

# A STUDY ON THE PRO- INNOVATIVE HR PRACTICES AMONG IT SECTOR

# Harshita Sharma Research scholar

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#### **Abstract**

A significant component of human resource management is the "human approach" to managing people. Learning, performance appraisal, potential appraisal, career planning and development, compensation, and reward are the significant HR practices in any business association. Human Resources is widely regarded as the most important function today, dealing with all of an organization's material realities. The current economic situation requires imaginative HR rehearsals in a serious climate. IT departments must embrace innovative HR practices in order to meet these goals. The point of this paper is to look at the creative HR practices in the IT area. With regards to Iraq for a better working of the IT area and for a reasonable development of this area, HR assumes an imperative role in overseeing labor with a consistent focus on the objectives of the organization. Therefore, IT areas need to painstakingly assess their current HR practices and adjust them with advancement. In this exploration paper, endeavors are made for creating imaginative HR rehearsals. The current review endeavors to investigate the creative HR practices in different data innovation associations in Iraq.

**Keywords:** HR practices, pro-innovative, HR Strategies,

#### 1. INTRODUCTION

The HR capacity needs a respectable approach between industry standards and cutting edge business strategies in both little and immense associations. The "head opportunities for HR pioneers" are the other piece of high-impact affiliations that is legitimate. The affiliation would be aware of it if the key HR capacities — enlistment, finance the leaders, pay, and delegate improvement and progression — were executed impeccably and promptly. The fundamental



arrangement and the opportunities essential for finishing the HR capacities inside the association are given to the HR prepared professionals.

To acknowledge liability and power at work, freedoms are required. Then again, every phase of the business process should be improved consistently. The High Effect HR association adjusts to changes and improves procedures for gradual change and constant improvement. The capabilities should without a doubt be confined, fixed, and revamped to accomplish predominant outcomes. The process of change requires change. The heads of high-influence HR organizations make conclusive HR benefits that might be immediately embraced by the labor force, the board, and government.

Remember that HR (HR) are living things, not machines or articles. They vary regarding foundation, experience, culture, age, and information, and they have sentiments, think, see, and examine their general surroundings. HR chiefs ought to improve this source by making speedy, straightforward changes. Be that as it may, things are developing rapidly. Due to the freshest mechanical headways and a more easy to understand hierarchical design, the work space will change in the impending years.

# 1.1 HRM and Digital HRM

Today, business is undertaken on a worldwide scale, involving the transfer of cash, technology, managerial know-how, commodities, and services to other nations or across international borders. The world has become smaller because of globalization and quick communication networks. The world's economies are becoming more linked.

The quality of the human resources a company has access to and/or uses determines whether it will survive. As a result, digital HRM has surpassed traditional HRM in importance in today's society. The human resources department must embrace digital change and make ethical behaviour the cornerstone of their HR processes. However, human resource management faces a variety of difficulties globally. Business organizations must attempt worldwide market expansion if they want to succeed in the modern world. With the complexity of change and transformation to manage, this is the most difficult opportunity for the HR function. Today, HR is taking the lead in helping business functions build the internal momentum and capabilities that organizations need.



#### 1.2 Innovative HR Practices

Because of the web's impact or the digitalization of HR capabilities like preparation, learning, execution the board, and pay organization, these traditional techniques have now gone through an insurgency. Subsequently, the utilization of the web has essentially changed how HR capabilities are done and the way that organizations view HR practices throughout recent years.

