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The Role of Human Resource Management in Employee Motivation

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Abstract. The main objectives of this study are to present the condition of Human resources management in Bosnian and Herzegovinian companies. Therefore, the developed survey questionnaire is conducted through the employees of Bosnian companies. Data was obtained from surveyed 193 employees, and descriptively analyzed using SPSS software. The results identified low level of human resources management in Bosnia and Herzegovina. It can be suggested that Bosnian companies should develop their human resources strategies and functions and enhance the motivation of their employees in order to get more benefit.

Keywords: human resources management; employee motivation; satisfaction; involvement; commitment; individual benefits; organizational benefits.

Introduction.

The need for improving Human resources management and strategies has been suggested by the literature. Generally, researchers agree that human resources are the main source for every company. The main objectives of this study are to present condition of Human resources management in Bosnian and Herzegovinian companies, moreover to show stage of development and implementation in human resources management. Bosnia and Herzegovina is small country with less developed economy and not stable political situation, with high percentage of unemployed people, also with high percentage of high-educated unemployed people. It can be asserted that supply for workforces is greater than demand in Bosnia and Herzegovina. Therefore, there appeared a need for research to identify the current situation in Human resources management in Bosnia and Herzegovina marketplace. This study starts with this introduction and continues with related literature review. The data and methodology is presented in the third section, research is based on survey data, distributed to the employees only in Bosnian and Herzegovinian companies and collected data is descriptively analyzed by SPSS software. Furthermore, the results of the questionnaire are presented in the fourth section. In the fifth section, the results are discussed. Finally, paper ends with the conclusion in the sixth section.

Literature Review.

Human Resource Management (HRM) has increasingly considered as a source of competitive advantage (Porter, 1990) because employees, and especially their knowledge, enhance organizational capabilities (Larsen, 2001, Castrogiovanni, Garrigos-Simon, & Peris-Ortiz, 2011).

Karatepe, Arasli and Khan (2007) investigated the effect of self-efficacy on job performance, job satisfaction, and effective organizational commitment on the employees of three, four, and five star hotels in Northern Cyprus. They tested the research hypotheses by using LISREL 8.30 through path analysis and identified that self-efficacy significantly influences job performance. They moreover found that job satisfaction has a significant positive influence on effective organizational commitment. Their test results also showed that job satisfaction and effective organizational commitment are negatively associated with intention to leave. The authors hope that their research can be beneficial for future studies that may wish to use this grouping to understand its potential impact on self-efficacy.

Niu (2010) reported that foodservice industry workers face much higher psychological pressure with relatively lower payment compared to other industry workers such as technology industry. In an ideal foodservice industry, he suggests the consideration of the human factor. He researched the relationship between self-efficacy and career commitment in the foodservice sector on 1025 foodservice employees and the results supported the relationship between self-efficacy and career commitment. He also found that high self-efficacy degrees indicate a higher level of career commitment. According to him, previous researchers have discussed numerous motivation factors affecting career commitment, but they have not examined the relative contributions of self-system, feelings and actions. Among the beliefs with which an individual evaluates the control s/he has over his/her actions and environment, self-efficacy beliefs are the most influential negotiator of human activity.

Walumbwa and Hartnell (2011) investigated the mediation role of employee perceptions of relational identification with the supervisor and self-efficacy on the relationship between transformational leadership and supervisor-rated performance. They used the individual's ability to be creative, innovative, inspiring, and take on challenging tasks to achieve organizational goals as the performance variables. They examined 426 employees and their 75 immediate supervisors from a large automobile dealer and identified that transformational leadership was positively related to self-efficacy and rated performance. They also found that relational identification with the supervisor mediated the relationship between transformational leadership and self-efficacy which therefore positively influenced employee performance. They suggested that future studies should consider objective work performance measures.

Sheehan (2005) investigated strategic human resource management (HRM) integration through organizations by proposing a strategic HRM integration model and testing the model via interviews with senior HR, finance and line managers in 13 Australian Best Practice companies. As a result of reviewing the change literature, he proposed some symbolic and ritualistic gestures to explain the engagement of strategic HRM integration. He suggested an ideological shift both from the HR profession and from stakeholders within the organization.

Snape and Redman (2010) explore the relationship between HRM practices and individual employee attitudes and behavior at the workplace by aiming to identify the relationships between social exchange and job influence/employee discretion. As a result of collected data from human resource departments in Northeast England, they found that there is a positive impact of HRM practices on organizational citizenship behavior, through an effect on perceived job influence/discretion. However, the results do not suggest an effect for perceived organizational support. According to their findings, there is a job influence and opportunity explanation of HRM effects on employee attitudes and behavior.

