

## ***The Influence of HR Strategic Management on Enhancing Employee Performance (Case Study Algerian Water Company -Saida)***

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### **Abstract:**

*This study aimed to determine the impact of human resource management strategies on the performance of employees in the Algerian Water Company - Saida. Through reviewing the literature and previous studies, a set of research hypotheses were developed. 60 questionnaires were distributed to the company's employees, and 52 of them were analyzed using the descriptive approach and structural equation modeling using SPSS V26 and smartpls4. The study concluded that human resource management strategies have a significant impact on employee performance through (training and development, performance evaluation) with a medium impact, and (attraction, appointment, motivation) with a weak impact.*

**Keywords:** *Human Resources; HR strategy management; Employee Performance.*

## **INTRODUCTION**

The concept of total quality management is one of the main concepts of management practice. The recognition of TQM as a competitive advantage is widespread around the world, especially in Western countries. Today, no organization can ignore the term TQM. The satisfaction of customers' needs is the main philosophy of TQM. Human resource management is considered to be the main driver of total quality management and its success depends on the human element, which is considered to be the most valuable and influential management resource in terms of productivity. Occupies an essential place in the institutions.

As a result of the considerable development and transformation of knowledge-based economies, the institution has become aware of the importance of the human element as an asset of human resources in achieving growth and performance efficiency.

The human resources strategy in general improves the performance of

employees, which is reflected positively on the overall level of performance of the organization.

Therefore, we pose the following problem:

- To what extent do HR strategy management have an impact on improving the performance of employees of Algerian Water Company - SAÏDA?

➤ **Hypothesis:**

- There is a statistically significant positive impact of HR strategy management on improving the performance of employees of Algerian Water Company - SAÏDA.

➤ **Importance and objective of the study:**

Identify the extent to which HR strategy management are applied within Algerian Water Company-SAÏDA and determine their impact on improving employee performance. And the extent to which training and development contribute to improving business performance.

➤ **Previous studies:**

We will present the most important research and studies related to the subject of the study, which deal with the strategic management of human resources, as well as the performance of employees and the relationships between them. Through these studies and research, we discover the literature and theories that researchers have adopted in their studies, and the expressions used to determine an indicator to measure latent variables, as well as the dimensions that define the study variables, the study samples, and the different statistical methods used to analyze the data in order to obtain results. The most important results obtained and their comparison with the results of other studies. The starting point of this study is to complement the efforts of previous researchers in this field, and the most important of these studies are:

1- Study (REBECCA et al., 2013), entitled: The effect of strategic HR management on organizational performance: the mediating role of high-performance human resource practices.

This study investigates the impact of a strategic role for human resource management (HRM) on organizational financial performance.

This study adopted quasi-perceptual measures of performance, which evaluate performance. The results showed that:

high performance human resource practices mediate the relationship between the HR strategic role and performance

line management devolvment moderates the relationship between the HR strategic role in objective terms

- 2- Study (Rim , 2018) , entitled: The Impact of the System of Benefits and Social Services on Job Satisfaction in Algerian Institutions.

This study examines the impact of the benefits and social services system on employee satisfaction Approach.

The researcher used the descriptive approach and the analytical method.

The results indicate that the system of benefits and social services is a significant indicator of quality of service. Satisfaction with the system of benefits and social services is low.

- 3- Study (Roucham , 2017) , entitled: The Role of Organisational Commitment in the Improvement of Employees' Performance at a Business Companies An Empirical Study at Sonelgaz Company – Distribution Directorate Rifi – Béchar

The study aim at investigating the role of organisational commitment in improving the performance of employees at SONELGAZ Company, and finding out the extent of its availability and the prevailing character.

The study concluded to: there was a high positive relationship of the role of organizational commitment with the improvement of the employees' performance at SONELGAZ; normative and Affective commitment were the prevailing character at SONELGAZ Company and had an impact on the employees' performance.

There are other studies, including: (Gopal , 2024) ; (Saeed & Hamid, 2018) ; (Patrizia et al., 2022) ; (Marwa , 2019)

This study greatly benefited from previous studies in determining the study model, model variables, and phrases (questions) to measure these variables.

