

**THE IMPACT OF HUMAN RESOURCE PLANNING ON ORGANISATION PERFORMANCE. A
CASE OF WAMUCO MOTORS LTD**

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**UGANDA CHRISTIAN
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DECLARATION

I NAKYEYUNE STACEY PATRICIA, do hereby declare that this report is my own work to the best of my knowledge and that it has never been produced or submitted to this University or indeed any other institution for similar purposes. All other works of people used in this research have been duly acknowledged.

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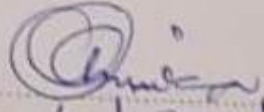
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APPROVAL

I certify this work was done by Nakyeyune Stacey Patricia and therefore recommend it for submission to School of Business in partial fulfilment for the award of a Bachelor of Human Resource Management of Uganda Christian University

University supervisor,

Signature.....



Date.....

4 / Sept / 2024

DEDICATION

I dedicate this report to my beloved parents, brothers and sister for the support they have always rendered to me during my academic period and for working hard so as to make both ends meet. May the almighty God bless all of them.

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Above all chiefly, I thank the almighty God for the life and protection that enabled me to sail through all the challenges that came my way during this project.

I owe special debt of gratitude to my supervisor, School of Business, Uganda Christian University for the constant support and guidance throughout the course of my research work.

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ABSTRACT

This research explored the impact of Human Resource Practices (HRP) on organizational performance at Wamuco Motors Ltd., integrating both qualitative and quantitative methods. The study focused on key HR practices, including workforce planning, demand forecasting, skills assessment, succession planning, recruitment strategies, training and development, employee retention strategies, use of technology, and HR metrics and analytics. Data was collected through surveys, interviews, and focus groups with employees and HR professionals, analyzed using thematic analysis, excel and R-studio.

The findings revealed that effective HR practices significantly enhance organizational performance metrics such as financial performance, customer satisfaction, employee satisfaction, innovation capacity, operational efficiency, market share, employee productivity, organizational reputation, and quality of products/services. Skills assessment and the use of technology emerged as the strongest predictors of positive performance outcomes, with robust correlations indicating their critical role in driving organizational success. Employee retention strategies also showed strong positive impacts, underscoring the importance of retaining skilled employees.

However, the study identified areas for improvement, particularly in succession planning and the application of HR metrics and analytics. Enhancing these practices could further optimize performance and ensure sustainable growth. The research concluded that by investing in and refining HR practices, Wamuco Motors Ltd. can achieve higher efficiency, better employee engagement, and stronger market positioning. This comprehensive analysis provided actionable insights for HR professionals and organizational leaders aiming to leverage HR strategies for enhanced performance and competitive advantage.

CHAPTER ONE: INTRODUCTION

1.0.Introduction

In today's fast-paced business landscape, organizations encounter numerous hurdles in their quest for sustained success. Among the crucial factors influencing organizational performance stands effective human resource planning (HRP). This cornerstone of organizational management involves aligning human capital with strategic objectives, ensuring optimal personnel deployment. Through an exploration of the impact of human resource planning on organizational performance, this study sought to illuminate the intricate relationship between HRP practices and overall organizational success. Understanding this dynamic is paramount for organizations striving to optimize their human resource strategies in an increasingly competitive environment. To delve into this compelling topic, this research focused on a case study of Wamuco Motors Limited.

1.1.Background

Human resource planning (HRP) is a critical aspect of organizational management, ensuring that businesses have the right talent in place to achieve their strategic objectives (SHRM, 2023). This process involves forecasting future workforce needs, identifying talent gaps, and developing strategies to address them. In the case of Wamuco Motors Ltd., effective HRP plays a pivotal role in driving organizational performance. By aligning HR practices with business goals, Wamuco can ensure that its workforce possesses the necessary skills and competencies to meet evolving market demands. Frameworks such as BS 76000 and ISO 30414 provide valuable guidelines for assessing HR practices, but true effectiveness in HRP extends beyond these standards. It requires leveraging data-driven insights, adapting to changing workforce demographics, and prioritizing a positive employee experience.

Organizational performance is multifaceted, encompassing financial metrics, productivity levels, employee engagement, and customer satisfaction (Delery, 1998; Guthrie, 2001). Effective HRP directly influences these aspects by strategically forecasting future skill needs and talent gaps (Wright & McMahan, 1992). By proactively developing and acquiring a qualified workforce, Wamuco Motors can enhance employee engagement, productivity, and innovation, ultimately leading to improved customer satisfaction and financial performance.

Strategic HR plans, particularly in training and compensation, significantly impact Wamuco Motors' performance. Training programs equip employees with the skills and knowledge

necessary to adapt to industry changes, increasing productivity and product quality (Aguinis, 2009; Whillans, 2000). Competitive compensation packages attract and retain top talent, boosting employee morale and motivation (Lawler, 1971). However, implementing effective HRP is not without its challenges. It requires overcoming obstacles such as resistance to change, aligning HR initiatives with organizational goals, and addressing potential skill shortages (Brewster et al., 2000).

The HR planning process involves several stages: strategic goal identification, workforce analysis, forecasting future skill needs, implementing HR initiatives, and continuous monitoring and evaluation. Challenges in HR planning include resistance to change, aligning HR initiatives with organizational goals, addressing skill shortages, and inadequate data or information systems. Overcoming these challenges requires strategic alignment, collaboration, investment in technology, and ongoing evaluation to optimize HR planning processes and leverage human capital for organizational success. By addressing these challenges and leveraging the benefits of strategic HRP, Wamuco Motors can maintain a competitive advantage and achieve stronger performance in the automotive industry.

Established in 1995, Wamuco Motors (U) Limited has evolved into a reputable locally-owned company, steadfast in its commitment to the motor industry's mechanical and body repair needs. Over the years, it has maintained consistency in ownership, reflecting its dedication to quality and reliability. Presently, the company boasts a well-structured organization comprising various departments staffed by over seventy experienced and highly trained professionals. With a client base encompassing leading insurance firm, government entities, private corporations, NGOs, parastatals, and individual clients, Wamuco Motors has established itself as a trusted service provider in the motor industry. Upholding integrity as a core value, the company places a strong emphasis on quality service delivery, irrespective of project size, and strives to exceed client expectations in every endeavours.

Some notable clients include the Ministry of Defence/UPDF, Carter Center, Concern Worldwide Uganda, World Vision, Marie Stopes International Uganda, and NCBA CLUSA, among others. Furthermore, Wamuco Motors is committed to fostering genuine partnerships, ensuring that all business relationships are nurtured in a spirit of mutual respect and collaboration. Operating with a clear mission to provide quick, quality, and affordable services while instilling a sense of pride and belonging among its employees, Wamuco Motors has set ambitious goals for its future. These objectives include positioning itself as a

one-stop destination for all motor vehicle maintenance and spare parts needs, while continually enhancing value for customers, employees, shareholders, and the surrounding environment. To achieve these aims, the company has invested in a well-equipped workshop manned by professionals who undergo regular training to stay abreast of technological advancements. Additionally, stringent security measures are in place to safeguard both the premises and clients' vehicles. Despite its impressive track record, Wamuco Motors faces several challenges typical of the industry, including HR management inefficiencies, market penetration limitations, technological obsolescence risks, infrastructure constraints in the workshop, and compliance issues with regulatory standards. Addressing these challenges will require strategic interventions and proactive measures to ensure sustained growth and competitiveness in the dynamic motor industry landscape.

1.2.Problem Statement

Despite its establishment in 1995 and growth into a well-structured organization, Wamuco Motors (U) Limited faces challenges hindering its full potential in the motor industry. Key issues include inefficiencies in human resource planning (HRP), which lead to staffing problems and employee dissatisfaction. Additionally, the company struggles with limited market penetration beyond its current clientele base, technological obsolescence that impacts service quality, inadequate infrastructure in workshop facilities, and compliance and regulatory concerns. Ineffective HRP practices at Wamuco Motors result in poor workforce planning, insufficient demand forecasting, lack of skills assessment, and inadequate succession planning. Addressing these HRP challenges strategically is crucial for Wamuco Motors to enhance operational efficiency, expand market presence, and ensure long-term sustainability in the competitive motor industry.

1.3.Objectives

1.3.1. Main Objective

To investigate the impact of HRP on organizational performance at Wamuco Motors Ltd.

1.3.2. Specific Objectives

1. To find out HRP practices at Wamuco Motors Ltd.
2. To find out factors limiting effective HRP at Wamuco Motors Ltd.
3. To find out the role of line managers on HRP at Wamuco Motors Ltd.

