# The Theoretical Foundations Of Human Resources Management And Its Relationship With Strategic Thinking Skills

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#### **Abstract:**

The results of this research also showed that there is a positive and meaningful relationship between human resources management and strategic thinking skills, and organizational confidence plays a moderating role in this relationship and increases the impact of human resources management on strategic thinking. skills. In fact, this result can be interpreted as human resources management activities due to their nature, which are directly related to human resources activities, and human resources are considered the basic pillar of the competitive advantage of any organization. Human resources, as one of the most important core institutions in any organization, especially universities, has a very important role in the quality and quantity of data of that organization. The growth and development of human resources and the increase in skills, innovation and knowledge of the workforce at all levels of the organization at Al-Muthani University will lead to strategic thinking and its learning skills to increase the creation of creativity and innovation in the organization and will lead to an appropriate organizational perspective being formed and also in the form of a common goal that makes the organization unified and motivated. . The result of the work is the creation of the highest value for the customer, a competitive advantage for the organization and differentiation from competitors. Organizational confidence and the presence of an atmosphere of trust within Al-Muthanna

University will lead to more employees cooperating with each other in order to further improve strategic thinking and improve the influence of human resources on strategic thinking.

#### Introduction:

In human resource development, the first priority should be given to creating a platform for creativity, creating an emotional atmosphere, trusting employees, cultivating a platform for learning and training, and establishing the values and intellectual framework of the organization. Creating a correct and motivating image of the vision, planning and explaining the excellent and worthy goals in the organization and creating a context and platform for the participation of employees in discovering innovative solutions in this direction, which provides the possibility of using this energy in Creating innovative strategies makes (as before) this is how development is aligned. Human resources with strategic thinking leads to

value creation in the organization. With this view, the difference of opinion between business unit managers and human resources is removed. In this chapter, the basics of research were discussed, which includes a definition of the research variables, and an explanation of the materials associated with them and the theories surrounding them. In the end, previous internal and external research was presented, and in the end, the theoretical framework and conceptual model were concluded.

# The concept of human resources management

Human resource management is one of the phenomena of the current century. The new philosophy of human resource management, its structure and organization in its current form are all the result of the interaction between a series of events and developments that began with the Industrial Revolution in England (around 1760) and continue to this day. Of course, the emergence of human resource management and its gradual growth dates back to ancient times, and there is evidence of the formation of trade unions and regular and organized labor strikes in Rome and Egypt. However, a series of important historical events and factors can be mentioned in the emergence of personnel management as an independent unit with completely specialized tasks, which had a significant impact on the emergence of human resources management as a professional task. In brief, these factors are:

- 1. Rapid technological progress and job specialization as a result of the Industrial Revolution.
- 2. The emergence of labor movements and the emergence of unions that entered into negotiations with employers on behalf of all workers.
- 3. Scientific management.
- 4. Industrial psychology.
- 5. The emergence and entry of specialists and experts in human resources into the arena and the performance of a set of specialized duties in areas such as recruitment, employee well-being, labor pricing, safety, training and medical services, and the creation of a special field in the organization to monitor these activities;
- 6. School of Human Relations.

The field of human resources management, which has been introduced into management texts since the beginning of the 1980s, is fundamentally different from the old field of personnel management and personnel management. In order to properly understand these differences, it is necessary to briefly review the development of this field. Studies indicate that the stages of development of human resources management can be observed as follows:

The first stage) The pre-industrial revolution era: In this era, more attention was paid to religious, political, and military goals and motives.

Phase II) The Industrial Revolution and the emergence of the factory system (with the European Industrial Revolution in England)

The third stage) The emergence of modern corporations and managerial capitalism: Understanding that the basic problems of the industrial revolution, before they related to inventions and machines, were caused by the non-compliance of agricultural era workers with factory rules and discipline. From this period onwards, most economic goals and motives became the driving force for organizational activities and organizations.

Fourth stage) Scientific management, the social welfare movement, and industrial psychology (end of the eighteenth century).

The fifth stage) Human Relations Movement (integration of the human factor in scientific management).

Sixth stage) The emergence of the field of contemporary human resources management (since the early 1980s).

The seventh stage) The era of strategic focus in human resources management and the orientation towards institutional functions, as well as the importance of international and political perspectives (from the early 1990s until now). In brief, the steps can be illustrated in Figure 1-2 based on the concepts proposed in the field of human resources management (Yaqoubi et al., 1401).

