



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**THE EFFECT OF HUMAN RESOURCE MANAGEMENT PRACTICE ON
EMPLOYEE'S PRODUCTIVITY THE CASE OF ZEMEN BANK S.C**

**BY
ERMIAS ESHETU**

ADVISOR: TEMESGEN BELAYNEH (PHD)

**DECEMBER, 2022
ADDIS ABABA, ETHIOPIA**

**THE EFFECT OF HUMAN RESOURCE MANAGEMENT PRACTICE ON
EMPLOYEE'S PRODUCTIVITY THE CASE OF ZEMEN BANK S.C**

BY

ERMIAS ESHETU

**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF
GRADUATE STUDIES IN PARTIAL FULLFILLMENT OF THE
REQUIREMENTS FOR THE MASTERS OF ART DEGREE IN MASTER
OF BUSINESS ADMINISTRATION IN GENERAL MANAGEMENT**

DECEMBER, 2022

ADDIS ABABA, ETHIOPIA

**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**THE EFFECT OF HUMAN RESOURCE MANAGEMENT PRACTICE ON
EMPLOYEE'S PRODUCTIVITY THE CASE OF ZEMEN BANK S.C**

BY

ERMIAS ESHETU


APPROVED BY BOARD OF EXAMINERS

1. _____

Name of Chairman Signature date

2. _____

Name of Advisor Signature Date

3.Yibeltal N.(Asst. Prof.) 

External Examiner

4. Mesfin Tesfaye, Ph.D. Signature Date

Internal Examiner 

DECLARATION

I, the undersigned, declared that this Thesis is my original work; prepared under the guidance of Temesgen Belayneh (PHD). All the sources of materials used for this thesis have dully acknowledged. I further confirmed that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

NAME

SIGNATURE

ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

ADVISOR

SIGNATURE

ACKNOWLEDGEMENTS

I want to start by expressing my gratitude to the almighty GOD for his direction and bountiful grace, all of which made the entire process possible. It gives me great pleasure to also express my gratitude to my wife Rita, who have been of great assistance to me throughout my life and who have helped me remain strong while I have studied all subjects.

Without the assistance of others, it would not have been possible to complete this research, so I would want to take this time to express my gratitude to all of them. I want to start by thanking and appreciating my advisor for his counsel, support, tolerance, depth of knowledge, and critical examination of the thesis. It has aided me in raising the caliber of my thesis collection and report.

Contents

DECLARATION.....	IV
ACKNOWLEDGEMENTS	VI
CHAPTER ONE	1
INTRODUCTION.....	1
1.1 Background of the study.....	1
1.2 Background of the Organization	3
1.3 Statement of the Problem	4
1.4 Objectives of the Study	6
1.4.1. General Objective	6
1.4.2. Specific Objectives.....	6
1.5 Research question.....	6
1.6 Significance of the Study	6
1.7 Scope of the Study	7
1.7. Organization of the paper	7
CHAPTER TWO	8
REVIEW OF RELATED LITERATURE	8
2.1 Theoretical literature	8
2.1.1 Definition of Human Resource management	8
2.2.2 Management Theories.....	8
2.2.3 Human Resource Management Practices.....	12
2.2.4 Employee Productivity	20
2.3 Empirical literature.....	22
2.4 Conceptual Model	25
CHAPTER THREE	26
METHODOLOGY OF STUDY	26
3.1 Research Design.....	26
3.2 Population, sampling technique and sample size	27
3.3 Types of Data	28
3.4 Data Collection Instrument	29
3.5 Procedure of Data Collection	29

3.6 Data Analysis	29
3.7 Validity and Reliability Test.....	30
3.8 Ethical Considerations.....	31
CHAPTER FOUR.....	32
RESULT AND DISCUSSION	32
4.1 INTRODUCTION.....	32
4.2 Demographic Characteristics of the respondents	33
4.3 Descriptive Analysis	35
4.3.1 Human Resource management System in Zemen Bank	36
4.3.2 Employee Productivity	37
4.3.3 Human Resource management Practice.....	39
4.4 Correlation Analysis	45
4.5 Multiple Regression Analysis	47
CHAPTER FIVE	54
SUMMARY, CONCLUSION AND RECOMMENDATIONS	54
5.1 Summary of Findings.....	54
5.2 Conclusions	56
5.3 Recommendations	58
References	60

List of tables

Table 3.1 Reliability Test.....	28
Table 4.1 Response Rate.....	29
Table 4.2 Demographic Characteristics of the respondents.....	30
Table 4.3 Likert Scale.....	32
Table 4.4 Human resource management System requirement.....	33
Table 4.5 HRM Computerized system.....	33
Table 4.6 Employee Productivity.....	34
Table 4.7 Training.....	36
Table 4.8 Performance Appraisal.....	38
Table 4.9 Career Planning.....	39
Table 4.10 Employee Involvement.....	40
Table 4.11 Compensation.....	41
Table 4.12 Pearson Correlation.....	43
Table 4.13 Collinearity Test.....	45
Table 4.14 Model Summary.....	47
Table 4.15 ANOVA.....	48
Table 4.16 Coefficients.....	48

List of Figures

Figure 2.1 Conceptual Framework of the study.....	24
Figure 4.1 Linearity test.....	45
Figure 4.2 Normality test.....	46
Figure 4.3 Heteroscedasticity test.....	47

Abbreviation and Acronymy

HRM	Human Resource Management
SPSS	Statistical Package for social science
NBE	National Bank of Ethiopia

Abstract

The main purpose of the study is to assess the effect of human resource practice on employee's productivity. The population of this study was conducted to Head office employees of Zemen bank. The total numbers of employee belonging to the Head office are 349 and from which a sample of 262 was be drawn. This research was used both descriptive and explanatory research design because it enables the study to clearly investigate the characteristics and nature of the study undertaken and the cause-and-effect relationship with explanatory and dependent variables of the study. The data was gathered from primary sources through the use of structured questionnaires. To answer the research questions, descriptive statistics such as mean, standard deviation, percentage and frequency tables and econometrics analysis both person correlation and multiple regression was used. The results of the study shown that out of five independent variables three variables (Performance appraisal, Employee involvement and compensation) found to be statistically significant effect on employee productivity in Zemen bank. The results of multiple regressions, revealed that Training, performance appraisal, career plan, employee involvement and compensation had a positive and significant effect on employee productivity. Based on the finding of the study Training is imparting a specific skill to do a particular job while development deals with general enhancement and growth of individual skill and abilities through conscious and unconscious learning.

Keywords: *Human resource management, employee productivity, Performance Appraisal*

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Human resources management (HRM) is a term used to represent that part of an organization's activities concerned with the recruitment, development and management of its employees (Wood & Wall, 2002). The modern field of today's human resource management (HRM) is attracting a great deal of attention because of its potential impact on organization's survival and prosperity. There is now an evolving belief that, if organizations wish to survive and compete in today's talent-based global economy, they have to acquire, develop, and accordingly manage world-class human resource management competencies and practices. (Darwish, 2013).

The employment, development, and well-being of the workforce in businesses can be addressed through the strategic, integrated, and cohesive practice of human resource management. Its intellectual underpinnings are solid and drawn from theories of strategic management, human capital, and labor relations as well as from behavioral sciences. Numerous research efforts have contributed to the development of this foundation. to assess employee productivity in accordance with HRM best practices, since HRM best practices have a big impact on employee outcomes, especially on productivity. Support supporting predictions that the influence of HR practices on employee productivity and linkage to the HR system centered on human capital enhancement was closely related to several dimensions of operational performance, such as staff productivity, machine efficiency, and customer alignment. A key goal of human resource management (HRM) is to make sure that the organization can succeed through its workforce. Organizational competencies that enable businesses to learn and take advantage of new opportunities might come from HRM systems (Armstrong, 2010).

Human Resource management has become more important to general management because of its role in enhancing performance, securing and developing the talents of employees and enhancing cooperation between them to support organizational development (Elarabi & Johari, 2014). Many firms are adopting cutting-edge human resource strategies in order to fulfill their organizational goals. Organizations are currently competing by implementing exceptional and distinctive human resource management methods. Employers and employees can benefit from effective human resource management strategies. According to Guest (1997), these activities include

recruitment, instruction, evaluation, rewards, encouragement, work design, engagement and status, and security. Training and development, which are regarded as one of the core HRM practices, are programs created to inform employees about the company's specifics, educate them on the general rules of an organization, and give them the technical knowledge that is necessary to successfully their job tasks, according to Sari (2009).

Rajput (2011) considers motivation as another component of HRM practice and defines it as “individual desire to demonstrate the behavior and reflect willingness to expand efforts”. Similarly, Remuneration/ Reward has been found to play motivational role and include but not limited to pay strategies such as performance related pay, production-based pay, skill-based pay, knowledge-based pay and base pay Brown (1989). Performance appraisal as HRM practice in the words of Shahzad et al. (2008, p. 304) represents “a formalized process for monitoring workers and is intended to be a management tool to improve the performance as well as productivity of workers”.

Becker & Gerhart (1998) adduced empirically that, HRM practices significantly influence the skills and motivation of employees as well as job design and work structure which ultimately make up an organizational outcome; success or otherwise. Economic theory proposes that good working conditions for workers lead to good productivity. The capability of management to motivate and equip their employees with the necessary skills is vital, effective and efficient for enhanced performance. Workers are generally inspired by the activities of human resource management (HRM) in an organization and thus it is important for human resource management units in organizations especially banks to be aware of the kind of practices that highly motivates employees (Agyapomaa, 2011).

The literature that is now available demonstrates that HRM procedures produce competitive advantage, especially when they are in line with a firm's competitive strategy (Schuler & Jackson, 2007). This may also have an impact on a company's discretionary efforts and organizational structures that provide employees the power to manage the work they do (Birdi et al., 2008). The investigations by Weitzmen & Kruse (1990) and Gerhart & Milkovich (1992) discovered that there has consistently been a strong relationship between incentive pay systems and production. The research showed that goal-setting, training, and the design of socio-technical systems had a favorable impact on production. Five staffing practices were identified by Terpstra and Rozell

(1993), who discovered a moderately good association between the implementation of these practices and productivity and organizational success. In his study, Bartel (1994) found a connection between the adoption of training programs and productivity.

Since improving HRM procedures would eventually result in better employee performance, many firms are aware that HRM practices must be used in performance evaluation (Hee & Jing, 2018). Mello (2005) demonstrates how the effectiveness of any firm depends on the effectiveness of its workforce. Although there are many aspects that affect employee productivity, HRM practices are unquestionably the most important. It is in the light of these that, this study assesses the Effect of HRM practices on employee's productivity in case of zemen bank.

1.2 Background of the Organization

The Company abides strictly by the laws and regulations of the jurisdiction where it operates, and observes the guidelines and rules issued by regulatory authorities of the Federal Republic of Ethiopia. It also keeps its corporate governance system under constant review to ensure that it is in line with international and local best practices since the first day of operation October 2008.

According to the annual report of the Bank for 2018/19, the Bank 's overall performance during the fiscal year under consideration was quite impressive in light of achievements of key performance areas in that it registered an 86% growth from the previous year. It was further stated in the same report, that such outstanding performance of the Bank was the result of a change in Human resource management practice and policy with which the Bank 's board of directors assigned new CEO and cost reduction strategy was put in place. Zemen Bank has a vision to be Ethiopia 's five Star Bank '. Zemen Bank provides various service products to its clients. These major activities are domestic banking service with a minimum deposit requirement of 5,000.00 Birr, International Banking services, Doorstep banking service (Cash pickup and delivery), Automated Teller Machines, Point of Sales, Mobile and Internet Banking Services as well as credit facilities.

Vision

Is to "Become a home of distinctive financial solutions and service excellence"

Mission Statement

To deliver unique financial experience, engaging work environment and sustainable value for all our stakeholders using empowered workforce and technology, in a socially responsible manner

Core Values

Relationship Driven

Socially Oriented

Ethical and Accountable

Committed to Diversity

Committed to Responsible Finance

1.3 Statement of the Problem

According to Samuel and Ajiri (2021) Human resources management is an administrative duty that concerns itself with resources planning, recruitment, selection, orientation, training, appraisal, motivation, the general commitment to the welfare of both the staff and the organization and the development or giving directives on a nation's objective. Hence, the human resources are the drivers of the organization, they need to be trained and developed to perform at best no matter the trend in advancement. In every firm or nation, without the wellbeing of the human element through proper training and development, the political, economic, social, productive, efficiency and profitability cannot be boosted.

Employee productivity may be hard to measure, but it has a direct effect on a company's profits. An employer fills his staff with productivity in mind and can get a handle on a worker's capabilities during the initial job interview. Yet, there are several factors on the job that help maximize what an employee does on the job (Lake, 2007). Improving employee productivity has been one of the most important objectives for several organizations. This is because higher levels of employee productivity provide an organization and its employees with various advantages.

For instance, higher productivity leads to favorable economic growth, large profitability and better social progress (Sharma & Sharma, 2014).

From the preliminary studies conducted Zemen Bank has been using different types of Human management practice to boost the efficiency of the employees. Since the organization is working in competitive business world so having productive employee is inevitable from retaining customers. Still the bank has failed to make further investigation to identify the effectiveness of HRM Practice for making employee more productive. Zemen bank, staff criticize about they are not satisfied with their wellbeing in terms of compensation i.e. wages and benefits. There are no sufficient salary and reward and also they believe there is no employee's involvement in their company. As a result, to develop a better understanding the research is carried to know the benefits of practicing HR and evaluating its effect on employee efficiency. In the banking industry in the growing phase like Zemen bank needs to know the contribution of different factors and the intensity of their impact on employee's productivity that leads towards economic development and prosperity. In Zemen bank, there are a large number of employees working on and most of them are unsure about their satisfaction towards the HRM practices.

Effect of Human Resource Management practices on employee's productivity has been a widely researched area. Most of the studies like Faith Wacheke (2014), Mandar b et .al (2019), Oel Kiplating (2011) etc did their study on effect of one HRM Practice on employee's productivity". Result of studies, from developed countries to developing countries; have been time and again showing that HR practices have significant effect on employee's productivity. But unluckily, very insufficient numbers of studies have been conducted in this area context of Ethiopia and other developing countries. To augment the contemporary knowledge base of HR practices of developing countries, this study has been undertaken.

