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# The impact of human resources (HR) activities on competitive advantage in private schools in Jordan: A case study

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#### ABSTRACT

The aim of this study was to identify the impact of HR activities on competitive advantage in private schools. The study uses primary data collected with the help of well-structured questionnaire that was developed and distributed among a sample of 92 respondents (49 female and 43 male), questionnaire results were statistically analyzed to test the hypotheses that were developed to identify the impact of HR activities on competitive advantages. Multiple regression analysis was used as a statistical tool and technique to identify five key elements: recruitment and reward system, training and skill development activities, organization climate, employee participation and empowerment; and effective communication system to determine competitive advantage in private schools in Jordan. The results indicated that there is a statistically significant effect of HR activities on the competitive advantage; On the other hand, there is no impact of other variables.

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# Introduction

Since education is the most powerful motive that changes the world, many firms seek to achieve a sustainable competitive advantage. Looking at the successful experience of the Finnish education has is due to several factors, however, we can refer it back to what is called (unifying opportunities) on all levels. In Finland, they do not only provide each student with equal and free opportunity to study but they are also eager to treat each student based on his/her talent and what fits with his/ her needs. Finnish education is distinguished for the following features based on what the Ministry of Education and Culture published in 2011, Education in Finland equity is based on trust and responsibility where pupils start thinking about vocational pathways at upper secondary level, and competence-based qualification offers a way to demonstrate prior learning. Hence, schools in Jordan specially the private ones have started thinking of being distinguished by gaining the competitive advantage (Oates, 2011).

Contributing the pupils' growth and development to a better learning environment at school is one of the positive factors but is not everything because the parents' role and one's earning potential are also added value (Eccles,1993). In addition, having a solid knowledge with lack of basic life skills needed after graduation, such as handling emergencies, budgeting and money, time management (respecting deadlines), planning for the future, setting short- and long-term goals arises a big question about adding this subject to the curricula called "life skills" in order for true educational improvement to take place in the public and private schools (Malkawi, 2017).

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© 2021by the authors. Hosting by SSBFNET. Peer review under responsibility of Center for Strategic Studies in Business and Finance. https://doi.org/10.20525/ijrbs.v10i4.1165 Many reports showed that Jordanians love spending money on education (Rugh, 2002). For instance, an average of JD14, 000 is charged for every child every year at a topmost Private school in Jordan where the income of every individual is JD3, 650. Some parents send their kids to schools abroad with greater costs, even if the level of learning at several top schools in Jordan is comparable to that in the best of the world. Realizing that parents view the high cost of educating their children at top schools as an assurance that the kids will make it in life. Jordan's education record has proven striking by international standards as a result of the foresight of the country's leadership, who observe the need to focus on building the country's human capital to meet the obstacles of the future.

In order to sustain and gain competitive advantages, firms seek to edge its competitors by focusing on internal elements, so administrators should look inside their firm for valuable rare and costly-to-imitate resources to exploit them through their firm (Barney, 1900). Unfortunately, firms find it hard to hire, stimulate, and to improve besides retain qualified people in viciously competitive environment. Recently where learning is considered a top superiority and an important mean in coping with a constantly evolving world comes the core value of any firm to gain sustainable competitive advantages through HR activities. Fitz-enz (1995) stated that employees are the fundamental assets in the new market that are able to interact, learn, progress, as well as contribute. What leads to a source of competitive advantage and adds to the progression of firm's nourishment is being committed employees and this happens when you are faster than your competitors or doing something primitive that distinguished you from your rivals (Porter, 1985). Noticeably, investing in employee's skills, knowledge, training, and development is constantly the way to improve and implement better HR practices so "if you have the right person in the right place, you don't have to do anything else. If you have the wrong person in the job, consequences will be very bad and there's no management system known to man that can save you", Walter Wriston said. The great performance comes through having committed, competent, satisfied employees that firms have been focused on them to develop its competitive edge.

To conclude, developing HR activities for a sustainable competitive advantage is the sword that many firms use to penetrate in the new market. The activities are like selecting skilled leaders; operative training; coaching right skills, attitude and knowledge; friendly work environment; fair compensation and fringe benefits; better progression and profession planning; good relationships between employees and strong respect to employee's dignity let any successful firm realize the fact that the future belongs to those who believe in their loyal employees (Lado, 1994).

