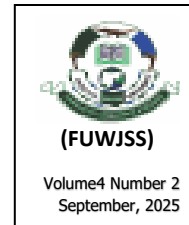


# **HUMAN RESOURCE MANAGEMENT PRACTICES AND ORGANIZATIONAL PERFORMANCE OF PUBLIC UNIVERSITIES IN OSUN STATE, NIGERIA**



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## **Abstract**

This study investigates the effect of human resource management practices (HRMP) on the organizational performance of selected public universities in Osun State. Specifically, it focuses on the practices of: compensation, recruitment and selection. Data for the study emerged through primary sources involving structured questionnaires. Findings reveal that recruitment and selection, as well as compensation practices significantly influence organizational performance in public universities of Osun State. Also, findings demonstrate a strong consensus that appointments in public universities of Osun State are predominantly based on merit. However, findings revealed significant variability regarding the methods used to attract candidates. The study concludes that human resource management (HRM) practices in public universities of Osun State which relate to recruitment, selection, and reward systems are instrumental in enhancing organizational performance in these institutions. That is, individuals with the right skills, knowledge, and attitudes are often recruited in these institutions and this explains why the workforce in these institutions is committed, motivated, and high-performing. Consequently, human resource (HR) professionals, in collaboration with line managers, such as Heads of Departments, should continue to oversee recruitment and selection processes in these institutions in order to ensure the employment of individuals with the appropriate skills, attitudes, and knowledge.

**Keywords:** Human resource management, motivation, skills, knowledge, public universities

## Introduction

Academic institutions, particularly universities, serve as pivotal engines for developing a nation's human capital, playing a critical role in shaping intellectual growth and fostering knowledge economies (Malik, 2010). Human Resource Management (HRM) is indispensable for the effective functioning of both private and public organizations, including universities. HRM encompasses a range of essential functions, such as employee recruitment, planning workforce needs, determining wages and salaries, resolving workplace disputes, and creating safe and conducive work environments (Bowen & Ostroff, 2014). These functions are instrumental in optimizing resource utilization and promoting the holistic development of employees, enhancing both their professional and personal growth.

Effective HRM practices contribute significantly to organizational performance by fostering a high-quality work environment, cultivating professionalism, and building employees' skills and expertise. Recognizing the centrality of HRM, many organizations have established dedicated HR departments to address the evolving challenges of workforce management in modern organizational contexts (Cooke, 2015). One of the fundamental goals of HRM is to enhance employees' quality of work life, which includes ensuring dignity, career advancement, and fostering collaboration to achieve organizational goals.

While substantial evidence highlights the critical role of HRM in organizational success, its impact on the performance of Nigerian public universities has received limited research attention. These universities face unique challenges, including frequent strike actions driven by concerns over employee welfare. Strikes often stem from state and federal governments establishing new universities and employing additional staff without adequately addressing their welfare needs (Bowen & Ostroff, 2004). Compounding this issue is the inconsistent adherence to HRM best practices in recruitment and other HR activities (Abubakar, 2022). Such inadequacies hinder employee productivity and overall institutional effectiveness. To address these challenges, there is an urgent need to implement effective HRM practices that can enhance the organizational performance of Nigerian public universities. This study seeks to contribute to the literature by exploring the relationship between HRM practices and organizational performance, with a specific focus on two public universities in Osun State: Osun State University Osogbo, University of Ilesha Osun State, and Obafemi Awolowo University, Ile-Ife. By evaluating whether HRM practices positively influence performance, this research aims to provide actionable insights for improving the management and operational efficiency of Nigerian public universities.

Academic institutions, especially universities, are the sources of a nation's knowledgeable human resources and are solely responsible for educating and developing the intellect of nations (Malik, 2010). Human Resource Management is an indispensable function for both the private and public sector organizations. Human resource management works in diverse area like conducting of job interviews, planning the employee's needs and recruitment, determination of wages and salaries, resolving the disputes and creating better working and safety environment for the employees (Bowen & Ostroff, 2014).

