

## **Impact of Human Resource Strategy in Competitive Advantage**

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### **Abstract**

The purpose of this research was to study The Impact of Human Resource strategy in competitive advantage in Awamidica Co. The data of this study was collected in the form of the questionnaire taken from previous studies. The aim of the questionnaire was to understand the impact of the HR strategy on competitive advantage. The type of research was the quantitative approach. The result can be used in studies for improving the operations to manage the challenges that the company's meets in terms of Human Resource with competitive advantage, a total of 92 copies of the questionnaire were introduced through the SPSS and the results were analyzed through the analysis of the data in the SPSS program, which is positive as it is by the responses that the competitive advantage of human resource impact.

**Key Words: Human resource strategy, social responsibility and competitive advantage**

### **1) Introduction**

The global economy is witnessing rapid and rapid changes to create new ways of growth and expansion. This is due to the pressures of the ocean and the increasing volatility of its variables, which have intensified competition among economic institutions (Naim, 2009).

The environment of economic institutions is witnessing changes, transformations and technological developments, due to the impact of the fierce competition resulting in the phenomenon of globalization and hegemony imposed by the new world order. This has made these institutions difficult to cope with the effects of these changes. Working to improve their performance to high levels that enable them to outperform their competitors, which allows them the ability to compete at the global level to ensure survival and achieve the goals that I created for them (Kishwai, 2006). In all these situations, the economic institutions have had a great deal of interest focused on competition, competitive environment and the search for the appropriate strategy to meet this challenge, especially with the emergence of globalization, which created a climate of competition in the local and international markets. Have competitive capabilities that are distinctive, durable, and continuous (Mohammed, 2003).

In view of this situation, the strategy of human resources development - which has received great attention from the researcher to play an important role in achieving the goals for which the establishment of the economic institution - is one of the most important strategies in order to achieve a set of competitive advantages lasting and continuous (Suhaila, 2006).

## **2) Literature Review**

### **Conceptual Framework for HR Strategy:**

The large size of the institutions and the continuous increase in the number of individuals within it, and the concern of institutions to be on the increase at the global and local level, make them interested in human resources through development and providing good working conditions and follow up and follow the developments in different principles, This is done through a set of activities starting with recruitment and then training, then planning the career path and finally evaluating the performance. The following is a presentation of these activities which we consider important and contribute to the development and development of human resources in the institution (Hassan, 2004). **Human resources development concept:** Human resources development has evolved and is no longer limited to education and training. It focuses on the development of patterns of thinking and behavior, the quality of education and training, and the quality of human resources participation in decision making, methods and methods of work and production, with the aim of increasing their ability to control their skills (Plut, 2002). **Motives for human resource development:** The main reasons behind the need for human resources development include: (Medhat, 2007) 1. Directing new individuals and introducing them to the various types of activities, the jobs given to them, instructing them and teaching them how and the quality of performance expected of them 2. Improve the skills and increase the abilities of individuals, and raise the level of their performance by calling the specific performance standards for them 3. To prepare individuals to assume future jobs, to face all technological, informational and marketing changes 4. To prepare individuals to meet the challenges imposed by the external environment on institutions in several areas, including: the globalization of labor, and the widespread spread of competitive spaces. **Competitive Advantage Dimensions:**

**After Cost:** The companies that seek to obtain a larger market share as a basis for their success and superiority are those who offer their products at a lower cost than their competitors (Hajim, 2006). The lowest cost is the main operational objective of companies that compete through cost, and even companies that compete with other non-competitive competitive advantages seek low costs for the products they produce (Ibrahim, 2009).

The company can reduce costs through efficient use of its production capacity as well as continuous improvement of product quality and innovation in product design and process

technology. This is an important foundation for cost reduction as well as helping managers support and support the company's strategy to be a cost leader (Hajim, 2006).

**After Quality:** Quality is an important competitive advantage that refers to the performance of things correctly to provide products that fit the needs of customers. Customers want quality products that meet their desired characteristics, which they expect or see in the ad. Companies that do not offer quality products that meet customer needs and expectations cannot stay competitive.