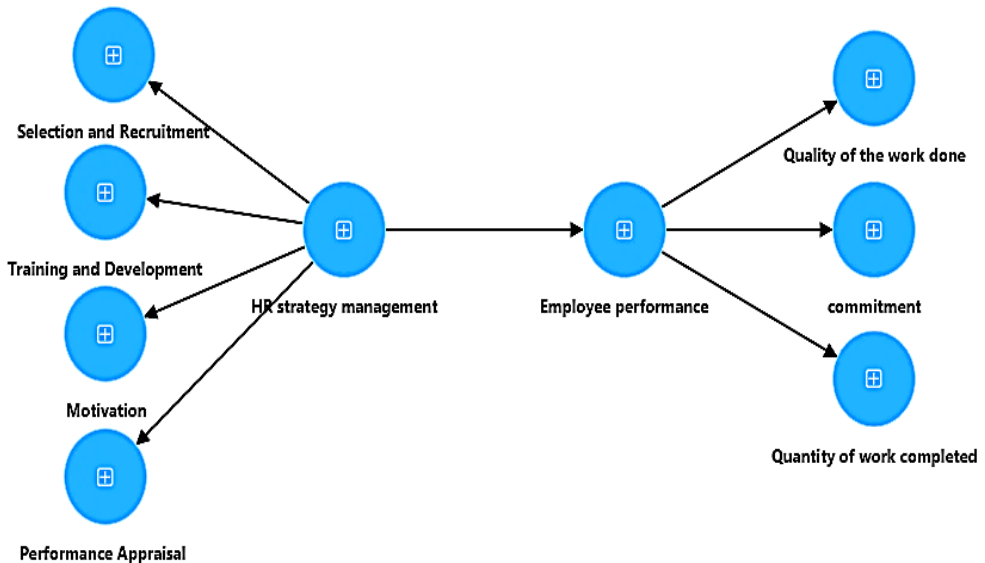
- This study is characterized by its use of second-degree structural equation modeling PLS through the variable (independent and dependent) with its dimensions, as well as the multi-group technique.
- This study is characterized by analyzing the study model and confirming the model's fit and the quality of prediction.
- As well as choosing a different sample

### ➤ **Methodology:**

This study applies the survey research method to study the relationship between human resource strategy management and employee performance in the Algerian Water Company - Saïda. The statistical community includes the company's employees. The data collection tools were a standard closed questionnaire (based on a five-point Likert scale). The validity and

reliability of the questionnaires were explored and verified before distribution. 60 questionnaires were distributed and 52 of them were returned as acceptable for analysis. The conceptual model of the study was presented based on studying the components of the independent variable (human resource management strategy) consisting of four dimensions (selection and appointment, training and development, motivation, performance evaluation) according to the study (Fareeha et al., 2016), and the dependent variable (employee performance) consisting of three dimensions (quality of work performed; commitment; quantity of work performed) according to the study (Roucham, 2017). Accordingly, the data were analyzed using the SmartPLS4 statistical program, which is suitable for the partial regression methodology of structural equations (PLS). Presenting the conceptual model is a starting point for the beginning of the study, and identifying the study variables and their relationships.

**Figure (1) :** Structure of the study



**Source:** Prepared by the researcher using Smartpls4

## **LITERATURE REVIEW:**

### **1- HR Strategy Management**

Many scholars relate the roots of thinking in the development of human resource strategy to the concept of workforce planning, which is considered to be the main function of personnel management functions in the past and of human resource management functions at the present time, where this concept was developed based on the development of management theories in general Strategic management in particular Thus,

The term human resource management strategy appeared at the beginning of the current century and is the result of the efforts of schools that dealt with the topic of human resource management, as these schools were able to benefit from previous experiences and add new experiences, which led to a further improvement in human resource management activities as well as the management of organizational strategies. (Said, 2018, p. 17), and there are dimensions in the definition of HR Strategy:

**a) Selection And Recruitment (SR):**

The current trend in this area is to attract and hire human resources with multiple skills that allow them to work in different trades or fields and to perform various tasks within a team, as the method of performing work is no longer unilateral, but collective. (Said, 2018, p. 24)

Searching for and attracting qualified and competent people to fill vacancies is the process of sourcing potential candidates for the required jobs with the desired quality at the right time so that one can choose from among them the most suitable ones to fill the vacancies. (Al-Omari, 2020)

**b) Training And Development (TD):**

The training and development strategy aims to ensure that the human resources working in the organization have the necessary skills, abilities and knowledge to cope with the demands of current and future employment, and to increase employees' knowledge and awareness of the work culture and competitive atmosphere in order to improve the quality of the product or service provided to others, in addition to encouraging them to invest in opportunities and areas of self-study to ensure greater flexibility in the execution of work.

