

STRATEGIC HUMAN RESOURCE MANAGEMENT PRACTICES AND PERFORMANCE OF SELECTED FOOD AND TOBACCO MANUFACTURING FIRMS IN SOUTHEAST, NIGERIA.

¹Eghort Patience Uwen; ²Agbaeze K. E.; ³Udoh Ben Etim; ⁴Sani Saidu Dawop; ⁵Elom Linus
Okechukwu.

^{1,2,3,4,5}Department of Management, Faculty of Business Administration, University of Nigeria
Nsukka.

Corresponding Author: Agbaeze K. E

ABSTRACT

This focused on strategic human resource management practices and organisational performance of selected food and tobacco manufacturing firms in Southeast Nigeria. The study aimed to examine the impact of strategic human resource management practices on the performance of food and tobacco manufacturing firms in Southeast Nigeria. The study adopted the descriptive survey research design. The population comprised 625 employees of 20 selected manufacturing firms. Using the Taro Yamane sample size determination formula, 266 employees were selected. The study employed a structural equation model to test the hypotheses. Findings revealed significant relationships between each strategic human resource practice and organisational performance. Specifically, recruitment and selection strategy showed a statistically significant relationship with employee productivity, and performance management strategy had a positive impact on operational efficiency. The study concludes that manufacturing firms can improve performance outcomes by adopting coherent, strategically aligned human resource practice bundles that strengthen employees' ability, motivation, and opportunity to contribute effectively. The study recommends that food and tobacco manufacturing firms in Southeast Nigeria should institutionalise merit-based and competency-driven recruitment and selection systems that emphasise transparency and job-person fit, and implement robust performance management processes with clear performance indicators.

Keywords: Strategic Human Resource Management; Organisational Performance; Recruitment and Selection Strategy; Employee Productivity; Performance Management Strategy; Operational Efficiency; Manufacturing Firms.

1. Introduction

Strategic Human Resource Management (SHRM) has increasingly assumed a central position in contemporary organizational theory and practice due to its demonstrated capacity to influence

organizational competitiveness, adaptability, and long-term sustainability. In both advanced and emerging economies, organizations have gradually shifted from traditional personnel administration toward more integrated and strategically aligned human resource systems that support organizational goals and enhance operational outcomes (Widjaja et al., 2026). This transition reflects the growing recognition that human capital constitutes one of the most valuable strategic assets available to organizations, particularly within highly competitive and technologically dynamic industries. Contemporary organizations no longer perceive employees merely as operational inputs but rather as strategic resources whose knowledge, skills, commitment, and innovative capacities contribute directly to sustained organizational performance and competitive advantage (Cahyono, 2024). The emergence of SHRM as a strategic organizational function is deeply rooted in the resource-based view (RBV) of the firm, which posits that organizations achieve sustainable competitive advantage through valuable, rare, inimitable, and non-substitutable resources. Within this framework, human resources are viewed as strategic assets capable of generating superior organizational outcomes when effectively managed and aligned with organizational objectives. Consequently, firms increasingly adopt strategic recruitment systems, employee development initiatives, performance appraisal mechanisms, and performance management systems to maximize employee contribution and organizational efficiency. In manufacturing industries specifically, where productivity, product quality, innovation, and operational consistency determine organizational survival, strategic human resource practices have become indispensable tools for achieving improved workforce capability and operational excellence (Omolloy & Juma, 2025).

Organizational performance is increasingly conceptualized in contemporary management literature as a multidimensional construct that encompasses both employee-level and firm-level outcomes within organizational settings. Rather than being limited solely to financial performance indicators, organizational performance reflects the extent to which an organization effectively utilizes its human, operational, and strategic resources to achieve predetermined objectives and sustain competitive advantage (Gutterman, 2023). Within the manufacturing environment, organizational performance is often evaluated through a combination of operational efficiency, workforce effectiveness, product quality, employee commitment, and the organization's capacity to maintain sustainable production outcomes. This broader conceptualization recognizes that organizational success is significantly influenced by internal organizational processes, particularly those associated with workforce management and strategic human resource practices (Saputra et al., 2024).

Globally, empirical literature has consistently demonstrated a significant relationship between SHRM practices and organizational performance outcomes. Studies across developed economies indicate that organizations implementing coherent and strategically integrated human resource systems tend to experience higher employee productivity, stronger organizational commitment, improved innovation capability, reduced turnover intentions, and enhanced financial performance. The strategic alignment of human resource functions with corporate objectives has therefore

become a defining characteristic of high-performing organizations. Cahyono (2024) posits that organizations that effectively integrate human resource planning with strategic organizational priorities are better positioned to respond to environmental uncertainties, technological disruptions, and evolving market demands. This strategic integration becomes particularly critical within manufacturing environments where workforce efficiency directly affects production output, quality assurance, customer satisfaction, and profitability. Existing evidence suggests that organizations adopting strategic human resource practices within developing contexts often experience improved employee retention, stronger organizational commitment, reduced operational inefficiencies, and enhanced competitive positioning (Ranalan, 2025). Nevertheless, despite the growing recognition of SHRM as a strategic necessity, many firms across Sub-Saharan Africa continue to rely on fragmented and reactive personnel management systems that inadequately support organizational objectives and long-term competitiveness. Several studies have argued that many Nigerian manufacturing firms in Enugu and other parts of the Southeast struggle with low employee productivity, inadequate workforce skills, poor organizational commitment, high labour turnover, obsolete operational systems, and ineffective human resource practices. These challenges are further intensified by broader macroeconomic conditions such as inflationary pressures, infrastructural deficits, unstable energy supply, labour market volatility, and economic uncertainty, all of which affect organizational capacity and employee performance (Helen et al., 2024). While technological deficiencies and financial constraints remain important factors affecting industrial performance, scholars increasingly contend that workforce-related issues constitute equally significant barriers to manufacturing efficiency and sustainable organizational growth (Hossain et al., 2025).