The problem is that there is a high competition between schools in Jordan especially the private ones, parents are becoming more aware of how and where to spend their money when it comes to their kids' education. On the other hand, schools are competing between others to gain competitive advantages.HR are considered most important asset to schools.HR activities are varied differently and costly at the same time.

The main objective of this research is to investigate the HR activities that influence competitive advantage in private schools.

Theoretically, it will add the body of literature in the field. Practically, it might help private schools to suggest and implement the effective HR activities which may lead to Competitive Advantages in private schools. Retaining top talent, cost reduction and profit help the schools to gain the competitive advantage.

# **Literature Review**

Studies have been carried out to decide how a firm could attain competitive advantage over most important assets. Ivy (2001) stated that it is important to paint an image for you or your competitors. Using correspondence analysis showed the unique positioning and found which marketing tools the firms use in conveying their image. Marginson (2006) added that national competition and global competition are distinct, but feed into each other. Ashour (2018) denoted that firms' values and strategic visions are changing to managing not just resources and capabilities but also the environmental elements, and how competitive strategies is being articulated. Competition is the essence of being up or down as a firm that enables creating more perceived value than other rivals' companies, hence, 'what gives a rise to competitive advantage and how can it be sustained' represents the foremost concern for both marketing and strategic management scholars.

Faugoo (2009) indicated that the main practice for any firm's success lately is the skill to hold the best talent, rising and upgrading skills, encouraging innovation and evoking the valued employees. Some (2003) noted that competitive advantage through people and culturally embedded HR practices is not simply hard to achieve but also hard to sustain, but once you achieve it, it is not easy to be duplicated so you can enjoy the competitive advantage. Bartlett and Ghoshal (2002) have highlighted on the important mission of human resources by creating good environment to grab the attention of the talented people and to make them loyal to the firm. Thus, the competition is not only based on product market or technical expertise but also on getting talented and exceptional people. Mansur (2014) reported that there are 6,355 schools in Jordan, 2,138 are private with one fourth of students in Jordan, educating more than 1.7 million students and hiring nearly 84,000 teachers. 33 of the schools provide the IGCSE/GCE/GCSE program and nine provide the IB program. It is verified that private schools in Jordan provide a superior type of education and also charge tuition levels that are assorted every individual income.

It is important to participate in the development of education in Jordan that needs substituting methods of the past with those that are well-matched with the needs of the future like the training of teachers both before the job as well as while on the. Making promises and set plans that are as countless as dreams, simply to achieve what the fears permit! Being faced with challenges on a daily basis

as an employee in public schools, whether logistical, financial or social with classrooms that are overcrowded, lacking enough desks and chairs, and that resources are limited. The curriculum is lengthy and rigid, making the job harder, and a class is barely enough to finish teaching a lesson. Attracting the attention of generation that does not respond to teaching techniques of the past to a generation that is immersed in its electronic world, with at least two decades separating its ambitions from the curriculum between hands. A teacher's light, though, still breaks through this stockpile of challenges, and those today are able to devise solutions out of sheer need and despite great challenges. They have proved there is still room in those packed classrooms for innovative solutions and creative ideas having faith in that role and are capable of changing the course of history! Based on that situation, the private schools investigate to find out the best solutions that let them have the competitive advantage (Antunes and Thomas, 2007).

