

HR Competencies: Understanding the Impact on HR and Organizational Performance in Saudi Arabia

ABSTRACT

The global economy has continued to change the nature of competition and critically, the role of HR in organizations. Saudi Arabia is undergoing many changes from a strategic business perspective and has an implied demand for HR professionals to be an integral part of the changes and develop people strategies to help organizations compete more effectively.

This study focused on HR competencies and the extent to which current HR professionals in Saudi Arabia possess the pertinent competencies as expected in the HR profession.

Specifically, the study sought to: i) determine if competencies are predictive of success in the HR profession, ii) understand how competencies vary by type of position within HR (entry level, manager, director and executives), iii) determine if there is a relationship between specific competencies and particular responsibilities of HR professionals, and iv) determine the relationship among education, years of HR experience, competencies, and compensation. The data were collected through a stratified sample across industries, education, role in organization, and geographic locations.

Numerous areas are identified as gaps between competencies HR professionals should possess compared to current competencies necessary to function effectively as strategic business partners. As Saudi HR professionals continue to advance the HR profession and add value to

22 their organizations, it is necessary for there to be emphasis on having the appropriate education,
23 participate in continuing education, and critically measure the impact of their efforts.

24

25 *Keywords* – HR competencies, HR in Saudi Arabia, strategic HR, HR & firm

26 performance,

27

28 Introduction

29 Researchers in the field of strategic human resource management (HRM) and human
30 resource development (HRD) have emphasized the view that systems of human resource (HR)
31 practices may lead to higher firm performance and be sources of sustained competitive
32 advantages (Wright, Dunford, & Snell, 2001). For clarification purposes, the discussion of HR
33 practices in this paper will include both HRM and HRD.

34 HR competencies deal with the knowledge, skills, and values that successful human
35 resource (HR) professionals demonstrate in all types of positions, companies, and geographies
36 (Ulrich, Younger, Brockbank, & Ulrich, 2012). The techniques help those professionals
37 architect, coach, design, and facilitate programs for effective operations resulting in more
38 efficient and content organizations.

39 In competing in today's tumultuous global economy, there are numerous opportunities
40 and challenges facing Saudi Arabian firms. It is expected that the HR function in these firms
41 partner effectively in helping the firm to create and sustain competitive advantages. To function
42 effectively in HR, Brockbank, Ulrich, & Beatty (1999) argued that for HR to be a profession, HR
43 professionals must master the necessary competencies and that mastery of HR knowledge comes
44 from knowing the concepts, language, logic, research, and practices of HR. Furthermore,
45 mastery of abilities comes from being able to apply the knowledge to specific business settings.

46 Human resource (HR) practitioners are responsible for easing the impact of changes in
47 their organization and to protect employees against the side effects of these inevitable changes
48 (Long, Wan Ismail, & Amin, 2013). As companies make changes and as Saudi Arabia continues
49 to make changes in their business practices, HR professionals are expected to be vital partners
50 and in the end help to produce a significant increase in performance at the individual and

51 organizational levels. HR practitioners who are unable to function as change agents will
52 inevitably create a barrier against their becoming a well-integrated strategic partner (Long et al.,
53 2013). Therefore, the role of change agent also mediates the relationship between certain HR
54 competencies and organizational performance. This research seeks to: i) determine if
55 competencies are predictive of success in the HR profession in Saudi Arabia, ii) understand how
56 competencies vary by type of position within HR (entry level, manager, director and executives),
57 iii) determine if there is a relationship between specific competencies and particular
58 responsibilities of HR professionals, and iv) determine the relationship among education, years
59 of HR experience, competencies, and compensation. Competence of an individual as defined by
60 Becker, Huselid, and Ulrich (2001) is the knowledge, skills, abilities, or personality
61 characteristics that directly influence one's performance.

62

63 LITERATURE REVIEW

64 Leaders expect their HR professionals to anticipate changing conditions and then add
65 value to the business by providing insights and actions on talent, culture, and leadership (Ulrich,
66 Younger, & Brockbank, 2012). The knowledge, skills, and abilities of HR professionals to add
67 value to their organizations is what we refer to as the HR competencies.

68 Human resource management involves continuous improvement activities of all
69 employees in order to achieve organizational mission and goals (Moldovan, 2011). As cited in
70 (P. Wright & McMahan, 2011) strategic human resource management (HRM) is 'the pattern of
71 planned human resource deployments and activities intended to enable the firm to achieve its
72 goals' (p. 298). They stated that the domain of strategic HRM consisted of 'the determinants of
73 decisions about HR practices, the composition of human capital resource pool, the specification

74 of the required human resource behaviors, and the effectiveness of these decisions given various
75 business strategies and/or competitive situations' (p. 298).

76 Over the past decade, there has been an increasing emphasis by researchers and
77 practitioners alike on the importance of human resources as one of the key ways of gaining a
78 competitive advantage for a firm. Consequently, numerous researches have been conducted on
79 business strategy and its effect on human resource management within the context of firm
80 performance (Muduli, 2012). Organizational outcomes include factors such as commitment,
81 satisfaction, motivation, financial performance, return on assets, profitability, etc.

82 To sustain the transformation of the HR function and foster the intended organizational
83 outcomes, HR professionals must develop and demonstrate a new set of competencies to fulfill
84 their changing roles and responsibilities (Yeung, Woolcock, & Sullivan, 1996). In the widely
85 cited and used "Michigan's HR Competency Research," (Brockbank, Ulrich, & James, 1997) the
86 researchers identified five major competencies expected of HR professionals: i) strategic
87 contribution, ii) personal credibility, iii) HR delivery, iv) business knowledge, and v) HR
88 technology. Becker et al., (2001) suggested adding strategic HR performance management as a
89 sixth competency.

90 According to Becker et al., (2001) the strategic performance management strategies are
91 probably a little different and support the notion that HR managers must think differently about
92 HR. The core dimensions of this competency are: a) critical casual thinking, b) understanding
93 principles of good measurement, c) estimating causal relationships, and d) communicating HR
94 strategic performance results to senior line managers. It is argued that with a stronger
95 competency in strategic performance management, an HR professional would be better able to

96 show correlation and causal relationships between HR systems and financial outcomes, customer
97 value proposition, and even competitive advantages.

98 As Ulrich, et al., (1997) pointed out, HR must be competent with strategic contribution
99 and as Becker et al.,(2001) noted, HR must be fully competent with strategic performance
100 management. In a study conducted by Wright, McMahan, Snell, & Gerhart (2001) the authors
101 found that it is not only HR professionals who see value in HR practices, but that top line
102 executives believe that a number of HR activities are critical to the firm's competitive advantage.

