syauta et al. (2012) discovered that organizational commitment has a direct or indirect impact on employee performance by job satisfaction in Indonesia. Research in Pakistan's oil and gas sector Khan et al. (2010) found a connection between organizational commitment and employee job performance. Tolentino in Manila 2013 showed that only affective engagement correlates greatly with work performance using employees from the educational sector as participants. Meanwhile, no single dedication dimension is linked to job performance among administrative workers. This finding suggests that different types of employment can yield different outcomes. Meanwhile, Memari et al. (2013) discovered a link between organizational engagement and employee success in Iran's banking industry. According to research conducted in Indonesia with 115 employees in a district hospital (Hakim, 2015), organizational dedication has a positive and important effect on employee performance. Other research Dharmanegara et al. (2016) in Bali, Giri et al. (2016) in Nusa Tenggara Indonesia, Rafieia et al. (2014) in Iran, and Dost et al. (2012) in Pakistan affirm a constructive impact. They both conclude that the more dedicated workers are to their business, the more likely they are to improve their results. Indeed, organizational commitment had a significant positive effect on job performance.

2.5. Framework

In order to establish a conceptual framework to direct this research, the theoretical context and empirical studies regarding the employee's performance, as well as the theoretical framework on human resource management practices and organizational commitment, were reviewed and incorporated. The

model described here was proposed to investigate human resource management practices and organizational commitment on employee performance. The following figure represents the hypotheses and research model.

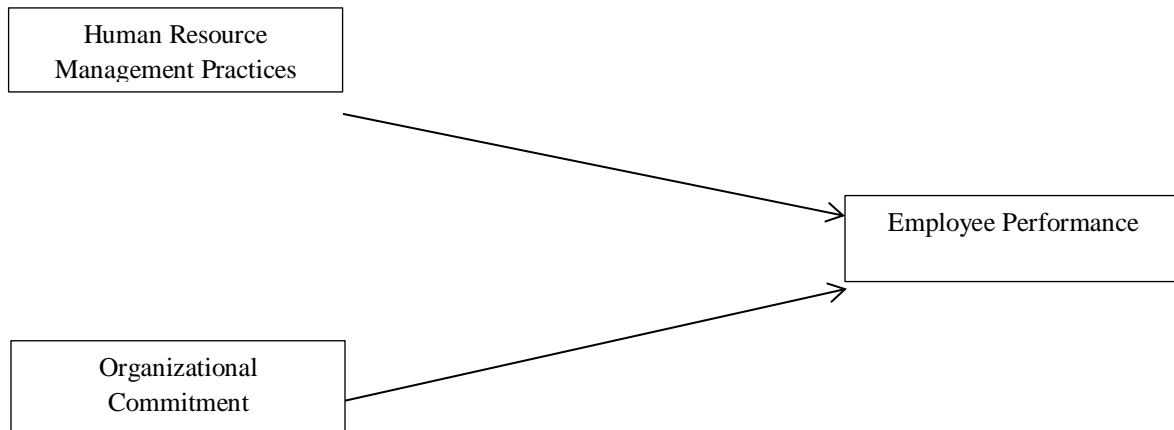


Figure 1. Research Framework

3. Research Methodology

3.1. Research Instruments and operationalization of Constructs

It was decided to use and modify a survey instrument. Human resource management practices were taken from Lee et al. (2010), Mostafa et al. (2015), and Aburumman, et al. (2020). Organizational commitment was taken from Romi and Ahman (2020), and employee performance was adapted from Waldan (2020). The data was obtained from employees in Bahrain Cement Industry. The overall number of items in the final questionnaire was 47, with 25 items belonging to Human Resource Management (HRM) Practices, 15 to Organizational Commitment (OC), and 7 to Employees Performance (EP). As recommended by the authors, a seven-point Likert-type scale was used to increase the study's redundancy and sanctity (Farooq, 2016). A pilot analysis was also undertaken to test the questionnaire, including 50 respondents who had worked in the Bahrain Cement Industry. While minor adjustments were made to the final questionnaire's sentence structure, the pilot study results confirmed the questionnaire's reliability and validity.

3.2. Sample Design and Data Collection

The aim of this study was to look into the role of HRM practices and organizational commitment in deciding the employees' performance in the Bahrain Cement Industry. To accomplish this aim, the study's target population was determined to be all employees of the Bahrain Cement Industry. Choosing the appropriate sample size is critical for maintaining the accuracy and rigor of every analysis. Hair et al. (2017) recommend using the 10 times law, which Barclay et al. (1995) introduced to determine the required sample size in a PLS-SEM study. According to this law, the minimum sample size is "10 times the largest number of structural paths directed at a given build in the structural model," according to this law.

The structural model of this analysis includes three constructs (two independent and one dependent variable), and our minimum sample size should be 50 respondents, according to the ten times rule criterion. However, we have followed Westland (2010) more stringent criteria. Furthermore, the sample size for this study was calculated using an analysis of previous research as well as recommendations from different researchers (Archana & Subha, 2012; Ali et al., 2015; Farooq & Radovic-Markovic, 2017). Data was collected using a self-administered survey questionnaire. 400 questionnaires were distributed in the cement industry

in Bahrain using a proportion sampling method. A total of 315 responses were received, indicating a 78.75 percent overall response rate.

