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**HUMAN RESOURCES MANAGEMENT AND ITS IMPACT ON
ORGANIZATIONAL PERFORMANCE:
CASE STUDY ON LIBYAN OIL SECTOR**

MASTERS THESIS

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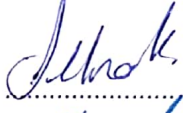


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THESIS APPROVAL PAGE

To Karabuk University Directorate of Institute of Social Sciences

This thesis entitled "Human Resources Management and Its Impact on Organizational Performance: Case Study on Libyan Oil Sector" submitted by SANA MOHAMED BASHER ALZAEANE was examined and accepted by the Thesis Board unanimously as a MA thesis.

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DECLARATION

I hereby declare that this thesis is the result of my own work and all information included has been obtained and expounded in accordance with the academic rules and ethical policy specified by the institute. Besides, I declare that all the statements, results, materials, not original to this thesis have been cited and referenced literally.

Without being bound by a particular time, I accept all moral and legal consequences of any detection contrary to the aforementioned statement.

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Signature

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FOREWORD

As a student of business administration department, I have written my master's thesis on the subject of human resources management and its impact on organizational performance.

I would like to express my appreciation to my supervisor Asst. Prof. Dr. HASAN TERZI for his constructive advice and assistance during the entire process of this thesis research. Also, thanks the discussion committee.

I would like to say thank you to my husband to for help me, also, I would like to say thank you for each of gave me support from friends or others.

ABSTRACT

The oil sector has developed significantly during last years, as the number of Libyan and foreign companies that operating in Libya has increased, as well as a network of its branches. Despite this expansion in oil activity during the past years. However, this activity of Libyan companies is still low compared to foreign companies and as in neighboring countries. The Al-Zawiya Oil Refining Company is has been able to achieve high levels of achievement by virtue of its awareness and practice of human resources management functions and objectives, it is necessary to highlight this subject in all segments, especially business sectors. The analytical descriptive approach has been used in this research. Which based on the descriptive of the subject explanation and analysis of the various concepts. Study has been made with 200 respondents of Al-Zawiya Oil Refining Company employees using five-point scale. The research results showed that the employees of Al-Zawiya Oil Refining Company agreement with the idea that say the human resources management has high direct effect on Company performance. The research sample showed its approval and awareness to the impotence of human element, also the relationship between human element development and raising company performance. The research results duo to overall evaluation supported the idea that human resources management has a positive impact in the performance of Company.

Keywords: Human resources management; performance; awareness; human element; and HRM impact.

ÖZET

Petrol sektörü, Libya'da faaliyet gösteren Libya ve yabancı firmaların sayısı ve şubelerinin bir ağının da artmasıyla son yıllarda önemli ölçüde gelişmiştir. Geçtiğimiz yıllarda petrol faaliyetlerindeki bu genişlemeye rağmen ancak Libya'daki şirketlerin bu alandaki faaliyetleri yabancı şirketlere ve komşu ülkelere kıyasla hala düşük kalmaktadır. Al-zawiya petrol rafineri şirketi, insan kaynakları yönetimi fonksiyonları ve hedefleri konusundaki farkındalığı ve pratiği ile yüksek başarı düzeyine ulaşmayı başarmış olup, bu konunun özellikle iş sektörlerinde olmak üzere tüm segmentlerde vurgulanması gerekmektedir. Bu araştırmada analitik tanımlayıcı yaklaşım kullanılmıştır. Konu anlatımının betimlemesine ve çeşitli kavramların analizine dayandı. Araştırma sonuçları, Al-zawiya petrol rafineri şirketi çalışanlarının, insan kaynakları yönetiminin şirket performansı üzerinde doğrudan bir etkisi olduğunu belirten görüşüyle anlaşıldığını gösterdi. Araştırma örneği, insan unsurunun iktidarsızlığı ve insan unsuru gelişimi ile şirket performansı artırma arasındaki ilişkiyi onaylamıştır. Genel değerlendirme için yapılan araştırma sonuçları, insan kaynakları yönetiminin Şirket'in performansını olumlu yönde etkilediği fikrini desteklemiştir.

Anahtar Kelimeler: İnsan Kaynakları Yönetimi; Performans; Farkındalık; İnsan Unsuru Ve İKY Etkisi.

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SUBJECT OF THE RESEARCH

Today's business organizations face major challenges that have imposed on it, which internal and external working environment. In fact, organizations cannot operate without knowing the strengths and weaknesses of its internal environment, as well as knowing opportunities and threats to its external environment. That give importance to human element. Human resources management is one of the most interactive departments with its internal and external environment. The human element is the basis for building and developing organizations and depends on its success or failure.

Therefore, human resources management involves analyzing the organization needs and then attracting, selecting, appointing, training, developing, compensating, leading and managing human resources to ensure that the objectives are achieved. Where that process is concerned with the planning, selection, appointment, promotion and performance evaluation of human resources (Lepak & Shaw, 2008).

All these reasons prompted business and industry organizations to adopt different strategies to help them to achieve competitive advantage and survival. One of the most important areas through which the organization can achieve competitive advantage is the implementation of HRM strategies. Today's world, many and rapid developments have led to new management trends in human resources management. This philosophy reflected on the institutions and their methods in the face of these variables or challenges.

Therefore, the efficiency and performances of human resources management strategy plays important role in dealing with the problems of the human resources and developing appropriate solutions. Today, it is difficult to imagine that organizations have survived without relying on work will be efficient and effective for managing their human resources (Delaney & Huselid, 1996).

Challenges in formulating a human resources management need to create a vision for these resources. As with other organizations, industry and oil organizations face significant challenges in the era of globalization, especially in the management of their human resources. Therefore, these institutions need to formulate a clearly defined strategy for their human resources commensurate with work developments that needs efficiency and effectiveness. In order to serve the general and specific objectives of increasing productivity and reducing cost, achieving suitable profitability for shareholders' investments, achieving a competitive market share.

Where all developments indicate that the oil industry will continue of transformation and development process, some of the challenges have been calculate and some others are not calculated or expected. To deal with the current and future variables and challenges like intensified competition in the domestic markets and global as well, that requires the needs to prepare leaders and cadres. Therefore, this research comes to highlight the reality of the human resources management and development in the Libyan oil field.

Research problem:

The oil sector has developed significantly during last years, as the number of Libyan and foreign companies that operating in Libya has increased, as well as a network of its branches. Despite this expansion in oil activity during the past years. However, this activity of Libyan companies is still low compared to foreign companies and as in neighboring countries.

This is due to many factors, including the aspect of supply and demand and other causes related to the human element. Hence the idea of studying the success of Al-Zawiya Oil Refining Company, although it is a Libyan company 100%, followed by the Libyan Oil Corporation, but it is one of the most successful and high performances company in oil sector, duo to continue improving in human resources and management.

If the Al-Zawiya Oil Refining Company is able to achieve high levels of achievement by virtue of its awareness and practice of human resources management functions and objectives, it is necessary to highlight this subject in all segments, especially business sectors. Hence the problem of the research:

- What is the reality of human resources management and its relation with performance in the Libyan oil sector (Az Zawiya Oil Refining Company)? How did they develop it?

Literature survey

The accumulation of employee's characteristics and their impact on organizational effectiveness can be explained by the strength of the human resources management

system, where a sustainable competitive advantage can be obtained through human resource practices. In addition, the results desired by the organization are derived from human resources management practices (Bowen & Ostroff, 2004). Paul Boselie and others provide an overview of the linkages between performance and human resources management. The nature of the interaction between performance and human resource management was also examined. Focusing on conclusive evidence on the positive impact of human resource management on organizational performance (Boon, Boselie, & Dietz, 2005).

There is a set of evidence that supports a strong relationship between performance or commitment to high human resource management practices and organizational performance, where the research concluded that there is a strong relationship between enterprise performance and human resources management. Other researchers found positive relationships between human resource management (HRM) practices and company performance indicators, such as training and selectivity of employment. The research supported the integration of human resources management practices and performance enhancement (Delaney & Huselid, 1996).

Some researchers focused on research in North America with a review of the literature on HRM strategies. The study included technological changes, demographic changes of the labor force, the transformation of workers' values and highlighting the importance of effective management of human resources management systems (Lepak & Shaw, 2008). The effects of organizational strategic variables has been examined such as management values related to human resource management, human resource management

and sources of competitive advantage. Companies that have earned high marks in HRM assessment and individuals as a source of competitive advantage have been more likely to participate in HRM strategies. These variables also had positive effects on the company's performance (Bae & Lawler, 2000).

Self-awareness was positively correlated with return on investment and net profit, but no strong relationship was found between self-awareness and market share. One of the most important recommendations is that organizations train their managers and employees to acquire competencies associated with self-awareness (Okpara, ACIA, Edwin-PhD, & MifL, 2015).

PURPOSE AND IMPORTANCE OF THE RESEARCH

The aim of the research

The research examines administrative Human resources management and its relation with performance as well as its effect in management and performance and trying to showing the positive aspects of its advantages, especially in developing countries, with focus in oil sector, which given highly important to HRM. As well as:

- Spotlight on the relationship nature between human resources management and employees.
- Trying to explain the importance of the HRM as an effective organization performance.
- Explain the improvement of organization performance by the HRM functions.

The importance of the research

The importance of this research in the following points:

- The importance of human resources management and functions has increased, as have the objectives and functions of human resources on the one hand, and the objectives and functions of the management of the organization on the other.
- Highlighting the necessary tasks to keep abreast of developments in management.

- The study helps to highlight the importance of human resources management and its impact on performance.
- Add a new field management study on the subject.
- The formation of a concept of jobs and determine their dimensions and work to increase the productivity of the human element.



POPULATION AND SAMPLE

According to the research nature, which study human resources management and its relation with performance in the Libyan oil sector, and as case study: Az Zawiya Oil Refining Company. The research samples selected from Az Zawiya Oil Refining Company. 200 respondents has been received.

SCOPE AND LIMITATIONS / DIFFICULTIES

Scope of the research

The analytical descriptive approach will use in this research. Which based on the descriptive of the subject explanation and analysis of the various concepts. That related to the HRM and its relation with performance in the Libyan oil sector, where case study is Az Zawiya Oil Refining Company. Then to the field of study and collection of data by questionnaires, that will fill by Az Zawiya Oil Refining Company employees. Moreover, organizing, evaluation and classification of data by Microsoft Excel and SPSS software (Mean and Standard deviation), and interpretation of the reached results.

Data collection methods

Questionnaire:

It is one of most useful tool to collecting informations as well as to recognizing the reality. In this research, questionnaire was designed to reflect the response of research variables, also to answer research questions. Microsoft Excel and SPSS software has been utilized to analyzing and evaluating the questionnaire's answers.

The Limitations of Thesis

The study is limited to follows:

- Subject limitations: Study limited by the relationship between the Human Resources Management and company performance in Libyan oil field.

- Time limits: applied research during the academic year 2017/2018
- The human's limitations: research is limited to a group of Az Zawiya Oil Refining Company employees.



CHAPTER 1

INTRODUCTION AND HUMAN RESOURCES MANAGEMENT

1.1 HUMAN RESOURCES MANAGEMENT

1.1.1 The human resources management concept

Human resource management HRM is one of the most important functions of business organizations in the information age and the digital economy. Human and cognitive capital is the basis for achieving competitive advantage in business. Human resources management is concerned with attracting, attracting, developing, and retaining high quality human resources. In addition, human resources management is one of the most important and most sensitive functional departments in any company, dealing with the most important element of production and being vulnerable to the internal and external environment of the Organization. The human resources department of modern business organizations occupies a high place, through which a unique competitive advantage can be achieved for organizations that cannot be imitated. Technology and equipment can be imitated, but it is difficult to imitate people and the ideas that arise in their heads (Legge, 1995).

The human element is one of the important elements those business organizations or public organization's needs. The HRM development force company focus on the training activity in addition to its activities in the field of selection, recruitment,

recruitment, direction and follow-up of human resources, with the aim of developing new skills and knowledge in line with the new functional requirements (Harel & Tzafrir, 1999).

The researchers differed in the development of a unified definition of human resource management because of their different vision of the role of human resources management. Some view their role in a narrow traditional view, while others are viewed with a modern look (French, 1964). It is defined by some researcher as an activity or a major specialized function in the organization, which is the focus of the human element, and all the related functional matters since it is appointed in the organization, and until it leaves it, it seeks to obtain the manpower required for the establishment in terms of the number Its purposes. While, others defined it as the set of practices and policies required to implement the various human-related activities that the company needed to function fully (Chiplunkar, Deshmukh, & Chattopadhyay, 2003). HRM can be known as a basic duty of the modern manager, that is to improve the performance of individuals must not be left to the considerations of chance or spontaneity, but is a work must be planned, organized, directed, monitored carefully and objectively to achieve the objectives behind the expected.

Human Resources Management is the department responsible for enabling the Organization to build, maintain and develop its strategic way through realistic planning and appropriate recruitment of human resources as well as training and continuous follow-up of its development process. As well as planning, organizing, directing, controlling, acquiring, identifying, maintaining and compensating aspects of access to individuals for the purpose of achieving the objectives of the establishment (French, 1964).

In fact, those administrative activities related to identifying the needs of the project from the workforce. In addition, providing them with numbers and specific competencies and coordinate the utilization of this human wealth as efficiently as possible.

Therefore, a number of activities must be carried out, namely the presence of a stable and efficient workforce. This through several sub-activities, human resources planning, research and polarization, development, performance evaluation, compensation, benefits, labor relations and labor safety and security. Human resources management is also an important function in modern organizations that are competent to use the human element efficiently and have several main activities, notably:

- To create a stable and highly efficient workforce through systems analysis, job descriptions.
- Train and develop the workforce to increase their abilities and skills.
- Provide health and social care for workers in order to find some kind of positive attitudes towards the establishment.
- Compensation of individuals for their work efforts through salaries, incentives, and bonuses.
- Integrate the wishes of individuals and the interests of the establishment through the communication systems in the organization.
- Carrying out all human resources work, such as file storage and providing information on human resources.

1.1.2 The Importance of Human Resources Management

There is a set of justifications that have led the in its various institutions to give special attention to human resources (Delaney & Huselid, 1996; Legge, 1995).

