

Increasing the Organizational Performance with Flexible and Sustainable Human Resource Management for Innovative Organizations "A Case Study"

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Abstract: This study aims to investigate the role of sustainability, flexibility, and HRM in increasing the organizational performance for all the innovative organizations in the business world, why it is important to implement such concepts nowadays, and why does it really matter to take into consideration the importance of these concept in order to achieve the organizational goals and therefore a huge competitive advantage. After reading many theoretical studies and collecting data from different organization in Germany, the researcher realized that dealing with these concepts needs highly professional employees and managers because combining flexibility and sustainability in HRM practices is something really difficult, but the reward or the result will deserve all this hard work, because sustainability and flexibility and HRM practices can give a huge push for organizations to be on the top and it helps them to be more innovative, which is the only way for being successful in this digital era. In fact, in order to make this happen, everyone in the organization has the full responsibility to make this happen, employees, managers, top managers, and everyone working in the organization should work really hard in increasing the organizational performance of the association, and this can happen after gaining employees engagement and loyalty after applying both flexibility and sustainability in applying HRM practices. After testing the hypotheses of this study, it was shown that HRM practices have a positive impact on organizational performance by a significant value. Also, sustainability has a positive impact on the organizational performance, but flexibility has a negative impact on organization performance, and finally innovation has a high and meaningful positive impact on organization performance. So, these results show that these variables are really important for organizations to improve their performance and these variables have a huge impact on the organization to be more competitive and gain an advantage, which is really important to survive in today's business world.

Keywords: Flexibility, HRM Practices, Innovation, Sustainability, Organizational Performance

I. Introduction

The concept of **Sustainability** was established and found in the past 3 decades, since that time it became the base and the backbone of every business in this world (Kramar, 2014: 1070). In addition to that, organizations nowadays have more concern about the importance of different kind of objectives such as: social, ethical, and finally the ecological ones, that's why they started setting new objects and in order to do so they started promoting and implementing more innovative sustainable strategies (Chams & Garcia-blandon, 2019: 109). In fact, improvement in the business world cannot be done without the sustainable development. Actually, it is part of different scientific topics, that's why studies about this concept are increasing day by day. Furthermore, debates about sustainable management started in the 19th century in different European countries just like Germany, Switzerland, and Australia (Macke & Genari, 2019: 806-807). Additionally, the relationship between sustainability and HRM is really strong and they complete each other which create more innovativeness in the company, in which sustainability will make the human resource management process more sustainable, while HRM role is promoting the sustainable HRM practices in the organization (Macke & Genari, 2019: 807). Moreover, the concept of HRM itself refers to human resource; in fact, this subject became one of the most

important subjects in the field of management (Ehnert et al., 2015: 3). We can define it as the “adoption of HRM strategies and practices that enable the achievement of financial, social, and ecological goals, with an impact inside and outside the organization and over a long-term horizon while controlling the unintended side effects and negative feedback’ (Ehnert et. al., 2015:3). Or we can define it as the “development that meets the needs of the present without compromising the ability of future generation to meet their own needs” (Brundtland, 1987: 15).

On the other hand, **Innovation** “is defined as the development (or the adaptation) and implementation of an idea, which is useful and new to the organization at the time of adoption” (Damanpour and Gopalakrishnan, 2001: 47). According to (Innovation Nation, 2007:9) it was explained that “innovation appears when two different bodies of knowledge, perspectives, and disciplines are brought together.”

Innovation is the main catalyst for companies nowadays, because it has a positive impact on their economic survival and growth. Innovation includes showing new products and services that improve the financial performance and the reputation of the company (Storey and Easingwood, 1998:335-336). Actually, there is a positive link between innovation behavior and the company reputation. Innovation also has a positive impact on satisfaction, preference, firms, the productivity of employees, service quality, and market share and value.

Wikhamn (2019: 104) classified innovation into 3 major concepts; first comes the **Product Innovation** which is improving the characteristics or the intended uses of an existing or new product or service and the introduction of it. Then comes the **Process Innovation** in which there is an implementation of the delivery method. The author one mentioned is the **Marketing Innovation** in which there is development and improvement in the marketing strategy or in the product design, packaging, or placement of the product. Finally, comes the Organizational Innovation which is the improving process of business practices in the organization, the work place, or the external relations of the firm.