Given these prevailing challenges and contextual realities, the need to examine the impact of Strategic Human Resource Management (SHRM) practices on the performance of food and tobacco manufacturing firms in Southeast Nigeria becomes increasingly imperative. Although existing studies have explored SHRM within broader organizational and industrial contexts, limited empirical attention has been directed toward the specific manufacturing subsectors that significantly contribute to the economic activities of Southeast Nigeria. Moreover, insufficient emphasis has been placed on how key SHRM dimensions, such as recruitment and selection, and performance management, individually and collectively influence organizational performance indicators such as productivity and operational efficiency. Thus, this study seeks to bridge this empirical gap by providing context-specific theoretical insights, empirical evidence, and practical recommendations capable of supporting manufacturing managers, Human Resource practitioners, policymakers, and other stakeholders in strengthening organizational performance through the effective adoption of strategic human resource management practices.

2. Literature Review

2.1 Conceptual Review

Strategic Human Resource Management

Strategic Human Resource Management (SHRM) refers to a deliberate and systematic approach that aligns organizational strategy with human resource policies and practices in order to achieve long-term organizational goals and sustainable performance outcomes. It emphasizes the integration of human resource decisions into the broader strategic direction of the organization, ensuring that workforce management contributes directly to organizational effectiveness, competitiveness, and operational success (Yu et al., 2022). Unlike traditional personnel administration, which primarily focuses on routine administrative functions, SHRM positions human resources as a strategic asset capable of generating organizational value and competitive advantage through coordinated people-management systems (Ferdousi & Abedin, 2023). In practical terms, SHRM ensures that critical human resource functions such as recruitment, training, performance appraisal, employee development, and reward systems are not managed independently but are strategically designed to reinforce organizational objectives and enhance performance outcomes. Consistent with contemporary human resource scholarship, the Chartered Institute of Personnel and Development (CIPD, 2025) conceptualized SHRM as a framework that connects people management and employee development practices to long-term organizational strategy. This perspective underscores the need for organizations to integrate human resource strategies, including staffing, performance management, compensation, and employee development into broader business objectives to ensure operational effectiveness and strategic alignment. Consequently, SHRM extends beyond operational personnel management to encompass strategic decision-making processes aimed at strengthening workforce capability, organizational adaptability, and long-term competitiveness. Strategic Human Resource Management is therefore best understood as both an organizational orientation and a coordinated set of strategic choices that shape workforce behaviours, competencies, and contributions toward achieving organizational goals. Rather than treating recruitment, training, appraisal, and reward systems as isolated administrative activities, SHRM emphasizes their deliberate integration and mutual reinforcement to support strategic priorities and improve organizational performance (Prifti et al., 2025; Mwambel, 2024). This integrated approach reflects the understanding that organizational performance is significantly influenced by the extent to which human resource policies are internally coherent and strategically aligned with business objectives. As argued by Prifti et al. (2025), SHRM focuses on ensuring that human resource systems, leadership roles, and workforce practices directly support organizational outcomes such as productivity, operational efficiency, quality improvement, innovation, and adaptability.

Recent empirical and applied studies further reinforce the conceptualization of SHRM as a performance-enhancing “bundle” of interrelated practices whose effectiveness is maximized when implemented coherently and strategically aligned with organizational goals. Mwambel (2024), in examining profit-oriented organizations, observed that firms adopting strategically aligned human resource policies often experience improved workforce effectiveness, operational efficiency, and enhanced organizational performance. Similarly, Aliyu (2024), within the Nigerian banking sector, demonstrated that organizational performance improves significantly when human resource management is treated as a strategic organizational function characterized by structured staffing

systems, employee development initiatives, performance appraisal mechanisms, and reward structures designed to reinforce performance expectations. These findings support the broader argument that SHRM operates through two critical mechanisms: strategic alignment, whereby human resource systems correspond with organizational strategy; and internal coherence, whereby individual human resource practices reinforce one another to influence employee competence, motivation, and discretionary effort (Prifti et al., 2025; Aliyu, 2024). A capability-based perspective further broadens the understanding of SHRM by emphasizing its role in developing strategic organizational capabilities. Ulrich, Way, and Wright (2024) argued that the effectiveness of SHRM should be evaluated based on its capacity to build strategic human capabilities that enable organizations to execute strategy effectively, sustain performance, and adapt to changing environmental conditions. From this perspective, SHRM extends beyond the implementation of isolated “best practices” to include the development of organizational systems, human resource architecture, and managerial competencies that collectively make human capital strategically valuable. This capability-oriented view positions SHRM as a critical organizational capability that integrates people, work systems, and strategic execution processes to generate sustainable performance advantages (Ulrich et al., 2024; Prifti et al., 2025).

The concept of SHRM has been defined by several scholars from varying theoretical and practical perspectives. Armstrong (2012) defined SHRM as a coherent and purposeful approach to managing an organization’s most valuable assets, namely its employees, both individually and collectively, in ways that contribute to organizational goal attainment. This definition highlights the centrality of human resources to organizational survival and growth. Similarly, Muogbo (2013) emphasized that human resource management represents a comprehensive and encompassing management function that integrates personnel management and industrial relations within organizational systems. Muogbo (2013) opined that organizational resources such as machinery, technology, infrastructure, and production systems remain ineffective without the human effort, coordination, and decision-making capacity necessary to utilize them productively. This perspective underscores the strategic importance of the human component as the foundation upon which all other organizational functions depend. Frank, Finnegan, and Taylor (2014) further conceptualized SHRM as a series of organizational activities that evolve as employees, jobs, and organizations develop over time. They identified two major dimensions of SHRM functions. The first dimension focuses on core human resource activities such as recruitment, selection, placement, compensation, and performance appraisal, which are primarily concerned with acquiring and managing organizational talent. The second dimension involves developing existing employees to improve their effectiveness, efficiency, and capacity to assume greater responsibilities within the organization. This developmental perspective emphasizes that SHRM is not limited to workforce acquisition alone but also involves continuous employee growth and organizational learning.