1.4. Research Questions

1. What are the existing human resource planning practices at Wamuco Motors Ltd?
2. What challenges hinder effective human resource planning at Wamuco Motors Ltd?
3. How do line managers contribute to human resource management processes at Wamuco Motors Ltd?

1.5. Significance

This study holds significance for scholars, policymakers, and practitioners in the field of human resource management.

Scholarly Contribution: The findings of this study aim to enrich the existing body of knowledge on human resource planning and its impact on organizational performance. By introducing new theories and empirical evidence, this research provides valuable insights for scholars to deepen their exploration of this field and advance academic understanding.

Policy Implications: Policymakers at various levels, including government agencies and industry associations, can benefit from the study's findings. By informing the development of policies and guidelines related to human resource planning, workforce management, and organizational performance, this research contributes to shaping policies that promote effective HR planning practices. Ultimately, these policies aim to drive increased productivity, job satisfaction, and economic growth.

Practical Insights: Practitioners in the field of human resource management stand to gain practical implications, best practices, and strategies for optimizing human resource planning to enhance organizational performance. By leveraging the findings of this study, HR professionals can improve their HR planning practices and make informed decisions regarding talent acquisition, workforce development, and overall organizational effectiveness.

1.6. Justification

Wamuco Motors observed the impact of its HR practices on performance, but the absence of systematic data analysis limits their ability to quantify these effects accurately. This research aimed to fill this gap by providing a data-driven understanding of how HR planning directly contributes to the company's success. By conducting thorough data analysis and empirical research, this study uncovered actionable insights and practical recommendations to optimize Wamuco Motors' workforce effectively.

1.7.The Scope of the Study

1.7.1. Geographical Scope

Our focus was solely on Wamuco Motors Ltd. This decision stemmed from interactions with some staff members at Wamuco, which revealed that honing in on this specific company would yield detailed insights into their unique challenges and needs. This targeted approach allowed us to tailor practical recommendations specifically suited to Wamuco Motors.

1.7.2. Time Scope

The study unfolded over a span of two months. This timeframe afforded us ample opportunity to conduct surveys, interviews, and data analysis, ensuring a comprehensive exploration of how human resource planning influences organizational performance at Wamuco Motors.

1.7.3. Content / Subject Scope

We aimed to delve into how various human resource practices, including recruitment, selection, training, and performance management, impact the overall performance of employees within Wamuco Motors. By focusing on these aspects, we sought to uncover effective strategies and areas for improvement within the organization's HR planning framework.

CHAPTER TWO: LITERATURE REVIEW

2.1. Conceptual Review

Human Resource Management (HRM) has transformed from its personnel management roots into a strategic discipline essential for organizational success, encompassing various fields like organizational behaviour to create a holistic approach to managing human capital (Susan, 2005). Research demonstrates a positive correlation between effective HRM practices and improved organizational performance. When employees are strategically recruited, managed, and developed, they exhibit higher engagement and productivity, ultimately contributing to achieving organizational goals. Studies have documented positive associations between HRM and metrics such as employee satisfaction, customer satisfaction, and profitability (Rensis Likert, 2005).

A fundamental role of Human Resource Management (HRM) is to ensure that the right individuals are placed in the right positions at the right time. The HRM process encompasses eight critical activities: employment planning, recruitment and downsizing, selection, orientation, training and development, performance appraisal, compensation and benefits, and safety and health (Robbins, DeCenzo, & Coulter, 2013). Adequate human resource planning is essential for organizational success. According to Todd Barol (2012), poor planning can lead to a number of negative consequences, including unproductive and unmotivated staff, disorganized recruitment, high employee turnover, and legal issues. Effective HR planning ensures the organization has the right people in the right roles, with the necessary skills and knowledge to achieve its goals. A key aspect of HR planning is training and development. This equips employees with the skills they need to perform their jobs effectively and efficiently. As Adam Smith noted, "the capacities of individuals depend on their access to education" (Wikipedia, 2012). Investing in employee development not only improves individual performance but also contributes to overall organizational effectiveness.

Despite the recognized benefits of human resource development (HRD), several challenges can impede its effectiveness. Resource constraints within manufacturing companies, including budget limitations or lack of dedicated personnel, can hinder program development. Implementation hurdles such as scheduling conflicts or inadequate training materials can further disrupt rollout. A demotivated workforce, possibly caused by poor working conditions or limited growth opportunities, may be less receptive to training. Outdated equipment or lack of materials can further hinder effectiveness. Finally, low employee motivation due to

unclear career paths or uncompetitive compensation can make HRD programs less impactful. Addressing these challenges is crucial to maximizing the benefits of HRD and fostering a skilled and engaged workforce (Okoye & Ezejiofor, 2013).

The importance of effectively managing human resources (HR) within organizations is highlighted by Lado and Wilson (1994), who define a human resource system as a set of interconnected activities aimed at attracting, developing, and retaining employees. While service organizations have historically focused more on HR management, it's equally crucial for manufacturing organizations to enhance operational performance through effective HR practices. Despite advancements in technology and manufacturing techniques, operational performance can't significantly improve without adequate HR management practices in place to create a consistent socio-technical system (Lado & Wilson, 1994; Okoye & Ezejiofor, 2013).

Research in both HR and operations management fields has investigated the impact of HR practices on organizational performance, yet the latter has often overlooked HR issues, focusing more on structural and analytical aspects. Empirical evidence from operations management research outlets between 1986 and 1995 reveals minimal attention to HRM-related topics (Scudder & Hill, 1998). This oversight is surprising considering the critical role of HR in achieving competitive priorities such as cost reduction, quality improvement, timely delivery, flexibility, and innovation.

Pfeffer (1998) identifies seven key HRM practices that are expected to enhance and sustain organizational performance. These practices include employment security, which ensures job stability for employees, and selective hiring, which focuses on recruiting individuals who are best suited for the organization's needs. The use of self-managed teams and decentralization empowers employees by giving them greater control over their work. Performance-based compensation aligns employee rewards with their contributions to the organization. Extensive training is emphasized to continually develop employees' skills. Reducing status distinctions helps to foster a more inclusive and equitable work environment. Lastly, extensive sharing of information ensures transparency and keeps employees informed, thereby promoting a culture of trust and collaboration within the organization.

The study by Okoye & Ezejiofor (2013) investigates whether manufacturing plants implement these practices differently based on country or industry. It also assesses the impact of each practice on operational performance (e.g., unit cost, quality, delivery, flexibility, and

speed of new product introduction) and intangible performance measures like organizational commitment. Furthermore, the study explores whether these practices collectively form an ideal HR bundle that represents an effective HRM system for manufacturing plants, testing this theory at the plant or operations level of the organization (Okoye & Ezejiofor, 2013).

Organizations face a pivotal choice between nurturing talent from within or seeking external solutions for their human resource needs. This decision, as highlighted by Lepak and Snell (1999) and Rousseau (1995), resonates deeply within the transaction cost theory. While it emphasizes weighing transactional costs, overlooking strategic implications, as noted by Williamson (1975) and Lei and Hitt (1995), could jeopardize long-term viability. Human capital theory, acknowledging employees' potential for generating economic value, falls short in recognizing their strategic importance, as Coff (1997) points out. Recent insights, however, shed light on HRM systems as more than just cost-saving mechanisms, as highlighted by Becker and Gerhart (1996). Scholars argue that Pfeffer's HRM practices, by fostering attributes like asset specificity and causal ambiguity, contribute significantly to competitive advantage (Coff, 1997; Delery & Doty, 1996; Lei & Hitt, 1995; Pfeffer, 1998; Williamson, 1975).

Despite extensive study, the impact of HRM practices on organizational performance lacks comprehensive empirical validation across diverse contexts, as noted by Legare (1998). Scholars stress the need for broad applicability in understanding this relationship (Delery & Doty, 1996). Researchers affirm the positive influence of Pfeffer's seven HRM practices on organizational performance (Legare, 1998; Pfeffer, 1998).

2.2. Empirical Review

While previous research often delved into individual HR practices, scholars advocate for holistic bundles of HRM practices (Osterman, 1994). Pfeffer's practices are internally coherent and synergistic, offering enhanced competitive advantage when combined (Dyer & Reeves, 1995; Macduffie, 1995). The degree of alignment between an organization's HRM system and an ideal-type system is anticipated to correlate negatively with organizational performance (Ahmad & Schroeder, 2003; Pfeffer, 1998).

