


THE IMPACT OF HUMAN RESOURCES PRACTICES ON ORGANIZATIONAL PERFORMANCE: MEDIATING ROLE OF SUPPLY CHAIN OPERATIONAL PERFORMANCE AMONG PAKISTANI SMES

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 07 April 2023</p> <p>Accepted 07 July 2023</p>	<p>Purpose: The primary aim of this quantitative study was to test the impact of the cultural capabilities and training & Development on Organizational Performance of Pakistani SMEs. In order to achieve the goals of the study, literature review has been done; tools and seven hypotheses were developed.</p>
<p>Keywords:</p> <p>Supply Chain Management Practices; Human Resources Practices; Organizational Performance; Small and Medium Enterprises (SMEs); Pakistan.</p>	<p>Methodology: Data have been collected through structured self-administered questionnaire adopted and adapted from the earlier similar studies. Based on 62 itemized survey, data have been collected from 379 Pakistani SMEs situated in ten cities. A pilot study was conducted and data analysis techniques as; Descriptive, Pearson Correlation, Regression, Convergent Validity, Discriminate validity, Composite reliability, Partial Least Square through Structural Educational Modeling, are employed to check the reliability, validity of model fitness and testing the hypotheses.</p>
	<p>Conclusion: Study methodologies can include structural equation modelling and enhanced monitoring of supply chain management as well facilitating to their success can be resulted from the continued research in this area, as well as application of the model to different enterprises and situations.</p> <p>Implications: This study provided guidance and controlling panel for the Small and Medium Enterprises Authority (SMEs) of Pakistani government at first place as it advises either SMEDA should pay attention to modernize SMEs with the help of technology and influence performance of industry. Future study may employ other methodologies to evaluate and confirm the currently presented casual links.</p>
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O IMPACTO DAS PRÁTICAS DE RECURSOS HUMANOS NO DESEMPENHO ORGANIZACIONAL: PAPEL DE MEDIADOR DO DESEMPENHO OPERACIONAL DA CADEIA DE ABASTECIMENTO ENTRE AS PME PAQUISTANESAS

RESUMO

Objetivo: O objetivo principal deste estudo quantitativo foi testar o impacto das capacidades culturais e de formação e desenvolvimento no desempenho organizacional das PME paquistanesas. A fim de atingir os objetivos do estudo, foi feita a revisão da literatura, ferramentas e sete hipóteses foram desenvolvidas.

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Metodologia: Os dados foram coletados por meio de questionário estruturado autoadministrado adotado e adaptado dos estudos anteriores semelhantes. Com base em 62 inquéritos discriminados, foram recolhidos dados de 379 PME paquistanesas situadas em dez cidades. Um estudo piloto foi realizado e técnicas de análise de dados como; Descritivo, Correlação de Pearson, Regressão, Validade Convergente, Validade Discriminada, Confiabilidade Composta, Parcial Least Square através de Modelagem Educacional Estrutural, são utilizados para verificar a confiabilidade, validade do modelo de aptidão e testando as hipóteses.

Conclusão: As metodologias de estudo podem incluir modelagem de equações estruturais e monitoramento aprimorado da gestão da cadeia de suprimentos, bem como facilitar o seu sucesso, podem resultar da pesquisa contínua nesta área, bem como da aplicação do modelo a diferentes empresas e situações.

Implicações: Este estudo forneceu orientação e painel de controle para a Small and Medium Enterprises Authority (SMEs) do governo paquistanês em primeiro lugar, pois aconselha que a SMEDA deve prestar atenção à modernização das PME com a ajuda da tecnologia e influenciar o desempenho da indústria. Estudo futuro pode empregar outras metodologias para avaliar e confirmar os links casuais atualmente apresentados.

Palavras-chave: Práticas de Gestão da Cadeia de Suprimentos, Práticas de Recursos Humanos, Desempenho Organizacional, Pequenas e Médias Empresas (PMEs), Paquistão.