1. The large size of institutions led to increased government intervention in directing the activity of the work of different institutions in order to generate an intimate relationship between the management of the institution and employees.
2. Development of production methods as technological developments have brought about a change in the methods of production, they have become used as machines with advanced technology.
3. The development of the State intervention in economic activity, where this intervention is related to human resources and its operation, and attention to the issuance of legislation regulating this operation, and determine wages, and ensure the participation of employees in the management of the institution.
4. Human is the aim and the means to any institution because it is he who is planning, which is implemented, watching and which is achieving the goals.
5. Human resources are an input to development as a gateway to community development, as human capital is able to exploit all resources to achieve the best possible productivity at the lowest cost.
6. Human resources are including the primary determinant of production and development.

1.1.3 The history of Human Resources Management

In fact, the human resources management in its modern form is not the result of the time. However, it is the result of a number of developments, which have contributed to the need to have a specialized human management, that sponsors the affairs of the institution. Therefore, modern management ensured that the success of the project depends on the efficiency of human resources management, and that human resources are the means to achieve the institution's objectives, so the conditions must be created for them.

Human resources management went through a number of stages, including the first stage, which was the development of industrial life after the Industrial Revolution. The second stage was the emergence of the scientific management movement, one of the developments that contributed to the emergence of the importance of human resources management, the spread of the scientific management movement led by (Taylor), which reached the four foundations of management. The third stage was the growth of workers' organizations at the beginning of the 20th century, and the fourth phase at the beginning of the First World War, where World War I showed the need to employ new ways of selecting employees before their appointment. Then fifth phase, which is after the Second World War. Thus far, the scope of the human resources department's work expanded. It included the training and development of workers, the development of programs to motivate them and the rationalization of human relations, not only the preservation of human resources files, the control of their presence and their departure and routines.

1.1.4 Objectives of Human Resources Management

The exact objectives of human resources management are different from institution to another and depend on the development phase of the institution. For example, a person in charge of human resources is seen as the person who takes care of the administrative aspect of managing people, such as preparing employment contracts and maintaining staff files. On the other hand, the person in charge of human resources is seen as an integral and vital part of the planning process of work, all aimed at achieving the various objectives of the project (Mohanreddy & Maregoud, 2016).

Through the definitions of human resource management, the researchers believe that the primary objective of human resource management is to provide the human resources of the organization with quantity and efficiency in order to enable the organization to achieve its goals and objectives by the employees and society efficiently and effectively. A number of objectives can be devised for the management of human resources in any organization:

1.1.4.1 Organizational Objectives:

Human resources management should function in a coherent manner with other departments and provide advice and guidance on the affairs of individuals.

1.1.4.2 Functional Objectives:

The Human Resources Department has its own advisory and executive functions related to its personnel, including:

- Ensuring the continued flow of human resources through polarization, selection and recruitment.
- Ensure maximum use of human efforts through training and development, and provide opportunities to enable them to acquire knowledge, experience, and skill.
- To maintain the continued desire of the workers in the work, by matching the objectives of the organization and the objectives of the workers and to achieve this must provide a system of full compensation.

1.1.4.3 Humanitarian Objectives:

The objectives of the personnel working as the management of human resources to satisfy the wishes and needs of workers as the most important element in the production process, and these objectives:

- Provide opportunities for employees to advance their business through their preparation.
- Enabling active working conditions that allow them to increase their incomes.
- Providing objective policies for the use and protection of human potentials in line with human dignity.

1.1.4.4 Social Objectives:

Which is to achieve the objectives of the community from the operation of individuals according to their abilities, commensurate with the laws and legislation for workers or employees and protect them from these objectives:

- Raise living standards by providing a balance between the opportunities and the human potential of society by placing the right man in the right place.
- Assisting the participants in selecting the most appropriate jobs for them and raising their morale and desires towards work.
- Protect and maintain the work force in society.

1.1.5 Functions of Human Resource Management

The functions of human resources management differ in different countries, societies and cultures according to the developmental and developmental levels experienced by the communities on the one hand and the different activities of the organizations and their level of influence at the local and international levels in terms of their sizes and activities (Boon et al., 2005).

Generally, the human resources management functions consist of major activities including planning, development, compensation, and staff relations. While some researchers believe, that human resources management has two basic functions. Administrative function, it is the function, which human resources management engages with other administrative units from planning, organizing, directing, and controlling. Specialized function, it is a function, which focuses on human resources and includes the following tasks:

- Human resources creation.
- Human resources maintaining.

- human resources training and development.
- Human resources reward.

There are some other classifications to HRM jobs or functions. It can be showing like:

1.1.5.1 Work Analysis Function

Work analysis is defined as the systematic process in the study and collection of information related to the operations and responsibilities of the job, with a view to identifying and developing the full description of them and their terms or determinations. It is also defined as the process by which real factual information about the nature and functions of the organization is collected, analyzed, summarized and presented in the form of written lists showing their tasks, responsibilities and powers, the physical, psychological and social climate in which they are performed, Then identify the skills and human abilities necessary for their performance.

1.2.5.2 Work design:

The work design process involves identifying the activities and tasks that contained in the work, the tools that needed in the work, the nature of the interactive links as well as the performance conditions of the work. The concept of the work design refers to the final form of work and the elements involved in its design.

1.1.5.3 Human Resources Planning:

Human resources are a key factor of production, requiring special attention and attention from the management.

Therefore, Human resources planning foresees the future needs of the organization and prepares for it through the development of objectives, policies, programs, procedures, and rules that enable the organization to achieve quantitative and qualitative balance between what the organization needs and what is currently offered or can be provided in the future during the plan period.

1.1.5.4 Work Evaluation Function:

Work evaluation known as the activity by which functions are compared in terms of responsibilities, duties, qualifications, and conditions for the performance of the job in order to determine the importance and value of each job in preparation for determining a fair wage. It is also defined as a process of analysis and estimation of functions, to confirm their relative value, and to be used as a basis for establishing a hierarchy of functions.

The work evaluation process is the practical and objective means of determining the relative value of any job in the organization in order to determine a fair wage for that job. This is linked to the average wage of employees and the contribution of employees to achieving the objectives of the organization by investing their potentials and expertise.

1.1.5.5 Attract New Employees

A definition of attracting as the policy of bringing employees to advertise vacancies and inviting those who are eligible to apply for the job. Also knows as all activities, especially the media, make the organization an attractive center for those wishing to work, so that it can enhance its human resources with the best available in the labor market. Through the previous definitions, we can say that the attraction is the research, study and investigation of the human resource competence and rehabilitation, to

fill vacancies at different organizational levels, and to attract and select the best among them to work for the organization.

1.1.5.6 Motivation function of Human resource:

The success of the organization depends on the existence of strategic plans based on clear and defined goals and objectives. Managers, as well as human resources departments, can use incentives as tools to motivate employees to achieve goals and objectives as incentives. These motivations must be motivated by induction and excitement through certain tools and means that individuals like and wish for.

A definition of incentives, it is the system followed by the administration in providing rewards and encouragement to employees, in order to motivate them towards their performance and reach maximum productivity possible. In additions, the incentives are defined as the available potentials provided by the environment surrounding

1.1.5.7 Training and Rehabilitation functions:

The training and qualification function for employees is one of the important functions of human resources management. Training is an important for large or small enterprises. However, these facilities are of different size. Different methods are usually taken to fulfill their training requirements. Medium and small enterprises are dependent on the training of their staff on specialized training centers and institutions outside the organization. This function is complementary to the selection and appointment function.

It is not enough for the HR Department to recruit and hire staff, but it is necessary to have training programs that help develop and increase staff skills and improve their ability to perform their assigned tasks.

1.1.5.8 Performance Assessment Function:

The performance appraisal process is a process designed to determine the worker's performance, define it, how it should function, and design a development work plan, performance assessment will not only define the worker at the level of his performance but will affect his future performance.

1.1.5.9 Human Resource Development (HRD)

Human resources development is defined as preparing the human element correctly in accordance with the needs of the society, on the understanding that by increasing the knowledge and capacity of human, his exploitation of natural resources increases, and his energies and efforts increase.

1.1.5.10 Safety and Health

The safe working environment in which the employee feels comfortable and safe is one of the most important influences on his performance. The occupational health and safety function is an important role for human resource management and takes appropriate preventive measures to address potential risks at work.

1.1.6 Challenges to Human Resources Management

There are many changes in the different fields of work in the present time. These changes have been accompanied by many challenges, and obstacles to human resources management to achieve its goals towards the workers on the one hand and the direction of the establishment on the other.

- Changes in workforce composition with increased reliance on modern technology.
- Increase the size of the workforce in general, with the return and compensation of workers under the legislation and government regulations.
- Increase the number of specialists while increasing the powers of executives in different departments to evaluate performance effectively.

1.1.7 HRM in Oil Sector

The Human resources management department on oil sector has some functions such as:

- Issuing administrative orders of all types
- Supervising the variables of the organizational structure and the staff of the organization.
- The numbers of statistics on staffing and the completion of employee pension transactions.
- Fill the needs of the organization of different disciplines to address the lack of employees.

The HRM department consists few units like personal division and division of premiums and allowances as well as bonuses and motivation unit, services unit and nursery.

- **Personnel Division**

It carries out the following tasks like issuing administrative orders for employees' leave (regular and sick leave, accumulation of time and delay at the beginning of official working hours) as well as transfer and placement within the organization. In addition, follow-up and organization of the daily position of the section and keeping records of the normal and sick leave of the employees of the organization and its registration and monitoring.

Issuing administrative orders to accelerate the registration of the deceased, also for employees to be cut off from work and leaving the service. Send the personal files of the movers to the circles transferred to them and updating service records for staff.

- **Division of premiums and allowances.**

The premiums and allowances division carries out many tasks, including granting annual bonuses to the employees and calculating the service for the employees. Issuing the administrative orders for calculating the certificate obtained by the employee during the service, as well as the appointment and return of the dismissed and the powers and responsibilities, as well as the competence to issue books of thanks and appreciation.

CHAPTER 2

ORGANIZATIONAL PERFORMANCE

2.1 Performance and Organizational Performance

The subject of institutions performance has raised the interest of researchers and thinkers in management. Because the human element is the real axis in the administrative organizations and it is one of the indicators that indicate the level of efficiency of employees and achieve the level of achievement required according to the available possibilities and hence we can recognize the concept of functional performance to add idea to its parameters and criteria.

2.1.1 Definition of Performance

There are many definitions dealt with the concept of performance, which is that the performance is the degree of achievement and completion of the functions of the component of the employee. That reflects the extent of the employee meets the job requirements and often the overlap between performance and effort, the effort refers to the energy performance and the performance based on the results that achieved by the employees. Performance is the functional behavior of the individual to accomplish the work that assigned to him, to achieve the desired goals of the organization. Which depending on several factors, including internal abilities, skills of the worker and his readiness for work also job satisfaction, and external factors such as external

environmental influences like work environment and relations with colleagues, heads and office equipment and the appropriate extent place for work and work pressure. The development of management performance and their measurement systems is a means of monitoring and maintaining regulatory oversight, a process of ensuring that organizations follow them to achieve general goals and objectives (Carton, 2004; Salem, 2003).

Although there is a difference between the researchers in the definition of performance, there are some factors that combine these definitions as follows:

- Employee: The knowledge, values, trends, and motives.
- Job: The requirements, challenges, and job opportunities it offers.
- Position: an organizational environment that includes a working, familiar atmosphere, administrative systems, and organizational structure characterizes.

Both scholars and practitioners since organizations were first formed according to the nature of organizational performance and its measurement (Carton, 2004). To selection Performance type you may require the choice of a rigorous and reliable benchmark to determine the different types (Paauwe & Boselie, 2005).

2.1.2. Definition of Organizational Performance

Organization performance is the degree of achievement and completion of the component functions of the individual function. It reflects how the employee fulfills or satisfies the job requirements, and often an overlap between performance and effort. The

effort refers to the energy of performance and the performance is measured based on the results achieved by the employees.

2. 2. Dimensions of Organizational Performance

2.2.1. Financial performance

Generally, financial and market performance is one of an important aims of any organization, in another word is nature objective. Which easily can be obtain even when the number of organizations under investigation is big. Financial performance is one of common type of performance that found in the HRM performance literature (Boselie, Dietz, & Boon, 2005). In some cases financial and market, performance used in instances when objective data is difficult obtain.

2.2.2. Operational Performance

Production quality, productivity, service quality as well as sales and innovation are the ideal measures of operational performance. Where, the subjective estimates and objective measures help to obtain those measures. In most of time, operational measures are of nature objective.

2.2.3 Employee Attitudes and Behavior

In most of previous HRM and performance research the employees' attitudes, perceptions and behaviors were largely neglect (Guest, 2011). Nowadays, some researches started to include one or more employee measures into their investigations, if we see in positive way. Job satisfaction, motivation, organizational citizenship behavior, trust in management, commitment as well as absenteeism and turnover are behavior and attitudes that typically measured by researches. To considering, challenge that compared with operational and financial performance should be measuring and quantifying the employees' attitudes and behaviors (Boselie et al., 2005).

2.2.3 The Importance of Performance Functions:

Job performance is of great importance in any organization, including (Cania, 2016; Carton, 2004; Guest, 1997):

1. Performance is the main component of production or service operations, which is the living, part of it because it is link to the human element that manages the process and converts the resources into material of material value that are sold to the consumer and thus achieve profit. Therefore, the stability of the cost of resources and activation of human productivity makes us reach the objectives of the organization that the most efficient, less expensive, and more profitable.
2. The importance of functional performance does not depend only on the level of the organization, but rather on the importance of performance in the success of economic and social development plans in the State.