3.3. Analytical Model

IBM SPSS Statistics version 24.0 and SmartPLS version 3.2.3 were used to analyze the data (Hair et al., 2017). Since it can accommodate all types of estimation models (i.e., reflective model) that are included in the proposed concept of this analysis, a variance-based PLS-SEM approach was chosen. CB-SEM/AMOS, on the other hand, is normally limited to translucent models. Furthermore, PLS-SEM was chosen because of its ability to estimate causal interactions among all latent constructs at the same time when dealing with structural model calculation errors (Hair et al., 2017). PLS-SEM is also the perfect fit for our study because it is causal in nature (Farooq & Radovic-Markovic, 2017). Following Hair et al. (2017) guidelines. The measurement model was assessed separately before the structural model was evaluated. To ensure the data quality and accuracy of the conceptual model, various tests (common-method variance bias test, data filtering for missing values, non-response bias test) were run alongside other validity and reliability assessments prior to running the PLS-SEM analysis.

4. Data Analysis

This study employed the Harman (1976) one-factor test to determine whether there is any common method variance bias among variables. Harman's (1976) one-factor test was performed using the instructions and procedure of Podsakoff et al. (2003). For this purpose, all measurement scale objects were subjected to a principal component analysis with varimax rotation to detect some single factor signs from factor analysis. After separating three different variables from 25 estimation systems (HRM activities, corporate engagement, and employee performance), the rotation converged after five iterations. Based on these results, it can be argued that this study is free of common-method variance bias.

Table 1. The Assessment for CMV in Dataset – Harman's One Factor Solution

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	22.182	46.212	46.212	22.182	46.212	46.212
2	3.564	7.425	53.637	3.564	7.425	53.637

4.1. Non-Response Bias Test

The extrapolation method is used to test for non-response bias in this study. Extrapolation is the most commonly used method, which involves comparing early and late respondents for demographic variations and mean values of other key constructs. For this purpose, an impartial sample t-test was used to assess the responses of the first 50 and last 50 questionnaires. The independent sample t-test revealed that at the 0.05 stage, the mean values of both groups were not substantially different (first 50 v/s the last 50 respondents). The findings of the unbiased sample t-test revealed that there was no substantial difference in both groups' responses, indicating that non-response bias was not a problem in this study.

4.2. Data Screening and Pre-analysis

As part of the data processing planning, a thorough review was carried out. Outliers, missing values, demographic characteristics, and statistical errors in normality were all tested in the data. Since there were only a few missing values, the widely recommended form of mean substitution was used to deal with them. This is an option provided by SmartPLS, which replaces missing data points with the sum of all data points for the same predictor. One of the most sought-after benefits of the mean replacement approach is that,

unlike list-wise and pair-wise elimination, it does not alter our sample size while preserving the mean values of all variables (Hair et al., 2017).

4.3. Analysis of the Measurement Model

In this study's computational model, reflective prediction models are used. The statistical inference criteria for reflective measurement models vary from those for formative measurement models. Internal precision in formative measurement models is inappropriate since formative measurement scale artifacts are likely to represent a single source and are not intrinsically highly associated with one another. On the other hand, reflective measurement model artifacts must be correlated and represent critical outer loading values (Hair et al., 2017).

4.4. Analysis of Reflective Measurement Models

Hair et al. (2017) guidelines were used to test the constructs of reflective estimation systems separately. In order to validate the reflective measuring models, all structures were tested for their durability and validity. The findings revealed that both constructs had factor loading values of 0.70 to 0.90, which is deemed adequate. Both constructs had composite stability (CR) and Cronbach's alpha values that were higher than Cohen's critical stage of 0.70. (1988). Hair et al. (2017) critical value of 0.50 was also exceeded by the average variance extracted (AVE) value of both systems. Table 4 shows the discriminant validity of the constructs used in the proposed estimation models by highlighting the square root of AVE, which is greater than the approximate correlation values. These results, on the whole, follow all of the standards for determining the validity and durability, and viability of reflective measurement models. In addition, Henseler et al. (2015) proposed the HTMT ratio of associations as a novel approach for analyzing discriminant validity of systems in measurement models. On average, an HTMT value greater than 0.85 indicates a potential problem with discriminant validity.

This sample's HTMT values were all just below the 0.85 threshold, meaning that discriminant validity was not an issue. Another reference for the discriminant validity of reflective measurement frameworks was the cross-loading values of reflective constructs' markers. Indexes of reflective calculation frameworks should have the highest loading on their own respective latent structure than other constructs in the structural model (Farooq et al., 2017b). A full list of cross-loading values for all measurements used in the constructs of reflective measurement models can be found in Table 5. Table 5 shows that all measures (measurement scale items) have a higher loading on their respective underlying latent construct in reflective measurement models than any other construct in the model. As a result, these findings meet the cross-loading evaluation criteria and provide ample evidence for the discriminant validity of reflective measurement models.