Ahmad & Schroeder (2003) unfolds a narrative emphasizing the human aspect in tailoring HRM practices to fit the diverse contexts of globalized businesses. They highlight the positive correlations between most HRM practices and organizational performance, while also shedding light on the indirect influence of factors like employment insecurity and status

differences on the overall work environment and performance. The study emphasizes the pivotal role of organizational commitment in bridging the gap between HRM practices and operational success, underscoring the significance of fostering a supportive workplace culture. Against the backdrop of globalization and mergers, the authors provide actionable insights for managers navigating transitions, emphasizing the importance of an ideal-type HRM system in driving organizational excellence. Despite limitations, their study underscores the essential collaboration between operations and HR managers in crafting and implementing effective HRM strategies for sustained organizational success (Ahmad & Schroeder, 2003).

In their study, Gelade and Ivery (2003) looked at how human resource management (HRM), work environment, and how well a company performs are connected in a retail bank's branch network. They found that the way a company manages its employees and the atmosphere at work both affect how well the company does. These factors are linked, meaning that if one improves, it can help the other get better too. However, their study had some limitations, like only looking at data from one point in time and not over a long period. This means they couldn't say for sure which factor causes which. Still, the study shows it's important for companies to understand how HR decisions affect their employees and, ultimately, their success. They suggest that researchers, psychologists, and HR experts work together to gather and analyse data over time to understand these relationships better and improve company performance (Gelade & Ivery, 2003).

The study by Mitchell, Obeidat, and Bray (2013) delves into how strategic human resource management (HRM) influences organizational financial performance, particularly focusing on the intermediary role of high-performance HR practices (HPPHRPs). Through a survey of 118 financial and manufacturing organizations in Jordan, the research finds that when HR professionals assume strategic roles within companies, it significantly enhances organizational performance. This enhancement is attributed to their ability to advocate for and implement innovative HR practices, such as improved training and performance appraisals, which subsequently contribute to better financial outcomes. Moreover, the study highlights the importance of involving line managers in HR practices, as their engagement moderates the relationship between strategic HR management and HPPHRPs, further enhancing organizational performance. While emphasizing the benefits of strategic HR management, the research underscores the need for careful management of HR

responsibilities devolved to line managers to ensure successful implementation (Mitchell et al., 2013).

The study by Harel and Tzafrir (1999) aims to contribute to the emerging empirical literature on the impact of human resource management (HRM) practices at the firm level. Conducted in Israel, the research examines the influence of HRM practices on both perceived organizational and market performance. Results from a national sample of organizations reveal that HRM practices significantly affect both aspects of performance. Notably, training practices were found to be the only statistically significant variable affecting perceived organizational performance, while both training and employee selection significantly influenced perceived market performance (Harel & Tzafrir, 1999).

In today's highly competitive environment, organizations continually seek ways to enhance performance. The resource-based view emphasizes the role of unique resources in creating sustained competitive advantage (Barney, 1986; 1991; 1995). Human resources have become increasingly vital in this context, with traditional sources of competitive success diminishing in importance (Pfeffer, 1994). HRM practices are viewed as instrumental in improving organizational performance and fostering a competitive advantage (Huselid, 1995; Becker & Gerhart, 1996). Through effective HRM, organizations can leverage their employees as strategic assets, contributing to their overall success (Amit & Shoemaker, 1993).

The study builds on existing literature highlighting the importance of certain HRM practices in enhancing organizational effectiveness (Delery & Doty, 1996). Six practices, including recruitment, selection, compensation, employee participation, internal labour market, and training, are identified as strategic and universalistic (Delaney, Lewin, & Ichniowski, 1989; Cutcher-Gershenfeld, 1991; Pfeffer, 1994). These practices are believed to positively influence organizational and market performance, regardless of sector or industry (Delaney & Huselid, 1996).

Recruitment and selection processes are crucial in staffing employees effectively, reducing uncertainty, and aligning individual and organizational goals (Holzer, 1987). A sophisticated selection system enhances organizational performance by bringing in candidates who match existing resources and interpersonal structures (Fernandez, 1992). Similarly, an advanced compensation system can attract and retain talent, leading to improved employee performance (Gomez-Mejia & Wellbourne, 1988). Employee participation in decision-making processes enhances motivation and productivity (Pfeffer, 1994). Internal labour

markets, providing opportunities for career advancement within the organization, positively impact employee motivation and organizational performance (Milkovich & Boudreau, 1994). Training activities not only improve employee skills but also enhance job satisfaction and organizational commitment (Burke & Day, 1986; Bartel, 1994). While empirical evidence sometimes varies, there is overall support for the effectiveness of these HRM practices in improving organizational performance (MacDuffie, 1995; Wright et al., 1995). The study underscores the importance of adopting these "best practices" in HRM to achieve organizational success and maintain a competitive edge.

2.3. Research Gaps

While the study by Harel and Tzafrir (1999) provides valuable insights into the impact of HRM practices on organizational and market performance, it primarily focuses on organizations in Israel. There is a need for research that explores these relationships in different sectors and industries globally to understand the generalizability of findings across diverse contexts (Jackson, Schuler, & Jiang, 2014). The existing literature predominantly relies on cross-sectional data to examine the relationship between HRM practices and organizational performance. Longitudinal studies tracking changes in HRM practices and their subsequent impact on performance over time would provide a more nuanced understanding of causal relationships and the sustainability of effects (Delery & Doty, 1997).

While the study by Guest (2017) identifies key HRM practices such as recruitment, selection, compensation, and training, it does not delve into the mechanisms through which these practices influence performance. Future research could explore mediating and moderating variables, such as employee engagement, organizational culture, and leadership styles, to elucidate the underlying processes driving these relationships (Guest, 2017).

The study highlights the significance of HRM practices in enhancing organizational performance but does not compare the relative effectiveness of different practices. Comparative studies examining the differential impact of various HRM interventions on performance outcomes would provide valuable insights for practitioners and policymakers (Wood & de Menezes, 2011). While the study by Boxall & Macky (2009) focuses on perceptions of organizational and market performance, it overlooks the perspectives of employees themselves. Future research could adopt a multi-stakeholder approach to explore how HRM practices influence employee attitudes, behaviours, and well-being, thereby

enriching our understanding of their impact on overall organizational effectiveness (Boxall & Macky, 2009).

Wright et al. (1999) assumed a universalistic perspective by identifying HRM practices considered strategic and applicable across different organizational contexts. However, the effectiveness of these practices may vary depending on factors such as organizational size, industry dynamics, and cultural norms. Research that considers these contextual factors would provide more tailored recommendations for practitioners (Wright et al., 1999). Addressing these research gaps would not only advance scholarly understanding of the relationship between HRM practices and organizational performance but also offer practical insights for managers seeking to optimize their human resource strategies for competitive advantage.

2.4. Conceptual Framework

Human resource planning is critical for an organization’s overall performance. In this study the concept of HR planning comprises of components like recruitment strategies, training and development programs and how they affect employee retention, customer satisfaction and revenue growth etc. The model explains the relationship between the independent and dependent variables;

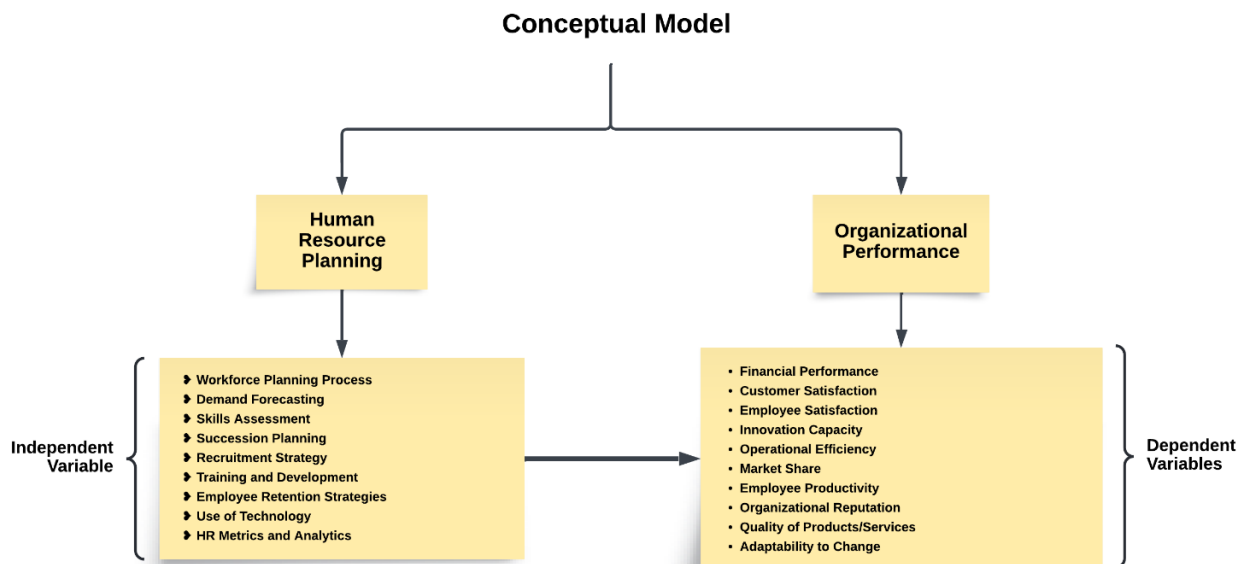


Figure 1: Conceptual Framework

2.4.1. Recruitment Strategies

Recruitment strategies are crucial for providing a dynamic workforce, avoiding manpower shortages, and enhancing productivity (Walker, 1980). Effective forecasting on manpower requirements involves historical data, trend analysis, labour turnover, demographic changes, and technological innovations. Recruitment strategies must address immediate and long-term needs, internal and external hiring, development, training, career management, and performance appraisal. Acquiring and retaining quality employees is a major challenge for HR departments, necessitating strategic planning and implementation to improve organizational productivity (Dessler, 2008).

