

EMPLOYING SMART HUMAN RESOURCE MANAGEMENT IN BUILDING A BLUE OCEAN STRATEGY FOR TOURISM AND TRAVEL COMPANIES IN THE GOVERNORATES OF KARBALA AND NAJAF

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Abstract

This study examines how smart human resource management (SHRM) contributes to the development of a Blue Ocean Strategy in tourism and travel companies in the governorates of Karbala and Najaf. SHRM was measured through recruitment and selection, salary management, career path management, performance evaluation, and training and development. Blue Ocean Strategy was assessed through creating new market spaces, reducing unproductive competition, innovating in value proposition, and maximising customer value. Data were collected by questionnaire from 108 professional employees in ten selected organisations using a complete census approach. Descriptive statistics, reliability analysis, regression analysis, and structural equation modelling were used. The findings indicate a high overall level of SHRM and Blue Ocean Strategy. Recruitment and selection, salary management, and career path management had significant positive effects on Blue Ocean Strategy, while performance evaluation had no significant direct effect. Training and development also showed a significant positive effect and was the strongest predictor among the SHRM dimensions. The study recommends strengthening technology-enabled recruitment, incentives, career planning, performance appraisal, and strategic training to support value innovation and the creation of new market spaces.

Key words: smart human resource management; blue ocean strategy; tourism and travel companies

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INTRODUCTION

With years of rapid digital transformation and the innovations of artificial intelligence and data analytics technologies, it is necessary for organisations to adopt modern management styles so their contributions improve performance and competitiveness. One of the most critical aspects of such modern approaches is the implementation of smart technology in human resource management functions such as recruitment, training, performance evaluation, employee motivation, and talent management (Wuisan et al., 2023). Having smart human resources management is no longer an option, but a must to keep up with the requirements of a changing work environment, improve operational efficiency, and make strategic decisions based on sound data analysis. Good management serves the purpose of increasing employee satisfaction, aids in attracting the best quality talent, and builds a culture of innovation (Ahmed et al., 2024).

Blue Ocean Strategy helps organisations break out of crowded, traditional markets to create new, uncharted market space by promoting differentiated value for customers. These two trends are not only theoretically convergent; they are practically integrated. Smart human resource management can play a pivotal role in facilitating organisations in formulating and deploying a Blue Ocean Strategy through fostering capabilities, nurturing creativity and establishing a smart workspace that encourages strategic thought beyond traditional boundaries (Priilaid et al., 2020). Hence, the Blue Ocean Strategy serves as a strategic methodology as it is focused on obtaining competitive advantage in a wavy of options whose complexity requires rethinking the organisational mind, reinventing the business model and reanalysing the goods and services offered to open new horizons of growth that allow organizations to achieve sustainable competitive advantage away from direct rivalry. This is far from an opportunity to leave the company. Still, with the implementation of the Blue Ocean Strategy, the company will be able to stand out from excessive competition, gain a positive position, and build its strategic future on creativity and innovation and market leadership (Widya et al., 2020:5).

In order to structure the present investigation in an effective way, the research design is structured in four main sections as follows:

- Research Design had four chapters. The first section was Methodology; the second section included the literature review of the main research variables and their sub-dimensions; the third section was dedicated to the research analysis results; and finally, the fourth section concluded with conclusions and recommendations in light of the statistical analysis process.

I. LITERATURE REVIEW

This part discusses the research variables' theoretical framework or literature review, including an extensive description of Smart Human Resource Management and Blue Ocean Strategy, as follows:

1) *Smart HRM: The Idea Behind It*

Sudden changes in the global business environment and increasing dependence on technology and digital transformation have forced us to rethink the traditional management style, especially in Human Resources (HR). Despite technological developments and inventions, organisations today have realised that the most important and driving force behind an organisation's success is its human resources; therefore, they have started adopting modern techniques to manage their resources, specifically human resources. You can no longer depend on conventional approaches; instead, using smart, data- and digital-driven tools is imperative to achieve the right level of efficiency and agility to respond to constantly changing environments (Hewage et al., 2020).

Being smart human resource management (HRM) is an emerging solution which combines advanced technology with the principles and practices of management for the enhancement of performance effectiveness, data-based decision-making, employee satisfaction and the sustainability of the resource (Abellán-Sevilla & Ortiz-de-Urbina-Criado, 2023). Smart management has many applications in this area due to the reflection of technology development. At the same time, it also means a paradigm shift in personnel management philosophy and enables humane organisations to construct a more interactive, innovative, and effective work environment.

Al-Faouri et al. (2024) state that Smart human resource management has emerged as a new style of strategic human resource management that employs technologies such as artificial intelligence, data analytics, and intelligent systems to improve human resource management in organisations. The goal of this kind of approach is to support decision-making, improve operations, and balance overall organisational goals with employee goals. Through intelligent human resource management, we ensure that organisations evolve with the growing needs and efficiently enable a more agile work culture. This will not be a nice-to-have, but a must-have as technology continues to grow. According to Kambur & Yildirim (2023), smart management represents a qualitative leap forward from conventional, analogue-based management methods, leveraging tools such as HRIS, predictive analytics, autonomous systems, and smart work platforms. Using the tools, organisations will be able to observe employee behaviour, identify training needs reliably, and predict whether any individual is likely to quit or underperform. It aids in formulating forward-looking strategies that help the business retain its human capital. In addition, smart HR management can work with the organisation to build a flexible and motivating environment, using a solid, data-backed approach focused on organisational performance, cost savings, and employee satisfaction and engagement.

Ferraris et al. (2019) describe HRM systems that support technology-enabled work and organisational capabilities. Wuisan et al. (2023) describe the integration of artificial intelligence into HRM to support business transformation and performance. These approaches show how digital systems can strengthen data-informed HR practices and organisational outcomes.

2) *Dimensions of employing smart human resource management:*

The breadth of smart human resource management is reflected in many key areas that have an immediate impact on the effectiveness and sustainability of the corporate performance (Kambur & Yildirim, 2023). Among the most prominent are:

Recruitment and Selection. And these are the foundations for building human resources across the entire system. Choosing the appropriate person for the right position not only contributes to increasing the performance efficiency of the workforce, but also strengthens the stability of the work environment and reduces employee turnover rates, and directly influences the progress towards the organisations goals (Okolie, 2020). The significance of recruitment is in the strategic method giving recruitment for the right kind of talent available inside the labor marketplace, even as the preference method specialises in screening candidates and determining maximum appropriate candidates in opposition to well-outlined criteria matching the job necessities and organisational subculture. Successful and efficient use of resources in managing recruitment and selection processes clearly requires integration across divisions in terms of resources and objectives within an organisation (Bina et al., 2021).

Salary Management. Abstract Salary management is one of the main functions of human resource management, directly involved in motivating employees, increasing employee satisfaction with their work, and ensuring internal equity and organisational stability. A comprehensive salary management system comprises interlinked processes for wage calculation, incentives, allowances, and deductions, in line with organisational policies and the legal framework. It is referred to as the wage disbursement process. At a time when the economy is going through tectonic changes, industry competition and the war for talent are increasing, and the notions of compensation and reward are evolving, salary management is becoming increasingly significant. It is of strategic importance that organisations use salaries to attract and increase the productivity of potential employees and retain existing ones (Kambur & Yildirim, 2023).

Management of career-related development opportunities provides a steady supply of the talent required to meet the organisation's strong desires and aspirations. This includes the organisation's needs as well as the employee's needs. Career planning is a crucial component of career management, as it outlines the path for employees in the organisation based on the organisation's determined requirements, measures of employee success, and employees' performance, potential, and preferences. Career management is also the provision of career guidance to ensure that the individual formulates their career paths in such a way that they will not only be successful for themselves but will also contribute to the success of the organisation at large.

Performance evaluation is a powerful tool for assessing how well and how efficiently an employee performs their tasks and responsibilities. It is not just some routine administrative scrambled eggs; it is a tactic to reach organisational objectives, drive a culture of continuous improvement, and schedule promotions and career paths. The purpose of performance assessment is to ensure the values of fairness and transparency in the work environment by measuring success against clear, specific criteria and linking it to the incentive and reward system. It also enables a top-level assessment of the employee strengths and weaknesses. It assists management in making data-informed decisions on how to raise the organisation's overall capabilities to an acceptable level (Asana et al., 2021).