LOS EFECTOS DE LAS PRÁCTICAS DE RECURSOS HUMANOS EN EL DESEMPEÑO ORGANIZACIONAL: FUNCIÓN DE MEDIR EL DESEMPEÑO OPERACIONAL DE LA CADENA DE SUMINISTRO ENTRE LAS PYMES PAQUISTANÍES

RESUMEN

Objetivo: El objetivo principal de este estudio cuantitativo fue poner a prueba el impacto de las capacidades culturales, de capacitación y de desarrollo en el desempeño organizativo de las PYME paquistaníes. Para alcanzar los objetivos del estudio se realizó una revisión de la literatura, se desarrollaron herramientas y siete hipótesis.

Metodología: Los datos se recopilaron mediante un cuestionario estructurado autoadministrado, adoptado y adaptado a estudios similares anteriores. Sobre la base de 62 encuestas detalladas, se recopilaron datos de 379 PYMES paquistaníes ubicadas en diez ciudades. Se realizó un estudio piloto y se utilizaron técnicas de análisis de datos como: Descriptivo, Correlación Pearson, Regresión, Validez Convertida, Validez Discriminada, Fiabilidad Compuesta, Menor Cuadrado Parcial a Través de Modelado Educativo Estructural para verificar la confiabilidad, validez del modelo de aptitud y probar las hipótesis.

Conclusión: Las metodologías de estudio pueden incluir la elaboración de modelos de ecuaciones estructurales y una mejor supervisión de la gestión de la cadena de suministro, así como facilitar su éxito, como resultado de las investigaciones en curso en esta esfera y de la aplicación del modelo a diferentes empresas y situaciones.

Implicaciones: Este estudio proporcionó orientación y un panel de control a la Autoridad de Pequeñas y Medianas Empresas (PYME) del Gobierno paquistaní, ya que aconseja que la SMEDA preste atención a la modernización de las PYME con la ayuda de la tecnología e influya en el rendimiento de la industria. El estudio futuro puede utilizar otras metodologías para evaluar y confirmar los vínculos casuales que se presentan actualmente.

Palabras clave: Prácticas de Gestión de la Cadena de Suministro, Prácticas de Recursos Humanos, Desempeño Organizacional, Pequeñas y Medianas Empresas (PYMES), Pakistán.

INTRODUCTION

The subject of supply chain management is highly attracted since 2000 for professionals and research even though the first appearance of SCM in literature dated back to 1982, the concepts was appeared years before in mid-1960s and now as stated by (Huan, Sheoran and Wang, 2014; Cooper, 2016) the concept of supply chain management (SCM) has become a crucial fascination for researchers since 1990's. According to (Hadiyan, Ibrahim, Zailani, & Choon 2015) emphasizes on the concepts of supply chain should considered essential in studies of organizational performance, as supply chain management and its performance has been

signified in current competitive corporate environment. Whereas in literature regarding organizational performance, the significant role of SM has been pointed out for last thirty years (Houlihan,1985). The direct impact of SCM on organizational performance have pushed researchers (Green Jr, Mcgaughey and Casey, 2006; Liu, Feng, Zhu, & Sarkis, 2018; Ilyas, Hu, & Wiwattanakornwong, 2020; Tinkov, S., et al., 2023) to highlight the significance of corporate support for concept of supply chain management.

As companies have multiple opportunities to operational on international level with current corporate trend, the interest and concern regarding SCM has been signified among companies (Tang, & Wei, 2018). The international level of operation by companies have increased the complexity of managing supply chain. The contribution of all partners collaboratively shapes supply chain of the company, and their collaboration can only ensure the achievement of competitive advantage Beske, (2012). According to Deshpande, (2012) the computation among firms have now been shifted to competition among supply chain of companies for last decade. Thus, to improve the competitive position, a firm must focus on SCM as their key management tool. Lam and Postle, (2006) recognized the importance of SCM as highly significant for sectors of manufacturing. The functions of SCM can be utilized to control flow of capital and information along with planning, coordination, and logistic control. These coordination results in improving speed response and enable firms to minimize uncertainty as advocated by Jacques, (2012) and by Baig, Abrar, Batool, Hashim, & Shabbir, (2020).