Therefore, this study assessed the impact of human resource management on employee's productivity and investigates impact of Zemen bank five human resource practices (compensation, Training carrier planning Performance appraisal and employee's performance evaluation) on employee's productivity. Although, it was accepted that HRM is positively related to employee's productivity. There is a great need for additional evidence to support the HRM-productivity relationship from different contexts. Therefore, this fact has held the interest of the researcher to identify the effect of human resource management practice of Zemen Bank.

1.4 Objectives of the Study

1.4.1. General Objective

The general objective of the study is to identify the effect of human resource practice on employee's productivity

1.4.2. Specific Objectives

- To find out the effect of compensation practices on the employees' productivity Zemen Bank S.C.
- To discover the effect of carrier planning and practices on the employees' productivity Zemen Bank S.C.
- To evaluate the effect of training practices on the employee's productivity Zemen Bank S.C.
- To Examine the effects of employee involvement on employee productivity
- To Investigate the effect of performance appraisal, affect employee productivity
- To determine the level of employee's productivity in Zemen Bank S.C.

1.5 Research question

Based on the problems the following basic research questions are addressed:

- What is the effect of compensation practices on employee productivity?
- What is the effect of carrier planning and practices on employee productivity?
- What is the effect of training practices on employee productivity?
- To what extent does performance appraisal affect employee productivity?
- What are the effect of employee involvement on employee productivity in Zemen Bank S.C
- What is the level of employees' productivity in Zemen Bank S.C?

1.6 Significance of the Study

The study identified the effect of human resource management practices on employee's productivity in general. Hence this paper was help bridging the gap and to contribute to the body of knowledge that relates to human resource management practice and employee's productivity. The study was benefit the bank by showing the association of the HRM practice to the

employee's productivity and recommending the bank management on the proper enhancement of the practices for the improved employee's productivity.

1.7 Scope and Limitation of the Study

There are different branch offices of Zemen bank s.c but the scope of the research is depending on at head office employees. HRM practices include a lot of variables i.e., training development, career progression, recruitment and selection, rewards and incentives, employee benefits, employee welfare, flexible timings, bonuses etc. but due to time constraints and limited resources we cannot study the whole list of HRM practices, so the present study focuses only five HRM practices which are compensation, performance appraisal, training employee's involvement and carrier and planning practices. No moderating or intervening variables are included in the framework. And also, Inability to include all branch of Zemen bank employees were one of the limitations of the study. The research strictly limited to the effect of selected Human Resources Management (HRM) practices on employee's productivity at Zemen Bank S.C. Therefore, it is difficult to generalize the findings and results to the whole Zemen bank employees. The study was laid on primary data sources which has been collected from employee of the organization, it was appropriate if the researchers included secondary data pertained to HRM practice.

1.7. Organization of the paper

The study organized into six chapters. Chapter one is the introductory chapter that covers the background of the study, problem statement and objectives of the study, scope and limitation of the study. The second chapter was present the review of related literature. It covers concepts and theoretical framework of internal service Quality. Chapter three was present in detail a discussion and explanation of the research methodology. It was begin with a discussion of the research design, population of the study, sampling techniques, sample size, data collection instruments, the data collection procedures and ends with data analysis approach. Chapter four was present the data presentation and data analysis of the study. Chapter five was present the discussion points to contextualize the findings. Finally, chapter six was present the findings, conclusions, and recommendations of the study.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter demonstrates the review of related literatures. It includes HRM practices and employee's productivity, Empirical review and conceptual framework

2.1 Theoretical literature

2.1.1 Definition of Human Resource management

Human resource management is directly involved in the development and implementation of policies and practices that affect all the employees in an organization. They include organizational strategies for knowledge management, people management, talent management, recruitment and selection, employee welfare, equal opportunity, health and safety, human resource administration and statutory requirements management (Armstrong, 2008). Armstrong (2008) continues to argue that human resource management is mainly concerned with recruitment and selection, performance management, human resource planning, training and development, reward management and employee relations.

A more comprehensive definition was offered by Watson (2010: 919): Human resource management is the managerial utilization of the efforts, knowledge, capabilities and committed behaviors that people contribute to an authoritatively coordinated human enterprise as part of an employment exchange (or more temporary contractual arrangement) to carry out work tasks in a way that enables the enterprise to continue in the future.

It is concerned with all aspects of how people are employed, managed and developed in organizations. As Box all (2013:13) pointed out: _Human resources include the knowledge, skills, networks and energies of people and, underpinning them, their physical and emotional health, intellectual capabilities, personalities and motivations. ‘ HRM is delivered through the human resource (HR) architecture of systems and structures, the HR functions and, importantly, line management.

2.2.2 Management Theories

I. Classical Approach Theory

The Classical approach theory emphasizes Training on the job and the provision of monetary incentives to raise employee performance. According to the theory, it is possible to increase

productivity from individual workers. This can be done through training the workers on the job. This can be enhanced by providing incentives to the employee. Monetary incentives are cited as one way of motivating the employee. According to this theory, the two, (Training on the job and the provision of monetary incentives) can act as the major factors for higher levels of output. The twin goals of Productivity and efficiency as explained by Fredrick Taylor's principles of scientific management offer a scientific approach on raising productivity. Such an approach as explained by Taylor comprises of three central elements:

Gathering knowledge of employees' abilities to work based on the work process used, tightly controlling workers activities by removing discretion, standardizing work procedures and time allowed for each procedure. Through this approach, the worker is made to believe that they was get compensation commensurate with their input while the management can expect increased output. For the employee to maximize his compensation, he needs to reach peak performance (Owen et al, 2007).

II. Systems Approach Theory

According to Jackson, (2007), the systems approach theory indicates that everything in the organization is linked to everything else in the organization. As such, there is a place for everything and everything in its place. At the final end, there is stability in the organization. Jackson concludes that it is the management who has the responsibility to plan, organize, control and coordinate all the activities of the organization.

According to (Hatch, 2006), the systems approach focuses on the interrelationships of structure and behavior. The organizational structure was modify behaviour and vice versa. The organization is seen both as a whole and as part of a larger environment. This environment includes the relationships between the technical and social variables within the system. In this regard, technology is believed to be a critical factor affecting the organizational design contrary to the assertion of one-way relationships as seen in the classical theory.

From the arguments of Judge (2007), the systems theory of organization consists of five components; inputs, process, outputs, feedback and environment.

According to judge, inputs are the material, human, financial and the information resources transformation, process is the management's use of production technology to change the inputs into outputs, Outputs include the organization's products and services. Feedback is the

knowledge of results that would influence the selection of inputs. The Environment is the social, economic and political forces that influence the organization.

According to Jackson (2007), employing Henri Fayols' Principles of Management can result to more and better work from the same effort through the benefits of specialization. This, in addition, has to be in an environment where discipline and authority are paramount. From Jackson's arguments, authority brings in responsibility and so generates useful actions. Here, discipline is essential such that workers receive orders from only one supervisor thus providing a unity of direction. From this argument, it is clear that effective coordination requires that there should be one leader and subordination of individual group interests with the interests of the organization taking precedence over those of the individual. However, respect for line authority needs to be reconciled with the need for initiative at lower levels order ii nth organization's hierarchy.

III. The Contingency Approach

According to Judge et al (2007) the contingency approach emphasizes the need for flexibility. There is no one best way to structure or manage organizations but management decisions should take situational and contextual factors into account. Management's job is to learn and identify the specific characteristics of the situation and then fit solutions to overcome these contingencies.

The size of the organization, the technology employed, the industry characteristics and the environment in terms of external changes and uncertainty are some of some of the Contingency factors influencing organizational design and effectiveness.

the contingency theory is criticized on the basis of lacking a clear description of what the organization is in light of the fact that some businesses have the ability to create can create their own environments or influence the existing environment to their advantage. The contingency approach draws attention to the possibilities of different structures of the organization, each with a different impact on the organizational effectiveness (Judge, 2007).

IV. Motivational Theories

Many commentators on the theory believe that motivation is the driving force behind human behavior. For the many proponents of this approach to employee motivation, businesses are basically formed with the intention of achieving certain objectives and thus to be successful. Despite this, businesses or organizations are run by human being or human resources. It is not lost in this approach that human resources are the most difficult resource to manage for any

organization. People have to be interested enough in what they are set out to do in the organization if they are to perform in the way they are expected to. If they are not interested and are not driven into action from within, there is little the organization can do to improve its performance (Rousseau, 2009).

According to Mullins (2007), employees need to be motivated. Mullins describes Motivation as a managerial process of engaging employees into behaviour whose objective is to drive the organization to effectively achieve its objectives. Other scholars when analyzing this approach define Motivation as a process that is initiated by a physiological or psychological need, which causes a specific behavior or drive in order to achieve a goal or incentive. In this definition, motivation is seen in three dimensions which are independent and interacting elements, needs, drive and incentives.

Mullin (2007) defines motivation as the 'degree to which an individual wants are met. The employee was choose to engage in certain specified behaviors' depending on the level of motivation. Accordingly, employee's behavior is determined of by the availability of what motivates them. Rousseau, (2009) argues that the underlying concept of motivation is some driving force within individuals by which they attempt to achieve some goal in order to fulfill some need or expectation. Their performance is a product of both ability and the level of motivation. The relationship between organization and its members is influenced by what motivates them to work and the rewards and fulfillment they derive from it. The work organization, and the design and content of jobs can have a significant effect on the satisfaction of staff and their levels of performance (Rousseau, 2009).

Hatch et al (2006) explains that the management needs to know how best to elicit the cooperation of staff and direct their efforts to achieving the goals and objectives of the organization. He has strongly hinted that motivation is the key to achieving organizational objectives. To Hatch, Motivation could be extrinsic or intrinsic. Motivation is extrinsic where tangible rewards such as salary and fringe benefits, security, promotion, contract or service, the work environment and conditions of work are the primary causes. Such tangible rewards are determined at organizational level and may be outside the control of individual managers. However, the organization as a whole should cultivate this type of motivation by putting on place systems that work towards the provision of such.

Intrinsic Motivation results from the provision of psychological rewards. Such rewards include

the opportunity to use one's ability. This is simply empowering the individual employee by the provision of such things as individualized training. According to Armstrong (2006), making work challenging to the employee raises the worker's motivation. Other such motivators include the employee receiving some form of appreciation and positive recognition. To Armstrong, these motivators are available to line managers and can be employed with a very high degree of success.

2.2.3 Human Resource Management Practices

Schuler and Jackson (1987) described HRM as organizational activities for talent pool management with the motive of resources are utilized aligning with organizational goal. According to them, HRM consists of various practices and its associated functions could be used for managing people in the organizations. Besides that, definition offered by Delery and Doty (1996) stated that HRM contributes to the achievement of business objectives by having an internally rational policies and practices designed for firm's human capital. HRM practices included recruitment, appraisal and selection of perspective employees at which influencing the human resource policies and lastly provide direction for the development of human resource philosophies as a whole in an organization. HRM practices acts as the backbone of the organization structure and its main responsibility is to transform the operational system into modern system in order to fulfill present requirements and needs regardless of the rapid technological development (Priyadarshini&Venkatapathy, 2005).

On top of that, HR Practitioner better focuses on system approach rather than implement specific practices (Lepak, Bartol, &Erhardt, 2005). Furthermore, HRM practices complement each other and it is better to be looked from an integrated perspective for a more comprehensive and holistic view (Lepak and Snell, 1999; Lepak et al., 2005). According to Purcell (2003), employee commitment is positively influenced by the HRM practices. HRM needs can be identified within the context of organizational objectives through HRM planning and many kinds of micro-staffing can be introduced for meeting the needs as long as the needs are identified and understood in advance (Montgomery, 1998; Heraty and Morley, 1998; Paul and Anantharaman, 2003). Saha and Gregar (2012) revealed that HRM acts as the backbone of any business for better competitive advantage as these competitive practices are designed for productivity

enhancement and has driven the knowledge development process in the aspect of knowledge transfer According to Khan (2010), in an energetic business atmosphere, there is the need for an approach to achieve better performance, to originate and implement HRM practices. This realization reinforces the critical role HRM practices play in this globally modern and increasingly competitive business landscape. Scholastically, Human Resources Management practices is a form of system in which a set of distinct but interrelated activities, functions and processes are directed at attracting, developing and maintaining or disposing firms' human resources for that matter employees (Lado& Wilson, 1994). Additionally, HRM practices refer to organizational activities directed at managing the pool of human resource and ensuring that the resources are employed towards the fulfillment of organizational goals (Schuler & Jackson, 1987).

Likewise, Appelbaum (2001), captures HRM practices as being basically concerned with the management of people within the internal environment of organizations, comprising the activities, policies, and practices involved in planning, obtaining, developing, utilizing, evaluating, maintaining, and retaining the appropriate numbers and skill mix of employees to achieve the organization's objectives. According to Ahmed & Schroeder (2003), human resources are considered the most important assets of an organization, but very few organizations are able to fully harness its potential. Employee performance in an organizational context is usually defined as the extent to which an organization's member contributes to achieving the goal of the organization. Employees are primary source of competitive advantage in service-oriented organization (pfeffer, 1994).

Employee performance is originally what employee does or does not do. Currently, organizations are competing through implementation of unique and exceptional human resource management practices and as a result of globalization, many organizations are adopting up-to-date human resource practices in order to achieve their organizational goals. Excellent human resource management practices are advantageous for both employees and employers. These practices according to Guest (1997) consist of selection, training, appraisal, rewards, motivation, job design, involvement and status, and security. According to Sari (2009), training and development is seen as one of the key practices of HRM and it refers to the programs designed to teach the

employees about the company specifics, educate them on the general rules of an organization, to provide them technical knowledge which is considered important to complete the job tasks effectively and to eradicate the probable imperfections at work. Meanwhile, Rajput (2011) considers motivation as another component of HRM practice and defines it as “individual desire to demonstrate the behavior and reflect willingness to expand efforts”. Similarly, Remuneration/Reward has been found to play motivational role and include but not limited to pay strategies such as performance related pay, production-based pay, skill-based pay, knowledge based pay and base pay Brown (1989). Performance appraisal as HRM practice in the words of Shahzad et al. (2008, p. 304) represents “a formalized process for monitoring workers and is intended to be a management tool to improve the performance as well as productivity of workers”. Internal communication on the other hand as defined by Salas et al. (2008) is the “process through which knowledge and information is shared between team members” and this is also seen as a key HRM practice. Scholastically, Human Resources Management practices is a form of system in which a set of distinct but interrelated activities, functions and processes are directed at attracting, developing and maintaining or disposing firms’ human resources for that matter employees (Lado & Wilson, 1994). Additionally, HRM practices refer to organizational activities directed at managing the pool of human resource and ensuring that the resources are employed towards the fulfillment of organizational goals (Schuler & Jackson, 1987).