103 A competency model can serve as an integrative framework for an organization's entire
104 HR system. It can help align the HR system vertically with the organization's strategic
105 objectives, or horizontally with other HR functions, to ensure harmony and consistency across
106 the many facets of HR activities that impact human performance (Rothwell & Wellins, 2004).
107 Moreover, taking talent-management expertise forward is central to the future success of the
108 entire HR profession (Boudreau & Ramstad, 2003). The authors reiterate that the HR profession
109 "can evolve into a true decision science of talent and aspire to the level of influence of
110 disciplines such as finance and marketing." To achieve such success as a profession, specific
111 resources and capabilities of a company may be used to permanently influence its goals (Zaugg
112 & Thom, 2003). In order for these potentials to be developed into competitive advantages, they
113 must be scarce, valuable, and permanent; additionally their ability to be imitated, transferred, or
114 substituted must be limited (Wenger, 1999: 53 ff.) as cited in Zaugg & Thom (2003).

115 With a shifting role of HR given the changing business demands, organizations must
116 establish new covenants with customers, manage disruptive technologies, create new forms of
117 engagements with employees and face scrutiny of investors who determine a firm's market value
118 by assessing its intangibles, not just its present or past earnings (Ulrich & Beatty, 2001). Tied to

119 the changing demands of the HR professions are the new competencies enabling HR to be
120 effective in driving firm performance and creating sustainable competitive advantages.

121 Recent studies related to HRD programs in Saudi Arabia, show that in the private sector
122 especially in small and medium size companies (SMEs) that these programs are not developed
123 structurally or functionally. However, the case is different in large government and private
124 companies (Achoui, 2009). Another recent study shows the need for better HR benchmarking.
125 Kadasah & Al Ahmari (2013) found that the practice of benchmarking in Saudi Arabian
126 organizations' is not in advance level. The sequence of the application of benchmarking is found
127 to be as follows; marketing, operations, quality, finance and human resources, respectively.

128

129

METHODOLOGY

130 This study included HR professionals in Saudi Arabia. The authors e-mailed, mailed, and
131 posted surveys online. The study utilized a cross-sectional design collecting data at one point in
132 time versus a longitudinal research where data are collected from a sample at different points in
133 time in order to study changes or continuity in the sample's characteristics (Gall, Borg, & Gall,
134 1996). The target population was HR professionals in Saudi Arabia. HR professionals for the
135 purpose of this study include individuals who practice in the field of human resources and hold
136 full-time positions. Forty-six HR professionals responded to the survey.

137

Survey Design

139 The purpose of this study was to i) determine if competencies are predictive of success in
140 the HR profession in Saudi Arabia, ii) understand how competencies vary by type of position
141 within HR (entry level, manager, director and executives), iii) determine if there is a relationship

142 between specific competencies and particular responsibilities of HR professionals, and iv)
143 determine the relationship among education, years of HR experience, competencies, and
144 compensation. Based on theories, concepts, and frameworks discussed in the literature review,
145 the author designed a survey as the primary means of data collection for the study.

146 The instrument included multiple sections. The first section focused on information of
147 the participants' position classification (job title), industry, years employed in HR, years in
148 current position, and highest educational attainment. The second section of the survey dealt with
149 the participants identifying the competencies, skills, and attributes HR professionals should
150 possess and the competencies the participants' employers emphasize in various employment
151 practices. Compensation information will also be included in this section. The third section of
152 the survey listed 12 specific strategies and activities based on the review of literature and
153 empirical studies (Becker & Huselid, 1998; Brockbank et al., 1999; Giannantonio & Amy,
154 2002). A scale of 1 – 5 was used to indicate the level of competence needed in one's job and
155 second, the level of the employee's competence for the specific HR activity.

156 As a way to determine the construct validity of the instrument and to enhance its
157 effectiveness, a pilot study was conducted on a stratified sample of 8 HR professionals including
158 Senior Executives, HR Managers, and HR Generalists. Respondents were asked to review the
159 instrument and provide feedback on the utility of the questions, recommend additional questions,
160 eliminate questions, and determine if the questions will be able to collect the appropriate data
161 needed to fulfill the purpose of the study. Items that were consistently identified by the focus
162 group were included in the final survey.

163

164

165 **Survey Data Analysis**

166 The main objective of this research was to determine and understand the competencies, skills
167 that human resources professionals in Saudi Arabia possess, and its relations with the
168 management behaviors. Also the study aims to understand the importance of these competencies,
169 and the availability of these competencies for the human resources professionals. Also the survey
170 is intended to achieve many other objectives such: to predict the availability of these
171 competencies in predicting and how they participate in predicting the level of success of human
172 resources professionals, determining if there is a significant relationship among specific
173 competency and particular responsibilities, in addition to examine if there is a relation between
174 the variables (education, and experience) with the competencies and compensation. To achieve
175 these aims and objectives , secondary data has been collected by a designed questionnaire. SPSS
176 has been used for data entering, and to analyze the data results.

177 In order to analyze the data , descriptive statistics techniques have been used such as frequencies,
178 percentages, averages, correlations, and inductive statistical method such as analysis of variances
179 (ANOVA) and Students' T-test statistics. In addition to that Cronbach's Alpha coefficient is used
180 to measure the questionnaire internal consistency.

181 Based on the above data analysis will proceed as the following scenario:

- 182 1. testing the questionnaire method reliability and validity .
- 183 2. describing the sample of the study according to the variables:(position, industry, years of
184 experiences in HR, years of experience in the current job, and education).
- 185 3. determining the competencies, skills and characteristics available to HR professionals .

- 186 4. analysis of the sample attitudes about the importance of the availability of competencies,
 187 and personal skills for the HR professionals to implement and practice main strategies,
 188 activities that related to their jobs.
- 189 5. estimating the percentages of time the HR professional spent on doing his job tasks.
- 190 6. sample responses concerning the importance and level of competencies, skills required
 191 for HR professionals to work as strategic partner to executive management in the
 192 corporate.

193 In the following we will proceed forward in data analysis:

194 First : Questionnaire method reliability and validity

195

196

197

198

199 Table No.1, shows reliability analysis

| Reliability Statistics | |
|------------------------|------------|
| Cronbach's Alpha | N of Items |
| 0.930 | 24 |

200

201 From the above table we noticed that the value of Cronbach's Alpha coefficient is reaching
 202 (0.93) which is exceeding the (0.70) , the recommended value of the method reliability and
 203 validity . therefore, we believe that the questionnaire method has a high validity, that
 204 guarantee the outcomes of the study.