The organization uses its human resource management for the proper utilization of resources. Additionally, the department has a significant impact on workers' entire development by fostering their professional and personal development. On the other hand, it aids in enhancing employees' professional abilities and expertise. Employees who use human resource management practices have a high-quality work environment. As a result, it is clear how important human resource management is to the effectiveness of an organization. Many businesses have formed human resource management departments because they recognize the importance of these departments in the modern business environment (Cooke, 2015). Providing employees with a good work life is the main goal of the organization's human resource management. The actions that foster an employee's dignity and advancement inside the company can be characterized as the quality of their work life. It facilitates employee collaboration within the company as well as the actions, adjustments, and enhancements required to meet objectives, enhance quality of life, and increase organizational efficacy. Higher performance plays a significant significance in the field of human resource management. While research indicates that human resource management is essential for organizational implementation, the effect of efficient HRM on organizational performance is a topic that receives relatively little attention.

Moreover, little research is available in Nigerian public universities perspective which sheds light on the role of human resource management practices on the performance of Nigerian public universities. In the recent times, the Nigerian public universities have been bedeviled with consistent strike actions, these strike actions are channeled to their employers (the states and federal government), one of the major reasons for the strikes actions is employee welfare because the employers politically create more public universities and employs more employees without adequate concern on their welfare. (Bowen & Ostroff, 2004). On the other hand, most of the public universities do their employment without following the due process of human resource management practices (Abubakar, 2022). These problems hamper the overall performance of the employees and the

universities. There is need to boost the organizational performance of Nigerian public universities with the implementation of effective human resources management practices. This study is quite significant in that regard. The study will enhance the literature on the human resource management practices and organizational performance in Nigerian Public universities perspective. The study will evaluate whether there is positive and significant relationship between human resources practices and organizational performance in public universities in Abia state specifically Michael Okpara University of Agricultural Umudike and Abia State University, Uturu.

In Nigeria, a major challenge facing public universities today is financial constraint. According to budgetary statistics, the government's subsidy to the education sector has significantly decreased when compared to the UNESCO benchmark for developing nations. This has resulted in severely inadequate facilities for teaching and research, which are the cornerstones of university performance, as well as insufficient infrastructure (Ajadi, 2022). Given the impact on students and the public, the ongoing strike activities by various unions at public institutions due to the government's non-fulfillment of numerous agreements have also drawn the attention of the public.

Due to the unfavorable working conditions and relatively low compensation, there is a shortage of experienced academics because many have moved to other countries with far better working conditions (Ojokuku, 2013). The difficulty for the institutions is how to keep and sustain the current personnel while raising their performance levels. Furthermore, it must be acknowledged that HRM researchers have focused relatively little on Nigerian public universities since they have long believed that public institutions are influenced politically (Zakaria, 2013).

However, since public universities are not operating as private sector firms, and they have their unique characteristics and face different challenges, the findings of HRM research in private sector organizations cannot be generalized, in a wholesale manner, to public universities (Nguyen and Bryant, 2004; Kwang, Songan, and Kian, 2008; and Barret and Mason, 2006). There is therefore the need for a shift of focus to HRM practices in public universities, in view of the limited understanding of the significant roles of HRM in public universities firms (Cardon and Steven, 2021). Furthermore, given their political influence, financial constraints and other resource limitations, public universities too, are directing increasing attention to how they can utilize other available resources more efficiently and effectively (Gallego, 2021). Against the backdrop of the increasing realization of the vital contribution of HR practices to higher organizational performance, this study examined the impact of HRM practices on organizational performance of public universities in Abia State Nigeria,

specifically Michael Okpara University of Agricultural Umudike and Abia State University, Uturu. The reason for the choice of public universities is because of the consistent employee strikes actions of Nigerian public universities which affects the academic activities of the two public universities in Abia state. The dependent variable of the study is the organizational performance, while the independent variable selected human resource management Practices, specifically, Recruitment and Selection and Compensation. The period for the study is 2012-2023.

### **Conceptualizing Human Resource Management**

Human Resource Management (HRM) is not solely about the efficient administration of an organization's workforce but also focuses on employee job satisfaction and motivation to achieve better results. As such, HRM aims to optimize the individual potential of employees to fulfill organizational goals. HRM is crucial because human resources possess the unique ability to transform other resources—such as capital, technology, materials, and machinery—into products or services. Thus, a well-structured HRM system is essential in today's dynamic world.

