

Review Article

Human Resources and its Impact on ICT and Modern Management in Corporate Profitability

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Abstract: Human resources management is the essence of modern management because it performs functions and functions that enhance its position in the organization's organizational structure and make it a means of survival and sustainability in activity and success. The compensation equity approved by the Foundation contributes directly to raising the efficiency of workers. This confirms the validity of our hypothesis in research, and because the incentive system has an important role in activating human resources, because the presence of internal motivation and desire to work alone is not enough. In our research, we discussed the following points. A close relationship between human resource activation factors, despite the difference allowed by the system of effective incentives to enhance the worker's sense of belonging to the institution. Evaluation of staff performance contributes to determining the factors that must be used to activate staff performance. Rewards are the main variable that influences a worker's desire and drives him to work seriously and sincerely.

Keywords: Corporate Profitability; Human Resources; Modern Management

1. Introduction

The success of an institution in achieving its goals is largely determined by its people, regardless of how much it relies on mechanisms and technology in carrying out its various activities. Human resources (HR) are the main driver of other productive elements and are often the main determinant of the success or failure of a project or organization (Noe, Hollenbeck et al., 2006).

Human resource management reflects efforts to balance institutional goals and individual goals, as well as costs and results in managing the workforce. This approach not only emphasizes work efficiency and effectiveness, but also aims to create a harmonious and sustainable work environment (Bohlander, Snell et al., 2007).

However, attention to HR management alone is not enough to encourage workers to adopt institutional values and work to achieve their vision and mission. A deeper approach is needed to optimally activate human potential, including motivational factors, organizational culture, and skills and leadership development.

In this context, the importance of activating human resources becomes increasingly apparent and becomes the main focus of managers, especially HR managers. HR activation includes the process of increasing motivation, actively involving employees, and empowering them to make maximum contributions to the progress of the institution.

The selection of this topic is based on two main reasons: first, to explore factors that can improve the overall efficiency of the organization; and second, because of the tendency of institutions in Algeria to focus more on material resources than human resources.

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Therefore, this study seeks to answer an important question: How can human resource activation contribute to improving institutional efficiency? (Ulrich, Brockbank et al., 1995).

2. Background to Study Literature

The impact of good HR management on the profitability of the company is measured by the profitability of the company or not by the strength of human resources information, as strong members of the organization influence the management positively on high profit rates(Foster 2014). If the human mutation was characterized by weak demands, the company will be clear and **3.0 Literature review.**

Table 1. Literature review

No	Citation	Dependent Variables	Independent Variables	Result
1	Cho, Ozment & Sink (2008)	Firm performance in e-commerce marketplace	Logistic outsourcing, logistic capabilities	i) Logistic capabilities have a positive relationship with firm performance. ii) logistic outsourcing has a negative relationship with firm performance in the e-commerce marketplace.
2	Salwani, Morshadcha, Norzaidi, & Cho, ug (2009)	E-commerce usage which was measured by business performance	i) technological context technological competence ii) Organization context firm size, firm scope, when technological investment managerial beliefs. iii) Environmental context Mediator variables were back-end integration, front end functionalities. A moderator variable was e-commerce experience.	-Technology competency, firm size, firm scope, web-technology investment pressure intensity, and back-end usage have significant influence on e-commerce usage -Among these variables, back-end integration is found to function as a mediator. E-commerce experience is found to moderate the relationship between e-commerce usage and business performance
3	Morales-Caro & Cegarra-Navarro, (2010)	Capital productivity	Internet-based applications, groupware applications, and collective systems	Groupware applications and collective systems have positive relationships with capital productivity.
4	Hong, Dobrykowski, & Vajapathrace, (2010)	Mass customization	Lean practices, IT use, (enterprise resource planning and e-procurement e-commerce)	- Lean practices, e-commerce, and e-procurement have strong relationship, with mass customization performance -However, enterprise resource planning has no relationship with mass customization performance.
5	Nirmala's, J.M (2009)	-labor productivity	Internet access, standardized data exchange with the trading partners, enterprise resource planning (ERP) system, and customer relationship management (CRM) website on the Internet, and supply chain management (SCM).	Internet access, standardized data exchange with the trading partners, ERP system, and CRM system contributes significant increases in labor productivity, websites on the Internet, and SCM system do not result in a significant increase.
6	Modi, Timoa, Chaturwada & Talaris's, (2011)	ERP system effective implementation	Top management support, user support, consultant support, conflict resolution, knowledge transfer, communication	Consultants support, knowledge transfer, effective communication, conflict resolution are significant factors for the implementation of ERP. Top management support, and users support have no significant relationship.
7	Hwang & Min, (2013)	Supplier Performance	External environment, ERP implementation, and supplier capability. The internal environment is mediator variable.	- External environment has little influence on its decision to adopt and implement ERP. through the mediating role of an internal environment, an external environment still indirectly influences the ERP adoption and ERP implementation decision. ERP could enhance the ERP adopter's supplier capability.
8	Shahat & Udin, (2012).	SCM performance	Integration, material management, production planning, controlling, and workflow management	-There is a positive and significant relationship between integration, material management, production planning, and controlling and SCM performance. -The workflow management does not have a significant relationship with SCM performance.
9	Dezdar & Amin, (2011a)	ERP implementation success.	Project management, and team composition	The relationship between project management and team composition with ERP implementation success is found to be significant.
10	Dezdar & Amin, (2011b).	ERP implementation success.	Top management support, training and education, enterprise-wide communication	Top management support, training and education, and enterprise-wide communication have a positive and significant relationship with ERP implementation success.