Recruitment is crucial for sustaining a competitive edge and ensuring long-term success in any organization. The effectiveness of work is closely tied to the capabilities of the employees performing it. Thus, recruitment and selection are pivotal initial stages in staffing. When there is a vacancy, the organization must follow a structured selection procedure to appropriately place candidates (Martin, 2018). Recruitment encompasses the entire process of attracting, shortlisting, selecting, and appointing suitable candidates for jobs, ensuring that the best-qualified candidates are hired efficiently and cost-effectively. Recruitment involves the search for potential employees and motivating them to apply for positions within the organization (Martin, 2018). This process is essential as it ensures a steady supply of qualified applicants for every available position (Obisi, 1996). Typically, the recruitment process includes analysing job requirements, attracting candidates, screening and selecting applicants, and integrating new employees into the organization.

Effective recruitment aligns skill sets with organizational goals, improves the efficiency of the hiring process, and ensures compliance with policies and regulations. Proper alignment ensures that the organization's workforce supports its strategic objectives. Efficient recruitment minimizes costs while ensuring that the most qualified candidates are hired. Adhering to laws and policies prevents discrimination issues and ensures equal opportunity in hiring practices (Martin, 2018). Several factors impact the recruitment process, such as education, the organization's growth rate, working conditions, salary structure, the current employment condition of the economy, and the organization's size. These factors influence the attractiveness of the organization to potential candidates and the effectiveness of the recruitment process (Filippo, 1984).

Recruitment can be conducted internally or externally. Internal recruitment utilizes the existing workforce to fill vacancies. It enhances employee morale, fosters self-development, and reduces recruitment and training costs. However, it may limit the introduction of new ideas and innovation as it restricts entry to external candidates (Obisi, 1996). External recruitment involves hiring candidates from outside the organization. It brings new ideas and skills, stimulates competition, and ensures the recruitment of top talent. However, it may lead to adjustment challenges for new employees and can be susceptible to external manipulations (Snell & Bohlander, 2007).

The recruitment process involves various activities to attract the right candidates, such as advertising through print media, social media, and other channels. The selection process includes shortlisting candidates, conducting interviews, and possibly administering recruitment tests to evaluate candidates' proficiency, knowledge, and potential abilities (Armstrong, 2001). Interviews are used to assess intangible factors like motivation and enthusiasm that cannot be captured in application forms (French, 1974). Recruitment strategies are vital for placing the right people in the right positions at the right time, which is essential for organizational effectiveness. By implementing strategic recruitment processes, organizations can attract and retain qualified candidates, ensuring they have the workforce needed to achieve their goals. Effective recruitment encourages qualified candidates to apply, and forecasting human resource needs helps determine the best sources for recruiting to fill existing vacancies (Snell & Bohlander, 2007).

2.4.2. Employment Planning

Laura Dias (2011) defines human resource strategy as a comprehensive and systematic plan of action developed by the HR department. She elaborates that an HR strategic plan outlines the organization's major objectives, while an HR plan details the specific activities needed to achieve these objectives. Armstrong (2006) similarly describes strategic human resource planning as a process that treats people as the organization's most crucial strategic resource for achieving corporate goals.

Armstrong (2006) emphasizes the critical components of HR strategy, focusing on ensuring the workforce aligns with organizational goals. Key activities include assessing the suitability of the current workforce to identify any skills or competency gaps. Forecasting future employee needs is also crucial, as it helps anticipate the skills and capabilities required to achieve strategic objectives, allowing for proactive planning in recruitment or training.

Additionally, it is vital to ensure employees are developed appropriately, which involves implementing training and development programs to enhance their skills and performance, ultimately contributing to improved organizational outcomes.

According to Laura Dias (2011), recruitment is the process of providing an organization with a pool of qualified job candidates. Downsizing involves eliminating jobs when there is a surplus of staff. In the hospitality industry, recruiting service-oriented candidates is crucial because poor skills and performance can negatively impact guest satisfaction. Organizations can choose between internal and external recruitment (Robbins, DeCenzo, & Coulter, 2013). Internal recruitment involves promoting current employees, which can reduce training costs and boost motivation but may limit new ideas and cause dissatisfaction among non-promoted employees (Jordan, Tang, & Kyung, 2006). External recruitment introduces fresh perspectives and ideas but can be more costly and challenging in terms of finding suitable candidates (Armstrong, 2006).

After recruitment, managers need to identify the most suitable candidates. Poliakova (2006) describes selection as a "legal discrimination among job candidates." Gatewood, Field, and Barrick (2011) define it as the process of collecting and evaluating information about individuals to extend job offers. The selection process must be both reliable and valid, focusing on candidates' knowledge, skills, and abilities relevant to job performance (Torrington, Hall, & Taylor, 2005). The next step after selecting the right candidates is orientation. Cadwell (1988) states that orientation aims to introduce new employees to the organization. Poorly planned orientation can lead to employee turnover. Karen Lawson (2006) describes orientation as a process that introduces new hires to the organization's philosophy, values, norms, and culture. Effective orientation sets the tone for future employee success.

Armstrong (2009) defines performance management as a process for establishing a shared understanding about goals and how to achieve them, thereby enhancing individual, team, and organizational performance. Effective performance appraisal methods include ranking, forced distribution, and critical incidents. Each method has its advantages and limitations (Ollstein & Young, 2006). Compensation administration involves determining appropriate payment levels to attract and retain competent employees. Armstrong (2006) emphasizes the importance of fair compensation and benefits packages in motivating employees and ensuring their future achievements. The final component of the HRM process is ensuring safety and

health in the workplace. Managers can reduce unsafe conditions through preventive maintenance, incentive programs, and proper training to prevent health and safety risks (Dessler, 2005). Training involves methods to equip employees with job-specific skills, while development programs help them acquire skills for future roles (Dessler, 2005; Sommerville, 2007). As shown in Table 1, training is mandatory and focuses on current job preparation, while development is voluntary and geared towards future responsibilities, requiring more experience (Noe, 2013).

Table 1: Training vs. Development

Aspect	Training	Development
Focus	Current	Future
Work Experience	Low	High
Goal	Job Preparation	Preparation for changes
Participation	Required	Voluntary

Training and development are critical for business success as they not only enhance employees' skills and knowledge but also provide a competitive advantage by improving performance (Noe, 2013). Sommerville (2007) views TD as an investment in a company's future. For example, Marriott Hotels offers a "Core Management" training program with three levels, ensuring employees gain the necessary skills progressively to improve job performance (Marriott Int., 2014). Effective training improves staff performance by focusing on skill, knowledge, and behavior enhancement (Hayes & Ninemeier, 2009).

Effective training programs are essential for companies to ensure that employees are well-prepared for their roles. According to Noe (2013), this involves a four-stage process: needs assessment, learning and transfer of training, program design, and training evaluation. The first stage, needs assessment, determines if training is necessary by identifying areas of low performance and setting training directions. This stage includes organizational analysis, which evaluates whether the training aligns with strategic goals and available resources; person analysis, which identifies individual performance issues; and task analysis, which assesses specific tasks and the required skills (Barbazette, 2006; Noe, 2013).