From a contemporary perspective, HRM is defined as a systematic process of recruiting and managing human capital to help an organization meet its objectives. HRM is concerned not only with organizational needs but also with the well-being of employees, incorporating recruitment, development, motivation, and maintenance of human resources. It ensures that the right people are selected for the right jobs, at the right time, in a constantly evolving environment. According to Schuler & Jackson (2021), Schuler & Macmillan (2021), and Wright & Snell (2017), HRM involves activities that ensure the proper allocation of human resources to fulfill organizational goals. The performance of an organization heavily depends on the efficiency of its human resources. A comprehensive HRM system includes recruitment, training, development, motivation, manpower planning, performance evaluation, industrial relations, and compensation management. Additionally, HRM focuses on developing the skills, abilities, and knowledge of employees to ensure they perform their duties effectively and efficiently. The core functions of HRM are acquisition, development, maintenance, and motivation, which are critical to achieving organizational objectives.

### **Selected Human Resource Management Practices**

#### *Recruitment and Selection*

Organizations offer a wide range of job opportunities, and HRM recruits employees based on merit and skills. Recruitment and selection are vital

HRM activities for managing an organization's human resources (Becker & Huselid, 1992). Effective recruitment is complex, aligning with the strategic goals of the enterprise. The recruitment process generally includes attracting the right candidates, assessing applicants, and selecting the best-fit candidates. An effective recruitment program identifies job requirements through job analysis and generates a pool of applicants from internal and external sources (Stone, 2011).

The selection process identifies candidates with the necessary skills, abilities, and other qualities that match the job requirements. It typically involves screening applicants, testing their abilities, interviewing top candidates, checking references, and making hiring decisions (Dessler, 2012). Feedback is then provided to applicants.

### *Compensation*

In this study, compensation refers to the remuneration or pay employees receive for their work (Shields, 2007). It includes direct compensation, such as base pay, merit pay, incentive pay, and deferred pay (Baker et al., 1988; Fisher, 2006). Incentive pay, such as bonuses, commissions, and profit-sharing, links pay to performance and has both advantages and disadvantages (Baker, 1988; Noe, 2011). Benefits, like social security contributions and retirement plans, are vital for employees' long-term financial well-being (Noe, 2011). A well-structured compensation system motivates higher job performance and enhances organizational effectiveness (Delaney & Huselid, 1996). It helps attract the right talent and retain top employees by rewarding their contributions and motivating them to perform at their best (Shields, 2007).

### **Organizational Performance in Strategic HRM**

Organizational performance refers to the actual output or results of an organization, measured against its intended goals and objectives. Richard (2021) identifies three key areas of firm performance: financial performance (profits, return on assets, return on investment), product market performance (sales, market share), and shareholder returns (total shareholder return, economic value added). Wright and McMahan (1992) define strategic HRM as the pattern of planned human resource activities intended to help a firm achieve its goals, ultimately contributing to organizational performance.

Research in strategic HRM often seeks to determine how HR practices contribute to firm financial performance (Dyer & Reeves, 1995; Wright & Sherman, 2021). Dyer and Reeves (1995) proposed four types of organizational performance metrics within strategic HRM:

1. HR outcomes (turnover, absenteeism, job satisfaction)
2. Organizational outcomes (productivity, quality, service)

3. Financial outcomes (ROA, profitability)
4. Capital market outcomes (stock price, growth, returns)

This study uses HR outcomes—such as turnover, absenteeism, and job satisfaction—as indicators of organizational performance.

### **Theoretical Framework**

This study adopts the Strategic Human Resource Management (SHRM) theory as its theoretical framework. SHRM theory posits that human capital is strategically critical to enterprise success, emphasizing the integration of strategic planning with human resource (HR) planning. This approach explores the role of HR in supporting business strategies, as initially proposed by scholars like Wright (2001). Tichy, Fombrun, and Devanna (1981) assert that an enterprise's strategy involves utilizing available resources to achieve its mission, goals, and objectives. Similarly, Barney (2001) defines strategy as a firm's theory for attaining superior market performance, encompassing elements such as scope, resource deployment, unique competencies, and competitive advantages.