205

206 Second : analysis of the sample demographic characteristics

207 Sample demographic characteristics include : (position, industry , years of experience in HR,

208 years of working in the current job, and education level.

209 Table No.2, sample distributed according to position.

| position | | | | | |
|-----------------|----------|-----------|---------|------------------|-----------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| | employee | 32 | 69.6 | 69.6 | 69.6 |
| | manager | 14 | 30.4 | 30.4 | 100.0 |
| | Total | 46 | 100.0 | 100.0 | |

210

211 From the above, we observed that 69.6% of the participants are employees, whereas 30.4%

212 are managers. Therefore, the employees have the highest percent of participation in our

213 current study.

214

215

216



217

218

219 Fig No.1 sample distributed according to position .

220

221 Table No.3, sample distributed according to industry

222

| industry sector | | | | | |
|------------------------|----------------|-----------|---------|------------------|-----------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| industry | Academic | 8 | 17.4 | 17.4 | 17.4 |
| | Transformation | 7 | 15.2 | 15.2 | 32.6 |
| | Commercial | 11 | 23.9 | 23.9 | 56.5 |
| | Health care | 8 | 17.4 | 17.4 | 73.9 |
| | Construction | 12 | 26.1 | 26.1 | 100.0 |

| | | | | | |
|--|-------|----|-------|-------|--|
| | Total | 46 | 100.0 | 100.0 | |
|--|-------|----|-------|-------|--|

223 From the above statistics, we noticed that 17.4% of the respondents working in academic
 224 establishment, whereas 15.2% in transformation industry, while 23.9% in the commercial sector,
 225 where 17.4% in medical services field, while 26.1% working in construction firms.

226

227

228

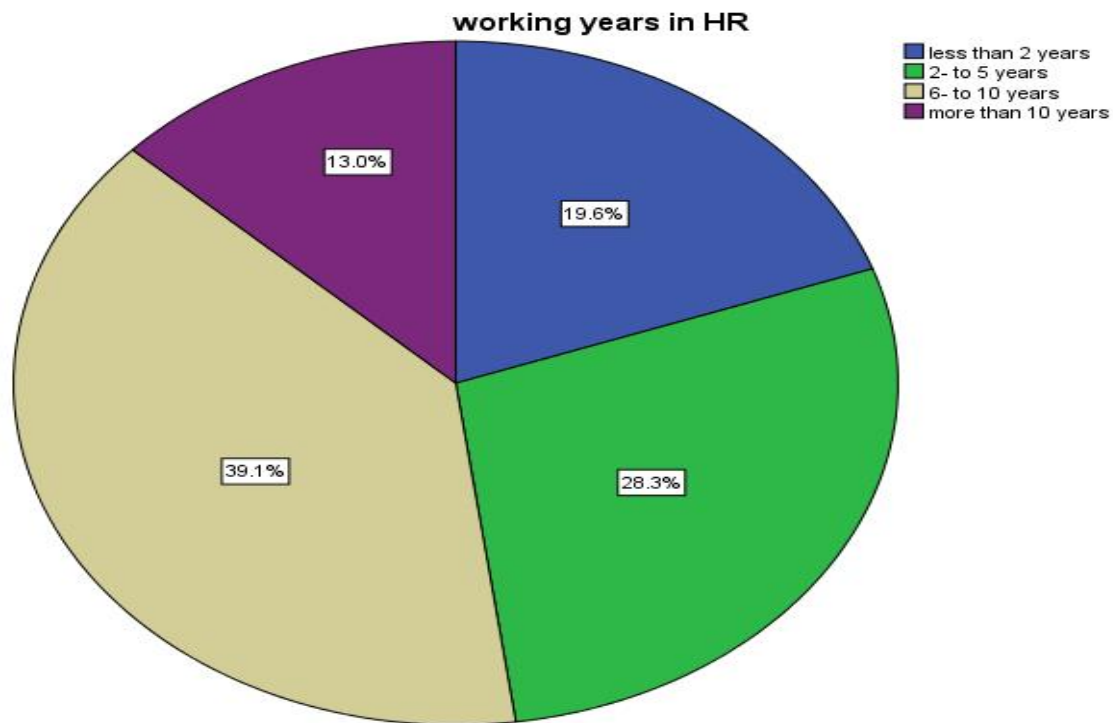
229 Table No.4, sample distributed according to number of working years in Human resources.

| working years in HR | | | | | |
|----------------------------|-----------------------|-----------|---------|------------------|-----------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| | less than 2 years | 9 | 19.6 | 19.6 | 19.6 |
| | 2- to 5 years | 13 | 28.3 | 28.3 | 47.8 |
| | 6- to 10 years | 18 | 39.1 | 39.1 | 87.0 |
| | more than 10 years | 6 | 13.0 | 13.0 | 100.0 |
| | Total | 46 | 100.0 | 100.0 | |

230

231 From the above table , we noticed that 19.6% of the participants working in HR for less than 2
 232 years, whereas 28.3% their working years between 2- to 5 years, while 39.1% working between
 233 6-10 years, where 13.0% their working years in HR is more than 10 years.

234 Therefore, there are 52.1% their years of working in HR more than 5 years, what would an effect
 235 on the evaluation of human resources professionals needed competencies and skills.



236

237

238 Fig. No.3 sample distributed according to working years in HR

239

240

241

242

243

244

245 Table No.5, sample distributed according to number of working years in the current job .

246

years of working in current job

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|------------------------|-----------|---------|------------------|-----------------------|
| Valid | less than one year | 8 | 17.4 | 17.4 | 17.4 |
| | from 1- to 4 years | 20 | 43.5 | 43.5 | 60.9 |
| | from 5- to 10 years | 14 | 30.4 | 30.4 | 91.3 |
| | more than 10 years | 4 | 8.7 | 8.7 | 100.0 |
| | Total | 46 | 100.0 | 100.0 | |