Training and development are among the basic branches of human resource management. They are responsible for developing employees' skills, enhancing their abilities, and increasing productivity to adapt to new organisational requirements and the continuous improvements in the business environment. The smart management as a simulated forthcoming trend is utilising the information technology exceptional areas such as Artificial Intelligence (AI), Big Data Analytics, Machine learning and smart learning platforms via matching employee skills and objectives with the corporate training needs, through accurately analysing & evaluating training inputs, designing customised programs for each employee, measuring impact of training directly and immediately and no further it is called training and development in its traditional sense duly transformations have been done through the technological speed gears. Such training not only enables speculation about future skills but also provides a flexible, interactive environment (Beydoun & Saleh, 2023).

3) *The concept of a Blue Ocean strategy*

Due to strong market competition and the ever-evolving business context, organisations encounter tremendous difficulty sustaining their position and achieving robust growth. Most organisations have adapted to fighting bloody competitive wars within saturated markets, where everyone is fighting for the same share of customers, which has eaten away at profits, leaving a desolate environment with no innovation. As a result, companies are forced to rethink their mindsets and approaches, seeking new sources of growth that transcend existing industry battles (Hammer, 2022).

Utami et al. (2020) Blue Ocean Strategy motivates organisations to engage in out-of-the-box thinking, overcome competition in the existing sector, and create new opportunities and stable growth. Viewed this way, Blue Ocean Strategy turned out to be the model that proposes breaking traditional competition rules and seeking new market potential in unexplored territory. This approach is about providing your customers with superior value and opening new avenues for development and growth, rather than fighting with each other.

According to Hammer (2022:2), competition doesn't matter in these new markets, as the latest organisational form delivers unprecedented value to customers. The strategy is based on value innovation, which is the simultaneous pursuit of differentiation and low cost to open and capture new demand, and the offering of a new service that addresses the needs customers have but are unfulfilled, or fulfils them in a different way than existing challengers. It emphasises escaping the competition in saturated markets, or red oceans, by helping organisations create a new, competitors-free market called a blue ocean.

Zakariyau et al. (2025) viewed this approach as a radical departure in thinking about management and marketing, insists on moving beyond the current market's limits to redesign offerings around emergent needs. This approach helps organisations detach themselves from direct competition and gain a differentiating foothold in the market.

It refers to a strategic and management philosophy that aims to move tourism organisations away from competition in saturated markets (Guo & Liu, 2022). By creating new tourism products, services, and experiences, opportunities are designed to attract new types of tourists. Awladthani et al. (2023) noted that this is a type of marketing strategy employed by organisations involved in tourism that "delivers something uniquely and distinctly valuable to tourists by radically rethinking the experience being marketed," compared to competitors that provide similar standard types of tourism.

It is referred to as an innovation-based strategy in tourism value that organisations use to compete by providing unfamiliar tourism products or services while aiming to reduce costs, thereby breaking free from unwanted, competing, and stagnant markets (Wisnumurti & Subawa, 2024). According to Kimani & Kinyua (2025:23), organisations tend to attain a sustainable competitive advantage through the innovative design and delivery of tourism services that provide access to new market segments and avoid direct competitive clashes within traditional markets.

4) *The dimensions of the Blue Ocean Strategy*

The dimensions of the Blue Ocean Strategy are founded on a basic concept that winning does not have to mean defeating the competition; it is accomplished by not only competing with competitors but also outperforming them, primarily through value innovation and by creating an entirely new demand in an unexplored market space. Blue Ocean strategy has dimensions, which are reflected mainly in (AbdEllah & Helmy, 2025):

Creating New Market Spaces. The concept of building new market spaces involves thinking outside the box, breaking with established industry customs, and setting new market boundaries. It allows organisations to achieve sustainable & profitable growth without traditional competition. The strategy is designed to help organisations access new customers and be cost-effective. To know how to create these new market spaces is a foundation of contemporary strategy and the basis for new growth and innovation spaces beyond the traditional battle in existing markets (Zakariyau et al., 2025).

Reducing Unproductive Competition. It is one of the fundamental principles of the Blue Ocean Strategy to eliminate unproductive competition, so the organisation can channel its efforts towards innovative and sustainable growth instead of spending energy on a war of attrition in an unattainable market. This desire to ignore competitors does not equate to reducing unproductive competition; it means neutralising them by ensuring there are no market credits for the competition to build on. Blue Ocean organisations challenge industry standards and write their own rules of the market game, enabling them to gain a competitive advantage not through fighting, but through leaping differentiation, not by fighting for the same market (Daradkeh et al., 2023).

Value-Added Innovation. This is the kernel of the Blue Ocean strategy. We refer to it as value innovation because it is not about beating the competition at the game, but rather about creating a leap in value in buyers' minds, thereby rendering the competition irrelevant. At the heart of value innovation is not new product development or a new service offering, but a fundamental redefinition of the value a firm offers, creating a quantum leap in customer value and a simultaneous reduction in costs. It is the process of developing a combination of low cost and differentiation that sets the blue ocean leaders apart. Rather than competing in the same ways (which merely fill the market with me-too options), they argue that value innovation is about breaking industry rules and bending industry boundaries to provide new solutions that fundamentally change the way consumer needs are fulfilled (Hammer, 2022).

Enhancement of Customer Value Added: In this, customer value added does not necessarily mean better product, rather it is a holistic approach in which you rethink the customer need and comes with innovative product that cater to meet such need in a manner that they have never found in the market, It is about increasing the value that the customer gets, either by simplifying application, decreasing waste, improving function, or giving an entirely different experience. This is, meanwhile, a value leap for the organisation and for customers (Daradkeh et al., 2023).

II. METHODOLOGY

This research examines how much some of the tourism and travel companies in the governorates of Karbala and Najaf have moved their administrative practices from traditional marketing, which is so crowded (Red Ocean Strategy), to the new and innovative market (Blue Ocean Strategy) in light of competition and digital transformation that have become very rapid in recent years. The above companies' reliance on human capital is high. As these same companies need to innovate to survive, the problem is the gap between knowing and doing – the lack of a clear and coherent practical-theoretical map binding the use of smart HRM, inclusive smart recruitment, smart career path management, and smart training (data), as a modern tool, with the development of a Blue Ocean Strategy. As such, this study investigates how and to what extent smart human resource management

acts as an enabler for companies switching to a blue ocean strategy. Which arises from several sub-questions, such as:

1. The extent of tourism and travel companies' interest in smart human resource management in the governorates of Karbala and Najaf, and its dimensions.
2. What grade are the computer companies under study on the Blue Ocean Strategy dimensions?
3. How much do we contribute to the creation of a blue ocean strategy in the studied companies through smart human resource management and its dimensions?

Overall, smart human resource management models aim for a comprehensive understanding of relationships that exist and the value they add they Consequently, the research goals can be outlined as:

- To explore the full and partial availability of smart human resource management in tourism and travel companies in Karbala and Najaf governorates.
- Then, to examine the use of the dimensions of the blue ocean strategy in the studied companies.
- To identify the role of smart human resource management and its dimensions in the development of a blue ocean strategy for the studied companies.
- To recommend more useful ideas to tourism and travel firms in the provinces of Karbala and Najaf, in addition to other companies.

A bi-dimensional framework can be formulated to define the significance of the research:

The theoretical contribution of this study is to complement the literature by connecting the dots between smart human resource management and the Blue Ocean strategy, and by building a causal relationship. This constitutes a qualitative contribution to the field of strategic management and human resources. Additionally, it helps to develop an integrated theoretical foundation that explains the enabling function of modern technologies and data in guiding human capabilities toward value-creating innovation and rule-breaking competition, as a basis for future research.

The practical implication is to support tourism and travel companies in the governorates of Karbala and Najaf with recommendations based on statistical results to implement smart human resources management practices (such as smart training, smart career path analysis, etc.) to create new markets and improve the competitiveness of the companies mentioned above. Through its findings in this study, the practical work assists decision-makers in pinpointing which dimensions translate to the greatest benefits — and, at least in a particular set of markets, are used less frequently — thereby driving the effective shift from crowded to Blue Ocean marketplace.

