

The Impact of Human Resource Management Practices On Organizational Change

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Abstract

In order to deal with changes, organizations must adapt, and for the change process to proceed normally, the involvement of human resources is needed to prevent any resistance to change. Therefore, implementing change in some organizations requires careful planning, consultation with all employees, and, ultimately, running the change implementation process.

The challenge this paper aims to answer will consist in building a methodological framework for researching the role of human resources management (HRM) in organizational change within some Romanian organizations based on the analysis of artificial neural networks. The role of human resources in the organizational change process as a change agent is crucial, and identifying ways in which human resources can support change is essential.

Key words: human resources, human resources practices, labor relations, organizational change

J.E.L. classification: O15

1. Introduction

Implementing change in some organizations requires careful planning, consultation with all employees, and ultimately running the change implementation process. However, most organizations have undergone rapid change in recent years, and it is beneficial for the organization to check that the process of implementing the change has been effectively managed, all the objectives of the change have been achieved, and ultimately the fundamental objective of any organization whether public or private: improving organizational performance.

The general problem in the change management process is that, although the management communicates, to a certain extent, the implementation of the change, there is a visible lack of commitment from the employees that a more effective human resource management must combat. Therefore, the onus is on general and human resource management to raise the commitment levels of workers, thereby reducing the impact of change implementation on the organization by increasing transparency. In addition, improved communication would lead to improved trust, resulting in improved employee morale and reduced HR blend.

The work has five sections in structure. The first section introduces the research problem. The second section provides an overview of the theory associated with the research problem. The third section presents the methodology, and the fourth presents the results. In the last section, the conclusions of the research can be found.

2. Theoretical background

The literature on HRM practices is extensive, but the link to organizational change is less studied. Practices such as recruiting and selecting, developing, evaluating, and rewarding human resources, as well as ensuring effective working relationships, can significantly influence how organizational change is achieved and improve organizational performance.

Based on the literature review on theoretical approaches regarding HRM practices and organizational change (Bocean, 2015; Sitnikov and Bocean, 2010; Sitnikov and Bocean, 2012; Bocean and Sitnikov, 2015; Valentine et al., 2019; Dessler, 2019; Wilkinson, 2022), this research sought to build a model to test the impact of HRM practices on the organizational change process. Therefore, the two main components of the model are HRM practices and organizational change.

The HRM practices selected in this study were chosen because they intersect considerably with other research on the relationship between human resource management and organizational change (Noe et al., 2016; Vărzaru and Bocean, 2021; Puiu et al., 2022; Vărzaru et al., 2022). There are vast differences among different studies regarding the HRM practices that influence the implementation of organizational change. The practices selected based on the literature review (Bocean, 2007a, 2007b; Valentine et al., 2019; Dessler, 2019; Wilkinson, 2022) are the following: recruitment and selection of employees, professional training and personal development, employee evaluation, rewarding human resources, relations of work in terms of employee involvement.

Starting from the literature study, we propose a research hypothesis:

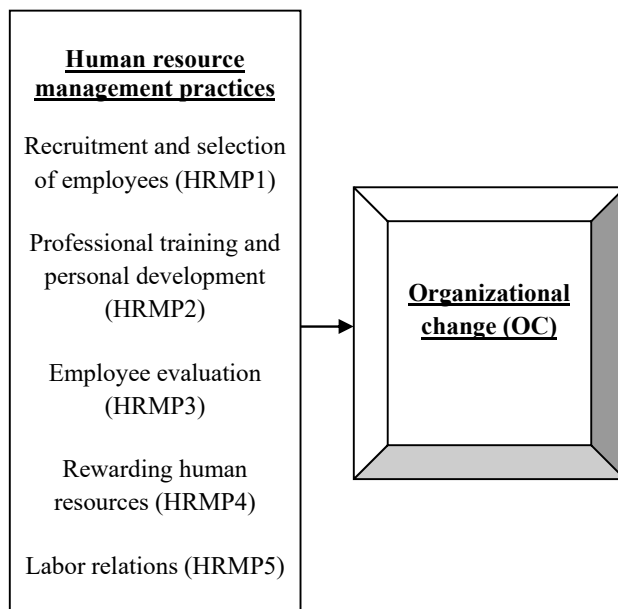
H1. HRM practices significantly influence the perception of organizational change.

H2. Labor relations influence the perception of organizational change the most.

3. Research methodology

The two main components, HRM practices, and organizational change, are grouped as illustrated in figure 1.