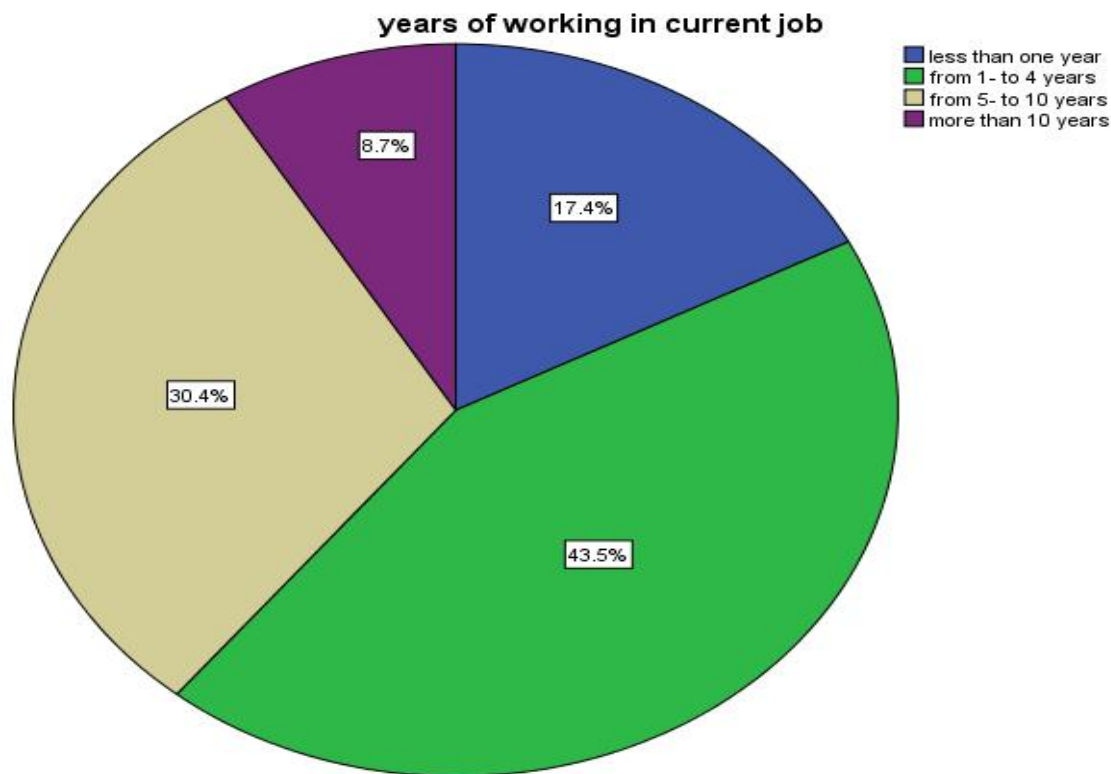
247 From the above table, it is clearly seen that 17.4% work less than 1 year in the current job in HR,
248 whereas 43.5% working years between 1-4 years, while 30.4% work from 5- to 10 years, where
249 8.7% work for more than 10 years.

250 Thus, it obvious that the majority of participants work in the current job from 1-4 years, and they
251 represented 43.5% of the total.

252

253

254



255

256

257 Fig. No.4, sample distributed according to working years in the current job.

258

259

260

261

262

263

264

265

266

267

268 Table No.6, sample distributed according to education level .

269

| education | | | | | |
|------------------|--------------|-----------|---------|------------------|-----------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| | Bachelor | 32 | 69.6 | 69.6 | 69.6 |
| | Master | 4 | 8.7 | 8.7 | 78.3 |
| | diploma | 4 | 8.7 | 8.7 | 87.0 |
| | secondary | 2 | 4.3 | 4.3 | 91.3 |
| | high diploma | 2 | 4.3 | 4.3 | 95.7 |
| | Phd | 2 | 4.3 | 4.3 | 100.0 |
| | Total | 46 | 100.0 | 100.0 | |

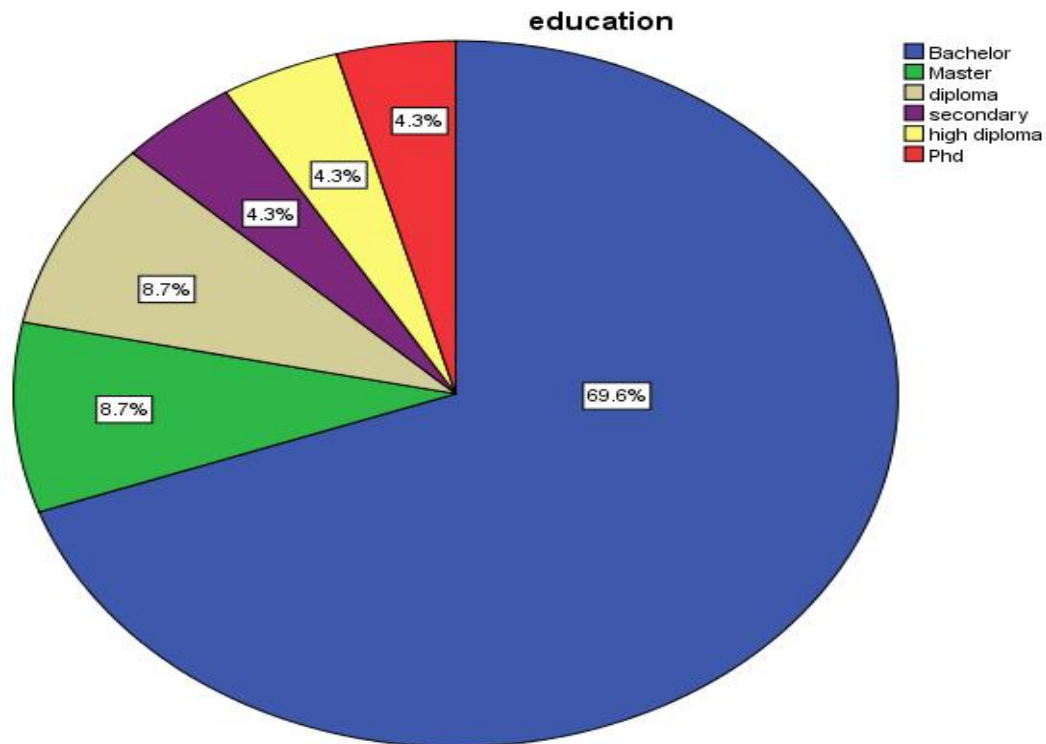
270

271 From the above statistics, it is obvious that the majority of the participants education level is

272 bachelor degree, whereas 8.7% hold master degree, while 8.7% diploma, where 4.3% for

273 secondary , high diploma and Phd. Successively.

274



275

276

277 Fig. No.5, sample distributed according to education level.

278

279

280 3. determining the competencies, skills and characteristics available to HR professionals.

