

Investigation of the Effects of Human Resource Management (HRM) practices on Corporate Social Responsibility (CSR), A Study in Zabol University of Medical Sciences

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Abstract: The purpose of the present study is to investigate the effects of human resources management (HRM) practices on corporate social responsibility in Zabol University of Medical Sciences. The independent variable in this study is the practices of human resources management. Human resources management focuses on policies, procedures and systems that affect the behaviour, thoughts and actions of employees. Dependent variable of this study is the organizational performance. The organizational performance is defined as the manner of performing tasks and activities and the results of them. The social responsibility is the mediator variable of this study. Social responsibility is defined as tasks and obligations that the organization must do to protect and help the society in which it works. The hypotheses of this research are based on the impact of the independent variable on the dependent variable with respect to the role of mediator variable. The statistical population of this study is the headquarters of Zabol University of Medical Sciences. The minimum sample size according to Cochran's formula is estimated to be 102 people that have been selected by simple random sampling. The findings of this study have approved all primary and secondary hypotheses of research and show that the human resources management practices has a significant impact on the organizational performance through social responsibility.

Keywords: *Human resources management (HRM) practices, Corporate social responsibility (CSR), Organizational performance*

Introduction

Given the growing importance of human resources practices for competitive advantages of organizations in the changing environment of knowledge, some researchers have turned their attention to the examining of effective factors in the choice of human resources practices and their impact on organizational outcomes such as productivity, efficiency and financial performance. Ahmad Bojang et al. [1] investigated and identified the relationship of organizational and environmental factors with the use of human resources practices. Factors and dimension in human resources practices include the training, recruitment,

selection and participation of staff. Their results showed that the extrinsic factor of availability of labour has a linear relationship with the use of human resources practices. Among the organizational factors, the size of organization has a stronger relationship with human resource practices comparing with the factors of recognizing and focusing. Abang Atman [2] showed four criteria and indices including employment, payment, barriers to promotion and training of the use of human resources practices in an investigation of effects of human resource practices on production performance of

organization and showed that the integration of human resource practices are positively associated with the efficiency. Similarly, Yi [3] investigated the effect of innovative working practices. They used different indices of innovative working practices including incentive payments, recruitment and selection, teamwork, job procedures, guaranteed employment, communication and training.

The results showed that these innovating working practices will lead to higher productivity levels compared to the traditional perspective such as description of limited jobs, hard and inflexible working practices and hourly pay with careful monitoring. In addition to that, other showed that human resource management system is directly correlated with multiple dimensions of performance using the four dimensions of human resource management practices including recruitment, training, evaluation, performance evaluation and payment. Despite recent advances in different fields, humans still constitute the mainstay of organizations and the success of organization to achieve their goals depends to their attitude towards humans and the manner of using these forces [4].

Corporate social responsibility provides ways that companies choose in their business areas and the expectations of society and its commercial, legal, ethical and social promises because organizations have great responsibilities in social, economic and environmental fields towards their employees, shareholders, customers, suppliers and all stakeholders. Undoubtedly, if individuals, groups, organizations and institutions of the society are responsible about the events, happenings and various crises and try to solve the crises above, many problems will be eased and a peaceful society will come into being [5].

The implementation of social responsibility policies depends strongly to mutual relations and bilateral cooperation of staff and this fact emphasizes on the role of human resource management. To facilitate the harmonization, organizations should choose employees with certain ethical principles and develop upgrade systems that enhance employees' social performance and reward employees for coordinate values and provide

the necessary training and development for them [6].

Use of employees in corporate social activity responsibilities needs the development of their positive behavioural and attitudinal characteristics. Therefore, human resource management plays an important role in its acquisition and is considered as one of the tools for development and support of staff and a commitment to implement policies and practices of corporate social responsibility.

Corporate social responsibilities (CSR) activities (Depends on the staff) such as investment and involvement in HRM functions related to CSR has created organizational policies and practices in today's dynamic work environment where large enterprises are particularly faced with low commitment of staff and absence of them. Researches about the HRM function show that organizational commitment and investment can appear as HRM functions that lead to less rotation of employees working and higher organizational commitment and less absenteeism in organizations.

Also interfering in CRS, specially interfering in HRM that is somehow related to CRS has a positive impact on employee commitment, this issue is correlated with reducing the rotation of work and reducing absence from work and employees respond positively to organizational commitments. According to current trends in the labour market and changing in work approaches and working places, interfering in HRM functions that are related to CSR has provided the background for the development of organizational functions [3].

This study investigates the relationship between Human Resource Management (HRM) and Corporate Social Responsibility (CRS) and their impact on organizational performance results.

HRM Practices and Innovation Performance

Knowledge-based perspective considers the knowledge as a valuable resource for the organization. Knowledge in human capitals enables the organizations to increase their distinctive competencies and explore innovation opportunities.