In absence of these important elements, the company survival of companies in highly versatile and fast corporate environment will be impossible as illustrated by Thomas and Griffin, (1996). A real example of hybrid supply chain is provided by manufacturing company of Spain named Zara. The company have a universal target market with age range of 18-35 years old and is considered is the most dynamic and great manufacturing company of Spain. As the actual demand in supply is difficult to visualize, Christopher, M., (2005) suggested not to focus on demand driven strategy, but to rely of forecast driven. That can provide a fast scheme to manage challenges of visibility as have adopted by Zara.

Gaining mutual benefits and attracting customers can be supported by technology as suggested by research scholars Wang, Zhang, & Goh, (2018) and Ünay and Zehir, (2012).

BACKGROUND OF THE STUDY

Pakistan located in a region which was considered food hub before foundation of Pakistan and with high production of agricultural products, they were exported to rest of world. Even though Pakistan have inherited strong agriculture foundation, the economic development of region after foundation of Pakistan in 1947 shifted to manufacturing industry. Development of manufacturing and industrial sector have been highly supported by Government of Pakistan and hence have established various institutions and authority that solely focus on some of significant sectors of industries. Furthermore, Government handed over those established industrial ventures to private owners. Thus, it paved a way of adopting state-led model of industrialization that is governed by every new government in power, which have caused higher disparity in sector of small and medium enterprises (Butt, Kamran, Afzal, & Mukit, 2021).

Currently, SMEs in Pakistan are contributed around 17.2 percent in gross domestic production of country with holding a total share of 30 percent of GDP. Almost 78 percent of non-agricultural labor force is employed by these SME. However as per records of (SMEDA, 2021), significant contribution in GDP of country by industrial section is made by manufacturing sectors which is 19.72. While small scale industries that accounts for 90 percent of industrial sector. They have a share of 17.2 percent in SME sectors and contribute around 4.2 percent in GDP. However, the significance of these small scale industries is higher due to provision of higher percent of employment for non-agricultural labor that is around 80 percent.

The interest and concern of companies' management in determination and evaluation of important drivers of increase operational performance through their supply chain is noted, this is due to realization of management that financial performance of companies is linked positively with the operational performance (Qrunfleh, 2010). As stated by (Quah, 2010) and Nguyen, T. T. T., et al., (2023) organizational performance can widely be assessed using capabilities of its supply chain, the studies on application and evaluation of supply chain operational performance should be made, which is an evident gap in current studies and hence the current research is making an attempt to fill that gap.

Some of common challenges for manufacturing companies are longer lead time for product, unreliable forecast and short terms cycle of product along with higher production cost and high production cost (Islam, M. R., et al., 2019). thus, the investigation of supply chain technology in terms of integration of cultural capabilities is essential as showcased by Lin, C. Y., et al., 2020. Whereas in various industries and region, performance of supply chain is enhanced by using green initiatives in supply chain as well various practices of HRM.

However, the performance of supply chain being impacted by technology of supply chain as well as capabilities of culture is still not clear, and both of these determinants also required research for establishment of their strong role. Lin, C. Y., et al., (2020); Tinkov, S. et al., (2023) and Suwaidi, Alshurideh, Kurdi, & Salloum, (2020, October) have highlighted variability of supply chain operational performance under the impact of cultural capabilities, these variances of impact can be observed from firm to firm, very some of capabilities could have strong impact on performance of supply chain while similar capabilities might be found insignificant in another firm. Therefore, the objectives the study included; to investigate the impact of Cultural Capabilities (CC) and Training & Development on Supply Chain Operational Performance (SCOP) and Organizational Performance (OP) of Pakistani SMEs'. to analyze the mediating role for Supply Chain Operational Performance (SCOP) on the relationship among Cultural Capabilities (CC), Training & Development and Organizational Performance (OP) of SMEs' Performance (SMEP) in Pakistan.