The hypothetical system was developed based on the current research problem, as it includes all the main variables (smart human resource management - Blue Ocean Strategy), to clarify the relationship between the main research variables and the dimensions of these variables. The corresponding hypothetical scheme of the research is, therefore:

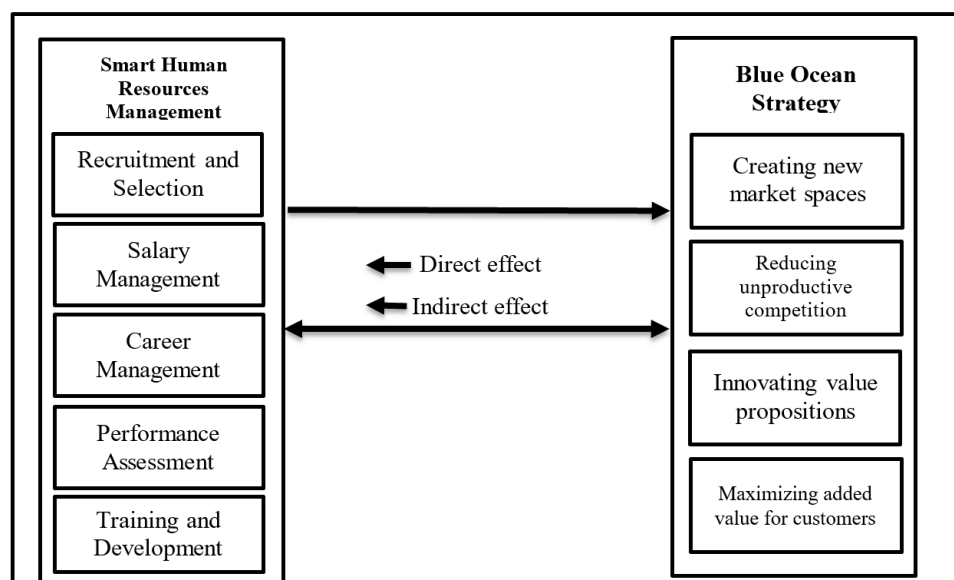


Figure 1. Hypothetical Model of the Study

Source: Prepared by the researcher based on the sources mentioned above*

The research is based on a main hypothesis: (There is no a statistically significant relationship between the smart human resource management variable and its dimensions, and the blue ocean strategy variable and its dimensions). Five sub-hypotheses branch out from this main hypothesis as follows:

- (H1-1): There is a statistically significant relationship between recruitment and selection and the blue ocean strategy in the studied companies.
- (H1-2): There is a statistically significant relationship between payroll management and the blue ocean strategy in the studied companies.
- (H1-3): There is a statistically significant relationship between career path management and the blue ocean strategy in the studied companies.
- (H1-4): There is a statistically significant relationship between performance appraisal and the blue ocean strategy in the studied companies. 5.
- (H1-5): There is a significant relationship of influence between training and development and the Blue Ocean Strategy in the companies studied.

Research Scope

- a. **Spatial Limitations:** The research population was drawn from tourism and travel companies in the two governorates of Karbala and Najaf. The five selected companies in Karbala Governorate were (Al-Hilu, Barakat Al-Yassin, Qamar Quraish, Al-Rawdatain, and Al-Diyafa Al-Alamiyah). The selection included five companies within Najaf Governorate, as follows: (Al-Aqtar, Areen Al-Asad, Al-Basheer, Al-Ittijah, and Al-Yasser International).
- b. **Temporal Scope:** The study lasted approximately 8 months, spanning its theoretical and practical parts from November 22nd, 2024, to June 23rd, 2025. This process was implemented through the distribution of questionnaires and personal interviews with (150) managers, officials and employees for companies specialised in tourism activities in each of Karbala and Najaf governorates, to get the required data and documents.

The following statistical methods were adopted: the five-point Likert scale, one of the most widely used methods in social science survey research, is employed. Its clarity and accuracy characterize it. The scale values were set from 1 (lowest) to 5 (highest); Percentages and frequencies; Arithmetic mean; Response intensity; Standard deviation; Regression analysis; Structural equation modelling.

The study population targeted (110) professional personnel who had a diploma degree or higher in the ten selected organisations. (110) questionnaires were delivered to the entire population by using a complete census approach. Two questionnaires were discarded after data collection (one was not returned and one was determined as an outlier due to lack of engagement). Therefore, a final sample of (108) valid questionnaires were maintained and used for the empirical statistical analysis, providing an effective response rate of (98.2%).

To achieve the research objectives, the measures shown in Table 1 were adopted, indicating the specific measure for each variable along with its corresponding dimensions.

Table 1. presents the measures used to determine the dimensions of the research variables

No.	The variable	Dimensions	Scale
1	Smart Human Resource Management	Recruitment and Selection	Kambur & Yildirim, 2023
		Payroll Management	
		Career Path Management	
		Human Resources	
		Performance Evaluation	
		Training and Development	
2	Blue Ocean Strategy	Creating New Market Spaces	AbdEllah & Helmy, 2025
		Reducing Unnecessary Competition	
		Innovating in Value Proposition	
		Maximizing Customer Value Added	

Notes: The researchers compiled the source based on the literature mentioned in the table.

III. RESULTS

The data from the three questionnaire axes were analysed. These axes are: the first (description of the research sample), the second (smart human resource management with its dimensions: recruitment and selection, salary management, career path management, performance evaluation, and training and development), and finally,

the third (Blue Ocean Strategy with its dimensions: creating new market spaces, innovation in value proposition, reducing unproductive competition, and maximising added value for the customer). The following will follow:

Table 2. The description of the research sample

Classification variables:	Category	Repetitions	%
Gender	Male	86	79.6%
	Female	22	20.4%
	Total	108	100.0%
Educational attainment	Diploma or less	12	11.1%
	Bachelor's	68	63.0%
	Master's	18	16.7%
	PhD	10	9.3%
	Total	108	100.0%
Age	25 years and under	23	21.3%
	35-26	37	34.3%
	45-36	22	20.4%
	55-46	16	14.8%
	56 years and over	10	9.3%
	Total	108	100.0%
Length of service	Under 5 years	29	26.9%
	6 to 10 years	40	37.0%
	11 to 15 years	31	28.7%
	Over 16 years	8	7.4%
	Total	108	100.0%

Notes: The researchers compiled the source based on the questionnaire

As can be seen in Table 2, which illustrates the research sample, the results related to the gender variable indicate that males are the most dominant gender in the sample, with the highest percentage at (79.6% = 86 repetitions) compared to females, which represents the lowest and least represented percentage (20.4% = 22 repetitions). This means that the dominant working atmosphere in the sample of tourism and travel companies is male. For the educational attainment variable, the data show that bachelor's degree holders account for 63.0% (68 repetitions) of the total, the highest percentage, indicating a high level of university education among employees. The lowest is the doctorate holder with 9.3% (10 times). The age variable analysis shows that the active age group 26-35 has the highest percentage at 34.3% (37 occurrences).

In comparison, the age group 56 and older has the lowest percentage at 9.3% (10 occurrences). This suggests the sample is in its prime working years and relatively young. Lastly, the length of service variable shows that the largest percentage of employees is in the moderate length-of-service bubble of 6 to 10 years at 37.0% (40), and a mouthful length-of-service bubble of both moderate job security and experience. Those with 16 or more years of experience had the lowest percentage, at no more than 7.4% (8 total).

Tests for scale reliability and normal distribution. Cronbach's alpha, an index of internal consistency of the questionnaire, was used to ensure the reliability and stability of the study instrument. The results returned a Cronbach's alpha of 0.70 or above, which is an acceptable value for the instrument's reliability (Sekaran & Bougie, 2016). Thus, this extreme reliability confirms the questionnaire's good internal consistency, indicating that the data gathered will be consistent and will not fluctuate, thereby strengthening the reliability of the final results of the study.

In addition, the distribution of this data was examined using skewness and kurtosis to verify that the collected data actually represent the study population and to allow the use of appropriate statistical tests, according to Hair et al. (2010). Nevertheless, following Bagozzi and Yi (2010), who indicate that acceptable values should lie within ± 1.96 , the skewness and kurtosis coefficients of the study variables were within this range. That is, the data are normally distributed, which is a simple and even necessary hypothesis - this hypothesis opens the door for the researcher and allows him/her to exploit the effects of statistical parametric methods, which are known for their potency and accuracy in data processing and analysis.