Moreover, O’Riordan (2017) described SHRM as the critical interface between strategic management and human resource management. According to this perspective, organizational

growth and strategic goal attainment are directly influenced by the alignment of human resource policies with broader organizational objectives. He further argued that organizations achieve competitive advantage through the strategic management of a skilled, competent, and ambitious workforce capable of supporting innovation, adaptability, and operational sustainability. Gituma and Beyene (2018) similarly observed that one of the fundamental objectives of SHRM is to attract and retain the most suitable talent capable of driving organizational success. According to the authors, organizations must strategically identify and recruit individuals whose competencies, values, and capabilities align with organizational objectives and long-term vision. However, effective recruitment alone is insufficient for achieving sustainable organizational performance. Organizations must also invest in employee development, well-being, engagement, and motivation through continuous training, supportive leadership, career development opportunities, and performance management systems. The strategic significance of human resource management has also been highlighted in relation to its operational and administrative functions within organizations. Wright et al. (2001) observed that the human component of organizations, which had previously received relatively limited strategic attention, has increasingly become recognized as central to organizational productivity and effectiveness. This growing importance has been influenced by increasing legal complexities, competitive pressures, and the recognition that employees represent critical organizational assets capable of enhancing performance outcomes. In addition to its strategic functions, human resource management also performs tactical and administrative roles associated with labour relations, employee welfare, workplace safety, compliance with labour laws, orientation of newly recruited employees, compensation administration, and managerial support functions.

Organisational Performance

Organisational performance refers to the extent to which an organization effectively and efficiently achieves its strategic objectives, fulfils its mission, and satisfies stakeholder expectations within a given operational environment. It is widely recognized in management literature as a multidimensional construct that encompasses financial performance, operational efficiency, service quality, employee effectiveness, innovation capacity, customer satisfaction, and overall organizational competitiveness (Richard et al., 2021). Contemporary perspectives on organizational performance emphasize that performance should not be evaluated solely through financial outcomes, but also through the organization's ability to optimize resources, sustain productivity, adapt to environmental changes, and achieve long-term strategic goals. Within public sector contexts, particularly in developing economies such as Nigeria, organizational performance is often assessed using indicators that extend beyond profitability and shareholder returns. Public sector performance is commonly evaluated in relation to service delivery effectiveness, policy implementation, fiscal accountability, administrative efficiency, responsiveness to citizen needs, and the creation of public value (Nakpodia & Adegbite, 2026). The conceptualization and measurement of organizational performance have evolved significantly over time. Traditional approaches largely focused on financial indicators such as profitability, return on investment, and

market share. However, contemporary organizational theory recognizes the limitations of relying exclusively on financial metrics, particularly in environments where operational effectiveness, innovation, customer satisfaction, and employee development significantly influence organizational sustainability. This shift led to the emergence of multidimensional performance frameworks such as the Balanced Scorecard developed by Kaplan and Norton (1996), which integrates financial and non-financial dimensions of performance, including customer perspectives, internal business processes, learning and growth, and organizational innovation. Recent studies continue to validate the relevance of this multidimensional approach in evaluating organizational effectiveness across both public and private sectors (Alqahtani & Hejazi, 2022).

In the Nigerian context, organizational performance has increasingly become associated with institutional reforms, digital transformation initiatives, governance practices, and administrative efficiency. Empirical evidence suggests that organizations capable of integrating digital technologies into their operational systems often experience improvements in transparency, decision-making efficiency, service delivery, and overall operational effectiveness. Okechukwu et al. (2024) observed that the implementation of digital procurement systems within Nigerian public institutions contributed significantly to improved transparency, reduced bureaucratic delays, and enhanced operational outcomes. Similarly, Eze and Udeh (2023) established that effective procurement planning and contract management practices positively influenced service delivery quality and resource utilization efficiency within public institutions in Abuja. These findings reinforce the argument that administrative systems, governance structures, and institutional management practices constitute important determinants of organizational performance, particularly in environments characterized by weak institutional oversight and operational inefficiencies. Furthermore, organizational performance in Nigeria, across both public and private sectors, is increasingly influenced by the strategic adoption and integration of digital technologies into core organizational processes. Bello and Yusuf (2024) argued that digital transformation enhances organizational responsiveness, operational coordination, communication efficiency, and service effectiveness. However, the realization of these performance benefits is often constrained by infrastructural deficiencies, inadequate technological capabilities, workforce skill gaps, inconsistent policy implementation, and broader macroeconomic challenges. These contextual limitations highlight the importance of examining organizational performance within the broader institutional environment in which organizations operate.

Institutional theory, therefore, provides an important framework for understanding organizational performance within developing economies such as Nigeria. According to DiMaggio and Powell (2000), organizational behaviour and performance are significantly shaped by institutional pressures, including formal regulations, cultural norms, social expectations, and governance structures. Organizations operating within similar institutional environments often adopt comparable structures and practices in response to regulatory requirements, professional standards, and societal expectations. Okoye et al. (2025), in contextualizing institutional theory within the Nigerian environment, argued that organizational performance outcomes are strongly influenced

by the interaction between institutional regulations, governance quality, policy enforcement mechanisms, and socio-economic conditions. Consequently, organizational performance in Nigeria cannot be adequately understood outside the broader institutional realities that shape managerial decision-making, operational processes, and strategic implementation. Overall, organizational performance represents a comprehensive evaluation of an organization's ability to achieve desired outcomes through the effective management of resources, systems, processes, and human capabilities. Its multidimensional nature requires organizations to balance financial objectives with operational efficiency, service quality, employee effectiveness, innovation, and stakeholder satisfaction. Within the Nigerian context, organizational performance is further shaped by institutional dynamics, governance structures, technological advancement, and environmental constraints, making context-specific analysis essential for understanding performance outcomes across organizations and sectors.