The second stage, learning and transfer of training, involves creating a process where knowledge is effectively transferred to job performance. This requires companies to support and motivate employees to apply their new skills in their work environment (Kolb, 1984;

Buckley & Caple, 2009). The third stage, program design, comprises three phases. Pre-training focuses on creating a supportive environment. The learning event involves planning instructions, activities, and selecting quality trainers. Post-training ensures the application and sharing of new skills (Noe, 2013). Finally, the fourth stage, training evaluation, assesses whether the training meets its objectives. Kirkpatrick's model (2005) provides four levels of evaluation: reaction, which gathers trainee feedback; learning, which measures knowledge and skill acquisition; behaviour, which assesses behavioural changes post-training; and results, which looks at positive outcomes such as reduced turnover and increased profit. Choosing the right training method is crucial. Despite technological advances, traditional training methods remain relevant in the hospitality industry. Traditional methods are divided into presentation and hands-on methods (Phelan, 2006).

In summary, effective training and development programs are vital in the hospitality industry to ensure employees perform well and the company remains competitive. Properly designed training programs involve a thorough needs assessment, effective learning transfer, well-planned program design, and comprehensive evaluation. Traditional training methods still hold value, even in a tech-driven era.

2.4.3. Succession Planning and Employee Retention

Succession planning is a systematic approach to identifying and developing future leaders or managers within an organization (Sheila & Bentham, 1999). Armstrong (2003, 2012) describes it as ensuring employees are consistently developed to fill key roles. This involves identifying potential successors, planning their career moves, and developing their skills, making career management complementary to succession planning. Pooja (2013) highlights that senior executives review top leaders and those in the next tier to ensure multiple backups for each senior position. Charan, Drotter, and Noel (2001) emphasize developing internal candidates for key business leadership roles. Dessler (2000) adds that succession planning ensures a sufficient supply of successors for current and future key positions, aligning individual careers with organizational needs.

Armstrong (2012) further explains management succession planning as assessing organizational talent to determine if there are enough qualified successors with the right skills. Bernardin (2007) identifies two types of succession planning: formal (where a manager grooms their replacement) and informal (involving strategic plans, human resource forecasts, and internal promotions). Effective succession planning practices include involvement from

the CEO, support from senior management, line manager participation in candidate identification, development assignments, and aligning succession plans with business strategies (Sheila & Bernthal, 1999). Pooja (2013) adds initiatives like employee commitment to self-development, senior leader partnerships with HR, talent development, coaching, mentorship, diversity management, and job rotation. Karen and Leah (2011) note best practices like top management involvement, targeted processes with clear goals, and competency-based assessment programs. Downs (2012) emphasizes assessment as crucial for effective succession planning.

Employee retention is the organization's ability to keep its employees, aiming to reduce turnover (Abbasi & Hollman, 2000). Heneman and Judge (2006) categorize turnover into four types: involuntary (discharge or downsizing) and voluntary (avoidable and unavoidable). Beardwell, Holden, and Clayton (2004) suggest that retention plans should be based on labor turnover and risk analyses.

Milkovich and Boundreau (1988) stress the importance of efficiency and equity in retention efforts. Denisi and Griffin (2008) argue that increasing employee satisfaction is a straightforward way to retain staff. Wayne (2007) adds that defining and implementing the organization's culture is vital for retention. Retention management involves understanding why employees join the organization (Davies, 2001; Solomon, 1999). Armstrong (2012) highlights the importance of selection and promotion procedures that match individual capacities with job demands and suggests conducting attitude and opinion surveys to identify at-risk employees, who are often key talent.

2.4.4. Customer satisfaction

Customer satisfaction is a crucial aspect of assessing organizational performance, particularly in the hospitality sector (Chand, 2010; Choi and Chu, 2001). It serves as a key indicator of non-financial performance and plays a vital role in a hotel's survival and competitiveness (Chand, 2010). Unlike financial metrics, customer satisfaction is not typically part of financial reporting but is closely tied to a hotel's reputation and image, which are significant factors for travelers when making booking decisions (Choi and Chu, 2001).

In the context of innovation, hotels need to consider how introduced changes will impact customer satisfaction (Orfila-Sintes and Mattsson, 2009). However, not all innovations directly translate into improved performance. For instance, service quality mediates the relationship between service innovation and financial performance (Lin, 2013). Moreover,

employees play a central role in delivering quality service despite technological advancements (Chand, 2010; Tsaur and Lin, 2004).

Employee attitudes and HR practices significantly influence how innovations are perceived and implemented (Farquharson and Baum, 2002). Organizations that prioritize employee well-being and development are likely to have more receptive employees who can effectively deliver innovative services (Farquharson and Baum, 2002). In contrast, organizations lacking supportive HR practices may face challenges in implementing innovations due to employee resistance or unpreparedness (Farquharson and Baum, 2002).

Overall, customer satisfaction is not only influenced by the introduction of innovations but also by the organizational culture, employee attitudes, and HR practices that facilitate or hinder the implementation of these innovations (Farquharson and Baum, 2002; Tsaur and Lin, 2004). Therefore, sustainable HRM practices are essential for fostering an environment where employees are empowered and motivated to deliver innovative solutions that enhance customer satisfaction (Farquharson and Baum, 2002; Tsaur and Lin, 2004).

2.4.5. Workforce planning

Workforce planning (WFP) has evolved over time, initially developed during a period of economic stability in the 1960s and 1970s (Reilly, 1996). It faced challenges during the economic recession in the 1980s but has since regained importance for organizations (Sinclair, 2004). A basic definition of WFP is ensuring the right number of qualified individuals are in the right positions at the right time (Adano, 2006). However, a more comprehensive definition highlights its procedural aspect, emphasizing the estimation of labor demand and assessing the sources of supply to meet that demand (Reilly, 1996).

In the healthcare sector, human health resources (HRH) are defined as individuals whose job is to enhance community health (WHO, 2006). Health professionals are crucial for providing care but are often in short supply (Doosty et al., 2019). Health managers face challenges in managing health professionals effectively to increase productivity (Doosty et al., 2019). Various methodologies exist for health workforce planning (HWFP), but there's no uniformity in addressing the needs of physicians (Roberfroid et al., 2009). Forecasting approaches include conceptual and analytical methods (Rafiei et al., 2019). Conceptual approaches focus on factors like demand, supply, targets, needs, and benchmarking, while analytical approaches involve data-driven methods like system dynamics and trend modeling (Rafiei et al., 2019).

CHAPTER THREE: METHODOLOGY

3.1. Introduction

This section provides an overview of the methodology used to conduct the research, outlining the approach and procedures followed in investigating the impact of human resource planning on organizational performance at Wamuco Motors Ltd.

3.2. Research Design

The research design encompassed both qualitative and quantitative methods to comprehensively explore the relationship between human resource planning and organizational performance. Qualitative methods, such as interviews and focus groups, allowed for in-depth exploration of HR practices and challenges, while quantitative surveys provide statistical analysis for broader insights (Creswell & Creswell, 2017).

3.3. Study Population

The study population consisted of 75 individuals from various departments within Wamuco Motors Ltd. This included individuals at different hierarchical levels, representing diverse perspectives and experiences related to HR planning and organizational performance.

3.4. Sample Size

A representative sample size was determined based on statistical considerations to ensure the reliability and validity of the research findings. The sample size was adequate to capture the diversity of the workforce and achieve meaningful analysis.

$$s = \frac{X^2 * NP(1 - P)}{d^2(N - 1) + X^2P(1 - P)}$$

N = 75

X = 1.96 (5% Confidence Interval)

d = degree of accuracy (usually 0.05)

P = Population Portion (Assume 50%, it gives max sample)

$$s = \frac{(1.96)^2 * 75 * 0.5 * (1 - 0.5)}{(0.05)^2 * (75 - 1) + (1.96)^2 * 0.5 * (1 - 0.5)}$$

$$s = 63$$

The calculated sample size is 63

3.5. Sample Procedure

Sampling was conducted using stratified random sampling techniques to ensure proportional representation of employees from different departments and levels within the organization. This approach minimized bias and ensured that the sample accurately reflected the entire population of interest.

Table 2: Number of Different Staff Members

Staff Members	Numbers
Management & Administration Staff	10
Technical Staff	38
Support Staff	15
Total	63

3.6. Data Analysis

Data analysis involved both qualitative and quantitative techniques. By combining these approaches, we gained a comprehensive understanding of the relationship between Human Resource Practices (HRP) and organizational performance at Wamuco Motors Ltd.

Qualitative data were gathered through interviews and focus groups with employees and HR professionals at Wamuco Motors Ltd. Thematic analysis was employed to identify recurring patterns and themes within the data. This process involved coding the data, organizing codes into themes, and interpreting the findings in the context of HR practices and organizational performance. Quantitative data were collected through surveys and analyzed using statistical software. Descriptive statistics provided an overview of respondent demographics and their perceptions of HR practices in Excel. Correlation and regression analyses were conducted to explore relationships between HR practices and organizational performance metrics using R-studio. Regression analysis further explored the impact of HR practices on key performance indicators.

