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Effect of human capital on strategic programs in learning organizations

Bita Mohammadpour [a]

[a] *Islamic Azad University of Boroujerd Branch.*

Abstract

Strategic management tries to promote and examine a set of achievements and results of practical services and products over the past decade that is achieved with its long-term goals, in the field of service management and strategic planning in organizations. The term of the learning (acquiring) organization is used to raise the profile of organizations and communities that have got the most use and efficiency of strategic knowledge in its full cycle. Today, in the knowledge-based era, learning or acquiring organizations are a modified model for the organization and a new way of thinking about the organization. Organizational learning is a process that improves the development of the organization by means of new initiatives. Learning organizations use all their ability to build the future and are looking to learn new techniques and such organizations need to have a long-term plan that is stemmed from a strategic thinking. It should be noted that the role of human capital in the formulation and implementation of these programs and methods is very important and effective. Today, the importance of human capital in all fields has expanded and it can safely be said that human capital is a factor that affects the organizational growth and survival more than any other single factor and human capital is even considered as an influential factor in the development and growth of societies. The present research studied the effect of human capital on strategic programs in learning organizations. The results of this study indicated that human capital plays a key role in implementing the strategic programs in the organizations and it also is an important and influential factor in learning organizations and in general, human capital could cause the success of a learning organization with a strategic thinking.

Keywords: human capital, strategic management, strategic programs, learning organizations

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Introduction:

In today's world, organizations and managers are experiencing a transition towards organizations with a focus on knowledge. In such organizations, human capital can be considered a valuable and essential resource and all the support and efforts to maximize utilization of this resource is valuable.

The quality and survival of human life is dependent on his mind and thinking. The role of human capital in today's organizations has taken on great importance. The concept of human capital refers to the fact that humans should invest in themselves and this is done with the help of tools such as education, training or activities that increase the person's efficiency through raising his usual revenue. In fact, human capital can be considered as the estimation of genetic traits, gained capabilities, skills and experience acquired by the individual during his life.

Organizations in order to sustain have got no choice except equipping themselves with a variety of development tools. Wealth creation sources in any organization could be categorized as land, capital (money), human resources (labor and management), machinery and equipment, information and communication. Knowledge management as the art of creating tangible values from intangible assets, is a management technique which nowadays applying it has earned a significant and increasing growth, but it can be stated that in applying this technique, effective management of knowledge and human resources and organizational strategic and organized programs are very important, so that it can induce a mutation in achieving the strategic vision of organization. Designing and delivering new products and services in all today's organizations require having and gaining the information from intangible assets. However, it should be noted that for achieving this approach should primarily focus on strategic knowledge and in the next step, based on the formed substrate the basis of building the learning organization for creating competencies is structured....Knowledge management is a set of processes for understanding and implementing strategic resource in organizations.

Organizations used to exist in a stable environment and some of the future events were almost predictable, so that managers had been able to plan in certain circumstances. However, as can be seen in today's world the environment is rapidly changing and different changes, including technological, economic, cultural and political changes influence the organization rapidly.(Iraninejad, 2002). Considering this issue, organizations need to enhance their learning and actually become learning organizations. According to the experts, organizational learning is the most important opportunity to create change and keep pace with environmental change (Coaner, 1992).

To create learning organizations creating radical change and transformation in the organization is required. Commitment and understanding of the people is among the requirements of a learning organization, people should realize that the purpose of learning is preserving and survival and increasing the competitiveness and accountable power of the organization, because organizational learning improves the organizational performance. (Chawla And Rivish and 1995).

The focus on learning in these organizations can be introduced as a strategy to deal with future challenges. In other words, with globalization and increasing interdependence of the world, the businesses will be a lot complex and dynamic and the organizations for their stability and survival will also have to face complex and dynamic methods and only learning organizations have the ability to do so.