When organizations create new products and services and improve the management possesses, they need motivation and ability of human capital to create innovative ideas and perspectives and apply new opportunities. Human resource management can affect and reform the attitudes, capacities, capabilities and behaviours of employees to achieve organizational goals to play an important role in fostering the necessary conditions for accelerating and guiding individuals towards the development of innovative activities.

Organizations can use human resource management strategic actions such as recruitment, training, performance evolution and payment as a means to stimulate employee engagement and their participation in creative thinking and innovation. Therefore, human resource management practices play an important role in influencing the innovations performance [7].

Although previous studies focused on the effects of HRM practices on organizational outcomes and different organizational implications, but few studies explored the effects of HRM practices on knowledge management and innovation performance. Other used case study to identify the impact of strategic practices of human resource management including performance management, recruitment and selection, employee engagement and career development on increasing Knowledge Sharing in organizations.

They suggested that HRM practices could improve knowledge sharing in an organization with functionally based culture and structure. One another explored 9 variables of human resource management including Interdisciplinary working groups, Quality Circles, collection systems of staff suggestion, Planned Job Rotation, Delegation of Responsibility, integration of tasks, performance-based payment and internal & external training of the company in an investigation of the impacts of new human resource management practices on innovation performance of companies in different sectors. Their results showed that the innovation performance in four manufacturing sectors and also in telecommunication sector are associated

with the majority of 9 variables of human resource management. These researches named differently the human resource management practices, such as strategic practices of HRM, working practices or innovative human resource practices and the new measures of human resource. In addition to that, for the reason of goals and objectives of these studies, indicators and measures of human resource management in these studies have been done in various ways [7]

Hypotheses of Research

The Main Hypothesis

Human Resource Management (HRM) practices through social responsibility have a positive effect on the performance of Zabol University of Medical Sciences

Subsidiary Hypotheses

- HRM practices in organizations have a positive effect on the social responsibility of Zabol University of Medical Sciences
- Social responsibility has a positive effect on the performance of Zabol University of Medical Sciences
- HRM practices have a positive effect on the performance of Zabol University of Medical Sciences

Methodology of Research

In terms of objective, this is an applied research. It is conducted in the natural environment, where events typically occur. It is also a field study that has been carried out with the minimal interference of the researcher; and in terms of method, this is a descriptive survey. The statistical population of this study includes all staff of headquarters of Zabol University of Medical Sciences, in total 157 people. 102 people were selected for the sample.

To collect information, in addition to several resources that can be used, there exist also different approaches that are selected depending on the type and purpose of the research, research topic and characteristics of the statistical population. Generally, in this study, information collection methods are: library studies and field research including the questionnaire with approved validity and reliability. For testing the hypotheses of this research, SEM method of structural equation modelling was used.

Data analysis tools of this study were SPSS software for descriptive statistics and Lisrel software for inferential statistics.

Research Findings

Komolgorov-Smirnov test (Normality test)

In order to use parametric statistical techniques, the distribution of variable values must be normal and it is done by Komolgorov-Smirnov test.

Table 1: Komolgorov-Smirnov test

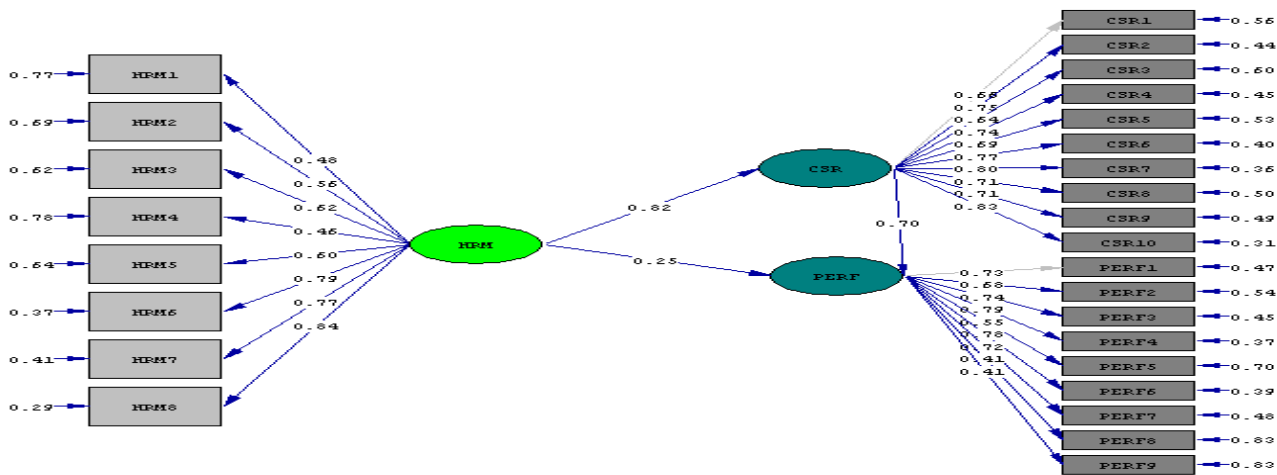
	Number	Significance level	Test statistic
Human Resource Practices	278	0/387	0/904
Social Responsibility	278	0/292	0/980
Performance results	278	0/309	0/965

Testing the Research Model

In this part, the research model will be tested.