281 Table No.7, shows the most important competencies, skills, and characteristics that HR

282 professionals possessed to work as strategic partner to executive management in the their

283 companies.

| Competencies, skills | Frequencies | Percent % |
|----------------------|-------------|-----------|
| Leadership | 6 | 13.0 |
| Communication skills | 2 | 4.3 |
| Strategic planning | 7 | 15.2 |

| | | |
|----------------------|----|-------|
| Interpersonal skills | 25 | 54.3 |
| Working experience | 6 | 13.0 |
| Total | 46 | 100.0 |

284

285 From table No.7, it is obviously seen that one of the most important competency that HR
 286 professional possess in order to work as professional in HR, is the interpersonal skills with
 287 54.3%, followed by strategic planning with 15.2% , while working experience and leadership
 288 have comes in the same rating with 13.0% each, whereas only 4.3% for communication skills.

289

290 Table No.8, shows correlation relationship between competencies & skills of HR professional
 291 and salary .

| | Correlation coefficient | P-value |
|--|-------------------------|---------|
| | -0.385** | 0.01 |

292 ** correlation is significant at the (0.01) level.

293 From the above table, it is obviously seen that the value of Person's correlation coefficient is
 294 reaching (-0.385) with negative sign and statistically significant at (0.01), which indicated that
 295 there is a significant inverse relationship between competencies, skills and the salary. That
 296 means, the salary has negative effects on HR professionals to possess the needed competencies .

297

298

299

300 Table No.9, shows the most important competencies, skills, and characteristics that company
 301 take into consideration when selecting, rewarding, and promoting HR professionals to work as
 302 strategic partner to executive management in the corporate.

| | Frequencies | Percent % |
|-----------------------------|-------------|-----------|
| Knowledge competencies | 18 | 39.1 |
| Management relationship | 6 | 13.0 |
| Organizational competencies | 15 | 32.6 |
| Evaluation competencies | 7 | 15.3 |
| Total | 46 | 100.0 |

303
 304 From table No.9, it is obviously seen that the most important competency that the company take
 305 into consideration when selecting, recruiting a human resources professionals is the
 306 knowledge competency with the percent 39.1%, followed by organizational competency
 307 with 32.6% , while evaluation competencies come in the third rating with 15.3%, then
 308 management relationship with 13.0%.
 309 Hence, we conclude that the most important competencies for companies when selecting,
 310 recruiting HR, are the knowledge competencies and organizational competencies.

311
 312 Table No. 10, participants attitudes in concern with the extent of importance of the
 313 competencies to enable HR professionals to be effective in practicing the following strategies,
 314 activities that drive the firm performance .

| Strategies & activities | High | Extremely moderate | Moderate | Less moderate | Low | average |
|-------------------------|------|--------------------|----------|---------------|-----|---------|
| | | | | | | |

| | | | | | | |
|--|----------|----------|----------|----------|----------|------|
| | | | | e | | |
| understanding the business | 16(34.8) | 12(26.1) | 12(26.1) | 5(10.9) | 1(2.2) | 3.80 |
| deliver human resources practices | 12(26.1) | 8(17.4) | 20(43.5) | 4(8.7) | 2(4.3) | 3.52 |
| manage changes effectively | 16(34.8) | 11(23.9) | 13(28.3) | 4(8.7) | 2(4.3) | 3.76 |
| manage cultures effectively | 10(21.7) | 8(17.4) | 19(41.3) | 7(15.2) | 2(4.3) | 3.37 |
| participates in strategic planning | 16(34.8) | 8(17.4) | 10(21.7) | 10(21.7) | 2(4.3) | 3.57 |
| possesses adequate technical competencies in HR | 20(43.5) | 9(19.6) | 14(30.4) | 2(4.3) | 1(2.2) | 3.98 |
| possesses adequate competencies in OD | 6(13.0) | 6(13.0) | 10(21.7) | 3(6.5) | 0(0.0) | 3.60 |
| understand and uses management accounting concepts and practices | 14(30.4) | 10(21.7) | 12(26.1) | 8(17.4) | 2(4.3) | 3.57 |
| understands and uses marketing strategies | 8(17.4) | 7(15.2) | 13(28.3) | 11(23.9) | 7(15.2) | 2.96 |
| measures HR practices to determine effectiveness | 10(21.7) | 12(26.1) | 14(30.4) | 7(15.2) | 3(6.5) | 3.41 |
| stays abreast with applicable research findings | 7(15.2) | 6(13.0) | 13(28.3) | 14(30.4) | 6(13.0) | 2.87 |
| reads academic and | 7(15.2) | 8(17.4) | 10(21.7) | 10(21.7) | 11(23.9) | 2.78 |

| | | | | | | |
|---|--|--|--|--|--|-------------|
| practitioner journals on a regular basis | | | | | | |
| Total | | | | | | 3.43 |

315

316 The statistics in the above table shows the participants responses concerning the importance of
 317 the of competencies and skills that HR professionals should possess to practice the strategies,
 318 activities to work as strategic partners with the senior managers in company, the statistics have
 319 shown that the competencies, skills are extremely moderate important for HR professionals in
 320 Saudi Arabia firms to implement the following strategies and activities:

321 ▪ possesses adequate technical competencies in HR.

322 ▪ understanding the business.

323 ▪ manage changes effectively.

324 ▪ participates in strategic planning.

325 The previous responses are supported by the average means values comes as follows : (3.98,
 326 3.80, 3.76, 3.60, and 3.57).

327 Moreover the competencies and skills are moderately important to HR professionals to
 328 implement the following strategies and activities:

329 ▪ understands and uses marketing strategies

330 ▪ stays abreast with applicable research findings

331 ▪ reads academic and practitioner journals on a regular basis

332 the responses to the above items of strategies and activities are supported by the average means
 333 values (2.96, 2.87, and 2.78) .

334 Thus, we conclude that HR professionals or the management in Saudi firms don't take careful
 335 attention to the competencies, skills HR professionals must possess to help in implementing the
 336 strategies and activities that make the firms succeed.