There are several forms of training, including: self-training of the individual, development of skills and potential, and acquisition of professional skills, which begins before he takes up positions and appointments, and which continues to accompany him in his career until he leaves work. (Ameur, 2015)

Today, training and development are seen as a successful and effective way to make the individual worker more harmonious and adapted to the needs and requirements of work and its internal and external innovations and, at the same time, to achieve high levels of product quality that satisfy

consumers and satisfy their desires, and to strengthen the organization's competitive position in the labour market. Training and work have become two linked and reliable activities. (Hendrik, 2017)

### **C- Motivation (M):**

This requires working on a vision to design a new motivation policy that focuses on two aspects (individual motivation and collective motivation), which is in line with the contemporary trend that considers the human element in the organization as a partner and participant in work and decision-making and not just an implementation tool. (Abdul Karim, 2014, p. 97)

As a result, the motivation strategy represents a practical concept that describes the financial or moral value obtained by the individual worker in multiple forms and aspects in the course of a job, where a specific behavioral performance that meets the requirements of what is assigned to him and goes beyond what the organized administration desires and aspires. (Naftal & J. R. Busienei, 2015)

### **D- Performance Appraisal (PA):**

Performance appraisal is considered to be the process by which it is determined how the worker performs his or her work and the subsequent development of a performance improvement plan, which consists of ensuring that the use of available resources is adequate to make the best use of the planned objectives by directing the course of the establishment's activities to achieve the existing objectives. (Bourich & Wafi, 2022)

With the development of administrative thinking and the need to develop the work of organizations, modern trends and methods have emerged in the evaluation of employee performance in addition to the well-known traditional methods (notably the classification method, the double comparison method, the natural distribution method... etc). (Gopal , 2024)

## **2- Employee Performance:**

Performance is the degree of accomplishment and completion of the various tasks and responsibilities that make up the work performed by the worker, as well as the result of the effort made by an individual or group, with or without the aid of a machine or work tool, to achieve a specific result within a period of time.

Employee performance can be defined as the result achieved by individuals or groups with a certain level of effectiveness and efficiency in the available working conditions (time, material resources, etc.) (17تأغ). There are several dimensions in determining employee performance:

**a) Quality Of The Work Done (QW):**

This is the level of accuracy and control and the degree to which the effort is made to meet certain quality specifications. This framework includes compliance of performance results (service and merchandise) with specifications specified by management or international specifications (approved quality standards). It also measures the absence of errors or shortcomings and measures the degree of creativity and innovation during implementation. It is an expression of an individual's commitment to certain levels of performance that contribute to providing a service or product acceptable to management and at the same time satisfies the organization's customers or those who deal with it by meeting their implicit or explicit expectations. (Blyton et al., 2017)

**B. Commitment(C):**

The concept of work engagement is one of the well-established concepts in the administrative and behavioral sciences and has evolved with the development of management theories and the nature of the contractual relationship between the employee and the organization. The results of numerous studies and research have confirmed the high cost of the resulting negative phenomena (absence, delay, performance evasion, high turnover rate and low job satisfaction scores).

This concept is related to the degree of integration of the individual into the organization and his or her interest in pursuing it, and on this basis, this concept differs from the phrase "job satisfaction" where the individual may be satisfied with the organization as a department or organization and prefer to do the same job, but in another organization and vice versa. (Osama Suleiman & El-Atar, 2019)

**C. Quantity Of Work Completed (QWC)**

It is the amount of work that an individual worker can perform under normal working conditions in a specific unit of time through the physical and mental energy exerted by the individual during the performance of that

work, and expresses the speed of execution or the quantitative dimension of the energy expended and thus the amount of work performed. This link between the amount of work done and the term efficiency is evident through the definition of efficiency, which includes the use of minimum and best quality material and human resources to produce the greatest quantity of goods and services, because efficiency is about doing something right.