2.3. Factors Affecting Organizational Performance

In fact, Organizations are seeking to create much competition between them, taking more market, more customers, more sales...Etc. (Cania, 2016). Normally, there are two environmental types, which are internal environment and external environment. Each one have some details as following (Eruemegbe, 2015):

2.3.1 The Internal Environment

Internal environment contains some situational factors within the organization, which in most of the time as result of management process decisions, most times under management control. In fact, internal environment is described as the strengths, resources, behavior, weaknesses, synergy and distinctive completeness inside the organization. Fig. 2.1 showing the internal environment such as:

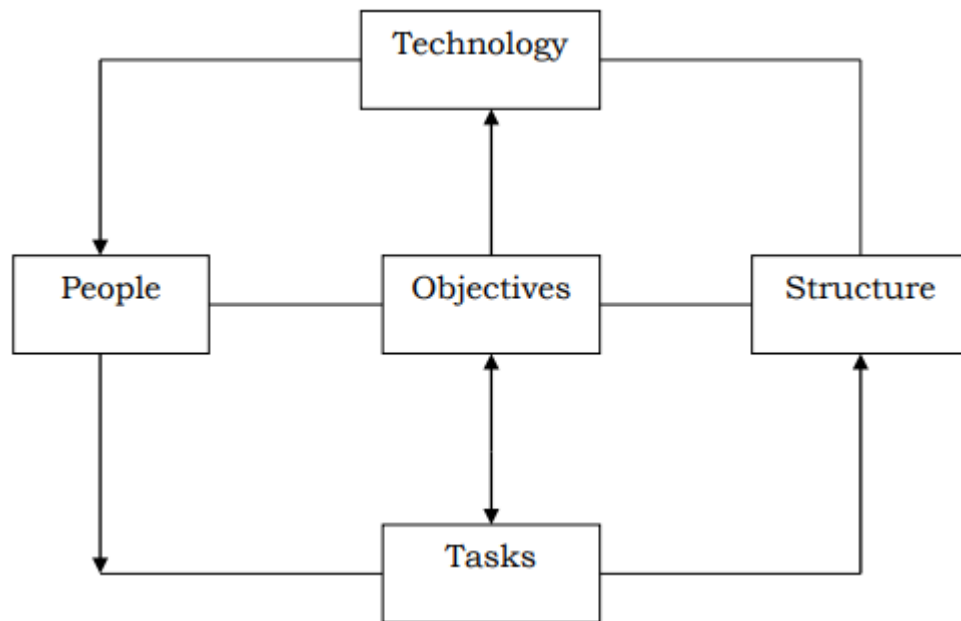


Figure 2.1: Internal environment variable of organization (Eruemegbe, 2015).

2.3.1.1 Structure

There are many of management levels made formal organizations, as well as in other side there are sub-units known as functional areas in finance, marketing, personnel, and productions.

2.3.1.2 Tasks

Any organization have especial work or task must be done in especial period. The outgrowth of the labor division is the tasks creation. In addition, each organizational position is assign a set of tasks that based on structure and management's decision, which mainly intended to contribute to the attainment of the organization's objectives.

2.3.1.3 Technology

Nowadays, technology considered as raw material of management, people, information, or physical materials to desirable goods and services. While technology contains machines, equipment supplies of knowledge used in the transformation process.

2.3.1.4 People

In fact, describing any organization, management, subordinates, and workers, simply describing people groups. In view of the changes in the business environment, which necessitated a review of the composition of human resources, skills and knowledge and development of their performance capabilities. This development force company focus on the training activity in addition to its activities in the field of selection, recruitment, recruitment, direction, and follow-up of human resources, with the aim of developing new skills and knowledge in line with the new functional requirements.

2.3.2 External Environment

The external environment of organization including some factors that outside an organization like competitors, customers, government agencies, labor, suppliers, and financial firms that are relevant to organization's operations, which in details are:

2.3.2.1 Economic Dimension

The overall health of the economic system that most of organizations operation is highly effect on organizational performances. Economic dimension effect in many businesses by inflation as well as interest rates and unemployment. That force companies to increasing

products price in order to recover such money and the consumer demand will be affected as well, because they will be unwilling to pay more on a product.

2.3.2.2 Technological Dimension

It helps to transferring resources to final products and services by utilizing new machines. In fact, the technology that used in organization comes from general environment, which contains inventions and improvement of existing methods, machines and materials. The technological highly affect the work methods and production design, also machine and improved services.

2.3.2.3 Political Dimension

The government regulations are political factors that effected on business. The important relationship that between business and government. Generally, what organization should or should not do, known by legal system. Which government, influence business activities in organization.

2.4. Theoretical Approaches for HR - Performance Relationship.

2.4.1. Universalistic Perspective

The focusing on the effectiveness of employee human resource practices, it is the bases the universalistic approach, where always some particular human resource practices are better than others. The universalistic approach can be defined as the idea of universally valid human resources practices. By adopt such HR practices on every occasion in all organizations, it's the main idea of universalistic approach. In addition, according to this

approach there are direct relationship between organizational performance and best HRM practice. The universalistic approach can be defined as the idea of universally valid human resources practices. By adopt such HR practices on every occasion in all organizations, its the main idea of universalistic approach. In addition, according to this approach there are direct relationship between organizational performance and best HRM practice

2.4.2. Contingency Perspective

In order to get beneficial effects, HR practices should be consistent with other aspects of institution as well as that consistency with the firm's strategy, which is primary contingency factor is important. According to this approach the most importantly competitive strategy is the effect of HRM on organizational performance will depend on a firm's characteristics. Moreover, if an organization maintains a greater congruence between HR practices and strategies, the organizational performance can be increasing (Delery & Doty, 1996).

2.4. 3. Configuration Perspective

HRM patterns are the main focusing in configurationally approach rather than single practices, which are related to dependent variables. To best enhance organization performance should focuses on multiple interdependent HR practices, especially those cope with each other. In fact, the central idea of configurationally approach is "horizontal fit". Where HRM practices should not be looked at individually but as a overall system.

According to configurational approach, create synergistic system possible for any organization by look at HRM practices as a system and choose the individual components (Arthur, 1994; Delery & Doty, 1996).

2.4.5. AMO Theory and KSA Theory

Many authors mixed between AMO theory, contingency and the resource-based view theory. AMO theory spotlight on the employees' motivations, skills and opportunities to participate. Nowadays, AMO theory is the only theory that utilized in more than half of all the articles published after the year 2000 (Paauwe & Boselie, 2005). The employees skills, knowledge and abilities (KSAs) can be increase according to strategic HRM theory, as well as for organizational benefit the empower employees to leverage their KSAs in addition raising their motivation (Boselie et al., 2005).

Employees KSA can be increase by selective staffing as well as scholar's state that recruiting. Moreover, HR practices like training, job design, and compensation advanced through KSA, also to leverage their KSAs, employees should be motivated (Becker & Huselid, 1998; Delery & Doty, 1996).

2.4.6. Other Theories

There are some theories more specific to perspectives and theories concerning the HR practices. those applied to the HRM-performance and individual level, which

normally linked and related to attempts at explaining the potential link., There are a lot of those theories such as:

- The social exchange theory
- Psychological contracts
- Job characteristics theory.

to the link between performance and HRM, should applying social exchange theory. Where the main idea is organizations that invest in their employees, will experience employees reciprocating these investment with efforts directed towards the organizations' benefit and interest (Guest, 1999; Snape & Redman, 2010). In fact, those somehow are similar to theorizing about psychological contracts and HRM-performance (Hackman & Oldham, 1980; Snape & Redman, 2010).

2.5 Impacts of Human Resources on Organizational Performance

To examine the impact of human resource management on employee organizational performance, should studying the impact of the following functions such as organizational structure, leadership, communication, technology, teamwork, participation of decision makers and incentives, on the organizational performance of employees.

2.5.1 Impact of Organizational Structure

Organizational structure Influence on employee functionality, the organizational structure is defined as the construction or framework that defines internal departments, it defines authority lines, decision-making positions, and implementation of management decisions.

In order for the organization's organizational structure to achieve efficiency and effectiveness in accomplishing tasks, it must have some characteristics such as balance, flexibility and continuity.

2.5.2 The Impact of Leadership

Leadership can be defined as the ability to influence on others, whether they are subordinates at work, colleagues or members. In the impact of the leadership style on the functionality of the workers we mention the following:

- Leadership in the context of management practice is a gesture, inspiration, or influence in others to make them work with a high commitment and perseverance to accomplish and perform the tasks required of them.
- The role of leadership in the organizational aspect is not limited to issuing orders and instructions, but the main role is to provide employees with all that motivates them and maintains their moral spirit.

2.5.3 Effect of Communication

Communication is defined as the means that transfer the ideas; commands and information are transfer between different levels of the organization. In the impact of communication on the functionality of employees can be explain as:

- The absence of effective channels of communication between presidents and subordinates and the consequent lack of objectivity in dealing with workers and the non-establishment of trust-based relationships leads to a negative impact that

creates feelings of concern and frustration for workers and reduces their production and vice versa.

- Communication helps transfer and flow of information within organizations and increases the efficiency of work whenever there are good communication systems.
- Communication helps staff to keep abreast of developments affecting the organization and reflect on their practical environment.

2.5.4 Impact of Technology

The impact of technology on the organizational performances can be divided into a positive impact and a negative impact on the performance of employees.

1. Positive effects, such as:

- Technology helps to speed performance, reduce costs and maintain high quality in goods and services provided.
- Technology contributes to the distribution of tasks, duties and to work properly among individuals and groups.
- Contribute to the performance efficiency of individuals in the organization in terms of speed and reduce the efforts of human, material and information.

2. Negative impact, such as:

- The machine control on individuals, isolation and weak social relations, therefore the impact on the role of the individual within the organization;
- Recent developments in technology have raised concerns such as increasing unemployment and reducing the morale of workers

2.5.5 Impact of Teamwork

The effect of teamwork on organizational performances can be note in some points such as:

- Ensuring the principle of individuality and underestimation of the community leads to less interaction and a climate prone to negativity
- The group influences the individual, his awareness, his motives, his actions, his efforts, and his productivity at work
- Facilitates collective communication

2.5.6 Impact of Participation of Decision Makers

The impact of participation of decision makers on organizational performances can be mention in some points such as:

- Make decisions more realistic and more acceptable to the implementation with desire and conviction to those who participated in the manufacture.
- Express one of the means that helps the administration to meet the psychological needs of workers
- Gives the workers of the organization a sense of importance, leading to loyalty and dedication to work

2.5.7 Effect of Incentives and Promotions

The effect of incentives and promotions on organizational performances can be mention in some points such as:

- Contribute to the satisfaction atmosphere with the work of individuals, which drives them.
- To strive to increase productivity and achieve the objectives of the organization.
- Motivate worker to perform his work on the levels of efficiency and effectiveness
- Attention to motivation leads to a desire to improve their performance and raise their productive efficiency in order to achieve the objectives of the organization

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Oil Sector

3.1.1 AZ Zawiya Oil Refining Company

Al Zawiya Oil Refining Company was established by a decision of the Libyan National Oil Corporation (NOC) and registered as an oil company and started its production in 1974 where the first unit was opened with a refining capacity of 60,000 barrels per day. In 1977, the second unit was added with the same refining capacity of the first unit. In 1980, two factories were added: the first asphalt factory, the second, the asphalt factory in Benghazi in 1984 with a total refining capacity of 200,000 tons per year, and the third, the oil mixing and filling plant, was incorporated in 1983 with a production capacity of 60,000 tons annually.

The main objective of its establishment is to meet the increasing domestic demand for petroleum products, while exporting the surplus to the international markets. The international standards have been designed, and provided with the means, to protect the environment and occupational safety required by the nature of work. Al-Zawiya Oil Refining Company, has not limited any of these standards to enable it to assume its local and international status among its production activities. This company is dedicated to

perseverance and diligence, and its motto is sincerity and mastery of work, as well as the glory and progress of Libyan goal.

3.1.1.1 Main Company Activity

The main activities of Al-Zawiya Oil Refining Company are:

- Refining crude oil
- Manufacturing asphalt
- Mixing and filling mineral oils

3.2 The Research Tools and Methodology

3.2.1 Study Approach

Mainly, the research field focuses on the study and analysis of human resource management and its impact on the job performance of employees in Libyan oil sector, as case study Al-Zawiya Oil Refining Company. To get study's objectives, the descriptive approach has been utilizing.

The research has been done based on some references and data sources on the research subject such as books, articles and previous studies, the descriptive approach was utilized.

3.2.2 The Study Limits

3.2.2.1 Time Domain

Time limitation domain is 2017-2018, where research data were collected.

3.2.2.2 Human Domain

The human limitation of case study was the employees of the Al-Zawiya Oil Refining Company.

3.2.3 Study Tools

3.2.3.1 Tools of data collection

The questionnaire is the main collecting data tools, which is the most common collecting data method (Rowley, 2014). It is one of the useful tool to collected informations and to recognizing the reality as well. This questionnaire has been designed with took into account some points such as:

- Formulation of paragraphs
- Fit the measurement to the dimension
- clear and free of linguistic fillings
- The respondents focus ensured by positive and negative.

The five-point scale is the degree of potential responses, as shows in table 3.1, which is ranging from (strongly disagree to strongly agree).

Table 3.1: Showing five-point scale of questionnaire.

Approval scale	No. of point
Strongly Agree	5
Agree	4
Neutral	3
Disagree	2
Strongly Disagree	1

1. The Stability and Reliability

The Caronbach's Alpha test indicated through constructed questionnaire regarded as an indication of its logical sincerity Where, the number of tested items as well as its dimensionality strongly effected in the value of alpha that calculated by the Caronbach's Alpha test (Cortina, 1993; Tavakol & Dennick, 2011). In fact, alpha value is the main indicator to accepted or reject the questionnaire with different references about the acceptable alpha values, where the acceptable ranging from 0.70 to 0.96 according to (DeVellis, 2016) as well as (Bland & Altman, 1997). Table 3.2 shows the stability coefficients according to the Caronbach's Alpha test.

Table 3.2: The questionnaire reliability and stability.

Questionnaire	Caronbach's Alpha
22	0.701

3.2.3.2 The Research Sample

In fact, research focused on staff most affected by administrative decisions. Sample size 200 employees randomly selected from Al-Zawiya Oil Refining Company. The objective was to have a more representative sample of the study community, so the sample of the research includes all the sections without exception.

3.2.3.3 Analysis Tool

1. Standard Deviation & Mean

The first data analysis is mean and standard deviation. After entering all data to SPSS software, then calculated standard deviation. Concentration and non-dispersion are referred to as less than 1, indicating a convergence of responses. A standard deviation greater than or equal to 1 indicates a lack of concentration and dispersion of responses, which is known as variation in the answers and their differences around the content of the phrase.

2. Independent-Samples T Test

The user SPSS program calculates it as one of the analysis tools used in the research, by using the means of comparison between two groups. Topics must be assigned randomly to two groups, so that any variation in response is measured. Moreover, the main objective is to find statistically significant differences.