Table 2. Validity and Reliability of Latent Constructs

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
HRM Practices	0.970	0.972	0.581
Organizational Commitment	0.918	0.930	0.507
Employees Performance	0.884	0.916	0.686

Table 3. Fornell-Larcker Criterion Analysis Discriminant Validity

	HRM Practices	Organizational Commitment	Employee Performance
HRM Practices	0.762		
Organizational Commitment	0.679	0.712	
Employees Performance	0.674	0.579	0.828

Table 4. HTMT Analysis Discriminant Validity

	HRM Practices	Organizational Commitment	Employees Performance
HRM Practices	-		
Organizational Commitment	0.829		
Employees Performance	0.725	0.755	-

Table 5. Cross Loadings among Reflective Measurement Scale Items

	Employees Performance	HRM Practices	Organizational Commitment
A1	0.419	0.709	0.598
A2	0.544	0.74	0.645
A3	0.436	0.722	0.598
A4	0.501	0.767	0.676
A5	0.463	0.783	0.601
A6	0.552	0.756	0.653
A7	0.584	0.78	0.659
A8	0.486	0.756	0.577
AC1	0.647	0.49	0.753
AC2	0.725	0.603	0.824
AC3	0.648	0.494	0.789
AC4	0.602	0.451	0.724
AC5	0.574	0.394	0.701
CC1	0.488	0.634	0.64
CC2	0.514	0.664	0.674
CC3	0.573	0.66	0.796
CC4	0.49	0.683	0.72
CC5	0.486	0.694	0.709
EP1	0.77	0.613	0.59
EP2	0.884	0.579	0.666
EP3	0.877	0.605	0.717
EP4	0.819	0.489	0.579
EP7	0.784	0.506	0.683
M1	0.575	0.805	0.66
M2	0.496	0.732	0.574
M3	0.549	0.784	0.617
M4	0.548	0.823	0.67
M5	0.561	0.755	0.637
M6	0.515	0.763	0.57
M7	0.523	0.772	0.554
M8	0.536	0.785	0.579
NC1	0.417	0.565	0.813
NC2	0.476	0.409	0.797
NC3	0.548	0.598	0.761
NC4	0.537	0.557	0.649
NC5	0.376	0.496	0.627
O1	0.558	0.798	0.558
O2	0.534	0.797	0.557
O3	0.565	0.836	0.637
O4	0.519	0.778	0.553
O5	0.398	0.646	0.424
O6	0.489	0.702	0.496
O7	0.462	0.738	0.5
O8	0.476	0.73	0.503
O9	0.515	0.777	0.583

4.5. Analysis of Structural Model

To assess the structural model's total explanatory power of constructs, the R² value, the statistical significance of the Q² value, and the direction coefficients were tested. The accuracy of the structural model is shown in Figure 1. According to these results, the proposed model has a 41.8 percent explanatory potential for employee performance, with R² = 0.618. Furthermore, the relationship between HRM practices and employee performance is considered to be positive and significant (β = 0.171; t-value = 3.693; p = .000). Similarly results supports the link between organizational commitment and employee performance (β = 0.646; t-value = 15.124; p = .000). Table 6 provides a summary of these results.

Table 7. Path Coefficients

	Original Sample (O)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
HRM Practices -> Employees Performance	0.171	0.046	3.693	0.000
Organizational Commitment -> Employees Performance	0.646	0.043	15.124	0.000