Employee performance is originally what employee does or does not do. Currently, organizations are competing through implementation of unique and exceptional human resource management practices and as a result of globalization, many organizations are adopting up-to-date human resource practices in order to achieve their organizational goals. Excellent human resource management practices are advantageous for both employees and employers. These practices according to Guest (1997) consist of selection, training, appraisal, rewards, motivation, job design, involvement and status, and security. According to Sari (2009), training and development is seen as one of the key practices of HRM and it refers to the programs designed to teach the employees about the company specifics, educate them on the general rules of an organization, to provide them technical knowledge which is considered important to complete the job tasks effectively and to eradicate the probable imperfections at work. Meanwhile, Rajput (2011) considers motivation as another component of HRM practice and defines it as “individual desire to demonstrate the behavior and reflect willingness to expand efforts”. Similarly, Remuneration/

Reward has been found to play motivational role and include but not limited to pay strategies such as performance related pay, production based pay, skill based pay, knowledge based pay and base pay Brown (1989). Performance appraisal as HRM practice in the words of Shahzad et al. (2008, p. 304) represents a formalized process for monitoring workers and is intended to be a management tool to improve the performance as well as productivity of workers". Internal communication on the other hand as defined by Salas et al. (2008) is the "process through which knowledge and information is shared between team members" and this is also seen as a key HRM practice. Several scholars have noted that managing people is more difficult than managing technology or capital (Barney, 1991; Lado and Wilson, 1994). However those firms that have learnt how to manage their human resources well would have an edge over others for a long time to come because acquiring and deploying human resources effectively is cumbersome and takes much longer (Wright et al., 1994).

The effective management of human resources requires sound Human Resource Management systems. Storey (1995) defines HRM as a distinctive approach to employment management which seeks to obtain competitive advantage through the deployment of a highly committed and skilled workforce, using an array of techniques. HRM can help firms improve organizational behavior in such areas as staff commitment, competency and flexibility, which in turn leads to improved staff performance and in turn improve the financial performance (Koch and McGrath, 1996). In order to develop a sound HRM system, the organization should 13 Guest (2002) has argued that the Impact of HRM on performance depends upon worker's response to HRM practices, so the impact was move in direction of the perception of HRM practices by the employee. Wood (1999) and Guest (2002) has stressed that a competent, committed and highly involved work force is the one required for best implementation of business strategy. Huselid (1995) have found that the effectiveness of employees was depend on impact of HRM on behavior of the employees. Patterson et al (1997) while discussing impact of people management practices on business performance has argued that HR practices in selection and training influence performance by providing appropriate skills. Their research has found that HR practices have powerful impact on performance even if measured as productivity. Huselid (1995) stressed that by adopting best practices in selection, inflow of best quality of skill set was be inducted adding value to skills inventory of the organization. He also stressed on importance of

training as complement of selection practices through which the organizational culture and employee behavior can be aligned to produce positive results. Cooke (2000) has included efficiency and effectiveness as ingredients of performance apart from competitiveness and productivity. He or she further argued that training is the tool to develop knowledge and skills as means of increasing individual's performance (efficiency and effectiveness). Singh (2004), whose observations are more relevant in our cultural context, argues that compensation is a behavior aligning mechanism of employees with business strategy of the firm. Career planning is a tool that aligns strategy with future HR needs and encourages employee to strive for his personal development (Wasiam et al, 1996). By increasing employee participation, the firm was benefit from increase in productivity of the employee due to increased commitment of the employee.

Financial participation schemes were more beneficial for the organizations than the associated cost (Summers & Hyman, 2005). Use of best HR practices shows a stronger association with firm's productivity in high growth industry (Datta et al, 2003). This finding has significance in our case as we have shown that the telecom sector of Pakistan is a high growth industry. Wright et al (2003) have argued that an employee was exert discretionary effort if proper performance management system is in place and is supported by compensation system linked with the performance management system. Job definition is combination of job description and job specification. It clearly outlines duties, responsibilities, working conditions and expected skills of an individual performing that job (Qureshi M Tahir, 2006).

Ichniowski (1995) while observing productivity of steel workers have found that complementary HR practice System effects workers performance. Majority of previous research has verified significant relationship between HR practices and Employee Outcomes (Sels, 2006) Collins (2005) in a research of similar nature targeting small business have found that effective HR practices impact employee outcomes significantly (employee outcomes used by them were different than ours). A research was conducted by Mr. TahirMasoodQureshi (2006) regarding Impact of HR practices on organizational performance in Pakistan.

2.2.3.1 Compensation

Compensation is a process of providing monetary value to employees for the work they performed. Compensation can be used to hire skilled employees, reward the performance, encourage company loyalty by reduce turnover. Compensation may include Basic Pay, Overtime, Bonuses, Travel/Accommodation Allowance, Stock Options, Medical Allowance, Commissions, and Profit Sharing. A recent study conducted by Hay points out that 20% employees plan to switch their current positions in at least five years. Employee retention turnover has become a more prominent aspect of organizational life. The implementation of retention compensation strategies has seen significant growth over the last several years. A study conducted by Frye (2004) show positive relationship between compensation and organization performance. Frye (2004) reported that compensation strategies play an important role in recruiting and retaining skilled employees. Most of the firms used Performance-based compensation to reward employees (Collins and Clark, 2003). Performance-based compensation positively influences employee's performance (Brown *et al.*, 2003). A research study by Huselid (1995) showed a significant relationship between compensations and employee performance. An effective HRM strategy is to integrate performance and compensation system that enhance employee's was to work effectively and efficiently (Wright, 2003). Teseema and Soeters (2006) indicate a significant correlation between compensation and employee's performance. It is important that employer view compensation practices in a favorable light as compensation practices heavily influence employee recruitment, turnover and productivity

2.2.3.2 Career Planning

Career planning is process of setting career goals and identifies the ways to attain them. Career planning is a process of planning individual's life work. Career planning is a tool used to motivate employees to work for the development of the organization (Wright and Snell, 1998). The career planning focused on motivating the employees to achieve a desired match between personal goals and organizational goals. A process of developing human resources to increase organizational performance is referred as career planning (Leibowitz *et al.*, 1986). Career development process is useful in identifying employee's skills and experience and assigning them tasks accordingly. Individuals prefer to join those organizations where they get enough opportunities to pursue their career goals and exploit their potential fully (Gardener *et al.*, 2011).

Career planning serves as a tool to motivate employees to work effectively and efficiently in order to achieve the goals of the organization. Career planning is a deliberate process of providing opportunities for successful development (Snell, 1992).

2.2.3.3 Training

Training is a systematic approach that enables employees to attain knowledge and skills in order to accomplish their tasks effectively with the resultant improvement in the behavior (Armstrong, 2006). Training and development contribute positively towards organizational growth. Training refers to the methods used to develop skills in the employees required to perform the job (Dessler, 2008). Most organizations considered training and development as an important factor of the human resource activity. Training can be used as a tool to increase employee's performance by developing knowledge and skills. Training can be described as an endeavor to develop additional competencies needed today or in future in order to increase the level of employee's performance (Jackson and Schuler, 2000). Training can be used as a tool to increase efficiency and effectiveness of employees in order to increase organizational performance (Cook and Hunsaker, 2001). Extensive training programs are conducted by employees to improve the employee's performance in order to achieve strategic position over competitors (Brown, 2005). Training programs play a significant role in achieving organizational goals (Dobson and Tosh, 1998). A desired change can be attained in employees performance by providing them proper training (Huselid, 1995). Training and development constitute a subsystem inside of the wide range of work force capacity. Human resource is the most elements of all resources in any organization in this way extensive consideration must be given to human development in the organization (Gajanayake, 2006). Training infers readiness for a calling while development infers a more extensive perspective of learning and aptitudes securing through training. The literature revealed that training is the utilization of methodical and arranged direction exercises to advance learning (Ghafoor, Khan & Khan, 2009). It includes the utilization of formal procedures to give information and help people to get the right stuff important for them to perform their occupations tastefully. The center of training is on down to earth abilities and is worried with applying and actualizing strategies and procedures (Fatima &Tayyaba, 2011). Consequently, training is putting resources into individuals to empower them to perform well and enable them to make the

best utilization of their characteristic capacities. The literature additionally revealed that training is a procedure that creates and enhances abilities related to performance and which comes full circle at the better performance of the organization (Osemeke& Monday, 2015).

2.2.3.4 Employee Involvement

Employee involvement is creating an environment in which employees are empowered to make their decisions and take actions relevant to their jobs. Employee involvement helps the organization in retaining its employees as it increases ownership and commitment and fosters an environment to make the employees motivated and contributing. Employee contribution influence employee's performance positively (Locke *et al.*, 1997). Employee involvement increase job satisfaction, motivation and employees commitment as employees feel themselves more involved in the success of the organizational goals (Mullins and Peacock, 1991). Empowering the employees by involving them in decision making contribute to the success of organization as it increases the productivity, saves time for decision making, lowers the gap between supervisor and subordinates, encourages a strong sense of teamwork among workers. Smith (1997) focused on empowering employees in order to release their potential. Nykodymet *al.* (1994) indicate that empowering the employees can reduce conflict among employees

2.2.3.5 Performance Appraisal

Performance appraisal is a systematic evaluation of an employee's performance in his assigned tasks. The overriding purpose of performance appraisal is to increase motivation and employees self-esteem. Serset *al.* (2003) stated that performance evaluation increase the employee's productivity that in turn increases organizational performance. Performance appraisal enhances professional growth by pointing out the area of performance enhancement. Transparent performance evaluation motivates employees to work more in order to achieve the organizational objectives (Singh, 2004). Wan *et al.* (2002) reported that merit based performance appraisal increase employee's motivation and commitment that has a significant effect on organizational performance. The key to organization's success relates to the willingness of employees to play extra role (Ahmad and Schroeder, 2003). Satisfied employees lead towards reduced turnover and absenteeism. The practice of performance management includes a ceaseless judgment on the

conduct and performance of staff. It is imperative that employees know precisely what is anticipated from them and the measuring stick by which their performance and results was measured (Cook & Crossman, 2006). A formalized and orderly appraisal plan was empower a standard evaluation of the people's performance, highlight potential and recognize training and development needs. In particular, a powerful appraisal plan can enhance the future performance of staff (Burney & Widener, 2008). The appraisal plan can likewise frame the premise for a survey of budgetary rewards and arranged vocation movement. The literature revealed that there is a reasonable and solid connection between organizational performance and the consideration given to performance management and worker appraisal (Anupama&Dulababu, 2011). The odds of really accomplishing the goals of the association are significantly enhanced when all management levels are in accordance with each other. What's more, this guarantees all association individuals realize what is imperative for the association and what is normal from them (Michael, Melanie & Dinesh, 2014).

2.2.4 Employee Productivity

The studies by Weitzmen& Kruse (1990) and Gerhart&Milkovich (1992) found that the links between incentive compensation systems and productivity have consistently been well. The studies demonstrated that training; goal setting and socio- technical systems design had positive effects on productivity. Terpstra and Rozell (1993) identified five staffing practices and found that the use of these practices had a moderate positive relationship with productivity and organizational outcome. Bartel (1994) in his study established a link between the adoption of training programmers and productivity. Ichinowski, Shaw and Prensushi (1994) have shown that a combination of human resource practices have bigger effects on productivity. Arthur (1994) in his research study identified two types of human resource systems viz., 'control' and 'commitment' systems and tested the strategic human resource proposition that specific combination of policies and practices were useful in predicting differences in performance and turnover across "Steel Minimills". He demonstrated that the mills with commitment systems had higher productivity and lower scrape rate, than those with control system. In addition, he found that human resources system moderated the relationship between turnover and manufacturing performance. MacDuffie (1995) derived specific configurations or bundles of human resource

practices to enhance productivity. A comprehensive study of Huselid (1995) found that each standard deviation increase in high performance work practices equaled a 16% increase in productivity (measured by log of Sales per employee) Cooke (2000) has included efficiency and effectiveness as ingredients of performance apart from competitiveness and productivity. He or she further argued that training is the tool to develop knowledge and skills as means of increasing individual's performance (efficiency and effectiveness). Guest (2002) has argued that the impact of HRM on performance depends upon worker's response to HRM practices, so the impact was move in direction of the perception of HRM practices by the employee. Wright et al. (2003) have argued that an employee was exert discretionary effort if proper performance management system is in place and is supported by compensation system linked with the performance management system. Singh (2004), whose observations are more relevant in our cultural context, argues that compensation is a behaviour aligning mechanism of employees with business strategy of the firm. Qureshi M Tahir (2006) argues that job definition is combination of job description and job specification. It clearly outlines duties, responsibilities, working conditions and expected skills of an individual performing that job. Sels (2006) opines that majority of previous research has verified significant relationship between HR practices and employee outcomes. A research was conducted by Mr. TahirMasoodQureshi (2006) regarding impact of HR practices on organizational performance in Pakistan. His findings were supportive of our assumption that HR practice system effect organizational performance through employee outcomes. researchMethodoLoGy.Productivity. Research on the impact of HRM practices on organiza-tional productivity is more extensive. Cutcher-Gershenfeld (1991) found that firms adopting "transformational" labor relations-those emphasizing cooperation and dispute resolution-had lower costs, less scrap, higher productivity, and a greater return to direct labor hours than did firms us-ing "traditional" adversarial labor relations practices. Katz, Kochan, and Weber (1985) demonstrated that highly effective industrial relations sys-tems, defined as those with fewer grievances and disciplinary actions and lower absenteeism, increased product quality and direct labor efficiency, and Katz, Kochan, and Keefe (1987) showed that a number of innovative work practices improved productivity. Katz, Kochan, and Gobeille (1983) and Schuster (1983) found that quality of work life (QWL), quality circles, and labor-management teams increased productivity. Bartel (1994) estab-lished a link between the adoption of training programs and productivity growth, and Holzer (1987) showed that extensive recruiting efforts in-

creased productivity. Guzzo, Jette, and Katzell's (1985) meta-analysis demonstrated that training, goal setting, and sociotechnical systems design had significant and positive effects on productivity. Links between incentive compensation systems and productivity have consistently been found as well (Gerhart&Milkovich, 1992; Weitzman & Kruse, 1990).