CHAPTER FOUR: RESULTS & DISCUSSION

4.1. Introduction

This chapter presents the survey results and discusses the impact of Human Resource Practices (HRP) on organizational performance at Wamuco Motors Ltd. It begins with demographic insights into the respondents and then examines perceptions of HRP effectiveness. The chapter further explores correlations between these practices and key performance indicators, offering insights into how optimizing HR strategies can enhance overall organizational success.

4.2. Demographic Information

Table 3: Frequencies and percentages of Demographic Information

Category	Categorical Responses	Frequencies	Percentages
Gender	Female	26	41%
	Male	37	59%
Age	24-34	1	2%
	25-34	23	37%
	35-44	17	27%
	45-54	11	17%
	Under 25	11	17%
Level of Education	Bachelor's Degree	34	54%
	High School Diploma	19	30%
	Master's Degree	5	8%
	Post Graduate Diploma	1	2%
	UCE Certificate	4	6%
Years of Experience	1-5 years	31	49%
	6-10 years	17	27%
	Less than 1 year	4	6%
	More than 10 years	11	17%

4.2.1. Gender

The survey shows that there are more male respondents (59%) than female respondents (41%). This might reflect the actual gender distribution in the workplaces being surveyed. It's important to consider that men and women might have different experiences and expectations at work, which could affect their views on HR practices.

4.2.2. Age

Most respondents are between 25-34 years old (37%), followed by those aged 35-44 (27%). There are fewer respondents under 25 (17%) and between 45-54 (17%), with only a small

number being 55 and above (2%). This suggests that the survey mostly includes mid-career professionals who are likely involved in important work activities and organizational growth.

4.2.3. Educational Qualification

More than half of the respondents have a Bachelor's Degree (54%), showing that the group is quite well-educated. Those with a High School Diploma make up 30%, while respondents with a Master's Degree are 8%. A small number have advanced qualifications like Post Graduate Diplomas (2%) and UCE Certificates (6%). This mix of educational backgrounds means the respondents are well-informed and capable of understanding HR practices and their impact on the organization.

4.2.4. Years of Experience

Almost half of the respondents have 1-5 years of experience (49%), followed by those with 6-10 years (27%). A smaller group has less than 1 year (6%) or more than 10 years (17%) of experience. This range of experience levels includes many new and mid-tenure employees, who can provide valuable insights into the effectiveness and challenges of current HR practices.

4.3. HRP Factors

Table 4: Frequencies and percentages of HRP Factors

HRP Factors	No	Yes	No Response	No	Yes	No Response
Workforce Planning Process	4	57	2	6.3%	90.5%	3.2%
Demand Forecasting	15	47	1	23.8%	74.6%	1.6%
Skills Assessment	14	48	1	22.2%	76.2%	1.6%
Succession Planning	17	45	1	27.0%	71.4%	1.6%
Recruitment Strategy	15	47	1	23.8%	74.6%	1.6%
Training and Development	12	50	1	19.0%	79.4%	1.6%
Employee Retention Strategies	8	54	1	12.7%	85.7%	1.6%
Use of Technology	20	40	3	31.7%	63.5%	4.8%
HR Metrics and Analytics	15	46	2	23.8%	73.0%	3.2%

The findings from the table indicate a strong adherence to various HR practices at Wamuco Motors Ltd., with a majority of respondents affirming the presence of structured HR processes. However, there are areas where improvement can be made.

Most respondents (90.5%) agree that Wamuco Motors Ltd. follows a structured workforce planning process. A small portion (6.3%) disagrees, indicating that workforce planning is generally well-regarded within the organization, but there may be isolated instances or perceptions that need addressing. Three-quarters of respondents (74.6%) confirm that HR demand forecasting informs the recruitment process. However, 23.8% feel that demand forecasting is not adequately integrated, suggesting that while the process exists, its execution may not be consistent or fully comprehensive.

Similarly, a majority (76.2%) report that the organization regularly assesses the skills of its workforce, while 22.2% do not perceive regular skills assessments. This indicates a generally positive view of skills assessment practices, with some respondents possibly feeling that these assessments are not thorough or frequent enough. A significant majority (71.4%) believe there is a succession planning process for replacing retirees. However, 27.0% do not see such a process in place, indicating that succession planning could be more consistently communicated and implemented across the organization.

Regarding the recruitment strategy, three-quarters of respondents (74.6%) agree that Wamuco Motors has a well-defined approach, though 23.8% do not. This suggests that while the overall recruitment strategy is strong, there may be specific areas where it could be refined or more clearly articulated. A large majority (79.4%) affirm that training and development programs are aligned with organizational needs. However, 19.0% do not share this view, indicating that while training is generally seen as effective, there may be opportunities to better align these programs with specific organizational or employee needs.

A high percentage of respondents (85.7%) believe there are strategies in place to retain key employees. Only 12.7% disagree, suggesting that employee retention strategies are largely effective. However, the significant minority indicates that there may be room for improvement in communicating or enhancing these strategies to address specific concerns or gaps. While 63.5% of respondents state that technology is used to streamline HR processes, 31.7% do not. This significant minority indicates that there is considerable room for improvement in leveraging technology within HR practices. The use of technology could be expanded or optimized to ensure broader acceptance and utilization.

Finally, a majority (73.0%) of respondents affirm the use of HR metrics and analytics to guide HR decisions, whereas 23.8% do not see this practice. This suggests that while HR analytics are utilized, there may be gaps in their application or visibility, possibly due to inadequate communication or training on how to effectively use these tools.

In conclusion, while Wamuco Motors Ltd. appears to have strong HR practices in place, the data indicates several areas for improvement, particularly in the consistent application and communication of HR processes and the enhanced use of technology and analytics. Addressing these issues could lead to a more uniformly positive perception of HR practices across the organization.

4.4. Organizational Performance Factors

Table 5: Frequencies and percentages of Organizational Performance Factors

Performance Factors	Categorical Responses	Frequencies	Percentages
Financial Performance	Excellent	27	43%
	Fair	4	6%
	Good	32	51%
Customer Satisfaction	Dissatisfied	1	2%
	Satisfied	32	51%
	Very satisfied	30	48%
Employee Satisfaction	Dissatisfied	6	10%
	Satisfied	39	62%
	Very satisfied	18	29%
Innovation Capacity	Highly Innovative	12	19%
	Innovative	35	56%
	Not Innovative	4	6%
	Somewhat Innovative	12	19%
Operational Efficiency	Efficient	32	51%
	Inefficient	2	3%
	Very efficient	27	43%
Market Share	Decreased	1	2%
	Increased	50	79%
	Stayed the same	10	16%
Employee Productivity	Average	10	16%
	High	39	62%
	Low	1	2%
	Very high	11	17%
Organizational Reputation	Excellent	27	43%
	Fair	2	3%

	Good	32	51%
Quality of Products/Services	Excellent	28	44%
	Fair	3	5%
	Good	30	48%
Adaptability to Change	Good	28	44%
	Poor	6	10%
	Very good	27	43%

The performance metrics for Wamuco Motors Ltd. paint a largely positive picture of the company's current standing. The financial performance is particularly strong, with a substantial majority rating it as either good (51%) or excellent (43%). This suggests that the company is experiencing robust financial health and effective management of resources. Such performance is crucial for maintaining investor confidence and supporting future growth initiatives.

Customer satisfaction scores are also impressive, with 51% of respondents satisfied and 48% very satisfied. This high level of satisfaction indicates that Wamuco Motors Ltd. is meeting or exceeding customer expectations, a key factor in sustaining competitive advantage and fostering customer loyalty. However, the 2% of dissatisfied customers highlight areas where the company might need to focus on addressing specific issues or improving certain aspects of its service delivery.

Employee satisfaction, while generally positive, reveals room for improvement. With 62% of employees satisfied and 29% very satisfied, the majority of the workforce is content, yet the 10% dissatisfaction rate should not be overlooked. It suggests that there could be underlying issues impacting employee engagement or morale that the company should address to enhance overall workplace satisfaction and productivity.

The company's innovation capacity is rated positively by 75% of respondents (56% as innovative and 19% as highly innovative). This is encouraging and reflects a commitment to continuous improvement and adapting to market changes. However, the 6% who view the company as not innovative could indicate a need for more focus on fostering a culture of innovation or investing in new technologies and processes.