Table 3. Reliability coefficient and normal distribution for dimensions and items

Changes	Dimensions	Number of paragraphs	stability coefficient	Skewness	Kurtosis
Smart Human Resources	Recruitment and Selection	5	93.2%	1.215	-1.432
	Salary Management	5	79.8%	1.321	-1.543

Changes	Dimensions	Number of paragraphs	stability coefficient	Skewness	Kurtosis
Management	Career Path Management	5	88.4%	0.793	-0.919
	Performance Evaluation	5	90.9%	1.154	-1.510
	Training and Development	5	86.3%	0.554	-0.654
All sections of the dimensions of smart human resource management		25	87.3%	1.041	-1.218
Blue Ocean Strategy	Creating new market spaces	5	92.1%	0.765	-0.808
	Reducing unproductive competition	5	86.9%	0.983	-0.932
	Innovating in value proposition	5	89.2%	1.321	-1.333
	Maximizing added value for the customer	5	90.5%	0.876	-0.901
All sections of the Blue Ocean Strategy Dimensions		20	89.7%	0.986	-0.994

Notes: The source was prepared by the researchers using the SPSS program

The internal consistency and statistical acceptability study instrument analysis found that all dimensions and variables had a very high degree of reliability. The reliability coefficient (Cronbach alpha) is between (79.8%) (for payroll management) and (93.2%) (for recruitment and selection); the study instrument as a whole: (87.3%) (for smart human resource management variable), and (89.7%) (for blue ocean strategy variable), each of which exceeds the acceptable threshold (0.70). In addition, all skew and kurtosis values remained in the acceptable range (± 1.96), with the highest skew being 1.321 and the lowest kurtosis being -1.543 . This confirms that the data are normally distributed and opens the scope for parametric statistical analyses.

Sample Response Descriptive Analysis

This component of the study analyses the opinions and preferences of 108 tourist and travel company employees in Karbala and Najaf regarding measurement equipment. We will evaluate descriptive statistics, including the arithmetic mean, standard deviation, relative relevance, and response level and direction, for each variable. A five-point Likert scale was categorised to evaluate response level and direction. Range ($5 - 1 = 4$) divided by categories (5) yielded ($4/5 = 0.80$). After adding 0.80 to each category's lower limit, categories were determined. The lowest and highest response level and direction scores are divided by the highest Likert scale score to determine relative importance. Table 4 displays reaction-level and direction-preference.

Table 4. Study variable availability criteria

Level of relative importance	Categories	Answer level	Direction of response	Categories
Very weak	0.36– 0.01	Very low	Disagree	1.81 – 1
Weak	Greater than 0.37 – 0.53	Low	Disagree	2.60 – 1.81
Moderate	Greater than 0.53 – 0.67	Moderate	Neutral	3.40 – 2.61
Good	Greater than 0.67 – 0.85	High	Agree	4.20 – 3.41
Excellent	Greater than 0.85 – 1	Very high	Strongly Agree	5 – 4.21

The dimensions were ranked and prioritised based on their lowest coefficient of variation. This indicator reflects the highest degree of homogeneity and consistency in the opinions of the studied sample when evaluating the main dimensions and variables.

Smart Human Resource Management Variable. As shown in the table below, the statistics indicate that tourism and travel companies, in general, have a high level of implementation of smart human resource management. The overall arithmetic mean was 3.514, the relative importance ratio was 70.3%, and the response trend was toward agreement. The standard deviation is 0.755, and the coefficient of variation is 21.49%, indicating good homogeneity of the opinions of the study sample regarding this strategic concept, which reflects what Abdul-Ghaffar et al Based on the dimensions, it is outlined as follows:

- The Career Path Management dimension was in first place (position 1), not only because the arithmetic mean was 3.765 and the relative importance ratio was 75.3% (high response level), but also because it was the most homogeneous dimension in relation to the sample's opinion. Its coefficient of variation was 16.49% (standard deviation 0.621), proving that employees are aware of the need for smart tools for proper career path planning as a proactive action to enhance employee development.
- Training and development ranked second (rank 2) with a high mean of 3.602 and a relative importance score of 72.0%, which reflects a high level of agreement. A good coefficient of variation of 19.52% (standard deviation 0.703) reflects the similarity of the sample's view on the effectiveness of sharing that, if training and development tools specialise in the competencies of employees, it promotes a culture of continuous improvement.

- Recruitment and selection ranked 3rd, with a mean of 3.528 and a relative importance of 70.6%; this also indicates a high level of consensus. With a coefficient of variation of 21.37% (standard deviation 0.754), it is also an acceptable variable, indicating that the sample perceives smart technology as serving a strategic function in attracting.
- salary Management, the mean score for the 4th dimension was 3.386, the relative importance was 67.7%, and the response level was neutral, its coefficient of variation was 24.28% (standard deviation 0.822), indicating that its use still needs greater activation to achieve an intelligent and fair allocation of compensation and incentives with total uniformity of understanding.
- The performance evaluation dimension had the lowest average score of 3.288 (relative importance=65.8%) (ranked 5th), and indicates a response level of neutral. The coefficient of variation numbered the highest (26.61%) (SD = 0.875), suggesting that the respondents were most heterogeneous in opinions in this regard. This can be similar to measuring the performance of smart management systems, which needs to be a standard for use as a method for measuring employee efficiency, a fair and transparent tool for a data-driven culture of continual improvement. This highlights that this issue still does not receive as much attention as it should.

Table 5. Summary of descriptive indicators for the dimensions of the smart human resource management variable

	Dimensions of the Smart Human Resources Management Variable	M	S.D	Direction of response:	Importance%	Answer level:	C.V	Sequence
1	Recruitment and Selection	3.528	0.754	Agree	70.6%	High	21.37%	3
2	salary Management	3.386	0.822	Neutral	67.7%	Medium	24.28%	4
3	Career Path Management	3.765	0.621	Agree	75.3%	High	16.49%	1
4	Performance Evaluation	3.288	0.875	Neutral	65.8%	Medium	26.61%	5
5	Training and Development	3.602	0.703	Agree	72.0%	High	19.52%	2
	Smart Human Resources Management Variable	3.514	0.755	Agree	70.3%	High	21.49%	

Source: SPSS V output

Blue Ocean Strategy. The statistical analysis in the table (ANOVA test) below reveals that, overall, Blue Ocean Strategy is implemented at a high level in tourism and travel companies. The general mean (3.484), (69.7%) is the Relative Importance Ratio and a trend instead of being skewed, along with the word, the response pattern was agree. Its standard deviation relative to the mean (0.796) and coefficient of variation (22.85%) suggest that the opinions of the sample are very homogeneous regarding adopting this strategic move to go beyond competition and achieve sustainable growth through value innovation. Insights at the "Dimension Level" were as follows:

- The high importance level of Value Innovation dimension (first in rank as an important and homogeneous dimension in terms of opinions) was high with an arithmetic mean of (3.654 & relative importance ratio = 73.1% high response level). Furthermore, this dimension, which has the most homogeneous opinions with the lowest coefficient of variation (19.24%) (standard deviation 0.703), corroborates the sample's perception of it as the pillar of the strategy. This system breaks the industry norm by creating a qualitative leap in value delivered to customers while reducing costs.
- This option was in the second place (rank 2), following "creating new market spaces," with a high mean score of 3.555 and a relative importance of 71.1%, reflecting strong agreement. The opinions were consistent (coefficient of variation 21.35% [standard deviation 0.759]), arguing that employees know success comes from out-of-the-box, conventional thinking by redefining market boundaries and leading the market away from the "red ocean" way of targeting new customers and venturing into unexplored/un tapped markets.
- This came in third (rank 3), with a mean of 3.392 and a relative importance of 67.8%, indicating modest agreement with "maximising added value for the customer." An acceptable coefficient of variation (standard deviation: 0.809) was 23.85%, indicating that companies should devote greater attention to the exercise of strategic tools aimed at optimising customer value through service simplification and higher performance, thereby achieving a leap in integrated value.
- Fourth, and hence with the lowest rank (rank 4), was the decrease of unproductive competition (mean 3.333), with a relative importance ratio of 66.7% — indicating a neutral average response level. Such dimension was also characterised by the highest coefficient of variation, 27.39% (standard deviation 0.913), indicating the lowest implementation and the widest variation in its opinion. This may signal that companies are failing to hermetically seal themselves off from competitors through radical differentiation and instead

compete around sustainable growth, avoiding the traditional zero-sum conflict. Yet these results indicate that this area still does not receive the level of attention it requires.

