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#### CAUSES OF HUMAN RESOURCE MANAGEMENT IN PAKISTAN

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#### **Abstract**

Although human resources management (HRM) is so important in boosting competitiveness in the tourist and hotel business, this study intends to increase awareness of practical HRM difficulties, especially since it entails coordinating human resource management to fulfil organizational goals. It also shows that the problems are caused by either external forces like technology development, law, and regulation, or internal factors like corporate culture. When it comes to human resource capability training, this research review advocates giving a range of possibilities for professional development as well as a proper working environment to improve productivity. It's also crucial to consider the relationship with the employees. Employee attitudes and productivity, employee-employer relationships, and gains and declines in capital instruments should all be evaluated.

"**Keyword:** Human resource management, Customer Satisfactions, Organizational Performances, Supply chain management, Tourisms supply chain."

#### 1. Introduction

Supply chain management is the process of integrating critical company activities from suppliers to end users (Krmac, 2011). Therefore, supply chain management stimulates communication and collaboration among all process players (Power, 2005). Even though they are "intimately intertwined" in most organizations, human resources and supply chain management are two independent topics of study (Garanca, 2008). As newer study in realm

of organizational behavior, Taylor and colleagues (2010) highlighted human resource management as one to investigate. A solid human resource system contributes to the growth of a supply chain, the enhancement of customer satisfaction, and the improvement of operational performance, among other things (Gunasekaran, 2004). The Tourist industry Supply Chain Intervention is a channel of organization's which furnish one or more elements of tourism products/services, like air tickets as well as accommodation, with goal of disseminating, advertising, and looking to sell completed tourism items and/or facilities in a tourist destination. To learn more about the Tourism Supply Chain Initiative, visit their website (Zhang et al., 2009). To deliver goods, services, and information to tourists, the tourism supply chain connects processes from initial suppliers (such as transportation, housing, eating, sightseeing, and shopping while travelling) all the way to end users (tourists) in the tourism business (Berger, 2002). There will be a net advantage to all stakeholders engaged in establishment and administration of a tourist supply chain (the state, suppliers, tourism enterprises, visitors and locals in the tourism destination). Calendar). The topic of enhancing "tourist products" is also significant in this context (Dinh, 2017). Inoculations, national tourism policies, economy, as well as environment would all having an impact on tourism in 2020. It has been decided that the consequences of these events will be more widely felt by the public in order to facilitate the formation of the Pakistan tourist trend in the year 2021. A lively city, a bustling market, eating with the people in a bar, and seeing intriguing tourist destinations were all highly engaging experiences for Pakistan tourists prior to the onset of Covid-19, according to the World Health Organization. Visitors, on the other hand, have found it difficult to visit because to the limitations placed in place during the epidemic season. Adapting to a new environment via social isolation will be a big topic in 2021, according to predictions. In the year 2021, Corazza and Musso published their findings.

Statistics suggest that tourism would expand 2.34 percent in 2020 and contribute 33.5 percent to GDP, despite the epidemic's impact on the industry. Gilgit tourism is expected to be among the world's top 4 tourist spots in 2020, according to Agoda. The economic impact on tourism is projected to be significant, and it may last for a long time after the epidemic has finished. After the illness has been managed, Gilgit's tourism industry must be encouraged to grow. Hr, supply chain management, customers' satisfaction, as well as organizational performance will all be examined in order to identify relevant reasons and provide solutions (Ilek et al., 2022).

## **Objectives:**

- The major purpose of resource management is to guarantee a consistent experience for employees and those involved in management and organizational objectives.
- assuring resource availability
- easy access to data
- on-time payroll
- ensuring compliances

Human resource management objectives are mostly impacted by company goals and vertical integration. The purpose of human resource management is to provide a stable work environment with centralised data and efficient operations.

## **Knowledge Gap:**

Although there are some similarities, there are also significant differences between the two fields of strategic HRM research. The most apparent difference is that relatively few studies as in hospitality as well as tourism literature actually assess business performance, notably financial results. Many strategic human resource management studies in t tourism and hospitality industry literature have concentrated on first level (i.e. employee objectives) and second level (optimize operations outcomes), thereby ignoring financial results of organisation.