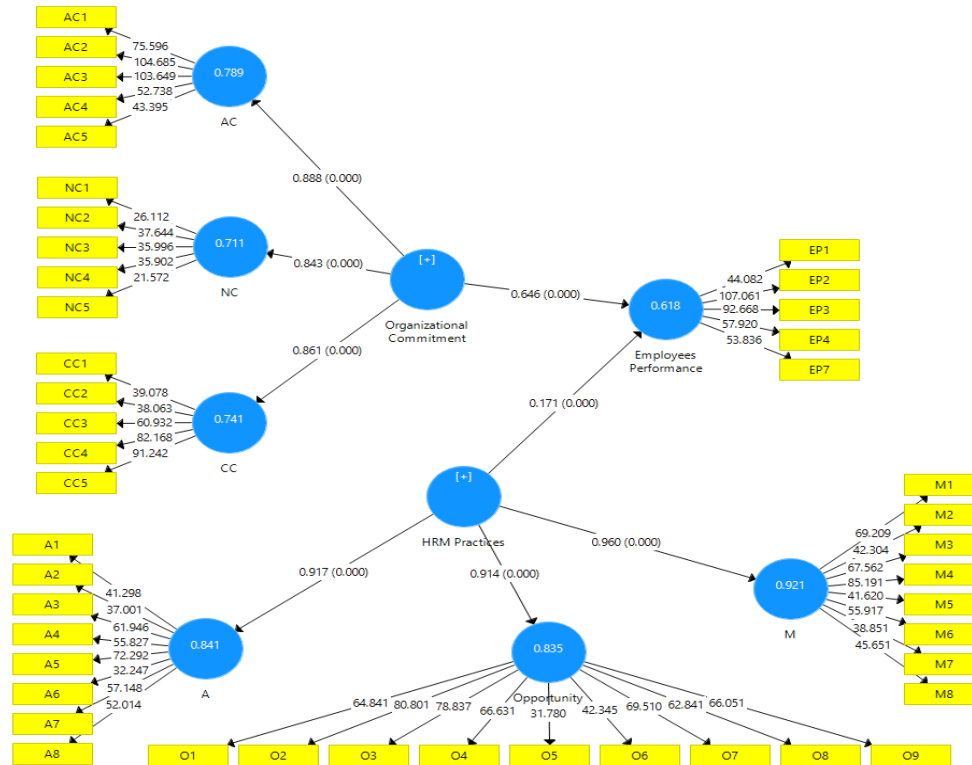


Figure 1. Standardized Results

As seen in Figure 1, the R2 value of our structural model is 0.618, showing that the proposed theoretical model has ample explanatory power. It is important to exercise caution here, as depending solely on the R2 value to aid a model is not a viable technique (Hair et al., 2017). As a result, the structural model's predictive relevance was assessed using Geisser's Q2 test. If the Q2 value is greater than zero, the latent exogenous constructs in the structural model have predictive significance for latent endogenous constructs. The Q2 value of our model, as seen in Figure 2, is 0.418, which confirms the study's fundamental premise that the endogenous construct (employee performance) has high predictive significance. Furthermore, any build was examined for the possibility of collinearity. Collinearity was not a problem in our research, according to the results. As a result, our proposed structural model's overall predictive relevance is reached.

The study of importance-performance map analysis (IPMA) is now discussed, accompanied by the evaluation of Goodness of Fit (GoF) meaning in the next section. Our model's Q2 value is 0.418, as seen in Figure 2, confirming the study's basic hypothesis that the endogenous term (in this case, employee performance) has a strong predictive significance. Furthermore, the probability of collinearity was investigated in any construction. According to the findings, collinearity was not an issue in our study. As a consequence, the overall predictive relevance of our proposed structural model is achieved. In the next part, the importance-performance map analysis (IPMA) is discussed, followed by calculating the Goodness of Fit (GoF) value.