Table 6. Summary of descriptive indicators for the dimensions of the Blue Ocean Strategy variable

	Dimensions of the Blue Ocean Strategy Variable	M	S.D	Direction of response:	Importance %	Answer level:	C.V	Sequence
1	Creating new market spaces	3.555	0.759	Agree	71.1%	High	21.35%	2
2	Reducing unproductive competition	3.333	0.913	Neutral	66.7%	Medium	27.39%	4
3	Innovating in value proposition	3.654	0.703	Agree	73.1%	High	19.24%	1
4	Maximising added value for the customer	3.392	0.809	Neutral	67.8%	Medium	23.85%	3
	Blue Ocean Strategy Variable	3.484	0.796	Agree	69.7%	High	22.85%	

Source: SPSS V output

Confirmatory factor analysis of the research variables

Confirmatory factor analysis (CFA) is one of the most important steps to verify the measurement model of the data from the questionnaire, which is "the role of using and employing Smart Human Resource Management in the development of a Blue Ocean Strategy for tourism and travel companies in the governorates of Karbala and Najaf" to be conducted using AMOS software. The purpose of this analysis is to check whether the items used to operationalise the different dimensions of the study do indeed measure the underlying dimensions or variables (factors) that they were theoretically intended to measure (construct validity). The analysis commences with testing the goodness-of-fit of the suggested model against the real data. Depending on a series of fit indicators, whose general aspects are presented in the following table, the model refines its quality and reliability (Kline, 1998).

Table 7. Conformity Quality Indicators according to the Structural Modelling Equation

Indicator	The ratio between the value of (x2) and the degrees of freedom (CIMN/df)	Good Fit Index (GFI)	Comparative Suitability Index (CFI)	Tucker Lewis Index (TLI)	Mean square root error of rounding(RMSEA)	Paragraph saturation rate
Base	: Less than (0.05) Good, Less than (0.02) Compliant, Greater than (0.05) Rejected	Value range between (0) - (1), acceptance rule: greater than (0.90), greater than (0.95), match			Less than (0.05) is acceptable; values between (0.05 - 0.08) are good; values between (0.10 - 0.08) are average; values greater than (0.10) are unacceptable.	Greater than 0.40

Source: Prepared by the researchers based on Hair et al. (2010)

Factor analysis of the smart human resource management variable

The next step was a CFA assessment of the Smart HR Management measurement model. This legitimates the construct validity and hence assesses whether the items within the questionnaire actually measure the underlying dimensions defined theoretically (for example, recruitment and selection, wage management, etc.). Using AMOS statistical software, the results suggested a well-fitting model between the project model and the data.

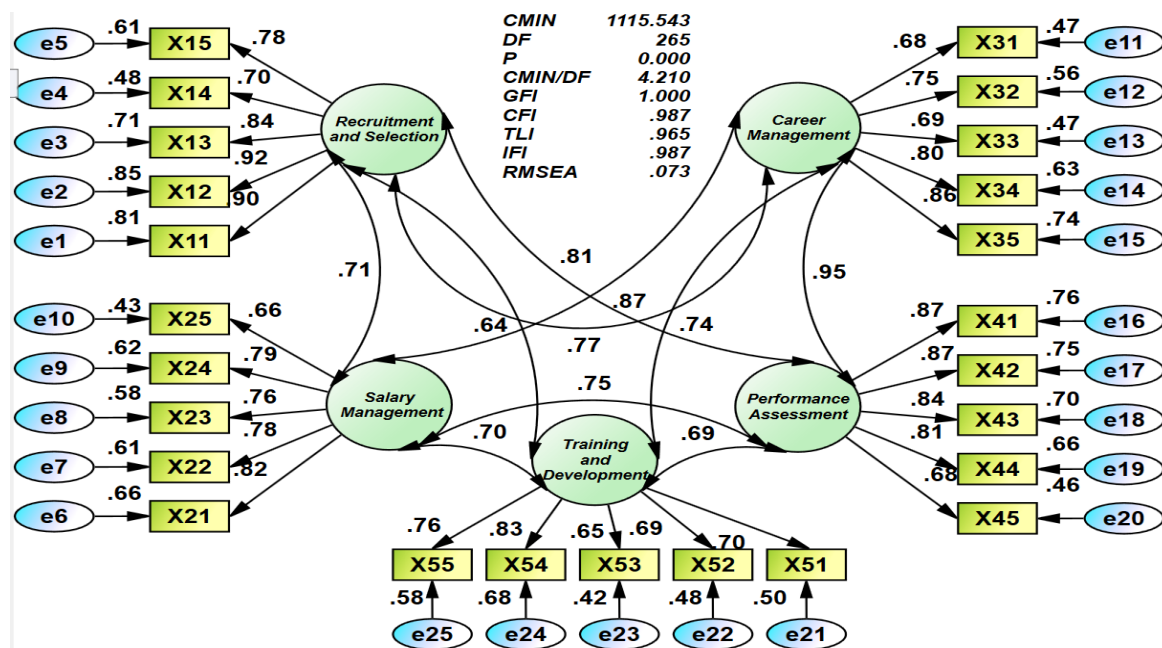


Figure 2. Structural model for confirmatory factor analysis of the smart human resource management variable

The quality of fit indices recorded have shown high values, confirming the reliability of the model: the GFI index (1,000) and the CFI and TLI indices (0.987), all superior to the minimum acceptable limit (0.90). The RMSEA value was 0.073, which was very small (at $\chi^2/df = 4.210$), confirming the good overall fit of the model. all Factor Loadings (item loads) that appear in the model are greater than 0.40, indicating that all, in an efficient way, contributed to the sphere they are measuring.

Table 8. Structural model for confirmatory factor analysis of the smart human resource management variable.

Item	path	The dimension	Estimate	S.E.	C.R.	P
X11	<---	Recruitment and Selection	.898			
X12	<---		.921	.031	30.085	***
X13	<---		.844	.034	24.751	***
X14	<---		.695	.038	17.531	***
X15	<---		.779	.039	21.175	***
X21	<---	Salary Management	.815			
X22	<---		.779	.061	17.995	***
X23	<---		.763	.049	17.512	***
X24	<---		.788	.060	18.261	***
X25	<---		.656	.059	14.456	***
X31	<---	Career Management	.683			
X32	<---		.750	.085	14.535	***
X33	<---		.689	.078	13.432	***
X34	<---		.795	.093	15.333	***
X35	<---		.860	.099	16.440	***
X41	<---	Performance Assessment	.870			
X42	<---		.866	.041	24.567	***
X43	<---		.838	.041	23.099	***
X44	<---		.810	.045	21.725	***
X45	<---		.678	.048	16.415	***
X51	<---	Recruitment and Selection	.704			
X52	<---		.694	.075	13.235	***
X53	<---		.646	.064	12.369	***
X54	<---		.827	.072	15.482	***
X55	<---		.764	.073	14.455	***

Source: AMOS Program Outputs

Factor analysis of the Blue Ocean Strategy variable

Then, in the next step, the confirmatory factor analysis (CFA) of the measurement model of the third variable Blue Ocean Strategy can be done to ensure the construct validity and the ability of the items in the questionnaire to measure the underlying concept or not (new market spaces, reduction of wasteful competition, innovation on value proposition, and maximise customer value). The AMOS statistical software results indicated a strong fit between the proposed model and the data.