This assessment also identified gaps that existed between two collections of literature and provided suggestions for further investigation:

- the importance of financial performance analysis in tourism and hospitality industry research community;
- the need of conducting an organizational-wide strategic human resource management assessment;
- the necessity to investigate a comprehensive conceptual model that connects organizational-level strategic human resource management with business success;
- the need of investigating both micro and macro factors in a single design; and
- the necessity for longitudinal as well as causal research to be conducted

## 2. Literature Review

## 2.1 Supply Chain Management in Tourism

There are many different purposes served by the tourism industry, which provides a diverse variety of goods and services to travelers all around the world (such as transportation and lodging) (Buhalis et al., 2012). Travel items are not stored together with services since they cannot be preserved. Tourism is a highly information-intensive industry since tourists must go to tourist-generating locations in order to purchase goods (Khondker et al., 2015). Therefore, the presentation and interpretation of tourist goods are quite important when it comes to selling them successfully. Accommodations, transportation, sightseeing, cuisine, and shopping are all available as part of the tourism experience (Divisekera, 2010). Tourism has more fluctuating demand and more intricate dynamics than other sectors as a result of intense rivalry among service providers, according to the World Tourism Organization (Khan et al., 2022).

- (1) Management of the order procedure,
- (2) Management of interpersonal relationships (suppliers and customers)
- (3) Monitoring and controlling the performance of services, and
- (4) Capacity and resource management are important considerations (Ylmaz et al., 2006).

#### 2.2 Management of Human Resources

There is a considerable influence on the performance of supply chain management in an organization caused by the behavior of workers who make up the supply chain of the company in question. It has been argued by a few authors that human resource management (HRM) serves as both an aid and a technique in the management of supply chain responsibilities and interactions. As Menon points out, some human resource management

practices have been demonstrated to be significantly related with supply chain success. These include, among other things, adjustable job requirements, teamwork, collaborative training, the use of performance indicators (2012).

Salary and benefits for employees, as well as training and personnel development, (3) managerial style of communication, as well as (4) personnel selection and recruitment, are some of the most often used factors to characterize human resource management (HRM) (Hohenstein, 2014).

#### 2.3 Customer satisfaction

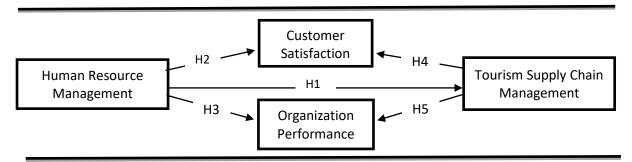
A person's satisfaction, according to Kotler (1999), happens when he or she feels emotions such as pleasure, excitement, surprise, or disappointment as result of comparing the perceived performance of a product to their expectations. Multiple variables impact customer satisfaction levels. These variables include the service's quality offered, the product's quality, price paid, and personal issues, to name a few (Ilek et al., 2022).

## 2.4 Efficiency of the organization

It is the capacity of a corporation to fulfil both market-oriented and financial objectives that is referred to as "organizational performance" (Munizu, 2013). The prevalent idea that success can only be measured in terms of financial metrics is incorrect. In the past, financial and commercial metrics like the return on investment (ROI), market share, and profit margin have been used to assess organizational efficiency, among other things (Jarad, 2010; Munizu, 2013). When evaluating the success of an organization, it is usual practice to use the four criteria of organizational performance to determine its success. There are four characteristics to look for: (1) manufacturer share; (2) payback of capital; (3) net profit on sales; and (4) entire competitive position (2006) the following are Li's and colleagues' statements:

The following research hypotheses are based on actual data and theoretical considerations:

- **H1:** Human resource management benefits tourist logistics.
- **H2:** Customer Satisfaction is positively influenced by effective human resource management.
- **H3:** Human resource management improves a company's overall success.
- **H4:** Customer Satisfaction is positively influenced by the management of the tourism supply chain.
- **H5:** Development of a travelling chain of distribution has a favourable impact on a company's core business.