**Flexibility:** Flexibility is the foundation for achieving the competitive advantage of the company by responding quickly to changes that may occur in product design and to suit the needs of customers.

Flexibility means the company's ability to change operations to other methods. This may mean changing the performance of operations as well as changing the way and time of operations. The customer needs to change operations to provide four requirements:

**Product flexibility:** The ability of processes to deliver new or modified products (Ibrahim, 2009).

**Mix flexibility:** The ability of processes to produce a mix of products.

**Flexibility Size:** The ability of processes to change the level of output or the level of production activity to provide different sizes of products.

**Delivery flexibility:** refers to the ability of processes to change delivery times of products.

**After delivery:** Delivery is the basic rule of competition between companies in the market by focusing on reducing deadlines and speed in designing new products and delivering them to customers as soon as possible. There are three priorities for the delivery dimension dealing with time: fast delivery, delivery time, speed of development.

**Innovation:** Some authors and researchers add creativity as a dimension of competitive advantage. The views of writers and researchers have varied in innovation. There are many definitions of creativity. Mead defines it as the process or activity of the individual, or something new (Ibrahim, 2009). **Impact of Human Resource Development Strategy on Achieving Sustainable**

**Competitive Advantage** The human resource is one of the most important elements of production in any organization, including the secret of the continuity of the institution and its development, its vitality and ability to make different budgets among other elements of production, and also complexity and the difficulty of measuring its behavior.

"The success of the institutions depends on their human potential and describes them as a source of competitive advantage," says author Jeffrey Weaver. "The care and attention of the organization to its human resources and development work, to win the institution a sustainable competitive advantage that ensures its excellence and continuity (Chanda, 2000).

**Impact of HR strategy activities on achieving sustainable competitive advantage:**  
(Mohammed, 2003) HR strategy plays an important role in achieving the competitive advantage of the organization through its range of activities: recruitment, training, career planning, and performance appraisal.

### **3) Research Problem**

The maximum human resources environment made the economic institutions work on their development by employing, training, planning their course, sales and marketing in achieving the goals and objectives set, and more than that.

### **4) Research Objectives**

The research aims to achieve a number of objectives:

1. Emphasize the importance of the human resource, as the human capital of enterprises.
2. To highlight the role and importance of: Employing the human resource, training it, planning its career path, and evaluating its performance.
3. Demonstrate the importance of the institution's acquisition of a sustainable competitive advantage and highlight the impact of human resources development strategy in achieving it.

### **5) Research Question:**

To address this major problem, we need to answer the following sub-questions:

1. What is the level of human resources development strategy in the insurance company?
2. What is the level of sustainable competitive advantage of the insurance company?
3. What is the impact of HR strategy in achieving the continuity of the low cost advantage of the insurance company?

### **6) Research Methodology**

The Population which is collected from Awamidica Company in Erbil, at Kurdistan region from Iraq. The research data is collected by developing questionnaire, the research is of quantitative method which tends to address the numerical data and statistics rather than the quality of data, it is composed of two parts, the first part is interested in collecting personal data (demographics), which the second part is shining light on the areas of (Impact of HR strategy in competitive advantage) the sample for both male and female.

### **7) Data Analysis:**

Table 1 of Reliability Statistics

Reliability Statistics	
Cronbach's Alpha	N of Items
.689	27

Table 2: Demographical Data

Items		Frequency	Percent
Gender	Male	72	78.3
	Female	20	21.7
AGE	<20	46	50.0
	21-30	35	38.0
	31-40	11	12.0
Educational level	Diploma	64	69.6
	Bachelor's degree	19	20.7
	Master's degree	8	8.7
	PhD	1	1.1
Years of service	5-10 Years	8	8.7
	10-15 Years	10	10.9
	15-20 Years	66	71.7
	20-25 Years	2	2.2
	25-30 Years	6	6.5
Total		94	100

The above table presented as Table 2 has the demographical variables where four variables taken for the study and explained with the frequency and percentage.

