



# THE ROLE OF STRATEGIC HUMAN RESOURCE MANAGEMENT, ORGANIZATIONAL PERFORMANCE: AN EMPIRICAL EVIDENCE FROM MANUFACTURING SECTOR IN THAILAND

Ploychompoo Kittikunchotiwut Mahasarakham University, Thailand <u>ploychompoo.k@acc.msu.ac.th</u>

### Abstract

Strategic human resource management (SHRM) has emerged as a critical issue concurrently with businesses' growing emphasis on strategy. Due to the increasing instability in its setting, the business's response has been to establish a comprehensive internal structure that includes human resource management systems. The key to providing an efficient response is to have an HRM system adapted to strategic needs. This study attempted to investigate the relationship between strategic HR influences and improve organizational engagement and performance. A questionnaire survey was employed in this study, and approximately 406 firms participated. Employees from Thailand's manufacturing sector were sampled for the study. Findings from our study revealed that administrations could help increase employees' integration with the business by providing training, participation of the staff in planning and decision-making, and career growth opportunities that they drive observe to be advantageously aimed at them.

# Key Words

Strategic human resource management; organizational engagement; organizational performance.

# INTRODUCTION

In recent years, many organizations and researchers have considered the value of human resource functions such as employee selection, development, and retention. Researchers in this field have shifted their focus from a resource-based perspective to describe the effects of strategic human resource management practices on firm performance. Firms have realized that their human capital can provide a sustainable competitive advantage by developing strategic human resource management (Barney, 1991; Ulrich, 1997). Many functions and departments of organizations have attempted to implement their strategies, practices, and processes with the business strategy since the introduction of human resource departments in firms. Human resource management is perhaps one of them, and strategic human resource management emerged when businesses attempted to integrate their human resource strategies and practices with their business strategy (Wright and McMahan, 1992). The organization's most valuable resource, "human intellectual capital", departs your premises (Bakker and Demerouti, 2017). This valuable resource is a company's mind and inspiration, and without it, no approach relies on and uses all of the company's resources. Henceforth, an organization must understand how to manage the roles and actions of its employees. As a result, companies must define the methods by which they can ensure that their employees return to work the next day. Scholars have been exploring various ways and opportunities to help focus on this topic. One of the intelligence cadres suggests that those organizations prepare and strive for long-term success with their other tangible capital in the same way they can do the same for human resources (Morgeson, Brannick and Levine, 2019).

Strategy is a multifaceted phenomenon that encompasses far more than traditional strategies. Strategies are broad statements that outline a plan of action. Strategies are a collection of explicit, observable, and attainable plans that are carefully constructed with the input of an institution's stakeholders. These action statements are associated with a person or people accountable and authorized to achieve a specific outcome within a specified timeframe. They are action plans, decisions, and policies that assist a community in achieving a vision or goals. Strategic human resource management is known to help businesses meet the needs of their employees while still meeting company goals. SHRM stands for strategic human resource management, and it is designed to assist businesses in better meeting the needs of their employees while also achieving organizational goals. Hiring and firing, compensation and benefits, training, and administration are all aspects of human resource management that impact employees. Job rewards, information on safety procedures, and sick or vacation days are examples of human resources. Strategic human resource management is the constructive management of people.

Moreover, According to Bamberger and Meshoulam (2000), strategic human resources management is a competency-based approach to personnel management that focuses on improving durable, imitable, and non-tradable human resources. Some scholars define strategic human resources management as the linkage of human resource occupations with strategic goals and organizational objectives to improve business performance and promote an organizational culture that embraces innovation and versatility, taking both process and outcome into account (Truss and Gratton, 1994). In such circumstances, it is deemed appropriate to hold the role of the human resource accountable on a strategic level, implying the need to propose the best practice for contributing to the organization's mission, vision, and strategic goals.

Human resources were once considered primarily an administrative activity, focusing on operational tasks that operated so minor role in the development and implementation of an organization's strategy. Employees, operations, and individual activities are frequently used as performance indicators in human resource management (HRM) in the traditional model (selection, training, simulations, and the like). The traditional human resource management model is predicated on the assumption that improving individual employee performance will inevitably lead to more tremendous organizational success. Many studies have recently been conducted to investigate the position and relationship between how businesses can grow and work efficiently toward achieving their goals and improving employee outcomes. Numerous studies, for example, have demonstrated the significance of strategic human resource management deliberation in a variety of outcomes (Channa, Shah and Ghumro, 2019; Alzyoud and Ogalo, 2020).

Notably, numerous studies on strategic human resource management have found a correlation between strategic human resource management, organizational engagement, and success (Huselid and Schuler, 1997; Tzafrir, 1999; Shanshi, 2008). According to recent theoretical works on business strategy, human resources can promote organizational efficiency (HR). We can gain a long-term competitive advantage by creating value in a unique and challenging way by adopting a resource-based perspective (Barney, 1986). As Human resource becomes integrated into the operating framework, it becomes an intangible asset that adds value to its ability to deal with adversity. As a result, the essence of strategic human resource management is to use an HRM structure, and HRM activities focused on strategic priorities and organizational orientation to maximize competitive advantage and improve business efficiency.