The 3rd important factor is “Flexibility”. The word “Flexible” has been used in different situations according to the oxford dictionary, we can define it as something which is able to change according to different situations. Some authors define flexibility as a measurement tool, others connect the term flexibility with performance, some of them define it as a term which interferes with the process of design, and others link it with costs, because it plays a huge role in saving money in the future (Magalhaes et.al., 2016:365).

As for the importance of **Flexibility** in innovative organizations and companies, “Researchers have investigated the effects of telework and flexible work schedule on the people involved as well as on organizational performance” (Coenen & A.A.Kok, 2014: 564).

In fact, flexibility and sustainability is really important for organizations to be in the top between competitors which is something really important nowadays, actually it is the key point of their management especially in this digital era.

In fact, if a company wants to improve the organizational performance and be more efficient and innovative and more competitive, the first thing they should start with is focusing on organizing and improving HRM practices that are used in that firm whether the firm is huge or small. In spite of the organizational environment, no matter what the conditions are, they should first focus on improving the HRM practices in that firm, because if they are improved in an efficient way it will affect the output of the company (Saeed, R. et al, 2013: 1549).

HRM plays a huge role in improving the organizational performance, it actually has implications on how companies should treat their employees, and this is what we call individual and collective human sustainability. In addition to that, it shows that HR managers have the full responsibility of providing the organization with the best employees to provide better services and improve the financial performance; they are also responsible for providing a full safe decent work environment for employees where their personal development is not ignored. These polices includes (fairness, lack of discrimination, diversity, learning and development), these are the backbone in a social sustainability and responsibility of an organization.

II. Literature Review

According to Saeed, R. et al, (2013: 1549) Human resource management in previous decades has been known as “management of personnel” and then they changed it into human resource management because “management of personnel concept only focusing on employee’s management, while “human resource management” focuses on the human resource management practices on any company, focuses on the management of the overall company.

Over decades scholars suggested a lot of different human resource practices to implement in order to make the organizational performance more effective and developed, and they can get to know the efficiency of

these practices by observing and monitoring the organizational commitment of employees (Ahmad & Schroeder, 2003: 20, 26).

Human resource management is “the process of acquiring, training, appraising, and compensating employees, and of attending to their labor relations, health and safety, and fairness concerns.” (Dessler, 2013: 4). For example, Pfeffer (1998: 96) discovered 7 different HRM practices that can boost the organizational performance of any association such as: selective hiring, training programs, job security, organization of work, performance appraisal, compensation programs, and sharing information, (Ahmad & Schroeder, 2003: 20).

HRM polices are one of the most important reasons in creating a strong and efficient workforce, in any organization it can create employee’s satisfaction and commitment to the organization. Therefore, it is an efficient key to overcome and face challenges of today’s changing environment (Alshaikhly, 2017:17).

In addition to that, Cho et al. (2006: 262) examined the relationship between HRM practices and the organizational performance by turnover rates, and the result was companies which are implementing these practices are facing less rates of turnover.

In this study, sustainability and flexibility will be examined on how these concepts and their practices can increase the organizational performance of innovative companies, which will also increase the productivity after improving HRM practices.

Nowadays the number of studies and articles are increasing about flexibility theory. Applying it in organizations nowadays is also something really important for many reasons, which is talked by this study later on. Moreover, applying flexibility in the workforce environment is something really important nowadays because there is a huge number of organizations in the marketplace, that means competitiveness between these organizations is increasing day by day and being in the top between them is something mostly difficult, for that reason implementing flexible practices is something really important.

Some of the flexibility practices that organizations are using nowadays are using the modern technology or techniques while working, because we are living in the age of globalization and using technology is a must to be more sustainable and innovative. Using emails and video conferencing is, for example, something really useful, because employees now are able to work at any time or any place whenever they want, these techniques increase employees’ satisfaction and trust and it will develop their productivity which is something really important to achieve commitment. Therefore, it will help achieving an increase in the overall organizational performance. Implementing flexibility practices at work will improve the level of satisfaction by helping employees to perfectly deal with the heaviness of work and in the same time they can do their social and family responsibilities in the same time, in this case they will be able to control their duties at work and their personal schedule (Huinink, 2012: 7).