3. One-Way ANOVA

One-Way ANOVA, it is one of analysis tool that used in this research. SPSS software used to calculate ANOVA Test. Normally, utilizing in compares means for more than two groups of cases. The main aim is finding statistically significant differences.



CHAPTER 4

RESULTS AND DISCUSSIONS

4.1 The Analysis of Questionnaire

4.1.1 Study Samples Demographic.

The study society in the field of Oil industry has been chosen from Al-Zawiya Oil Refining Company. In light of the size of the sample society, 200 employee staff was the sample size. The research sample represented by number of employees in the technical departments as well administrative. Table 4.1 shows the study samples characteristics, personal and functional features as follows:

Table 4.1: Demographic Features of Study Samples.

Variables		Categories	Repetition	%
Gender	1	Male	173	86
	2	Female	27	14
Age	1	18 to 24	15	7
	2	25 to 29	64	23
	3	30 to 44	68	34
	4	45 to 54	41	21

	5	55 and more	30	15
Function	1	Head of Department	5	2
	2	Specialized	25	13
	3	Engineer	50	25
	4	Technical	54	27
	5	Employee	26	13
	6	Others	40	20
Education level	1	Intermediate/Secondary	24	12
	2	B.Sc/High diploma.	139	69
	3	Master	28	14
	4	Ph.D	9	5
Experience	1	1 to 5	45	22
	2	6 to 10	64	32
	3	11 to 15	59	30
	4	16 and more	32	16
Training	1	Yes	186	93
	2	No	14	7

4.1.1.1 Gender

Figure 4.1 shows the research samples, which divided into gender groups. Demography analysis of from Al-Zawiya Oil Refining Company shows that the mostly of study sample are male categories about 86%, while female represented by 14%.

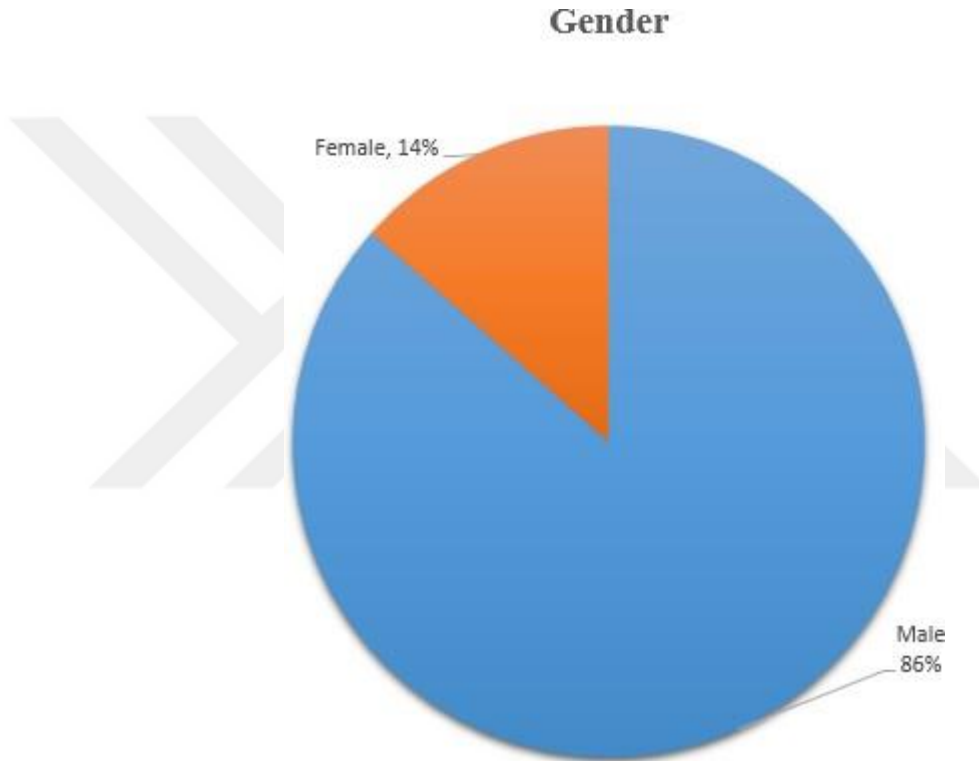
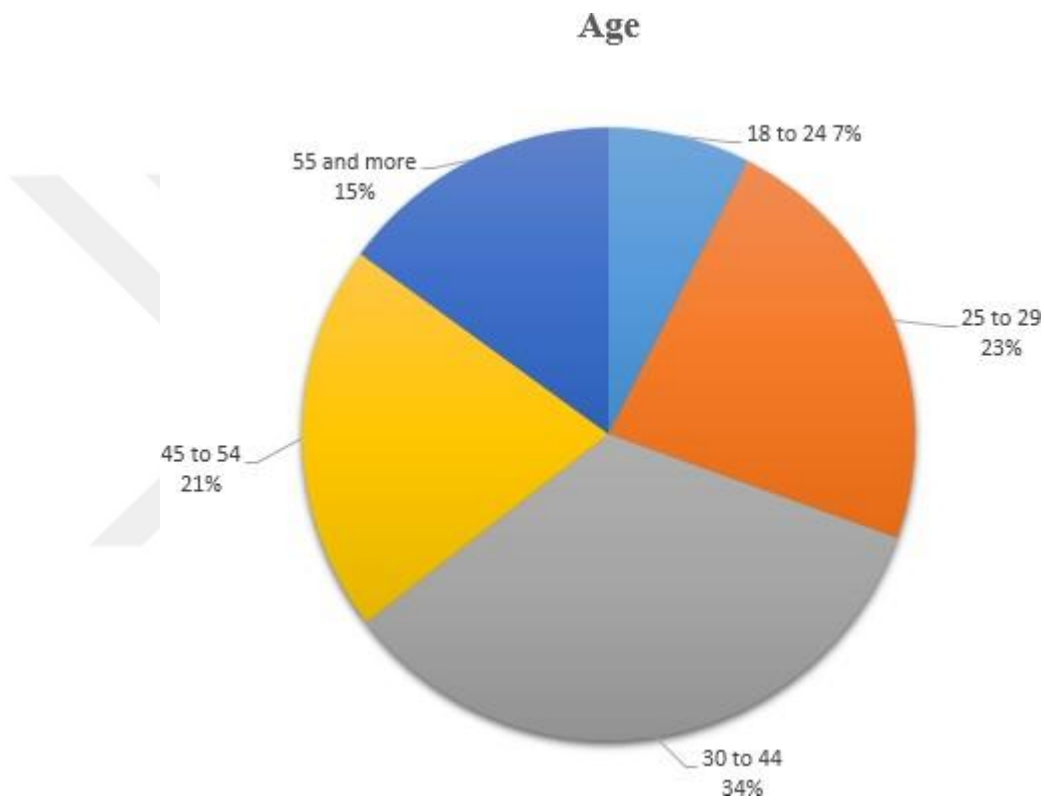


Figure 4.1: Gender analysis of research's sample.

4.1.1.2 Age

The age analysis of Al-Zawiya Oil Refining Company shown in figure 4.2. The results displayed five age groups with different percentages. The highest percentages was 34% to the 30 to 44 followed by 23% to the age in between 25 and 29, next 21% for 45 to 54

and 18% for the age that 55 and more, while the less group was in between 18 to 24 by 7%.



Figurer 4.2: The age analysis of the research's sample.

4.1.1.3 Position

Figure 4.3 shows job position analysis of research sample the represented Al-Zawiya Oil Refining Company. The analysis results shows that the highest category was technical with 27%. Next was the engineering group with 25%, which followed by others group

with 20% and both employees and specialized by 13%. The less job group was head of department with just 2%.

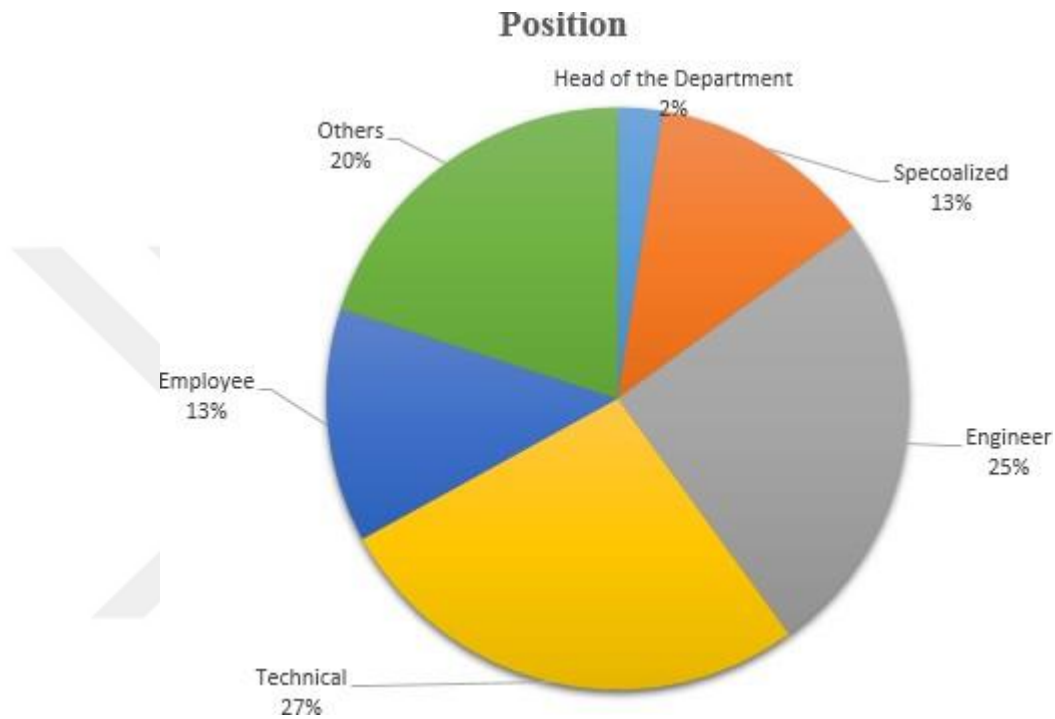


Figure 4.3: Job position analysis of research sample.

4.1.1.4 Educational level

The educational level is shown in Figure 4.4 with analysis of research sample. The analysis results represented the bachelor's degree and high diploma as the highest percentages with 69%, followed by master group with 14%. Next, the intermediate and secondary group which constituted 12% while the less percentages was 5% represented the Ph.D. group.

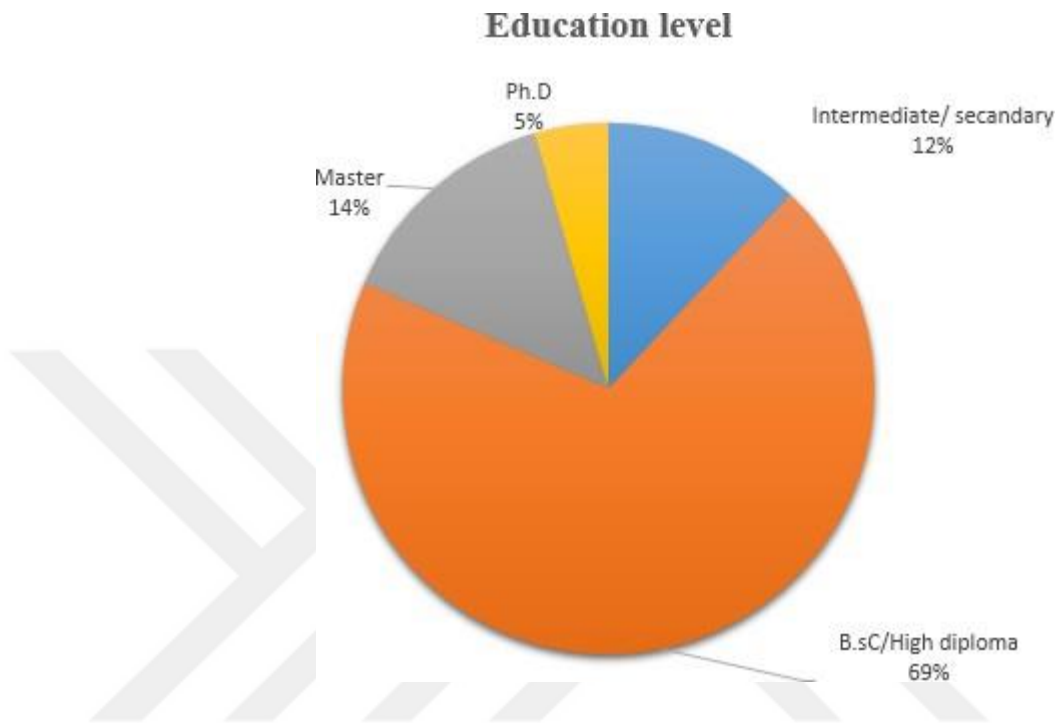


Figure 4.4 shows the educational level analysis of research sample.

4.1.1.5 Experiences

The years of experience of research sample of Al-Zawiya Oil Refining Company shown in Figure 4.5. The experiences analysis displayed by four groups, the highest category was 32% for group that in between 6 and 10 years experiences, followed by 30% for group that in between 11 and 15. While, from 1 to 5 years experiences came in third place by 22%, and the less group represented by 16% for 16 years expirees and more.