Rust, Johnstone and Allaf (2009) indicated that the development of some educational system could be dramatic. Forging a comprehensive, high-quality system could be achieved by developing the human capital of its citizens. Hsieh (2005) also noted that selecting, applying and managing effective self-service technologies are challenging missions for furthermost firms, so what a firm ought to consider to encourage customers to at least try, and eventually adopt, the system that offered by a firm into the customer's regular routine. Paauwe (2018) added that the value of human resource management pays attention to the influence of human resource management to the performance of firms; Therefore, we shed a clear light on the issue if strategy affects (either at corporate or business level) and in what sense it affects to (the effectiveness of) HRM. It is beneficial to have someone leading the way and checking in on the progress of the collaboration, so motivation, operational efficiency, team adoption and cooperation will keep the goal clear: gain actionable visions from Competitive Intelligence. This research is an attempt to achieve an in-depth understanding for the main school thoughts that relative literature has viewed competitive advantage basing on: the positioning school and the capabilities (resources) based view. Pološki Vokić (2008) stated that the quality of human resource management (HRM) is based on outstanding human resource policies, programs and activities that permit initiatives to enlarge their staff productivity leading to human resource management as a solid ground for achieving competitiveness through people and significantly better in the benchmark firms. Chopra and Chopra (2012) stated that great performing staff has a positive impact on the company's performance. It has been realized since 1990s. Since then the focus of competition is gradually shifting from products and finances to that of talent management. It is believed that the star performers if managed and retained well will generate strong competitive advantage for the company and will have magnanimous cost and behavior implications. So firms have gone a long way to deeply engage their employees and are competing on the same. It has resulted not only in revolutionizing the way business is done but also reducing employee turnover to the minimum limits as against the high industry standards. Joyce (2005) specified that leading in human resource means establishing firms that steadily out-perform their rivals. Just four foundation practices (focused strategy, execution, performance culture, and fast and flat firm) and four secondary activities (securing talent, committed leadership, industrytransforming innovation, and growth through mergers and partnerships) were found to be essential to yield surprising returns to shareholders.

McClean (2011) showed that high-commitment human resource activities are related positively to firm performance through employee effort for two employee groups within professional services firms. Additionally, they found that the relationship between effort and performance depends on the value of the employee group to firm competitive advantage, suggesting that firms might only want to expend the effort and resources on building a high-commitment human resource system for employee groups that are noticeably tied to creating firm competitive advantage (Noe et.al, 2006). Effective communication is fundamental for the conveyance of high quality, safe and proficient relationship (Leonard et.al, 2004). It has shown that the effective communication strategy is helpful in enhancing teamwork, reducing risk, attaining cultural change, and cultivating the quality of the work environment (Leonard et.al, 2004).

The firm's human resources are very important potential source for competitive advantage. Based on the research by (Wright et.al, 1994) integrating the theories and findings of micro-level structural behavior or human resource management research with the macro level resource-based view of the firm. (Wernerfelt, 1984; Barney, 1991) argued how human resources encounter the standards for sustained competitive advantage in that they are valuable, rare, inimitable and non-substitutable (Wernerfelt, 1984; Barney, 1991) by working on Human Resources activities and roles that enhance competency growth and misuse, supplements the behavioral viewpoint (Schuler & Jackson, 1987) as a result, possibly boosts the strategic human resource management's understanding.

# **Research and Methodology**

#### **Research Model**

A research conducted by Pahuja and Dalal (2012) suggested a model based on the case study of the State Bank of India. This model will be used as a base for this research to investigate how private schools in Jordan can gain CA through continuous implementation of five Human Resource activities which includes hard and soft skills. If a school can track the activities effectively, such a school is meant to have committed and competent employees to sustain the performance of the firm in lively competitive environment .Hence, this will develop a sustained competitive advantage by way of taking ages for rivals to reproduce the same level of commitment and trust in its employees. Nevertheless, that link between school's competitive strategy and organizational Human Resource practices will mind out both human capital advantage and human process advantage (learning, cooperation and the like). While the competent and committed employees with superior activities are more satisfied accordingly leads to less accidents, improved efficiency and productivity, lower labor turnover and obviously better customer service and satisfaction. Therefore, there

is an important need to study and investigate this part in fiercely competitive business environment mostly in service industry as the private school educational firm (Bratton and Gold, 2017).

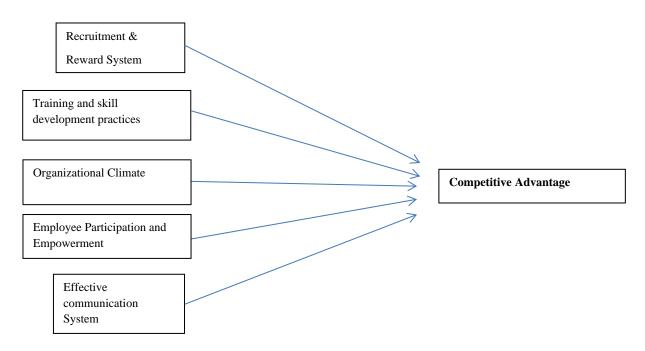


Figure 1: Developing Competitive Advantage through HR Activities; Source: Pahuja and Dalal, 2012.