THEORETICAL FRAMEWORK

Human Resources and Performance

The overall conceptual framework of human resource performance may be caricatured based on the theoretical connections between human resources and company performance and the knowledge of such relationships. Productivity, exports, innovation, and technical advancement were the main operational factors highlighted. However, the documents have mostly disregarded the commercial viability, which is unquestionably vital to Pakistan. Teixeira, A. (2002, p. 14) claims that "Performance exists is a somewhat ignored position when it comes to issues linked to performance and human resources." The majority of these studies, especially those connected to human resource theory, contend that existence itself is not the issue. The materials also assert that human resources have an impact on business operations both directly and indirectly. Indirectly, human resources improve a company's capacity for information absorption, which has an impact on operations as well. In that situation, a framework for analysis is constructed, with performance at one end and human resources as a whole at the other. The framework also considers the individual's capacity for absorption; they are assigned the position of mediator. All performance indicators are impacted both directly and indirectly by human resource factors, including cultural capabilities, training & development, and competent management, both alone and collectively. These business characteristics are regarded as control variables since firm size, industry, and ownership

(foreign or domestic) can all have an impact on a company's performance (Mohamed, Rahim, & Ma'aram, 2020).

The performance of the company and the many outcomes of the global supply chain. Organizational performance relates to groups or people within an organization in terms of actual products or outcomes, whereas supply chain performance looks for actual products or outcomes between the organization and the organization internally. economy (Mann et. al., 2011). A more thorough explanation of supply chain performance is provided below.

HRM (Cultural Capabilities) and Performance

For many years, the organizational culture has proven to be a key factor in the performance of the organization (Slater and Narver, 1995). In general, the culture of the organization's success is directly affected. Some studies suggest that organizational culture should be consistent with the objectives of the organization (Braunscheidel et al., 2010). This is because the performance of supply chain, significant and positive impact (Qrunfleh and not Tarafdar, 2013) in particular improving flexibility to enhance the response speed of the global supply chain (Razalli, 2008). Research Thoo et al. (2011); Baqleh, & Alateeq, (2023) and Abdullah et al., (2013) found that the performance of the supply chain noticeably gets effected by organizational culture of SMEs. In addition, (The Braunscheidel study and others. 2010), which includes professionals in the supply chain response 218, indicating on the New York Institute for Supply Management (ISM), a direct and positive relationship between the culture of the organization and functioning of the supply chain.

In addition, the participation of employees, participate in relevant job functions significantly affects performance of the chain (Vanichchinchai, 2012). (Feng Wang 2013) Research indicates that organizations are important to improve the responsiveness of the supply chain as it can identify gaps in organizational capacity. Thus, it is difficult to achieve the required performance organization, without the full participation of employees (Katila and Ahuja, 2002). That's why the Toyota supply chain in the UK just supply (Vanichchinchai, 2012; Kagalkar, Agashe, Paralkar, & Deogaonkar, (2023) one of the reasons set out in time for employee participation and innovation meet. Today's businesses are taking advantage of the technology supply chain, such as extranets, intranets and the Internet to make the most of available market information and trading partners (Faisal, Banwet, and Shankar, 2006).

HRM (Training & Development) and Performance

For organizations, training and professional development are key factors for economic survival and success. Jobs are becoming more complex, changing from the more physical and routine nature of past work, to requiring abstract and adaptive reasoning for employees to understand and manipulate information (Zuboff, 1988). Training objectives have included variety of influential factors, to; meet legislative requirements, keep employee skills current, attract qualified candidates, meet quality assurance and productivity standards, foster commitment and a sense of community, create a learning organization, maintain a competitive edge, provide career advancement opportunities, to prepare employees for organizational changes that may affect their jobs (Noe et al., 2003; Fang, Lachman, Zhang, Qiao, & Barlow, 2022).

