

# Developing Organization using HRM Practices on Employee's Performance: An Empirical Analysis among Private Bank Employees in Tiruchirappalli

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## ABSTRACT

For retaining the human resources within the organizations, the firms have to encompass their employee force, since the workforce is considered to be the important source for attaining the competitive gain. The aim of the study is to identify the factors related with employee performance that are affected by the practices of HRM through varied dimensions. Further, the study has attempted to propose a model regarding the practices of HR that can be utilized to test and improve the employee performance. Data was collected from the employees working in private banks of Tiruchirappalli. The sample size of the study is 131. Questionnaire is the tool used for collecting responses from the employees. Analysis of the collected responses have been done through SPSS. Respondents have been selected through simple random sampling and analysis has been done through regression. The results of analysis reveal that there exists a strong relationship of HRM practices with the employee performance, with reference to the employees of private banks in Tiruchirappalli.

**Keywords--** HRM Practice, Employee Performance, Private Bank

aspects of management position that comprises of HR planning, analysis of the job, recruiting personnel, selecting the personnel, orientation programs, compensation, appraisal given for their performance, training & development and the labor relations. According to Noe et al., (2007), Human Resource Management refers to the combination of systems, practices and policies which affect the behavior of the employees, their attitude as well as performance.

Many outcomes of performance have been measured. From among several performance criteria examined, employee performance was found to be the highly examined performance outcome, which is mostly investigated in several studies by examining the practices of HR and the employee performance and several other studies had concentrated over the productivity gains as a consequence of incentive plans and compensation.

The term employee performance has been defined as the best possible way in which an individual performs his/her job-related duties as well as responsibilities. Several organizations evaluate the performance of their employees on quarterly or yearly basis for defining specific areas which require improvement and for encouraging more success in certain areas which exceed expectations. Some of the examples of performance criteria may include problem-solving, teamwork, job knowledge, communication, resiliency, progress & growth, execution & organization and quality of work. If the firms desire to accomplish best outcomes, they should avoid negative feedbacks and focus more on the future capabilities of the employees.

## I. INTRODUCTION

The practices of HRM like performance appraisal, work environment, training & development, recruitment & selection and job analysis have got the tendency of enhancing the employee's competence in the context of improving their performance and also interaction with technology & process, relationship amidst the employees within the organizations and the combined effort of such an effective teamwork determine the operational victory (Barney & Wright,1997). For accomplishing optimum results, efficient synergic interactions within the working group is very essential. According to Dessler(2007), HRM means the practices which are involved to carry out HR

## II. PREVIOUS EVIDENCE

Several studies had been done regarding the dimensions of HRM Practice like attitude as done by Mahendiran. A.& Priya. R. (2019); Mahendiran. A., &

Priya. R. (2021a);Mahendiran. A. & Priya. R. (2021b), Work environment of employees as done by Shyni. P.& Priya. R. (2020a), Job Performance as done by Shyni. P. & Priya. R. (2021), Job satisfaction as stated by the study of Chandrakala& Priya, (2022); Priya. R. & Rajendran, R. (2018), Stress in the study done by Priya. R. (2017); Priya, R.& Rajendran. R. (2015) and the Lean management as examined and studied by Madhu. T. & Priya. R. (2020a); Madhu. T. & Priya. R. (2020b), Recruitment as explored by the study of Sheik Asarudeen. S. & Priya. R. (2013), Compensation Management as in the study of Priya. R. & Rajkumar. R. 2018), Quality of Work Life as per the studies of Shyni. P.& Priya. R. (2020b)

### III. STATEMENT OF THE PROBLEM

Examination of the practices of HR and the employee retention with respect to Black Box issue continues to be uninvestigated. But, the current study has made an attempt to shed lights over the relationship of HRM practices with the employee performance.

### IV. NEED FOR THE STUDY

Though many prior studies had been done to examine organizational performance and investment in the practices of HRM, however, not many studies had been done to establish or develop the relationship of HRM practices with the firm performance. The current study has been done in the context of the bank sector in Tiruchirappalli for knowing the major HR practices which prevail in Banks of private sector.

### V. OBJECTIVES

The study presented here has got the aim to examine and assess the relationship of HRM practices with the employee performance.

### VI. REVIEW OF LITERATURE

Alsafadi, Yousef and Altahat, Shadi (2021) had done a study to examine the effect of the practices of HRM to improve the employee performance. The authors had done the study to hypothesize the effect of HRMP over the EP, further, this effect was theorized with the mediation of job satisfaction and moderation of employee engagement. Data for the study was collected with the help of questionnaires and the respondents were the employees of commercial banks of Jordan. The sample size was 480 and analysis was done through AMOS. v. 24, CFA, path analysis and SEM. Findings of the study revealed that the practices of human resource management positively

affected the employee performance through job satisfaction and its elements. The findings also confirmed the mediating role of job satisfaction and moderating role of employee engagement. Authors had proved the significant role played by employee engagement and job satisfaction to accomplish the goals of human resource performance.