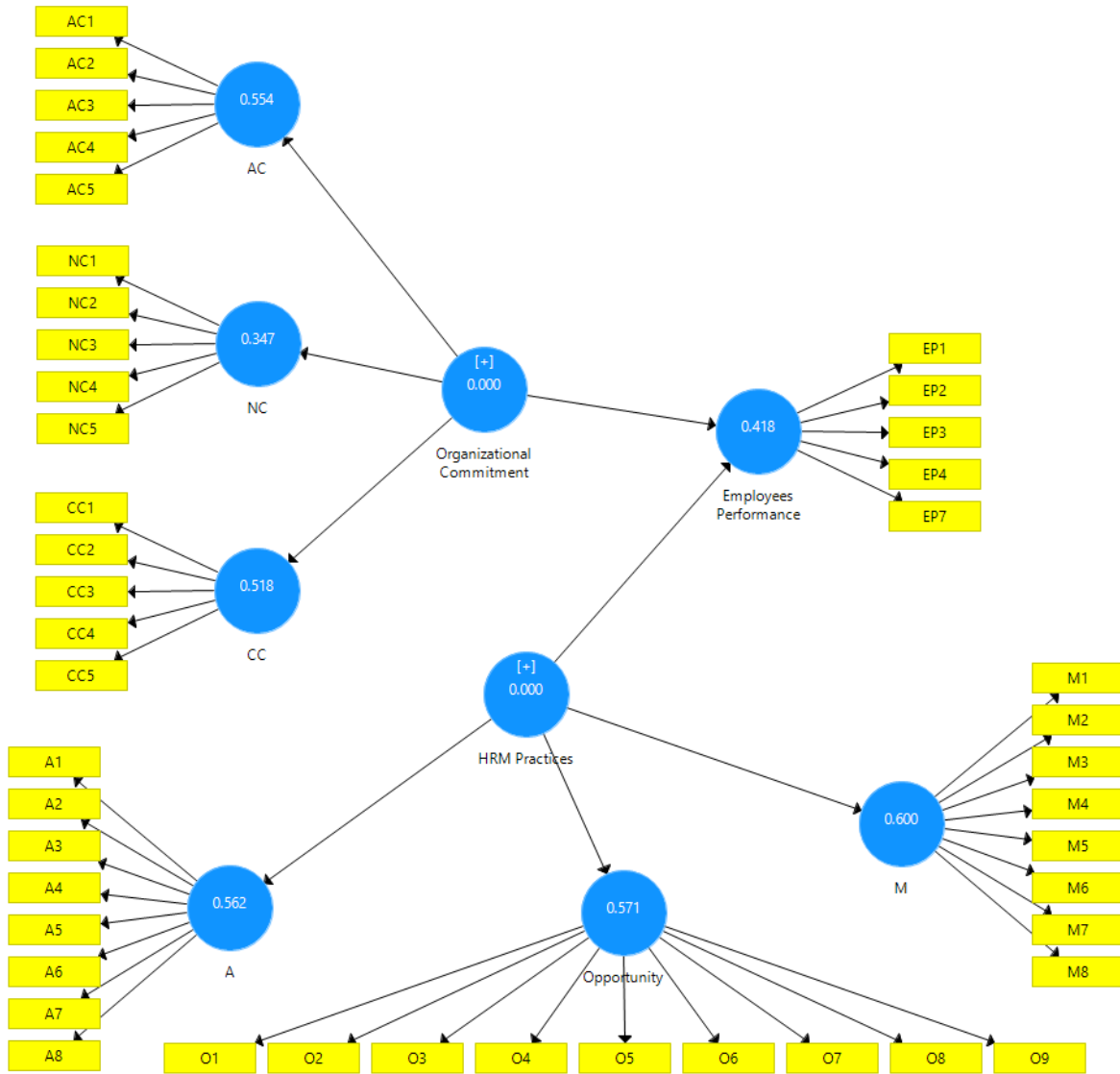


Figure 2. Statistical Relevance of the Q² Value

4.6. Importance-Performance Map Analysis (IPMA)

IPMA (also known as importance efficiency matrix analysis or priority map analysis) is a valuable PLS-SEM statistical tool that graphically extends standard path coefficient calculations more practically. IPMA distinguishes between relevance (total effect of predecessor constructs in predicting a target construct) and performance (total effect of predecessor constructs in predicting a target construct) (i.e., average latent variable scores). In our research, employee performance is a target concept that is predicted by two successor structures (HRM activities and organizational commitment); see Figure 1. We used IPMA for this study, and the results can be retrieved from Figure 3. “Organizational engagement” has the highest value ranking of 0.616 in the lower right corner of the relevance performance chart; if the universities increase their organizational commitment performance by one unit point, their average employee performance will improve by 0.616 amounts (ceteris paribus). Furthermore, our results showed that the universities have the lowest HRM practices output, with a score of 0.168, indicating that there is much potential for improvement in these areas. A full list of importance-performance values is given in Table 8 for the convenience of readers.

Table 8. Importance-Performance Map Analysis

Latent Variable	Performances	Importance
HRM Practices	75.927	0.168
Organizational Commitment	71.943	0.616

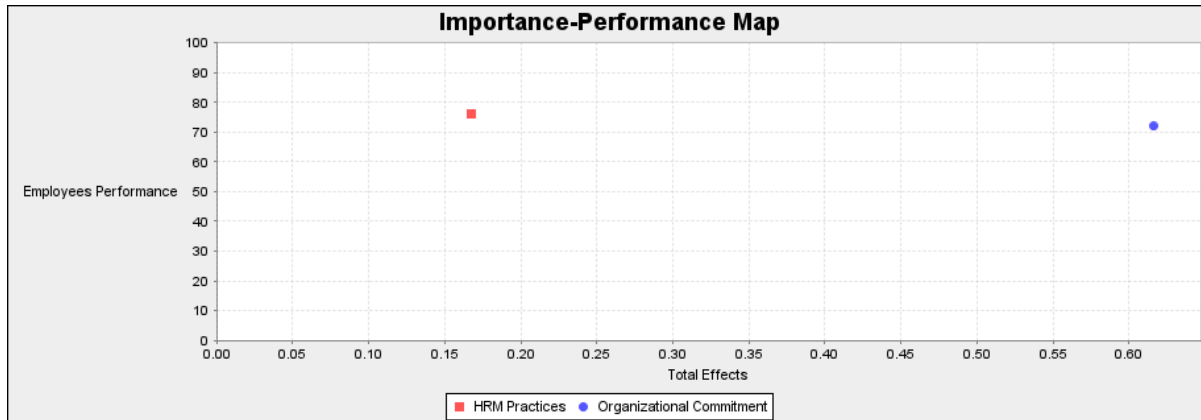


Figure 3. Importance-Performance Map Analysis

4.7. Goodness of Fit

The Goodness of Fit Index (GoF) test was used to verify the combined output of the external model and the internal model obtained by these calculations. The results of the GoF calculation show that the 0.651 value shows that the overall combined output is good since the Goodness of Fit Index (GoF) value is greater than 0.36.

$$GoF = \sqrt{AVE \times R^2} = \sqrt{0.686 \times 0.618} = \sqrt{0.424} = 0.651$$

Table 9. Goodness of Fit Index

	Average Variance Extracted (AVE)	R ²
HRM Practices	0.581	0.618
Organizational Commitment	0.507	
Employees Performance	0.686	