Furthermore, there is a really important concept that new firms and entrepreneurs have to start to take care of and that is the **strategic flexibility**, which means the ability for new firms to deal actively and efficiently with the changes in the internal and external demand, because nowadays we are living in a competitive environment as mentioned before so being strategically flexible is something really important for them in order to survive and achieve a significant overall growth for these firms, so their main goal is to be free and independent. Moreover, they can increase their strategic flexibility by focusing on three aspects; human, social, and the financial aspect which is the most sensitive aspect to increase the innovativeness and the competitiveness of the firm (Brinckmann, et.al, 2019: 154).

On the other hand, Sustainability is an interesting debate; it is actually a universal concern. Moreover, sustainability focuses on the role of business organizations and the role of human resource management, and the consequences of what people do at work also matters in sustainability (Spooner & Kaire, 2010: 70).

Organizations have taken into consideration the importance of social responsibility to achieve an effective sustainable development and performance. In fact, it is more important than the financial profit, which will definitely lead to commitment and increase the overall organizational sustainability and innovation. To achieve the sustainable development in any organization they should take care of their employees health and well education, they should take care of improving their skills and experiences in order to be more unique and more talented to perform their jobs in an effective way, that is why they established four Ps : “people, prosperity, peace, and partnership”, this is how they can achieve the sustainable innovative advantage (Chams& Garcia-blandon, 2019: 109).

Moreover, it was described as “an Agenda of the people, by the people, and for the people - and this will ensure its success” (United Nations, General Assembly, 2015: 12). That is why people are the most important factor in achieving sustainability and innovation for the company, therefore the competitive advantage of the company.

“sustainability” concept is fundamental and a base for every organization nowadays, which can be achieved by HRM practices which is most valuable and an important asset for every firm to achieve a high level

of sustainability. This concept has been influenced by three groups ecologists, strategists, and what is called the "Brundtland commission" or the United Nation's World Commission on Environment and Development. In 1718 ecologists referred to sustainability as the production of wood. In 1970, this concept was concerned with the overused of natural resources. Later on, business strategists turn their main concern on economical sustainability, which is related to the competitive advantage for every organization (Mazur, 2015: 7).

Moreover, human desire for sustainability and the nature of work that people should undertake are of the most important concerns in sustainability. Until now HRM and sustainability do not differentiate between HRM and job domains of labor relationship. Whereas, HRM process focuses on recruitment, planning, selection, training, compensation, and so on, task domain, on the other hand, refers to what people are doing on their jobs, what people are doing on their jobs, what are their duties, responsibilities at work (Spooner &Kaïre, 2010: 71). Both concepts are very important for sustainability, but they are different they are not the same.

After sustainability innovation comes, innovation has been well-known as the central basis of the economic development in the market place and the organizational growth in any company. Nowadays, the most effective motivator for companies to be more innovative is competition, so for an association to be more competitive it should take care of its level of innovativeness from both sides theoretical and empirical. Moreover, for a company to be more innovative, they should focus on both the market structure and the business environment, not only this but also the formal and the informal structure of the company (Haneda & Ito, 2018: 194).

If a company wants to increase the organizational performance in an efficient way they need to focus on innovation because so many studies showed that there is a strong relationship between innovation and high organizational performance. It has a huge impact on the organizational performance as Lumpkin and Dess (1996: 142) mentioned in their study, that innovation has the "willingness to support creativity and experimentation in introducing new products/services, and novelty, technological leadership and R&D in developing new processes". Companies nowadays force themselves to be more innovative, because the first stage to be more competitive and unique is producing unique products and services to the market, which in return will have a high percentage of sales and therefore the company will gain a high profit, which means a high financial performance (Zehir, C. et al, 2016: 374).

Finally comes the organizational performance. As a matter of fact, it is really hard to define the concept of performance. However, it can be defined in the context of a company performance or the association performance (Guest, 1997: 266). It is really important to realize that the organizational performance differs from the overall outcomes; it is actually wider than "outcomes". To be more precise, organizational performance doesn't only focus on job satisfaction, work environment and so on, it focuses on the overall performance of the organization, the entire business unit and the financial performance as well. Furthermore, organizational performance can be divided into two categories: lower and higher-level performance (Kortekaas, 2007: 8-9).