2.2 Hypotheses Development

Recruitment and Selection Strategy and Employee Productivity

Recruitment and selection strategy refers to the systematic process through which organizations attract, assess, and employ qualified individuals whose competencies, skills, and values align with organizational goals and operational requirements. It involves structured activities such as workforce planning, candidate sourcing, screening, interviews, and competency-based assessments aimed at ensuring that organizations acquire the most suitable talent capable of supporting organizational effectiveness and long-term performance (Aguinis et al., 2013). Strategic recruitment and selection practices are increasingly recognized as essential mechanisms for improving workforce quality, reducing turnover, and strengthening organizational capability (Jiang et al., 2012). Employee productivity refers to the efficiency and effectiveness with which employees convert organizational resources, skills, time, and effort into valuable outputs that contribute to organizational objectives (Kpurunee et al., 2024). It encompasses not only the quantity of work performed but also the quality, timeliness, adaptability, and overall contribution of employees to organizational performance (Albrecht et al., 2021). In modern organizations, employee productivity is influenced by several factors, including employee competence, motivation, organizational support, and the effectiveness of Human Resource Management practices. The relationship between recruitment and selection strategy and employee productivity is based on the premise that organizations achieve higher productivity when they recruit and select employees whose capabilities align with job requirements and organizational expectations. Jiang et al. (2012) observed that organizations implementing strategic and competency-based recruitment systems often experience improved workforce efficiency and enhanced operational performance. Similarly, Eze and Okoye (2024) noted that effective recruitment practices contribute to improved employee competence and reduced operational inefficiencies within organizations. Furthermore, transparent and merit-based selection processes enhance job fit, employee motivation, and commitment, which ultimately improve productivity outcomes (Amoako & Duodu, 2023). Therefore, strategic recruitment and selection serve as important

drivers of employee productivity and organizational effectiveness. Thus, the following hypothesis is proposed:

H₁: Recruitment and selection strategy has a significant positive effect on employee productivity.

Performance Management Strategy and Operational Efficiency

Performance management strategy refers to an integrated, continuous organizational system used to define performance expectations, monitor employee and organizational progress, provide feedback, and align individual and team outputs with strategic objectives. Unlike traditional performance appraisal systems that are periodic and backward-looking, performance management is forward-oriented and developmental, emphasizing continuous improvement, coaching, and alignment between employee outputs and organizational goals (Pulakos et al., 2023). In public sector organizations, it serves not only as a managerial tool but also as a governance mechanism that enhances accountability, transparency, and service delivery effectiveness (Moynihan & Lavertu, 2023). Operational efficiency, on the other hand, refers to the ability of an organization to deliver goods or services in a cost-effective manner while maintaining quality and timeliness. It is commonly expressed as the relationship between outputs and inputs, where higher efficiency indicates optimal utilization of resources such as labour, time, and capital (Wang et al., 2018). Modern interpretations extend beyond cost minimization to include effectiveness, adaptability, and alignment of outputs with organizational or service demands. The relationship between performance management strategy and operational efficiency is grounded in the argument that well-structured performance systems enhance clarity of expectations, improve employee accountability, and ensure optimal utilization of organizational resources. Pulakos et al. (2023) emphasized that continuous feedback, goal setting, and coaching embedded in performance management systems improve employee focus and task execution. Similarly, Moynihan and Lavertu (2023) observed that organizations with robust performance management frameworks achieve higher service delivery outcomes due to improved coordination and accountability structures. In the Nigerian context, Eze and Okoye (2024) noted that performance management reforms embedded in public financial management systems have the potential to enhance efficiency, although implementation gaps often limit their effectiveness. Furthermore, operational efficiency is strengthened when employees understand performance expectations and receive timely feedback that aligns their efforts with organizational priorities. Kuvaas et al. (2022) argued that supportive performance management systems foster a culture of engagement and continuous improvement, which reduces wastage, improves productivity, and enhances service delivery outcomes. Additionally, digital tools such as performance dashboards and real-time monitoring systems further enhance efficiency by enabling data-driven decision-making and reducing administrative bottlenecks (Eze & Okoye, 2024). Therefore, an effective performance management strategy serves as a critical determinant of operational efficiency by aligning human effort with organizational processes and optimizing resource utilization. Based on the discussion, the following hypothesis is proposed:

H₂: Performance management strategy has a significant positive effect on operational efficiency.

3. Methodology

Research Design

A research design is a framework that guides how data is collected, measured, and analyzed in a study (Creswell & Clark, 2016). This study adopted the descriptive survey design. It was used to collect data from respondents on strategic human resource management practices and organizational performance. Creswell & Creswell (2018) posit that it is appropriate because it allows the examination of variables in their natural setting without manipulation and supports generalization of findings from a defined population. The target population consists of all registered manufacturing firms in the five Southeast states of Nigeria: Abia, Anambra, Ebonyi, Enugu, and Imo. The study population comprises 625 staff drawn from 20 selected manufacturing firms, including senior human resource managers, middle-level supervisors, and administrative and HR support staff. The sample size was determined using the Taro Yamane (1967) formula, which yielded a sample size of 293 respondents for the study.

Measurement of Variables

Data for this study were collected using a structured questionnaire measured on a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

The independent variable, Strategic Human Resource Management (SHRM), was operationalized using two dimensions: Recruitment and Selection Strategy and Performance Management Strategy. Measurement items for recruitment and selection were adapted from Aguinis et al. (2013), Jiang et al. (2012), and Strohmeier (2023), while items for performance management strategy were adapted from Pulakos et al. (2023) and Moynihan & Lavertu (2023). These scales capture strategic staffing, competency-based selection, continuous performance monitoring, feedback systems, and alignment of employee performance with organizational goals.

The dependent variable, Organizational Performance, was measured using two dimensions: Employee Productivity and Operational Efficiency. Measurement items for employee productivity were adapted from Albrecht et al. (2021) and Kpurunee et al. (2024); while operational efficiency items were adapted from Wang et al. (2018) and Yousuf et al. (2021).

Data Analysis Technique

The study adopts both descriptive and inferential statistical techniques. Descriptive statistics, including frequency counts and percentages, were used to summarise respondents' demographic characteristics and general response patterns. For inferential analysis, the study employs Structural Equation Modelling (SEM) using SmartPLS 3.0, an advanced statistical tool suitable for prediction-oriented studies and complex models involving multiple latent variables. SmartPLS is particularly appropriate for HRM research due to its robustness in handling non-normal data distributions and relatively small sample sizes. Regression paths, factor loadings, composite

reliability, Average Variance Extracted (AVE), and R-squared values were computed to test the hypothesized relationships.