This study aims to analyse the role of strategic human resource management in improving a company's ability to engage in organizational engagement. It will investigate how strategic recruitment and selection, strategic training and growth, strategic working standards, and strategic performance assessment affect organizational engagement. Participation in an organization has an impact on its outcomes.

#### LITERATURE REVIEW

#### Strategic Human Resource Management

Human resource management started to emerge from academic research in the United States in the 1960s and 1970s and has steadily gained global acceptance since then (Brewster, 1994). In the literature, the significance of HRM is not well defined; different authorities suggest or publicize different meanings and rely on other evidence. Many people have attempted to categorize the various fields covered by HRM. Employee influence, human resource flow (into and out of the organization), compensation systems, and employment systems, for example, are all described in one of the classic texts in a four-part typology (Beer et al., 1985). HRM has been divided into four fields, including acquisition, maintenance, motivation, and development of human resources, according to others (DeCenzo and Robbins, 1988). Others see it as a set of tasks, such as the five-step selection, efficiency, evaluation, incentives, and growth cycle (Fomburn et al., 1984).

Some academics believe that HRM and strategic HRM are the same concept and use the terms interchangeably. HRM, for example, is defined by Mathis and Jackson (1985) as an organization's strategic planning and management of human resources. HRM has a broader scope and is more strategic. They distinguish between human resource management and the older definition of personnel management. Human resource management (HRM) is a strategic task that focuses on jobs such as human resource planning and developing restoration guidelines and strategies. Although employee management is primarily viewed as an administrative-operational action distributing duties such as hiring and selecting employees or addressing worker complaints, HRM is viewed as a strategic occupation focused on human resource planning and developing compensation procedures and strategies.

Besides, strategic human resource management is the systematic, consistent, and long-term planning, as well as the short-term management, control, and tracking of an organization's human resources to ensure the maximum added benefit and to position the organization to achieve its goals and missions (Harrison, 1993). Furthermore, strategic human resource management entails aligning HR operations with the long-term strategy of the company. According to some human resource and strategy development experts, businesses must engage in strategic HR planning when appealing to corporate strategy development (Walker, 1980). Many studies have been conducted to outline the individual and relationship between how industries can change and efficiently improve their objective attainment and operational effects. Education, for example, has demonstrated the significance of strategic human resource management application in a variety of scenarios (Channa, Shah and Ghumro, 2019; Alzyoud and Ogalo, 2020).

Consequently, there are studies with a more generalist approach to view HR operations and observations to get the most out of people. It is also critical for the commercial to change a strategy throughout the entire organization that is slightly constituent or movement and act associated with the commercial's human resources is not solely the responsibility of the personnel department but entails broader attention from all curves of the initiative, predominantly top organization and unit skulls (Delery and Roumpi, 2017). Human resource management must be measured more effectively from now on to achieve better results and profits from employees (Paauwe and Boon, 2018; Richard and Johnson, 2001).

## Strategic Recruitment and Selection

Armstrong (2001) defined recruitment and selection strategy as "the plan " that would discover approaches, enlisting the required number of people with necessary skills and knowledge, who are resourcing plan possible to distribute the necessary type of behavior, and who will fit into the administration's nation, so these are good at teamwork. Also, strategic recruitment is a specific replication of the employment plan to achieve the employment concept as a specific strategy. It encompasses employees, workforce requirements, and revenue to interest capacity, employment networks, ideal selection, and employment time. Indeed, a profitable employment strategy will assist businesses in quickly locating appropriate skills and leading their beneficial change (Jiawen Liang, 2020). Hence, we tested the following hypothesis:

**H1:** Strategic recruitment and selection positively associates with organizational engagement.

# **Strategic Training and Development**

Armstrong (2001) defines training as the systematic alteration of behaviour through knowledge events, computer operator, and education that allow individuals to attain the stages of acquaintance, ability, and aptitude required to perform their jobs successfully. SHRM scholars describe human resource management practices such as training as the kinds of events that influence individuals' performance in their pains to articulate and instrument the administration's strategic needs (Huselid et al., 1997; Becker et al., 1996; Deery et al., 1994; Guest, 1987; Iles et al., 1990; Meyer and Allen, 1997).

A structured, planned activity intended to enable contributors to gain knowledge and skills on a specific topic is referred to as training (Dessler, 2013). Training is essential for any organization to achieve its goals. Enterprises spend millions of dollars each year on employee training activities to help them achieve the capability level required to perform the assigned roles and responsibilities (Elnaga and Imran, 2013). Besides, the primary focus of the training was on improving administrative flexibility, invention, and the ability to engage high-level energetic competencies. According to Redding and Catalanello (1989), numerous prominent administrations, including Motorola, General Electric, and Hewlett-Packard, attribute their corporate success to training.Training has several advantages for businesses, including increased employee satisfaction (Aguinis and Kraiger, 2009) and improved organizational performance (Kessy and Temi, 2010).