Firm performance always relates to the ability of a company to achieve its own goals and increase their overall performance involving both the financial and non- financial measures. In which financial such as: the market share, the quality of products and services, the percentage of profit, employees and customer satisfaction and effectiveness. On the other hand, how much it is eager and motivate employees to work and be more productive in order to participate in developing the performance of their company, because this effectiveness can be achieved by the help of more talented and highly skilled employees which in return will help the organization to gain a competitive advantage (Zehir, C. et al, 2016: 375).

Organizational performance is always evaluated with the financial measures such as the profit per share and the return on investments. Moreover, the organizational effectiveness can also be measure by the consequences of the way managers can manage and organize their work and the people who work there. This concept has a central position in private and public organization. Moreover, the main concern for organizations nowadays is to focus on productivity, efficiency and the total quality in general. Furthermore, the organizational efficiency is so much related to the organizations' financial facet such as return on investments, total sales and the profit per share. Although, there are different facets other than the financial ones just like the people working in the organization, plans and procedures they use to achieve their goals and the environment in that organization (Morin & Audebrand, 2014:1-2).

III. Methodology

Population and sample:

The study conducted a field study on the domain, which consists of different innovative companies in Germany. The study population consists of three levels; low-level, mid-level, and high-level employees, and managers at these companies, depending on who was available at the time of distributing the questionnaires and who was willing to fill it out.

Data Processing and Analysis:

The suitable tools were chosen perfectly to match the hypothesis and the study model, and finally to answer the study questions. A questionnaire is designed to achieve the targets and the goals of this study. The collected data from the questionnaire was analyzed using different statistical tools and techniques to be more accurate and precise in giving the results and therefore which will lead to more reliable recommendations. The data collected from the questionnaire was measured and analyzed by using "SPSS Ver. 23".

Statistical techniques and methods have been used in general are as follow:

- A mean value.
- Standard deviation.
- Variance.

This classification will minimize the data and make it easier to analyze and test the reliability of the internal consistency by using Cronbach's Alpha (α), which measures the correlations between different variables in this study. This technique is usually used when Likert Scale has been used in the questionnaire to make sure this scale is reliable and accurate enough.

Alpha test shows values between (0) and (1), where (1) means a perfect correlation between variables, and (0) means there is no correlation available.

Furthermore, the researcher used more appropriate and suitable research methods to give more accurate results such as:

- **Statistical Descriptive Methods:**
 1. Frequency and percentages.
 2. Mean value to know the level of responses to test and study variables.
 3. Standard deviation to know the spacing degree about the mean value.
 4. Normality test to see if the data is normally distributed or not.
- **Inference Statistical Methods such as:**
 1. Cronbach's alpha: to know the correlations between variables and the internal consistency.
 2. The study used the simple regression to measure the impact of flexible and sustainable HRM in increasing the organization performance of innovative organizations in Germany.
 3. Correlation: to know the relationship between variables and test the study hypothesizes

Reliability Testing:

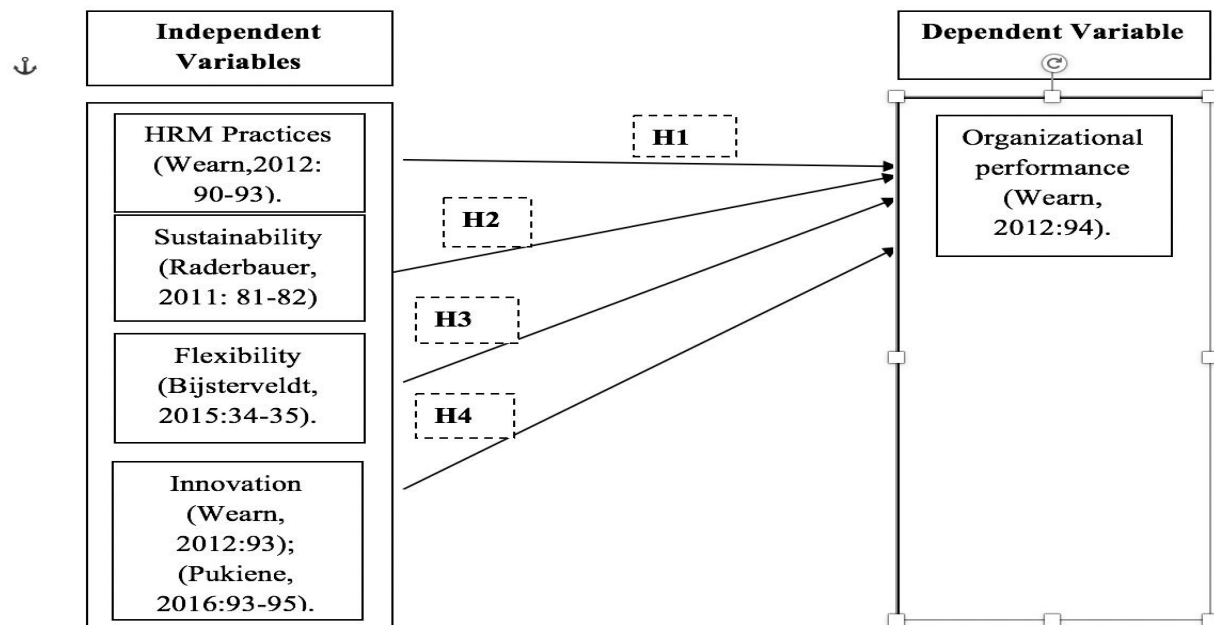
4.4 Reliability Tests

In order to determine the consistency and have stable items in the research instrument, the study uses Cronbach's Alpha values. In general, determination the values are within 0.7 and above implying that the questionnaire has a high reliability from the study. These means the instrument is fit for further data collection or further investigation and analysis according to Nunnally (1978: 245). The test for the reliability of the questionnaires provided a Cronbach's Alpha coefficients as provided below. 4.1

Table 4.1: Reliability of the Study

Variable	Cronbach' Alpha
Human resource Practices	.873
Innovation	.756
Organization Performance	.821
Sustainability Practice	.892
Flexible working	.742

Research Framework:



The Study Hypothesis's:

H1: HRM Practices have a positive impact on the organizational performance to be more innovative.

H2: Sustainability has a positive Impact on the organizational performance.

H3: Flexibility has a positive and meaningful impact on organization performance.

H4: innovation has a positive impact on organization performance.

IV. Results and Discussions

The study findings on the gender of the respondents reveal that the majority of the respondents were female with (57.2%) of the respondents, the males were (42.8%) of the respondents. The results reveal that though the female dominated the study both genders provided the data, it further implies that data was collected from respondents across the gender, the findings can't be doubted on gender grounds.

Concerning the age of the respondents, the majority of respondents were in the age of 30-40 with 42.8% while that of 20-30 were 45.2%, those in the 40-50 years were 11.2% and finally that of 50 and above years were 8%. The results indicate that the majority of the respondents were youthful hence have active memories to understand the organization occurrences.

On the marital status, the majority of respondents were single constituting 57.6% of the respondents while the married were 42.4% of the respondents. The study results indicate that the majority of the respondents were single.

On the education of the respondents, the majority of respondents were holding Bachelor's degree with 41.6% of the respondents while master or higher level had 49.2% while high school or diploma were 5.6% and those of PhD were 3.6%. The study results are collected from the educated respondents, the data is therefore not doubted on the grounds of education since the majority has some kind of a degree and above.

The study results concerning the job titles of the respondents, the majority was administrative officers who constituted 53.6% while those of supervisors were 22.4% and heads of sections were 16.4% while technicians were 7.6% of the respondents. The study findings reveal that the data collected was from responsible people.

The study results from the field showed that the majority of the respondents were administrative staffs who were 34% of the respondents while the financial department had 22%, the technical departments were 10.4% while engineering had 22.8% of the respondents, HR department were 10.8% of the respondents. The results showed that many people were from the departments of the organizations.

Concerning the experience of the respondents, the study results indicate that the majority of the respondents were 5-10 years with 45.6% while less than 5 years had 43.6% of the respondents were those of 10-15 years and were 10.8% of the respondents. The study reveals that many respondents had been working for over 5 years in the organization hence have an understanding of the study.

The study results concerning the income reveal that the majority of the respondents were in between 3000-5000 Eros earnings having 48% respondents, and those of less than 3000 Euros were 28.4% of the respondents, and finally that of more than 5000 Euros were 23.6% of the respondents.

Descriptive Analysis Results:

The descriptive analysis was used to get the standard deviation, mean and mode values of dependent and independent variable; the statistical descriptive methods used were as follows:

1. Frequency and percentages.
2. Mean value to know the level of responses to test and study variables.
3. Standard deviation to know the spacing degree about the mean value.
4. Normality test to see if the data is normally distributed or not.