Because of changes and increased competition, new performance standards require additional learning and training. Much of the additional training has been provided to highly skilled employees, specifically “general managers, technical professionals, technicians, precision production workers, management-support specialists, clerical workers, salespeople, mechanics and repairers, and extractive workers” (Camevale & Camevale, 1994, p. S23). Less training has been given to semi-skilled and unskilled workers, such as “non-technical workers, machine operators, laborers, craft workers, and transportation employees” (Camevale & Camevale, 1994, p. S23). Finally, companies with formal training programs typically have 500 employees or more. In fact, they are twice as likely to offer formal company training to new hires than are companies with fewer than 25 employees (Bai, Bai, Duan, Liu, Jin, & Chi, 2022; Wu, & Preudhikulpradab, 2022). Many are striving to become learning organizations to promote new learning opportunities across the organization and its vendor partners and supply chain. Today, training seeks to enhance quality standards and sustain organizational change in ways that will aid companies in becoming more competitive and innovative (Merquardt M. J. et al., 2000).

“While large arrays of studies have adopted RBV theory to explain the supply chain competitiveness by espoused the importance of resources and capabilities in enhancing competitive advantage, some researchers have questioned the usefulness and applicability of this theory” (Ambrosini & Bowman, 2009). Similarly, researchers argued that “this theory does not fully explain why some firms that have substantial resources and capabilities have failed to refresh and change them in turbulent and volatile environment. Owing to this, the dynamic capability (DC) theory has been established as an extension to RBV theory.” An organization

can establish and adapt operating modes to reach a new configuration using dynamic capabilities, which are learnt collective performance patterns and strategic habits (Zollo & Winter, 2002). The global economy has opened up, and there are now more geographically and organizationally varied sources of creativity, innovation, and manufacturing (Teece, 2014; Nguyen, T. T. T., et al., 2023). Businesses that operate globally frequently need advanced dynamic skills because they must handle the growing complexity of doing business while dealing with numerous institutions, cultures, markets, requirements for needs, political and economic realities, location, and language. Based on all above discussion on relationships among studied variables, following hypotheses have been developed;

H1: Cultural Capabilities (CC) has positive impact on Supply Chain Operational Performance (SCOP) of Small and Medium Enterprises (SMEs) of Pakistan.

H2: Training and Development (T & D) has positive impact on Supply Chain Operational Performance (SCOP) of Small and Medium Enterprises (SMEs) of Pakistan.

H8: Cultural Capabilities (CC) has positive impact on Organizational Performance-OP of Small and Medium Enterprises (SMEs) of Pakistan.

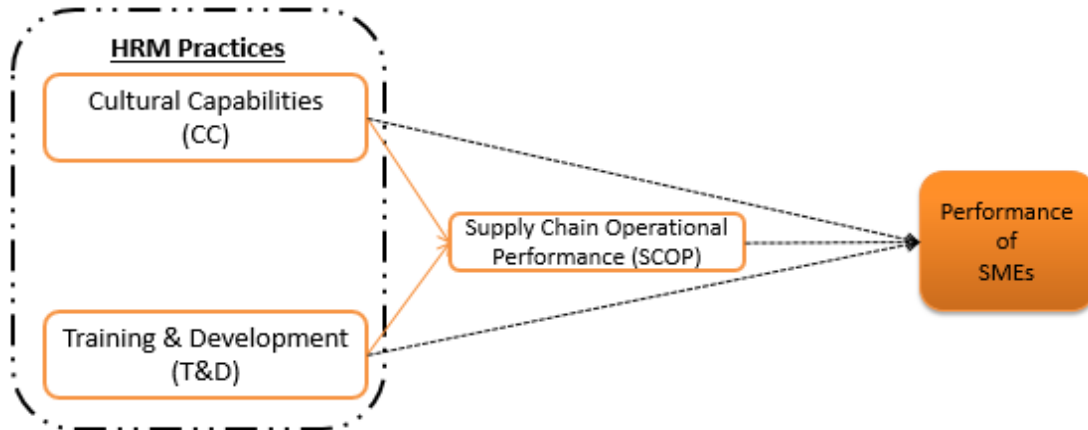
H9: Training and Development (T&D) has positive impact on Organizational Performance-OP of Small and Medium Enterprises (SMEs) of Pakistan.