However, the data are limited; academic work advises that trained workers effort and significantly influence increasing appointment levels (Fletcher, 2016). Related statements can be created from Shuck and Wollard. They stated that when administrations focus on human capital by planning HRD strategies that focus on conniving training opportunities that would advantage the worker for a longer-dated to continue operative and practical, it will improve their engagement with the corporate. However, Trainers should understand that all training and development curriculums should link with the group's complete strategic objectives. The trainers would support the learning aims and commercial goals to create the training further applicable (Fomi and Shriya, 2017). Thus, we tested the following hypothesis:

**H2:** Strategic training and development positively associates with organizational engagement.

# Strategic Working Standard

According to Wood and Albanese (1995), "job plan" is roughly what administration deliberately does to provide works with a high smooth of essential gratification. Strategic human resource performs believe that positions are insecure and that jobs are changing in response to a changing environment. Its significance in the context of a broader range of job design. Increased autonomy and the ability to work effectively will result in a less rigid process of working. A strategic working standard is one of the principles of the manufacturing sector. It requires three elements: takt time: the rate at which parts or products must be produced to meet customer demand. Work sequence: the steps operators need to perform within takt time, in the order in which they must be completed. Standard inventory (or in-process stock): Minimum quantity of parts and raw materials needed to run operations (Robert H. Simonis, 2017). As a result, we tested the following hypothesis:

**H3:** Strategic working standard positively associates with organizational engagement.

### Strategic Performance Evaluation

By examining performance and provided that response to support the achievement of strategic aims, performance evaluation expedites the incorporation point (Werbel and DeMarie, 2005). According to Gratton et al. (1999), this is critical for SHRM. The performance evaluation procedure assigns a ranking to anticipated performances. Supposing that workers want progressive performance evaluations, they are possible to accept performance appraisal-related behaviours. Similarly, performance appraisal response is intended to support expected behaviours and abilities while also proposing practical censures to future leader variations to endorse integration.

However, Hunger and Wheelen (2011) presented that outcomes of strategic performance estimation are vital in promoting deed if the practice indicates any difficulties that change the firm's working towards its aim. Thus, companies want to appraise their plans constantly (King'ola, 2001; Tunji, 2013) so that educative achievement can be carried to eradicate the complications that impede the attainment of secure goals (David, 2011). Gonçalves (2009) acquiesced that sporadic appraisal retains the strategic design supply associated with the business capabilities. We put the following hypotheses to the test:

**H4:** Strategic performance evaluation positively associates with organizational engagement.

# Strategic Staff Participation

Some strategic HRM scholars have argued that employee participation and statement are precarious roles that all human resource management must play to improve stable performance (Wright and Snell, 1998). According to empirical research, productive worker engagement efforts can significantly impact administrative business efficiency (Huselid, 1995; Ostroff, 1995). Furthermore, Armstrong (2009) contends that staff participation in planning has a significant impact on developing an effective performance management system, which, among other things, necessitates the involvement of fearful stakeholders. Draft, Kendrick, and Vershinina (2010) concurred with the previous works but added that employee participation in planning and decision-making could improve performance and job satisfaction and help employees improve their skills. Correspondingly, According to Abdulai and Shafiwu (2014), when employees are involved in decision making in various forms, decision implementation becomes more evident, a good working environment is created, commitment and satisfaction on decisions made rises, and employee morale rises because employees feel predictable and as part of the team in the organization. One reason for reduced employee work performance in terms of efficiency and effectiveness, according to Owino Ogachi and Olel (2011), was a low level of participation in decision making. Strategic human resource actions encourage employee participation in job operations, the permitting instrument, forming effort groups, and other methods. Considering the above mentioned works, the following hypothesis was tested:

**H5:** Strategic staff participation positively associates with organizational engagement.

#### Organizational Engagement and Organizational Performance

Engagement is a positive work-based development that instils desire, absorption, and commitment (Schaufeli et al., 2006). Organizational engagement increases an employee's connection, immersion, and dedication to a company (Saks, 2006). Workers involved are more likely to work harder, faster, and more efficiently (Bakker and Bal, 2010). According to research studies, organizations always want their employees to be involved in the corporate to be willing to make an effort when they require it (Barrick, Thurgood, Smith and Courtright, 2015). Organizational

engagement enables businesses to achieve much more than traditional workers, particularly when it relates to company benefits and events outside of independently assigned jobs (Saks, 2006).

Additionally, Employee engagement is widely regarded as a reliable predictor of a wide array of employee and organizational outcomes (Rowe and Frewer, 2005). As a result, some scholars have declared the possibility and necessity of empirical consideration in protecting engagement (Rich LePine and Crawford, 2010), implying that engagement can produce better outcomes by increasing the impact of available predictors. We attempted to strategize how having organizationally engaged employees could help the business increase socially responsible activities on thriving organizational enactment. The performance here is measured by the number of workers and the amount of revenue generated.