### **3- HR Strategy Management and Employee Performance**

The motivation, training, and development strategies implemented by companies depend on the organization to improve the performance of employees in their current positions. In addition, the performance appraisal strategy helps to transform organizational goals into operational goals, thus strengthening the ability of employees to contribute to their achievement. On the other hand, recruitment strategies can help attract and recruit skills to meet business needs, while also strengthening employee attraction and retention through the development of effective compensation and bonus strategies, which are seen as essential ways to improve their performance. (Govand & Nabaz , 2021)

## **Data analysis and hypothesis testing:**

### **1. Descriptive Study of the sample**

#### **1.1. Validity And Reliability of The Study Tool:**

Questionnaire stability means the stability of the questionnaire results and their non-change significantly if they are redistributed to the sample members several times during certain periods of time. We used the Cronbach's alpha method to measure the questionnaire stability, and according to the results of the following table, the value of the Cronbach's alpha coefficient is (0.96), which is greater than (0.7), which is the minimum acceptable limit according to (Nunnally & Bernstein, 1994), which means that it is good, and is characterized by validity and reliability.

**.Table (1) Questionnaire reliability analysis**

| Number of items | Cronbach's alpha coefficient |
|-----------------|------------------------------|
| 35              | 0.96                         |

**Source:** Prepared by the researcher using SPSS V26

### 1.1. Study The Attitude of Respondents' Opinions:

To study the opinions of respondents to determine the level of application of the human resources management and employee performance strategy in Algerian Water Company -SAÏDA.

**Table (2)** Respondents' Attitudes

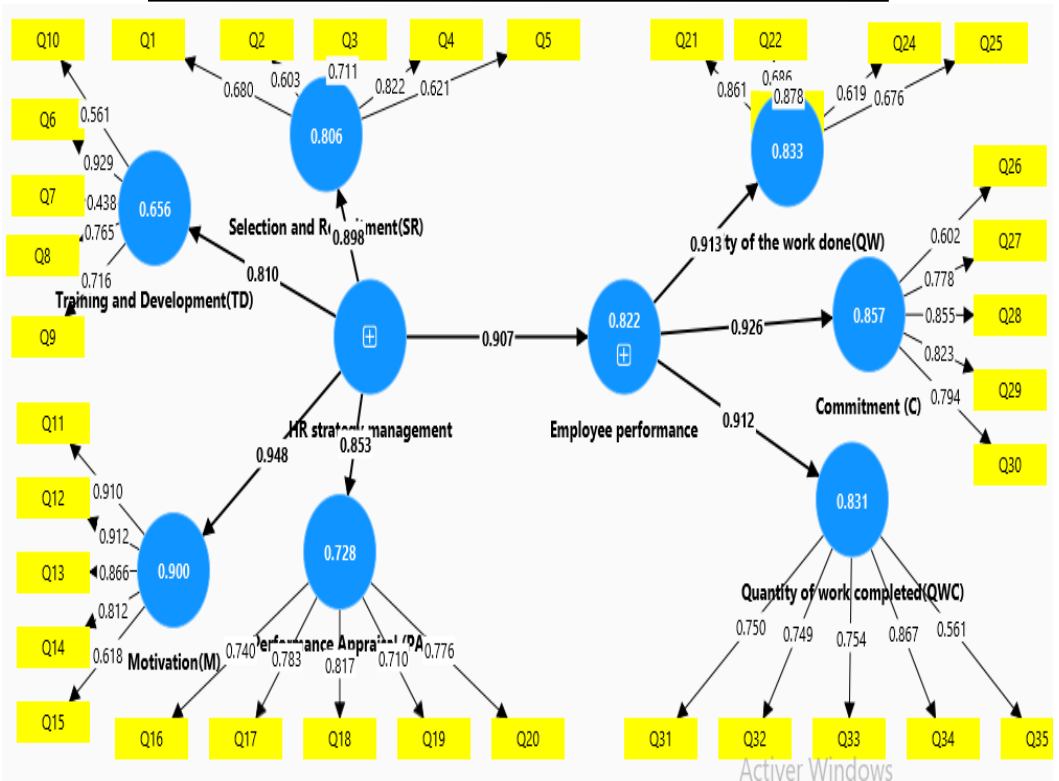
|                                                   |     | Arithmetic mean |       | Standard deviation |        | Degreeof approval |
|---------------------------------------------------|-----|-----------------|-------|--------------------|--------|-------------------|
| <b>HR Strategy Management strategy management</b> | SR  | 3,8978          | 3,971 | 0,75419            | 0,7683 | I agree           |
|                                                   | TD  | 4,2323          |       | 0,78841            |        | Strongly agree    |
|                                                   | M   | 3,8452          |       | 1,09021            |        | I agree           |
|                                                   | PA  | 3,9097          |       | 0,88369            |        | I agree           |
| <b>Employee Performance</b>                       | QW  | 3,8688          | 3,885 | 0,86675            | 0,8060 | I agree           |
|                                                   | C   | 3,7933          |       | 0,92446            |        | I agree           |
|                                                   | QWC | 3,9944          |       | 0,85888            |        | I agree           |