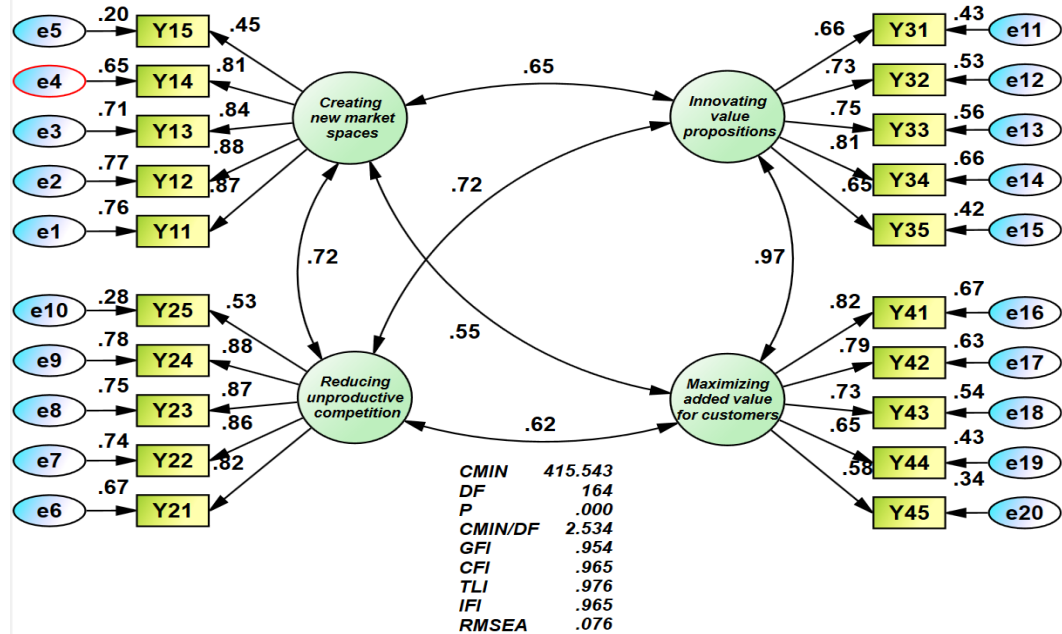


Figure 3. Structural model for confirmatory factor analysis of the Blue Ocean Strategy variable.

The goodness-of-fit indices reported substantial values in favour of the model's reliability; for instance, GFI 0.954, CFI and TLI 0.965 and 0.976, respectively, above the acceptable limits (more than 0.90). Additionally, the root mean squared approximation residual (RMSEA) was 0.076 (exceptionally low), and the chi-squared/degrees-of-freedom ratio (χ^2/df) was 2.534, further establishing the overall fit of the model. In addition, all item loads (Factor Loadings) in the model were over 0.40, indicating that all items are efficiently measuring their respective factors.

Table 9. Structural model for confirmatory factor analysis of the Blue Ocean Strategy variable

Item	Path	The dimension	Estimate	S.E.	C.R.	P
Y11	<---	Creating new market spaces	.874			
Y12	<---		.876	.042	24.556	***
Y13	<---		.844	.042	22.949	***
Y14	<---		.807	.043	21.227	***
Y15	<---		.451	.040	9.682	***
Y21	<---	Reducing unproductive competition	.817			
Y22	<---		.858	.047	21.244	***
Y23	<---		.866	.045	21.557	***
Y24	<---		.882	.047	22.156	***
Y25	<---		.526	.039	11.318	***
Y31	<---	Innovating value propositions	.656			
Y32	<---		.729	.070	13.423	***
Y33	<---		.750	.069	13.745	***
Y34	<---		.811	.067	14.645	***
Y35	<---		.647	.064	12.114	***
Y41	<---	Maximizing added value for customers	.817			
Y42	<---		.791	.049	18.518	***
Y43	<---		.733	.053	16.721	***
Y44	<---		.655	.050	14.488	***
Y45	<---		.580	.059	12.523	***

Source: AMOS Program Outputs

Next, Table 10 shows that both the dimensions and overall constructs examined had good convergent validity and composite reliability with AVE values ranging from 0.54 to 0.72 (above the 0.50 threshold) and CR values varying from 0.77 to 0.94 (above the 0.70 benchmark).

Table 10. Composite Reliability and Convergent Validity

Dimension	Average Variance Extracted (AVE)	Composite Reliability (CR)	Status
Recruitment and Selection	0.58	0.85	Confirmed
Salary Management	0.55	0.83	Confirmed
Career Path Management	0.61	0.87	Confirmed
Performance Evaluation	0.64	0.89	Confirmed
Training and Development	0.69	0.92	Confirmed
Creating new market spaces	0.54	0.77	Confirmed
Reducing unproductive competition	0.61	0.81	Confirmed
Innovating in value proposition	0.57	0.82	Confirmed
Maximising added value for the customer	0.72	0.78	Confirmed
Overall Smart HRM (SHRM)	0.61	0.94	Confirmed
Blue Ocean Strategy (BOS)	0.63	0.93	Confirmed

Source: AMOS Program Outputs

– **(Discriminant Validity)**

To assess discriminant validity, the square root of overall SHRM (0.78) and BOS (0.79) was determined from the data in Table 10 to confirm that the square root of each construct's AVE exceeds its inter-construct correlation (0.68).

– **(Single-Factor Test by Harman)**

To test for common method bias (CMB) because data were collected from a single source, Harman's single factor test was employed and the first unrotated factor explained only 34.6% of the total variance (far below the cut-off point of 50%).

5) *Testing The Study Hypotheses*

In this section, the study hypotheses will be tested sequentially using structural modified modelling and regression analysis, as follows:

The main hypothesis (H1) states: ("there is no statistically significant effect" of smart human resource management on the blue ocean strategy).

This analysis concerns the interpretation of a structural equation model (SEM) that examines the expected effect of intelligent organisations' human resource management (HRM) as independent variables on the Blue Ocean Strategy as the dependent variable in the present applied theoretical study in the tourism organisations. The model was found to have an excellent fit to the data, with the main fit indices confirming its reliability. CFI of 2.568 and g^2/df ratio of 2.568. Similarly, the absolute and comparative fit indices GFI (1.000), CFI (0.991) and TLI (0.978) were also above the acceptable minimum (0.90). The test statistic for the RMSEA approximation residuals (RMSEA=0.061) was also low, confirming the structural and model validity of the relationships. As it relates to the hypothesis testing, the outcomes indicated a statistically significant positive influence of smart human resource management on the Blue Ocean Strategy. The standardised impact estimate (beta) value (0.674) was high enough to confirm that each improvement step in the implementation of smart human resource management accelerated the implementation of the Blue Ocean Strategy. The value of the critical (C.R = 14.769) was above the threshold for statistical significance, and the value of the significance ($p = 0.000$) was below the alpha level ($\alpha = 0.05$). As such, a R^2 value of 49.2% indicates that smart human resource management helps explain almost half of the variance in the adoption of the Blue Ocean Strategy, thus confirming it as an important determinant of success for tourism organisations in their quest for growth and innovation and to escape traditional competition by creating new market spaces.