#### **Population and Sample**

The study was conducted on a private International School in Jordan using a case study design. Population is defined as the group of people or objects under statistical study (Collis et al., 2009). The population of this study is all the private schools in Jordan. The sample was taken from an International Schools. With the statistical method used to estimate the proposed model, 92 respondents were sampled. This was considered as appropriate for dealing with the objectives of the study.

The sample size is the number of people within the respondent group (Brannen, 2008). The sample size used was selected from the employees in an International school that has more than 500 employees. The sample size for this study was 92. This sample size comparing with population reduced sampling error. This sample size was based on the access to the respondents from the researcher's work site.

#### **Data Sources**

There are two sources of data, to be precise, primary and secondary. The primary data are collected to tackle a specific need of research. These are generally collected by the use of questionnaire, interviews and observations. The secondary data are the existing data that become necessary to the research. These are usually collected from the company (school) profiles (Saunders et al., 2007). The researcher used primary source of data by developing a well-structured questionnaire for conducting the research. The use of questionnaires is useful as they allow anonymity and creates higher response rate. A self-directed questionnaire with closed-ended statements were created and measured with 5 points of scale. The items in the questionnaire for cused on Recruitment &Reward System, Training and skill development practices, Organizational Climate, Employee Participation and Empowerment and Effective Communication System. Following the guideline of Brace (2004), the questionnaire was intended brief to reduce tension and tiresome of respondent. All over again, check boxes were used in the questionnaire for fast completion (Frazer and Lawley, 2000). The survey included 27 statements covered dependent and independent variables in this study. Variables were measured using a Likert scale from 1-5 where 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree. Respondent have to circle the correct choice.

#### Measurement of variables

Five independent variables and one dependent variable are measured to answer the research question and hypotheses.

#### **Dependent Variables**

#### **Competitive Advantage**

In this study, the dependent variable was competitive advantage. Competitive Advantage was measured by the following questions:

- i. The top management is willing to invest a considerable part of their time and other resources to ensure the development of employees.
- ii. The managers use positive reinforcement (rewards) to maintain high levels of performance.
- iii. People trust each other in this Organization
- iv. Seniors guide their juniors and prepare them for future responsibilities/roles they are likely to take up.
- v. I am committed to my Organization.
- vi. Managers are also good leaders who motivate employees to achieve peak performance.
- vii. Your Organization offers Healthy work climate.

#### **Independent Variables**

#### **Recruitment & Reward System**

It was measured by the following questions:

- i. Your Organization has fair reward system.
- ii. Fringe benefits and Retirement Security is present.
- iii. The managers review performance on periodic basis.
- iv. Your Organization Targets and attracts potential recruits.
- v. Effective performance is rewarded.
- vi. Your Organization recruits and retains outstanding employees.

#### Training and skill development practices

It was measured by the following questions:

- i. Employees are encouraged to experiment with and try out new methods & creative ideas.
- ii. Your job provides adequate opportunities to make use of your abilities.
- iii. Promotion decisions are based on the suitability of the promotee rather than on the favoritism.
- iv. Fair wage system is there.
- v. Employees are sponsored for training programs regularly as per need.
- vi. The Organization ensures employee welfare to such an extent that the employees can serve a lot of their mental energy for work purposes.

#### **Organizational Climate**

It was measured by the following questions:

- i. I am happy with the company's HR policies.
- ii. I am happy with the working conditions.
- iii. I am satisfied with my Organization as a whole.

#### **Employee Participation and Empowerment**

It was measured by the following questions:

- i. Authority to make decisions is given.
- ii. People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended.
- iii. The personnel policies in Organization facilitate employee development.

#### Effective communication System

It was measured by the following questions:

- i. Manager fosters a work environment that is low on personal conflict, surprises.
- ii. Open two ways Communication is there.