In this research the effect of human capital on strategic programs in learning organizations is studied. At first the research theoretical is introduced regarding the various theories of human capital and strategic programs in addition to learning organizations and with an emphasis on human capital and its role in the development and implementation of strategic programs in learning organizations and then the definition of human capital and learning organizations is described. After that there will be an overview of empirical studies conducted in Iran and some selected countries. Then how to collect and analyze statistical data of

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the research is introduced.Finally it is tried to prepare valid and reliable means to measure human capital and the characteristics of a learning organization and strategic programs in these organizations and

Primary and secondary hypotheses of this study are as follows:

1. Is a significant relationship between the human capital and strategic programs in the learning organization possible?
2. Regarding the obtained results does the human capital have a significant and direct influence on strategic programs in learning organizations?

Short definition of human capital, strategic programs and learning organizations:

• Human Capital:

The concept of human capital indicates that the quality characteristics of typical human is the capital, because these characteristics can be a source of higher incomes or more abundant satisfaction and gratification in the future. Such capital is "human" because it forms a part of the human (Emadzadeh, 1996, pp. 30-29).

Human capital theorists believe that human capital has been embodied in people the form of skills, knowledge and expertise and has increased production levels, quality of service and amount of revenue, and it affects many of their decision in all areas of life (Ghanadan, 2008 p. 78)

In the present world the human capital has become more important than any other tangible source for organizations and humans can be a source of wealth creation. In human resource strategic management approach, all the knowledge and skills within the organization, are not considered strategic. Sources within the organization will be valuable only when they are able to make high performance and provide investment climate in opportunities and facing the threats for their organizations. Therefore, the organizational human capital can create value with cooperation in reducing the costs or improving the services and products for customers.

• Strategic programs:

Strategic management is the art and science of formulation, implementation and evaluation of multi-functional decisions that will enable the organization to achieve its objectives. For strategy formulation a framework called comprehensive framework of strategy formulation is used. This framework provides the tools and methods that are appropriate for a variety of organizations and helps to strategists to identify, evaluate and select the possible strategies. The basis for strategic planning, is predicting the future environment (opportunities and threats) and where there are many differences between the prediction (in the planning time) and reality (at runtime), its effectiveness is lost. Strategic planning needs a stable and sustainable environment; environmental factors on a par with continuous changes, understandable and predictable interaction and in the absence of such conditions its effective performance will be lost. In strategic planning, working is formed on environmental and internal data, without assessing the extent to which these data are valid and reliable. In today's complex business environment correct and complete understanding is complex and in many cases impossible. The basis of strategic planning is predicting the process of affairs.(Rezaian and Lashgarboluki, 2010). Based on inductive and qualitative approach it is demonstrated that competitive intelligence has got the greatest influence on the early stages of strategic decision-making process and has got the minimal influence on the development of strategic options and selection and evaluation of options. Descriptive analysis of the results proved that strategic decisions need to be able to create a competitive advantage relative to major competitors.

• Learning Organizations:

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Organizational learning is a prerequisite for the development of learning organization. Organizational learning is the process of finding and correcting errors and fixing them. Organizational learning is a process that occurs through gaining knowledge and improving performance over time (Iraninejad, 2002, 107).

Learning organization can be considered a constantly evolving organization that acts like a living system which always adds to its knowledge, and based on that improves its performance. The concept of a learning organization is associated with the complexity and uncertainty of the organizational environment and the more the complexity and environmental uncertainty increase, the more the importance of learning organization increases.Bennett and O'Brien consider learning organization as an organization that is constantly changing and increasing the capacity to learn, adapt and change in its culture.

In Jofart and Marsick's idea the learning organization is an organization which increases its capacity to learn, adapt and change. In such an organization, learning processes are analyzed, monitored; developed and are managed in connection with the objectives of innovation and improvement. Vision, strategy, leadership, values, structures, systems, processes and practices of such an organization join together in order to facilitate the learning and improving of people and to accelerate the organizational-level learning.

"Sangha" believes that learning organization is the group that continually sought to increase its capacity to create things that intends to (Iranian race,).

Research Literature

In the current era, intangible assets of the companies and their intellectual capital and human capital have got key role in achieving sustainable competitive advantage and therefore, considering the intangible factors in several areas including strategic management has significantly grown.

Human knowledge and capital is a competitive advantage that have developed rapidly in strategic programs and is one of the influencing factors on productivity growth and condition improvement.