2.3 Empirical literature

Nicholas Bloom and John Van Reenen(2010) conducted a research on the effect of human resource management on productivity the result show that the adoption of coherent system of new work practice include work team flexible work assignment employment security, training and incentive pay produce high level of productivity .

Faith .w (2017) did his research on the effects of motivation, staff skills, performance appraisal and leadership and on the productivity of employees at the county government of Laikipia. From the analysis, the study has found out that indeed, there is a strong correlation between motivation and productivity whereby, the more motivated employees are, the higher the likelihood of more productivity. In case of performance appraisal, it has been found to have a largely negative effect on productivity. In the same token, the study has found out that workers skills and levels of education are important to a very large extent in raising productivity. However, leadership seems to be most influential factor affecting productivity. The overall effect is that poor and uninspiring leadership tends to kill productivity. The study has recommended that county government leadership needs to facilitate training and acquisition of skills for the employees to be more productive. It also needs to motivate the employees for productivity to rise. In the case of performance appraisal, the method used for this purpose is currently demoralizing employees leading to disaffection and thus low productivity. The leadership needs to be more inspiring to the employees. Dull or poor leadership is found to lower productivity by a very large extent. The results of the findings are important to the other county governments and the national government and indeed to all organizations in that they can be used as guide in enhancing productivity.

Simegn Z (2019) examined factors which affect employees' performance need to be addressed. The main aim of this study was to investigate factors affecting employees' job performance in

commercial bank of Ethiopia Addis Ababa area branches. Quantitative research approach as well as simple and stratified random sampling was employed in the study. Moreover, the research employed descriptive, correlation and regression method of analysis. Thus, the mean score values of all factors in the study have low level of preference for employees. This clearly shows that the bank has weak management in managing these factors investigated in this study. Pearson correlation coefficient(r) was used to determine the relationship between each independent variable with the dependent variable of which working related factors, training and motivational factors have substantial association with employee job performance. Unlike the others performance appraisal system has a moderate association with employee's job performance. Moreover, regression analysis was computed to determine the impact of independent variables on dependent variable for which working environment, training, performance appraisal and motivational factors lead to a positive change on employee job performance. Hence, commercial bank of Ethiopia has to provide a great attention in bringing about improvement in training, performance appraisal system, working environment and motivational packages so that it can improve employees' performance in particular and organizational performance in general.

Kalekrstos .k (2020) This study intends to examine effect of HRM practices on employee turnover intention in Zemen bank S.C. Multi stage sampling was used to select a sample size of 262. The study used primary data collected through questionnaires. Both descriptive and inferential statistical techniques were used to analyze the data. The finding indicates that, Career development opportunities and reward and recognition aspects of HRM practices are more significant in leading to employee turnover intention in Zemen Bank S.C. Hence, change in reward schemes and transparent application of career growth opportunities strongly recommended.

Remuneration, inventiveness, training, and growth, according to Abdullah (2014), all have a favorable effect on an employee's ability to do their work. According to his study on the effect of compensation on employee performance, employees typically believe that receiving competitive pay, incentives, and remuneration that is paid on time has a beneficial effect on their performance at the company. In addition, respondents who were asked about the relationship between creativity and employee performance concurred that it depends on how much the firm

values creativity. Finally, despite training ranking and preferences, training and development are also considered to be the main factors influencing performance. However, he disregards other elements that may affect an employee's success at work.

Zhang (2016) asserts that a variety of factors, including pay and benefits, work demands, the hotel environment, and the possibility of career advancement, had an impact on how well hotel personnel performed even in the other service sectors. A sizable percentage of participants, including employees and managers, concurred that rewards and incentives were key drivers of employee performance since they serve as inspiration for the hotel personnel. On the other side, a large number of staff members concurred that the hotel managers appreciated their effort and hard work. They recognized the workers' accomplishments by designating them as star performers or employee of the month, in exchange for which they received money or non-financial rewards.

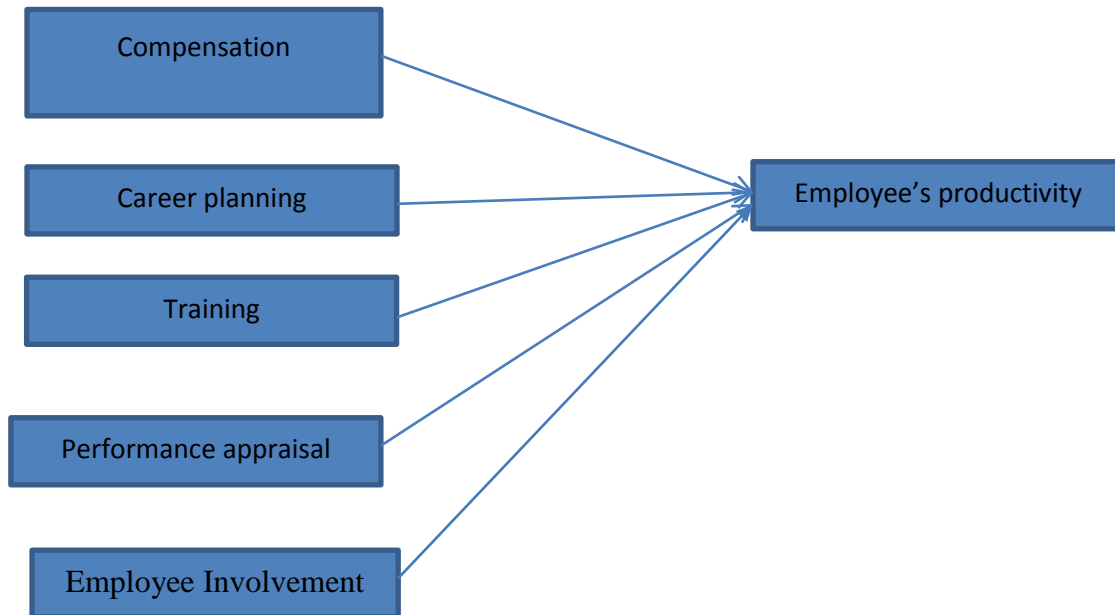
Employees are constantly searching for employers with better perks and pay packages. The compensation scale is the most frequent cause of the high employee turnover rate since workers are typically looking for well-paying employment, and the availability of better-paying jobs makes it easier for them to leave their jobs and organizations. According to Firth et al. (2004), employees whose compensation is below the going market rate may feel underappreciated at their current employers and search for one that was pay them what they are worth.

The conceptual framework of the study focused on assessing the effect of HRM practice on employee productivity. The following conceptual model of the study was developed by Charles J (2016) which intended to improve employee productivity through identifying and managing HRM practice which is compensation, Career Planning, Training, Performance appraisal and employee involvement.

Compensation strategies play an important role in recruiting and retaining skilled employees. Most of the firms used Performance-based compensation to reward employees (Collins and Clark, 2003).Irshad (2009) in his study finds that training and career development was found motivating factor which leads to retention. Besides Phillips & Connell (2003) concluded that provision of development opportunities for individual employee is vital for the organization in order to enhance employees 'proficiencies and improve their chances of getting higher posts.

2.4 Conceptual Model

Figure 2.1 Conceptual Framework of the study



Source: Adopted from Charles J (2016)

CHAPTER THREE

METHODOLOGY OF STUDY

Introduction

This chapter explain the research methodologies used and it covers, research design, source of data, population, sample and sampling method, research instrument, research participant, data collection procedure, method of data analysis.

3.1 Research Design and Approach

A research design “is the framework for the generation of evidences that are suited both to a certain set of criteria and to the research question in which the investigator is interested” (Bryman and Bell, 2007). The objective of this research is to identify the effect of human resource practice on employee’s productivity using an appropriate sampling technique. The researcher used descriptive research. Descriptive research uses a set of scientific methods and procedures to collect raw data and create data structure that describes the existing characteristics of a defined target population. Because of descriptive research method deals with the collection and calculation of measures which describes the data in various ways. Which means the method is set out to describe and to interpret what is going on and more concerned with facts. With emphasis on descriptive type, in order to conduct primary data, the researcher has questionnaires.).

To answer the research questions, this study was employed both descriptive and explanatory (Causal) research designs. The study employed a survey strategy because it made it simple for the researcher to gather a significant amount of quantitative data from a sizable population in a cost-effective manner, which was then analyzed using descriptive statistics. Descriptive research was be used to describe the characteristics of the population. Additionally, an explanatory research methodology was be used in the study to investigate the theories positing causal links between the variables. It may be interesting to know that various correlation or regression analyses seek to establish cause-and-effect relationships (Sekaran, 2003). The cause-and-effect relationship between the independent and dependent variables was be examined. The objective of this study is to identify the effect of human resource practice on employee’s productivity of

Zemen Bank. On the basis of purpose of this research, the study used a descriptive research method.

Mixed research approach is employed for collecting, analyzing, and mixing both quantitative and qualitative data. This study utilized explanatory research design to answer the research questions through survey using a questionnaire.

3.2 Population, sampling technique and sample size

3.2.1 Population

According to Hair et al. (2002, p.334), population can be defined as an identifiable total group or aggregation of elements (e.g. people, products, organizations, physical entities) that are of interest to the researcher and pertinent to the specified information problem. The study was focused on the Head office employees of Zemen bank as target population.

3.2.2 Sampling Technique

According to (Mugenda&Mugenda, 2003) where time and resources allow, a researcher should take a big sample as possible". However, generally, the sample size depends on factors such as number of variables in the study, type of design, method of data analysis and the size of the accessible population. Neuman (2000) suggests that for descriptive studies, 30% of the target population is enough. It is on the basis of the above discussion that the researchers sampled some respondents. According to Kumar (2005), sampling can be defined as, the process of selecting a few (a sample) from bigger group (the sampling population) to become the basis for estimating or predicting the prevalence of an unknown piece of information, situation or outcome regarding the bigger group. For the purpose of this study, a Stratified sampling method was used to select respondents from the target population. This ensures that every member of the population has equal chance of being part of the sample

3.2.3 Sample Size

The research sample was consisting of the employee of Zemen Bank on the basis of their status and the service years. According to Kothari (2004) a sample is a collection unit from the universe to represent it. Generally, the larger the sample, the more representative it is. In

quantitative research mathematical procedures are used to determine the sample size. The total numbers of employee belonging to the Head office are 754 and from which a sample of 262 was be drawn.

Using Yamane (1967) sample size determination formula, a sample of 262 was selected for the study at 95% confidence level. A proportionate stratified sampling technique was used to draw sampling units from each stratum is in proportion to the population size of that stratum.

$$n = N / (1 + Ne^2)$$

Sample Size for $\pm 5\%$ Precision Levels where Confidence Level is 95%

n = Sample size

N = Study population

e = Level of confidence

$$n = N / (1 + Ne^2)$$

$$= 754 / (1 + 754 * 0.05^2)$$

$$= 262$$

3.3 Types of Data

For the purpose of conducting a research primary and secondary data was used. The primary data are those which are collected afresh and for the first time, and thus happens to be original in character. Secondary data, on the other hand, are data not gathered for the immediate study at hand but for some other purpose. Both, primary and secondary data sources was used to conduct this study. The primary data was be collect by administrating questionnaires to the respondents during data collection phase, whereas secondary data was collected from related books, journals, research papers, and organizational website to develop research background and further justifications of the findings

3.4 Data Collection Instrument

The instrument was used to collect data from the employees of Zemen Bank Head office in Addis Ababa is questionnaire. Questionnaires are a formalized set of questions involving one or more measurement scales design to collect specified primary data. Often, they are the only feasible way to reach a number of reviewers large enough to allow statistically analysis of the results

3.5 Procedure of Data Collection

Before administrating the instruments of data collection, the questionnaires was tested for validity and reliability. Conforming this (Wilkinson and Birmingham, 2003), have stated that usually mistakes are quickly spotted through piloting; ambiguous questions can be restated or redeveloped. This pretest was be done with the objective of checking whether or not the items contained in the instruments could enable the researchers to gather relevant information. First questionnaire was be prepared in English and then by professional translators it was be translated in to Amharic. Based on the result of the pre-test vague statements was be corrected. Finally, the modified and corrected questionnaires was be distributed to employee of the sample branch of Zemen bank. The questionnaires distributed and collected back, then the data processed All the variables was coded and entered to the SPSS to analyze data obtained through questionnaires. In order to sure the questioner reliability test used. In order to describe the data, preliminary descriptive statistics such as frequency, percentages were computed.

3.6 Data Analysis

Data that collected from questioner is analyzed by using descriptive and inferential or econometrics analysis. As stated by Duncan Cramer and Dennis Howitt (2004), descriptive data analysis emphasizes on maximizing the gain from the data by making clearer the process of describing and analyzing the data gathered. After proper editing, the data was coded and entered to the software then it was ready to analysis. For the purpose of achieving the objectives of the study, the collected data was processed and analyzed with descriptive statistics using Statistical Package for Social Studies version 26. This technique is selected because it helps to summarize

the sample, provides and allows describing the characteristics of the data collected and it helps to thoroughly analyze and interpret the questions one by one in order to reach meaningful results. Throughout the analyzing process, percentages, frequency and mean were employed. In doing so tables were used to present and made easily understandable the findings in order to arrive at certain conclusion.

Correlation and Multiple Regression model was be applied to determine the significance level of the variables human resource management practice on employee productivity. In this study, the degree of association between the independent variables of the study and the dependent variable is assessed using Pearson's correlation coefficient. The multiple regression technique was be used to analyze the cause-and-effect relationship between independent and dependent variables.