Yadav, Megha et al., (2022) performed a study to identify the factors of employee performance which were affected by the practices of HRM through varied elements. Further, the authors had proposed a model in the field of HR practices which can be used to test and improve the employee performances. The employees taken into consideration were the employees of universities. For studying the relationship of the variables of HRM practices and the employee performance, an integrated model had been framed by the authors. The respondents were the academicians and the professionals in universities and the size of the sample was 281. Validation of the relationship as hypothesized was done through PLS-SEM. The outcomes of analysis explained a very strong relationship of the HRM practices with the employee performance with reference to the employees of universities.

Hubais, Ali et al., (2023) had done the study to explore the effect of HRM practices over the employee performance. The study was done with reference to Ministry of Agriculture & Fisheries, Oman. The authors had also examined the role of organizational justice as a moderator in the relationship of the study variables. The study hypothesized that the practices of HRM had a direct and positive effect over the employee performance and it was also explored that organizational justice moderated the relationship of HRM practices with the employee performance. The tool used for data collection was questionnaire and the respondents were the employees of the Ministry of Agriculture & Fisheries Wealth of Oman. The sample size was 387. PLS-SEM and SPSS v23 were implemented to analyze the data. Findings revealed that the practices of HRM had a positive effect over the employee performance. It was also proved that organizational justice played the role of a moderator.

### VII. RESEARCH METHODOLOGY

The study has been conducted with reference to the employees of private sector banks of Trichy. Survey has been done to collect data and the sample population comprised of 131 respondents who have been selected through simple random sampling. Multiple regression has been employed for analysis of the data. 5-point Likert scale has been adopted for determining the individual responses of the employees towards the practices of HRM.

### VIII. ANALYSIS AND INTERPRETATION

**Table 1:** Influence of Recruitment on employee’s performance  
 Model Summary

R	R Square	Adjusted R Square	F	P-Value
0.992(a)	0.983	0.983	1881.996	0.000(a)

**H<sub>0</sub>1: There is no Influence of Recruitment on employee’s performance**

Above table No. 1, presents the Multiple Correlation squared [ $R^2=0.983$ ], the amount of variance in

the outcome which is accounted for by the predictors; here, 98.3%. The Model summary table, reveals that our model's  $R^2$  is extensively different from zero,  $F = 1881.996$ ,  $p < 0.000$ . Hence,  $H_01$  is rejected.

**Table 2:** Influence of Training on employee’s performance  
 Model Summary

R	R Square	Adjusted R Square	F	P-Value
0.995(a)	0.990	0.990	4784.187	0.000(a)

**H<sub>0</sub>2: There is no influence of Training on employee’s performance**

Above table No. 2, reveals the Multiple Correlation squared [ $R^2=0.990$ ], the amount of variance in

the outcome which is accounted for by the predictors; here, 99%. The Model summary table, shows that our model's  $R^2$  is extensively different from zero,  $F = 4784.187$ ,  $p < 0.000$ . Hence,  $H_02$  is rejected.

**Table 3:** Influence of Job Appraisal on employee’s performance  
 Model Summary

R	R Square	Adjusted R Square	F	P-Value
0.904(a)	0.818	0.812	143.695	0.000(a)

**H<sub>0</sub>3: There is no influence of Job Appraisal on employee’s performance**

Above table No. 3, reveals the Multiple Correlation squared [ $R^2=0.818$ ], the amount of variance in the outcome which is accounted for by the predictors; here, 81.8%. The Model summary table, shows that our model's  $R^2$  is extensively different from zero,  $F = 143.695$ ,  $p < 0.000$ . Hence,  $H_03$  is rejected.

The findings supported the conceptual model of the employee’s performance highly predicted by Recruitment, Training and Job Appraisal, Salary.

### IX. CONCLUSION

Varied forms of work environment need different forms of HRM practice to deal with the employee

performance. In the present research study, focus has been given to four main variables namely, training, job appraisal and recruitment. The effect of these variables over the employee performance has been examined, with reference to the private sector banks of Tiruchirappalli in Tamilnadu, India. The study has employed regression to analyze the relationship of every variable with the employee performance. The responses from 131 private bank employees of Tiruchirappalli supported the conceptual model regarding the performance of the employees being strongly predicted by Training, Job Appraisal and Recruitment.

#### Limitation

Though several researchers possess a proper and rational literature support regarding the techniques adopted in the present research, all the tools of statistical analysis are observed to be specific to the sample size. In other words, the outcomes have got the tendency to get varied with a bigger sample size.

#### Future Scope

It is suggested that in future, comparative study can be done amidst two areas or even two states on a wider scale.

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