Nabi (2001) reported that previous research on career success has examined the differential importance of predictors of objective career success between genders. He aimed to identify the role of gender on subjective career success (SCS). He used two measures of SCS, intrinsic job success (IJS) and perceived career success (PCS), and a range of organizational policy perceptions and social support strategies as predictors by conducting a questionnaire collected from 439 administrative full-time employees in the UK. The results suggested slight support for the differential predictive power of the considered predictors of SCS for men and women. He also

identified that peer support was a more powerful predictor of men's SCS, whereas personal support was a more powerful predictor for women's SCS.

Chiang, Han and Chuang (2011) researched the relationship between high-commitment human resource management and individual knowledge-sharing behavior on 198 collected data from a survey of practitioners registered in the executive MBA programs of a university in northern Taiwan. They found that High-commitment human resource management was positively related to perceived organizational support and perceived organizational support was positively associated with organizational trust and organizational commitment. They also observed that Organizational commitment was positively related with knowledge-sharing behavior and furthermore Perceived organizational support and organizational commitment mediated the relationship between high-commitment human resource management and knowledge-sharing behavior. They suggested that, enterprises can foster knowledge-sharing behavior by adopting high-commitment HRM. They also suggested that employees become committed to their organization and then share knowledge when they feel the support of the organization.

Boselie and Wiele (2002) reported that there is a rising interest in theory and practice between human resource management and total quality management (TQM) and explored the consequence of human resource management and total quality management at the organizational level. They found that affirmative perception of single employees on the human resource management and total quality management concepts influences their satisfaction and reduces the probability of leaving the company. They also observed that "Co-operation within units", "leadership" and "salary" significantly affect employee satisfaction.

Marescaux, De Winne and Sels (2012) studied the soft human resource management and self-determination theory by testing whether basic need satisfactions mediates the relationship between five human resource practices and human resource management outcomes on 5,748 employees in Belgium. Their results showed that autonomy and relatedness satisfaction moderately mediate the relationship between HR practices and HRM outcomes.

Karatepe and Tekinkus (2006) explore the effects of work-family clash, emotional langour and intrinsic motivation, work performances, work satisfaction and affective organizational commitment on 363 front line employees of Turkish banks. They found that work-family conflict positively influences emotional langour and negatively influences job satisfaction. They also observed that intrinsic motivation has a significant negative impact on emotional exhaustion positive effect on work performance, work satisfaction, and affective commitment to the organization. They concluded that work performance positively increases job satisfaction; moreover work-family conflict and emotional exhaustion do not significantly affect job performance and organizational commitment.

Lingard and Lin (2004) investigated the relationship between career, family and job environment on women's organizational orientation on 109 Australian women in construction companies. They identified that career choice orientation, satisfaction with career progression, work involvement, supervisory support and perception of the organizational diversity climate have significant correlations with organizational commitment.

Szamosi (2006) investigate the expectations of future employees of small and medium enterprises in terms of organizational satisfaction and value on 55 university students who are willing to work for small and medium enterprises as a step for their career goal. According to the results, new generations are found to be expecting equivalent values and satisfactions outcomes from small and medium enterprises.

Latting, Beck, Slack, Tetrick, Jones, Etchegaray and Silva (2004) explored top management support for innovation and learning based on data collected from 252 employees and supervisors at six nonprofit human services agencies. They identified that workers may reciprocate support for innovation and learning as well as supervisory support for empowerment and service by increasing trust in management and improved service quality and client relationships.

Dewett (2007) study the relationship between intrinsic motivation, risk taking and creativity on the collected data from private R&D organizations in the South-west United States. They identified that intrinsic motivation interfere the relationship between specified antecedents and risk taking behavior and that this mediates the effect of intrinsic motivation on employee creativity.

According to Mamman, Kamoche and Bakuwa (2011), specialists agree that the variation in workforce can bring positive outcomes such as novel and diverse ideas. They searched variety,

organizational commitment and organizational citizenship behavior by proposing a framework to explain some employees are less enthusiastic to contribute to the organization beyond their duty. They identified that workforce diversity influences undesirable outcomes.

Kazlauskaite, Buciniene and Turauskas (2012) investigated empowerment and its meaning in the HRM-performance relationship on 211 customer-contact employees in Lithuania hotels. They observed that organizational empowerment is positively related to psychological empowerment and organizational empowerment significantly influence job satisfaction and affective commitment. Furthermore, they showed that psychological empowerment and affective commitment influence organizational empowerment on customer-oriented behavior.

Shen (2010) explore the levels of employees' satisfaction with human resources management practices and differences in satisfaction between employee groups on 305 employees in four private Chinese companies. He found that satisfaction levels of employees vary and are influenced by personal characteristics such as a gender, age, position, education, working years and registration status.

Kuvaas and Dysvik (2009) investigated alternative relationship between different facets of work performance and perceived investment in employee development and intrinsic motivation on the data collected from 826 employees in Norway. They identified that the relationship between perceived investment in employee development and work effort is mediated by intrinsic motivation.