Experiences

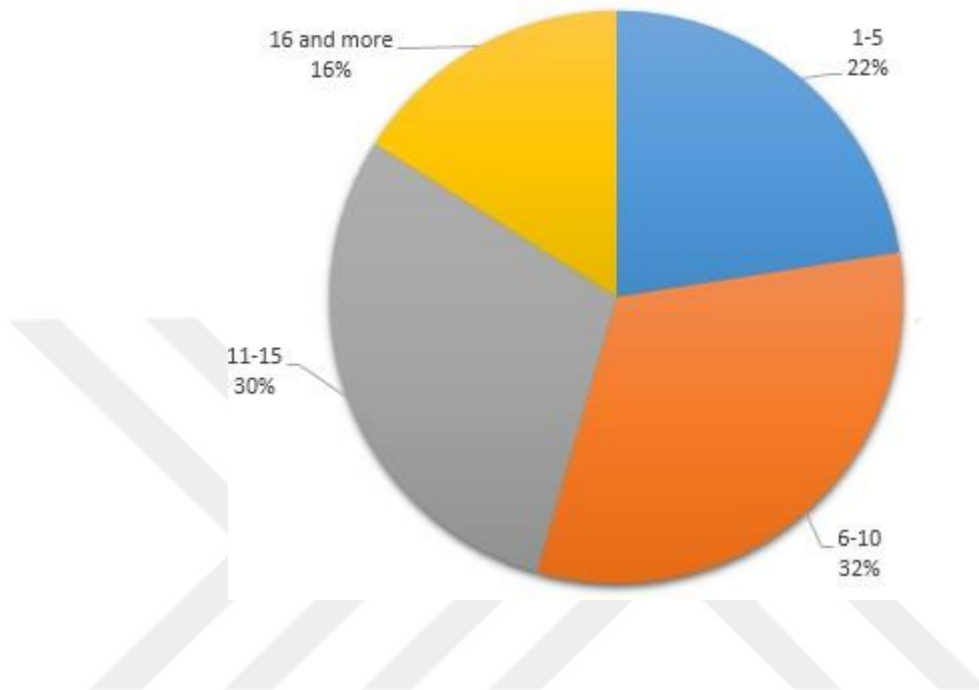


Figure 4.5: The years of experience of research sample.

4.1.1.6 Training

Figure 4.6 shows the training category analysis of research sample. The analysis has been done by using the question. Whether the Al-Zawiya Oil Refining Company participants are enrolled any training courses. The training courses weather was technical means or educational that may help and support employees in work and improve their performance. The results shows that 93% of research sample have training and 7% never get any training.



Figure 4.6: The training category analysis of research sample.

4.1.2 Overall Evaluation

The human resources management and its impact within the Al-Zawiya Oil Refining Company, all analyze and review of HRM performance has been built on employee's opinions and awareness that reflected by their questionnaire's answers.

According questionnaire, the human resource management evaluation in Al-Zawiya Oil Refining Company as an example of Libyan Oil sector are shown in Table 4.2.

Table 4.2: The research sample's answers of questionnaires.

The question	Strongly agree	Agree	Natural	Disagree	Strongly disagree	Average	Standard deviation
Positive impact of human resources management on the performance	73	94	27	6	0	4.17	.771
The basis of the success and effectiveness of the Company and its survival is the human element.	99	79	18	4	0	4.37	.731
One of the most importance functions that HRM apply in Company is the motivation.	32	96	52	20	0	3.70	.857
The HRM utilizing the incentives as raising	38	82	58	16	6	3.65	.976

tool to Company performance.							
The success of the Company depends to improve human resources management performance.	43	63	53	37	4	3.52	1.08
A strong relationship between HRM motivation and performance in Company.	41	84	47	22	6	3.66	1.02
The audit play an important function as a control tool to the activities of Human Resources Management of Company	55	79	42	23	1	3.82	.981
The audit has an important function and performance of Human Resources of Company	36	76	61	16	11	3.55	1.05
The HRM are importance as an effective management tool in Company.	26	78	66	14	16	3.39	1.063
The HRM has high direct effect on Company performance	60	88	33	10	9	3.90	1.03

The human resources management doing their actions and functions in Company	18	65	81	24	12	3.27	.990
The HRM has high contribution to the creation of benefit in Company	40	86	49	24	1	3.7	0.940
The HRM functions are clear in Company.	34	102	38	22	4	3.70	0.946
Human resources management has clear policies and plans for developing company performances	20	55	72	29	24	3.09	1.13
Human resources management has effectiveness of applying the strategies and plans in company	74	75	34	16	1	4.03	.953
There is relationship between human element development and raising company performance	56	91	46	7	0	3.98	0.808
Our organization conducts Extensive training programs for Employees	89	77	30	3	1	4.25	0.751
There are formal training programs to	73	91	33	3	0	3.99	0.851

teach new employees the skills they needed							
There can be little action taken until a supervisor approves a decision	67	68	61	4	0	4.10	0.850
Any decisions made must have bosses' and employees' approval	74	78	45	0	3	4.1	0.851
HRM made a cooperation environment to the employees at work	58	96	46	0	0	4.06	0.720
HRM supported teamwork and group problem solving	65	76	41	16	2	3.93	0.969
HRM supported exchange professional tips and hints with acquaintances from other organizations	71	59	51	13	6	3.88	1.064

This analysis aims to research the questionnaire's answers of employee of Al-Zawiya Oil Refining Company, to study their awareness and believe in human resource department in company. This discussion representing some of questionnaire questions and analyzing them. In this study the answers divided to five groups as shown in Table 4.2, which are strongly agree, agree, natural, disagree and strongly disagree. The first question in questionnaire was whether there is positive impact of human resources management on the performance. The study sample's results came as 36.5% strongly agree and next by

47% agree, which representing 83.5% of total percentages as shown in Figure 4.7. This percentage indicate that most of study sample they believe that HRM has positive affect on company performance, with standard deviation 0.771 and mean about 4.17, which indicates non-dispersion in answers and concentration..

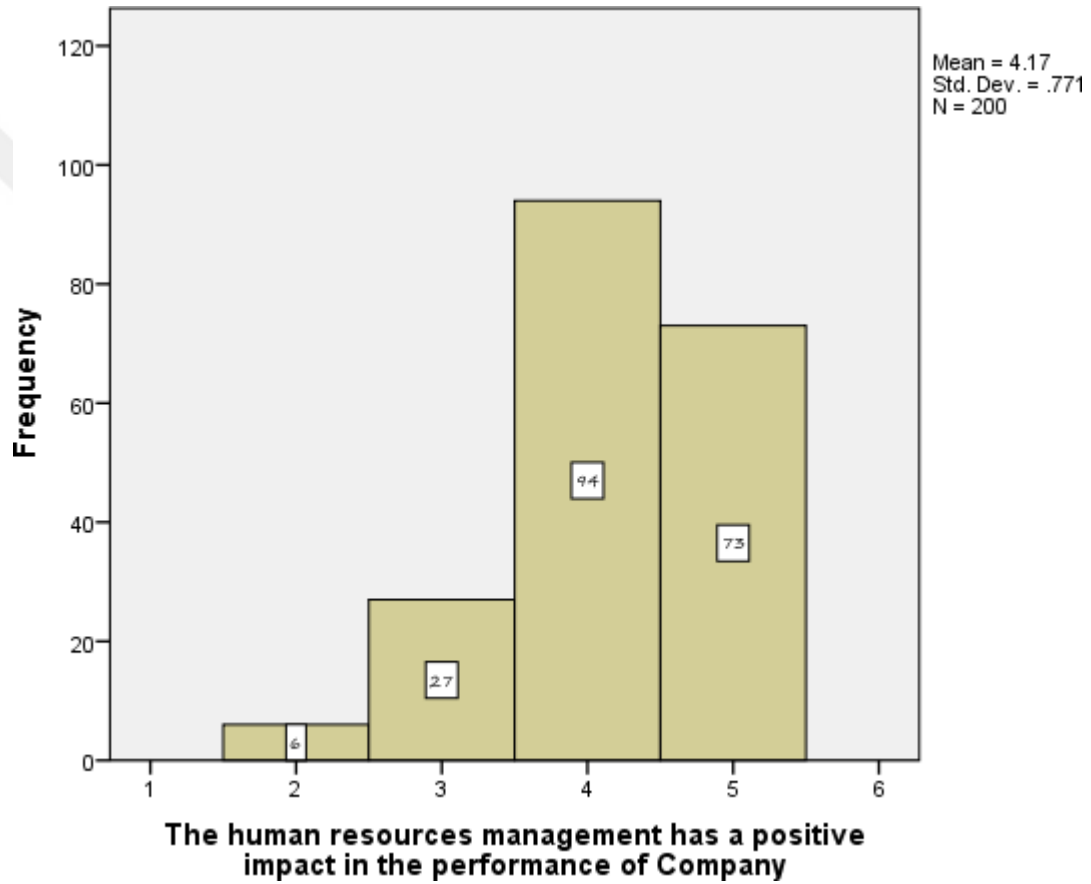


Figure 4.7: Study sample opinions about if there is positive impact of human resources management on the company performance.

The second questions became if the basis of the success and effectiveness of the Company is the human element is, the employee’s answers became as 49.5% strongly agree

followed by 39.5% agree, both formed about 89% agreement of total percentages as shown in Figure 4.8. With mean 4.37 and standard deviation 0.731 and 0.00 significant T-test that indicating non-dispersion in answers and concentration.

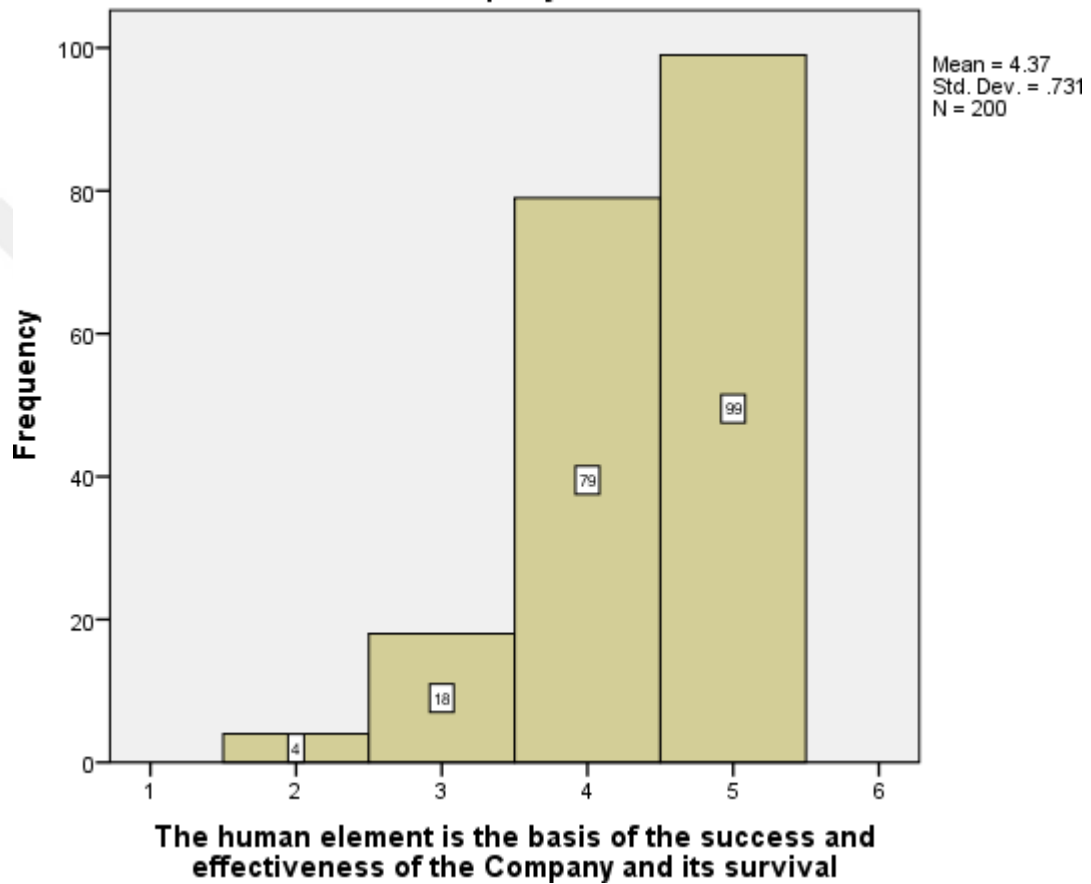


Figure 4.8: the study sample opinions about if the human element is the basis of the success and effectiveness of the Company.

In addition, one of importance functions of HRM that apply in Al-Zawiya Oil Refining Company is motivation. The highest percentages became as 48% agree and 16% strongly

agree both formed 64% of agreement while just 10% disagreement, as shown in Figure 4.9.

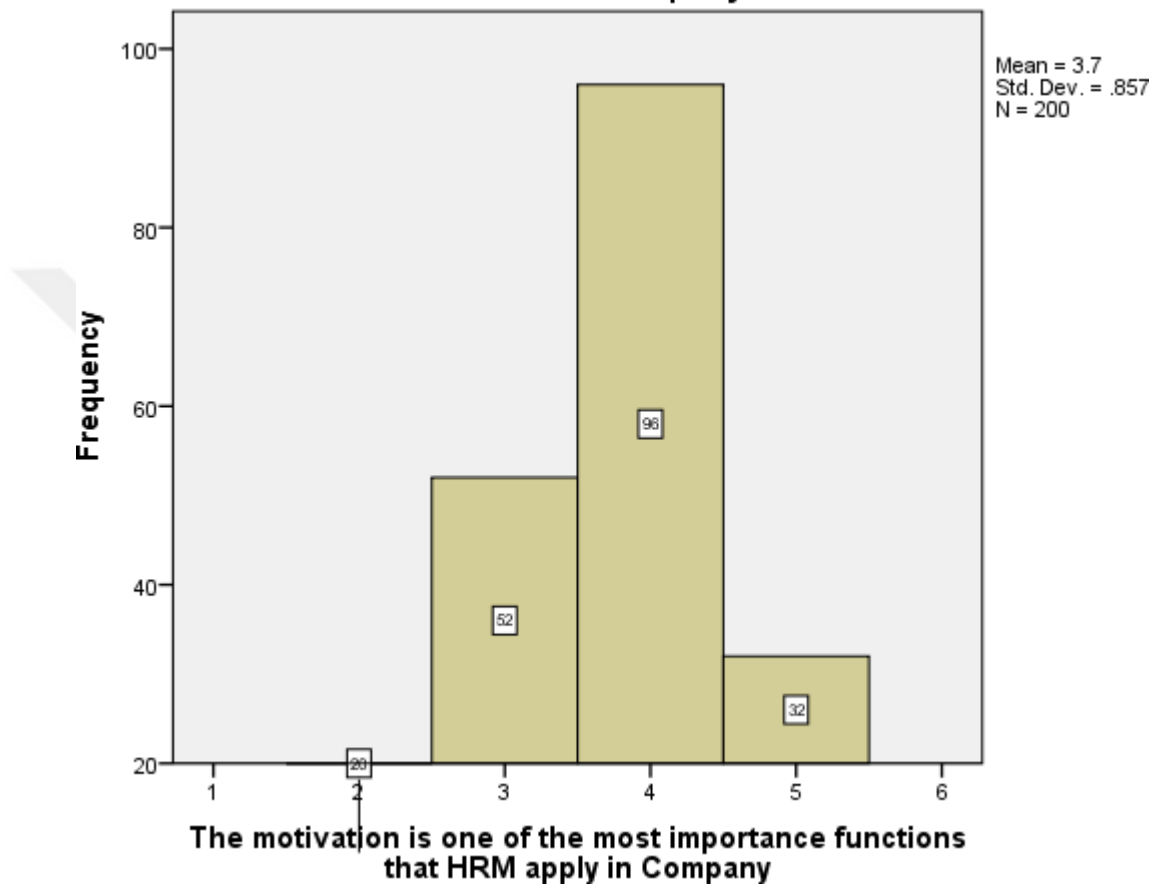


Figure 4.9: Response of employees if one of importance functions of HRM that apply in Al-Zawiya Oil Refining Company is motivation.