And the results of each are shown in this study.

Correlation Analysis:

Correlation in this study was used to know the relationship between variables and test the study hypothesizes weather accepted or rejected them.

Table 4.13: Correlation analysis

			Correlations
			Organization Performance
Spearman's rho	Human Resource Practices	Correlation Coefficient	.713**
		Sig. (1-tailed)	.000
		N	250
	Innovation	Correlation Coefficient	.625**
		Sig. (1-tailed)	.000
		N	250
	Sustainability Practice	Correlation Coefficient	.802**
		Sig. (1-tailed)	.000
		N	250
	Flexible working schedule.	Correlation Coefficient	-.249**
		Sig. (1-tailed)	.000
		N	250

** Correlation is significant at the 0.01 level (1-tailed).

Source: Field Data, 2019

The study focus was on determining whether the HRM Practices have a positive impact on the organizational performance to be more innovative. Sustainability has a positive Impact on the organizational performance, flexibility has positive and meaningful impact on organization performance and innovation has a positive impact on organization performance. To test the hypothesis based on correlation analysis, the researcher provided the correlation tests under spearman correlation analysis based on assessing the degree of correlation

As for the first hypothesis, HRM Practices have a positive impact on the organizational performance to be more innovative, the significant value attained was indicated by Sig=0.000, R=.713. The results indicate that HRM practices have a positive impact on organization performance. The hypothesis is adopted and hence accepted that HRM practices have a positive impact on organizations performance.

As for the second hypothesis, stated as sustainability, it has a positive Impact on the organizational performance, the significant value attained was indicated by Sig=0.000, R=.802. The results indicate that sustainability have a positive impact on organization performance. The hypothesis is adopted and hence accepted that sustainability has a positive impact on organizations performance.

The third hypothesis that stated flexibility has positive and meaningful impact on organization performance, correlation analysis reveals that the Sig=0.000, R= -.249. The results indicate that flexibility have

a negative impact on organization performance. The hypothesis is not adopted and hence not accepted that flexibility have a positive and significant impact on organizations performance.

On the fourth hypothesis that stated that innovation has a positive impact on organization performance, through correlation analysis reveal that the Sig=0.000, R=.625. The results indicate that innovation have a positive impact on organization performance. The hypothesis is adopted and hence accepted that innovations have a positive and significant impact on organizations performance.

Linear Regression Analysis:

In this regression analysis, the researcher had a task of establishing the individual aspects of HRM practices, sustainability, flexibility and innovation on organization performance of German organizations and establishes the one that has a highest effect on the dependent variable. Several authors contend to the same understanding, according to Cravetter & Wallnau (2005), regression is a statistical assessment technique that are used to establish the line of best fit for the set of data. And the results were as follows:

- HRM practices have a positive impact on organizational performance by sig=0.000, R=.777
- Sustainability has a positive impact on the organizational performance by sig= 0.000, R=.615
- Flexibility has a positive and meaningful impact on organizational performance by sig=0.000, R=.803
- Innovation has a positive impact on organization performance by sig=0.000, R=.461

Multiple Regression Analysis:

Table 4.18: Human resource practices, sustainability, flexible working and innovation on organization performance

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.843 ^a	.711	.707	.25892

a. Predictors: (Constant), Innovation, Human Resource Practices, Flexible Working, Sustainability Practice

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	40.468	4	10.117	150.906	.000 ^b
	Residual	16.425	245	.067		
	Total	56.893	249			

a. Dependent Variable: Organization Performance

b. Predictors: (Constant), Innovation, Human Resource Practices, Flexible Working, Sustainability Practice

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.441	.174		2.544	.012
	Human Resource Practices	.346	.051	.372	6.763	.000
	Sustainability Practice	.478	.058	.473	8.184	.000
	Flexible Working	-.032	.055	-.028	-.581	.562
	Innovation	.106	.066	.091	1.613	.108

a. Dependent Variable: Organization Performance

Source: Field Data, 2019

The effect for all four independent variables on organization was computed to be at an R Squared coefficient of 0.843. It meant that the variables accounted for 84.3% of the variation in organization performance could be explained by four variables belonging to Human resource practices, sustainability practices, flexible working and innovations. This denotes a high rate of influence that the variables have on organization performance. The ANOVA section also offers collaborating evidence to support the fact that there is a significant amount of influence. The p value for the test was established at 0.000 for human resource practices and sustainable practices which were below 0.05. The implication was that two variables combined had a significant influence on organization performance. The study findings imply that the factors of flexible working had a negative effect on performance and innovations had a positive effect on organization performance.