Data and Methodology.

Survey was delivered only to private and public companies, which exist in Bosnia and Herzegovina. Survey was collected from employees in different positions as well as from the employees in different levels of education.

Questionnaires were distributed online and personally, online form was developed and sent via e-mail to the human resource managers in the company or other responsible persons. A total of 193 employees took part in this survey study. 164 were collected via e-mail and 29 were collected on hardcopy form, from 400 delivered. It presents a 48% from distributed surveys.

Results.

Demographics. Demographics part consists of respondents' age, gender, education level, their positions in the company and the time spent in that position. 93 of the participants were female and 100 were male. Participants' education level is quite high, 110 of them have bachelor degrees, 52 have master degrees, and 5 doctorate degrees and 25 are with high school degrees. Most of the respondents are between 25 and 35 years old.

There are identified 31 managers, 18 engineers and 38 academicians when their positions are considered (Table 1).

Table 1. Positions in the company

Positions	Frequency	Percent
Academician	38	19.7
Accountant	15	7.8
Architect	2	1
Auto cad operator	1	0.5
Board Member	1	0.5
CEO	5	2.6
Consultant	1	0.5
Designer	3	1.5
Doctor	5	2.6
Engineer	18	9.3
Financial consultant	1	0.5
Firewall expert	1	0.5
Hair Dresser	1	0.5
Lawyer	1	0.5

Manager	31	16
Nurse	3	1.6
Officer	24	12.4
Owner	1	0.5
Pedagogy	1	0.5
Pharmacist	2	1
Psychology	1	0.5
Real Estate Agent	1	0.5
Registrar	1	0.5
Sales manager	5	2.6
Sales person	11	5.7
Secretary	6	3,1
Teacher	6	3.1
Translator	1	0.5
Worker	4	2.1
Total	193	100

Questionnaire Results.

According to the results, the respondents are quite agreed that they are able to accomplish their task, that they are well experienced and have necessary skills to complete their work. Furthermore, they are found to have good relationships with their supervisors (Table 2).

Table 2. Employee Self-Efficacy

EMPLOYEE SELF-EFFICACY	Mean	Std. Deviation
I can easily accomplish my tasks	3.84	1.085
I have the necessary skills to complete my tasks	4.15	0.862
I have good relationships with my supervisor	3.85	0.992
I am well experienced in order to accomplish my tasks	3.84	0.901

It can be concluded that human resources management support for employees in Bosnian and Herzegovinian companies is slightly negative in general. There is no arranged program or training to motivate or enhance job performance of the employees. Company managers are observed to not recognize the efforts of the employees. Furthermore, companies do not seem to have rewards to increase the work quality of the employees (Table 3).

Table 3. HRM S upport

HRM SUPPORT	Mean	Std. Deviation
My company arranges some programs to motivate me	2.90	1.033
My company arranges trainings in order to increase my job quality	2.98	1.063
My company has some rewards in order to increase the quality of my work	2.48	1.163
My company managers recognize my efforts	3.09	1.11

According to results, it is concluded that companies in Bosnia and Herzegovina mostly have the fairly supportive work environment. Respondents fairly agree that their supervisors make them relaxed, their companies provide them the opportunity to increase their career and their working

conditions are not hard. Moreover, it is shown that there is no established company policy to support their work (Table 5).

Table 4: Supportive Work Environments

SUPPORTIVE WORK ENVIRONMENT	Mean	Std. Deviation
Established company policies support my work	3.01	1.2
My supervisors make me relaxed	3.16	1.049
My working conditions are not hard	3.42	1.07
My company provides me the opportunity to advance my career	3.19	1.085

According to the response about satisfaction, respondents are very little satisfied in general with the organization and their career gained. They slightly feel themselves happy in the organization. Moreover, respondents are found to be not satisfied with their payment (Table 5).

Table 5. Satisfaction

SATISFACTION	Mean	Std. Deviation
I am satisfied with the payment	2.98	1.056
I am satisfied with my relationships with the colleagues	3.91	1.006
I am satisfied with the career that I had after working in this organizations	3.25	1.182
I am intrinsically well satisfied with my current organization	3.3	1.131
I feel myself happy in this organization	3.3	1.036

According to the results, respondent's internal motivators are identified to be very low. They are observed to slightly have special goals in order to finish their tasks and very weak motivation to complete their tasks without stopping. It is also identified that their motivation can easily be spoiled (Table 6).

