

## **HR PRACTICES AND STRATEGIC CONTRIBUTIONS IN EDUCATIONAL INDUSTRY (ISLAMIC AZAD UNIVERSITY)**

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### **ABSTRACT**

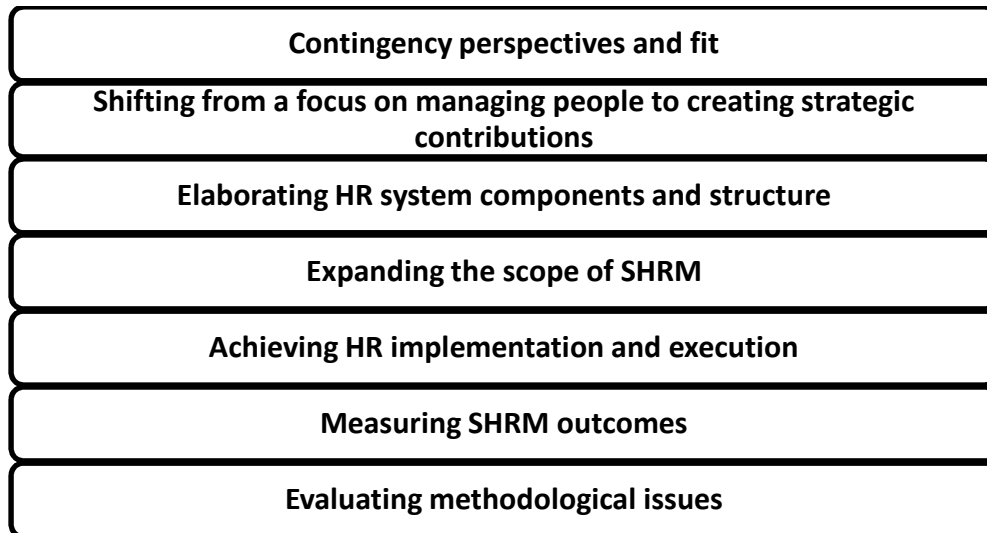
This paper attempts to identify the current policies and problems of IAU (Islamic Azad University) in HR practices. On the other hand this research offers new HR practices according to experts and different persons in different levels of IAU. Finally, offered HR practices are in line with strategic contributions in educational industry.

**Key words:** Human Resources, Human Resources Practices, and Knowledge Sharing

### **Introduction**

Nowadays all researchers and managers think beyond the past, and for this purpose they study firms and companies in many different aspects. The vital role of knowledge in any organization that is related to HR is a powerful evidence for paying more attention to HR concepts.

According to Boxell, Purcell, and Wright (2007), Human Resource management can be divided to three subfields, and they are micro human resource (MHRM), strategic human resource (SHRM), and International human resource (IHRM). Since SHRM is related to HR strategies that adopted business and firms and tries to measure impact on performance, it should be more focused. In addition, Mark L, Lengnick-Hall et al (2009), after studying and analyzing researches in last 30 years, identified and highlighted seven themes:



In second theme in above, several issues such as RBV, **HR practices**, Human capital, and Social capital with their contributions are discussed that the name of some researchers shines more than other researchers for example Wright, Dunford, and Snell (2009), Boxell and Purcell (2000), Barney and Wright (1998), Ahmad and Schroeder (2003), Leana and Van Buren(1999), and etc. More focus emphasizes on ensuring that employees had the capacity and motivation to achieve organizational goals and targets.

Tichy, Devanna, and Formburn (1982) by making case about role of the human resource department in driving organizational performance argued: (1) that HR activities have a significant effect on individual performance, and also productivity and organizational performance, (2) the cycle of HR activities is interdependent, and (3) effectiveness strategic management comes from effective HRM.

In educational industry of Iran Islamic Azad University is one of the biggest universities all around the world. Many graduated of IAU enter to different types of industries every year.

There are three stages for universities to complete. During 25 years of existence, two stages has been completed by Islamic Azad University (IAU) and now it is on its third stage.

These stages are:

**First decade:** Utilizing scattered capacities of higher education.

**Second decade:** Upgrading capacities in higher education.

**Third decade:** Advancing quality of education.

The Islamic Azad University has 30 research centers. There are 20 additional research centers under construction and formation. In 2007, 123 scientific magazines were published by the university. Furthermore, it conducted 2240 research projects in 2006. As many as 332 inventions have been registered by students of the university during international competitions. Over 1650 scientific, literary and art societies are active in the IAU.

In the field of public relations and information Islamic Azad University has made great achievements. More than 1,300,000 students in 750 academic fields were trained in about 350 branches in Iran and abroad. During 2007 to 2009 the IAU is preparing the university to be a world class university, both in research and education. (<http://www.intl.iau.ir>)

This research is going to identify current HR practices and also to explore reasons of weakness of HR practices in creating strategic contributions.

**Literature Review**

**Different HR practices used by researchers**

There are many HR practices in different quantitative and qualitative researches which defined and used in different organizations, and after review of some of them we can categorized in below table, so this table can be considered as a good source of HR practices.