Two significant HR the executives errands are recruiting and checking new workers. Actually, the enlistment capability precedes the choice capability. The process begins with enrollment, continues on toward determination, and closes with candidate arrangement. Digitalization is presently considered the most up to date recruiting apparatus. A genuine unrest is occurring in the business and occupation looking for ventures. Relatively talking, employing through person to person communication locales is more savvy than recruiting through additional customary channels, including situation advisors, setting promotions in different media, and going to work fairs. With the guide of digitization, various organizations currently utilize virtual entertainment destinations like Facebook, LinkedIn, Glassdoor, Skype (video conferencing), and so on as an enlisting device, and it has formed into a vital device for the two managers and occupation searchers in the recruiting process. By reaching a bigger pool of prospective competitors, spotters can duplicate the probability of finding qualified employs utilizing this large number of virtual entertainment strategies. Also, the ascent of information as the essential asset for HR the board will without a doubt call for totally new administration speculations and practices, including the utilization of data innovation to supplant managerial obligations in undertakings.

Learning is one of the exceptional strategies that digitization provides another face to change. Representatives had less choices for preparing and development under customary HRM. Subsequently, keeping up with representative satisfaction is basic. From this outdated viewpoint, it is similarly vital to keep up with their subjection. Then again, utilizing innovation to lead preparing enjoys a few monetary benefits, for example, a diminishing in backhanded costs like air travel and lodging stays.



# Post Coronavirus Effect on Iraq IT Administrations Market

Coronavirus had a significant impact on the IT administrations market because nearly every country decided to close every production office except those in charge of basic product delivery. The public authority has made a few severe moves, like the closure of the creation and offer of superfluous merchandise, impeded worldwide exchange, and a lot more, to forestall the spread of Coronavirus. The primary business being managed in this pandemic situation were the basic administrations that were permitted to open and run the cycles.

Coronavirus has influenced the Iraqi IT services market. The restricted venture expenses and absence of representatives hampered the deals and creation of IT administrations. Regardless, the government and market central members implemented new well-being measures to encourage the practices. Innovation advances accelerated the growth rate of the IT administration market by attracting the right people. Because of the eased limitations, it is normal for the IT administration development market to regain its speed during the post-pandemic situation.

#### **Recent Developments**

In March 2019, TECO Center East sent off an answer for organization applications in Android and Apple frameworks. The application assists their clients with monitoring their impending and continuous undertakings and is speedy in navigation. This application has assisted the organization with smoothing out its entire cycle.

In June 2022, Energy Pillars completed project ITT No. 2107-717, electrical upgradation works for offices at Mina Zayed Port. This completed undertaking will assist the organization with drawing in new clients and will further develop the brand value..

#### 2. REVIEW OF LITREATURE

Albeit some HR professionals are presently using innovation, it is as yet indistinct whether it is being embraced, used to its maximum capacity, and estimated. Understanding how HR can use IT in their arrangement to attract and keep the ability that will give them an upper hand and have the frameworks set up to help their business objective is vital (Huselid, 1995).



Late cases from homegrown and worldwide organizations have exhibited the meaning of coordinating IT into HR procedures to help profitability. By assigning every HR representative as a change specialist and laying out essential capacity, for example, Deutsche Bank has transformed its HR division into an essential accomplice in its business. The principal powers behind the change of Deutsche Bank's kin the board were advancement and data innovation (Svoboda and Schroder, 2001).

As per prior research, innovation can assist a company with acquiring an upper hand when coordinated with its current capacities (Tippins and Sohi, 2003). During the process of authoritative overhaul, it has been accounted for that conventional HRM processes, including employing, compensation, execution surveys, retraining, redeployment, and rightsizing, have been intentionally adjusted with advancements. These advancements are delegated imaginative HRM practices (Som, 2012).