5. Discussion and Implications for Managerial Action

This study examined the influence of HRM Practices and organizational commitment on employee performance in the Bahrain Cement Industry. This result supports ideas empirical which can have a positive effect on employees’ performance. This result is consistent with previous research, which shows that HRM practices and organizational performance are directly linked to employee performance. Furthermore, the regression model revealed that these HRM practices and organizational commitment account for 61.80% of the overall variation in employee performance, implying that these aggregate HRM practices and organizational commitment have a larger impact on the performance of cement company workers. As a result, it is clear that HRM activities play a critical role in optimizing employee performance. In terms of individual HRM activities, researchers discovered that some, such as job growth and preparation and development, directly affect employee success. In contrast, others, such as performance assessment, work-life balance, leadership practices, and pay and benefits practices, do not. It is now important for cement producers to upgrade their current HRM practices and introduce new creative HRM practices. Line managers should be active in designing or changing HRM practices, and surveys should be performed among workers regularly to determine their satisfaction with existing practices.

New performance assessment strategies can be applied to assist the company in gathering knowledge regarding an employee's performance from various outlets. The importance of training and learning should

be ingrained in the company's ethos. Employee training activities should be organized by the company so that workers can improve their talents and knowledge. Technical and behavioral training are also possible. Experts should administer those educational programs. Organizations should promote an innovative community. Mentoring and coaching strategies can be used. The mapping of competencies can be performed daily. Since today's workers are more knowledgeable and workforce-conscious, career development activities should be improved within the organization. Existing benefits should be conveyed to staff in a straightforward and concise manner. Succession training should be conducted daily to ensure that the best expertise is available for potential positions at higher levels (Lee et al., 2019).

Compensation can be reviewed regularly and kept up to date with the market. Compensation practices should be transparent in the organization, and workers should be aware of them. Employees can be offered competitive incentives such as dental, housing, Employees State Insurance, Provident Fund, Leave Travel Concession, and compensation. When it comes to government, it should be supportive and participatory. Leaders can be open to staff if they need them. Employees should be motivated by their leaders, who should inspire them to come up with new ideas. Aside from these, businesses can provide additional services daily, such as vegetable shops, provision stores, medical stores, and transportation to the nearest area, so that family members do not have to rely on workers for minor issues. They will buy everyday things from these stores. Recreational centers and yoga studios should also be available so that they can unwind from a long day of work. The researcher would then apply several recommendations that are applicable to the study's findings, based on the assumptions and consequences mentioned above. The below are some of the suggestions. Superiors should provide training for all workers to develop their experience and expertise to perform with dignity.

Accordingly, bosses must constantly inspire their workers to master tasks so that they can conduct themselves professionally at work. Bosses must be able to motivate and inspire their workers to collaborate and form strong teams to achieve synergy at work. Workers must be able to raise their full responsibilities for the job they are responsible for, must be able to communicate with other employees, must be able to change their work and atmosphere quickly, even though they are recently relocated or newly assigned as an employee to offer the best support to human resources. Employees should make it a tradition to work effectively and reliably, whether on schedule and in an acceptable way, to increase their work efficiency once more. Employees can retain, build, and strengthen their skills while ensuring that the work climate is in good working order.

References

- Aburumman, O., Salleh, A., Omar, K., & Abadi, M. (2020). The impact of human resource management practices and career satisfaction on employee's turnover intention. *Management Science Letters*, 10(3), 641-652.
- Ahmad, G., Rafiq, M., & Ahmed, U. (2019). Impact of work flexibility on employee performance. *International Journal of Innovation Creativity and Change*, 6(10), 1-10.
- Anang, K. (2016). Pengaruh Persepsi Keadilan Distributif pada Penilaian Kinerja terhadap Kinerja Karyawan yang Dimediasi oleh Kepuasan Penilaian Kinerja di PT. Dok dan Perkapalan Surabaya. *Jurnal Ekonomi, Bisnis Dan Kewirausahaan*, 5(1), 1-23.
- Arifin, Z., Firmansyah, & Fontana, A. (2015). The Determinant Factors of Technology Adoption for Improving Firm's Performance: An Empirical Research of Indonesia's Electricity Company. *Gadjah Mada International Journal of Business*, 18(3), 237-261.
- Birdi, K., Clegg, C., Patterson, M., Robinson, A., Stride, C. B., Wall, T. D., & Wood, S. J. (2008). The impact of human resource and operational management practices on company productivity: A longitudinal study. *Personnel psychology*, 61(3), 467-501.
- Brahmana, R, K., Brahmana, R, K., & Theresa. C. F. H. (2018). Training and Development Policy, Corporate Governance, and Firm Performance. *Gadjah Mada International Journal of Business*, 20(1), 59-87.
- Busari, A. H., Mughal, Y. H., Khan, S. N., Rasool, S., & Kiyani, A. A. (2017). Analytical cognitive style moderation on promotion and turnover intention. *Journal of Management Development*, 36(3), 438-464