Content and face validity were established to ensure that the questionnaire adequately captured the dimensions of strategic human resource management and the associated performance outcomes. To establish reliability, the study adopted a pilot testing approach combined with internal consistency analysis.

4. Results and Discussion

A total of 293 questionnaires were distributed to the respondents across the selected manufacturing firms. Out of the 293 questionnaires distributed, 276 were completely filled and returned, representing a high response rate of 94%.

Table 1 shows the demographic details of the respondents. The demographic distribution showed that a majority of respondents were male (57.2%) and within the economically active age brackets of 25–44 years (59.5%). Most respondents possessed at least an HND/B.Sc qualification (42.8%), indicating a relatively educated workforce. Operational and administrative staff constituted the largest proportion of respondents (62.3%), while over half of the respondents had more than five years of work experience, suggesting adequate organisational familiarity and relevance of responses.

Table 1: Demographic Distribution of the Respondents

Demographic Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	158	57.2
	Female	118	42.8
	Total	276	100.0
Age	Below 25 years	34	12.3
	25–34 years	86	31.2
	35–44 years	78	28.3
	45–54 years	52	18.8
	55 years and above	26	9.4
	Total	276	100.0
Educational Qualification	SSCE	42	15.2
	OND/NCE	66	23.9
	HND/B.Sc	118	42.8
	M.Sc and above	50	18.1
	Total	276	100.0
Job Category	Operational staff	104	37.7
	Administrative staff	68	24.6
	Supervisory staff	56	20.3
	Management staff	48	17.4

	Total	276	100.0
Years of Work Experience	Less than 1 year	28	10.1
	1–5 years	84	30.4
	6–10 years	72	26.1
	11–15 years	54	19.6
	Above 15 years	38	13.8
	Total	276	100.0

Source: Fieldwork, 2025

4.1 Measurement Model

Table 2: Measurement Model Evaluation

Constructs	Factor Loadings	rho_A	Composite Reliability	Average Variance Extracted (AVE)	Cronbach's Alpha	VIF
Recruitment and Selection Strategy		0.892	0.919	0.696	0.891	
RSS₁	0.863					2.497
RSS₂	0.821					2.207
RSS₃	0.837					2.391
RSS₄	0.824					2.237
RSS₅	0.825					2.199
Employee Productivity		0.926	0.942	0.765	0.923	
EP₁	0.833					2.381
EP₂	0.903					3.343
EP₃	0.895					3.284
EP₄	0.881					3.174
EP₅	0.858					2.653
Performance Management Strategy		0.883	0.912	0.675	0.879	
PMS₁	0.808					2.469
PMS₂	0.839					2.975
PMS₃	0.857					2.608
PMS₄	0.836					2.370
PMS₅	0.764					1.946

Operational Efficiency		0.862	0.886	0.608	0.843	
OE₁	0.843					2.219
OE₂	0.784					1.921
OE₃	0.765					2.228
OE₄	0.772					2.110
OE₅	0.731					1.800

Source: SmartPLS output, 2025

As shown in Table 2, all indicator loadings exceeded the recommended minimum threshold of 0.708 (Hair et al., 2020), with values ranging from 0.731 (OE5) to 0.929 (RRS3). This indicates strong indicator reliability and confirms that the observed variables adequately represent their respective latent constructs. Also, all constructs demonstrate satisfactory to excellent internal consistency reliability. Cronbach's Alpha values range from 0.843 (OE) to 0.923 (EP), all surpassing the conventional benchmark of 0.70 recommended by Nunnally (1994). Similarly, Composite Reliability (CR) values range from 0.886 (OE) to 0.942 (EP), exceeding the minimum threshold of 0.70 proposed by Fornell and Larcker (1981). In addition, rho_A values for all constructs range between 0.862 and 0.926, further confirming internal consistency. Convergent validity was assessed using the Average Variance Extracted (AVE). All constructs achieved AVE values above the recommended threshold of 0.50 (Fornell & Larcker, 1981), with values ranging from 0.608 (OE) to 0.765 (EP).

Table 3: Discriminant Validity

	EP	OE	PMS	RSS
EP	0.875			
OE	0.753	0.780		
PMS	0.798	0.754	0.821	
RSS	0.783	0.801	0.777	0.834

Source: SmartPLS output, 2025

Table 3 presents the assessment of discriminant validity using the Heterotrait–Monotrait (HTMT) ratio. The results indicate that most HTMT values fall below the conservative threshold of 0.85 recommended by Henseler et al. (2015), thereby supporting adequate discriminant validity among the constructs.

4.2 Structural Model - (Test of Hypotheses)

In order to examine the hypothesised relationships between the study constructs. Consistent with PLS-SEM best practices, the structural model assessment focused on the estimation and interpretation of path coefficients, as well as their statistical significance using bootstrapped *t*-statistics and *p*-values (Hair et al., 2020). In addition, the model's explanatory power was assessed through the coefficient of determination (R^2) for the endogenous constructs, while the substantive

impact of each exogenous construct was examined using effect size (f^2). Finally, the model's predictive relevance was evaluated using the Stone–Geisser Q^2 criterion, thereby providing evidence of the model's capacity to predict brand equity outcomes beyond mere in-sample explanation.

Hypotheses Testing

Table 4: Results of Hypotheses Testing

Hypotheses	Path Coefficient	Standard Error	T-value	P-value	Decision
RSS -> EP	0771	0.026	29.298	0.000	Supported
PMS -> OE	0.873	0.015	60.136	0.000	Supported

Note: RSS -> EP is Recruitment and Selection Strategy → Employee Productivity and PMS -> OE is Performance Management Strategy → Operational Efficiency.

Source: SmartPLS output, 2025

Table 4 indicates significant paths between recruitment and selection strategy and employee productivity ($\beta = 0.771$; $t = 29.298$; $p < 0.05$), and performance management strategy and operational efficiency ($\beta = 0.873$; $t = 60.136$; $p < 0.05$). Hence, all the stated hypotheses were supported.