337 table No.11, sample attitudes in concern of the extent of availability of competencies, skills for
 338 HR professionals to implement the strategies, activities that considered as standard to HR
 339 professionalism .

| Strategies & activities | High | Extremely moderate | moderate | Less moderate | Low | average |
|--|----------|--------------------|----------|---------------|---------|---------|
| understanding the business | 10(21.7) | 14(30.4) | 14(30.4) | 4(8.7) | 4(8.7) | 3.48 |
| deliver human resources practices | 7(15.2) | 14(30.4) | 14(30.4) | 6(13.0) | 5(10.9) | 3.26 |
| manage changes effectively | 9(19.6) | 16(34.8) | 15(32.6) | 1(2.2) | 5(10.9) | 3.50 |
| manage cultures effectively | 9(19.6) | 8(17.4) | 14(30.4) | 8(17.4) | 7(15.2) | 3.09 |
| participates in strategic planning | 8(17.4) | 11(23.9) | 11(23.9) | 10(21.7) | 6(13.0) | 3.11 |
| possesses adequate technical competencies in HR | 9(19.6) | 13(28.3) | 14(30.4) | 7(15.2) | 3(6.5) | 3.39 |
| possesses adequate competencies in OD | 2(4.3) | 7(15.2) | 10(21.7) | 5(10.9) | 0(0.0) | 3.25 |
| understand and uses management accounting concepts and practices | 9(19.6) | 9(19.6) | 13(28.3) | 10(21.7) | 5(10.9) | 3.15 |
| understands and uses | 4(8.7) | 7(15.2) | 14(30.4) | 14(30.4) | 7(15.2) | 2.72 |

| | | | | | | |
|---|---------|----------|----------|----------|----------|-------------|
| marketing strategies | | | | | | |
| measures HR practices to determine effectiveness | 2(4.3) | 11(23.9) | 16(34.8) | 10(21.7) | 7(15.2) | 2.80 |
| stays abreast with applicable research findings | 1(2.2) | 8(17.4) | 12(26.1) | 11(23.9) | 14(30.4) | 2.37 |
| reads academic and practitioner journals on a regular basis | 6(13.0) | 6(13.0) | 6(13.0) | 9(19.6) | 19(41.3) | 2.37 |
| Total | | | | | | 3.04 |

340

341 The statistics in table No.11, displays the participants responses concerning extent of availability
342 of competencies, skills and personal experiences for HR professionals to implement the
343 strategies, activities that considered as standard to HR professionalism. The statistics have shown
344 that the only competencies, skills that are extremely moderate available for HR professionals in
345 Saudi Arabia firms related to the following strategies and activities: manage changes effectively,
346 and understanding the business.

347 While the competencies, skills to implement the following strategies and activities are
348 moderately available as the means value ranged between (3.39 –to 2.72) :

- 349 ▪ possesses adequate technical competencies in HR
- 350 ▪ deliver human resources practices
- 351 ▪ possesses adequate competencies in OD
- 352 ▪ understand and uses management accounting concepts and practices
- 353 ▪ participates in strategic planning

- 354 ▪ manage cultures effectively
- 355 ▪ measures HR practices to determine effectiveness
- 356 ▪ understands and uses marketing strategies
- 357 ▪ also from table No.11, we noticed that the competencies including : stays abreast with
- 358 applicable research findings, and reads academic and practitioner journals on a regular basis,
- 359 are less moderately available to HR professional working in Saudi firms.

360

361

362 Table No.12, explain the estimated time in percentages the HR professional stays in thinking

363 about and practicing the following tasks :

| Tasks | Average mean | Standard deviation | Std. Error |
|---|-----------------|-----------------------|---------------|
| change agent | 7.85 | 5.9 | 1.6 |
| administrative tasks | 34.1 | 18.6 | 2.8 |
| staffing | 19.0 | 15.7 | 2.6 |
| compensation | 11.4 | 10.5 | 2.2 |
| assessing organizational needs | 8.7 | 7.1 | 1.4 |
| design HR strategies and initiatives | 9.2 | 6.9 | 1.3 |
| implementing HR strategies and initiatives | 11.3 | 7.4 | 1.3 |
| serving as an internal consultant | 8.8 | 9.9 | 2.7 |
| intervene with legal issues | 12.1 | 11.6 | 3.0 |
| partnership with senior executives on strategy formulation | 10.7 | 6.5 | 1.5 |

| | | | |
|------------------------------------|------|------|-----|
| engaged with labor relation issues | 16.6 | 13.1 | 2.6 |
| other tasks | 17.9 | 9.7 | 2.5 |

364 The above statistics showed the average estimated time the human resources professional stays
 365 in practicing the above tasks, and it is obviously seen that the most important tasks the human
 366 resources professional spent time to practice include : administrative tasks, staffing , other task,
 367 and engagement with labor relation issues.

368 Table No.13 Examining relationship between competencies and number of years working
 369 experience in Human resources management

370

| Chi-Square Tests | | | |
|---------------------------------|--------------------|----|-----------------------|
| | Value | df | Asymp. Sig. (2-sided) |
| Pearson Chi-Square | 9.569 ^a | 12 | .654 |
| Likelihood Ratio | 12.374 | 12 | .416 |
| Linear-by-Linear Association | .004 | 1 | .948 |
| N of Valid Cases | 46 | | |

371 From the above table we noticed that as the value of Person Chi-Square is equal to (9.57)
 372 approximately and statistically not significant at (0.654), this indicated that there is no significant
 373 correlation relationship between the competencies , skills that assumed to be possessed by human
 374 resources professionals and their working experiences. This also mean that the working
 375 experience has no effect on the possess of HR professional to the required competencies help
 376 them to carry their tasks, and responsibilities.

377 Also we examine if there are significant differences between competencies related to working
 378 years experiences as shown in ANOVA table No.14 below:

379 Table No.14, analysis of variances results

| ANOVA | | | | | |
|---|----------------|----|-------------|------|------|
| competencies required for HR professional | | | | | |
| | Sum of Squares | df | Mean Square | F | Sig. |
| Between Groups | 52.300 | 15 | 3.487 | .486 | .913 |
| Within Groups | 107.700 | 15 | 7.180 | | |
| Total | 160.000 | 30 | | | |

380 From the above table , it is clearly seen when conducting analysis of variances techniques to
 381 detect if there are significant variation between HR professionals possessing of competencies
 382 attributed to differences of working experiences, it obvious that there is no significant variations
 383 as the F value is equal to (0.486) and statistically not significant .

384

385

386

387

388 Table No.15 Examining relationship between competencies and education level .

389 To test for this relation between competencies and education level, Chi-Square technique has
 390 been performed as shown in the below table :

391

| Chi-Square Tests | | | |
|---------------------------------|---------------------|----|-----------------------|
| | Value | df | Asymp. Sig. (2-sided) |
| Pearson Chi-Square | 31.555 ^a | 20 | .048 |
| Likelihood Ratio | 25.754 | 20 | .174 |
| Linear-by-Linear Association | 3.537 | 1 | .060 |
| N of Valid Cases | 46 | | |

392

393 From the statistics, we noticed that the value of Person Chi-Square is equal to (32.56) with
 394 significant level less than (0.05) , therefore, we conclude that there is a significant relationship
 395 between the education level and competencies availability to HR professionals. This means that
 396 as the human resources professionals acquired high level of education they are supposed to have
 397 sufficient competencies help to manage to human resources in the company and participate
 398 actively in the all activities.