The primary problem during the execution of HR practices was that organizations don't spend a lot of on IT since doing so would be prohibitively costly. However, there is no rejecting that one of the main considerations impacting the reception of HR practices is innovation (McCampbell, Clare, and Gitters, 1999). As per Pfeffer (1981), the reception of novel HR practices is altogether impacted by how well the authoritative setting (like size and unionization) can support such advancement. (1987, 1989) Kosek While directors have started to recognize that organizations should now take on and coordinate IT to stay cutthroat, they have likewise begun to perceive that there is still a lot to find out about how to decisively put innovation to guarantee a really great effect on organization execution (Tippins and Sohi, 2003). Moreover, innovation can provide a benefit in separating information from heaps of obsolete information vaults (Bhatt, 2001). Past examinations have exhibited that executing new HR strategies has various benefits for the firm (Agarwala 2003; Bhatnagar and Sandhu 2005; Bhatnagar 2007). Furthermore, it can work with participation and correspondence among hierarchical individuals and provide speedy data search, access, and recovery (Wong, 2005). As per Agarwala's discoveries from 2003, imaginative HR strategies were the best at cultivating worker connection to the association among every one of the factors since they made sense of the best measure of variety in authoritative responsibility.



# 3.1 Hypothesis

Hypothesis 1: Training & Learning have a significant influence on the Performance of IT Firms in Iraq.

Hypothesis 2: Performance Appraisal and Feedback have a significant influence on Performance of IT Firms in Iraq.

Hypothesis 3: Career Planning and Development has a significant influence on Performance of IT Firms in Iraq.

Hypothesis 4: Potential Appraisal has a significant influence on Performance of IT Firms in Iraq.

# 3.1.RESEARCH DESIGN

This cross-sectional descriptive study, which was conducted in 2021, included full-time workers who were employed at IT companies in Iraq. The top 3 companies were recommended by Fitch Solutions in Iraq (2020).

#### 3.2.SAMPLING SIZE

- **3.2.1.** Sample Size: 100 people were chosen as samples, with a 5% margin of error.
- **3.2.2. Population of the study:** HR department of the specific IT Industry providing a voluntary contribution. The name of the IT Companies in Iraq which was selected for my study mentioned below:

Lucid Company For IT And Networking Solutions

Alliance PowSafnah IT Services | Web Hosting & Web
Design Iraqer Nepal Pvt. Ltd.

Figure 2: IT Companies in Iraq



**3.2.3. Sampling Technique:** Systematic sampling technique was utilized in choosing the associations from the rundown of enrolled organizations in the Country.

The systematic sampling technique is a measurable method for focusing on the target population for their examinations. Scientists can determine the inspection span by separating the ideal population size from the absolute population. A more careful application of likelihood examining is efficient testing, which includes randomly selecting an example from the entire collection on a consistent basis. According to its definition, systematic sampling is a technique in which a scientist selects test subjects after a predetermined "inspecting span" and components from the target population using a random starting point.

- 3.3.**Tools of Data Collection:** Data was collected from both primary and secondary sources. While secondary data were gathered through books, journals, and the internet, the primary data were gathered through the administration of questionnaires assisted by in-person interviews. The survey was formatted using a 5-point Likert scale. A total of 100 questionnaires were distributed. Each copy was properly filled out and returned.
- **3.4.Tools for statistical Analysis:** The field information was introduced, and descriptive statistics were used to test the relevant hypotheses using a computer and the Statistical Package for Social Science (SPSS 23.0 variant).
  - Common factor analysis CFA: Normal element examination, likewise called chief component investigation (PFA) or head pivot figuring (PAF), looks for the least factors that can represent the normal difference (connection) of a bunch of factors.
  - Reliability analysis: It examines the characteristics of measurement scales and the
    components that make up the scales using reliability analysis. The reliability
    analysis procedure not only gives information about how the scale's items relate to
    each other, but it also calculates a number of commonly used measures of scale
    reliability.

#### 3.5 Measurement

The alpha values for both constructs were higher than 0.70. Six factors were modified to examine the mediating variable of employee knowledge sharing, and the Cronbach's alpha value was found to be 0.87. The study report also considers work-life balance to be an



endogenous variable and estimates it using five indicators taken from Exogenous variables and mediators were estimated using a 5-point Lakers scale, where 1 denotes strongly disagrees and 5 denotes strongly agrees. A 7-point Likert scale, ranging from 1 for extremely strong disagreement to 7 for strong agreement, was used to evaluate indicators of the endogenous variable, information sharing behaviour.