Table 5: Predictive Accuracy, Predictive Relevance, and Effect sizes (f^2)

Paths	Correlation coefficient (r)	Predictive Accuracy r^2	Adjusted r^2	Effect Size f^2	Predictive Relevance Q^2
RSS -> EP	0771	0.594	0.593	1.464 Large	0.447
PMS -> OE	0.873	0.761	0.760	3.190 Large	0.441

Note: RSS -> EP is Recruitment and Selection Strategy → Employee Productivity and PMS -> OE is Performance Management Strategy → Operational Efficiency.

Source: SmartPLS output, 2025

Table 5 presents the correlation, predictive accuracy, and effect size of the hypothesized relationships. The results indicate a strong correlation between recruitment and selection strategy and employee productivity ($r = 0.771$), with high predictive accuracy ($r^2 = 0.594$; adjusted $r^2 = 0.593$). The effect size ($f^2 = 1.464$) is large, while predictive relevance ($Q^2 = 0.447$) confirms the model's ability to predict employee productivity.

Similarly, performance management strategy shows a very strong correlation with operational efficiency ($r = 0.873$) and substantial predictive accuracy ($r^2 = 0.761$; adjusted $r^2 = 0.760$). The effect size ($f^2 = 3.190$) is very large, indicating a strong predictive influence on operational efficiency and a strong predictive relevance ($Q^2 = 0.441$).

4.3 Discussion of Findings

The study examined key strategic human resource management (SHRM) practices and organisational performance of selected food and tobacco manufacturing firms in Southeast Nigeria. The primary objectives were to determine how recruitment and selection strategy and performance management strategy influence performance outcomes of employee productivity and operational efficiency.

The first hypothesis proposed that recruitment and selection strategy positively influences employee productivity, a relationship strongly confirmed ($\beta = 0.771$, $t = 29.298$, $p = 0.000$). This result converges with Aremu et al. (2023) and Bans-Akutey et al. (2021), who found that structured recruitment practices enhance organisational competitiveness and profitability in Lagos-based firms, but extend their scope by demonstrating productivity gains at the individual level. Unlike Munaty et al. (2022), who reported a negative recruitment–performance link in a small Indonesian firm due to poor fit, this study shows that strategic recruitment grounded in competency-based selection yields positive productivity outcomes. Human Capital Theory explains this as the outcome of acquiring high-calibre talent, while Resource-Based View frames such talent as scarce and valuable. Ability–Motivation–Opportunity Theory adds that the “ability” foundation established during hiring enables subsequent motivation and opportunity interventions to succeed. Critically, this finding addresses a key gap in Mwita et al. (2022) and Mwambela and Bwacha (2025), whose studies focused on recruitment but did not explicitly link it to productivity in digitally evolving or public-sector contexts like Nigeria’s Federal Capital Territory, where institutional voids often compromise hiring quality.

The second hypothesis stated that performance management strategy has a significant positive effect on operational efficiency, receiving exceptionally strong support ($\beta = 0.873$, $t = 60.136$, $p = 0.000$). This aligns with Striteska et al. (2018), who identified goal cascading and leadership commitment as key enablers of strategic performance management systems (SPMS) in European firms, but extends those insights to resource-constrained environments like Nigeria, where Oteri et al. (2023) and Bristol-Alagbariya et al. (2022) underscored the absence of integrated performance management systems in public logistics and service delivery. Within the Resource-Based View framework, performance management transforms human capital into coordinated operational capabilities that are difficult to imitate, particularly in contexts where bureaucratic inertia (Birdsall, 2018) and data scarcity limit efficiency gains. Ability–Motivation–Opportunity Theory further clarifies that performance management enhances ability (through role clarity), motivation (via performance-linked feedback), and opportunity (by aligning individual tasks with organisational workflows). The magnitude of this effect suggests that in Abuja’s public organisations, where operational inefficiencies often stem from disjointed HR-performance linkages, strategic performance management is a foundational lever for institutional effectiveness.

5. Conclusion, Recommendations and Contributions

Conclusion

The study concluded that strategic human resource management practices play a critical and decisive role in shaping key employee and organisational performance outcomes. Drawing on empirical evidence from the structural model, the findings collectively demonstrated that well-designed and effectively implemented HRM strategies significantly enhanced employee retention and performance outcomes. Recruitment and selection strategy significantly enhanced employee productivity. By attracting and selecting employees with the appropriate skills, competencies, and job–person fit, organisations were able to achieve higher productivity levels. Also, performance management strategies like clear performance targets, continuous monitoring, and effective feedback mechanisms enhanced coordination, reduced inefficiencies, and improved the utilisation of organisational resources. Overall, organisations that adopt an integrated and strategic approach to human resource management are better positioned to achieve sustainable improvements in employee outcomes and organisational performance.

Recommendations

Based on the findings and conclusions of this study, the following recommendations are made:

- i. Organisations are encouraged to adopt rigorous and merit-based recruitment and selection practices. Emphasis should be placed on job–person fit, competence, and behavioural attributes to ensure that recruited employees can contribute effectively to productivity from the onset of employment.
- ii. Management should prioritise the implementation of comprehensive performance management systems that align individual and departmental goals with organisational objectives. Continuous performance monitoring, regular feedback, and performance-based decision-making should be adopted to improve operational efficiency.

Contributions to Knowledge

This study made significant practical contributions to knowledge by providing empirical evidence on how strategic human resource management practices translated into measurable employee and organisational performance outcomes. By integrating strategic Human Resource Management constructs with performance indicators using a robust PLS-SEM approach, the study went beyond normative prescriptions. It demonstrated, with empirical clarity, which specific Human Resource practices mattered most and how they operated in practice.

Also, the study contributed to practical knowledge by establishing that performance management systems are not merely administrative controls but strategic performance levers. The strong effects of performance management on operational efficiency provided managers with clear evidence that continuous feedback and goal alignment significantly stabilised the workforce and improved operational outcomes. This insight was particularly valuable for organisations operating in resource-constrained environments, where efficiency and employee continuity were critical for sustainability.

Lastly, the practical contribution of this study lies in its ability to translate strategic Human Resource Management theory into evidence-based managerial action. By clearly linking specific HR practices to distinct performance outcomes, the study equipped organisational leaders with a practical roadmap for leveraging human resources as a strategic asset, thereby contributing to improved organisational effectiveness, employee well-being, and long-term competitive advantage.