Testing Research Model in the Mode of Standard Numbers

Figure 1 shows the intensity of the relationship between latent variables of the research in the mode of standard estimation



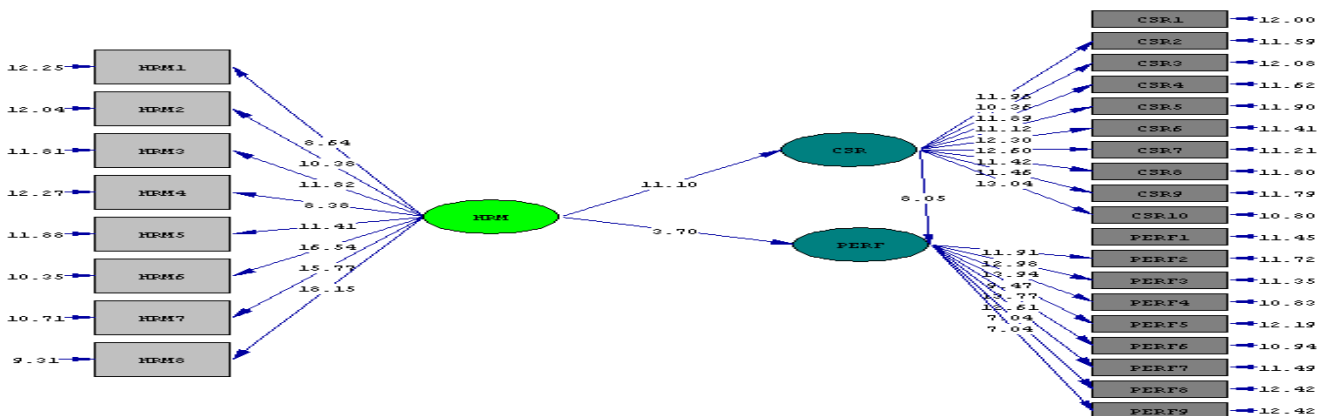
Chi-Square=1085.06, df=321, P-value=0.00000, RMSEA=0.077

Figure 1: The research model test (mode of standard numbers)

Testing the Research Model in the Mode of Significant Numbers

By using this mode, it is possible to realize the significant relationship between the variables. In this mode, the numbers outside

the range of -1.96 and 1.96 will be significant. This means that is a number is in the range of -1.96 and 1.96 in t test, it won't be significant.



Chi-Square=1085.06, df=321, P-value=0.00000, RMSEA=0.077

Figure 2: The research model test (mode of significant numbers)

Testing Significance Indices and the Overall Research Model

After the estimation of parameters for a developed and defined model, the fitness of data with the model should be determined; we try to know to what extent theoretical model is supported by the sample data.

Numbers of tests are used for this issue to know to what extent the model describes the observed relationship between measurable variables. The following table represents a variety of fitness indicators and model significance.

Table 2: Significance and model fitness indicators

	Index	Brevity	Fitted	The obtained model	Result
Significance indicators	Root of the mean square error of estimation	RMSEA	If it's less than 0.01	0/077	Approval
	Chi-square to degree of freedom	$\frac{\chi^2}{d_f}$	If it's equal or less than 5	3/08	Approval
Fitting indicators	Fitting goodness index	GFI	If it's more than 0.8	0/87	Approval
	Not normalized fitting index	NNFI	If it's more than 0.8	0/91	Approval
	Normalized fitting index	NFI	If it's more than 0.8	0/87	Approval
	Comparative fitting index	CFI	If it's more than 0.8	0/92	Approval
	Incremental fitting index	IFI	If it's more than 0.8	0/92	Approval

According to obtained results, it can be said that the research model is approved in terms of significance and model fitness indicators.

Conclusion

In this research, structural equation modelling and Pearson's correlation test are used for testing the hypotheses and Friedman test was used for ranking.