Operational efficiency is rated highly by respondents, with 94% considering operations either efficient or very efficient. This reflects well on the company's operational practices and suggests effective management and streamlined processes. Nevertheless, the 3% who view

operations as inefficient might point to isolated issues or areas where further enhancements could be beneficial.

Market share is a strong suit for Wamuco Motors Ltd., with 79% of respondents noting an increase. This growth signifies successful market strategies and a strong competitive position. Similarly, employee productivity is rated high or very high by 79% of respondents, indicating that the workforce is performing effectively and contributing positively to organizational goals.

The company's reputation is also commendable, with 94% of respondents rating it as either good or excellent. This positive perception is crucial for brand strength and attracting new business opportunities. Additionally, the quality of products and services is well-regarded, with 92% of respondents rating it as either good or excellent, suggesting that the company maintains high standards in its offerings.

Adaptability to change is another strength, with 87% rating it as good or very good. This ability to adjust to market shifts is vital for long-term success, although the 10% rating it as poor indicates some challenges that might need to be addressed to ensure the company remains agile and responsive to evolving market demands. Overall, Wamuco Motors Ltd. demonstrates strong performance across various metrics, with notable strengths in financial health, customer satisfaction, and operational efficiency. Addressing the areas of employee dissatisfaction, innovation, and adaptability could further enhance the company's performance and position it for sustained success.

4.5. Correlation Matrix between HRP Factors and Organizational Performance Factors

Table 6: Correlation Matrix between HRP Factors and Organizational Performance Factors

FACTORS	Financial Performance	Customer Satisfaction	Employee Satisfaction	Innovation Capacity	Operational Efficiency	Market Share	Employee Productivity	Organizational Reputation	Quality of Products/ Services	Adaptability to Change
Workforce Planning Process	0.16	0.22	0.33	0.46	0.19	0.33	-0.01	0.19	0.18	0.24
Demand Forecasting	0.14	0.3	0.4	0.44	0.26	0.29	0.35	0.19	0.31	0.34
Skills Assessment	0.39	0.43	0.54	0.56	0.45	0.5	0.3	0.31	0.43	0.52
Succession Planning	0.29	0.33	0.27	0.28	0.28	0.44	0.22	0.21	0.33	0.18
Recruitment Strategy	0.12	0.28	0.47	0.36	0.31	0.22	0.24	0.09	0.5	0.33
Training and Development	0.3	0.41	0.32	0.38	0.21	0.15	0.31	0.29	0.27	0.32
Employee Retention Strategies	0.24	0.32	0.48	0.36	0.46	0.38	0.22	0.11	0.35	0.43
Use of Technology	0.4	0.49	0.45	0.47	0.49	0.52	0.36	0.42	0.46	0.5
Competence Development	0.14	0.31	0.39	0.35	0.34	0.27	0.32	0.11	0.33	0.44
HR Metrics and Analytics	0.16	0.4	0.2	0.47	0.28	0.26	0.34	0.14	0.07	0.36

4.5.1. Positive Correlations

Skills Assessment shows strong positive correlations with many organizational performance factors, such as financial performance (0.39), customer satisfaction (0.43), employee satisfaction (0.54), innovation capacity (0.56), operational efficiency (0.45), market share (0.5), and quality of products/services (0.43). This suggests that a robust skills assessment process positively impacts these performance areas, indicating that ensuring employees have the right skills enhances overall organizational success. Use of Technology shows Strong positive correlations with customer satisfaction (0.49), employee satisfaction (0.45), innovation capacity (0.47), operational efficiency (0.49), market share (0.52), and quality of products/services (0.46) highlight the importance of leveraging technology in HR practices. This correlation suggests that effective use of technology can improve multiple aspects of organizational performance.

Baakeel (2020) investigated the role of Human Resource Information Systems (HRIS) in organizational performance. The study revealed that while performance management and employee training systems significantly impact organizational performance, workforce planning information systems did not show a direct impact (Baakeel, 2020).

Employee Retention Strategies has positive correlations with financial performance (0.24), customer satisfaction (0.32), employee satisfaction (0.48), operational efficiency (0.46), market share (0.38), and quality of products/services (0.35) indicate that well-executed retention strategies contribute positively to these areas. This implies that retaining key employees enhances organizational stability and performance. Recruitment Strategy shows moderate positive correlations with financial performance (0.12), customer satisfaction (0.28), employee satisfaction (0.47), and quality of products/services (0.5) suggest that an effective recruitment strategy influences these areas positively but with varying degrees.

Training and Development has moderate positive correlations with skills like customer satisfaction (0.41), employee satisfaction (0.32), and quality of products/services (0.27) indicate that aligning training with organizational needs can have a positive impact on these performance metrics. Singh (2016) found a significant positive relationship between HRP measures (such as selection, training, and incentives) and organizational performance in the private banking sector. This relationship was evident in increased job satisfaction, efficiency, and employee motivation (Singh, 2016). Research by Afzal et al. (2013) highlights the positive impact of HRP on organizational performance, particularly in the telecom sector. They found that effective HRP, which includes selection, training, and incentives, significantly enhances job satisfaction, efficiency, employee motivation, and technology utilization (Afzal et al., 2013).

Dobre (2012) discussed the theoretical and methodological issues in linking HRM and organizational performance. Despite mixed results in previous research, the study underscores the importance of aligning HR practices with organizational goals to enhance performance (Dobre, 2012).

4.5.2. Areas for Improvement

While Succession Planning is moderately correlated with market share (0.44), succession planning shows weaker correlations with other factors. Strengthening succession planning practices could potentially enhance its impact on organizational performance across other areas. Despite moderate correlations with some factors like innovation capacity (0.47) and

market share (0.36), HR metrics and analytics show weaker associations with other performance factors. Enhancing the use and application of analytics could improve its influence on broader organizational outcomes.

4.5.3. Overall Implications

The correlations highlight the interconnectedness between effective HR practices and organizational performance at Wamuco Motors Ltd. Practices such as skills assessment, use of technology, employee retention strategies, and targeted training show significant positive impacts on various performance metrics. Strengthening these practices could lead to improved financial performance, customer and employee satisfaction, innovation capacity, operational efficiency, market share, and product/service quality.

Addressing areas with weaker correlations, such as succession planning and HR metrics/analytics, presents opportunities for further enhancing organizational effectiveness through more focused and integrated HR strategies. This analysis can guide future strategic decisions aimed at maximizing overall organizational performance and sustainability.