References

- Aguinis, H., Gottfredson, R. K., & Joo, H. (2013). Best-practice recommendations for defining, identifying, and handling outliers. *Organizational research methods*, 16(2), 270-301.
- Albrecht, S. L., Green, C. R., & Marty, A. (2021). Meaningful work, job resources, and employee engagement. *Sustainability*, 13(7), 4045.
- Aliyu, M. O. (2024). Strategic human resource management and performance of First Bank of Nigeria PLC. *Gusau Journal of Economics and Development Studies*, 5(1), 17–33. <https://doi.org/10.57233/gujeds.v5i1.04>
- Alqahtani, A. M., & Hejazi, W. (2022). Revisiting the balanced scorecard: Empirical validation in emerging economies. *International Journal of Productivity and Performance Management*, 71(8), 3210–3234. <https://doi.org/10.1108/IJPPM-01-2021-0045>
- Amoako, G. K., & Duodu, E. O. (2023). Performance management and service delivery in Ghana's public sector: Implications for Nigeria. *Journal of African Public Administration*, 8(2), 112–130.
- Aremu, N. S., Shadare, O. A., & Amosa, J. R. (2023). Talent attraction and organizational competitiveness in manufacturing companies in Lagos, Nigeria. *Journal of Human Resource Management*, 23(2), 45–60.
- Armstrong, M. (2012). *[Handbook of human resource management practice]; Armstrong's handbook of human resource management practice*. Kogan Page.
- Bans-Akutey, A., Abdullahi, A. M., & Afriyie, E. O. (2021). Effect of recruitment and selection practices on organisational strategic goals. *Annals of Management and Organization Research*, 3(1), 35-51.
- Bello, M. O., & Yusuf, A. A. (2024). Digital transformation and organizational performance in Nigerian SMEs: The mediating role of operational agility. *Technology in Society*, 76, 102492. <https://doi.org/10.1016/j.techsoc.2023.102492>

- Birdsall, C. (2018). Performance management in public higher education: Unintended consequences and the implications of organizational diversity. *Public Performance & Management Review*, 41(4), 669-695.
- Bristol-Alagbariya, B., Ayanponle, O. L., & Ogedengbe, D. E. (2022). Developing and implementing advanced performance management systems for enhanced organizational productivity. *World Journal of Advanced Science and Technology*, 2(1), 39-46.
- Cahyono, N. D. (2024). Strategic human resource management practices for enhancing employee engagement and organizational performance. *Global International Journal of Innovative Research*, 2(7), 1429-1444.
- Chartered Institute of Personnel and Development (CIPD). (2025, August 25). *Strategic human resource management* (Factsheet). CIPD Knowledge Hub.
- Creswell, J. W. & Creswell, J. D. (2018) Research design: Qualitative, quantitative, and mixed methods approaches. 5th ed. Thousand Oaks, CA: Sage Publications.
- Creswell, J. W., & Clark, V. L. P. (2018). *Designing and conducting mixed methods research* (2nd ed.). Sage Publications Inc.
- DiMaggio, P. J., & Powell, W. W. (2000). The iron cage revisited institutional isomorphism and collective rationality in organizational fields.
- Eze, C. U., & Okoye, B. (2024). Digital transformation and human resource practices in Nigeria's public sector: Evidence from the Federal Capital Territory. *Public Management Review*, 26(4), 589–607. <https://doi.org/10.1080/14719037.2023.2215678>
- Eze, S. C., & Udeh, K. N. (2023). Procurement transparency and public service delivery in Nigeria's Federal Capital Territory. *African Journal of Public Affairs*, 15(1), 45–62.
- Ferdousi, F., & Abedin, N. (2023). Strategic human resources management for creating shared value in social business organizations. *Sustainability*, 15(4), 3703. doi:10.3390/su15043703
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39–50. <https://doi.org/10.1177/002224378101800104>
- Frank, F. D., Finnegan, P., & Taylor, M. (2014). The race for talent: Retaining and engaging workers in the 21st century. *Human Resource Planning*, 27(3), 12–25.
- Gituma, M., & Beyene, T. (2018). Strategic human resource management practices and organizational performance: A case of National Insurance Corporation of Eritrea (NICE). *Global Journal of Management and Business Research: Administration and Management*, 18(4), 1–14.

- Guterman, A. S. (2023). Organizational performance and effectiveness. *Available at SSRN 4532570*.
- Hair, J. J. F., Howard, M. C., & Nitzl, C. (2020). Assessing measurement model quality in PLS-SEM using confirmatory composite analysis. *Journal of Business Research*, 109, 101–110. <https://doi.org/10.1016/j.jbusres.2019.11.069>
- Helen, C. U., Uzochukwu, A. C., & Adanso, O. C. (2024). Employee turnover rate and organizational performance of indigenous manufacturing firms in Enugu Metropolis.
- Hossain, M. Z., Arefin, T., & Urme, U. N. (2025). The financial impact of strategic HRM practices: Linking employee investments to organizational performance. *European Journal of Management, Economics and Business*, 2(2), 25-39.
- Jiang, K., Lepak, D. P., Hu, J., & Baer, J. C. (2012). How does human resource management influence organizational outcomes? A meta-analytic investigation of mediating mechanisms. *Academy of Management Journal*, 55(6), 1264-1294.
- Kaplan, R. S., & Norton, D. P. (1996). Linking the balanced scorecard to strategy. *California management review*, 39(1), 53-79.
- Kpurunee, G. L., Amadi, K. I., & Zeb-Obipi, I. (2024). Employee productivity in Nigeria: challenges and prospects. *Research Journal of Management Practice* | ISSN, 2782, 7674.
- Kuvaas, B., Buch, R., Dysvik, A., & Haerem, T. (2022). Performance-based rewards as motivators in the public sector: A multilevel investigation. *Journal of Public Administration Research and Theory*, 32(3), 401–418. <https://doi.org/10.1093/jopart/muab037>
- Moynihan, D. P., & Lavertu, S. (2023). Performance management in government: A meta-analysis of outcomes. *Journal of Public Administration Research and Theory*, 33(1), 1–18. <https://doi.org/10.1093/jopart/muac015>
- Munaty, S., Dandono, Y. R., & Setiasih, S. (2022). The effect of recruitment, selection and training process on employee performance. *International Journal of Management and Digital Business*, 1(1), 37-51.
- Muogbo, U. S. (2013). The impact of strategic human resource management on small and medium sized enterprises (A study of some selected paint manufacturing firms in Anambra State, Nigeria). *Global Journal of Management and Business Studies*, 3(3), 323–340
- Mwambel, A. (2024). Strategic human resource management and organizational performance: An investigation of profit-oriented companies in Zambia. *International Journal of Research and Innovation in Social Science*, 8(1), 976–992. <https://doi.org/10.47772/IJRISS.2024.801075>