# **Analysis and Findings**

This chapter focuses on the analysis and discussion of the data collected. It gives the interpretation of the results obtained from field study. It outlines the demographic profile of the respondents, measurement model assessment, structural model, and descriptive results. The data collected were analyzed quantitatively using both inferential and descriptive statistical tools and techniques. T-test for one sample was used to examine if there is a difference and the perception of males and females toward factors affecting competitive advantage. Then, regressions analysis was used to investigate which factors and elements are of most influence to competitive advantage.

The reliability and validity were conducted to improve the quality of the study. The reliability tests the consistency of items when using multiple measurement of variables (Hair et al., 2010). The reliability of the measures was tested using Cronbach Alpha. By

way of reducing method bias, different scales were used to measure the items. Validity is the degree to which a test measures what it is supposed to measure. Collis et al., (2009) described validity as the level at which findings accurately meet the objectives of the study.

#### Data Analysis for Demographic Profile of Respondents

Ninety- two (92) respondents can be described as follow: 84 non-managers and 8 managers, 43 of the employees who responded to the study were males and 49 were females. Of this, 25%, 48.9%, 19.9% and 6.5% of the ages were from 20 to 29, 30 to 39, 40 to 49, and 50 or above respectively. The educational level of the respondents shows that many of them had Bachelor degree, giving 76%. This is followed by Master degree at 13% and PHD at 3%. With the years of experience of the respondents, most of them have served above seven (7) years giving 35%. This was followed by those who have served from 3 to 7 years at

#### Validity and Reliability Test

Confirmatory Factor Analysis (CFA) was used to test the validity of the study model. This verifies the dimensionality of the measures used. LISREL 8.5 was used to generate the confirmatory factor analysis. In this analysis, a five factor model was estimated, namely Recruitment &Reward System, Training and skill development practices, Organizational Climate, Employee Participation and Empowerment and Effective Communication system.

All standardized loadings were positive and significant at 1% with CR values above the minimum limit of 0.60, which indicated that convergent validity was achieved. A goodness - of - fit was achieved having eliminated few measures that either recorded high error terms cross loadings or weak loadings as recommended by Hair et al. (2014) on model modification approach. The Goodness - of - fit indices showed the average variance extracted (AVE) values calculated were all greater than the minimum limit of 0.5 and each recorded value higher than the shared variance against any two constructs. This indicates that discriminant validity was achieved (Hair et al., 2014). Correlations between the constructs significantly varied from moderate to high indicating that the proposed model achieved validity (Hair et al., 2014).

Using SPSS version 20, Cronbach Alpha was generated to test the scale reliability of the measures. As recorded in (Table1), Cronbach Alpha is 0.922. This confirms that there is a good internal consistency and consequently the scales were reliable (Bagozzi and Yi, 2012).

| Cronbach's Alpha | Cronbach's Alpha   | N of Items |   |
|------------------|--------------------|------------|---|
|                  | Standardized Items |            |   |
| .922             | .922               |            | 5 |

Table 1: The scale reliability of the measures

#### **Testing Hypotheses**

To answer the research question, and the correspondent hypotheses, the researcher conducted T-Test one sample, and Regression analysis. Results of T-test are presented in Table 2 and Table 3, Correlation and Regression analysis are presented in Table 4 and Table 5, and Table 6 presents the Coefficients

Table 2: One-Sample Statistics

|           | N  | Mean   | Std.<br>Deviation | Std. Error<br>Mean |
|-----------|----|--------|-------------------|--------------------|
| Rec_Rew   | 92 | 3.2935 | .81551            | .08502             |
| Trn_Dev   | 92 | 3.0851 | .83040            | .08657             |
| Org_clmt  | 92 | 3.1685 | .91770            | .09568             |
| Prtc_Empw | 92 | 3.1232 | .89322            | .09312             |
| Eff_com   | 92 | 3.5489 | .89584            | .09340             |

| Table 3: One-Sample Test |                |    |                     |                    |   |  |  |
|--------------------------|----------------|----|---------------------|--------------------|---|--|--|
|                          | Test Value = 0 |    |                     |                    |   |  |  |
|                          | Т              | Df | Sig. (2-<br>tailed) | Mean<br>Difference | 95% Confidence<br>Interval of the<br>Difference |  |  |
|                          |                |    |                     |                    | Lower Upper                                     |  |  |
| Rec_Rew                  | 38.736         | 91 | .000                | 3.29348            | 3.1246 3.4624                                   |  |  |
| Trn_Dev                  | 35.636         | 91 | .000                | 3.08514            | 2.9132 3.2571                                   |  |  |
| Org_clmt                 | 33.116         | 91 | .000                | 3.16848            | 2.9784 3.3585                                   |  |  |
| Prtc_Empw                | 33.538         | 91 | .000                | 3.12319            | 2.9382 3.3082                                   |  |  |
| Eff_com                  | 37.998         | 91 | .000                | 3.54891            | 3.3634 3.7344                                   |  |  |