- Dharmanegara, I. B. A., Sitiari, N. W., & Adelina, M. E. (2016). The impact of organizational commitment, motivation and job satisfaction on civil servant job performance in state plantation Denpasar. *Journal of Business and Management*, 18(2), 41-50.
- Dost, M. K. B., & Tariq, S. (2012). EMPLOYEE COMMITMENT AND THEIR PERFORMANCE ARE INTER-RELATED: A BEHAVIORAL STUDY FROM PAKISTAN. *Kuwait Chapter of the Arabian Journal of Business and Management Review*, 1(7), 125.
- Farooq, M. S. (2016). Social support and entrepreneurial skills as antecedents of entrepreneurial behaviour. *Universiti Malaysia Sarawak (UNIMAS)*.
- Farooq, M. S., Aslam, H. A., Khan, R. A., & Gillani, F. (2009, August). Process definition clarity affecting quality of healthcare services in public sector hospitals. In *The Second Canadian Quality Congress, Canada*.
- Farooq, M.S., & Radovic-Markovic, M., (2016). Modeling entrepreneurial education and entrepreneurial skills as antecedents of intention towards entrepreneurial behaviour in single mothers: a PLS-SEM approach. In: *Entrepreneurship: Types, Current Trends and Future Perspectives*. Presented at the Fifth International Conference "Employment, Education and Entrepreneurship" (EEE 2016), Faculty of Business Economics and Entrepreneurship. University of Belgrade, Belgrade, Serbia, pp. 198–216.
- Farooq, M.S., Radovic-Markovic, M., (2017). Impact of business simulation games on entrepreneurial intentions of business graduates: a PLS-SEM approach. In: *Organisational Behavior and Types of Leadership Styles and Strategies in Terms of Globalization*. Presented at the Sixth International Conference "Employment, Education and Entrepreneurship" (EEE 2017). Compass Publishing, St Pauls Road, Newton Abbot, United Kingdom, Belgrade, Serbia, pp. 11–24.
- Farooq, M.S., Sajid, A., Khan, R., Rafique, U. (2010). Relationship of motivation and the performance of employees. *Rep. Opin. 2*, 75–76.
- Gadi, P. D., & Kee, D. H. M. (2018). Human Resource Management Practices and Turnover Intention: The Mediating Role of Perceived Organizational Support in Tertiary Institutions in Nigeria. *International Journal of Engineering & Technology*, 7(3.25), 715-722.
- Giri, E.E., Nimran, U., Hamid, D. & Musadieg, M.A. (2016). The effect of organizational culture and organizational commitment to job involvement, knowledge sharing, and employee performance: A study on regional telecommunications employees of PT Telkom East Nusa Tenggara Province, Indonesia. *International Journal of Management and Administrative Sciences (IJMAS)*, 3(4), 20-33.
- Guest, D. (2002). Human Resource Management, Corporate Performance and Employee wellbeing: Building the worker into HRM. *The Journal of Industrial Relations* 44(3), 335-358.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2017). *A Primer on Partial Least Squares Structural Equation Modeling*. 2nd Ed. Thousand Oaks: Sage Publications.
- Hakim, A. (2015). Effect of organizational culture, organizational commitment to performance: Study in hospital of district South Konawe of Southeast Sulawesi. *The International Journal Of Engineering And Science (IJES)*, 4(5), 33-41.
- Hee, O. C., Cheng, T. Y., Yaw, C. C., Gee, W. V., Kamaludin, S. M., & Prabhakaran, J. R. (2016). The Influence of Human Resource Management Practices on Career Satisfaction: Evidence from Malaysia. *International Review of Management and Marketing*, 6(3), 517-521.
- Hiltrop, J. M. (1996). A framework for diagnosing human resource management practices. *European Management Journal*, 14(3), 243-254
- Huselid, M. A. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance. *Academy of Management Journal*, 38(3), 635-672
- Ismail, D., Alam, S. S., & Roshanti, bt A, H. (2017). Trust, Commitment, and Competitive Advantage in Export Performance of SMEs. *Gadjah Mada International Journal of Business*, 19(1), 1–18.
- Khan, A.M. (2010). Effects of Human Resource Management Practices on Organizational Performance – An Empirical Study of Oil and Gas Industry in Pakistan. *European Journal of Economics, Finance and Administrative Sciences*, 24(6), 157-174.
- Krysik, J. L., & Finn, J. (2010). *Research for effective social work (2nd ed.)*. Philadelphia: Taylor and Francis.
- Lado, A. A., & Wilson, M. C. (1994). Human resource systems and sustained competitive advantage: A competency-based perspective. *Academy of Management Review*, 19(4), 699-727