**Source:** Prepared by the researcher using SPSS V26

Based on the results in the table above, the overall trend in respondents' opinions was in the five-point Likert Scale agree. As a result, Algerian Waters Company in Saïda applies the dimensions of the human resource management strategy and the dimensions of employee performance to an acceptable degree.

## 2. Exploratory and confirmatory study (PLS):

Structural equation modeling is a general analytical framework for types of models such as path analysis, multiple regression analysis, and confirmatory factor analysis (CFA), which represent parts and stages of structural equation modeling. It is thus an extension of the general linear model that allows a set of regression equations to be loaded simultaneously and integrated, where the relationships between variables are determined in a more comprehensive and clearer way through testing the hypotheses set to explain the relationships between latent variables (unobserved) and measured variables (observed). There are two approaches:



## 2.1. Evaluation of the Measurement Model:

It deals with latent variables and their indicators, as it determines the relationships between observed variables (indicators) and unobserved variables (latent), and it also describes the validity and reliability of observed variables.

### 2.1.1. Convergent validity:

Convergent validity is the extent to which the questions are close and consistent with each other. According to (Hair et al., 2010), the criteria for evaluating convergent validity are: Factor Loading, Composite Reliability (CR), Average Variance Extracted (AVE):

**Table (3)** Convergent validity results

| HR Strategy Management |         |       |       | Employee Performance |         |       |       |
|------------------------|---------|-------|-------|----------------------|---------|-------|-------|
| Item                   | Loading | AVE   | CR    | Item                 | Loading | AVE   | CR    |
| SR1                    | 0.800   | 0.532 | 0.816 | QW1                  | 0.861   | 0.564 | 0.864 |
| SR2                    | 0.531   |       |       | QW2                  | 0.686   |       |       |
| SR3                    | 0.795   |       |       | QW3                  | 0.878   |       |       |
| SR4                    | 0.724   |       |       | QW4                  | 0.619   |       |       |
| SR5                    | 0.575   |       |       | QW5                  | 0.676   |       |       |

|     |       |       |       |      |       |       |       |
|-----|-------|-------|-------|------|-------|-------|-------|
| TD1 | 0.937 | 0.580 | 0.841 | C1   | 0.602 | 0.601 | 0.882 |
| TD2 | 0.581 |       |       | C2   | 0.778 |       |       |
| TD3 | 0.770 |       |       | C3   | 0.855 |       |       |
| TD4 | 0.749 |       |       | C4   | 0.823 |       |       |
| TD5 | 0.535 |       |       | C5   | 0.794 |       |       |
| M1  | 0.910 | 0.690 | 0.916 | QWC1 | 0.750 | 0.552 | 0.858 |
| M2  | 0.912 |       |       | QWC2 | 0.749 |       |       |
| M3  | 0.866 |       |       | QWC3 | 0.754 |       |       |
| M4  | 0.812 |       |       | QWC4 | 0.867 |       |       |
| M5  | 0.618 |       |       | QWC5 | 0.561 |       |       |
| PA1 | 0.740 | 0.587 | 0.876 |      |       |       |       |
| PA2 | 0.783 |       |       |      |       |       |       |
| PA3 | 0.817 |       |       |      |       |       |       |
| PA4 | 0.710 |       |       |      |       |       |       |
| PA5 | 0.776 |       |       |      |       |       |       |