Table: 3 Descriptive Statistics

N		Mean	Std. Deviation
1	Your Organization has fair reward system.	3.39	1.060
2	Fringe benefits and Retirement Security is present	3.90	.865
3	The managers review performance on periodic basis.	3.61	1.005
4	Your Organization Targets and attracts potential recruits.	3.43	.998
5	Effective performance is rewarded.	3.22	1.118
6	Your Organization recruits and retains outstanding employees.	3.42	1.151
7	The top management is willing to invest a considerable part of their time and other resources to ensure the development of employees.	3.42	1.061
8	The managers use positive reinforcement (rewards) to maintain high levels of performance.	3.42	1.061
9	Employees are encouraged to experiment with and try out new methods & creative ideas.	3.55	.942
10	Your job provides adequate opportunities to make use of your abilities.	3.53	1.124
11	Promotion decisions are based on the suitability of the promote rather than on the favoritism.	4.07	1.036
12	People trust each other in this Organization.	3.72	1.072
13	Seniors guide their juniors and prepare them for future responsibilities/roles they are likely to take up.	3.41	.939
14	Fair wage system is there.	3.42	1.179
15	Employees are sponsored for training programmers regularly as per need.	3.42	1.131
16	The Organization ensures employee welfare to such an extent that the employees can serve a lot of their mental energy for work purposes.	3.78	1.147
17	I am happy with the company's HR policies.	3.49	1.043
18	I am happy with the working conditions.	3.62	1.098
19	I am satisfied with my Organization as a whole.	3.64	1.075
20	I am committed to my Organization.	3.51	1.124
21	Authority to make decisions is given.	3.77	1.039
22	People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended.	3.66	.986
23	The personnel policies in Organization facilitate employee development	3.43	1.151
24	Managers are also good leaders who motivate employees to achieve peak performance.	3.57	1.092
25	Your Organization offers Healthy work climate.	3.48	1.000
26	Manager fosters a work environment that is low on personal conflict, surprises.	3.41	1.150
27	Open two ways Communication is there.	3.72	1.170

Table 4 of Data frequency

Parameter		Frequency	Percent
Your Organization has fair reward system.	Strongly Disagree	-	-
	Disagree	2	2.2
	Undecided	10	10.9
	Agree	25	27.2
	Strongly Agree	55	59.8
Fringe benefits and Retirement Security is present	Strongly Disagree	-	-
	Disagree	6	6.5
	Undecided	21	22.8
	Agree	46	50.0
	Strongly Agree	19	20.7
The managers review performance on periodic basis.	Strongly Disagree	3	3.3
	Disagree	13	14.1
	Undecided	28	30.4
	Agree	31	33.7
	Strongly Agree	17	18.5
Your Organization Targets and attracts potential recruits.	Strongly Disagree	3	3.3
	Disagree	11	12.0
	Undecided	36	39.1
	Agree	25	27.2
	Strongly Agree	17	18.5
Effective performance is rewarded.	Strongly Disagree	6	6.5
	Disagree	21	22.8
	Undecided	29	31.5
	Agree	25	27.2
	Strongly Agree	11	12.0
Your Organization recruits and retains outstanding employees.	Strongly Disagree	6	6.5
	Disagree	17	18.5
	Undecided	23	25.0
	Agree	34	37.0
	Strongly Agree	12	13.0
The top management is willing to invest a considerable part of their time and other resources to ensure the development of employees.	Strongly Disagree	3	3.3
	Disagree	18	19.6
	Undecided	29	31.5
	Agree	29	31.5
	Strongly Agree	13	14.1
The managers use positive reinforcement (rewards) to maintain high levels of performance.	Strongly Disagree	2	2.2
	Disagree	18	19.6
	Undecided	36	39.1
	Agree	17	18.5
	Strongly Agree	19	20.7
Employees are encouraged to experiment with and try out new methods & creative ideas.	Strongly Disagree	2	2.2
	Disagree	11	12.0
	Undecided	30	32.6
	Agree	36	39.1
	Strongly Agree	13	14.1