3.7 Validity and Reliability Test

Validity means the validity of the results that is how well the questions measure the matters chosen to be studied. Consisting of forty (40) respondents is selected for a Pilot test and with this small group the researcher tried to look the feedback of the total population and check validity of this project. Reliability tells about stability of the results that is how accurately the study or measuring has been carried out. It refers to whether a measurement instrument is able to yield consistent results each time it was applied. It is also the property of measurement device that causes it yield similar outcomes for similar inputs. In this study, Alpha reliability was used to measure internal consistency of the mean of the items at the time of administration of the questionnaire. Cronbach's Alpha is a reliability coefficient that indicates how well the items in a set are positively related to one another (Shuttleworth, 2015). Therefore, this research is Cronbach's Alpha method to test reliability.

Based on the reliability test, the value of Cronbach's alpha in all variables in the questionnaire were above the suggested value of 0.7. On the basis of reliability test, it was supposed that the scales used in this study were reliable to capture the constructs and could fairly represent opinions of other respondents.

Table 3.1 Reliability test

	Cronbach's Alpha	Noof Items
Employee productivity	0.764	6
Training	0.825	6
Performance Appraisal	0.723	6
Career planning	0.815	7
Employee Involvement	0.826	3
Compensation	0.784	5

3.8 Ethical Considerations

To begin, the researcher already asks permission and authorization from Zemen Bank Administration to conduct this study, as well as clarification that the study is solely for academic purposes. Furthermore, participants was informed that they had the option to deny participation and withdraw from the study if they are not comfortable and secure.

CHAPTER FOUR

RESULT AND DISCUSSION

4.1 INTRODUCTION

Three topics are covered in this chapter. The first section focuses on the profile of respondents, which includes information on their gender, age group, education level, and experience of the respondents. The second section presents about descriptive analysis of Human resource management practice that were obtained from respondents, and the third and final section analyzes Correlation and multiple regression analysis. The data was examined using quantitative descriptive and Inferential statistics. In the end, analysis and interpretation were done using the information from the respondent's questionnaire.

Regarding the response rate, in order to get the primary data, questionnaires each contained 37 questions were distributed to 262 individuals for quantitative data analysis. Consequently, the given questionnaires have been collected back from 245 respondents out of 262 sample respondent individuals and yet due to various reason 17 respondents haven't yet returned so that 93.51% response rate could properly be completed and returned. According to Mugenda O.M and Mugenda A.G (2003) a 50% response rate is adequate, 60% good and above 70% rated very well. From this demarcation the response rate is very good to make analysis and answer the research questions. As a result, their proper response has also been taking in to consideration for data presentation, analysis and interpretation.

Table 4.1 Response Rate

Description	Number	Response Rate
Number of Questionnaire filled and returned	245	93.51%
Number of Questionnaire haven't yet returned	17	

Source: Own survey, 2022

4.2 Demographic Characteristics of the respondents

Table 4.2 Demographic Characteristics of the respondents

Variable		Frequency	Percentage
Sex	Male	172	70.2
	Female	73	29.8
	Total	245	100.0
Age Category	Under 25	45	18.4
	25-34	89	36.3
	35-44	86	35.1
	45-54	25	10.2
	55 and above	0	0
	Total	245	100.0
Educational Qualification	High school Graduate	10	4.1
	Collage Diploma	35	14.3
	BA/BSC Degree	119	48.6
	Masters and above	81	33.1
	Total	245	100.0
Experience	Less than one year	94	38.4
	1-4 Years	112	45.7
	5-7 years	39	15.9
	Above 7 Years	0	0
	Total	245	100.0

Source: own survey, 2022

Sex of the respondents

Table 4.2 Shows sex category of the respondents. As shown above, 73 (29.8%) of the responders were women, the remaining 172 (70.2%) are men respondents. This shows that men are more involved in or make up the bulk of the workforce in the study organizations, whereas women are underrepresented.

Age Category

Based on the above table 4.2 result shows, most of the respondent's age groups are 89 (36.3%) was found between 25-34 years of the total respondents. Followed from this 86(35.1%) of the respondent found in the age group of 35-44 years. while 45 (18.4%), and 25 (10.2%) of the respondents found under the age range of under 24 and 45-54 years respectively. From age category of the respondents, it is possible to conclude that majority respondents are in the age category of 25- 34. Based on the descriptive analysis data, most of the employee are young and in the middle age groups who are energetic and Passiontide to work effectively. Young and middle aged dominated the participants of this study and this has indeed contributed to the quality of work.

Educational Qualification of the respondents

In terms of respondents' educational levels, we can observe from table 4.2 that the bulk of respondents are degree holders, it accounts for 119 (48.6%), followed by 81 (33.1%) respondents with a Master's degree or above. Furthermore, the results suggest that 35 (14.3%) of respondents had a diploma and the respondents of the respondents 10(4.1%) of them were high school complete. The result implies that majority of the employees who are working in the zemen bank has degree and masters in different field of studies and this qualification helps the organization to meet their mission, vision and goals with remarkable achievements.

Experience of the respondents

On the subject of work experience in Zemen bank the survey result indicated that the majority of the respondents 112 (45.7%) were between 1-4 years of experience in the organization and 94 (38.4%) of the respondents were worked for less than one years. The rest 39 (15.9%) of the employee or research participants have an experience of below 5-7 years of experience in the organization. From the result Employee of the zemen Bank who are working at head office has been working with the organization for about four years. This result has an indication that when employee staying in their organization it has significant contribution in increasing workers efficiency and effectiveness.

4.3 Descriptive Analysis

Here below the study discussed the research objectives which focused Human Resource management practice and its impact on Employee productivity by using liker scale questions. According to Pallant, (2005) Explain Descriptive statistics concern the development of certain indices from the raw data. These are mean scores, standard deviations and percentage for each subgroup. Interpreting the result of these values was also give us an indication of the impact of the independent variable. According to Murry.J. (2013) create equal intervals for a range of five points Likert scale (that ranges from strongly agree to strongly disagree in the survey questionnaire)

In the analyzing of the data, standard deviation was preferable to use. Small standard deviations show that data are close to the mean whereas a large standard deviation (compared to the mean) indicates that the data points are distant from the mean. The mean is a poor fit of the data. Standard deviation is a measure of how well the mean represents the data. The variables were measured using a five-point Likert scale where 1 stand for Strongly Agree and 5 stands of strongly disagree. Therefore, the interpretation made using the mean of each variable, as a matter of fact the mean falls between the two ranges, hence if the mean approaches to 1 the interpretation would be the respondents agree on the variable and if it approaches to 5 the reverse would be true.

Table 4.3 Likert Scale

Scale	Interpretation
1 to 1.80 represents	strongly disagree
1.81 until 2.60 represents	Disagree
2.61 until 3.40 represents	Neutral
3:41 until 4:20 represents	agree
4:21 until 5:00 represents	strongly agree

4.3.1 Human Resource management System in Zemen Bank

Table 4.4 Human resource management System requirement

	N	Mean	Std. Deviation
The organization's human resource requirements are systematically ascertained and an appropriate plan is formulated for satisfying the requirements	245	4.4122	.49325
Valid N (listwise)	245		

Source: Own survey, 2022

The outcome demonstrates unequivocally that Zemen Bank's HRM system is suitable and designed to satisfy the needs. As seen by the mean score of 4.4122 and SD.4932, workers at Zemen Bank are content with the way the system is set up and operated.

From the findings, it is reasonable to draw the conclusion that Zemen Bank's HRM system was properly designed to assist the organization in achieving its objectives by attracting and retaining a productive workforce. Utilize each employee's talents and skills to the fullest extent possible. Ensure that workers have the necessary training or are receiving it.

Table 4.5 HRM Computerized system

	Descriptive Statistics		
	N	Mean	Std. Deviation
The organization has a wide network of computerized human resource information system with the latest software	245	3.7020	1.12215
Valid N (listwise)	245		

Source: Own survey, 2022

The above descriptive analysis shows Human resource management system that has been used by Zemen bank. The statement the organization has a wide network of computerized human resource information system with the latest software: respondents were agreed since the mean value is 3.7020 and SD 1.12215.

This result implies that the organization has been using latest and effective human resource management system which enable them to manage and control their human capital. This system can help employees feel valued, boosting productivity, performance, and employee retention.

4.3.2 Employee Productivity

Under this section the study clearly discusses about how HRM Practice contribute to make employee productive in their tasks.

Table 4.6 Employee Productivity

	N	Mean	Std. Deviation
I offer timely help to customers without being asked	245	3.5469	1.12481
Because of Good HRM Practice in the organization I am quick to solve problems before things go wrong	245	3.4857	1.17557
Efficiency (performing or functioning in the best possible manner) of employees ensures high performance in achieving the mission vision and goal of the organization	245	4.0571	1.04646
Effective (Producing the intended or expected result) employees have lead to low customer complaints by doing the right things	245	3.9755	1.13052
I communicate well with colleagues and customers	245	4.1020	.99682
The bank 's profitability has increased for the last five years due to employees 'productivity	245	3.2980	1.14026
Grand Mean		3.7442	

Source: Own Survey, 2022

The above table shows level of employee productivity due to effective human resource management practice. The first statement which states I offer timely help to customers without being asked (Mean 3.5469 and SD 1.12481): Indicated that respondents were agreed since the mean value is above 3.5 which lays on agree range. This result implies that because of effective and efficient Human resource management practice in the organization employees are involved in extra role behavior to help customers without expecting order from their immediate supervisors.

Because of Good HRM Practice in the organization I am quick to solve problems before things go wrong (Mean 3.4857 and SD 1.17557); Show respondents are agreed that Human resource

management practice able them to quickly solve the problems on the spot before things goes beyond control.

The third item scores the highest mean score of 4.0571 and SD 1.04646 Which shows employee are agreed up on Efficiency (performing or functioning in the best possible manner) of employees ensures high performance in achieving the mission vision and goal of the organization. This result implies that b/c of having proper and effective HRM System in the organization employee who are working in the organization able to work or provide more service compared to what it was expected from individual employees.

Effective (Producing the intended or expected result) employees have led to low customer complaints by doing the right things (Mean Score of 3.9755 and SD 1.13052); the result shows that employees are agreed that Human resource management practice enable them to effectively perform their tasks in the organization.

The mean 4.1020 and SD .99682 shows that respondents were agreed on i communicate well with colleagues and customers. This result shows that because of HRM system in zemen bank employees are able to properly and effectively communicate with their staffs and customers. This result implies that b/c of having smooth communication among colleagues and customers it was the organization to build up long term relationship with their customers.

The bank 's profitability has increased for the last five years due to employees 'productivity (Mean 3.2980 and SD 1.14026); This result shows that respondents were unable to agree or disagree on this item. This result implies that most of the respondents are not aware of their performance and productivity makes the organization profitability in the last five years.

From the grand mean (3.7442) it is possible to make conclusion that employee productivity has been increased due to effective and efficient human resource management practice in Zemen bank. Employees are encouraged and motivated to work beyond job description to meet the organization mission, vision and goal. The finding of the study is similar with Shivani et.al (2020) The function of Human Resource Management plays a crucial role in assuring employee

satisfaction, enhanced business productivity and performance. As a result, this can provide the organization with a clear competitive edge and openly contribute to the organizational success in general.

4.3.3 Human Resource management Practice

Table 4.7 Training

	N	Mean	Std. Deviation
Our organization conducts extensive training programs for its employees in all aspects of quality	245	4.1592	.61000
Employees in each job was normally go through training programs every year	245	4.3673	.57595
Training needs are identified through a formal performance appraisal mechanism	245	2.3755	.93968
There are formal training programs to teach new employees the skills they need to perform their jobs	245	4.1102	.65294
New knowledge and skills are imparted to employees periodically to work in teams	245	4.2980	.76085
Training needs identified are realistic, useful and based on the business strategy of the organization	245	2.4449	1.44646
Grand Mean		3.62585	

Source: Own Survey, 2022

The above table result shows how training makes the employee in the organization makes productive and effective in performing their tasks.

Our organization conducts extensive training programs for its employees in all aspects of quality (Mean 4.1592 and SD .61000); This result shows that Zemen bank has been giving training to fill their knowledge and skill gaps in different aspects. The second item employees in each job was normally go through training programs every year The Mean value 4.3673 and SD .57595 shows respondents were agreed that the organization is giving training for their employees in a regular basis so as to increase employee job productivity.

From the mean value of 4.1102 and 4.2980 shows respondents were agreed on there are formal training programs to teach new employees the skills they need to perform their jobs and new knowledge and skills are imparted to employees periodically to work in teams respectively. This result shows new employees are given extensive training to help them to catch up every important skill and knowledge that enable them to work smoothly.

The following statement Training needs are identified through a formal performance appraisal mechanism and Training needs identified are realistic, useful and based on the business strategy of the organization has the lowest mean score of 2.3755 and 2.4449 respectively. This result shows respondents were disagreed that training program was designed and given to employee were not consider performance appraisal of the employees and by conducting training need assessment.

From the grand mean 3.62585 shows overall training program that has been given by Zemen bank is quite effective in making employee productive in their tasks. Even though, human capital development program is effective still there is area which needs improvement like giving training based on performance appraisal result and realistic and effective need assessment. The result is similar with Joel (2017) respondents agreed that training and development do influence employee productivity and subsequently organizational performance as indicated by an average mean of 3.715. The respondents showed that KCB has a sponsorship program that assist employees to pursue academic and professional education programs and supervisors support the use of techniques learned on training when employees report back to the station respectively.

Table 4.8 Performance Appraisal

	N	Mean	Std. Deviation
Performance of the employees is measured on the basis of objective quantifiable results	245	3.9429	1.06970
Appraisal system in our organization is growth and development oriented	245	4.4286	.97089
Employees are provided performance-based feedback and counseling	245	2.2204	.85913
Employees have faith in the performance appraisal System	245	4.4245	.88209
Appraisal system has a strong influence on individual and team behavior	245	4.2041	.93167
The appraisal data is used for making decisions like job rotation, training and compensation	245	2.4000	.99342
Grand Mean	3.603		

Source: own survey, 2022

From the result of the study Performance of the employees is measured on the basis of objective quantifiable result (Mean 3.9429 and SD 1.069); shows respondents were agreed that employee of Zemen bank has been measured based on the standard that the organization sets. The other item Appraisal system in our organization is growth and development oriented which has the mean value of 4.4286 and SD 0.97089. This result shows respondents were agreed up on appraisal system is change oriented.

As the result clearly shows employees have faith in the performance appraisal System and Appraisal system has a strong influence on individual and team behavior had the mean score of 4.4245 and 4.2041 respectively. Respondents were agreed that employee believed on the appraisal system and its influence on workers.