#### Figure 1 Model Concept

# 3. Methodology

This research was done in a cross-sectional manner. In this study, a systematic random approach was applied. The study's target audience was hotel employees at all levels, from entry-level to midlevel. The study sample size is 422, with all responses coming from Pakistan. The study's variables were measured using one to seven point Likert scales. SPSS 24 was used to analyze the data in this study (SCM) "(Gimenez et al., 2005; Hazen et al., 2015)". Because PLS is a tool to perform confirmatory data analysis in case of high complication and little theoretical knowledge, it is the best approach for this study. (Soni and colleagues, 2012). An investigation into the domains of human resources and supply chain administration is presented here.

According to Likens (2014), a representative sample of 100 occurrences should be adequate to ensure that the research has statistical power that is acceptable. We believe that, given the properties of our model, our sample size is acceptable for calculating the PLS in our situation. For sample sizes less than 500, PLS delivers more accurate route coefficient estimations than other techniques, regardless of the method used (Hazen et al., 2015).

Constructs were scored using a Likert scale with answers ranging from 1 to 5, with 1 being the best and 5 being the worst. From 1 to 5, the scale indicates considerable disagreement, with 1 representing severe dispute and 5 representing strong accord. We employed partial least squares technique of estimation to perform a statistical analysis of these data. Following a thorough review of the data, we received 325 answers, with a total of 297 genuine surveys verified as real. Surveys were sent out during the months of January and April of 2020, and the results were tallied. Considering the model's circumstances, this sample size is considered suitable. Unless sample size follows so-called "rule of thumb," representative sample should be at least tenfold that of predictors shown in the study (Gefen et al., 2011).

#### 4. Results

Among those who answered the survey's questions, 10 percent held executive positions (such as chairpersons, Chief executives, or managers); 45 percent held organizational unit directors (like tourism logistical issues or hr); and the remaining workers held middle-level positions (such as administrative assistants) (mainly related to tourism). One-quarter of the organization's surveyed employed less than 100 people, 36 percent employed between 100 and 500 people, and 36 percent employed more than 500 people, according to the results of the poll.

Table 1: Characteristics of the Respondents

Characteristic	Categories'	F	(%)
Positions	Chairmen's, CEO's, or Manager	30	9.1
	Directors	70	24.9
	Intermediate staff	187	63
Company size	≤50 employees	87	30.7
	50 - 150 employees	175	48.9
	≥ 150 employees	25	8.4
Location	Gilgit	50	15.8
	Rakaposhi	25	7.4

Naltar Valley	40	12.5
Singul	35	11.8
Chari khand	28	8.4
Bilchhar Dobani	26	8.8
Jalal Abad	28	7.4
Dasu	25	8.4
Chilas	40	13.5

**Source:** Author's calculation

The suggested model prioritizes individuals and the company rather than focusing just on HRM activities and responsibilities. This is seen in the "Employee" and "Organizational Resources and Strategic Objective" cohorts. From the standpoint of the organization, its application adds economic value, flexibility, and viability. HRM should concentrate on monetary benefits and pay, working environment, and training and development from the employee's viewpoint. The suggested framework serves as a foundation for both the organization and employees' viewpoints. As a result, it's possible that the paradigm in Figure 3 is applicable to the hotel industry's present demographic workforce. Furthermore, the model's variables were derived using actual data acquired from hotel personnel, indicating a genuine and natural source. As a result, HRM in the hotel business is more dependable and relevant.

Table2: Test of the validities and reliabilities

Code	Variables		Factor Loading	t-value	VIF
Human's Resource Management (Cronbach alpha: 0.905, CR: 0.934, AVE: 0.772)					
HRM 1	Compensation & benefits		0.851	56.134	2.371
HRM 2	Trainings & staff growth		0.887	61.227	2.769
HRM 3	Communications & management style's		0.894	73.941	2.670
HRM 4	Recruitment & selections of the employee	S	0.882	63.259	2.611
Customers Satisfactions (Cronbach alpha: 0.824, CR: 0.889, AVE: 0.654					
CS 1	Perceives Prices	0.	804	25.127	1.699
CS 2	Qualities	0.	812	26.194	1.708
CS 3	Benefit	0.	806	24.146	1.725
CS 4	Prestige's	0.	808	20.584	1.857
Organizations Performances (Cronbach alpha: 0.859, CR: 0.902, AVE: 0.694)					
OP 1	Maker shares		0.829	31.418	1.836
OP 2	Return on investments		0.833	34.364	1.861
OP 3	Profit margin on sale		0.865	46.335	2.315