**Source:** Prepared by a researcher using Smatpls4

The results of the table above show that:

- The external loading of the indicators exceeds 0.70 according to (Holland, 1999), which indicates that each measurement indicator distributes more variance to the latent variable, i.e. higher than its distribution on the measurement error.
- All AVE coefficients are significant and statistically acceptable because their values are greater than 0.50 according to Fornell and Lacker's (1981), which indicates that each latent variable explains more than half of the variances of its indicators.
- All CR coefficients are significant and statistically acceptable because their values are greater than 0.70 according to Hulland (1999), which is consistent with the composite reliability index, as this coefficient is more accurate than Cronbach's alpha coefficient because it incorporates errors in its calculation process. Thus, the validity of convergence has been achieved in this model according to (Hair et al., 2010).

**2.1.2. Discriminant Validity:** There are two criteria:

**A- Cross loading:**

The value of the relationship between the question and its latent variable must be greater than the value of its relationship with another latent variable, in order to say that the questions are independent.

**Table (4)** Variability between questions

| items | SR           | TD           | M            | PA           | QW           | C            | QWC          |
|-------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| SR1   | <b>0.816</b> | 0.545        | 0.761        | 0.390        | 0.534        | 0.486        | 0.435        |
| SR3   | <b>0.811</b> | 0.682        | 0.715        | 0.417        | 0.561        | 0.549        | 0.560        |
| SR4   | <b>0.704</b> | 0.380        | 0.521        | 0.472        | 0.688        | 0.483        | 0.621        |
| SR5   | <b>0.554</b> | 0.121        | 0.442        | 0.463        | 0.542        | 0.406        | 0.550        |
| TD1   | 0.600        | <b>0.936</b> | 0.661        | 0.541        | 0.553        | 0.571        | 0.512        |
| TD3   | 0.394        | <b>0.773</b> | 0.540        | 0.463        | 0.308        | 0.510        | 0.473        |
| TD4   | 0.540        | <b>0.753</b> | 0.649        | 0.404        | 0.564        | 0.476        | 0.320        |
| TD5   | 0.358        | <b>0.526</b> | 0.210        | 0.241        | 0.344        | 0.230        | 0.386        |
| M1    | 0.678        | 0.659        | <b>0.910</b> | 0.745        | 0.685        | 0.732        | 0.545        |
| M2    | 0.869        | 0.726        | <b>0.910</b> | 0.596        | 0.728        | 0.632        | 0.640        |
| M3    | 0.774        | 0.530        | <b>0.871</b> | 0.628        | 0.682        | 0.688        | 0.556        |
| M4    | 0.592        | 0.517        | <b>0.819</b> | 0.640        | 0.555        | 0.636        | 0.374        |
| M5    | 0.613        | 0.515        | <b>0.612</b> | 0.542        | 0.672        | 0.494        | 0.610        |
| PA1   | 0.511        | 0.332        | 0.485        | <b>0.731</b> | 0.773        | 0.566        | 0.612        |
| PA2   | 0.286        | 0.304        | 0.448        | <b>0.781</b> | 0.502        | 0.601        | 0.614        |
| PA3   | 0.342        | 0.605        | 0.529        | <b>0.812</b> | 0.616        | 0.713        | 0.533        |
| PA4   | 0.628        | 0.385        | 0.656        | <b>0.719</b> | 0.590        | 0.662        | 0.650        |
| PA5   | 0.430        | 0.483        | 0.737        | <b>0.782</b> | 0.589        | 0.594        | 0.407        |
| QW1   | 0.695        | 0.448        | 0.658        | 0.674        | <b>0.861</b> | 0.667        | 0.645        |
| QW2   | 0.667        | 0.615        | 0.751        | 0.515        | <b>0.687</b> | 0.506        | 0.469        |
| QW3   | 0.612        | 0.514        | 0.714        | 0.810        | <b>0.878</b> | 0.757        | 0.667        |
| QW4   | 0.416        | 0.437        | 0.405        | 0.456        | <b>0.618</b> | 0.459        | 0.432        |
| QW5   | 0.542        | 0.205        | 0.437        | 0.495        | <b>0.675</b> | 0.394        | 0.576        |
| C1    | 0.382        | 0.315        | 0.310        | 0.517        | 0.555        | <b>0.671</b> | 0.603        |
| C2    | 0.391        | 0.517        | 0.513        | 0.556        | 0.440        | <b>0.778</b> | 0.547        |
| C3    | 0.518        | 0.501        | 0.695        | 0.796        | 0.665        | <b>0.855</b> | 0.607        |
| C4    | 0.689        | 0.485        | 0.702        | 0.564        | 0.640        | <b>0.823</b> | 0.648        |
| C5    | 0.545        | 0.540        | 0.719        | 0.731        | 0.616        | <b>0.794</b> | 0.517        |
| QWC1  | 0.676        | 0.315        | 0.437        | 0.455        | 0.725        | 0.526        | <b>0.749</b> |
| QWC2  | 0.347        | 0.183        | 0.304        | 0.485        | 0.375        | 0.559        | <b>0.749</b> |
| QWC3  | 0.377        | 0.371        | 0.411        | 0.605        | 0.539        | 0.527        | <b>0.754</b> |
| QWC4  | 0.755        | 0.557        | 0.675        | 0.701        | 0.715        | 0.736        | <b>0.867</b> |
| QWC5  | 0.466        | 0.538        | 0.595        | 0.430        | 0.343        | 0.491        | <b>0.638</b> |