Moreover, the outcome of a person, group, association, or procedure can be performed (Mahfouz, 2019). Corporate typically assesses organizational implementation from a financial standpoint (Ranasinghe et al., 2018). However, it can be elevated in terms of social involvement and individual satisfaction (Ranasinghe, 2018). Similarly, mystical viewpoint, consumer perception, knowledge, and progress perception have an impact on organizational implementation. (Ranasinghe et al., 2018). An integrated concept of administrative enactment results in the transfer of ever-increasing charges to customs and shareholders, enabling organizational sustainability, improving the administration's overall competencies and efficiency, and principals to improved enactment (Evans, 2017). In this study, indicators of organizational performance include financial performance, interior or applicable enactment, customer gratification, worker gratification, and knowledge and evolution (Abusa and Gibson, 2011). Based on the above studies, the following hypothesis was tested:

**H6:** Organizational engagement positively associates with organizational performance.

### METHODOLOGY AND MEASUREMENT

#### Data Collection the Sample

This study investigates the relationship between strategic recruitment and selection, strategic training and development, strategic working standards, strategic performance evaluation, strategic staff participation, organizational engagement, and organizational performance.

This research chooses the manufacturing sector (<u>https://asianinsiders.com/thailand-manufacturing-trends-2021/</u>) as a basis for this investigation of the role of strategic human resource management, organizational engagement, and organizational performance: An empirical evidence from the manufacturing sector in Thailand. Especially in the manufacturing sector resulting from the addition of human resources in the strategic management process, the organization guaranteed competitive

ability and advantage in contemporary, indeterminate, and highly competitive business environments. In such situations, strategic management and the discovery of new changes entail a strongly built tram within the organization explanations in ensuring organizational performance. A better situation about competitors develops the foundational precondition for both the improvement and the organization's survival.

In this study, the data was collected from all the population, 1,248 firms. A mail survey procedure via questionnaire was used for data collection. The key participants in this study were employees. Concerning the questionnaire mailing, of the surveys completed and returned, only 406 were usable. The effective response rate was approximately 32.53 %. According to Aaker, Kumar and Day (2001), the response rate for a mail survey, without an appropriate follow-up procedure, and greater than 20%, is considered acceptable.

Additionally, a non-response bias test was performed by comparing early and late responses. Characteristics of the firms comprise industry types, amount of capital funding, time in business, number of employees, and key informants who self-reported all constructs (Armstrong and Overton, 1977). As for non-response bias, t-test statistical tests were performed, and the results exhibited no significant differences. Therefore, a non-response bias is of no concern in this data.

### Sample Measurements of the Constructs

The survey instrument is a multi-item measure. All the variables were measured using five-point Likert scales. The key informants were asked for the levels of agreement with statements of items ranging from1 (strongly disagree) to 5 (strongly agree). The items were developed from the existing scales of each variable for this study specifically. Data were collected by mail survey questionnaire to develop all constructs in the conceptual model as scales from a comprehensive literature review. Also, two expert academics reviewed the instrument and improved it to the best possible scale measure. Following this, a pre-test method was appropriated to conduct the test for the validity and reliability of the questionnaire. In this research, the first thirty returned mail surveys were chosen to test the validity and reliability of the overall construct.

### DATA ANALYSIS AND RESULTS

In this study, factor analysis is used to study the construct validity of several constructs in the conceptual model developed as scales. Factor analysis was used to assess the basis of many items and determine whether they could be reduced to a smaller set of factors. All factor loadings are higher than the rule-of-thumb 0.40 cut-off and are statistically significant (Nunnally and Berstein, 1994). On the scale, Cronbach's alpha coefficients are higher than 0.70 (Nunnally and Berstein, 1994). Thus, scales of all measures are shown to result in inconsistency.

Consequently, these measures are considered appropriate for further analysis because they show the validity and reliability of this study. The result shows factor loadings and the Cronbach's alpha coefficient for multiple item scales used in this study in Table 1.

Table 1 presents all variables that have factor loading scores between 0.725 - 0.967. Besides, Cronbach's alpha for all variables is shown between 0.730 - 0.901. Therefore, all constructs of the validity and reliability of measurement can be applied for further analysis.

Table 1: Results of	Measure Validation
---------------------	--------------------

Items	Factor Loadings	Cronbach's Alpha
Strategic Recruitment and Selection (SRS)	0.752-0.886	0.779
Strategic Training and Development (STD)	0.818-0.967	0.901
Strategic Working Standard (SWS)	0.731-0.850	0.730
Strategic Performance Evaluation (SPE)	0.754-0.867	0.759
Strategic Staff Participation (SSP)	0.752-0.920	0.821
Organizational Engagement (OE)	0.725-0.904	0.861
Organizational Performance (OP)	0.734-0.924	0.874

Source: Own survey.