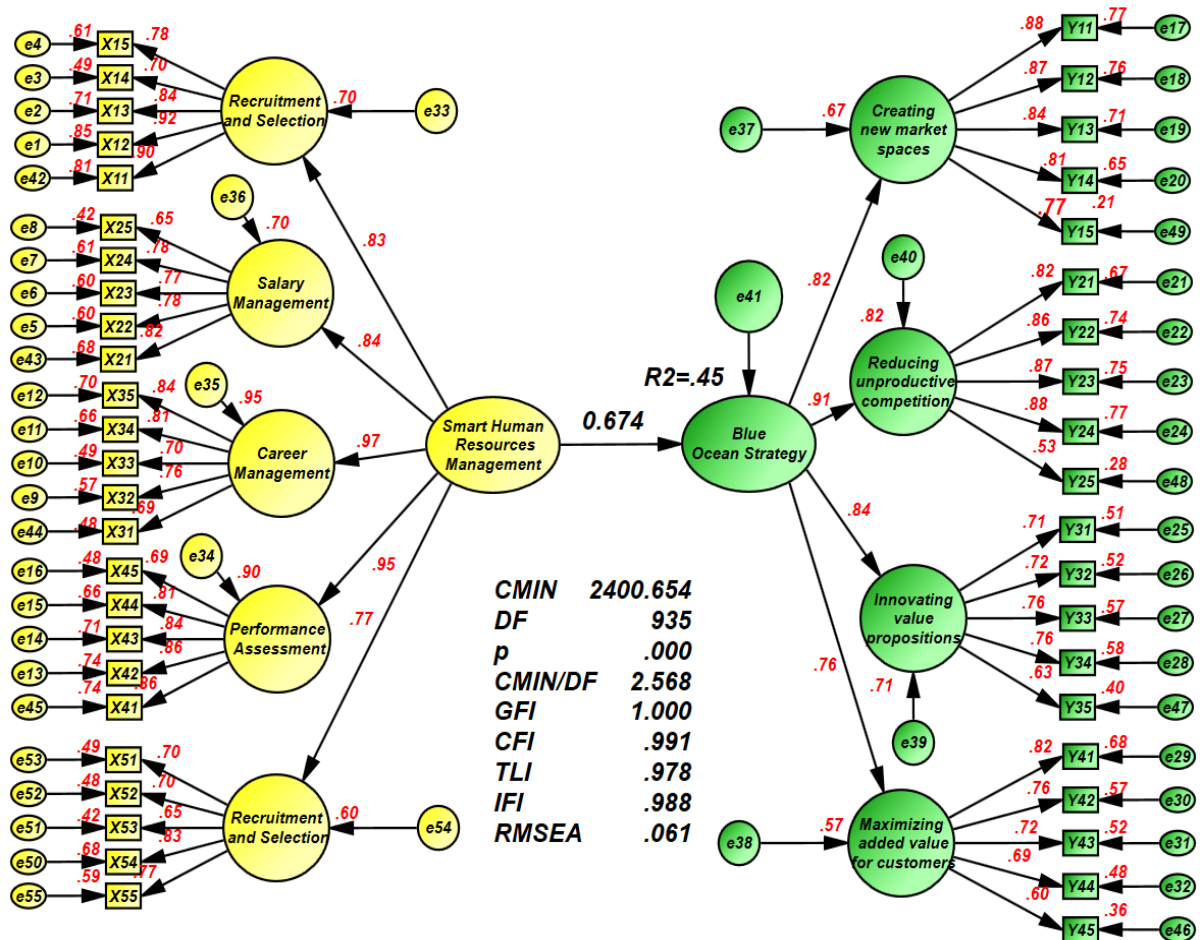


Figure 4. Structural model of smart human resource management in the Blue Ocean Strategy

Source: Prepared by the researchers based on the outputs of the statistical package AMOS.V.26

Table 11. Final results of the direct impact of smart human resource management and the Blue Ocean Strategy

The path			Standardised assessment	standard error	Critical value	R ²	Sig.
smart human resource management	→	Blue Ocean Strategy	0.674	0.065	14.769	49.2%	0.000

Source: Prepared by the researchers based on the outputs of the statistical package AMOS.V.26

The following is evident from the table below, analysing the sub-hypotheses.

The results of the structural model fit indicators were at a desirable level and could be reliable under a confirmatory factor analysis model. The chi-squared ratio (χ^2/df) was 2.124, which is a very good value in the acceptable range (0.05, but a statistically score ($\beta = 0.099$)). This means that submission of modern intelligent performance appraisal systems is not necessarily directly to the notion of value innovation and new market creation and still based on traditional measures rather than on measuring contribution to Blue Ocean building.

Fifth: The training and development component, with a standardised Beta score (β) of 0.345 and significant value ($P=0.022$), created the largest positive and significant impact on the Blue Ocean Strategy. As a confirmation of this result, which is reflected in customised investment in existing or acquired competencies required to provide the skills that lead to either innovating or disrupting current industry norms, is the strongest determinant of creating their capability for a leap upward in value and, hence, maximising value for the customer. This puts this dimension at the top of management's agenda for implementing the Blue Ocean Strategy.

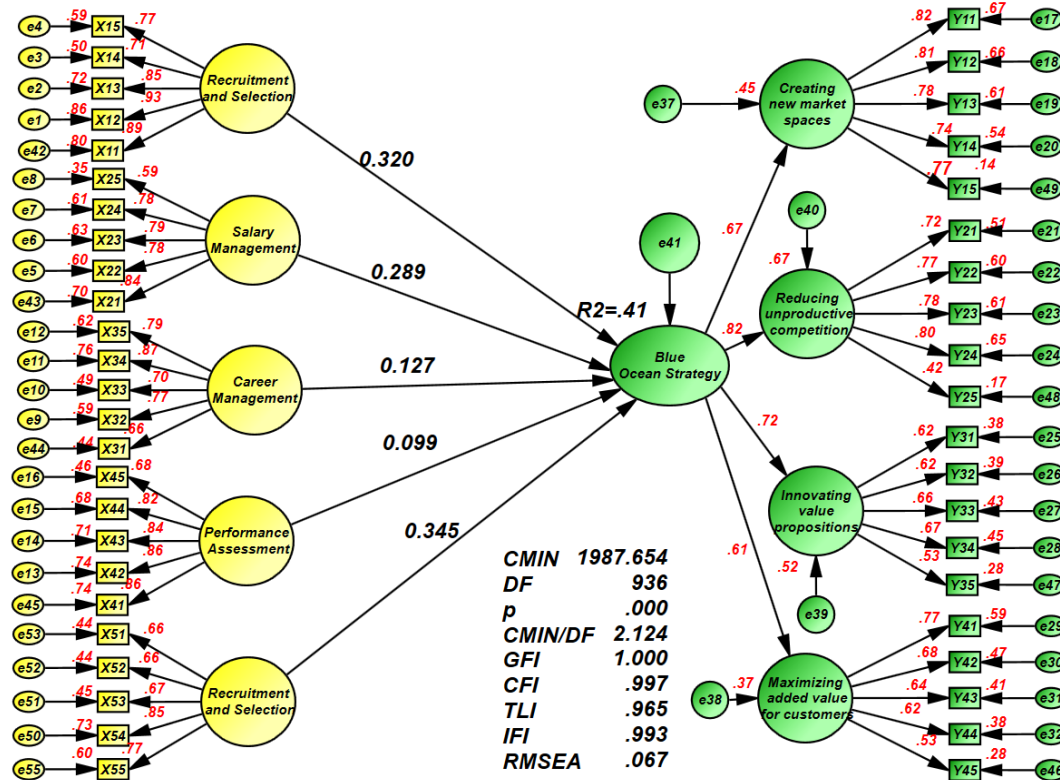


Figure 5. Results of the impact relationships between the dimensions of smart human resource management and the Blue Ocean Strategy

Table 12. Results of the impact relationships between the dimensions of smart human resource management and the Blue Ocean Strategy.

The path			Standardised assessment	standard error	Critical value	R ²	Sig.
Recruitment and Selection	→	Blue Ocean Strategy	0.320	0.087	10.654	41.0%	0.000
Payroll Management	→		0.289	0.083	9.654		0.000
Career Management	→		0.127	0.122	6.543		0.000
Performance Evaluation	→		0.099	0.144	1.213		0.100
Training and Development	→		0.345	0.065	10.676		0.022

Source: Prepared by the researchers based on the outputs of the statistical package AMOS.V.26

IV. CONCLUSIONS AND RECOMMENDATIONS

The empirical findings show the positive structural significance of SmartHRM on Blue Ocean Strategy ($\beta=0.672, p<0.001, R^2=0.492$). It validates that when powered by data-driven digital systems, potentially automated human capital is a fundamental leverage point for innovation and competitive differentiation of value. Instead of treating HR functions merely as operational tasks, firms can reach beyond funded markets by embracing smart tools.

Smart Recruitment and Selection: The correlation between smart recruitment and Blue Ocean Strategy was statistically significant ($\beta=0.320, p<0.001$). This means that firms can leverage automatic and smart selection technologies to choose candidates who possess great adaptive abilities and innovative mentalities. This finding further reinforces the main argument purposed by Kambur and Yildirim (2023) and Okolie (2020), where they identified that smart hiring platforms bolster firm stock stability while attracting strategically matched talent to generate organizational innovation.

Smart Training and Development: Smart training is the main driver with positive structural effect higher than all remaining dimensions ($\beta=0.345, p=0.022$), helping employees imagine uncontested market spaces. This discovery strongly supports Beydoun and Saleh (2023) whereby it was shown that AI-empowered continuous learning platforms can assist employee capabilities with strategic corporate objectives flexibility needed to detach from conventional red ocean competition.