**Source:** Prepared by a researcher using Smatpls4

From the results of the table above, the value of the relationship between the question and its latent variable is greater than the value of its relationship with another latent variable, and from this we say that the questions are independent.

## **B- Dimensional overlap (The Fornell-Larcker criterion):**

Dimensions are independent when the value of the relationship between the dimension and itself is greater than the value of its relationship with another dimension, according to Fornell's criteria.

**Table (5)** correlations of the construct's measures

|     | SR           | TD           | M            | PA           | QW           | C            | QWC          |
|-----|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| SR  | <b>0.784</b> |              |              |              |              |              |              |
| TD  | 0.632        | <b>0.761</b> |              |              |              |              |              |
| M   | 0.731        | 0.715        | <b>0.854</b> |              |              |              |              |
| PA  | 0.583        | 0.560        | 0.760        | <b>0.823</b> |              |              |              |
| QW  | 0.729        | 0.591        | 0.799        | 0.704        | <b>0.759</b> |              |              |
| C   | 0.661        | 0.611        | 0.771        | 0.723        | 0.751        | <b>0.775</b> |              |
| QWC | 0.726        | 0.550        | 0.655        | 0.730        | 0.743        | 0.772        | <b>0.751</b> |

**Source:** Prepared by a researcher using Smatpls4

It is clear from the results of the table above that the value of the relationship of each latent variable with itself is greater than the value of its relationship with another latent variable. By Fornell-Larcker standards, we say that these latent variables are independent.

## **2.2. Evaluation of the Structural Model:**

### **A- Pathways and hypothesis testing:**

From the table below, we note that all the paths of the study model are significant and statistically significant, as:  $P\text{-Value} = 0.00 < 0.05$ .

There is a statistically significant positive impact of HR strategy management on improving the performance of employees of Algerian Water Company -SAÏDA.

**Table (6):** the coefficient of the course of research hypotheses

| Relationship                                   | Échan<br>origin(0) | Average<br>sample(M) | STDEV        | t-value       | p-<br>value  |
|------------------------------------------------|--------------------|----------------------|--------------|---------------|--------------|
| Employee performance -> QW                     | 0.913              | 0.917                | 0.025        | 36.104        | 0.000        |
| Employee performance -> QWC                    | 0.912              | 0.915                | 0.033        | 27.506        | 0.000        |
| Employee performance -> C                      | 0.926              | 0.928                | 0.026        | 35.730        | 0.000        |
| HR strategy management -> Employee performance | <b>0.907</b>       | <b>0.904</b>         | <b>0.053</b> | <b>17.204</b> | <b>0.000</b> |
| HR strategy management -> M                    | 0.948              | 0.955                | 0.015        | 61.983        | 0.000        |
| HR strategy management -> PA                   | 0.853              | 0.861                | 0.063        | 13.478        | 0.000        |
| HR strategy management -> SR                   | 0.898              | 0.909                | 0.025        | 36.284        | 0.000        |
| HR strategy management -> TD                   | 0.810              | 0.821                | 0.082        | 9.863         | 0.000        |