This indicate that Al-Zawiya Oil Refining Company believe the motivation is one of the most important function of HRM with mean 3.70 and standard deviation 0.857 and significant T-test nearly 0 that given the non-dispersion in answers and concentration.

Fourth question as shown in Table 4.2 and Figure 4.10, the results of research sample

became as 41% agree followed by 19% strongly agree, which representing 60% of total percentages, while just 11% disagreement. Statistics tests such as standard deviation is 0.976, mean is 3.65 and significant T-test nearly 0 that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers.

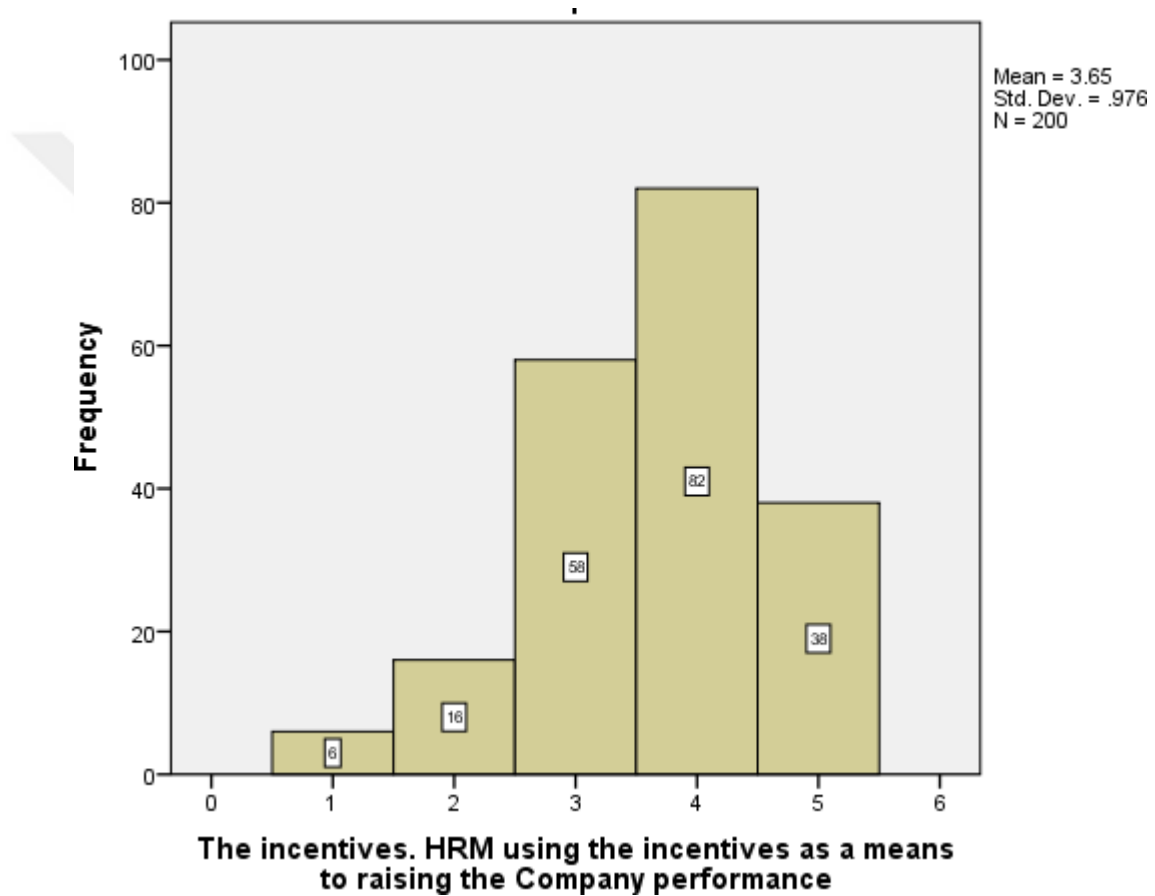


Figure 4.10: The HRM utilizing the incentives as raising tool to Company performance.

Next question was whether the success of Al-Zawiya Oil Refining Company depends to improve HRM performance, the results of research sample became as 31% agree followed by 21% strongly agree, which representing 52% of total percentages, while just 20%

disagreement and the remain part was natural, as shown in Figure 4.11. Statistics tests such as standard deviation is 1.084, mean is 3.52 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers.

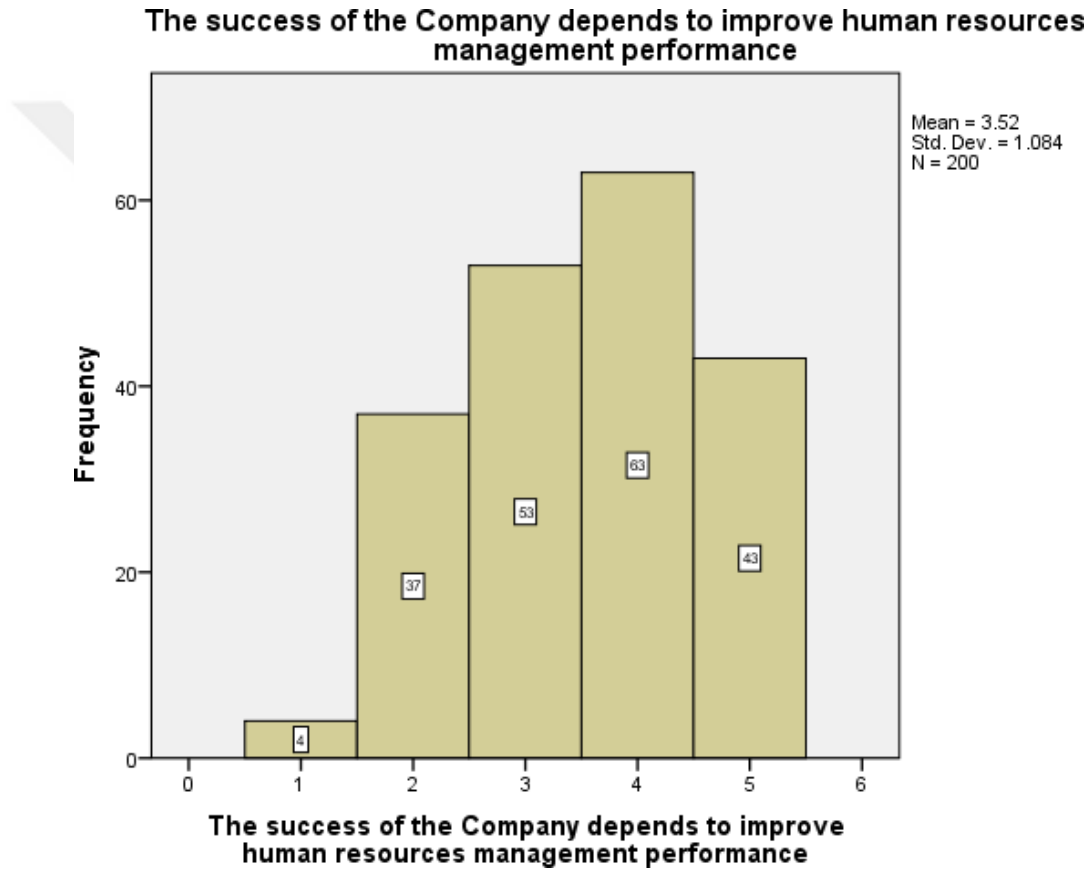


Figure 4.11: The success of Al-Zawiya Oil Refining Company depends to improve HRM performance.

Figure 4.12 shows the next question to Al-Zawiya Oil Refining Company employees was whether there are strong relationship between HRM motivation and company

performance. The question's answer become as 42% agree followed by 20.5% strongly agree, which representing 62.5% of total percentages, while just 14% disagreement and the remain part was natural. Statistics tests such as standard deviation is 1.020, mean is 3.66 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers.

A strong relationship between HRM motivation and performance in Company

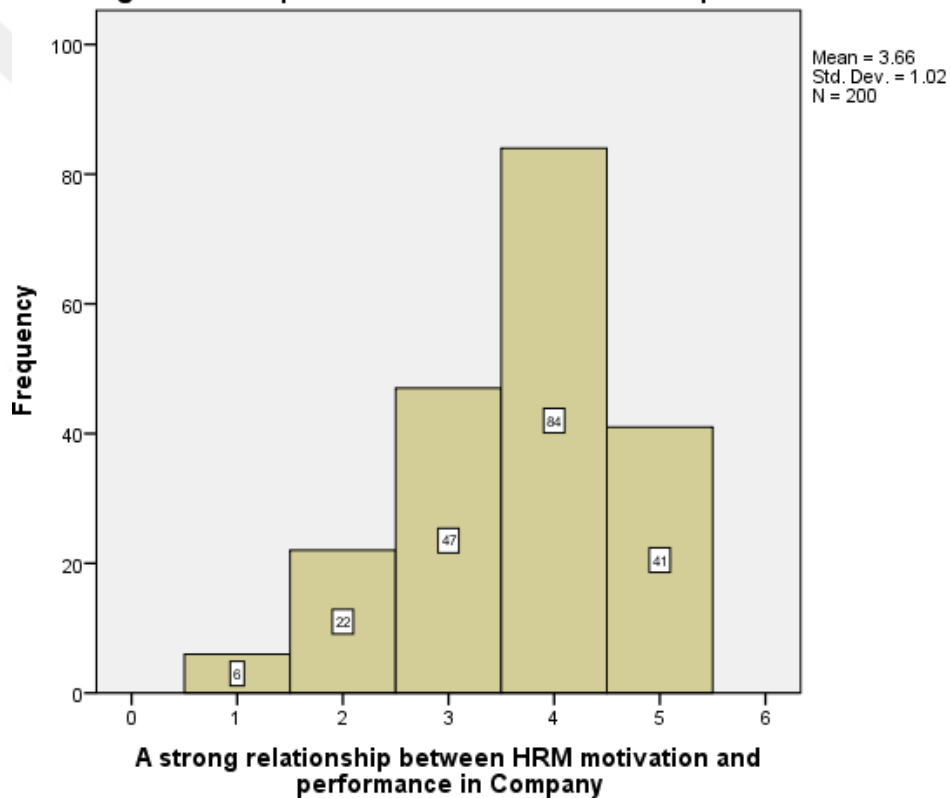


Figure 4.12: the awareness of employees to the relationship between HRM motivation and company performance.

Like sixth question 67% of research sample they believe Human Resources Management in Al-Zawiya Oil Refining Company uses audit as an important function and control tool with standard deviation 0.981, mean is 3.82 as shown in Figure 4.13. next question about

the audit and its important function and performance, question's answer become as 38% agree followed by 18% strongly agree, which representing 56% of total percentages, while just 13.5% disagreement and the remain part was natural, as shown in Figure 4.14. Statistics tests such as standard deviation is 1.05, mean is 3.55 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers.

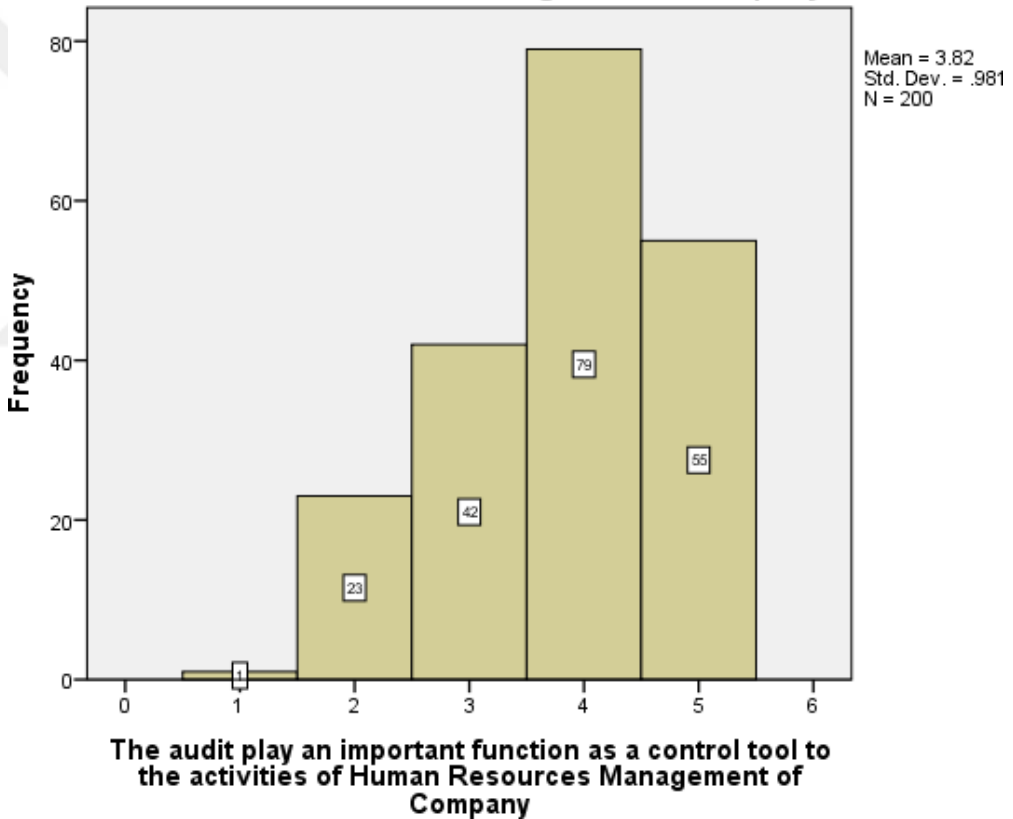


Figure 4.13: Human Resources Management in Al-Zawiya Oil Refining Company uses audit as an important function and control tool.