Your job provides adequate opportunities to make use of your abilities.	Strongly Disagree	7	7.6
	Disagree	7	7.6
	Undecided	27	29.3
	Agree	35	38.0
	Strongly Agree	16	17.4
Promotion decisions are based on the suitability of the promote rather than on the favoritism.	Strongly Disagree	3	3.3
	Disagree	6	6.5
	Undecided	12	13.0
	Agree	37	40.2
	Strongly Agree	34	37.0
People trust each other in this Organization.	Strongly Disagree	2	2.2
	Disagree	12	13.0
	Undecided	25	27.2
	Agree	27	29.3
	Strongly Agree	26	28.3
Seniors guide their juniors and prepare them for future responsibilities/roles they are likely to take up.	Strongly Disagree	4	4.3
	Disagree	14	15.2
	Undecided	35	38.0
	Agree	29	31.5
	Strongly Agree	10	10.9
Fair wage system is there.	Strongly Disagree	3	3.3
	Disagree	24	26.1
	Undecided	29	31.5
	Agree	15	16.3
	Strongly Agree	21	22.8
Employees are sponsored for training programmers regularly as per need.	Strongly Disagree	7	7.6
	Disagree	10	10.9
	Undecided	31	33.7
	Agree	27	29.3
	Strongly Agree	17	18.5
The Organization ensures employee welfare to such an extent that the employees can serve a lot of their mental energy for work purposes.	Strongly Disagree	5	5.4
	Disagree	10	10.9
	Undecided	26	28.3
	Agree	24	26.1
	Strongly Agree	27	29.3
I am happy with the company's HR policies.	Strongly Disagree	2	2.2
	Disagree	16	17.4
	Undecided	30	32.6
	Agree	30	32.6
	Strongly Agree	14	15.2
I am happy with the working conditions.	Strongly Disagree	5	5.4
	Disagree	11	12.0
	Undecided	36	39.1
	Agree	23	25.0
	Strongly Agree	17	18.5
I am satisfied with my Organization as a whole.	Strongly Disagree	3	3.3
	Disagree	12	13.0
	Undecided	32	34.8
	Agree	20	21.7



	Strongly Agree	25	27.2
I am committed to my Organization.	Strongly Disagree	4	4.3
	Disagree	15	16.3
	Undecided	24	26.1
	Agree	32	34.8
	Strongly Agree	17	18.5
Authority to make decisions is given.	Strongly Disagree	4	4.3
	Disagree	14	15.2
	Undecided	21	22.8
	Agree	31	33.7
	Strongly Agree	22	23.9
People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended.	Strongly Disagree	4	4.3
	Disagree	14	15.2
	Undecided	26	28.3
	Agree	32	34.8
	Strongly Agree	16	17.4
The personnel policies in Organization facilitate employee development	Strongly Disagree	5	5.4
	Disagree	24	26.1
	Undecided	21	22.8
	Agree	30	32.6
	Strongly Agree	12	13.0
<b>Total</b>		<b>92</b>	<b>100</b>

The above table presented as Table 4 has the all 23 items description presented as frequency and percentage having altogether 92 samples constituting 100% of respondents.

## Conclusion

Senior management does not involve and accompany staff involved in developing human resources plans. The institution under study conducts a set of processes that enable it to identify the risks facing the job, in order to take the necessary measures to provide a safe working environment for workers. The institution under study has an annual human resource training plan, which is set up by the training officer in the institution, which will raise the efficiency and level of human resources, which enable them to perform their duties according to what is required. Lack of interest of the institution under study to redesign the products in order to reduce the number of components, and taken as a source to achieve the continuity of low cost advantage. Achieving continuity in the low-cost advantage at the enterprise level is based on optimal utilization of available resources and

offering competitive prices compared to competitors. Achieving continuity in the distinction advantage at the level of the institution under study depends on the exertion of great efforts to improve its products to meet consumer expectations.

**Recommendation:**

The institution in charge of the study must, through functional analysis, identify the skills to be provided by the incumbent. The senior management of the institution under study should engage and accompany staff involved in the development of human resources plans. The institution in question must provide the appropriate atmosphere for conducting the midwife with the candidates, in a transparent manner, in order to allow the candidates to present all their knowledge.

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