Table 6. Internal Motivators

INTERNAL MOTIVATORS	Mean	Std. Deviation
Nothing can spoil my motivation	2.8	0.977
I have some special goals in order to accomplish my tasks	3.29	0.887
I cannot stop myself without completing my tasks	3.66	0.77

The results for external motivators revealed mixed agreement levels. The respondents are observed to be slightly happy with their payment. The appreciation of their managers is found to be highly necessary for the respondents. Furthermore, it is identified that they do not need something triggering them to start/complete their tasks (Table 7).

Table 7. External Motivators

EXTERNAL MOTIVATORS	Mean	Std. Deviation
My payment motivates me	3.38	1.165
It is very important for me to get the appreciation of my managers	4.05	0.836

I need something from external environment in order to start/complete my tasks	2.9	0.979
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According to the results, it is observed that the respondents are moderately committed to their organizations. They are thinking the benefits of their organizations more than their individual benefits (Table 8).

Table 8. Commitment

COMMITMENT	Mean	Std. Deviation
I cannot stop myself thinking the benefits of my organization in every task	3.74	0.904
The benefits of my organization comes first compared to mine	3.56	0.969

According to the results, it is detected that the respondents are fairly agree that they are trying to be in every part of job and are glad to be involved in overall organizational job. However, they are agreed that they don't feel good if they do not have duty in an organizational task. Moreover, respondents completely agree that they are glad to see their organizations success (Table 9).

Table 9. Involvement

INVOLVEMENT	Mean	Std. Deviation
I will be happy when I involved the overall organizational job	3.18	0.875
I try to be in every part of the job	3.13	0.905
I feel worse if I am not in the tasks to be completed	3.75	0.723
When I see my organization's success, I will be happy	4.35	0.686

According to results, respondents extremely agree that the quality, efficiency and effectiveness of their work enhances if they are motivated. However, they are slightly agreed that the cost decreases when they are motivated (Table 10).

Table 10. Individual Benefits

INDIVIDUAL BENEFITS	Mean	Std. Deviation
When I am motivated the quality of my work increases	4.23	0.755
When I am motivated the efficiency of my work increases	4.22	0.741
When I am motivated the effectiveness of my work increases	4.19	0.741
When I am motivated the cost of my work decreases	3.47	0.865

According to the results for the questions about organizational benefits, the respondents agree that they need to be motivated to improve the quality, efficiency and effectiveness of organizational work and to decrease organizational costs (Table 11).

Table 11. Organizational Benefits

ORGANIZATIONAL BENEFITS	Mean	Std. Deviation
When I am motivated the quality of organizational work increases	3.72	0.831
When I am motivated the efficiency of organizational work increases	3.74	0.774
When I am motivated the effectiveness of organizational work increases	3.72	0.746
When I am motivated the cost of organizational work decreases	3.47	0.793

Conclusion.

The study has been motivated by the need to explore the current situation about Human resources management in Bosnian and Herzegovinian practice. The results showed that human resources management in Bosnia and Herzegovina is in low level in general. According to the results, changes are necessary. The overall results provide positive agreement level except human resources management support. However, the findings could not bring strong agreements for all the remaining considered variables. The respondents seem to have strong benefits when they are motivated. But, according to the results, the organizations cannot get as much as the employees individually can. This may be the consequence of their weak satisfaction, involvement and commitment levels. The results revealed weak motivators (both external and internal) for the employees and work environment's supportive power. On the other hand, the respondents feel themselves comfortable in terms of their self-efficacy (Table 12).

Table 12. Overall Variables

Measures	Mean
EMPLOYEE SELF-EFFICACY	3.92
HRM SUPPORT	2.86
SUPPORTIVE WORK ENVIRONMENT	3.19
SATISFACTION	3.34
INTERNAL MOTIVATORS	3.25
EXTERNAL MOTIVATORS	3.44
COMMITMENT	3.65
INVOLVEMENT	3.60
INDIVIDUAL BENEFITS	4.02
ORGANIZATIONAL BENEFITS	3.73

According to Niu (2010), human resource managers prepare the personnel in order to enhance their efficiency and effectiveness. Moreover, higher levels of self-efficacy can bring in higher degrees of career commitment (Niu, 2010). The results show that Bosnia and Herzegovina has educated people and professionals, with the necessary skills, improved human resources strategy can bring more individual and organizational benefits.

According to the literature payment is the major effect on employees satisfaction (Boselie & Wiele, 2002; Yang, 2011). The results of this study also provided that employees are mostly motivated with good payment; moreover for Bosnian and Herzegovinian employees, appreciation of company managers is also identified to be very important.

The main limitation of this study is that it could reach only 193 respondents from different companies in Bosnia and Herzegovina. Future studies may involve the employees of similar organizations or in similar positions.

It can be suggested that Bosnian companies should mainly develop human resources strategies and enhance the functions and effectiveness of human resource departments.

Furthermore, despite the remaining issues provide positive results, they are detected to be very weak. Bosnian companies should also consider the discussed issues in this paper.

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