After conducting the one sample T-Test, the value of sigma for all independent variables was less than .05 which indicates that there is a significance difference in the means of the 5 independent variables. The mean for Recruitment &Reward System is 3.29, Training and skill development practices are 3.08, Organizational Climate is 3.17, Employee Participation and Empowerment is 3.12, and Effective Communication System is 3.55.

|                 |           | Comp_Advg | Rec_Rew | Trn_Dev | Org_clmt | Prtc_Empw | Eff_com |
|-----------------|-----------|-----------|---------|---------|----------|-----------|---------|
| Pearson         | Comp_Advg | 1.000     | .809    | .816    | .855     | .805      | .776    |
| Correlation     | Rec_Rew   | .809      | 1.000   | .755    | .807     | .690      | .572    |
|                 | Trn_Dev   | .816      | .755    | 1.000   | .848     | .657      | .665    |
|                 | Org_clmt  | .855      | .807    | .848    | 1.000    | .775      | .643    |
|                 | Prtc_Empw | .805      | .690    | .657    | .775     | 1.000     | .629    |
|                 | Eff_com   | .776      | .572    | .665    | .643     | .629      | 1.000   |
| Sig. (1-tailed) | Comp_Advg |           | .000    | .000    | .000     | .000      | .000    |
|                 | Rec_Rew   | .000      |         | .000    | .000     | .000      | .000    |
|                 | Trn_Dev   | .000      | .000    |         | .000     | .000      | .000    |
|                 | Org_clmt  | .000      | .000    | .000    |          | .000      | .000    |
|                 | Prtc_Empw | .000      | .000    | .000    | .000     |           | .000    |
|                 | Eff_com   | .000      | .000    | .000    | .000     | .000      |         |
| N               | Comp_Advg | 92        | 92      | 92      | 92       | 92        | 92      |
|                 | Rec_Rew   | 92        | 92      | 92      | 92       | 92        | 92      |
|                 | Trn_Dev   | 92        | 92      | 92      | 92       | 92        | 92      |
|                 | Org_clmt  | 92        | 92      | 92      | 92       | 92        | 92      |
|                 | Prtc_Empw | 92        | 92      | 92      | 92       | 92        | 92      |
|                 | Eff_com   | 92        | 92      | 92      | 92       | 92        | 92      |

Table 4: Correlations

Regression analysis was conducted (Table 3) shows that the correlation matrix, there is positive strong correlation between all independent variables. The value of Sima for correlation was less than .05 for all the independent variables which indicates a significant correlation.

On the correlational results shown in Table 3, it depicts that all the variables correlate positively with the competitive advantage. Effective communication system positively correlate with competitive advantage (r=0.776, p<0.01). Recruitment & Reward System positively correlate with competitive advantage (r=0.809, p<0.01). Training and skill development practices positively correlate with competitive advantage (r=0.816, p<0.01). Organizational climate positively correlate with competitive advantage (r=0.855, p<0.01).

Employee participation and empowerment positively correlate with competitive advantage (r=0.805, p<0.01). Alternatively, all 'r' values are positive and showed strong correlation with values above 0.7

#### **Regression Model**

Adjusted R Squared was .861. The value of sigma for the model was less than .05 which indicates that the model is significant.

| Table 5: Model Summary |       |          |          |                   |  |  |  |
|------------------------|-------|----------|----------|-------------------|--|--|--|
|                        |       |          |          |                   |  |  |  |
| Model                  | R     | R Square | Adjusted | Std. Error of the |  |  |  |
|                        |       |          | R Square | Estimate          |  |  |  |
| 1                      | .932ª | .868     | .861     | .30989            |  |  |  |