Justification of the Study

Workers urged the company to develop their skills development in management and urged the company's directors to provide an appropriate environment for employees to develop the amount of knowledge that reflect positively on the company's physical returns(Schneider 1988)

Research Objective

An Iraqi institution-building is able to manage themselves without the need and rely on outsourcing companies as well as providing a suitable environment for developed society through his company's giant to attract investment from AI foreign and the possibility management of these resources in an efficient(Huselid 1995)

Limitations to the Study

Use the analysis of net value added to analyze the impact of human resources on modern management(Bowen 1986).

3. Methodology

The use of the equations of net value added and create and build structures for the work of the administrative and regulatory framework under the net present value, where it has a

significant impact on the child and motivator variable no correlation between the dependent variable and the independent variable (Noe, Hollenbeck et al. 1997)

Finding

The findings of this study are presented as follows:

E-commerce

E-commerce has become a widely accepted method for business operation. Till 2005 most of the research in e-commerce was exclusively conducted in the western world (Molla, and Licker, 2005). The introduction of e-commerce in the business has participated effectively in reducing the cost and maximizing the revenues of firms. Even though most of the firms use e-commerce for online buying and selling, however, it can be used in other areas such as logistic outsourcing (Cho, Ozment and Sink, 2008). The performance of e-commerce is dependable on many factors that can increase the deployment of e-commerce (Salwani et al., 2009).

Firm Performance with E-commerce

The use of e-commerce in the business field has brought great benefits to enterprises. Cho et al. (2008) studied the relationship between logistics capabilities, logistics outsourcing and company performance. They found a positive correlation between logistics capabilities and company performance in the e-commerce market. Logistics outsourcing did not show a positive correlation with company performance.

Salwani et al. (2009) used a quantitative method to study the impact of e-commerce use on business performance in the Malaysian tourism industry. They used moderating variables and mediating variables. The results showed that technical expertise, company size, company scope, network technology investment, printing intensity and back-end usage significantly affect the use of e-commerce. Among these variables, back-end integration plays a mediating role. E-commerce experience moderates the relationship between e-commerce use and company performance.

Enterprise Resource Planning

One of the new applications in enterprises is the use of ERP systems. An ERP system can be defined as an integrated software package consisting of a set of standard functional modules (such as production, sales, human resources, finance, etc.) that can be adjusted to the specific needs of each company (Laudon and Laudon, 2012). This section explores the use of ERP in companies and the factors that promote ERP adoption.

ERP and Productivity

Nurmilaakso (2009) studied the relationship between labor productivity and ICT applications, such as standardized data exchange with trading partners, enterprise resource planning (ERP) and customer relationship management (CRM) systems, online websites, and supply chain management (SCM). The results showed that Internet access, standardized data exchange with trading partners, ERP, and CRM systems contribute to significant improvements in labor productivity, while Internet websites or SCM systems do not lead to significant improvements.