The audit has an important function to performance of Human Resources Management Company

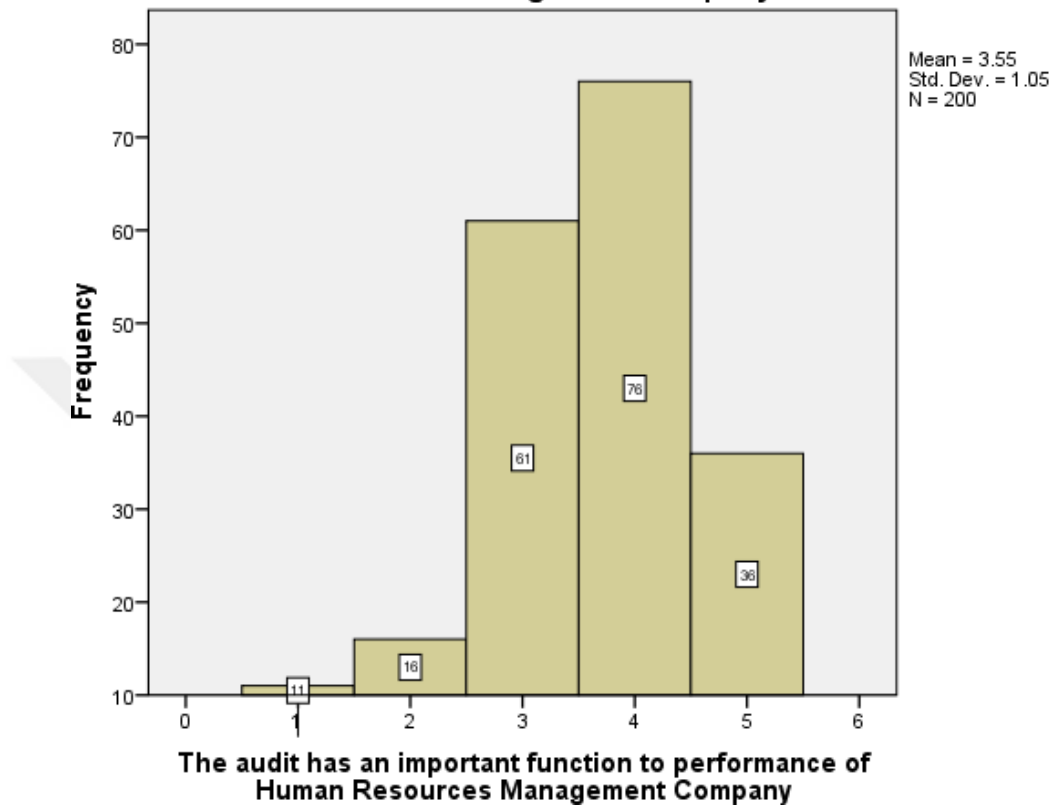


Figure 4.14: The employee’s response about the audit and its important function and performance in company.

The next question was if Al-Zawiya Oil Refining Company believe that the Human Resources effective tool in there company, the question's answer become as 42% agree followed by 20.5% strongly agree, which representing 62.5% of total percentages, while just 14% disagreement and the remain part was natural, Figure 4.15 shows more details. Statistics tests such as standard deviation is 1.06, mean is 3.42 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining

Company answers. Continuously, the answers of question, whether HRM directly impact Al-Zawiya Oil Refining Company performance shown in Figure 4.16, the question's answer become as 44% agree followed by 30% strongly agree, which representing 74% of total percentages, while just 9.5% disagreement and the remain part was natural, Figure is available in Appendixes. Statistics tests such as standard deviation is 1.032, mean is 3.90 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers.

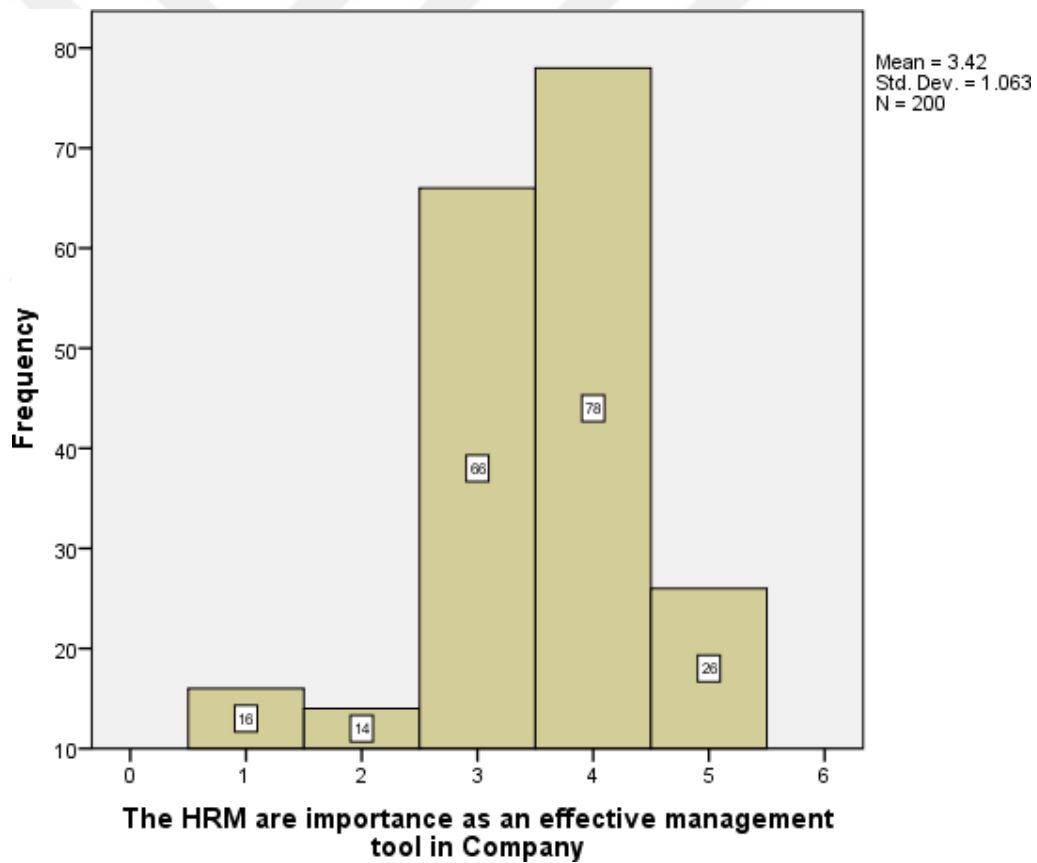


Figure 4.15: The study sample opinions about if the HRM is important as an effective management tool in the Company.

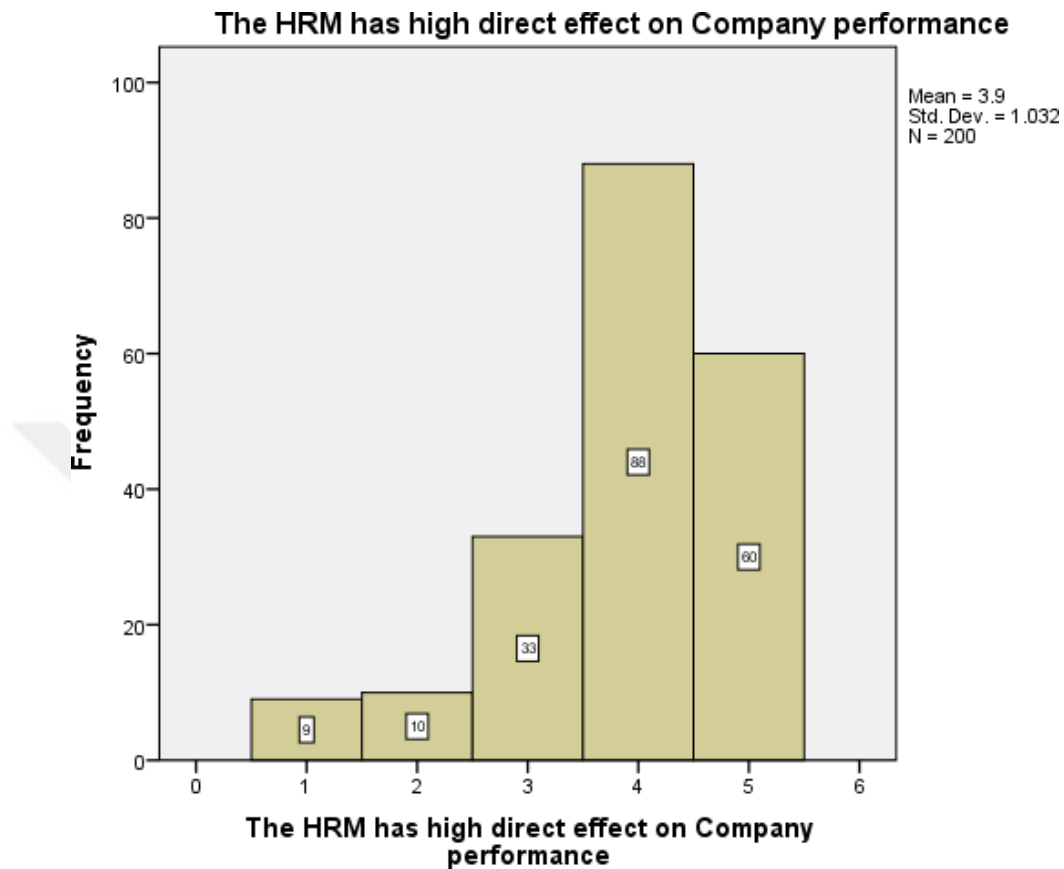


Figure 4.16: Employee's response about if HRM directly influence Al-Zawiya Oil Refining Company performance.

Question is whether our organization conducts extensive-training programs for Employees. Question's answer the highest become as 44.5% strongly agree followed by 38.5% as agree, which representing 83% of total percentages, while just 2% disagreement and the remain part was natural, more details are available in Figure 4.17. Statistics tests such as standard deviation is 0.80, mean is 4.25 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers.

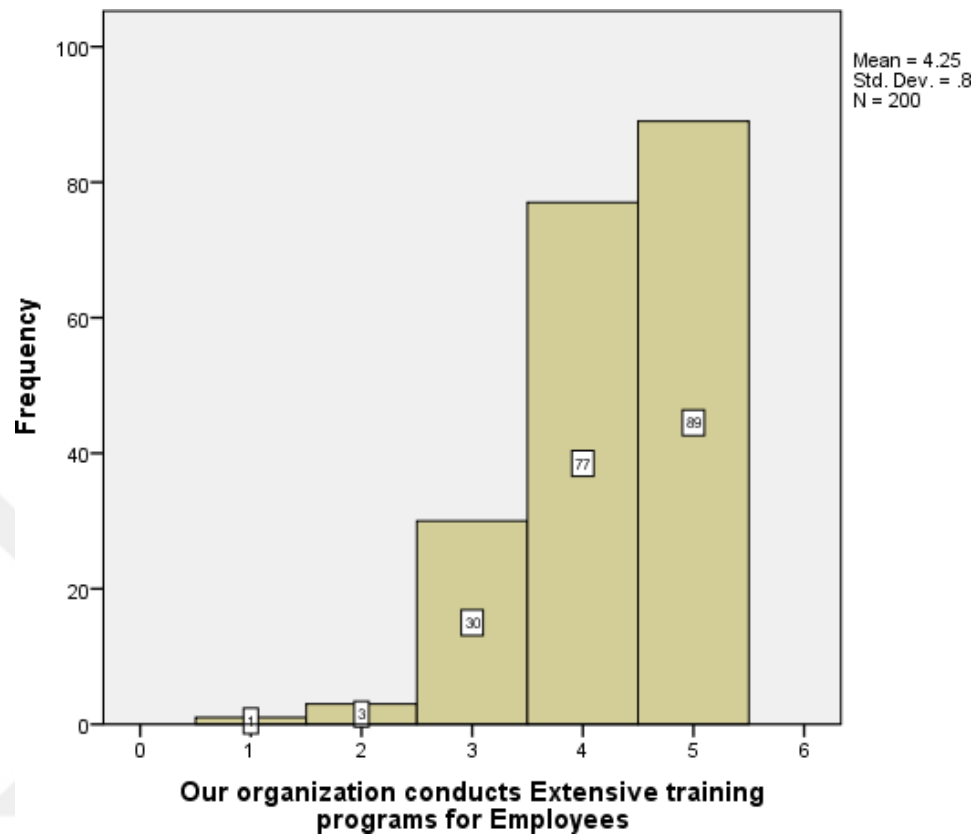


Figure 4.17: The employee's opinions about if the company conducts extensive-training programs for Employees.

As well as, last question the next about training as well. Whether, there are formal training programs to teach new employees the skills they needed, the answers become as 45.5% agree followed by 36.5% strongly agree, which representing 82% of total percentages, while just 18% disagreement and the remain part was natural, Figure 4.10 shows more details. Statistics tests such as standard deviation is 0.751, mean is 4.17 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers.