**ANOVA**<sup>a</sup> Model Sum of Squares Df Mean Square F Sig. 1 54.528 5 10.906 .000<sup>b</sup> Regression 113.566 Residual 8.259 86 .096 Total 62.787 91

a. Dependent Variable: Comp\_Advg

b. Predictors: (Constant), Eff\_com, Rec\_Rew, Prtc\_Empw, Trn\_Dev, Org\_clmt

| Model |            | Unstandardized Coefficients |            | Standardized<br>Coefficients | t     | Sig. | 95.0% Confidence<br>Interval for B |                |
|-------|------------|-----------------------------|------------|------------------------------|-------|------|------------------------------------|----------------|
|       |            | В                           | Std. Error | Beta                         |       |      | Lower<br>Bound                     | Upper<br>Bound |
| 1     | (Constant) | 018                         | .153       |                              | 116   | .908 | 321                                | .286           |
|       | Rec_Rew    | .232                        | .070       | .227                         | 3.292 | .001 | .092                               | .372           |
|       | Trn_Dev    | .146                        | .079       | .145                         | 1.832 | .070 | 012                                | .303           |
|       | Org_clmt   | .171                        | .085       | .189                         | 2.006 | .048 | .002                               | .340           |
|       | Prtc_Empw  | .211                        | .061       | .227                         | 3.466 | .001 | .090                               | .332           |
|       | Eff_com    | .265                        | .052       | .286                         | 5.124 | .000 | .162                               | .367           |

#### Title 6: Coefficient Table

Multiple regressions were estimated in the study as there were multiple outcome variables in the proposed model. The outcomes were: Recruitment &Reward System, Training and skill development practices, Organizational Climate, Employee Participation and Empowerment, and Effective Communication System.

Coefficient table gave us the following statistics:

a=-.018, b1=.232, b2=.146, b3=.171, b4=.211, b5=.265

Y= -0.18 +=.232 (X1) +.146 (X2) +.171(X3) +.211(X4) +.265(X5)

X1: Recruitment & Reward System

X2: Training and skill development practices

X3: Organizational Climate

#### X4: Employee Participation and Empowerment

X5: Effective Communication System

The results of the equation coefficients are recorded in the Table 5.

#### Hypothesis Evaluation and Discussion Findings

**H1:** This examines that Recruitment &Reward System positively relate Competitive advantage. As shown in the Table 5, the study statistically support the hypothesis, given  $\beta$ =0.227; t=3.292, p<0.01. This indicates that an average employee of Mayar International Schools will significantly perform well when there is recruitment and reward system occurs in the school. In the study, recruitment and reward system significantly gives 0.1%.

**H2:** This also examines that Training and skill development practices have a positive relationship with competitive Advantages. As shown in Table 5, the study statistically support the hypothesis, given  $\beta$ =0.145; t=1.832, p<0.01. This represents that when the private schools introduce training and skill development practices, the competitive advantage will increase. Significantly, it gives 7%.

**H3:** This assesses that Organizational Climate has a positive relationship with competitive advantage. As shown Table 5, the study statistically support the hypothesis, given  $\beta$ =0.189; t=2.006, p<0.01. This depicts that when human capital of the employees is developed, their performance will increase. In the study, human capital significantly gives 48% to competitive advantage.

**H4:** This examines that Employee Participation and Empowerment positively relate Competitive advantage. As shown in Table 5, the study statistically support the hypothesis, given  $\beta$ =0.227; t=3.466, p<0.01. This indicates that an average employee of Mayar International Schools will significantly perform well when there is employee participation and empowerment occurs in the school. In the study, employee participation and empowerment significantly gives 0.1%.

H5 This examines that Effective Communication System significantly relate Competitive advantage. As shown in Table5, the study statistically support the hypothesis, given  $\beta$ =0.286; t=5.124, p<0.01. This indicates that an average employee of Mayar International Schools will significantly perform well when there is effective communication system.

# Conclusions

The objective of the research was to investigate the impact of HR activities on competitive advantage in private schools in Jordan. (92) Employees were the sample of this study. Based on series of analysis conducted on the data collected, it was shown that HR activities are predictors of competitive advantages.