Main hypothesis: Human Resource Management (HRM) practices through social responsibility have a positive effect on the performance of Zabol University of Medical Sciences

The research model in the mode of significant numbers showed that the value of t statistic between two variables of human resources management practices and social responsibility is equal to 11.10. Also the value of t statistic between variables of social responsibility and performance is equal to 8.05 and given that these values are outside the range, the hypothesis has been approved; it means that HRM practices through the corporate social responsibility have a significant and positive impact on the organizational performance results and according to the standard two-path coefficients, the impact rate of HRM

practices through CSR on the organizational performance results in equal to 0.57. The present study is consistent with the study conducted by Bossini and Kazlauskaitė in 2012.

Subsidiary Hypotheses

- HRM practices in organizations have a positive effect on the social responsibility of Zabol University of Medical Sciences

The research model in the mode of significant numbers showed that the value of t statistic between two variables of human resources management practices and social responsibility is equal to 11.10.

Also the value of t statistic between variables of social responsibility and performance is equal to 8.05 and given that these values are outside the range, the hypothesis has been approved; it means that HRM practices through the corporate social responsibility have a significant and positive impact on the organizational performance results and according to the standard two-path coefficients, the impact rate of HRM practices through CSR on the organizational performance results in equal to 0.82. The present study is consistent with the study

conducted by Bossini and Kazlauskaite in 2012.

- Social responsibility has a positive effect on the performance of Zabol University of Medical Sciences

The research model in the mode of significant numbers showed that the value of t statistic between two variables of human resources management practices and performance is equal to 8.08. Also the value of t statistic between variables of social responsibility and performance is equal to 8.05 and given that these values are outside the range, the hypothesis has been approved; it means that HRM practices through the corporate social responsibility have a significant and positive impact on the organizational performance results and according to the standard two-path coefficients, the impact rate of HRM practices through CSR on the organizational performance results in equal to 0.7. The present study is consistent with the study conducted by Bossini and Kazlauskaite in 2012.

- HRM practices have a positive effect on the performance of Zabol University of Medical Sciences

The research model in the mode of significant numbers showed that the value of t statistic between two variables of human resources management practices and performance is equal to 3.70. Also the value of t statistic between variables of social responsibility and performance is equal to 8.05 and given that these values are outside the range, the hypothesis has been approved; it means that HRM practices through the corporate social responsibility have a significant and positive impact on the organizational performance results and according to the standard two-path coefficients, the impact rate of HRM practices through CSR on the organizational performance results in equal to 0.25. The present study is consistent with the study conducted by Bossini and Kazlauskaite in 2012.

Suggestions Based on Research Hypotheses

Main hypothesis: Human Resource Management (HRM) practices through social

responsibility have a positive effect on the performance of Zabol University of Medical Sciences

Testing of the main hypothesis showed that human resource management practices through the social responsibility in Zabol University of medical Sciences have a positive impact on organizational performance results.

Suggestions Based on Subsidiary Hypotheses

- HRM practices in organizations have a positive effect on the social responsibility of Zabol University of Medical Sciences

The first subsidiary test showed that HRM practices have a positive effect on the social responsibility in Zabol University of Medical Sciences. On the other hand, after measuring the index of HRM practices by Case Summary test, it was found that the mean score of respondents to the question of the organization of a recruitment process and selection is in a lower level comparing with other questions of measurement index of HRM practices.

Therefore, it is recommended that human resource management of companies follow an effective system with a right design of jobs in the field of recruitment of qualified human resources. On the other hand, In the measurement of HRM and CSR measurement indices in this test, it was found that the mean score of respondents to the question of a good job-person fit in staff recruitment is in a higher level comparing with other questionnaires; therefore, it is recommended that human resource management of companies do efforts in order to maintain and improve this employment program.

- Social responsibility has a positive effect on the performance of Zabol University of Medical Sciences

Also after measuring the index of social responsibility by Case Summary test, it was found that the mean score of respondents to the question of hard try for delivering the lower operating costs is in a lower level comparing with other questions of measurement index of HRM practices. Therefore, it is recommended that company

managements make extra efforts to lower operating costs so that companies can compete with other competitors in terms of profitability and try for regional economic and prosperity growth. On the other hand, in the measurement of CSR index in this test, it was found that the mean score of respondent to the question of specific procedure of the company in responding to complaints of customers is in a higher level comparing with other questionnaires.

- HRM practices have a positive effect on the performance of Zabol University of Medical Sciences

Also, after measuring the index of organizational performance by Case Summary test, it was found that the mean score of respondents to the question of

expanding and continuous culture of improvement at different levels is in a lower level comparing with other questions of measurement index of HRM practices. Therefore, it is recommended that human resource management of companies attempt in order to promote a culture of quality control and continuous improvement in all the organization's goals and make believe all employees that these values should be institutionalised in order to promote the company. On the other hand, In the measurement of organizational performance index in this test, it was found that the mean score of respondent to the question of careful control and monitoring of employee productivity is in a higher level comparing with other questionnaires; therefore, it is suggested that this value be extended and strengthened by companies [8-13].

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