Decision-making is among the most critical tasks of managers that exists in various areas of operations. Always managers in organizations are faced with the choosing issue. They must learn how to make decisions properly and timely in order to communicate and coordinate with today's world and they must have plans for right implementation of their decisions. Studying decision-making and correct and timely decision-making is a difficult task due to its complex and subjective nature.

Managers in organizations as a strategist must investigate and study their environment to distinguish the opportunities and threats facing the organization timely and to introduce decisions for assessing. Strategic decision-making is a complex process that depends on how strategic decisions to be enforced. Strategic programs and decisions are long-term and strategic decisions are facing uncertainty about the future.

In the new strategic environment, only learning organizations that thrive because these organizations are looking to constantly improve and these organizations can hope to survive in this competitive world.

The importance and necessity of this study due to the increasing importance that human capital has got in strategic programs in learning organizations, to some extent clarifies and consequently to some extent describes their success and failure in today's complex and competitive environment.

Research History

Faqih Nasiri and Rezai reviewed the human capital and economic growth, with a view of applying the combined indicator of human capital of panel data using a model tested the human capital influence on economic growth during the studied period (1995- 2003). The estimation results of effect of human capital model as multiplicative impact of technical progress in operating indicator with using fixed effects method for 57 countries revealed that an average of about 34 percent per capita income growth is explained by the capital-labor ratio, in this model, human capital index with a time lag affects economic growth. As a result, it can be said that Human Capital Index has got a high degree of importance on economic growth of these countries.

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Bontis (1998) has done a research in Canada. This research has shown that there is mutual relationship between the components of intellectual capital and all three human, structure and customer capital have got a good effect on business performance.
Scholes (2002) has defined strategic empowerment of human resource as all the activities affecting people in provoking them to design and implement strategic needs of the organization. From the perspective of Wright and McMahon, allocation pattern of human resource planning and doing activities intended to help the organization to achieve its objectives, is strategic empowerment of human resources.
Bozboura (2004) in a research on the industry of Turkey has examined the relationship between human and customer capital with the company's book and market value. The results of his research have shown that human capital and customer capital have got a significant effect on book value and market value.
Rojan and Nour (2005) consider the organizational forget as the most important obstacles for the development of learning organizations, although they themselves suggest that the issue of organizational forgetting is itself influenced by other factors.
According to Amichia's idea(2008) the purpose of strategic empowerment of human resource is to make opportunity for future orientation for personnel management in terms of long-term planning of human resources management by its compatibility with the organization's great strategic program.

Research methodology

This study aimed to assess the effect of human capital on strategic programs in learning organizations. This study in terms of objective is application, and in terms of procedure is within the framework of the survey research. Therefore, the type of research is descriptive-survey. Also in this study, library method (books and articles) are used to describe the components of human capital management, and decision-making and strategic programs, and on the other hand the field study is used in learning organizations through a questionnaire survey among active managers which sampling method in this study has been randomly selection method.
In this study, the primary means of gathering information, is the questionnaires, this tools are based on the spectral 5-point Likert scale. Two separate questionnaires were used to collect information that validity and reliability were tested as appropriate. To determine the reliability of the survey questionnaires, the Cronbach's alpha coefficient was used. If the calculated Cronbach's alpha is greater than 0/7, it will indicate the high reliability of the questionnaire's question and measurement tool will be valid.

Also the required information is collected in two parts as follows:
A) Demographic sample
Including age, gender, educational level, employment status, management experience, job status for managers.
B) Questionnaires
Which included two questionnaires, which include:
1. The questionnaire of Human Capital
2. The questionnaire of learning organizations
The following table summarizes these two questionnaires.

Table1: The questionnaire of Human Capital

questions	**Type of factor**
Questions 10 و 7 و 2	Jon status
Questions 8 و 4	Employment status
Questions 6و 3	Working experience

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Questions 1 9 و 5و	Job security

Table 2: the questionnaire of learning organizations

Questions 12 و 4 و 1	Mental models
Questions 10 و 6 و 3	Group learning
Questions 13 و 8 و 5	Systematic thinking
Questions 15 و 9 و 2	Shared vision
Questions 14, 11, 7	Individual capabilities developmen

In order to do this research and to collect information, classify, organize, describe them and extract data convert them into statistical data, the descriptive and inferential statistical techniques were used. Also to analyze the data using SPSS software program and the 95% confidence level is done.