Another study by Martínez-Caro and Cegarra-Navarro (2010) examined the relationship between capital productivity and Internet-based applications, groupware applications, and collective systems. The results showed that the relationship between groupware applications and collective systems and capital productivity is positive and statistically significant.

Hong, Dobrzykowski, and Vonderembse (2010) studied the use of ERP in large-scale production. They investigated the relationship between lean practices and IT use represented by ERP, e-procurement, and e-commerce. The results show that lean practices, e-commerce, and e-procurement are strongly related to the performance of mass customization. On the other hand, enterprise resource planning has no effect on the performance of mass customization.

ERP Successful Implementation

Maditinos et al. (2011) investigated factors leading to effective ERP implementation. They concluded that consultant support, knowledge transfer, effective communication, and conflict resolution were important factors in ERP implementation. Top management support and user support were not significantly related.

Dezdar and Ainin (2011b) also investigated factors leading to successful ERP implementation and contradicted Maditinos et al. (2011). Their findings showed that top management support, training and development, and company-wide communication had a positive and significant relationship with the success of ERP implementation. However, another study by the same authors, Dezdar and Ainin (2011a), used different variables. The results showed that project management and team composition had a very strong relationship with the success of ERP implementation.

ERM and Supply Chain

Shatat and Udin (2012) studied the relationship between SCM performance and ERP system components: integration, material management, production planning, control, and workflow management. The results showed that there was a positive and significant relationship between integration, material management, production planning and control and supply chain management performance. There was no significant correlation between workflow management and SCM performance.

Similarly, the study by Hwang and Min (2013) examined the relationship between supplier performance and the external environment, ERP implementation and supplier capabilities. The internal environment played a mediating role. The results showed that the external environment had little impact on the decision of enterprises to introduce and implement ERP. However, the external environment indirectly affected the decision to introduce and implement ERP through the mediating role of the internal environment. This also shows that ERP can improve the competitiveness of suppliers of ERP users.

Empirical Result

Sales revenue	\$ 750,000
Cost of parts sold	<u>400,000</u>
Gross margin	350,000
Less out of pocket costs	<u>270,000</u>
Annual net cash inflows	\$ 80,000

	Years	Cash Flows	10% Factor	Present Value
Investment in equipment	Now	\$(160,000)	1.000	\$(160,000)
Working capital needed	Now	(100,000)	1.000	(100,000)
Annual net cash inflows	1-5	80,000	3.791	303,280
Relining of equipment	3	(30,000)	0.751	(22,530)
Salvage value of equip.	5	5,000	0.621	3,105
Working capital released	5	100,000	0.621	62,100
Net present value				<u>\$ 85,955</u>

	Year	Amount	14% Factor	Present Value
Investment required	Now	\$(104,320)	1.000	(104,320)
Annual cost savings	1-10	20,000	5.216	104,320
Net present value				\$ -

Mattson should accept the contract because the present value of the cash inflows exceeds the present value of the cash outflows by \$85,955. The project has a positive net present value.

Conclusions and Recommendations

We note from the example discussed the mechanism of which shows the net present value which is characteristic of the administration of modern that the administration of modern cannot be Tenez without relying on the development of managers and management of modern and taking into account all of the facilities development for them as they affect directly on the administration of modern in all types of companies and various. This study was a literature review study. Based on the review, e-commerce is an effective application for business firms to acquire raw material effectively and to use it for logistic purposes. There are many factors that can significantly enhance the performance of e-commerce (e.g. technology

competency, firm size etc.). However, more studies can be done to discover more about e-commerce. Reviewing the literature, it is found that most of the studies pertaining to e-commerce related to adoption factors, benefits and barriers. There is a need for more studies in another area, for example, productivity and cost. ERP is one of the ICT applications which have been widely used recently. The association between ERP and productivity was found to be positive regarding capital and labor productivity. However, a negative relationship was found between mass customization and ERP. This is a conflicting result. Mass customization can be described as labor and capital productivity because customization required capital as

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