# 4. DATA ANALYSIS

# 4.1 Demographical Profile

The demographic data of the respondents are shown in the following table:

| Variables                      | Frequency | Percentage |
|--------------------------------|-----------|------------|
| Gender                         |           |            |
| Male                           | 60        | 60%        |
| Female                         | 40        | 40%        |
| Total                          | 100       | 100%       |
| Age Groups                     |           |            |
| 20-25                          | 25        | 25%        |
| 25-30                          | 25        | 225%       |
| 30-35                          | 30        | 30%        |
| 35-40                          | 20        | 20%        |
| Total                          | 100       | 100%       |
| Experience                     |           |            |
| 1-5 Year                       | 25        | 25%        |
| 5-10 Year                      | 25        | 25%        |
| 10-15 Year                     | 35        | 35%        |
| 15-20 Year                     | 15        | 15%        |
| Total                          | 100       | 100%       |
| <b>Education Qualification</b> |           |            |
| Primary                        | 30        | 30%        |
| Secondary                      | 20        | 20%        |
| High Secondary                 | 20        | 20%        |
| MBA                            | 15        | 15%        |
| General Masters                | 15        | 15%        |
| Total                          | 100       | 100%       |



**Table: 1** Demographical Profile

# 4.2 Measurement model

The validity and reliability of the scales used in this study were determined using a CFA at the preliminary data processing stage. The item loadings, average extracted variance (AVE), and composite reliability (CR) were all looked at by the authors as they assessed the convergent validity. Table 2 clearly shows that every unique indicator loading had a score greater than 0.60; RS3 (0.547) and TD5 (0.529) had to be deleted by the researchers since the loading was under 0.60. Additionally, because all of the constructs' AVE and CR scores were higher than the respective threshold levels of 0.5 and 0.7, they were all determined to be acceptable. Therefore, it is quite likely that the study's proposed measurement model attained convergent validity.

| Constructs          | Item Loading | AVE   | CR    |
|---------------------|--------------|-------|-------|
| Training            | 1.562        | 1.986 | 2.563 |
| Learning            | 1.896        | 1.999 | 3.256 |
| Potential Appraisal | 2.562        | 2.523 | 4.256 |
| Compensation        | 3.256        | 3.256 | 5.225 |
| Reward              | 3.789        | 4.555 | 6.256 |
| Work Life Balance   | 4.256        | 5.263 | 7.896 |

**Table: 2** The measurement mode's output



Free / Unpaid Peer Reviewed Multidisciplinary International ISSN: 2320-3714
Volume: 4 Issue 3
December 2022
Impact Factor: 6.7
Subject: Commerce

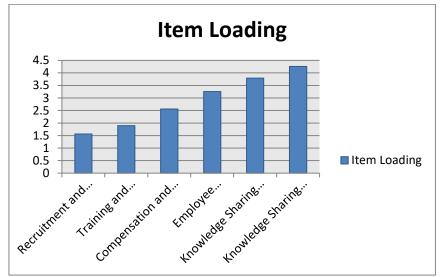


Figure: 1 The measurement mode's output

Additionally, the authors have employed the Fornell-Larcker criterion to assess the discriminate validity. According to the Fornell-Larcker criteria, the square root of the AVE must be bigger than the connections of the corresponding off-diagonal variables' latent variables. This study effectively met this requirement, which is a sign of respectable discriminant validity. In order to determine the measurement model's predictive significance, the Stone-Geisser Q2 was evaluated, states that the constructed cross-validated redundancy (Red) scores in Q2 should be greater than zero. Regarding this criterion, the current investigation also produced good findings; for instance, TM (Red, 0.213). Additionally, the unobserved variables' composite reliability ratings were higher than the threshold of 70.