Table 2 Means and Standard Deviations. Note: There are no substantial multicollinearity problems encountered in this study.

Variables	SRS	STD	SWS	SPE	SSP	OE	OP	FA	FS
Mean	4.065	3.843	3.945	3.951	3.950	3.936	3.934	4.152	4.054
S.D.	0.663	0.760	0.653	0.681	0.722	0.697	0.706	0.757	0.808
SRS	1								
STD	0.610**	1							
sws	0.782**	0.786**	1						
SPE	0.744**	0.950**	0.865**	1					
SSP	0.717**	0.610**	0.782**	0.744**	1				
OE	0.704**	0.811**	0.768**	0.827**	0.593**	1			
OP	0.690**	0.812**	0.762**	0.819**	0.593**	0.954**	1		
FA	0.021	-0.028	-0.041	-0.041	0.009	-0.040	-0.023	1	
FS	-0.007	-0.045	-0.049	-0.059	-0.020	0.006	0.000	0.422**	1

Table 2: Means, Standard Deviations

\*\*\*p < 0.01, \*\*p < 0.05, \*p < 0.10 *Source*: Own survey.

Table 3 presents the results of OLS regression. The first relationship between strategic recruitment and selection and organizational engagement is significant (H1: b1= 0.111, p < 0.05), thus, Hypothesis 1 is supported. The

relationship between strategic training and development and organizational engagement is significant (H2: b2 = 0.105, p < 0.01), therefore, Hypothesis 2 is supported. The relationship between strategic working standard and organizational engagement is significant (H3: b3 = 0.144, p < 0.05), thus, Hypothesis 3 is supported. The relationship between strategic performance evaluation and organizational engagement is significant (H4: b4 = 0.304, p < 0.01), Hypothesis 4 is supported. The relationship between strategic staff participation and organizational engagement is significant (H5: b5 = 0.275, p < 0.01), Hypothesis 5 is supported.

	Dependent Variables		
Independent Variables	Organizational Engagement (OE)		
Constant	0.171		
	(0.170)		
Strategic Recruitment and Selection (SRS)	0.111**		
	(0.047)		
Strategic Training and Development (STD)	0.105***		
	(0.032)		
Strategic Working Standard (SWS)	0.144**		
	(0.065)		
Strategic Performance Evaluation (SPE)	0.304***		
	(0.109)		
Strategic Staff Participation (SSP)	0.275***		
	(0.085)		
Firm Age (FA)	- 0.041		
	(0.027)		
Firm Size (FS)	0.056**		
	(0.025)		
Adjusted R <sup>2</sup>	0.720		

 Table 3: Results of Regression Analysis

\*\*\*p < 0.01, \*\*p < 0.05, \*p < 0.10, Beta coefficients with standard errors in parenthesis *Source*: Own survey.

Table 4 presents the results of OLS regression analysis of the relationships between organizational engagement, and organizational performance is significant (H6: b6= 0.968, p < 0.01), thus, Hypothesis 6 is supported.

Table 4: Results of	Regression Analysis
---------------------	---------------------

Independent Variables	Dependent Variables		
Independent Variables	Organizational Performance (OP)		
Constant	0.095 (0.091)		
Organizational Engagement (OE)	0.968*** (0.015)		
Firm Age (FA)	0.020 (0.015)		
Firm Size (FS)	-0.013 (0.014)		

Advances in Business-Related Scientific Research Journal, Volume 12, No. 2, 2021

Adjusted R <sup>2</sup>	0.909

\*\*\*p < 0.01, \*\*p < 0.05, \*p < 0.10, Bera coefficients with standard errors in parenthesis Source: Own survey.

### DISCUSSION AND FINDINGS

The study aimed to establish a link among strategic recruitment and selection, strategic training and development, strategic working standards, strategic performance evaluation, strategic staff participation, and organizational engagement. Also, establish a relationship between organizational engagement and organizational performance in Thailand's manufacturing sector.

These findings support previous research (Juliet and Proscovia, 2018; Ogutu, 2020; Rrezarta, 2013; Edward, Scott, and Richard, 2014), which found a significant positive relationship between strategic human resource management and organizational engagement, and organizational performance. According to the study, organizations with all of these can essentially manage and increase employee engagement with the organization through strategic human resource management. Rendering to the study, when organizations plan and provide training programs for their employees that will improve their skills, knowledge, and expertise in the long run, this will result in developing a greater sense of connectivity, engagement, and passion for the organization, thus improving their organizational engagement.

Correspondingly, the organization develops the careers considered necessary for organizational performance. Harky (2018) discovered that recruitment has an impact on organizational performance. This will assist the organization in recruiting staff who are always meeting the organization's needs. Organizations seek to improve execution capabilities by recruiting employees with practice experience. The newly hired employees would add to the organization's experience. The findings revealed that strategic human resource management of the organization should integrate recruitment plans with administrative plans.