H11: Supply Chain Operational Performance (SCOP) has positive impact on Organizational Performance-OP of Small and Medium Enterprises (SMEs) of Pakistan.

H14: Supply Chain Operational Performance (SCOP) mediates the relationship between Cultural Capabilities (CC) and Organizational Performance-OP of Small and Medium Enterprises (SMEs) of Pakistan.

H15: Supply Chain Operational Performance (SCOP) mediates the relationship between Training and Development (T&D) and Organizational Performance-OP of Small and Medium Enterprises (SMEs) of Pakistan.

Figure 1: Research framework



Source: Researcher

METHODOLOGY

The subject of this study is Pakistani industrial firms. Only registered firms are chosen to be on the population list, and it only includes 10 main cities, where it depicts the bulk of SMEs. The population of this survey consisted of 20,550 businesses or supply chain managers. According to the sampling chart provided by Krejcie and Morgan (1970); study's sample size was 379 supply chain managers through cluster sampling where study instrument was a survey questionnaire measured on five point Likert scale. The company profile is covered in the first section while the study variables in section two of the developed self-administered questionnaire distributed through google survey link. A pilot research is a small-scale preliminary investigation; carried out before the complete sample size was given access to survey questionnaire. The pilot study's findings indicate that each construct had strong internal consistency, with Cronbach's Alpha values ranging from 0.861 to 0.915 and a confidence threshold value of 0.70 (Hair et al., 2011). Organization is the unit of measure in current research set up and these organizations range from small to medium size enterprises. Every functioning registered company, ready to assist with this research was included.

RESULTS & DISCUSSION

Construct Validity

As per the results summarized in table1; the composite confidence values are shown in Table 1 to range from 0.748 to 0.8353. The "recommended value of 0.7" is exceeded by these figures (Fornell & Larcker, 1981). The values of extracted mean variance (AVE) vary from 0.601 to 0.885, which suggests that the measures utilized have a high level of constructive

validity (Barclay et al., 1995). These findings support the extrinsic model's convergence validity.

Table 1: Item loadings

Constructs	Items	Loadings	AVE	CR	Alpha
Organization Cultural Capability	OCC1	0.861	0.5149	0.8353	0.6981
	OCC2	0.903			
	OCC3	0.795			
	OCC4	0.869			
	OCC5	0.859			
	OCC6	0.933			
	OCC7	0.714			
	OCC8	0.703			
	OCC9	0.922			
	OCC10	0.865			
	OCC11	0.935			
	OCC12	0.866			
	OCC13	0.817			
	OCC14	0.881			
	OCC15	0.871			
	OCC16	0.696			
	OCC17	0.696			
	OCC18	0.856			
	OCC19	0.941			
	OCC20	0.708			
	OCC21	0.6965			
	OCC22	0.847			
	OCC23	0.762			
Training & Development	T&D1	0.715	0.5345	0.8129	0.6466
	T&D2	0.697			
	T&D3	0.731			
	T&D4	0.713			
	T&D5	0.692			
	T&D6	0.695			
Operational Performance	OP1	0.864	0.6245	0.762	0.684
	OP2	0.669			
	OP3	0.761			
	OP4	0.729			
	OP5	0.874			
	OP6	0.917			
	OP7	0.921			
	OP8	0.613			
	OP9	0.734			
	OP10	0.762			
	OP11	0.922			
	OP12	0.696			
	OP13	0.906			
	OP14	0.864			
	OP15	0.731			
	OP16	0.693			
	OP17	0.865			
	OP18	0.935			
	OP19	0.866			
	OP20	0.906			
	OP21	0.864			

	OP22	0.736			
	OP23	0.761			
Organizational Performance	OP1	0.867	0.8853	0.8437	0.6708
	OP2	0.811			
	OP3	0.779			
	OP4	0.665			
	OP5	0.771			
	OP6	0.914			
	OP7	0.795			
	OP8	0.811			
	OP9	0.779			

Source: Researcher

Discriminant Validity of the Measures

Table 2 supports the discriminant validity of the extrinsic model since the diagonal's members are taller than the other elements of the rows and columns in which they are located (Hair et al., 2008). In conclusion, it is anticipated that the outcomes of the hypothesis test must be valid and trustworthy after the construct validity of the extrinsic model has been proven.