399

400 Table No.16, testing the relationship between scores on competencies and the abilities of HR
 401 professionals to implement the strategies and activities related to their jobs.

| Correlations | | | |
|--|------------------------|---|--|
| | | average scores of strategies and activities | Total scores of human resources possessing of competencies |
| average scores of strategies and activities | Pearson Correlation | 1 | -.543- ^{**} |

| | | | |
|---|---------------------|---------------------|------|
| | Sig. (2-tailed) | | .001 |
| | N | 46 | 32 |
| Total scores of human resources possessing of competencies | Pearson Correlation | -.543 ^{**} | 1 |
| | Sig. (2-tailed) | .001 | |
| | N | 32 | 32 |
| ** . Correlation is significant at the 0.01 level (2-tailed). | | | |

402

403 From the above table, it is obviously seen that the Person Correlation coefficient is equal to
 404 (0.543-) at significant level less than (0.01) , this indicated that there is a negative relationship
 405 between statistically significant at the (0.01) level . This may be interpreted as that low
 406 possessing of the required competencies has a negative effect on HR professionals to carry on
 407 their assigned tasks and responsibilities.

408 Thus we conclude that HR professionals in Saudi organization don't possess the required
 409 competencies that support them to implement the strategies and activities, and thus they are
 410 unable to work as strategic partners in the companies they work for .

411

412 **Final findings :**

413 Based on data analysis of the study, we concluded with the following findings:

414 1. The study revealed that the most important competency that HR professionals possessed is
 415 the interpersonal skills with 54.3% percent.

416 2. The study detected that there is a statistically significant and inverse correlation relationship
 417 between competencies, and salaries obtained by HR in their organizations at (0.01) significant

418 level. That means, the salaries affect negatively on HR professionals to possess the needed
419 competencies.

420 3. The study showed that the most important competencies participants employers' emphasize
421 and take into consideration in various employment practice (selection, recruitment,
422 promotion) are knowledgement and organizational competencies, with 39.1%, and 32.6%
423 successively .

424

425 4. In response to the importance of competencies that HR professionals should possess to
426 practice the specific strategies, activities and work as strategic partners with the senior
427 executives in the firm, the study showed that competencies, are extremely moderate important
428 for HR professionals in Saudi Arabia firms to implement the following strategies and
429 activities:

- 430 ▪ possesses adequate technical competencies in HR.
- 431 ▪ understanding the business.
- 432 ▪ manage changes effectively.
- 433 ▪ participates in strategic planning.

434

435 5. The study revealed that the competencies including: stays abreast with applicable research
436 findings, and reads academic and practitioner journals on a regular basis, are less moderately
437 available to HR professional working in Saudi firms. Where for implementation of other
438 strategies are extremely moderate and moderate.

439

440 6. The study clarified that, most important tasks the human resources professional spent time
441 to practice include: administrative tasks, staffing , other task, and engagement with labor
442 relation issues.

443
444 7. The study didn't detect any significant correlation relationship between the competencies,
445 skills that assumed to be possessed by human resources professionals and their working
446 experiences. This also means that the working experience has no effect on possessing of HR
447 professional to the required competencies help them to carry their tasks, and responsibilities.

448
449 8. The results proved that there is a significant relationship between the education level and
450 competencies availability to HR professionals. This means that as the human resources
451 professionals acquired higher level of education they are supposed to have sufficient
452 competencies help to manage to human resources in the company and participate actively in
453 the all activities.

454
455
456 9. When testing to find if there is a significant relationship between Total scores of human
457 resources possessing of competencies, and the level of availability of competencies to
458 implement strategies and activities that assumed as standard to HR professionalism, the study
459 showed that there is an inverse correlation relationship .

460

461

462

463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486

Discussions and Conclusion

It is suggested that high performing HR professionals think and act from outside/in which means that HR must turn outside business trends and stakeholder expectations into internal actions. Effective HR professionals are reportedly credible activists which involve doing what they promise, building personal trust relationships and being relied on (Ulrich, Younger, Brockbank et al., 2012). As Saudi Arabia continues to focus on strategic HR and building organizational capabilities through people, the HR function becomes an even more critical player.

Although the **strategic** human resource management literature has emphasized the value of the integration of human resource management into **strategic** management, the mechanism through which the **strategic** integration of **HR** functions contributes to the improvement of firm performance is relatively unknown (Kim & Sung-Choon, 2013). This paper helps to provide some understanding of HR in Saudi Arabia and critically, areas in which HR professionals should be focusing on to become strategic business partners.

Strategic participation is important for HR professionals who wish to have increased influence in their organizations (Uen, Ahlstrom, Chen, & Tseng, 2012). In future studies, we intend to examine how different HR practices in Saudi organizations impact firm performance and to also examine the demographics of HR professionals and the relationships to their performance.

With the results, it is the hope that HR practitioners will be able to utilize the information to enhance practices in organizations to enhance firm competitiveness and researchers will be able to build on this knowledge base to create additional new knowledge on HR competencies and the impact on firm performance.