Strategic activities differ from operational and managerial tasks, as highlighted by Anthony (1965), focusing on aligning enterprise resources to fulfill strategic objectives. The Resource-Based Theory (RBT) complements SHRM by emphasizing the strategic value of human capital as a source of sustainable competitive advantage (Barney, 1991). SHRM builds upon RBT, advocating for HR's involvement in strategic decision-making and the alignment of HR practices with enterprise strategies (Wright & McMahan, 1992). SHRM assumes that effective HR practices improve organizational performance by reinforcing alignment with enterprise goals (Schuler & Jackson, 2005; Jackson & Seo, 2010). It also acknowledges the dynamic nature of the external environment, stressing the need for HR strategies that adapt to long-term changes. Becker and Huselid (2006) argue that SHRM enhances enterprise performance by ensuring individual HR practices align with broader strategic goals.

However, the application of SHRM in developing contexts, such as Nigeria, presents challenges. SHRM and RBT theories originated in advanced economies, potentially limiting their relevance in addressing HR practices in Nigeria's public universities (Iguisi, 2009). Despite these limitations, certain elements of SHRM theory remain applicable, particularly in aligning HR practices—such as recruitment, training, performance management, and compensation—with institutional goals to enhance organizational performance (Delaney & Huselid, 1996; Journal of Global Management, 2012). This study applies SHRM theory to explore HR practices in Nigerian public universities, suggesting that strategically aligned HRM practices can contribute to institutional success and economic

growth. By examining the fit between HR strategies and organizational objectives, this research aims to provide insights into how public universities can leverage HRM for sustainable performance improvements within the unique socio-economic context of Nigeria.

### **Research Methodology**

This research adopts a descriptive cross-sectional survey design to explore the impact of selected HRM practices on organizational performance in public universities in Osun State. The target population comprises both management and non-management employees of Obafemi Awolowo University and Osun State University, Ilesa. At the time of the data collection, the combined staff strength of these universities was approximately 4,300 employees. This population was considered appropriate due to their relevant characteristics and experiences that yielded insightful responses. To determine the sample size for the study, the Yamane Taro formula was employed, ensuring a confidence level of 95% and a margin of error (P) of 0.05. This sampling approach guarantees a representative subset of the population while maintaining statistical validity.

### **Recruitment and Selection Practices in Public Universities in Osun State, Nigeria**

The study's analysis of recruitment and selection practices in public universities yielded a range of insights, reflecting both strengths and areas that require improvement. Respondents demonstrated a strong consensus that appointments within these institutions are predominantly based on merit, achieving a high mean score of 3.98. This indicates that there is a widespread perception among staff that the selection process is designed to uphold equity and fairness, ensuring that qualified candidates are chosen based on their abilities and competencies. Despite this positive outlook on meritocracy, the findings revealed significant variability regarding the methods used to attract candidates. The low mean score of 2.95 for the use of advertisements highlights an opportunity for enhancement in outreach efforts. Effective recruitment strategies should encompass a wider range of channels, such as job fairs, social media, university career services, and professional networks to cast a broader net. Engaging a diverse pool of applicants could improve overall candidate quality and lead to more dynamic faculty and staff composition.

Moreover, the study indicated that the induction and orientation process for new hires is perceived as robust, scoring an impressive mean of 4.25. This suggests that public universities are committed to effectively integrating new employees into their organizational culture, which is crucial for employee retention and satisfaction. A well-structured onboarding



process not only equips new hires with necessary information about their roles but also fosters a sense of belonging, which is vital for enhancing job engagement and long-term commitment.

In evaluating the role of line managers, specifically Heads of Departments (HODs), in the recruitment process, the neutral score of 3.08 indicates that there is neither clear support nor opposition to their involvement. This points to a potential area for improvement, as an effective recruitment process often benefits from the active engagement of department leaders who can provide valuable insights into specific role requirements and organizational fit. Empowering HODs to play a more central role in recruitment could enhance the alignment of new hires with departmental needs and institutional goals.

The selection system's ability to identify candidates with the desired knowledge, skills, and attitudes received a favorable mean score of 3.80, indicating that the assessment mechanisms in place are generally effective. However, to further refine this process, public universities could consider implementing more standardized interview protocols, competency-based assessments, and psychometric evaluations to ensure a comprehensive evaluation of candidates' capabilities and cultural fit.

Conversely, the relatively low agreement regarding internal recruitment practices, reflected in a mean score of 2.88, signals a need for enhanced focus on promoting internal talent. Supporting internal mobility not only enriches the talent pool but also encourages employee loyalty, as workers are more likely to engage in organizations that prioritize their career progression. Public universities should consider establishing clearer pathways and mechanisms for internal applicants to apply for new positions, along with targeted development programs to prepare them for advancements.