The research hypotheses were tested to prove that the most significant factor impacting HR activities was effective communication system with 3.55, it was found that open two ways communication is established to strengthen the bond of employees and to develop trust. Communication is the most essential variable considered by employees which is agreed with Leonard, Graham and Bonacum (2004) study. The second important variable was Recruitment & Reward System with 3.29, Organizational Climate is 3.17, Employee Participation and Empowerment is 3.12, and Training and skill development practices are 3.09.

Noticeably, the respondents have perceived that Effective Communication System to be the most important factor that is based on trust and strengthen the bond of employees as Leonard, Graham and Bonacum (2004) stated. The second important element that respondents have stated was Recruitment &Reward System that agreed with Hsieh (2005) study when he indicated that selecting, applying and managing employee are challenging missions that could be managed by motivation, reinforcement, and reward systems. The third important element that respondents have observed was Organizational Climate which companies (schools) can create to attract talented people and to make them committed, as Ghoshal (2002) had shown in his study. The next important element was Training and skill development practices that agreed with Faugoo (2009) previous study that was based on developing and upgrading skills is the key for the success of any firm (school). This could happen by urging the employees to take online courses, attend workshops, and participate in conferences and symposiums. Finally, respondents have perceived that Employee Participation and Empowerment is not very important as Pfeffer (1994) mentioned in his studies, may be this is because the culture of most private schools in Jordan that the principals are the only authority that has the right to give instructions and if they delegated some missions, they would be under their supervision and they have to agree and know every single step about that mission. Null hypothesis was rejected where alternative hypotheses were accepted. All independent variables were significant as shown in the result section. All the hypotheses were fully supported with empirical data.

In consideration of the findings of the present analysis, the researcher may conclude that HR activities in private schools always come with the purpose to improve competitive advantages in the long run. HR activities geared towards developing competitive advantage by focusing on the communication from different angles. It was based on the direct and indirect communication system with students, employees, managers, and parents.

As depicted from the study, recruitment and reward system influences employee performance. Effective Communication system on the other hand influences competitive advantage directly. Therefore effective communication system should be seen as driver of competitive advantage in private schools. This is empirically tested in the study. Within the study, it was found that other variables

like gender, age, educational level and experiences could influence the competitive advantage but they were controlled. Again, the results and analysis confirm findings on existing literature for competitive advantage.

This research revealed that private schools achieve competitive advantage through developing resources that are rare and unique and not copied by rivals, through hiring talented employees who are looking for healthy environment, compensation and reward system, training courses and satisfaction.

Upon major findings coming from the research, it is therefore recommended that the following are adhered to: Schools should concentrate on effective communication between employees, teachers and students, and parents. That communication will bridge the gap and create a strong bond between them.

Principals should clearly define the vision of effective communication system, set the right scope and include it into the objective. They should have strong team and guiding principle for effective communication system and adopt flexible effective communication project management methodology. When it comes to Training and skill development practices, principals must contain active and skilled team. There should a multi-skilled, flexible project team who can cover many areas of competitive advantage objectives. Principals play a major role in human capital development. Job development plans must be functional at any level in the schools and training also be considered as an important strategic function. Achievements of objectives should be communicated for awareness at all levels. Employees must be given the required manual, instruments and material for their work. Employees should be given the chance to bring out with new ideas, directs better ways of doing work like content and skill/competency development.

On the implementation side, principal's ought to

- i. Create and communicate a shared vision.
- ii. Be flexible in implementing strategy and plan.
- iii. Include employees and principal and delegate decision making power.
- iv. Communicate honestly, simply, and continuously.
- v. Manage resistance by expecting and planning.
- vi. Plan for emergencies both the possible and the unlikely.
- vii. Reward and celebrate new behaviors.

Having employee empowerment, there must be supervision of staff to apply learnt techniques everyday as they execute their assigned tasks. The outcomes of training should be instituted in organizational processes. To have a balance workforce and transfer knowledge among employees, experienced employees should be included in teams and given the chance to explore. Lastly, experienced employees must be made to lead change projects.

Numerous private schools should be utilized so that the results of this study would be the exceptional representation of all private schools in Jordan. The findings of this research provide the insight that the mediation of innovation on human capital and employee performance can be further researched on.

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