Figure no. 1. Theoretical model



Source: Authors' construction using SPSS v.20

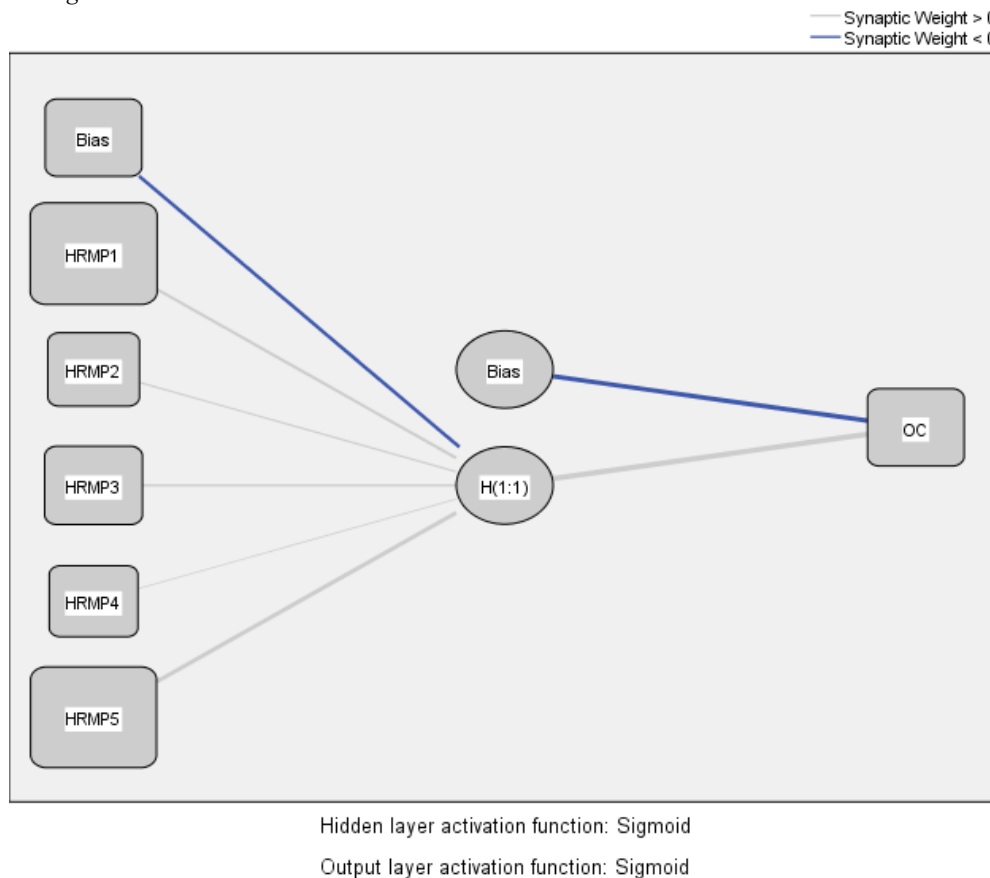
Theorizing the relationship between HRM practices and organizational change was conducted by reviewing previous literature to provide a deep understanding of how HRM practices facilitate organizational change. Mishra et al. (2021) noted that one of the first issues to be addressed to understand how HRM practices influence organizational change is to theorize how this relationship occurs, essentially specifying the intervening variables between HRM practices and organizational change.

We used a multilayer perceptron model from artificial neural network analysis to evaluate the relationships between human resource management practices and organizational change. This statistical method involves placing the independent variables in an input layer and the dependent variables in an output layer. The data were collected in a questionnaire applied to several 267 employees of SMEs in Romania in a study carried out in September 2022.

4. Findings

Within the proposed model, human resources management practices are the independent variables, and organizational change represents the dependent variable. Figure no. 2 shows the model.

Figure no. 2. MLP model



Source: Authors' construction using SPSS v.20

Table no. 1 presents the statistics of the multilayer perceptron model and the biases that influence the model from the outside.

Analyzing table no. 1 and figure no. 2, we can say that the hypotheses are confirmed as valid. HRM practices significantly influence the perception of organizational change. Labor relations most influence the perception of organizational change, followed by recruitment and selection, professional training, and personal development.

Table no. 1 MLP model predictors

Predictor		Predicted values	
		Hidden Layer 1	Output Layer
		H(1:1)	OC
Input Layer	(Bias)	-.494	
	HRMP1	.451	
	HRMP2	.218	
	HRMP3	.221	
	HRMP4	.147	
	HRMP5	.496	
Hidden Layer 1	(Bias)		-1.696
	H(1:1)		4.990

Source: Authors' construction using SPSS v.20

5. Conclusions

Despite previous attempts to study this relationship between HRM practices and organizational change, no integrated model describes tests in detail and uses a systematic quantitative approach to explore these relationships. By examining employee attitudes and behaviors and the underlying value-creation process linking HRM practices to organizational change, this study extends previous research and contributes to developing such a model. The model proposed indicates the influences of HRM practices. The mediating variables (organizational culture and commitment) interpose between HRM practices and organizational change, leading to its facilitation. Testing for direct and indirect relationships will measure the influences between these variables.

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