### **Compensation and Reward Practices**

The assessment of compensation and reward practices revealed critical insights into their effectiveness in motivating and retaining employees at public universities. Respondents overwhelmingly endorsed the concept of "pay for performance," with a strong mean score of 4.22 indicating that they believe linking compensation to performance outcomes is a significant driver of productivity. This perspective aligns with contemporary HRM theories that emphasize the importance of tying reward systems directly to employee contributions to overall organizational success. However, a more neutral mean score of 3.45 regarding the consistency of performance-based rewards suggests that there may be gaps in the implementation of these principles. It is essential for public universities to regularly review and enhance their performance management systems to ensure that they are

accurately reflecting employee contributions. Clear criteria and transparent processes for how rewards are allocated can bolster trust in the system and facilitate a culture of accountability.

Respondents also indicated moderate agreement with the alignment of compensation packages to organizational goals, scoring 3.75. This presents an opportunity for universities to refine their compensation strategies to ensure they are not only competitive but also strategically aligned with the institution's vision and mission. Conducting regular market analyses and benchmarking against comparable institutions can provide insights on how to enhance attractiveness while aligning compensation packages with broader institutional objectives.

The feedback on recognition and reward mechanisms, which received a mixed score of 3.42, indicates that current practices may be insufficiently meeting the diverse needs and expectations of staff. Effective recognition programs should be tailored to encompass both financial and non-financial rewards, ensuring they appeal to different employee motivations. Public universities should consider developing comprehensive recognition initiatives that celebrate individual and team achievements regularly, fostering a culture of appreciation and enhancing employee morale. Finally, the use of bonuses and profit-sharing as incentives was positively received, with a mean score of 3.82. Respondents emphasized that job performance is an important determinant of incentive compensation (mean = 3.92), underscoring the crucial connection between performance outcomes and financial rewards. Institutions should ensure that incentive programs are clearly defined and communicated, providing employees with tangible goals and objectives linked to potential rewards.

### **Conclusion and Recommendations**

This study explored the impact of selected Human Resource Management (HRM) practices on the organizational performance of public universities in Osun State. Evidence from the responses of managerial and non-managerial staff highlighted both congruencies and divergences in perceptions of HRM practices. While prior research underscores the positive influence of HRM practices on employee productivity and organizational performance, the findings reveal that public universities in Osun State are yet to fully leverage effective HRM strategies, resulting in suboptimal benefits from their workforce management.

Recruitment practices in the universities involve both internal and external sources. However, external recruitment is rarely advertised, limiting its effectiveness. Internal recruitment, which involves promotions, transfers, and upgrades, is often employed but remains a centralized process with limited involvement from line managers (HODs). Despite claims of merit-

based appointments, the findings suggest inconsistencies in reward practices, particularly regarding performance-based pay. While pay-for-performance is gradually gaining traction, its implementation remains limited, as compensation decisions are centralized at the Ministry of Education.

The study reaffirms that sound HRM practices including effective recruitment, selection, and reward systems are instrumental in enhancing organizational performance. When individuals with the right skills, knowledge, and attitudes are recruited, organizational outcomes improve due to a more committed, motivated, and high-performing workforce. To address the shortcomings in recruitment and selection, it is recommended that HR activities be managed by HR professionals in collaboration with line managers (HODs). This approach will reduce nepotism, cronyism, and favouritism, ensuring that individuals with the required skills, attitudes, and knowledge are hired. Institutionalizing professionalism in HR practices will enhance transparency, fairness, and efficiency in public universities. Given the widespread support for linking compensation to performance, the management and government should adopt a pay-for-performance system. This structure will promote fairness, reduce workplace conflicts, and drive employees to achieve higher levels of performance. Establishing clear metrics for performance evaluation and linking them to rewards will enhance employee motivation and overall productivity.

Decentralizing HR functions, such as recruitment, selection, and compensation, to individual universities will enable tailored approaches that align with their unique needs. This will also empower HODs to actively participate in HR processes, improving the alignment of HR strategies with organizational goals. Introducing regular training programs for HR personnel and managers will enhance their capacity to implement effective HRM practices. Workshops and seminars should focus on modern HR practices, performance management, and strategies to align HR objectives with institutional goals.

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