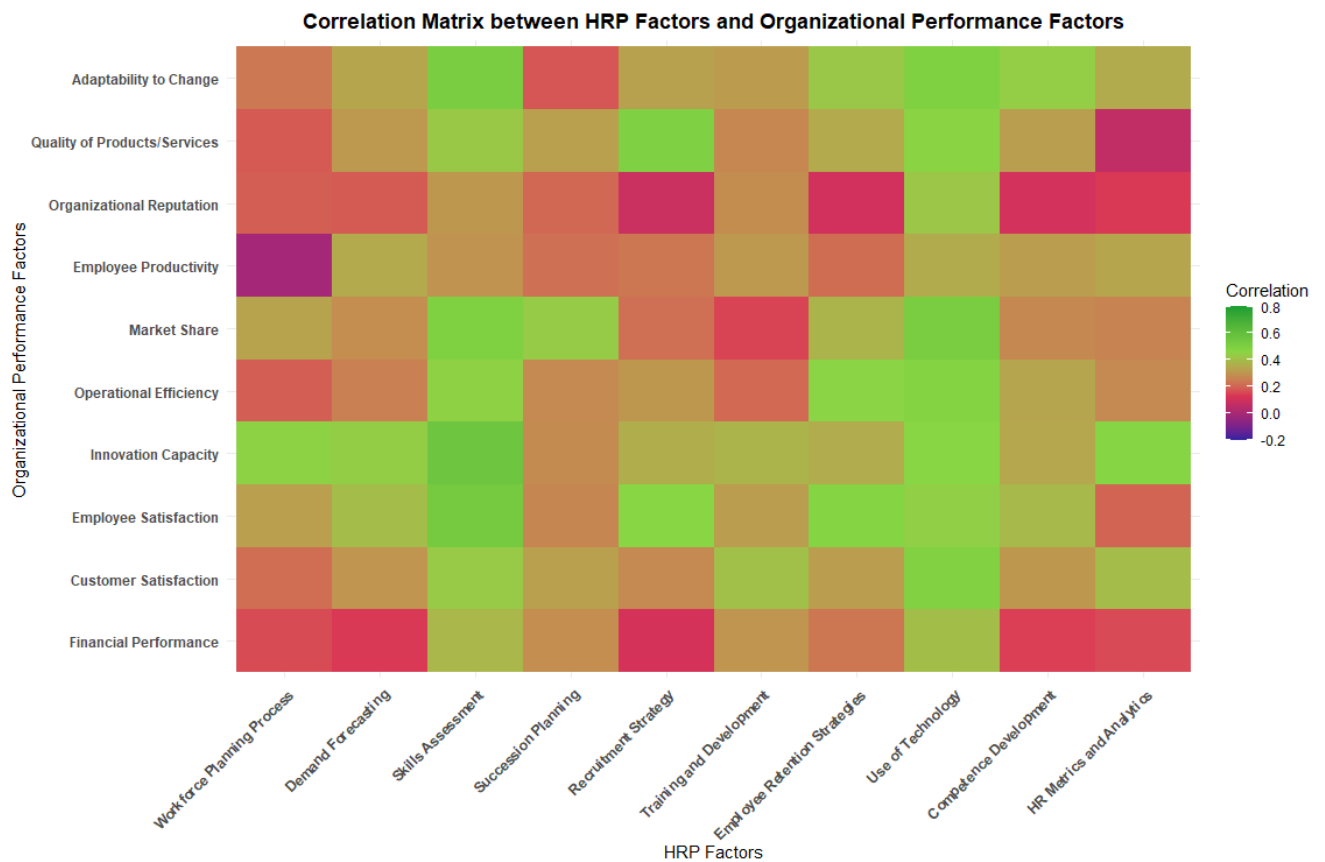


Figure 2: Correlation Matrix between HRP Factors and Organizational Performance Factors

CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS

5.1. Summary of Findings

This study aimed to examine the impact of Human Resource Practices (HRP) on organizational performance at Wamuco Motors Ltd. The findings reveal significant insights into how various HR practices influence key performance indicators within the organization.

Demographic Insights: The survey responses indicate a well-educated workforce, predominantly male, with a balanced mix of experience levels. Most respondents are mid-career professionals, which suggests their perspectives are shaped by substantial work experience and involvement in critical organizational activities.

HRP Effectiveness: The majority of respondents positively perceive HR practices such as workforce planning, demand forecasting, skills assessment, and recruitment strategies. There are notable areas for improvement, particularly in succession planning and the use of technology within HR processes.

Organizational Performance: The analysis shows a strong correlation between effective HR practices and organizational performance metrics. Skills assessment and the use of technology stand out as critical factors positively impacting multiple performance areas, including financial performance, customer satisfaction, employee satisfaction, innovation capacity, operational efficiency, market share, and quality of products/services.

Correlation Analysis: The correlation matrix highlights the interconnectedness between HR practices and performance outcomes. Strong positive correlations between skills assessment and various performance metrics underscore the importance of ensuring employees possess the right skills. Similarly, leveraging technology within HR practices significantly enhances organizational performance.

5.2. Conclusion

The study on Human Resource Practices (HRP) at Wamuco Motors Ltd. shows that good HR practices can really boost how well the company performs. Key practices like planning the workforce, predicting future needs, and assessing skills are linked to better financial results, happier customers, and smoother operations. However, areas such as planning for future leadership and integrating technology into HR processes need more work. In general, strong HR practices help improve employee engagement and satisfaction, and drive the company to be more innovative and competitive in the market.

5.3.Recommendations

Based on the findings, the following recommendations are proposed to enhance HR practices and, consequently, organizational performance at Wamuco Motors Ltd.:

1. Enhance Skills Assessment Processes: Given the strong positive correlations between skills assessment and various performance metrics, it is crucial to invest in robust skills assessment processes. This can involve regular evaluations, targeted training programs, and continuous skill development initiatives to ensure employees' competencies align with organizational needs.

2. Leverage Technology in HR Practices: The significant impact of technology on HR effectiveness and overall performance highlights the need to enhance technological integration within HR processes. Investing in HR software, data analytics tools, and automation can streamline HR operations, improve decision-making, and enhance employee experiences.

3. Strengthen Employee Retention Strategies: Effective retention strategies positively influence financial performance, customer satisfaction, and operational efficiency. Implementing comprehensive retention programs, including competitive compensation packages, career development opportunities, and employee engagement initiatives, can help retain key talent and enhance organizational stability.

4. Improve Succession Planning: The relatively weaker correlation of succession planning with some performance metrics suggests the need for improvement in this area. Developing clear succession plans, identifying potential successors early, and providing them with necessary training and mentorship can ensure smooth leadership transitions and organizational continuity.

5. Enhance HR Metrics and Analytics: While HR metrics and analytics show moderate correlations with certain performance factors, there is room for improvement. Enhancing the use of data-driven insights can improve HR decision-making and demonstrate the tangible impact of HR practices on organizational outcomes. Investing in advanced analytics tools and training HR personnel in data analysis can be beneficial.

6. Focus on Continuous Improvement: Regularly reviewing and refining HR practices based on feedback and performance data is essential. Engaging employees in the process and

seeking their input can provide valuable insights and foster a culture of continuous improvement.

5.4.Future Research Directions

While this study provides valuable insights, future research could explore additional HR practices and their impacts on organizational performance. Longitudinal studies examining the long-term effects of HR interventions would also be beneficial. Additionally, comparative studies across different industries and regions could provide broader perspectives on the effectiveness of various HR practices.

By implementing these recommendations, Wamuco Motors Ltd. can enhance its HR practices, leading to improved organizational performance, employee satisfaction, and overall success.

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APPENDIX

HRM Practices and Organizational Performance Questionnaire

Dear Participant,

Thank you for agreeing to participate in our research study on human resource management (HRM) practices and organizational performance. Your insights are invaluable to our understanding of how HRM practices influence organizational effectiveness. Please answer the following questions honestly and to the best of your ability. Your responses will be kept confidential and used for research purposes only.

Section 1: Demographic Information

1. Gender:

- Male
- Female
- Other (please specify): _____

2. Age:

- Under 25
- 25-34
- 35-44
- 45-54
- 55 and above

3. Educational Qualification:

- High School Diploma
- Bachelor's Degree
- Master's Degree
- Doctorate or Professional Degree
- Other (please specify): _____

4. Years of Experience in Current Organization:

- Less than 1 year

- 1-5 years
- 6-10 years
- More than 10 years

Table 1: HRP Factors

HRP Factors	Questions	Options	
HRP Factors			
Workforce Planning Process	Does the organization follow a structured workforce planning process?	Yes/No	
Demand Forecasting	Is the recruitment process informed by HR demand forecasting?	Yes/No	
Skills Assessment	Does the organization regularly assess the skills of its workforce?	Yes/No	
Succession Planning	Is there an honest replacement process for people who retire?	Yes/No	
Recruitment Strategy	Does the organization have a well-defined recruitment strategy?	Yes/No	
Training and Development	Are training and development programs aligned with organizational needs?	Yes/No	
Employee Retention Strategies	Are there strategies in place to retain key employees?	Yes/No	
Use of Technology	Is technology used to streamline HR processes?	Yes/No	
Competence Development	Does the organization invest in competence development for employees?	Yes/No	
HR Metrics and Analytics	Are HR metrics and analytics used to guide HR decisions?	Yes/No	

Table 2: Organizational Performance Factors

Organizational Performance Factors	Questions	Options	
Organizational Performance Factors			
Financial Performance	How would you rate the organization's financial performance?	Poor/Fair/Good/Excellent	
Customer Satisfaction	How satisfied are customers with the organization's services?	Very Dissatisfied/Dissatisfied/Satisfied/Very Satisfied	
Employee	How satisfied are	Very	

Satisfaction	employees with their jobs and work environment?	Dissatisfied/Dissatisfied/Satisfied/Very Satisfied	
Innovation Capacity	How innovative is the organization in developing new products/services?	Not Innovative/Somewhat Innovative/Innovative/Highly Innovative	
Operational Efficiency	How efficient are the organization's operations?	Very Inefficient/Inefficient/Efficient/Very Efficient	
Market Share	How has the organization's market share changed over the past year?	Decreased/Stayed the Same/Increased	
Employee Productivity	How would you rate the productivity of employees?	Low/Average/High/Very High	
Organizational Reputation	How would you rate the organization's reputation in the industry?	Poor/Fair/Good/Excellent	
Quality of Products/Services	How would you rate the quality of the organization's products/services?	Poor/Fair/Good/Excellent	
Adaptability to Change	How well does the organization adapt to changes in the market?	Very Poor/Poor/Good/Very Good	

Thank you for your participation! Your feedback is greatly appreciated.