With the emergence of scientific management from a technical standpoint, especially the second and third principles of Taylor, who saw that the selection of employees should be on a scientific basis, and their education and training should also have a scientific aspect. As industrial psychology from a humanistic point of view, especially with Münsterberg's emphasis on meeting needs had human and spiritual employees, the basic foundations of human resource management and the background for the establishment of the personnel department were provided. Gradually, with the arrival of the first generation of HR specialists carrying out some specialized tasks such as selection and recruitment, welfare issues, labor pricing in order to determine the appropriate rate of wage payment, work safety, educational and health issues with the traditional position of position and the specialized role of HR management was established in Organizations. With the emergence of the human relations movement and the effects that behavioral sciences have had on the field of management since the late 1940s, new conditions have been created for the relative enrichment of some HRM functions. During the 1940s and 1950s, personnel management increasingly evolved toward developing testing techniques to improve the fit between people and jobs. However, in these

years, HRM was generally considered a limited and ordinary support function in organizations and was not coordinated with any strategic importance. Since the 1960s, the amount of government laws and regulations in organizations has increased and the concept of employee management has replaced social welfare management. As Dennis and Griffin (2001) argue, personnel management was mainly responsible for hiring front-line employees and managing core human resource activities such as wages and benefits. During the 1960s and 1970s, organizations gradually faced increasing strategic importance of effective human resource management functions for productivity and competition. Since then, the HR function has been introduced, which is about building a motivated and committed workforce to reach maximum effectiveness. Since then, the HR function has been introduced, which is about building a motivated and committed workforce to reach maximum effectiveness. During the 1980s and 1990s, issues such as organizational mergers and acquisitions, purchases and acquisitions of other companies, and globalization of the market situation led to organizations downsizing, adapting, or re-engineering. The field of human resources management has covered new dimensions.

A quick look at the evolution of HRM illustrates the function and scope of HRM, which in the traditional view relies on operational skills to perform day-to-day activities such as record keeping, payroll, recruitment, performance appraisal, service compensation and related training and development. It can also be, Now it has changed a lot and based on the strategic point of view, it has become a strategic partner. Today, HR management needs strategic skills such as planning and change management, which include more aspects of the business and company. With this approach to human resource management, people are considered a vital resource, and knowledge and experience are the capital of the organization. Therefore, today's human resource management activities help successful organizations meet the needs and requirements of employees, customers, capital owners, and society.

Armstrong explained people management in four different but interconnected concepts, as shown in (Yasser, 2022):

Personnel management is reflected in the concepts of "human resources management" and "human capital management" as alternatives to "personnel management," which has become part of the duties in the two aforementioned concepts.

# **Duties of human resources management**

The duties of human resources management are related to managing and developing people in an organization. These duties are related to the development and application of human resources strategies and policies, relating to some or all of people management activities. Some of these activities are: organizational development and improvement, human resource planning, talent management, knowledge management, recruitment and selection, learning

and improvement, reward management, employee relations, safety and health, social welfare, human resource management, meeting legal requirements, issues related to workforce diversity. employment, equal employment opportunity, and any other employee relations and employment issues. Researchers have presented different tasks and roles of the human resources manager. For example, IRS research on HR roles and responsibilities, conducted in 2004, concluded that HR duties are divided as follows (Rokhsani and Oroji, 1400):

20% of human resources managers' time is spent on strategic activities, 40% on personnel management, 30% on providing indirect and advisory services, and the remaining 10% on other activities. According to Armstrong, the duties of HR managers include not only managers. Instead, their duties include line managers, who are actually the implementers of HR policies, employees, and also new employees.

In general, the main duties of human resources can be considered as activities that involve managing the organization's people. These activities are the main infrastructure of the human resources department of an organization. The Society for Human Resource Management has introduced six broad functional areas as the primary duties of human resources management. These six areas are listed in Table 1-2 (Sharafzadeh, 2017).

# Human resources management model

Human resources management is a body of knowledge and a set of procedures and practices that define the nature of work and regulate employee relations. They believe that HRM covers the following five functional or functional areas, all of which represent the traditional functions of HRM.

Ying and Lin (2009) believe that previous studies on human resources management followed one of the following two main paths: The first path focuses on the various functions of human resources management, which include the following: selection and recruitment, training and development, performance evaluation and compensation services.

According to Ying and Lin (2009), the main activities of human resource management include recruitment, training and development, performance appraisal and service compensation. Human Resource Management provides valuable tools to manage, develop and transform human resources into human capital.

#### **1-Employment:**

Obtaining people with the appropriate skills, abilities, knowledge and experience to fill organizations' positions. Tasks related to this task include: human resources planning, job analysis, recruitment and selection.

### 2- Training and development of human resources

Ying and Lin (2009) state that an organization's investment in human capital accumulation occurs mainly through training and development. Analysis of training needs, to ensure that employees have the knowledge and skills necessary to do their work and move forward in the organization. Performance appraisal can identify employees' skills and competencies.

#### 3- Performance evaluation

It is one of the main criteria for improving the human capital of an organization. Because this system provides the necessary feedback to employees and helps them improve their skills to meet the needs of the organization. Performance appraisal also motivates employee behaviors and improves results in individual or team performance.

# 4- Rewards and compensation for service:

An effective reward system is another key factor that motivates people to join the organization and perform well over time. In fact, a key factor for organizations to maintain and enhance human capital is to have a fair and competitive service compensation system. An attractive service compensation system should provide internal equity and external competitiveness; This means that while it is essential that an organization's employees understand it fairly, they must also have the ability to compete with similar organizations in their industry. In other words, a competitive service compensation system is a tool for creating commitment and long-term employment relationships and can lead to the accumulation of human capital (Hosni, 2022).