Table 2: Discriminant Validity

S/N	Variables	1	2	3	4
1	Organization Cultural Capability (OCC)	0.718			
2	Training & Development (TnD)	0.507	0.717		
3	Supply Chain Operational Performance (SCOP)	0.367	0.427	0.724	
4	Organizational Performance of SMEs	0.338	0.362	0.342	0.94

Source: Researcher

Hypotheses Testing

Table 3: Summary of the results

	Relationships	Coefficients	t-statistics	Decision
H1	CC-->SCOP	0.206	4.354	Supported
H2	T&D-->SCOP	0.249	4.662	Supported
H3	CC-->SMEP	0.2	4.14	Supported
H4	T&D-->SMEP	0.241	7.357	Supported
H6	SCOP-->SMEP	0.417	10.79	Supported
H7	CC-->SCOP--> SMEP	0.298	13.289	Supported
H8	T&D-->SCOP--> SMEP	0.289	11.95	Supported

Source: Researcher

By examining the Table 3; results describe the matrix between Cultural Capabilities (CC), Training & Development (T&D) and Supply Chain Operational Performance (SCOP). It is found that the correlation coefficients (r) are positive and significance as (p) is less than 0.01. Hence, it is concluded that there is a positive and significant association between CC & SCOP and T&D & SCOP. Further to this table shows positive coefficients (β) of CC and T&D towards SCOP as (B= 0.206, t=4.354; B= 0.249, t=4.662). Additionally, the value of t-statistics is also

found above the threshold value (1.96). Thus the results support hypothesis one and two (H1 & H2)

Additionally, table3 describes the matrix between Cultural Capabilities (CC), Training & Development (T&D) and Supply Chain Organizational Performance (OP). It is found that the correlation coefficients (r) are positive and significance as (p) is less than 0.01. Hence, it is concluded that there is a positive and significant association between CC & OP and T&D & OP. Further to this table shows positive coefficients (β) of CC and T&D towards OP as (B= 0.20, t=4.14; B= 0.241, t=7.357). Additionally, the value of t-statistics is also found above the threshold value (1.96). Thus the results support hypothesis three and four (H3 & H4).

By examining the Table 3; results describe the matrix between Supply Chain Operational Performance (SCOP) and Organizational Performance-OP of Pakistani SMEs. It is found that the correlation coefficient (r) is positive and significance as (p) is less than 0.01. Hence, it is concluded that there is a positive and significant association between Supply Chain Operational Performance (SCOP) and Organizational Performance-OP of Pakistani SMEs. Further to this table 3 shows a positive coefficient (β) of SCOP towards OP of Pakistani SMEs; as, (B= 0.417, t=10.79). Additionally, the value of t-statistics is also found above the threshold value (10.79>1.96). Thus the results support hypothesis five (H5).

As explained earlier table 3 shows a positive coefficients (β) of CC and TnD towards OP of Pakistani SMEs; as, (B= 0.206, t=4.354 and B= 0.249, t=4.662). Additionally, the values of t-statistics are also found above the threshold value (1.96). Now when the Supply Chain Operational Performance (SCOP) as mediator is being added into the calculations and regressed again; the new value for coefficients were found changed and higher than the earlier calculations; and it is, (B= 0.298, t=13.289 and B= 0.289, t=11.95 respectively) and t values are also found above the threshold value; as, 13.289>1.96 and 11.95>1.96 respectively. Thus hypotheses (H6 & H7) are supported.