Training in an organization was identified to advance the organizational engagement knowledge. The design of training programs and their implementation were shown to imitate the welfares of teaching gained by organizations. Musa and Tulay (2008) demonstrated that training improves worker skills, which positively impacts organizational engagement overall. The findings revealed that when workers subsidize the training enterprise, training aims become clear to them, enhancing the welfares increased since training to attain organizational performance. Besides, Employees' attitudes toward organizational engagement will improve as they realize that employee excellence is part of organizational success. Career development has improved employee behaviour, mainly when associated with the organization's integrated strategic human resource management. The study has underlined that organizations can effectively work on supervising and improving employee engagement with the organization through designing HR functions strategically. In a way, the findings are parallel to the empirical assertions of Ahmed, Majid and Zin (2016), who established training opportunities provision with individual engagement. Thus, organizations need to introduce training interventions that improve individual skills, knowledge, and performance for the current role and enhance their expertise for future endeavors to boost their engagement with the enterprise.

Ultimately, the study also stated that when organizations offer career advancement opportunities to employees, promoting them, in the long-term, increases their engagement with the business. Employees, in this case, will be more engaged with the company and gain more benefits as a result. Besides this, innovative training for employees, education, and improving overall working requirements are required because current market changes necessitate a strongly built connection within the organization or company seeking to compete towards a more robust organizational performance worldwide.

# CONCLUSIONS AND RECOMMENDATIONS

The purpose of this study was to analyse the effect of strategic human resource management on organizational engagement. Also, to establish a relationship between organizational engagement and organizational performance. The research was conducted on Thailand's manufacturing sector. According to the findings, most of those polled believe that recruitment practices should be aimed at manipulating the human resources strategy and achieving the company's excellence. The managers agreed that the company should improve its human resource capabilities to improve organizational engagement and performance. The research suggests that the organization develop an organizational strategy and investigate the human resource requirements to achieve it.

The results indicated that most of the people who participated in the questionnaire survey have indicated that the recruitment practices should be directed to manipulate the human resources strategy and focus on the performance of the business. Employees were satisfied that the business should develop its human resources capabilities for performance and connect the technology requirements to achieve organizational performance.

The research recommends that the organization devise a performance strategy and examine the human resources requirements to achieve it. However, it is necessary to highlight the use of methodology particularly that of self-analysis, as it allows self-assessment, evaluation of others, and strategically designed specific training by professional profile or job function. In this case, the process followed by experts from the quality vision is to identify the sequence of study over a group of capabilities established. From this, professionals determine at which point of the training development they are. This alternative gives professionals a chance to enhance themselves. If they become conscious of their development level and what they are missing to achieve organizational performance, their training will be strategically planned. Lastly, the present study has confirmed the significance of strategic training and career growth opportunities for enhancing organizational engagement. The study has underlined the critical role and relationship between the strategic provision of HR factors towards enabling employees to connect with the organization and articulate more commitment and dedication.

### **FUTURE RESEARCH**

Longitudinal studies on the framework may be considered for future studies. Our study only included employees from one industry. As a result, we may even consider looking into other sectors in this regard. Monitoring customer attitudes would result in radical change when organizational performance was analysed from the organization's external environment. Ultimately, the results can be compared to the data collected from the organization's internal environment to determine its suitability to achieve organizational performance.

### REFERENCES

- Aaker, David A., Kumar, V., Day, George S. (2001). Marketing research, New York: John Wiley and Sons.
- Abdulai, A.I., Shafiwu, B. A. (2014). Participatory decision making and employee productivity. A case study of community banks in the upper east region of Ghana. Business Economics, 5(99), 2151–6219.
- Abusa, F. M., Gibson, P. (2011). TQM implementation in developing countries: a case study of the Libyan industrial sector. Benchmarking: An International Journal, 20(5), 693–711.
- Aguinis, H., Kraiger, K. (2009). Benefits of training and development for individuals and teams, organizations, and society. Annual Review of Psychology, 60(1), 451–474.
- Adel Ali Yassin Alzyoud, Habil Slade Ogalo. (2020). Strategic management of health and safety at work: critical insights for HR professionals in the construction sector. Annals of Contemporary Developments in Management and HR, 2(1), 42–47.
- Ahmed, U., Majid, A. H. A., Zin, M. L. M. (2016). HR moderating HR: Critical link between developmental HR practices and work engagement in a moderated model. Management Review: An International Journal, 11(2), 4.
- Armstrong, J.S. Overton, T.S. (1977). Estimating non-response bias in mail surveys. Journal of Marketing Research, (3), 396.
- Armstrong, (2001). A Handbook of Human Resource Management Practice. 7th ed. Arnold, B., Bakker, P., Matthijs, P., Matthijs, B. (2010). Weekly work engagement and performance: A study among starting teachers. Journal of Occupational and Organizational Psychology, 83(1), 189– 206.
- Asian insiders. (2021). Thailand Manufacturing Trends 2021. Retrieved 20 April 2021 from https://asianinsiders.com/thailand-manufacturing-trends-2021/.
- Bakker, A. B., Demerouti, E. (2017). Job demands-resource theory: Taking stock and looking forward. Journal of Occupational Health Psychology, 22(3), 273–285.
- Bamberger, P., Meshoulam, I. (2000). Human resource strategy: formulation, implementation, and impact. The Academy of Management Review, 25(4), 883–885.