Design and implementation of service compensation systems. This task includes activities such as job evaluation, performance evaluation, and designing and implementing benefits programs.

# 5- Employee retention:

This activity of the Human Resources Manager involves implementing and monitoring safety, health and well-being policies to create a competent workforce and comply with laws and regulations.

# 6-Employee relations:

Under this mission, a range of employee engagement plans are included in unionized work environments, as well as non-unionized environments. In a union environment, negotiations take place between management and union representatives on issues affecting employment contracts.

It is worth noting that human resources management activities may vary from one organization to another under the influence of factors such as the structure and size of the organization, the presence or absence of union contracts, the philosophy of senior management and recruitment strategy. Large organizations may divide human resource management activities among several managers, for example, one person as a recruitment 318 | Sajid Aswad Abed The Theoretical Foundations Of Human Resources Management And Its Relationship With Strategic Thinking Skills

specialist, another as a training and development specialist, and another as a negotiator and enforcer of collective agreements. While in small organizations line managers or supervisors may be responsible for performing HR duties or performing related roles. Another point to note is that HR activities They are closely related to each other. For example, job evaluation and employee performance evaluation are basic requirements for managing service compensation in an organization. This set of HR activities is designed to create compatibility and adaptation between people and the organization's tasks, create motivation in the workforce and manage conflicts and tensions in the work environment. Therefore, human resources management activities seek to achieve two goals: improving employee performance and improving the effectiveness of the organization. Bratton and Gould, following Watson (1986), believe that in order to fully understand HRM activities, it is important to realize that HRM tasks are set at two levels. At the first level, HRM activities are related to recruitment, motivation and development of employee competencies. Therefore, at this level, procedures are adopted to transfer employees with the knowledge, skills, and abilities that the organization needs to the organization. Next, HR activities increase employee motivation through appropriate pay, sick benefits, and providing appropriate working conditions. HR professionals also ensure that employees have the knowledge and skills necessary to become effective employees in human resource development and promotion programs. At the second level, the human resources department is responsible for conflict management in the organization. HR professionals engage in a range of intervention activities in order to change the level and form of conflicts that inevitably arise in the work environment. At this level, the HR manager is responsible for transforming non-functional conflicts into functional conflicts, in other words, ensuring that conflicts within the organization do not harm the organization's performance is one of the main roles of HR professionals (Sharafzadeh, 2017).

# The concept of strategic thinking

The term "thinking" has been used incorrectly in many cases to refer to concepts such as strategic planning or strategic management. Therefore, it is necessary to study these cases separately, and pay attention to the differences between them.

Strategic thinking as an effective indicator can play a major role in implementing knowledge management, and for organizations that want to change their future and environment, it is very important to master strategic thinking. Strategic thinking is the starting point in creating a vision. It helps managers make the right decisions in line with this vision, and the roots of strategic thinking have been observed since the beginning of the twentieth century.

Strategic thinking is a creative and differentiated process and is linked to the vision and perspective designed by the organization's leaders. This requires managers to go beyond day-to-day operations to focus on the company's long-term strategic goal. Strategic thinking

includes activities such as gathering information, analyzing and discussing the conditions that govern the organization (Early, 2006), and in companies with diverse activities it includes answering basic questions about the organization's portfolio (Nadler, 2004).

Abraham considers strategic thinking to be the identification of reliable strategies or business models that create value for the customer. He believes that the search for appropriate strategic options, which is usually done as part of the strategic management process, is in fact the practical result of strategic thinking (Abraham, 2005).

Geertz also considers the role of strategic thinking to be an attempt to innovate and envision a new and completely different future for the organization, which may lead to redefining key strategies or even the industry in which the company operates.

Strategic thinking is an ongoing process (Penn and Abraham, 2005) whose goal is to resolve ambiguity and give meaning to a complex environment. This process includes analyzing the situation as well as creatively combining the results of the analysis in the form of a successful strategic plan. In contrast to strategic planning, it is often used to refer to an analytical and planned process. Strategic planning is a set of concepts, procedures, and tools designed to help leaders, managers, and planners think and act strategically. Strategic planning is not a substitute for thinking (Darley, 2007), but these two interact with each other in a dialectical process, and both are considered essential for effective strategic management. As mentioned, strategic planning is a set of theories and frameworks that are designed along with complementary tools and techniques to help managers think, plan, and act strategically. The creative and unique strategies resulting from strategic thinking should be operationalized through convergent thinking and analysis, or in other words, operationalizing strategic planning (Goldman et al., 2015).

# The nature of strategic thinking

"Definition" is a tool for concepts and approaches, but introducing "strategic thinking" through its definition is a futile task. The reason for this is the conceptual complexity of this approach. Several definitions of strategic thinking were presented, each of which focused on some aspects of this approach, although none of them included all dimensions. While strategic thinking in practice is closely related to ongoing operations. But sometimes thought must precede and guide action. At other times, during unexpected changes in the environment or immediately after unexpected changes, action must include thought. In such situations, instead of definitions, it is better to focus on the nature, characteristics and functions of strategic thinking and try to portray a correct view of this approach (Das, 2019).

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