From the result shown above the following items Employees are provided performance-based feedback and counseling and the appraisal data is used for making decisions like job rotation, training and compensation had the lowest mean score of 2.2204 and 2.4000 respectively.

From the grand mean 3.603 shows that respondents were agreed that performance appraisal system has a contribution to employee productivity. The performance appraisal system helped to improve and enhance employee job performance and productivity. The regular assessment of performance leads to employee motivation. The finding of the study judy (2018) shows that performance appraisal and performance appraisal feedback are critically important because the process offers organizations a valuable opportunity to measure how each staff in relations to previously established standards and expectations. The study also established that performance appraisal goals are critically important the purpose of the effective performance appraisal lead to important outcomes such as job satisfaction, employee productivity, quality work and employee trust and commitment

Table 4.9 Career Planning

Descriptive Statistics			
	N	Mean	Std. Deviation
Individuals in this organization have clear career paths	245	4.2694	.86418
Employee's career aspirations within the organization are known by his/ her immediate superior.	245	4.3429	.82780
Employees in our organization have more than one potential position for promotion.	245	4.3551	.84956
Individual and organization growth needs are matched in this organization	245	3.4980	1.35085
Our organization plans for the career and development of employees	245	3.5469	1.17472
Our organization prefers an internal employee whenever a vacancy exists	245	3.4980	1.32635
Each employee is aware of his/her career path in the organization.	245	2.3020	.87696
Grand Mean		3.68	

Source: own survey, 2022

The above table shows that how career planning helps the employee to work effectively and efficiently in Zemen Bank. The result shows that individuals in this organization have clear career paths, Employee's career aspirations within the organization are known by his/ her immediate superior, Employees in our organization have more than one potential position for

promotion, Individual and organization growth needs are matched in this organization, our organization plans for the career and development of employees, our organization prefers an internal employee whenever a vacancy exists and each employee is aware of his/her career path in the organization had the mean score of 4.2694, 4.3429, 4.3551, 3.4980, 3.5469 and 3.4980 respectively. This result indicated that each employee is aware of his/her career path in the organization (Mean 2.3020 and SD .87696): shows that respondents were disagreed that employee is not clearly aware of career path in Zemen Bank.

The grand mean 3.687 shows that respondents were agreed that career planning and development had a clear and important contribution to employee productivity. This plays the role of career planning and development tool lead to the recognition of the work done by the employees, many times by the means of rewards and appreciation, etc. It plays the role of the link between the organization and the employee's personal career goals.

Table 4.10 Employee Involvement

Descriptive Statistics			
	N	Mean	Std. Deviation
Employees in this organization are allowed to make decisions related to cost and quality matters	245	1.7184	.83854
Employees in this organization are asked by their superiors to participate in operations related decisions	245	1.5184	.61126
Employees are provided opportunity to suggest improvements in the way things are done here	245	3.8367	1.20700
Grand Mean		2.357	

Source: own survey, 2022

The Above table shows how Human resource management practice that of employee involvement enables employee of Zemen bank to make them productive and effective in their duties. Employees in this organization are allowed to make decisions related to cost and quality matters (Mean 2.3469 and SD 1.24714); Respondents were disagreed since the mean value lay on 1.81 until 2.60 ranges.

Employees in this organization are asked by their superiors to participate in operations related decisions (Mean 2.0898 and SD .45279); this result shows that participants of the study were not agree on the statement.

From the result table employees are provided opportunity to suggest improvements in the way things are done here had the highest mean score of 4.3755 and SD .50995.

Based on the grand mean of the study (2.357) it shows that overall respondents were disagreed on employee involvement in different aspects of the organizations. This result implies that employee of Zemen bank were not invited to participate in decisions making process in operations, and they are not allowed to make decisions regarding costs and quality.

Table 4.11 Compensation

Descriptive Statistics			
	N	Mean	Std. Deviation
Job performance is an important factor in determining the incentive compensation of employees	245	4.1224	.76909
In our organization, salary and other benefits are comparable to the market.	245	4.2367	.99645
In our organization, compensation is decided on the basis of competence or ability of the employee	245	1.5184	1.17551
The compensation for all employees is directly linked to his/her performance.	245	3.3673	2.12994
In our organization, profit sharing is used as a mechanism to reward higher performance	245	3.2245	2.14691
Grand Mean	3.293		

The table above shows How compensation encourage the employee of the organization to be effective and productive in their performance. The statement Job performance is an important factor in determining the incentive compensation of employees the respondents gave mean score of 4.1224 (which is agreed since the number approaches to 4) and the Standard deviation is .76909. The second statement in our organization, salary and other benefits are comparable to the market had the mean score of 4.2367 and SD .99645.

The following statement the compensation for all employees is directly linked to his/her performance and in our organization, profit sharing is used as a mechanism to reward higher performance had the mean value of 3.3673 and 3.2245 respectively. This result shows respondents were neither agreed nor disagreed on the statement listed above. From the descriptive result indicated above in our organization, compensation is decided on the basis of competence or ability of the employee had the mean score of 1.5184 which shows respondents were disagreed.

The overall mean value of 3.293 shows that respondents had neither agreed nor disagreed on the role of compensation in making employee of the organization productive in their tasks. This result implies that organization is not decided on the basis of competence or ability of the employee. The result is similar with Nyawa (2017) found that There exist fixed and constant monthly salaries with flexible dates though some months are fixed during payment. It is not very substantive to conclude that the salary being offered is not sufficient to motivate and retain employees since a considerable number termed the salary as sufficient. There is also no conclusive position on the salaries and remuneration reflecting the skills, competence and work output offered by employees.

4.4 Correlation Analysis

Correlation was measure the linear relationship between two variables. The level of association as measured by Pearson 's co- efficient falls between -1.0 and +1.0, which indicates the strength and direction of association between the two variables. The interpretation of the result a correlation result between 0 to 1 implies positive relationship, 0 (zero) for no relationship, 1 for perfect positive relationship, -1 for perfect negative relationship and between -1 to 0 indicate the existence of negative relationship Berndt (2005). Though it indicates the existence of a positive or negative relationship, the strength of such a relationship is not high when the results fall below ± 0.61 (Oogarah-Hanuman, 2011).

Table 4.12 Pearson Correlation

Correlations

		Dependent	Training	Performance	Career	Involvement	Compensation
Dependent	Pearson Correlation	1	.079	.919**	.031	.150*	.680**
	Sig. (2-tailed)		.220	.000	.634	.019	.000
	N	245	245	244	245	245	245
Training	Pearson Correlation	.079	1	-.007	-.138*	-.278**	-.106
	Sig. (2-tailed)	.220		.913	.030	.000	.097
	N	245	245	244	245	245	245
Performance	Pearson Correlation	.919**	-.007	1	-.045	.131*	.650**
	Sig. (2-tailed)	.000	.913		.488	.041	.000
	N	244	244	244	244	244	244
Career	Pearson Correlation	.031	-.138*	-.045	1	.358**	-.302**
	Sig. (2-tailed)	.634	.030	.488		.000	.000
	N	245	245	244	245	245	245
Involvement	Pearson Correlation	.150*	-.278**	.131*	.358**	1	-.028
	Sig. (2-tailed)	.019	.000	.041	.000		.658
	N	245	245	244	245	245	245
Compensation	Pearson Correlation	.680**	-.106	.650**	-.302**	-.028	1
	Sig. (2-tailed)	.000	.097	.000	.000	.658	
	N	245	245	244	245	245	245

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

The Pearson correlation result shows the strength and the direction of the relationship between the independent variable (Training, Performance appraisal, Career plan, Employee involvement and Compensation) and the dependent variable i.e. Employee productivity. The results of the correlation between these variables are shown in Table 4.12 above. Out of five independent variables three variables (Performance appraisal, Employee involvement and compensation) found to be statistically significant.

As it is indicated in the Table 4.12, generally there is a positive, strong and statistically significant correlation between Performance Appraisal and Employee productivity. This result shows that performance appraisal and employee productivity had strong association which implies if the organization conduct effective and objective based performance appraisal it has direct and positive contribution to increase productivity of their employees in different areas.

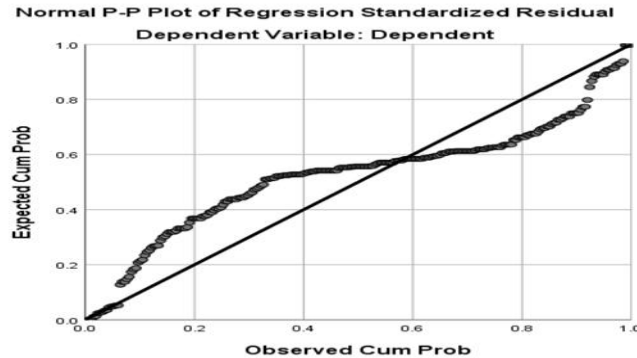
A correlation coefficient between Employee involvement and employee productivity is .019 this is a positive correlation at the magnitude of 0.15 it means that their correlation is statistically significant at 0.01 level. A correlation coefficient between Compensation and employee productivity is the level of significance ($P < 0.01$) which indicated compensation in the organization can make the employee more productive and efficient in their duties.

4.5 Multiple Regression Analysis

The regression analysis was conducted to know by how much the independent variable explains the dependent variable. In this study, regression was employed to examine the effect of the Human resource management practice such as Training, Performance appraisal, career plan, employee involvement and compensation and dependent variable employee productivity. To check whether the regression analysis is effective and efficient in measuring the parameters, regression assumptions (Linearity, multicollinearity, heteroscedasity and normality) was checked.

1. Linearity

Figure 4.1 Linearity test



The first assumption of multiple regression analysis is that the relationship between the independent (Training, Performance appraisal, Career plan, Employee involvement and Compensation) and dependent variable (employee productivity) can be characterized by a straight line. As the graph above shown in this paper assumption of linearity is met.

2. Multicollinearity

Table 4.13 Collinearity Test

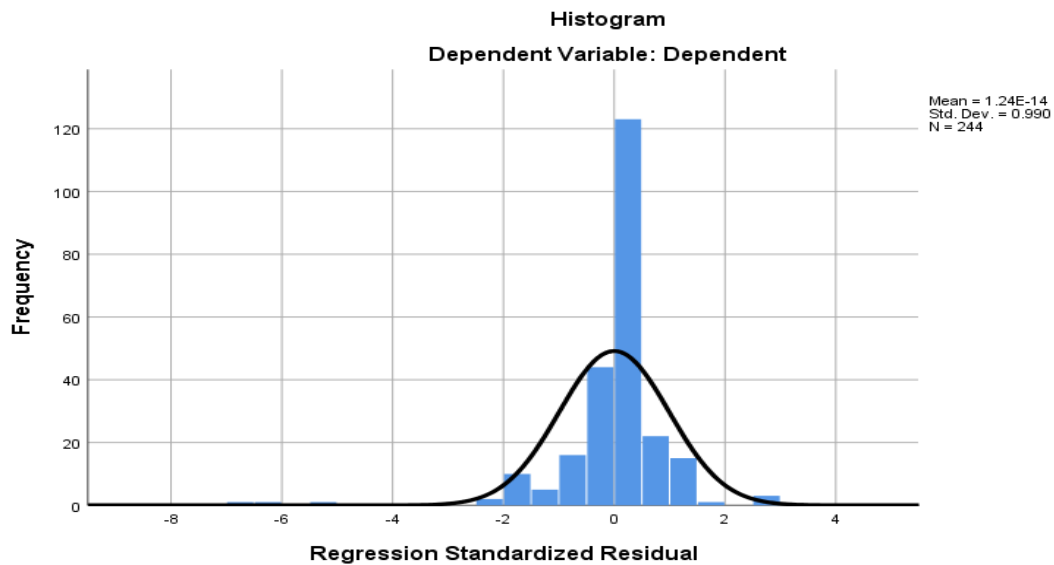
No	Variable	Tolerance	VIF
1	Training	.577	1.732
2	Performance Appraisal	.577	1.732
3	Career Plan	.871	1.149
4	Employee Involvement	.942	1.062
5	Compensation	.792	1.263

According to Churchill and Iacobucci, (2005), multicollinearity is concerned with the relationship which exists between explanatory variables. When there exists the problem of multicollinearity, the amount of information about the effect of explanatory variables on dependent variables decreases and as a result, many of the explanatory variables could be judged as not related to the dependent variables when in fact they are. How much correlation causes multicollinearity. In keeping with Drazin and Rao (1999), the rule of thumb is that tolerance values bigger than 0.2 do not have multi-co linearity. While the VIP result should be not greater

than 10. From the value of the VIF result, it is possible to conclude that there is no problem of multicollinearity among the explanatory variables.