Barney, J. B. (1986). Organizational culture: Can it be a source of sustained competitive advantage?. The Academy of Management Review, 11(3), 656–665.

- Barney, J. (1991). Firm resources and sustained competitive advantage. Journal of management, 17(1), 99–120.
- Barrick, M. R., Thurgood, G. R., Smith, T. A., Courtright, S. H. (2015). Collective organizational engagement: Linking motivational antecedents, strategic

implementation, and firm performance. Academy of Management Journal, 58(1), 111–135.

Beer et al., (1985). What is human resource management? Human Resource Management, 62–95.

Becker, B., & Gerhart, B. (1996). The impact of human resource management on organizational performance: Progress and prospects. Academy of Management Journal, 39(4), 779 –801.

Brewster, (1994). Data Communications and Networks. 3rd Ed.

- Channa, N. A., Shah, S. M. M., Ghumro, N. H. (2019). Uncovering the link between strategic human resource management and crisis management: Mediating role of organizational resilience. Annals of Contemporary Developments in Management & HR, 1(2). 15–27.
- Charles J Fombrun, Noel M Tichy, Mary Anne Devanna. (1984). Strategic human resource management, New York : Wiley.
- David, F. (2011). Strategic Management: Concepts and Cases 13th ed. Essex: Pearson Education Limited.
- Deery, S. J., Iverson, R. D., Erwin, P. J. (1994). Predicting organizational and union commitment: The effect of industrial relations climate. British Journal of Industrial Relations, 32(4), 581–97.
- Delery, J. E., Roumpi, D. (2017). Strategic human resource management, human capital and competitive advantage: is the field going in circles?. Human Resource Management Journal, 27(1), 1–21.
- Dessler, G. (2013). Fundamentals of human resource management. Pearson, 3rd Ed. Draft, R.L., Kendrick, M. Vershinina, N. (2010). Management, Cengage Learning EMEA. London.
- Edward G. Mahon, Scott N. Taylor, Richard E. Boyatzis. (2014). Antecedents of organizational engagement: exploring vision, mood and perceived organizational support with emotional intelligence as a moderator. Frontiers in Psychology, 5.
- Elnaga, A., Imran, A. (2013). The effect of training on employee performance. European Journal of Business and Management, 5(4), 137–147.
- Evans, J. R. (2017). Quality and performance excellence: Management, organization, and strategy. 8th ed. Boston, USA: Cengage Learning.
- Fletcher, L. (2016). Training perceptions, engagement, and performance: comparing work engagement and personal role engagement. Human Resource Development International, 19(1), 4–26.
- Fomi, D., Shriya R. (2017). A Study on the significance of strategic training for human development systematic approach to training for human resource development.

Strategic Need of Training for Human Resource Development for Effective Make in India Movement. Conference: National - Make in India Theme by MSU, Gujarat.

- Gedaliahui H., Harel, Shay S.m Tzafrir, T.(1999). The effect of human resource management practices on the perceptions of organizational and market performance of the firm. Human Resource Management, 38(3), 185–199.
- Guest, D. H. J. (1987). Human resource management and industrial relations. Journal of Management Studies, 24(5), 503–521.
- Gonçalves, H. S. (2009). Proposal of a strategy model planning aligned to the balanced scorecard and the quality environments. The TQM Journal, 21(5), 462–472.
- Gratton, L., Hope-Hailey, V., Truss, K., et al. (1999) Strategic Human Resource Management. Oxford University Press, New York.
- Harky, Y. (2018). The significance of recruitment and selection on organizational performance: The case of private owned oganizations in Ebril, North Iraq. International Journal of Contemporary Research and Review, 9(2), 20393-20401.
- Harrison, R. (1993). Human resource management issues and strategies. New York: Addison-Wesley.
- Hunger, J. D., Wheelen, T. L. (2011). Essentials of strategic management, Saint Petersburg, Florida: Prentice Hall.
- Huselid, M. A., Jackson, S. E., Schuler, R. J. (1997). Technical and strategic HRM effectiveness as determinants of firm performance. Academy of Management Journal, 40(1), 171–188.