$$Y_1 = 1.173 + .722HRP$$

$$Y_2 = .747 + .812 \text{ SP}$$

$$Y_3 = 1.955 + .520 \text{ FW}$$

$$Y_4 = 1.172 + .719 \text{ Innovation}$$

$$Y_5 = .441 + .346 \text{ HRP} + .478 \text{ SP} - .032 \text{ FW} + .106 \text{ Innovation}$$

The regression equations present the effect between the variables (independent and dependent variables). The first equation of Y1 reveal that the equation reveals that holding human resource practices at zero the performance of the organization will be at 1.173, a unit in human resource practices will lead to an increase performance by .722

On equation Y2, holding sustainable practices at zero the performance of the organizations will be at .747, a unit change in the sustainable practices of the organization will lead to increase in organization performance by .812

Furthermore, the results reveal that keeping flexible working at zero, the performance of the organization will be at 1.955, therefore a unit change in flexible working will lead to increase in the performance of the organization by .520.

On innovation, the study findings reveal that the performance of the organization will be at 1.172 for the organization, when innovation is kept constant and a unit change in innovation for the organization will lead to increase in the performance of the organization by .719.

Finally on the multiple regression were the overall variables were determined to estimate the effect that the independent variables have on the organization performance, the equation reveal that keeping Human resource practices, sustainable practices, flexible working conditions and innovation at a constant, the performance of the organizations will be .441 in this case human resource lead to an increase of performance by 346, while sustainable performance contribute to performance by .478 while flexible working will reduce performance by 032 and Innovation will lead to the increase in performance of the organization by 106.

Hypothesis results after all this statistical analysis:

Hypothesis	Result
H1: HRM Practices have a positive impact on the organizational performance to be more innovative.	Accepted
H2: Sustainability has a positive Impact on the organizational performance.	Accepted
H3: Flexibility has a positive and meaningful impact on organization performance.	Rejected
H4: innovation has a positive impact on organization performance.	Accepted

V. Conclusion

The objective of this study is to investigate whether sustainability, flexibility, HRM practices and innovation have a positive impact in developing the organizational performance and make it more efficient and more innovative or not. As mentioned before the study raised four hypothesizes to test whether these variable have a significant positive impact on increasing the organizational performance for companies and help it to be more innovative, and after testing the hypothesizes all the results was below 0.5 which means all of the variables have a significant impact on increasing the organizational performance and make it more effective, all the hypothesizes were accepted. As a matter of fact, after making researches and conducting the needed data, the researcher noticed that all the organizations in Germany are working on implementing the practices all of them together perfectly as it was shown in the results section all four variable's practices were well implemented because they will give different benefits for them such as; what the researcher asked in the questionnaire about the benefits of sustainable business practices which were implemented from Raderbauer (2011: 81-82) ; "reduction of cost; enhancing reputation and image of the company; increasing in customer satisfaction, awareness and demand; increase in employee job satisfaction and finally it will make improvements of the

relationship with the local community business- or Corporation philosophy". In addition to that the researcher explained some of the benefits behind implementing HRM practices effectively such as what Armstrong (2012: 5) Mentioned in his book; HRM practices are encouraging and helping the organizations to achieve their goals successfully in a short time; and it helps in creating a friendly long-term relationships internally (between managers and employees) and externally (between the organization and customers, investors, stakeholders and so on). Moreover, HRM practices keeps training employees to develop their abilities and skills to make sure of having a talented, creative work force inside the organization which will help them to perform their duties in a creative way.

Furthermore, the researcher adopted some questions to evaluate the organizational performance of the company from Wearn (2012:94), to see whether implementing these practices increase the organizational performance or vice versa and after making the data analysis it was obviously shown that there was a development in the organizational performance through different aspects such as; increasing in overall sales growth, increasing in the overall market share and on the same time return on investments. Furthermore, there was a huge development of increasing both employee and customer's satisfaction; in return there was a huge development in the overall company performance, that's why all organizations are working really hard to implement these crucial and important practices that give them the competitive advantage to survive for the long-term between competitors.

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