OP 4	Overall competitive positions	0.814	32.864	1.890
Tourism's & the Supply Chain Management (Cronbach alpha: 0.821, CR: 0.884, AVE:				
0.657)				
TSCM 1	Order process managements	0.802	31.930	1.737
TSCM 2	Relationships management	0.823	42.998	1.875
TSCM 3	Services performances management	0.801	36.439	1.701
TSCM 4	Capacity & resources management	0.814	38.912	1.822

As a consequence, model of comprehensive assessment may be adequately represented, as well as we may now evaluate assumption testing process.

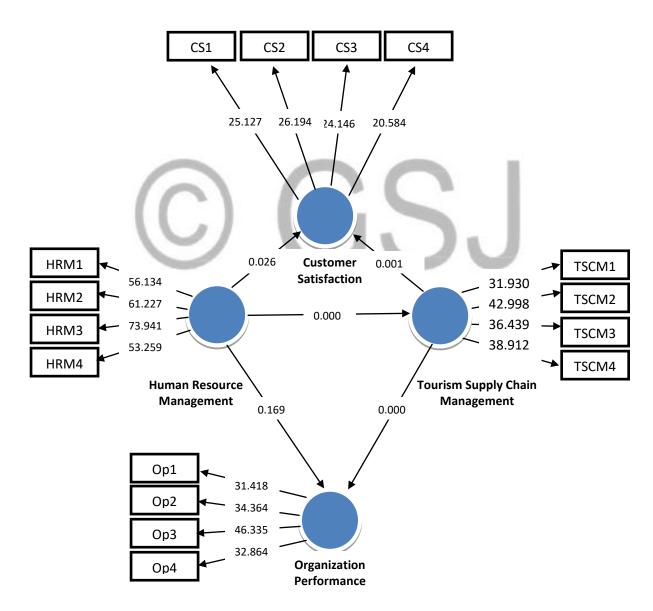


Figure 2 bootstrapping Results

HYPOTHESIS TESTING P\_ VALUE

#### **RESULT**

H1	Human's resources Management→	Tourism & the Supply chain	0.001	Support
	Management			
<b>H2</b>	Human's resources Management	Customers Satisfactions	0.025	Supported
Н3	Human's resources Management———	Organizations Performances	0.168	Rejected
<b>H4</b>	Tourism & the supply chain Management	Customers Performances	0.002	Supported
H5	Tourism & the supply chain Management	Organizations Performances	0.001	Supported

Table 3: Test Result Paths Coefficient

On the basis of the findings of the direct connection analysis, which are displayed in Table 3, it has been established that the hypotheses is valid (H3 is rejected, whereas hypotheses 1, 2, 4, and 5 are accepted).

#### 5. Conclusion

An association was identified between human resources and the supply chain as a results of this investigation. The fundamental purpose of this study was to ascertain effect of hr functions on supply chain, as well as their effect on client pleasure as well as entire organisational effectiveness.

Although management of human resources has a direct influence on to the supply chain as well as on customers' satisfaction, we discovered that this had an ambiguous impact on the overall performance of the organisation. In order to improve organisational performance, it is necessary to coordinate a variety of factors, including finances Quality of products, quality of human resources, as well as so forth.

Starting with marketing efforts to potential markets, increasing average foreign visitor expenditure and stay length, and reducing dependence on the inbound tourist sector are all important steps toward reducing reliance on international tourism. It is critical to make measures to aid companies that have been badly harmed by Covid-19 crisis. These plans should include exemptions from and reductions in health and social medical coverage efforts, in addition to disinflation on borrowings for businesses that have adequate financial resources and yet are undergoing temporary liquidity problems.

Increased sales will not derive from the fact that people have not been granted permission to enter or that visitors are anxious due to health-related concerns, among other factors. After the pandemic has been contained and managed, it will be required to boost efficiency of human resources and qualities of the services provided by businesses in order to attract more tourists'.

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