# 5. RESULT

| Items           | СВ    | EP    | KSB   |
|-----------------|-------|-------|-------|
| СВ              | 0.856 | 0.785 | 0.963 |
| EP              | 0.896 | 0.526 | 0.845 |
| KSB             | 0.412 | 0.365 | 0.712 |
| PERFORMANCE     | 0.589 | 0.245 | 0.263 |
| OF IT SECTOR IN |       |       |       |
| IRAQ            |       |       |       |
| RS              | 0.789 | 0.782 | 0.689 |
| TD              | 0.852 | 0.777 | 0.563 |



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| MEAN | 0.986 | 0.693 | 0.875 |
|------|-------|-------|-------|
| S.D  | 0.862 | 0.682 | 0.893 |

1.2 1 0.8 ■ CB 0.6 ■ EP 0.4 0.2 СВ ΕP KSB KSI RS TD **MEAN** S.D

**Table: 3** Output of discriminate validity

Figure: 2 Output of discriminate validity

Potential Appraisal, or CB, Work-Life Balance, Training, Learning, and Reward are all abbreviations for Compensation.

The researchers developed a structural model after evaluating the validity and reliability of the scales, in which four HRM activity constructs were treated as an exogenous variable, reward was viewed as an intervening variable, and work-life balance was regarded as an endogenous variable.

One latent construct, CB (= 0.121, p 0.05), was found to have a notable positive contribution to employees' KSB in the immediate relationship between four elements of HRM practices and workers' KSB, while the other three exogenous variables, RS, T&D, and EP, were found to be non-significant.

Additionally, this study assessed how the performance of the IT sector in Iraq affected the relationship between HRM practices and KSB using Preacher and Hayes' theory (2008). Among the four intervening hypotheses, the performance of Iraq's IT sector was found to be



statistically insignificant as a mediator in the association of T&D with and KSB, but significant in three aspects of HRM practices and KSB. Table 4 shows the outcomes of the indirect effects.

| Path         | Coefficient | Std.Err | t-Value | Decision |
|--------------|-------------|---------|---------|----------|
| Compensation | 0.215       | 0.009   | 1.88    | S        |
| Compensation | 0.360       | 0.542   | 6.18    | S        |
| Compensation | 0.363       | 0.365   | 2.88    | NS       |
| Compensation | 0.425       | 0.256   | 4.52    | S        |
| Reward       | 0.512       | 0586    | 5.63    | S        |
| Training     | 0.589       | 0.896   | 5.91    | NS       |
| Learning     | 0.625       | 0.756   | 6.23    | NS       |

**Table: 4** Results of the structural model Direct

#### 6. DISCUSSION

This study made the decision to specifically look at Iraq's tourist industry in order to evaluate the effects of HRM practices through the intervention of reward (the performance of this sector in Iraq) on work-life balance (KSB). Some of the study's findings are consistent with findings from earlier research. The results of the current study showed that employee performance in the IT sector in Iraq and KSB is significantly influenced by remuneration and perks. Prior to this, we discovered a connection between KSB and employee perks. Accordingly, researchers recommend that HR managers at hotels try to offer enticing benefits and compensation packages to the employees in order to motivate them to share their knowledge, innovations, and work experiences with co-workers, which will undoubtedly help the hotel staff improve service experiences for the tourists.



# 7. CONCLUSON

This study explored the pro-innovative HR strategies and practices in the IT sector in the context of Iraq. This study helped to understand the condition of Iraq's IT industry post-COVID-19. The fundamental factors that influence an employee's commitment and engagement have been successfully integrated into HR operations. Companies' globalization presents dynamics specific to various cultures; as a result, human resources departments must value diversity in order to foster employee engagement, contentment, and, ultimately, retention and development through training initiatives. The study's findings made it clear that innovative HR methods are crucial right now, particularly when it comes to luring and rewarding personnel. IT industries can use a variety of cutting-edge HR and leadership techniques to boost employee commitment.

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