**Source:** Prepared by a researcher using Smatpls4

### **B-determination coefficient R-square**

The coefficient represents the cumulative effects of the external variables on the internal latent variable. According to (Chin, 1998), who determined the criterion of the strength of the effect according to the  $R^2$  value (weak, medium, large): greater than 0.67 (large effect), between 0.33 and 0.67 (medium effect) and less than 0.33 (weak effect), and according to (Hair et al., 2010) and (Falk & Miller, 1992), we accept the  $R^2$  value when it is greater than 0.10. For example: HR strategy management explains 82.2% of Employee performance.

**Table (7)** determination coefficient  $R^2$

| <b>The latent variables</b> | <b><math>R^2</math></b> | <b>Impact size</b> |
|-----------------------------|-------------------------|--------------------|
| <b>SR</b>                   | 0.806                   | Strong             |
| <b>TD</b>                   | 0.656                   | Average            |
| <b>M</b>                    | 0.900                   | Strong             |
| <b>PA</b>                   | 0.728                   | Strong             |
| <b>QW</b>                   | 0.833                   | Strong             |
| <b>C</b>                    | 0.857                   | Strong             |
| <b>QWC</b>                  | 0.831                   | Strong             |
| <b>Employee performance</b> | 0.822                   | Strong             |

**Source:** Prepared by a researcher using Smatpls4

### **C- Model quality criteria:**

#### **➤ Prediction quality $Q^2$**

We used  $R^2$  values as a measure of prediction accuracy, and according to (Geisser, 1974) we should use the  $Q^2$  value, and this measure represents an indicator of the predictive ability outside the sample model or its predictive importance.

**Table (8)** prediction quality  $Q^2$

| <b>Latent variables</b> | <b><math>Q^2 (= 1-SSE/BSP)</math></b> |
|-------------------------|---------------------------------------|
| <b>SR</b>               | 0.352                                 |
| <b>TD</b>               | 0.271                                 |
| <b>M</b>                | 0.334                                 |
| <b>PA</b>               | 0.373                                 |
| <b>QW</b>               | 0.358                                 |
| <b>C</b>                | 0.175                                 |
| <b>QWC</b>              | 0.256                                 |

**Source:** Prepared by a researcher using Smatpls4

The values of the Q<sup>2</sup> coefficients are significant and statistically acceptable because they are greater than zero according to (Croutsch, 2009), indicating that the latent variables present in the study model have the ability to predict.

➤ **Goodness-of-fit index (GOF):**

GOF measures the reliability of the study model, meaning it shows the model's overall performance.

$$\text{GOF} = \sqrt{R^2 \times \overline{AVE}} = \sqrt{0.6484 \times 0.5865} \cong 0.62$$

The value of GOF is equal to .062 greater than 0.36 by the standards of (2009) Wetzel's and van, which shows the great conformance quality of the study model, and big enough to consider the general sincerity of the model.

## **STUDY FINDINGS AND DISCUSSION**

The results of the study showed that the Algerian Water Company - Saida is generally interested in applying the human resources management strategy with its dimensions, and applying the employees' performance with its dimensions, and this is consistent with the study (Nihad Kaya, 2010), the more the human resources strategy management is present in the unit, the higher the employees' performance.

Applying the dimensions of the human resources management strategy at the Algerian Water Company - Saida had an impact on the effectiveness and return of the employees, and this was reflected in the quality of service to the company's customers through rapid interventions to eliminate the phenomenon of water leakage, as well as facilitating the process of paying bills through the Baridi Mob application, and establishing a communication line with customers to raise their concerns.

To answer the research hypotheses, we resorted to a more accurate and in-depth analysis through exploratory and confirmatory analysis (PLS), to study the relationship between the human resources management strategy with its dimensions and the employees' performance with its dimensions, and the results were that the theoretical model of the relationship is a good enough fit through Smartpls4 analysis.

Finally, there is a match between the study model and the sample data, and accordingly the study model can be relied upon and used as a measurement tool in future studies.

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