487

REFERENCES

488

- 489 Achoui, M. M. (2009). Human resource development in Gulf countries: an analysis of the trends
490 and challenges facing Saudi Arabia. *Human Resource Development International*, 12(1),
491 35-46.
- 492 Becker, B., & Huselid, M. (1998). High performance work systems and firm performance: A
493 synthesis of research and managerial implications. *Research in Personnel and Human
494 Resources Management*, 16, 53-101.
- 495 Becker, B., Huselid, M., & Ulrich, D. (2001). *The HR Scorecard: Linking People, Strategy, and
496 Performance*. Boston: Harvard Business School Press.
- 497 Boudreau, J., & Ramstad, P. (2003). *From Professional Business Partner to Strategic Talent
498 Leader: What's Next For Human Resource Management*. Ithaca, NY: Cornell Center for
499 Advanced Human Resource Studies.
- 500 Brockbank, W., Ulrich, D., & Beatty, R. (1999). The Professional Development: Creating the
501 Future Creators at the University of Michigan Business School. *Human Resource
502 Management*, 38(2), 111-118.
- 503 Brockbank, W., Ulrich, D., & James, C. (1997). *Trends in human resource competencies*. Ann
504 Arbor: University of Michigan School of Business.
- 505 Gall, M., Borg, W., & Gall, J. (1996). *Educational Research* (6th ed.). White Plains, NY:
506 Longman Publishers.
- 507 Giannantonio, C., & Amy. (2002). Executive insights into HR practices and education. *Human
508 Resource Management Review*, 12, 491-511.
- 509 Jain, S., & Anjuman, A. S. S. (2013). Facilitating the Acquisition of Soft Skills Through
510 Training. *IUP Journal of Soft Skills*, 7(2), 32-39.
- 511 Kim, H., & Sung-Choon, K. (2013). Strategic HR functions and firm performance: The
512 moderating effects of high-involvement work practices. *Asia Pacific Journal of
513 Management*, 30(1), 91-113.
- 514 Long, C. S., Wan Ismail, W. K., & Amin, S. M. (2013). The role of change agent as mediator in
515 the relationship between HR competencies and organizational performance. *International
516 Journal of Human Resource Management*, 24(10), 2019-2033.
- 517 Moldovan, O. (2011). MODERN CONCEPTS IN HUMAN RESOURCES MANAGEMENT.
518 *Review of Management & Economic Engineering*, 10(2), 109-114.
- 519 Muduli, A. (2012). Business Strategy, SHRM, HR Outcome and Organizational Performance:
520 Evidence From an Indian Industry. *Global Management Journal*, 4(1/2), 111-125.
- 521 Rothwell, W., & Wellins, R. (2004). Mapping Your Future: Putting New Competencies to Work
522 For You. *T+D*, 58(5), 1-9.
- 523 Uen, J. F., Ahlstrom, D., Chen, S.-Y., & Tseng, P.-W. (2012). Increasing HR's strategic
524 participation: The effect of HR service quality and contribution expectations. *Human
525 Resource Management*, 51(1), 3-23.
- 526 Ulrich, D., & Beatty, D. (2001). From Partners to Players: Extending the HR Playing Field.
527 *Human Resource Management*, 40(4), 293-308.
- 528 Ulrich, D., Younger, J., & Brockbank, W. (2012). HR Competency. *Leadership Excellence*,
529 29(8), 17.

- 530 Ulrich, D., Younger, J., Brockbank, W., & Ulrich, M. (2012). competencies for HR
531 professionals. *Human Resources Magazine*, 17(3), 2-4.
- 532 Wright, Dunford, & Snell. (2001). Human resources and the resource-based view of the firm.
533 *Journal of Management*, 27, 701-721.
- 534 Wright, P., & McMahan, G. (2011). Exploring human capital: putting 'human' back into strategic
535 human resource management. *Human Resource Management Journal*, 21(2), 93-104.
- 536 Wright, P., McMahan, G., Snell, S., & Gerhart, B. (2001). Comparing Line and HR Executives'
537 Perceptions of HR Effectiveness: Services, Roles, and Contributions. *Human Resource*
538 *Management*, 40(2), 111-123.
- 539 Yeung, A., Woolcock, P., & Sullivan, J. (1996). Identifying and Developing Competencies for
540 the Future. *Human Resource Planning*, 19(4), 48-58.
- 541 Zaugg, R., & Thom, N. (2003). Excellence through implicit competencies: Human resource
542 management--organisational development--knowledge creation. *Journal of Change*
543 *Management*, 3(3), 199 - 212.
- 544
- 545
- 546
- 547
- 548
- 549

550

551

HR COMPETENCIES SURVEY

552

553 Dear HR professional,

554 This survey is intended to collect data on HR competencies and to help with the understanding of

555 how specific competencies relate to career growth, compensation, and individual and firm

556 performance among other factors.

557

558 The information provided is strictly confidential and at no time will your name or your

559 organization's identity be identified. The results of this study shall be made available to you

560 upon completion.

561

562 Thank you for your participation.

563

564 KAU research team

565

566

567

HR COMPETENCIES SURVEY

568

569 Personal Information:

570

571

572

1. Please identify which category best describes your current position:

573

574 2. Please identify which industry classification best describes organization:

575

576 3. How many years have you worked in HR?

577

578

579 4. How many years have you been working in your current position?

580

581

582 5. What is the highest educational attainment?

583

584

585 6. In your opinion, what competencies, skills, traits, and attributes **should** HRM

586 professionals possess to effectively serve as strategic business partners? *(Please list as*

587 *many as necessary)*

588

a.

589

b.

590

c.

591

d.

592

593

594 7. What competencies does your company emphasize in selecting, rewarding, and

595 promoting HR employees?

- 596 a.
- 597 b.
- 598 c.
- 599 d.

600
601

602 8. Please list your annual salary. \$ -----

603 *(This is to determine the relationship, if any, between particular competencies and*
604 *compensation)*

605

606 9. Please list the level of importance you place on the following items and your level of
607 expertise for the respective question:

| Item | Importance 1 – Low; 5 High | Personal Expertise 1 – Low; 5 High |
|------|-------------------------------|--|
|------|-------------------------------|--|

608

| | | | | | | | |
|------------------------------------|--|--|--|--|--|--|--|
| 1. Understands the business | | | | | | | |
| 2. Delivers HR practices | | | | | | | |
| 3. Manages changes | | | | | | | |

| | | | | | | |
|---|--|--|--|--|--|--|
| effectively | | | | | | |
| 4. Manages culture effectively | | | | | | |
| 5. Participates in strategic planning | | | | | | |
| 6. Possesses adequate technical competence in HR | | | | | | |
| 7. Possesses adequate competence in OD | | | | | | |
| 8. Understands and uses management accounting concepts and practices | | | | | | |
| 9. Understands and uses marketing strategies | | | | | | |
| 10. Measures HR practices to determine | | | | | | |

| | | | | | | |
|--|--|--|--|--|--|--|
| effectiveness | | | | | | |
| 11. Stays abreast with applicable research findings | | | | | | |
| 12. Reads academic and practitioner journals on a regular basis | | | | | | |

609

610

611 13. On a weekly basis, please list the percentage of your time spent on the following tasks.

612 *(The total should be 100%)*

613

614

615 • Change agent

616 • Administrative tasks

617 • Staffing

618 • Compensation

619 • Assessing organizational needs

620 • Designing HR strategies and initiatives

621 • Implementing HR strategies and initiatives

622 • Serving as an internal consultant

623 • Intervene with legal issues

624 • Partnering with senior executives on strategy formulation

625 • Engaged with labor relations issues

626 • Other tasks (please identify)

627

628 We sincerely thank you for taking the time to participate in this survey.

629