Research findings

After gathering information through questionnaires in order to analyze the data, descriptive statistics and inferential statistics were used.

A) The description of the demographic characteristics of the respondents sample

According to the table below you can see that 4% were female managers and 28% of managers were men.

Table 3. Frequency of subjects according to gender

frequency	**gender**
4	female
28	male

According to the table below the subjects were accounted according to their management experience of 1-5 years 8 percent, working experience of 6-10 years, 12%, work experience and work experience of 11-15 years, 9% and work experience over 15 years 3% of samples.

Table 4- The frequency percent of the subjects according to their management experience

frequency	**Management experience**
8	1 – 5
12	6 – 10
9	11 – 15
3	16 – 20

Also according to the table below subjects were according to age, the age of 25 to 34 years, 5%, people aged 35 to 44, 17% and people over 45 years an of 10% of the sample.

Table 5 . The Frequency percent of subjects according to age (years)

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frequency	**Age(years)**
5	25 – 34
17	35 – 44
10	45 – .....

According to the table shown below which people with a high school diploma or associate degree were11%, bachelor's degree 15 percent and with master's degrees and above accounted for 6%

Table 6: The Frequency percent of Subjects according to Education degree

frequency	**Education degree**
11	high school diploma or associate degree
15	bachelor's degree
6	Master's degree and above

B) The analysis of data related to the research hypothesis

Cronbach's alpha	**Question numbers**
0.76	29

Estimation of the development of individual capabilities, mental models, shared vision, team learning and systematic thinking in learning organizations from the managers' point of view is shown in the table below.

Table 7. Comparison of the mean and percentile rank component of the development of individual capabilities in both current and desired status

Desired status		**Current status**			
correct	**score**	**Standard deviation**	**Percent score**	**The mean**	**component**
100	**25**	**2/74**	**63/51**	**14/73**	Shared vision
100	**35**	**1/98**	**52/12**	**15/24**	**Group learning**
100	**25**	**3/12**	**55/12**	**13/87**	**Systematic thinking**
100	**45**	**3/59**	**47/83**	**17/76**	**Mental models**
100	**25**	**2/49**	**41/89**	**13/15**	**Development o individual capabilities**

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Testing hypotheses

First hypothesis: Is a significant relationship between the human capital and strategic programs in the learning organization possible?

According to the results obtained from analysis of this research it can be said that human capital and components of decision making and strategic planning that at a significance level of 0/01was obtained less the than minimum significance level of 0/05, the above test was significant at a confidence level of 0/95 and was approved. Based on the findings presented in the above tables, in exchange for one unit change in human capital as an independent variable, changes in the components of strategic decision-making and program managers will be created.

Discussion and conclusion

Human capital regarding that is a new issue in human resources is considered a strategic issue for organizations and has taken considerable growth in organizations. Extensive studies which have been done on this issue prove the authenticity of the claim. In short, human capital plays an important role in the prosperity of people, improve living standards and income, increasing knowledge and skills, quality and production capacities, economic growth and productivity improvement. In the world of new developments importance of human resources is reflected more than past and more than any period of time.

Many strategists are of the opinion that with relying on intangible assets, strategic leap in the performance of organizations can be created. Thus, applying it in learning organizations that has got the support and guidance of senior management of such concepts is recommended.

Regarding that this research can create an experience of studying the effect of human capital on managers' strategic decisions and programs in learning organizations, it also creates awareness among managers, especially top managers of various organizations towards the improvement of human capital management and optimization of decisions. Learning organizations in improving their performance evaluation will gain the assessment of their intangible assets especially their human capital and programs and the correct strategic decisions in the company and will strengthen identifying measurable quantities associated with each strategic objective and supporting strategic thinking and more powerful outputs visualization for decision-making processes and successful and timely planning.

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