- Mwambela, A., & Bwacha, I. K. (2025). Analysis of the impact of recruitment and selection as a strategic human resource management tool on organizational performance in Zambia. *Indonesian Journal of Community Services*, 4(1), 1-14.
- Mwita, K. M., Nzulwa, J., & Kaamara, M. (2022). The influence of recruitment and selection on performance of savings and credit cooperative societies (SACCOS) in Tanzania. *Journal of Management and Entrepreneurship Research*, 3(2), 121-133.
- Nakpodia, F., & Adegbite, E. (2026). Redefining firm governance in an era of sustainability in Sub-Saharan Africa: the case for the adaptive participatory governance model (APGM). In *Handbook of Research on Sustainability and Governance* (pp. 259-271). Edward Elgar Publishing.
- O'riordan, J. (2017). The practice of human resource management. *Research paper*, 20.
- Okechukwu, C. E., Nwosu, B. O., & Okoye, P. V. (2024). Digital procurement platforms and public sector efficiency in Nigeria: A cross-sectional analysis. *Government Information Quarterly*, 41(1), 101872. <https://doi.org/10.1016/j.giq.2023.101872>
- Okoye, P. V., Isyaka, M. S., & Abdulrahman, I. (2025). Institutional isomorphism and public procurement reform in Nigeria: A neo-institutional analysis. *Journal of Public Procurement*, 25(1), 22–41. <https://doi.org/10.1108/JOPP-09-2024-0032>
- Omollo, V., & Juma, D. (2025). Strategic human resource management practices and organizational effectiveness in the Lake Region Counties, Kenya. *Journal of Business and Strategic Management*. <https://doi.org/10.47941/jbsm.2700>
- Oteri, O. J., Onukwulu, E. C., Igwe, A. N., Ewim, C. M., Ibeh, A. I., & Sobowale, A. (2023). Cost optimization in logistics product management: strategies for operational efficiency and profitability. *International Journal of Business and Management*. *Forthcoming*.
- Prifti, K., Vrusho, B., Vrusho, B., Toci, Ç., & Bushi Gjuzi, J. (2025). Strategic human resource management and its impact on organizational performance: Empirical insights. *International Journal of Innovative Technology and Interdisciplinary Sciences*, 8(3), 550–594. <https://doi.org/10.15157/IJITIS.2025.8.3.550-594>
- Pulakos, E. D., Mueller-Hanson, R., & Arad, S. (2023). The evolution of performance management: Searching for value. *Annual Review of Organizational Psychology*, 10, 273–297. <https://doi.org/10.1146/annurev-orgpsych-012422-084512>
- Ranalan, R. (2025). The effect of strategic human resource management on organizational performance: A correlational meta-analysis. *International Journal of Research and Innovation in Social Science*. <https://doi.org/10.47772/ijriss.2025.906000329>

- Richard, P. J., Devinney, T. M., Yip, G. S., & Johnson, G. (2021). Measuring organizational performance: Towards methodological best practice. *Journal of Management*, 47(3), 535–570. <https://doi.org/10.1177/0149206320987711>
- Saputra, N., Putera, R. E., Zetra, A., Azwar, Valentina, T. R., & Mulia, R. A. (2024). Capacity building for organizational performance: A systematic review, conceptual framework, and future research directions. *Cogent Business & Management*, 11(1), 2434966.
- Stříteská, M., Zapletal, D., & Jelínková, L. (2018). An empirical study of key factors to effectively operate strategic performance management system. *Academy of Strategic Management Journal*, 17(3), 1–14.
- Strohmeier, S. (2023). Digital HRM: A review and research agenda. *Human Resource Management Review*, 33(1), 100932. <https://doi.org/10.1016/j.hrmr.2022.100932>
- Ulrich, M. D., Way, S. A., & Wright, P. M. (2024). Building strategic human capabilities that drive performance. *The International Journal of Human Resource Management*, 35(20), 3341–3373. <https://doi.org/10.1080/09585192.2024.2408026>
- Wang, K., Lee, C.-Y., Zhang, J., & Wei, Y.-M. (2018). Operational performance management of the power industry: A distinguishing analysis between effectiveness and efficiency. *Annals of Operations Research*, 268(1–2), 363–383. <https://doi.org/10.1007/s10479-017-2501-6>
- Widjaja, Y. R., Faturochman, E., & Nursaimatussaddiya, N. (2026). Strategic Human Resource Management and Organizational Competitiveness: A Resource-Based Empirical Analysis. *Fundamental and Applied Management Journal*, 4(1), 78-91.
- Wright, P. M., Dunford, B. B., & Snell, S. A. (2001). Human resources and the resource-based view of the firm. *Journal of Management*, 27(6), 701–721. <https://doi.org/10.1177/014920630102700602>
- Yousuf, A., Zeynvand Lorestani, V., Felföldi, J., Zatonatska, T., Kozlovskiy, S., & Dluhopolskyi, O. (2021). Companies performance management: The role of operational flexibility. *Journal of Eastern European and Central Asian Research*, 8(2), 78–92.
- Yu, J., Yuan, L., Han, G., Li, H., & Li, P. (2022). A study of the impact of strategic human resource management on organizational resilience. *Behavioral Sciences*, 12(12), 508. doi:10.3390/bs12120508