- Huselid, M. A. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance. Academy of Management Journal, 38(3), 635–700.
- Iles, P., Mabey, C., Robertson, I. (1990). RM practices and employee commitment: possibilities, pitfalls and paradoxes. British Journal of Management, 1(3), 147–157.
- Irene H. Chow, Jia-Chi Huang, Shanshi Liu, (2008). Strategic HRM in China: Configurations and competitive advantage. Human Resource Management, 47(4), 687–706.
- James W. Walker. (1980). Human resource planning. Manpower Planning, McGraw-Hill.
- Jiawen Liang. (2020). Recruitment and selection. Financial Forum, 9(3), 153.
- John, C., Ralph, F. Catalanello, F. (1989). Strategic Readiness: The Making of the Learning Organization 1st ed.
- Juliet, A., Proscovia, N. S., (2018). Staff participation and quality teaching and research in Private Universities in Uganda, Journal of Education and Practice, 9(17).
- King'ola, S. N. (2001). Challenges of strategic implementation at Geomax Consulting Engineers (GEC), Master Thesis, University of Nairobi, Kenya.
- Kessy, S., Temu, S. S. (2010). The impact of training on performance of micro and small enterprises served by microfinance institutions in Tanzania. Research Journal of Business Management, 4(2), 103–111.
- Mahfouz, S.S.A. (2019). TQM practices and organizational performance in the manufacturing sector in Jordan: The mediating role of HRM practices and innovation. Journal of Management and Operational Research, 1(22).
- Meyer, J. P., Allen, N. J. (1997). Commitment in the Workplace: Theory. Research, and Application Thousand Oaks, CA: Sage.
- Morgeson, F. P., Brannick, M. T., Levine, E. L. (2019). Job and work analysis: Methods, research, and applications for human resource management. Sage Publications.
- Musa, P., Tulay, G. (2008). Investigating the impact of organizational excellence and leadership on achieving business performance: An exploratory study of Turkish firms. SAM Advanced Management Journal, 73(1), 29–45.
- Nunnally, J.C., Bernstein, I.H. (1994). Psychometric Theory. 3rd ed. McGraw-Hill Series in Psychology, New York: NY, (21). 451–468.
- Ogutu Joseph Odhiambo. (2020). Strategic management of HRM: Implications for organizational engagement. Annals of Contemporary Developments in Management & HR, 2, (3). 1–8.
- Orlando, C., Nancy, J. (2001). Strategic human resource management effectiveness and firm performance. The International Journal of Human Resource Management, 12(2), 299–310
- Ostroff, C. (1995). SHRM/CCH survey. Human Resources Management: Ideas and Trends in Personnel, 356, 1–12.
- Owino, G.C, Ogachi, O.I, Olel, M. A. (2011). Role of institutional managers in quality assurance: reflections on Kenya's University education. Australian Journal of Business and Management Research, 1(2).
- Paauwe, J., Boon, C. (2018). Strategic HRM: A critical review. Human Resource Management, 49-73.
- Ranasinghe, H. K. G. S., Yajid, M. S. A., Khatibi, A., Azam, S. M. F. (2018). A systematic literature analysis of entrepreneurial orientation and business performance. Journal of Business Economics and Finance, 7(3), 269–287.
- Rich, B. L., Lepine, J. A., Crawford, E. R. (2010). Job engagement: Antecedents and effects on job performance. Academy of Management Journal, 53(3),617-635.
- Robert, H. (2017). Standard Work: A Standard, or More Like a Guideline?. Retrieved 25 April 2021 from https://www.industryweek.com/operations/continuous-
- improvement/article/22004731/standard-work-a-standard-or-more-like-a-guideline.
- Robert L. Mathis, John Harold Jackson, (1985). Personnel: human resource management. Personnel Management, West Publishing Company.
- Rowe, G., Frewer, L. J. (2005). A typology of public engagement mechanisms. Science, Technology, Human Values, 30(2), 251–290.
- Rrezarta Gashi. (2013). Strategic human resources management: Human resources or human capital. Academic Journal of Interdisciplinary Studies, 2 (9).
- Saks, A. (2006). Antecedents and consequences of employee engagement. Journal of Managerial Psychology, 21(7), 600–619.

Schaufeli, W., Bakker, A. B., Salanova, M. (2006). The measurement of work engagement with a short questionnaire: across-national study. Educational and Psychological Measurement, 66(4),701–716.

Tunji, S. T. (2013). Effective internal controls system as antidote for distress in the banking industry in Nigeria. Journal of Economics and International Business Research,1(5), 106–121.

- Truss, C., Gratton, L. (1994). Strategic human resource management: A conceptual approach. The International Journal of Human Resource Management, 5(3), 663–686.
- Ulrich, D. (1997). Measuring human resources: an overview of practice and a prescription for results. Human Resource Management, 36(3), 303–320.
- Werbel, J. D., DeMarie, S. M. (2005). Aligning strategic human resource management and person-environment fit. Human Resource Management Review, 15(4), 247–262.
- Wright, P., Snell, S. (1998). Toward a unifying framework for exploring fit and flexibility in strategic human resource management. Academy of Management Review, 23(4), 756–772.
- Wright, P. M., McMahan, G. C. (1992). Theoretical perspectives for strategic human resource management. Journal of management, 18(2), 295–320.
- Wood, S., Albanese, M. (1995). Can we speak of a high commitment management on the shop floor?. Journal of Management Studies, 32(2), 215–247.