3. Normality

Figure 4.2 Normality test

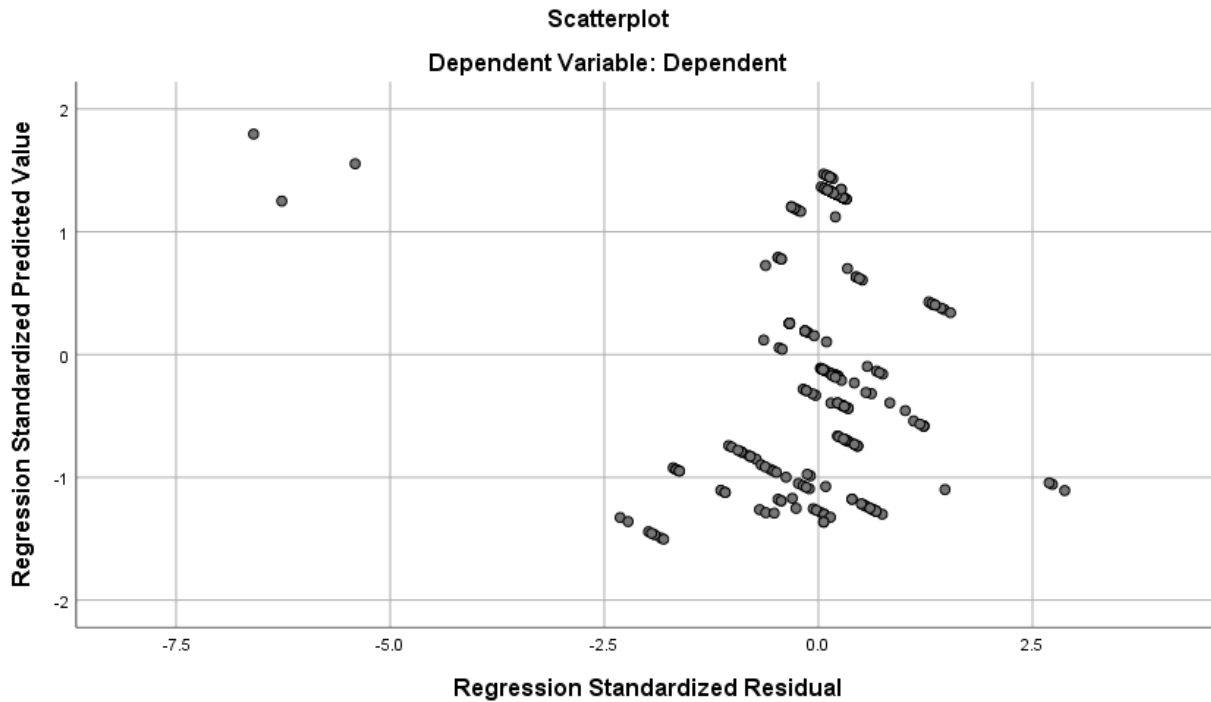


According to Smith and Wells (2006) kurtosis is defined as —a property of a distribution that describes the thickness of the tails. The thickness of the tail comes from the amount of scores falling at the extremes relative to the Gaussian distribution. skewness is a measure of symmetry, or more precisely, the lack of symmetry. A distribution, or data set, is symmetric if it looks the same to the left and right of the center point. Multiple regressions require the independent variables to be normally distributed. The normal distribution of the data can be described by the skewness and kurtosis statistics.

In order to test the first assumptions of normality of distribution, skewness and kurtosis statistics was computed from the data obtained on the survey, in the above figure. All the skewness and kurtosis statistics needed to be within the acceptable ranges of ± 1.0 . In the present study since all the values of skewness and kurtosis for each variable are within an acceptable range, the data is said to be normally distributed.

4. Heteroscedasticity

Figure 4.3 Heteroscedasticity test



The systematic pattern of errors known as heteroskedasticity occurs when the variances of the errors do not remain constant. Homoscedasticity is the state in which the variance of the residuals is constant. Homogeneity of variance, also known as equal variance, is a requirement for carrying out multiple regressions. In this case, the model errors are anticipated to have an unknown but finite variance that is constant across all levels of the predictor variables. Visual verification of this assumption can be done by seeing a plot of the regressions' standardized residuals (errors).

Table 4.14 Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.946 ^a	.894	.892	.23499

a. Predictors: (Constant), Training, Performance appraisal, Career plan, Employee involvement, Compensation

R² = The amount of variance in the dependent variable that is accounted for or explained by the independent variable. The Adjusted R² of 0.892 means that Training, Performance appraisal, Career plan, Employee involvement and Compensation accounts for 89.2% of the variance in employee productivity.

Table 4.15 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	111.115	5	22.223	402.433	.000 ^b
	Residual	13.143	238	.055		
	Total	124.257	243			

a. Dependent Variable: Dependent

b. Predictors: (Constant), Training, Performance appraisal, Career plan, Employee involvement, Compensation

ANOVA tells us whether the model, overall, is acceptable from a statistical perspective i.e. whether the independent variables are in a significantly good degree of prediction of the outcome variable (Hair et al., 2004). Table 4.9 below show the results of ANOVA test which revealed that the combined independent variables have a statistically significant effect on employee productivity. This can be explained by F values (402.433) and high p values (.000) which are statistically significant at 99% confidence interval. This therefore implies that there was enough evidence to suggest Human resource management practice has significant effect on employee productivity.

Table 4.16 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-4.042	.151		-26.757	.000
	Training	.102	.015	.151	6.726	.000
	Performance	.862	.034	.743	25.599	.000

Career	.312	.054	.139	5.763	.000
Involvement	.084	.034	.058	2.452	.015
Compensation	.220	.025	.270	8.888	.000

a. Dependent Variable: Employee Productivity

The values of the unstandardized Beta Coefficients (β) indicate the effects of each independent variable on dependent variable. Furthermore, the values of the unstandardized Beta Coefficients in the Beta column of the Table 4.16 above, indicate which independent variable (Human resource management practice) makes the strongest contribution to explain the dependent variable (employee productivity), when the variance explained by all other independent variables in the model is controlled. The t value and the sig (p) value indicate whether the independent variable is significantly contributing to the prediction of the dependent variable.

The results of multiple regressions, as presented in Table 4.16 above, revealed that Training had a positive and significant effect on employee productivity ($\beta = .102$, & $p < 0.05$). These statistics infer that if the organization gives more emphasis for human capital development (training), then employee productivity was increase by .102 amount. This result implies that training that has been given based on the need assessment result was enable employee of Zemen bank to efficiently and effectively perform their tasks. This result is similar with Zirra .C (2017) found that the coefficients of human resource planning and staff training and development were found statistically significant at 5 per cent significance level as indicated by their probability values of 0.0220 and 0.0195 respectively.

As the result clearly shows that performance appraisal and employee productivity had a significant and positive association since the p value is 0.00. this result implies that when the organization performance appraisal increases by one unit, the employee productivity was also increase by .862. A proper and objective based evaluation and documenting the performance of their employee they are carrying out their jobs was have undeniable role in making the employee more productive in their performance. The finding of the study was similar with Judy (2018) The findings indicate that performance appraisal and performance appraisal feedback are critically

important because the process offers organizations a valuable opportunity to measure how each staff in relations to previously established standards and expectations. The study also established that performance appraisal goals are critically important the purpose of the effective performance appraisal lead to important outcomes such as job satisfaction, employee productivity, quality work and employee trust and commitment.

Based on the regression result career plan had a significant and positive effect on employee productivity in Zemen bank. As the P value 0.000 and coefficient of .312 shows when career plan in the organization increases by one unit, employee productivity was increase by .312 amount. If career plan of the individual matches with the organization that was create a favorable atmosphere to employee to perform beyond what is expected from them.

The statistical significance of the two independent variables from the above Coefficients table 4.16, employee involvement (Sig. = .003) has a statistically significant contribution for the prediction of the dependent variable. This result shows that if employee allowed to participate in different aspects of decision-making process like operational activities, cost etc. this was create sense of belongingness in the long run it was make the employee productivity in their job.

Compensation and Employee productivity had a statistically significant association since the p value is less than 0.05. this result shows that whenever both financial and non-financial compensation increases in the organization by one unit, employee productivity was also increase by .220 amount. This result shows that having a clear and market-based salary or compensation was have a significant and positive contribution on employee productivity in Zemen bank. As the study shows compensation has undeniable role in making employee of Zemen bank more productive in their duties and responsibilities. This result was similar with Simegn (2019) Accordingly, motivational package related factors (Beta=0.488) make the strongest unique contribution to explaining the dependent variable in which the results revealed that, a one unit increase or positive change in motivational package would lead to a 0.488 unit increase the level of employee's job performance.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter aimed to summarize the key findings, conclusion and recommendations of the study based on their search questions. The purpose of this study was to assess the effect of human resource management practice the case of Zemen Bank.

5.1 Summary of Findings

From the finding of the study 73 (29.8%) of the responders were women, the remaining 172 (70.2%) are men respondents. This shows that men are more involved in or make up the bulk of the workforce in the study organizations, whereas women are underrepresented. From age category of the respondents, it is possible to conclude that majority respondents are in the age category of 25- 34. Based on the descriptive analysis data, most of the employee are young and in the middle age groups who are energetic and Passiontide to work effectively. Young and middle aged dominated the participants of this study and this has indeed contributed to the quality of work.

In terms of respondents' educational levels, we can observe that the bulk of respondents are degree holders, it accounts for 119 (48.6%), followed by 81 (33.1%) respondents with a Master's degree or above. Furthermore, the results suggest that 35 (14.3%) of respondents had a diploma and the respondents of the respondents 10(4.1%) of them were high school complete. The result implies that majority of the employees who are working in the zemen bank has degree and masters in different field of studies and this qualification helps the organization to meet their mission, vision and goals with remarkable achievements.

On the subject of work experience in Zemen bank the survey result indicated that the majority of the respondents 112 (45.7%) were between 1-4 years of experience in the organization and 94 (38.4%) of the respondents were worked for less than one years. The rest 39 (15.9%) of the employee or research participants have an experience of below 5-7 years of experience in the organization. From the result Employee of the zemen Bank who are working at head office has been working with the organization for about four years. This result has an indication that

when employee staying in their organization it has significant contribution in increasing workers efficiency and effectiveness.

The study clearly shows that the outcome demonstrates unequivocally that Zemen Bank's HRM system is suitable and designed to satisfy the needs of their employees. As seen by the mean score of 4.4122 and SD.4932, workers at Zemen Bank are content with the way the system is set up and operated and Human resource management system that has been used by Zemen bank has a wide network of computerized human resource information system with the latest software: respondents were agreed since the mean value is 3.7020 and SD 1.12215.

From the grand mean (3.7442) it is possible to make conclusion that employee productivity has been increased due to effective and efficient human resource management practice in Zemen bank. Employees are encouraged and motivated to work beyond job description to meet the organization mission, vision and goal. The finding of the study indicated that respondents were agreed that the organization is giving training for their employees in a regular basis so as to increase employee job productivity. Training needs are identified through a formal performance appraisal mechanism and Training needs identified are realistic, useful and based on the business strategy of the organization has the lowest mean score of 2.3755 and 2.4449 respectively. This result shows respondents were disagreed that training program was designed and given to employee were not consider performance appraisal of the employees and by conducting training need assessment.

As the result clearly shows employees have faith in the performance appraisal System and Appraisal system has a strong influence on individual and team behavior had the mean score of 4.4245 and 4.2041 respectively. Respondents were agreed that employee believed on the appraisal system and its influence on workers. Employees are provided performance-based feedback and counseling and the appraisal data is used for making decisions like job rotation, training and compensation had the lowest mean score of 2.2204 and 2.4000 respectively.

Individual and organization growth needs are matched in this organization, our organization plans for the career and development of employees, our organization prefers an internal employee whenever a vacancy exists and each employee is aware of his/her career path in the organization had the mean score of 4.2694, 4.3429, 4.3551, 3.4980, 3.5469 and 3.4980

respectively. This result indicated that each employee is aware of his/her career path in the organization (Mean 2.3020 and SD .87696): shows that respondents were disagreed that employee is not clearly aware of career path in Zemen Bank.

Human resource management practice that of employee involvement enables employee of Zemen bank to make them productive and effective in their duties. Employees in this organization are allowed to make decisions related to cost and quality matters (Mean 2.3469 and SD 1.24714); Respondents were disagreed since the mean value lay on 1.81 until 2.60 ranges. Employees in this organization are asked by their superiors to participate in operations related decisions (Mean 2.0898 and SD .45279); this result shows that participants of the study were not agree on the statement.

The finding of the study indicated that compensation encourage the employee of the organization to be effective and productive in their performance. The statement Job performance is an important factor in determining the incentive compensation of employees the respondents gave mean score of 4.1224 (which is agreed since the number approaches to 4) and the Standard deviation is .76909. The second statement in our organization, salary and other benefits are comparable to the market had the mean score of 4.2367 and SD .99645.

The results of the correlation between these variables are shown that out of five independent variables three variables (Performance appraisal, Employee involvement and compensation) found to be statistically significant effect on employee productivity in Zemen bank. The results of multiple regressions, revealed that Training, performance appraisal, career plan, employee involvement and compensation had a positive and significant effect on employee productivity.

5.2 Conclusions

Based on the study's findings, it is reasonable to draw the conclusion that Zemen Bank's effective and efficient human resource management practices have boosted staff productivity. Employees are encouraged and inspired to go above and beyond the call of duty to accomplish the mission, vision, and goal of the organization. From the result it is possible to make conclusion that because of having proper and effective Human resource management practice employee are performing in the best possible manner or ensure high performance.

From the different Human resource management practice training program offered by Zemen Bank is extremely effective in increasing staff productivity in their jobs. Although human capital development programs are successful, there are still some areas that needs improvement, such as providing training based on performance appraisal results and a thorough and accurate need assessment. Depending on the finding of the study employees of Zemen bank was normally go through training programs every year.

Performance appraisal system contributes to staff productivity. Employee job performance and productivity were both enhanced and improved by the performance appraisal system. Regular performance reviews inspire employees, which increases productivity. Career planning and development made a significant and obvious benefit to employee productivity. This serves as a career planning and development tool that helps employers recognize the work their staff members do, frequently through awards and other forms of appreciation. It serves as the connection between the company and the employee's own career aspirations.

The study's findings demonstrate that overall, respondents had divergent views on how much employees should be involved in various elements of firms. This finding suggests that Zemen Bank employees were not invited to participate in operational decision-making and are not permitted to make decisions about prices and quality related issues. The study concluded that employees of the organization were not given an opportunity to suggest improvements in the way that things are done in Zemen Bank.

As the result indicated that employees are unable to make rank on the level of compensation on employee productivity in Zemen bank. Respondents were neither in agreement with nor opposed to the idea that compensation helps make organization employees productive in their work. From the finding of the study, it possible to make conclusion that compensation practice is not properly consider job performance as a determining factor for incentive and compensation decision. Decisions about the compensations are not made based on an employee's skill.

5.3 Recommendations

Based on the findings of the research, the following recommendations are proposed:

Based on the finding of the study Training is imparting a specific skill to do a particular job while development deals with general enhancement and growth of individual skill and abilities through conscious and unconscious learning. To ascertain the actual performance gap between what an employee does now and what they should be doing, or between "what is" and "what should be," or between "what is" and "what should be," a training need assessment should be given top priority. The organization should give more emphasis in giving both on job and off job training in all aspects of quality.

Based on performance appraisal of the organization there are different problems identified in this research study. Performance of the employee is not measured based on objectively quantified results and not focused on or oriented on growth and development of the organization. Managers and employees should equally contribute to the conversation, and employees should be just as invested in the preparation as managers to create trust on the assessment activities. Mainly the performance appraisal information should be used for training, compensation and promotion of their employees.