<b>Researchers</b>	<b>HR practices</b>
Pfeffer's (1998)	1- employment security, 2- selective hiring of new personnel, 3- self-managed teams and decentralization of decision making as the basic principles of organizational design, 4- comparatively high compensation contingent on organizational performance, 5- extensive training, 6- reduced status distinctions and barriers, including dress language, office arrangements, and wage differences across levels, 7- And extensive sharing of financial and performance information throughout the organization.
Teseema & Soeters (2006)	1- recruitment and selection practices 2- placement practices 3- training practices 4- compensation practices 5- employee performance evaluation practices, 6- promotion practices, 7- grievance procedure 8- pension or social security.

Huselid (1995)	<ul style="list-style-type: none"> <li>1- personnel selection,</li> <li>2- performance appraisal,</li> <li>3- incentive compensation,</li> <li>4- job design,</li> <li>5- grievance procedures,</li> <li>6- information sharing,</li> <li>7- attitude assessment,</li> <li>8- labor management participation,</li> <li>9- recruitment efforts,</li> <li>10- employee training</li> <li>11- promotion criteria</li> </ul>
Khurram Shahzad, Sajid Bashir, and Muhammad I Ramay (2008)	<ul style="list-style-type: none"> <li>1- compensation,</li> <li>2- promotion and performance evaluation</li> <li>3- perceived employee</li> </ul>
Huang (2000)	<ul style="list-style-type: none"> <li>1-staffing, 2-planning,</li> <li>3-compensation, 4- training and development, 5- appraisal</li> </ul>
Others	Other practices: 1) Safe, Healthy and Happy orkplace, 2)Open House Discussions And Feedback Mechanisms, 3) Delight Employees With The Unexpected, 4) Open Management, 5) . . .

***HR practices and strategic contributions***

Since Organizational performance is the outcome of strategic contribution i.e. good HR practices which are long term focus (strategic) will leads to good organizational performance, so weakness or strength in organizational performance can be considered as a criterion for strategic contributions.

Regarding some empiric studies, Human Resource Practices/Systems and Organizational Performance affect on each other, moreover some researchers suggested that by using some HR Practices menu, important strategic outcomes may occur.

As Khatri (2000) mentioned there is a link between strategy and human resource practices and human resource practices and firm performance. Although Richard & Johnson (2001) declared that SHRM abases turnover, which in order boost overall market performance assessment.

According to Examination across three industry and four countries by Ahmad and Schroeder (2003), there is a relationship between Human Resource Management Practices and OP (Operational Management). They found a relationship between organizational performance and Pfeiffer’s (1998) seven best human resource management.

As Huang (2000) illustrated firm can adapt certain strategic human resource management practices, such as Staffing, Planning, Compensation, Training and Development, and appraisal with some high

performance levels. In Line with Vlachos (2008) who uses samples in food industry, he found that by estimating relationship between human resource practices (Pfeiffer's practices) and Organizational Performance, all items are important except job security.

Today the focus of studies is on the relationship between HR Practices and Competitive Performance, but still there are many researchers keen about human practices and different issues. In concordance with Dyer & Reeves (1995) there is a positive linkage between HR Practices and Various dimensions of Performance.

### **Methodology**

As above topics and elements, all related issues refer to HR practices, human capital, and social capital, so by using the main sub issues of them this research should be done.

This research is a qualitative research to explore best HR practices for IAU (exploratory), so by using questionnaires and interview in different levels of IAU was done. Sample was four branches of IAU that researcher should go to them, and meet 28 person includes top managers, official staff, and lecturers. Furthermore Delphi and factor analyze method were used to get the best results.

After interview and exploring important reasons and elements of HR practice is done:

**Step1:** testing validity by experts includes some expert mangers in educational industry, some professors and researchers in HR, and some expert employees.

**Step2:** Testing reliabilities by NVIVO software.

It is clear that this research should be done by who knows HR concepts and has insight to use the main purpose of any interview.

### **Result and Discussions**

After using questionnaires and interview in the four branches of IAU and mentioned methods, some weaknesses and problems in those branches were identified. And they are as follow:

- 1- Weakness in knowledge sharing: lack of tendency among lecturers.
- 2- High turnover: it is because of lecturer's turnover.
- 3- Lack of unity education system: quality of education varies in different branches.
- 4- Job security: many lecturers and official staffs claim about this.

Obviously all above problems come from using unsuitable HR practices in IAU which affect on different situations' performance of IAU.

On the other hand results shows IAU should pay more attention on:

- 1- Reward and compensation practice,
- 2- Training,
- 3- Using suitable appraisal methods, and
- 4- Recruitment

### **Conclusion**

IAU as a one of the biggest universities in the world should focus on its HR structures. HR practices are very important in every organization because of competition environment by using suitable practices they will be able to create value. Human capital as a part of educational industry is non imitable because it is based on knowledge and experiences. Therefore according to Barney (1986), it can be exploited to reach sustainable competitive advantage.

The current policy of IAU to use its resources among other competitors has many weaknesses, and they are Weakness in knowledge sharing, high turnover, lack of unity education system, lack of Job security.

Furthermore IAU should pay more attention on defining well Reward and Compensation practices, Training to increase lecturers knowledge and also creating standard unique education system in all branches, using suitable appraisal method that be adoptable with Reward and compensation practices, and making new policy for more job security.

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