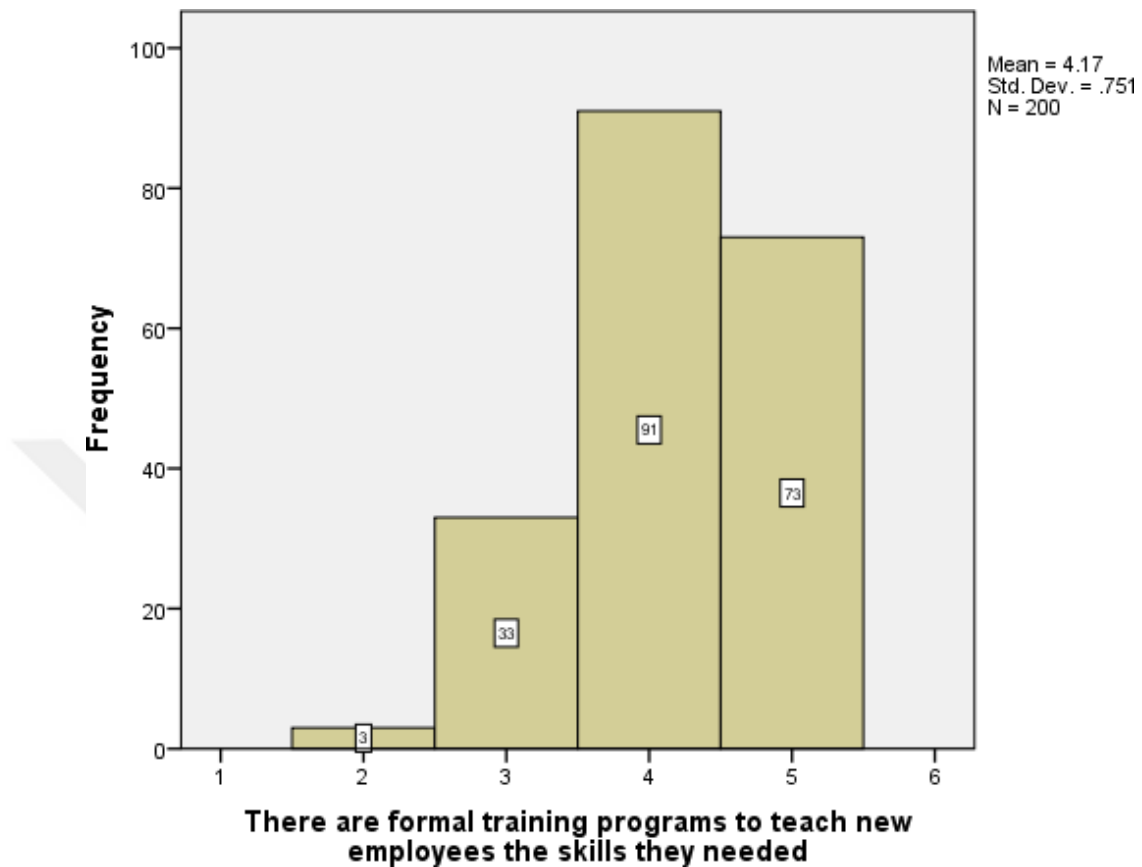


Figure 4.18: The samples opinions about formal training in company.

Followed question was whether any decisions make must have bosses' and employees' approval, the employees answers shown in Figure 4.19 where 39% agree followed by 37% strongly agree, which representing 66% of total percentages, while just 1.5% disagreement and the remain part was natural,. Statistics tests such as standard deviation is 0.851, mean is 3.99 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers. Next question shown in Figure 4.19, spot lights about teamwork, where question was whether HRM supported teamwork and group problem solving. The answers become as 38% agree followed by 32.5%

strongly agree, which representing 70.5% of total percentages, while just 9% disagreement and the remain part was natural. Statistics tests such as standard deviation is 0.969, mean is 3.93 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers.

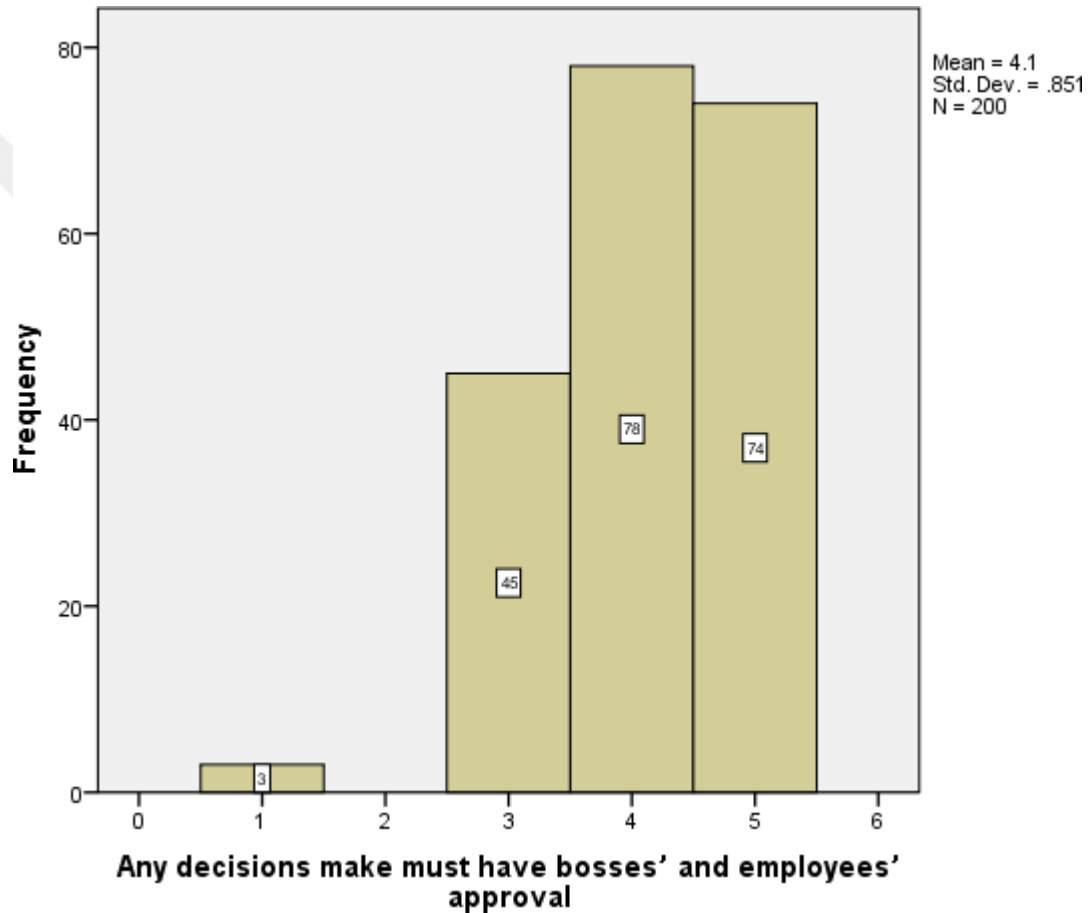


Figure 4.19: The sample opinions about decisions make must have bosses and employees' approval, the employees.

The last questionnaire question was whether HRM supported exchange professional tips and hints with acquaintances from other organizations. The answers become as 35.5%

strongly agree followed by 29.5% agree, which representing 65% of total percentages, while just 9.5% disagreement and the remain part was natural, as shown in Figure 4.20. Statistics tests such as standard deviation is 1.064, mean is 3.88 and significant T-test nearly zero that indicating the concentration and non-dispersion in Al-Zawiya Oil Refining Company answers.

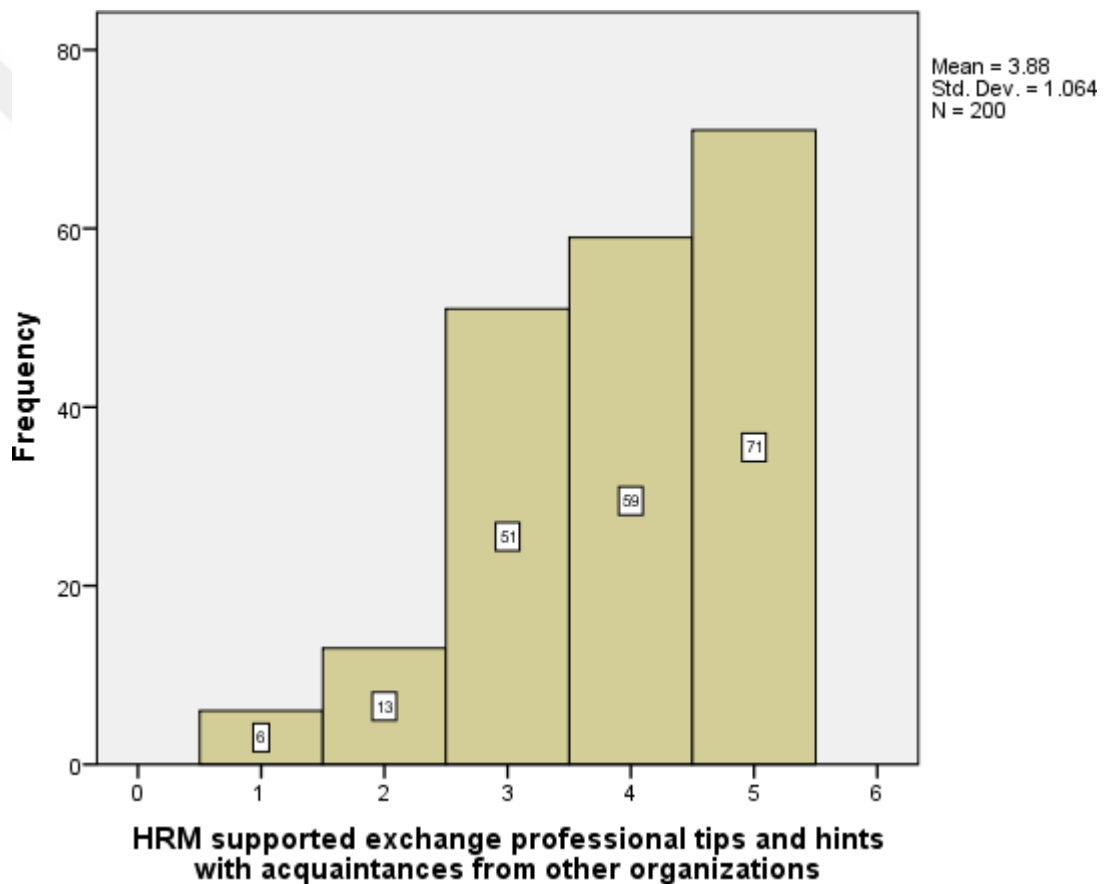


Figure 4.20: HRM supported exchange professional tips and hints with acquaintances from other organizations.

As a conclusion, the human resources management and its impact within the Al-Zawiya Oil Refining Company has been analyzed and reviewed based on employee's opinions and awareness that reflected by their questionnaire's answers. From all above, it can be clearly noting that, the majority of the respondents are strongly approximation in their answer of questionnaire. Positive opinions has been found about the human resource management performance evaluation in Al-Zawiya Oil Refining Company, which reflected the Libyan Oil sector. The questionnaire answers has been analyzed with average standard deviation 0.929 and average mean 3.81. As well as, all significant T-test nearly zero, which main that non-dispersion in answers and concentration.

CHAPTER 5

CONCLUSIONS

CONCLUSIONS

Human resources are the main driver for the performance of any enterprise, whatever its objectives and areas of activity. The entity acquires a dynamic that enables it to respond with great flexibility to various variables to achieve what is known as the competitive advantage of the enterprise. Therefore, our study dealt with the topic of the impact of human resource management on company performance in the field of Libyan Oil industry, case study Al-Zawiya Oil Refining Company. In addition, it can be summed up the results of the study, recommendations and prospects:

1. The relationship between workers in Libyan Oil sector and human resources management has been highlighted throughout the employee of Al-Zawiya Oil Refining Company.
2. In this research, the importance of the HRM as an effective organization management and performance has been shown.
3. The research as theoretical and experimental part clarified the extent of importance of the HRM functions that improve performance.

4. The results of study sample shown that the human resources management have existence of clear policies and plans for development company performances.
5. The employees of Al-Zawiya Oil Refining Company shown agreement to that human resources management has high direct effect on Company performance.
6. The research sample showed its approval and awareness to the impotence of human element, and it's relationship raising company performance.
7. There is no relationship between human resources management and existence of clear policies and plans for development company performances, according to overall evaluation results.
8. The research results shown that there is direct relationship between human resources management and company performance.
9. According to research results, there is a relationship between human element development and raising company performance.

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APPENDIX A

The questionnaire

Human Resources Management and Its Impact on Organizational Performance: Case Study on Libyan Oil Sector

Instructions on the questionnaire

- This questionnaire is dedicated to completing the master's degree in Business Administration, under the title “Human Resources Management and Its Impact on Organizational Performance: Case Study on Libyan Oil Sector”
- The research questionnaires will fill without names.
- All information it will use as education researches only.
- This questionnaire for employees of AZ Zawiya Oil Refining Company.
- You must select one of the choices available to you in every question and then move to the next page.

Age	(.....) 18 to 24	(.....) 25 to 29	(.....) 30 to 44	(.....) 45 to 54	(.....) 55 and above	
Gender	(.....) Male	(.....) Female				
Educational Level	(.....) Intermediate Diploma / Secondary	(.....) Bachelor's Degree / Higher Diploma	(.....) Master	(.....) Ph.D.		
Position	(.....) Head of the Department	(.....) Specialized	(.....) Engineer	(.....) Technical	(.....) Employee	(.....) Others
Experience	(.....) 1-5 Years	(.....) 6-10 Years	(.....) 11-15 Years	(.....) 16 and more		

Training (.....) (.....)
 Yes No

Which of the following levels are closer to describe your experience in using the computer?

(.....) (.....) (.....) (.....)
 Very Weak Beginner Intermediate Advanced

		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	The human resources management has a positive impact in the performance of Company					
2	The human element is the basis of the success and effectiveness of the Company and its survival					
3	The motivation is one of the most importance functions that HRM apply in Company					
4	The incentives. HRM using the incentives as a means to raising the Company performance					
5	The success of the Company depends to improve human resources management performance					
6	A strong relationship between HRM motivation and performance in Company					
7	The audit play an important function as a control tool to the activities of Human Resources Management of Company					
8	The audit has an important function to performance of Human Resources Management Company					
9	The HRM are importance as an effective management tool in Company					
10	The HRM has high direct effect on Company performance					
11	The human resources management doing their actions and functions in Company					
12	The HRM has high contribution to the creation of benefit in Company					
13	The HRM functions are clear in Company					

14	Human resources management has clear policies and plans for developing company performances					
15	Human resources management has effectiveness of applying the strategies and plans in company					
16	There is relationship between human element development and raising company performance					
17	Our organization conducts Extensive training programs for Employees					
18	There are formal training programs to teach new employees the skills they needed					
19	There can be little action taken until a supervisor approves a decision					
20	Any decisions make must have bosses' and employees' approval					
21	HRM made a cooperation environment to the employees at work					
22	HRM supported teamwork and group problem solving					
23	HRM supported exchange professional tips and hints with acquaintances from other organizations					

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CURRICULUM VITAE

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