A reliable performance management system is required for the bank. The performance review process must be thorough, participatory, transparent, fair, and applicable to all employees. All employees must be subject to an open, equitable, and transparent performance appraisal system that is based on a predetermined criterion. Employees must also have access to and input into the performance appraisal process.

Career planning is one of the determining factors of Human resource management practice which makes employee productive and efficient in their jobs. The organization should career paths that help employees understand their opportunities for advancement within the company and gathering data to understand what abilities they would require.

The management of Zemen bank must update issues related to employee incentive packages, such as bonus, salary, profit sharing, financial and non-financial awards, in order to improve employee performance in particular and organizational performance generally. In comparison to payments and prizes given in the same business, management needs to boost employee compensation based on experience and evaluation of the job being delivered.

References

- Alande, j. (2013). The role of human resource management in devolution of counties in Kenya *International Journal of Social Sciences and Entrepreneurship*, 568-582.
- Appelbaum, S. H., (2001): “Human Resource Management”, John Molson School of Business, Concordia University, Montreal.
- Armstrong. (2006). *Handbook of human resource management*. London, England: KoganPark Ltd.cc
- Armstrong. (2010). *Handbook of human resource management*. London, England: Kogan
- Bakri, A. (2009). The Adoption of Business to Business by Small and Medium Enterprise in Amman and Its Influences on Performance and Efficiency, (Unpublished doctoral thesis). University of Southern Queensland, Queensland, Australia.
- Batt, R. (2002). Managing customer services: Human resource practices, quit rates, and sales growth, *Academy of Management Journal* 45, 587–597
- Becker, B., & Huselid, M. (1998). High Performance Work Systems and Firm Performance: A Synthesis of Research and Managerial Implications. *Personnel And Human Resources Management*, 16, 53-101.
- Brown, M., D. Hyatt, J. Benson, (2010). Consequences of The Performance Appraisal Experience, *Personnel Review*, 39(3): 375-396.
- Chebet, J. (2015). *Determinants of Employees' Performance in the County Governments of Kenya*. Nairobi: UON.
- Consuelo, S. G. (2010). *Research Methods*. Manila: Rex Book Store.
- Coole. (2012). *Theory and Practice of Management*. Boston, United states of America: Irwin McGraw-Hill.
- Darwish, T. (2013). 10 Strategic HRM and Performance: Theory and Practice. Newcastle, United Kingdom: Cambridge Scholars Publishing.
- Delery, J., & Doty, D. H. (1996). Modes of theorizing in strategic human resource management: Tests of universalistic, contingency, and configurational performance predictions. *Academy of Management Journal*, 39(4), 802–835.
- Dessler, G. (1994). *Human Resource Management (6th Edn.)*. United States of America: Prentice -Hall Inc

- Elarabi, H., & Johari, F. (2014). The Impact of Human Resources Management on the Health Care Quality, *Asian Journal of Management Sciences and Education*, 3(1).
- Elliot, A. J. (2009). Approach and avoidance achievement goals and intrinsic motivation. A meditational analysis. *Journal of Personality and Social Psychology*, 230-245.
- Eyuel .B (2017).The Effect of Performance Appraisal System on Employees Work Performance; In National Tobacco Enterprise (Ethiopia) Share Company, Addis Ababa University.
- Faith Wacheke (2014): Factors Affecting Employees Productivity In County Governments In Kenya; A Case Study Of The County Government Of Laikipia
- Faizal, D. Palil. F (2015). The analysis of mathematical regression.
- Getamesay B (2016). Determinant Factors Affecting Employees' Job Performance: The Case of Addis Ababa City branches Wegagen Bank S.C; Addis Ababa University
- Gichuhi, A , Abaja, P. & Ochieng ,I.(2012).Effect Of Performance Appraisal On Employee Productivity; A Case Study Of Supermarkets In Nakuru Town, Kenya .*Asian Journal Of Business And Management Sciences*. Vol. 2 (11), PP 45-53
- Gidey. A (2016). The effect of Training and Development on Employees Performance: The case of commercial bank of Ethiopia, Addis Ababa University.
- Gold, B (2000). *Human Resource Management Theory and Practice* (2nd edn). New Jersey: Lawrence Erlbaum Associates Inc.
- Guest, D.E. (1997). Human Resource Management and Performance: A Review and Research Agenda. *International Journal of Human Resource Management* 8(3), 263-276
- Hagberg, R. a. (2014). *organization culture*. New York:: Harper and rows.
- Harackiewicz, J. M. (2003). Predictors and consequences of achievement goals in the college classroom: Maintaining interest and making the grade. *Journal of Personality and Social Psychology*, 11101123.
- Hatch, M. J. (2006). *Organization Theory: Modern, Symbolic, and Postmodern Perspective*. Oxford : Oxford University Press,.
- Hee, O. C., & Jing, K. R. (2018). The Influence of Human Resource Management Practices on Employee Performance in the Manufacturing Sector in Malaysia. *International Journal of Human Resource Studies*, 8(2), pp. 129. <https://doi.org/10.5296/ijhrs.v8i2.12826>

- Hirt, F. (2011). *Business: A Changing World*. (8 ed.). (n. Edition., Ed.) Mc Graw-Hill.
- Ivancevich, J. (2007). *Human Resource Management* (10th Edn.); Tata Mcgraw-Hill Publishing Company Limited; New Delhi
- Jackson, A. . (2007). *Principles of Management*. New York: McGraw Hill.
- Jibrin-Bida, M., Abdul-Majid, A., & Iyanda-Ismail, A. (2016). Determinants Of Employee Performance In Embryonic Economy . *Journal of Studia Ubb Negotia*, Vol. 61. No.4 PP.137-148
- Jonker, J. & Pennink, B. (2010). *The Essence of Research Methodology: A Concise Guide to Master and PHD Students in Management Science*. New York: Springer
- Judge, L. & . (2007). *Management Practice*. New York: Palgrave Macmillan.
- Karnataka, M. (2016). The Effect of Training on Employee Performance *Ramya International Journal Of Scientific Research And Modern Education (Ijsrme)*, Volume 1(1), PP 695-705
- Katou, A.A., & Budhwar, P.S. (2006). Human resource management systems and organisational performance: A test of a mediating model in the Greek manufacturing context, *International Journal of Human Resource Management*, 17, 1223-1253.
- Khan, M. & Jabbar, M. (2013). Determinants Of Employees Performance in Corporate Sector: Case of an Emerging Market *Journal Business and Management Research* Vol 2(3), PP 25-30
- Khan, M. A., (2010): “Effects of Human Resource Management Practices on Organizational Performance – An Empirical Study of Oil and Gas Industry in Pakistan”, *European Journal of Economics, Finance and Administrative Sciences*.
- Kitongu, M., Kingi, W. & Uzel, M. (2016). Determinants Of Employees’ Performance Of State Parastatals In Kenya :A Case Of Kenya Ports Authority ; *International Journal Of Humanities And Social Science* , Vol 6(10), PP 198-201
- Kothari, R. (2004). *Research Methodology: Methods and Techniques* (2nd edn). New Delhi: New Age International publishers
- Krishna, D. (2014). A Study of Impact on Performance Appraisal on Employee’s Engagement in an Organization. *International Journal of Managerial Studies and Research (IJMSR)*

- Lado, A.A. & Wilson, M.C. (1994). Human resource systems and sustained competitive advantage: a competency-based perspective. *Academy of Management Review*, 19, 4, 699 – 727
- Lake, S. (2000). Low Cost Strategies for Employee Retention: Compensation and *Benefits Review*. 32(4),65-72.
- Laurie Mullins (2010). *Management and Organizational behavior* (10th edn).
- Lawrence. (2010). *Business week*. Chicago, US: Unproductive slam man.
- Lepak, D., Bartol, K., &Erhardt, N. (2005). A contingency framework for the delivery of HR practices. *Human Resource Management Review*, 15, 139-159.
- LUIS R. Gomez-Mejia, D. B. (2012). *Managing Human Resources* (7th edn). New Jersey: Pearson Education Inc.
- Mamoria, C. B. (2004). *Personnel Management*. Mumbai:: Himalaya Publishing House.
- Martyn, D. (2012). *Ground Rules for Good Research*. Philadelphia: Open University Press.
- Mello JA (2005). *Strategic Human Resource Management* (2nd ed.). South-Western College
- Montgomery, S. (1998). Implications of the severity of social phobia. *Journal of Affective Disorders*, 50(1),
- Paul, A. K. and Anantharaman, R. N. (2003) Impact of people management practices on organizational performance, *International Journal of Human Resource Management* 14, 1246–1266.
- Pfeffer, J. (1994). *Competitive advantage through people*. Boston: Harvard Business School Press.
- Priyadarshini, R. R., &Venkatapathy, R. (2005). Performance and HRD: A Study among Various Types of Banks. *South Asia Journal of Management*, 12(3).
- Purcell, J. (2003). *Understanding the People and Performance Link, Unlocking the Black Box* (CIPD).
- Rajput, A., Bakar, A. H. A., and Ahmad, M. S. (2011). “Motivators Used by Foreign and Local Banks in Pakistan, A Comparative Analysis” *Journal of Academic Research* Vol. 3, No. 2

- Samuel, Ajiri Peter (2021). Effects of Human Resources Training and Development on Organizational Performance in Nigeria; *International Journal of Innovative Social Sciences & Humanities Research* 9(2):131-138
- Sari, F.O. (2009). Effects of employee trainings on the occupational safety and health in accommodation sector. *Procedia Soc. Behav. Sci.*, 1: 1865-1870
- Schuler, R., & Jackson, S. (2007). Linking competitive strategies and human resource management practices. *Academy of Management Executive*, 1(3), 207-229.
- Shahzad, K., Bashir, S., & Ramay, M.I. (2008), 'Impact of HR Practices on Perceived Performance of University Teachers in Pakistan', *International Review of Business Research Papers*, Vol.4, No.2, pp.302-315
- Sharma, M. S., & Sharma, M. V. (2014). Employee Engagement to Enhance Productivity in Current Scenario. *International Journal of Commerce, Business and Management*, 3(4), 595-604.
- Tessema, M. and Soeters, J. (2006). Challenges and prospects of HRM in developing countries: testing the HRM performance link in Eritrean civil service, *International Journal of Human Resource Management*, 17(1),86-105.

QUESTIONNAIRE

St MERRY UNIVERSITY

DEPARTMENT OF BUSINESS ADMINISTRATION

Dear respondent

I am post graduate students in St merry University, Department of Business Administration. Currently, I am conducting research on the title “**Effect of Human resource management practice on employee’s productivity**” as a partial fulfillment of the requirements of Master of Business Administration. The survey questionnaires are designed to collect information on human resource management practice on employee’s productivity of Zemen Bank. As your responses to the statements below are of great importance to my project work, I kindly request you to answer the questions carefully and genuinely. This information was be used only for academic purpose and your responses was be treated confidential.

Section I: Demographic Information

1. Gender:

Male Female

2. Which of the following age categories describes you?

Under 25 35-44

25-34 45-54

55 and above

3. Number of years you have worked for Your organization (in years):

Less than 1 4-6

2-4 above 6years or more

4. Educational Qualification:

1. High school graduate 3. BA/BSc Degree

2. College Diploma

4. Master's Degree and Above

Other (please state _____)

Section II: Questions related to Human resource management practice and employee's productivity

1. The organization's human resource requirements are systematically ascertained and an appropriate plan is formulated for satisfying the requirements (*Please tick*)

1. Fully Disagree 3. Neither agree nor disagree 5. Fully Agree
2. Partially Disagree 4. Agree

2. The organization has a wide network of computerized human resource information system with the latest software

1. Fully Disagree 3. Neither agree nor disagree 5. Fully Agree
2. Partially Disagree 4. Agree

Please indicate your level of agreement with the statements. The scale is measured as 1(Strongly Disagree), 2(Disagree),3 (Neutral), 4 (Agree), 5 (strongly Agree)

EMPLOYEES PRODUCTIVITY

No	Statement	1	2	3	4	5
1	I offer timely help to customers without being asked					
2	Because of Good HRM Practice in the organization I am quick to solve problems before things go wrong					
3	Efficiency (performing or functioning in the best possible manner) of employees ensures high performance in achieving the mission vision and goal of the organization					
4	Effective (Producing the intended or expected result) employees have lead to low customer complaints by doing the right things					
5	I communicate well with colleagues and customers					
6	The bank 's profitability has increased for the last five years due to employees 'productivity					

HUMAN RESOURCE MANAGMENT (HRM) PRACTICES

No	Item	5	4	3	2	1
Training						
1	Our organization conducts extensive training programs for its employees in all aspects of quality					
2	Employees in each job was normally go through training programs every year					
3	Training needs are identified through a formal performance appraisal mechanism					
4	There are formal training programs to teach new					

	employees the skills they need to perform their jobs					
5	New knowledge and skills are imparted to employees periodically to work in teams					
6	Training needs identified are realistic, useful and based on the business strategy of the organization					
Performance Appraisal						
1	Performance of the employees is measured on the basis of objective quantifiable results					
2	Appraisal system in our organization is growth and development oriented					
3	Employees are provided performance based feedback and counseling					
4	Employees have faith in the performance appraisal System					
5	Appraisal system has a strong influence on individual and team behavior					
6	The appraisal data is used for making decisions like job rotation, training and compensation					
Career Planning						
1	Individuals in this organization have clear career paths.					
2	Employee's career aspirations within the organization are known by his/ her immediate superior.					
3	Employees in our organization have more than one potential position for promotion.					
4	Individual and organization growth needs are matched in this organization					
5	Our organization plans for the career and development of employees					
6	Our organization prefers an internal employee whenever a vacancy exists					

7	Each employee is aware of his/her career path in the organization.					
Employee involvement						
1	Employees in this organization are allowed to make decisions related to cost and quality matters					
2	Employees in this organization are asked by their superiors to participate in operations related decisions					
3	Employees are provided opportunity to suggest improvements in the way things are done here					
Compensation						
1	Job performance is an important factor in determining the incentive compensation of employees					
2	In our organization, salary and other benefits are comparable to the market.					
3	In our organization, compensation is decided on the basis of competence or ability of the employee					
4	The compensation for all employees is directly linked to his/her performance.					
5	In our organization, profit sharing is used as a mechanism to reward higher performance					

Thank you again for your cooperation!