DISCUSSION

Representing of unique culture by each firm is indicated by the evaluation all the data on organizational culture. The data also shows that less dominant features also have an impact on the placement of the organizational cultures, even while the dominant attributes within each company clearly indicate the overall culture of the company, such as existence of hierarchical culture in medium size companies, while small business are considered to demonstrate market culture. The representation of hierarchical culture by medium size firms is considered to be

derived from rules of bonding in those firms such as procedures and policies along with rules, orders and regulations as their prominent characteristics. Like wisely, goal orientation, competitive nature, traits of entrepreneurs and other relevant attributes are considered as a base for the formation of market culture, that is prominent in small firms. However, few attributes of market culture including market superiority, competitiveness and goals orientations can also be shown in medium size companies.

A different kind of relationship among Cultural Capability (CC) and Supply Chain Operational Performance (SCOP) have been evident in medium size firms. These firms have higher level of capabilities to manage their risk, as indicated by data. These are due to their higher dependence on hierarchical organizational culture as their core and used to drive process.

This study combines the domains of HRM, which have often been investigated separately. The model used in the current research provide first reliable empirical evidence identifying and quantifying the considerable impact of human resources on organizational performance and supply chain performance and hence model is highly significant. This study provides a starting point to conduct research on development of well-integrated strategy for improving performance of organization through revealing a significant relationship between supply chain and human resource management. Thus, to meet the main objective of study, implementation level of supply chain management practices in Pakistani' SMEs has been revealed using the pilot study questionnaire. This questionnaire was developed from review of literature on SCM that have provided the important parameter to extract and add in pilot study. To collect empirical data, the pilot study questionnaires were administrated among experts of supply chain.

In context of Pakistani SMEs, limited literature is available, and hence parameter of supply chain management has been explored from available studies. The association among all variables is found as expected and significant relationship of HR practices and SCM is found on supply chain performance from statistical analysis. Thus, significant and positive relationship of HR with OP and SCOP have been concluded in Small and Medium Enterprises (SMEs) in Pakistan.

A comprehensive examination has revealed that the cultural nature of the various businesses affects how firms approach success in the supply chain. Furthermore, use of cultural aspects by businesses to alter their perspectives on performance, broadening or narrowing the range of success indicators, through the cross-case analysis. This analysis shows the success of companies in recognizing non-traditional performance indicators different from cost and other

likely traditional indicators. Thus, perception of organizations regarding their performance as well operational performance of their supply chains are shaped up by the dimensions of organizational cultural.

IMPLICATIONS

This study offers several implications for practitioners commonly known as managerial implication. The results of this study have influenced managerial practices in three keyways. These include of the significance of cultural competence, as well as essential HR practices. According to the study's findings, approximately 90% of responding companies showed a great concern towards their companies' supply chain and human resources management practices as these 90% of responding companies are concerned about operational management of their supply chain. Small and medium-sized businesses are anticipated to receive support from both internal and external supply chain participants as they continuously invest in or reengineer critical initiatives. The empirical results of this study have acknowledged the contribution of study components. Industry experts have concurred with the final model's recommendation of two emergent categories, including experience of work and human support, as moderators for upcoming research on the model. Thus, findings from quantitative research provide significant empirical evidence for the paradigm under consideration.

LIMITATIONS & SUGGESTIONS

Current study primary focus on investigation the link and effect of performance of supply chains of companies, as most of available literature regarding SCM comprised of qualitative studies. Yin, (2003), have suggested to use multiple analysis as well as exploratory research methodology to analyze the how or why questions, however, most of current studies have limited to focus on Why questions. Previous research stages failed to provide an appropriate scale for measurement of HRM, as no proper definition of construct is available. However, current study has elaborated the significance in terms of latest research on the topic, for supply chain management in initial sections, yet studies on the topic are limited. Thus, researcher indicated the need of future research studies by practitioners and academicians in this dimension and considered is as limitation of current study.

CONCLUSION

Current study results have been encouraging, yet the effort has just begun. Future study may employ other methodologies to evaluate and confirm the currently presented casual links. These methodologies can include structural equation modelling and enhanced monitoring of supply chain management as well facilitating to their success can be resulted from the continued research in this area, as well as application of the model to different enterprises and situations.

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