Smart Salary Management: Smart payroll management has a highly positive impact on strategy implementation ($\beta=0.289, p<0.001$). This result is consistent with findings by Kambur and Yildirim (2023) who highlighted that automated compensation and incentive systems promote internal equity, equality further enhancing workplace satisfaction provides a stable operations base for employees to motives towards value creation.

Smart Career Path Management: Smart career path management had a large, positive effect ($\beta=0.127, p<0.001$). This results strengthen the theoretical idea of Kambur and Yildirim (2023) which states self-directed, data driven career path planning prepares an flexible workforce at that update new placements continually service innovations.

Smart performance status, Evaluation: it is amazing that smart performance evaluation has an insignificant direct effect on Blue ocean kingliness ($\beta=0.099, p=0.100$). This observe outcome is in line with the findings of Asana et al. (2021) your training may be available on the current appraisal mechanisms in firm of sample is still dominant with routine operational performance alongside rewarding in new form who can create value or build on new market oriented.

However, in spite of its empirical contributions and the methodological rigour that it brings to these cases there are inherent limitations that must be caveated:

Table 1 Basic Information of Studies and Informed Consent Cross-Sectional Design: All the empirical data about Time to reach out to social media were collected cross-sectionally (from November 22, 2024 – June 23, 2025). Such a cross-sectional design limits the ability to jointly observe causal dynamics of SHRM implementation and Blue Ocean Strategy outcomes over longer spans of time.

Geographical and Sectoral Scope. The research is jurisdictionally restricted to nine tourism and travel companies operating across Karbala and Najaf Governorates The five selected companies in Karbala Governorate were (Al-Hilu, Barakat Al-Yassin, Qamar Quraish, Al-Rawdatain, and Al-Diyafa Al-Alamiyah). The selection included five companies within Najaf Governorate, as follows: (Al-Aqtar, Areen Al-Asad, Al-Basheer, Al-Ittijah, and Al-Yasser International). As a result, findings might not transfer fully across different regions or non-service based economies.

Self-Reported Survey Data. The data were based on questionnaires administered to administrative personnel and management staff. Even if the overall Harman single-factor test indicated that CMB does not constitute a serious issue (the first factor accounted for 34.6% of total variance), self-report measures may still be affected by the bias offered by respondents.

Sample Size Limits. The sample examined $n=108$ valid replies through a census approach (from a total population 110). Although this provides a solid response rate of 98.2%, sample sizes in absolute terms are still small when using SEM to develop complex structures.

Based on the theoretical and empirical conclusions of this work, future scholarship will need to pursue:

Expanding Spatial & Sample Scale: This research should broaden the sampling frame to include tourism, travel and hospitality companies of other large Iraqi governorates (e.g. Baghdad, Basra and Erbil) to increase comparative generalizability.

Longitudinal Research Designs — A longitudinal or multi-wave empirical design would monitor long-term strategic positioning and expansion to new markets as the gradual adoption of smart HR platforms unfolds.

Cross-Sectoral Comparative Studies: Examine the relationships in Figure 1 across various service and production sectors (e.g. healthcare, banking, telecommunications, higher education) to ascertain the extent of sector-specific differences.

Mixed-Methods Approaches: Future research should combine qualitative methods (e.g., semi-structured interviews with executives or case studies) and quantitative surveys to better understand how administrative barriers to smart technology adoption can be overcome in specific contexts.

Statistical methods indicate that the overall level of application of the smart human resource management concept by tourism and travel companies is high. This showcases the realisation that technology and data must be integrated into people management. Such a high degree indicates the unity of responses within the sample. The Career management dimension was the most applied dimension in companies' opinions and also the most homogeneous, confirming companies' focus on proactive planning of competency development. At the opposite end of the spectrum was performance evaluation (the domain with the largest spread of opinion within the sample), which scored lowest of all, followed closely by compensation management, which drew neutral opinion. Hence, the use of smart systems in performance appraisal and pay determination still falls short of the fair and transparent levels required and needs further activation.

The results of statistical analysis showed that the degree of application of the blue ocean strategy in tourist and travelling companies is generally high, the opinions of the study sample towards this strategy vehicle have a high measure of homogeneity, giving indicators that this strategic vehicle, which goes beyond the competition belt, and seeks a sustainable predictor of growth. Post-innovation in the value-proposition dimension is the most shared and broadly applied, indicating its comprehension by employees and confirming the essence of strategy: delivering a quantum differential value to customers whilst driving down costs. In contrast, mitigating

unproductive competition was rated lowest and showed the greatest variance in opinions, suggesting that it is particularly difficult for firms to eliminate competitors by radically differentiating themselves. Next came the focus on added value to the customer, indicative of neutrality, but with greater pre-need effort to implement strategic tools that expand the range of value received by the customer.

This analysis demonstrates that smart recruitment and selection are positively significant in adopting the Blue Ocean Strategy and justifies the claim that these types of human resource practices, which benefit from using technological tools to attract and select creative talent, are vital at the initial stage. This effect shows how human resource management, early on, gives birth to new ideas, workers who think differently, and markets well capable of navigating untapped markets, leading to new market spaces and less dependency on conventional rivals.

The fourth contributes to the impact of the compensation dimension on strategy, which affirms the need to design compensation and reward systems in such a way that encourages innovative, motivating, and driving behaviors, but fairly linked to innovative solutions presented by employees in a way that illuminates the ability of the employees to creativity and innovative capability that greatly helps to support the strategic transformation. This correlation shows that when individuals are financially incentivised to innovate on value propositions and reduce wasteful costs, it reinforces their commitment to Blue Ocean Goals and helps strike the balance between differentiation and price, which is critical to Blue Ocean success.

Thus, the managerial implications for organisations are that the career path management dimension has a positive and significant effect on Blue Ocean strategy. It may be said that providing smart, tailor-made career paths that serve the purpose of continuous development equips organisations with a continuously equipped and flexible workforce. Such support helps employees meet the challenge of maximising customer value, often requiring out-of-the-box actions and strategies that can translate into qualitative leaps in customer experience.

The borderline significance of the performance appraisal dimension in the Blue Ocean Strategy indicates that there are smart appraisal mechanisms; however, they are either not at all or ineffectively oriented to meet innovation and new-market ambition. It suggests that appraisal systems still focus largely on measuring classic operational performance (what people do), rather than on how far employees are contributing to moving away from unproductive competition and working toward long-term strategic goals.

Among all dimensions, only the training and development dimension predicts Blue Ocean Strategy significantly and positively, confirming that it is the essential engine of transformation. This supports the argument that preparing employees with the right skills for the technology that will be used to disrupt industry standards is the single most effective action to rest the organisation on a value leap and to enable a trajectory toward sustainable profit and growth away from saturated markets.

Finally, to provide a Blue Ocean Strategy for tourism and travel companies in the governorates of Karbala and Najaf, the study recommends paying attention to the following five dimensions of smart human resource management:

- Tourism and travel companies are recommended to improve the integration of artificial intelligence technologies into their recruitment and selection systems. It will direct the search to people with creative thinking and adaptive capabilities to new market requirements, and it will help form a different type of team that will not follow the traditional way of doing things to enable the Blue Ocean Strategy.
- The smart payroll and incentive system should be redesigned by management and directly connected to the value innovation performance metric. This will incentivise persons and gainful employment, in-witnessed far-reaching service improvements whilst minimising avoidable costs — thereby strengthening the commitment to establish a tactical balance between excellence and cost.
- Smart tools to plan asynchronous career trajectories should be enabled, allowing for diversity and cross-disciplinary learning. Such will allow employees to gain broad perspectives and the capacity to predict their customers' future requirements, maximising the value they bring to the table and fundamentally changing the tourist experience. In line with what was proposed in the previous section of this paper, organisations should thus reformat the content of their smart performance appraisal system to deliberately shift away from asking how operational performance has been achieved and towards the contribution to new market creation. This will help ensure that the appraisal process is focused on rooting out unproductive competition between employees and, rather, urges them to think strategically outside the box.
- Invest in smart training and development programs to build high-end competencies in strategic analysis and the use of blue ocean tools. This dimension is the single most important driver of employees having the information and skills needed to lead value-driven innovation efforts and to change the existing business model.

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