- Lee, H., Ahmed, U., Zhussupova, B., & Khalid, N. (2019). Impact of innovation capability and competitiveness on entrepreneurial orientation regarding to the entrepreneurial education in business performance among South Korean firms. *Polish Journal of Management Studies*, 20.
- Magpili, N. C., & Pazos, P. (2018). Self-managing team performance: A systematic review of multilevel input factors. *Small Group Research*, 49(1), 3-33.
- Mailisa, Y., Hendri, M. I., & Fauzan, R. (2016). Pengaruh Iklim Organisasi dan Kemampuan Kerja terhadap Komitmen Organisasional dan Dampaknya pada Kinerja Pegawai DISPERINDAGKOP dan UKM Kota Pontianak. *Jurnal Ekonomi, Bisnis dan Kewirausahaan*, 5(3), 198–215.
- Marwat, A.Z., Qureshi, M.T., & Ramay, M.I. (2009). Impact of Human Resource Management (HRM) Practices on Employees Performance: A Case of Pakistani Telecom Sector. Unpublished Paper.
- Marwat, Z. A., Qureshi, T. M., & Ramay, M. I. (2006). Impact of human resource management (HRM) practices on employees performance. *International Journal*, 5(1), 1-5.
- Memari, N., Mahdieh, O., & Marnani, A. B. (2013). The impact of organizational commitment on employees job performance: A study of Meli bank. *Interdisciplinary Journal of Contemporary Research in Business*, 5(5), 164-171.
- Michell, D., Steward, & Bruce, R. L. (2009). A Comprehensive Analysis of Marketing Journal Rankings, *Journal of Marketing Education*, 32(1), 75-92.
- Michell, D., Steward, & Bruce, R. L. (2009). A Comprehensive Analysis of Marketing Journal Rankings, *Journal of Marketing Education*, 32(1), 75-92.
- Mihardjo, L. W., Jermisittiparsert, K., Ahmed, U., Chankoson, T., & Hussain, H. I. (2020). Impact of key HR practices (human capital, training and rewards) on service recovery performance with mediating role of employee commitment of the Takaful industry of the Southeast Asian region. *Education+ Training*, 6(1), 1-21.
- Pahi, M. H., Ahmed, U., Sheikh, A. Z., Dakhan, S. A., Khuwaja, F. M., & Ramayah, T. (2020). Leadership and Commitment to Service Quality in Pakistani Hospitals: The Contingent Role of Role Clarity. *SAGE Open*, 10(4), 2158244020963642.
- Pella, M. D. A., Sumarwan, U., & Daryanto, A. (2013). Factors affecting poor strategy implementation. *Gadjah Mada International Journal of Business*, 15(2), 183-204.
- Pfeffer, J. (2005). Changing mental models: HR's most important task. *Human Resource Management: Published in Cooperation with the School of Business Administration, The University of Michigan and in alliance with the Society of Human Resources Management*, 44(2), 123-128.
- Rafiei, M., Amini, M., & Foroozandeh, N. (2014). Studying the impact of the organizational commitment on the job performance. *Management science letters*, 4(8), 1841-1848.
- Robbins, S. (2016). *Organizational Behavior* (D. H. Pujoatmoko, Ed.). Jakarta: PT. Prenhallindo
- Rokhman, W., Rivai, H., & Abidin, A. (2011). An Examination of the Mediating Effect of Islamic Work Ethic on the Relationships between Transformational Leadership and Work Outcomes. *Gadjah Mada International Journal of Business*, 13(2), 125–142.
- Romi, M. V., & Ahman, E. (2020). Islamic Work Ethics-Based Organizational Citizenship Behavior to Improve the Job Satisfaction and Organizational Commitment of Higher Education Lecturers in Indonesia. *International Journal of Higher Education*, 9(2), 78-84.
- Shahzad, K., Bashir, S., & Ramay, M. I. (2008). Impact of HR practices on perceived performance of university teachers in Pakistan. *International review of business research papers*, 4(2), 302-315.
- Supriyadi, S. (2010). The Moderating Effect of Procedural Justice on the Effectiveness of the Balanced Scorecard in Improving Managerial Performance through Organizational Commitment. *Gadjah Mada International Journal of Business*, 12(3), 415-434.
- Syauta, J.H., Troena, E.A., Setiawan, M., Solimun, S. 2012. The influence of organizational culture, organizational commitment to job satisfaction and employee performance (study at municipal waterworks of Jayapura, Papua Indonesia). *International Journal of Business and Management Invention* 1(1): 69-76
- Waldan, R (2017). Quality of Work Life sebagai Solusi Peningkatan Kinerja Karyawan dalam Perspektif Islam. *Jurnal Al-Hikmah*, 12(2), 29-50.
- Waldan, R. (2020). The Effect of Leader Support and Competence to the Organizational Commitments on Employees Performance of Human Resources Development Agency in West Kalimantan. *Jurnal Ekonomi Bisnis dan Kewirausahaan (JEBIK)*, 9(1), 31-46.

- Westland, J. C. (2010). Lower bounds on sample size in structural equation modeling. *Electronic Commerce Research and Applications*, 9(6), 476-487.
- Wright, P. M., Garden, T. M., and Moynihan, L. M. (2003). The impact of HR practices on the performance of business units. *Human Resource Management Journal*, 13(3), 21-36.



© 2021 by the author(s). Published by Annals of Contemporary Developments in Management & HR (ACDMHR), under the terms and conditions of the Creative Commons Attribution (CC BY) license which can be accessed at <http://creativecommons.org/licenses/by/4.0/>.