

HRM Practices and Its Impact on Employee Satisfaction

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Abstract: Companies that perform well with respect to sustainability have a clear strategy which guides their sustainability activities. The relationship between sustainability and business strategy is clearly expressed. Human resource management plays a critical role in supporting the organizations to improve effectiveness, to manage corporate governance and ethical issues beyond economic performance. In Human resource management, sustainability is used, to refer to human resources, which foster a conducive working environment and positive human and social outcomes without focusing on financial strategies and results. The current study focuses on the study of impact of HRM practices on employee satisfaction. This study conducted with 100 employees from manufacturing sectors in Nagpur Maharashtra. HRM practices such as Training and Development, Performance Appraisal, Compensation and benefits practices as well as reward and recognition practices. Descriptive analysis was conducted with help of statistical tools correlation and Regression analysis. Results shows that HRM practices like compensation, performance appraisal and rewards and recognition have greater impact on employee satisfaction while training and development practices has lower effect on employee satisfaction.

Keywords: HRM Practices, Employee Satisfaction, Sustainability, employee performance and work environment.

1. Introduction

Companies that perform well with respect to sustainability have a clear strategy which guides their sustainability activities. The relationship between sustainability and business strategy is clearly expressed. Human resource management plays a critical role in supporting the organizations to improve effectiveness, to manage corporate governance and ethical issues beyond economic performance. In Human resource management, sustainability is used, to refer to human resources, which foster a conducive working environment and positive human and social outcomes without focusing on financial strategies and results. (MURPHY, 2019)

Organizations are under constant pressure to improve their performance and ensure development. To achieve these primary objectives, organizations are creating new policies and plans. Human resource functions are responsible for designing and managing talent management process. Talent management plays an important role in organizational sustainability process and practices. Creating a workplace which is safe, stimulating and enjoyable is the key to obtain desired performance from the employees (Cherif, 2020). Safe, stimulating and employee engagements practices are responsible for creating a desired company culture. Trust, fairness, respect, integrity and teamwork are crucial for healthy work culture. Such culture helps in attracting and retaining the key talents in the organizations (Ostroff, 2000)

A skilled, knowledgeable and competent workforce is the driving force of every organization. Organizational achievements depend on the skilled resources available with them. However, another factor which helps to drive employee in desired direction is, 'Employee satisfaction or Job satisfaction'. This research focuses on various organizational practices and their impact on employee satisfaction. In this research employees from manufacturing sectors were surveyed, to study the impact of HRM practices on employee satisfaction.

Employee Satisfaction:

Human resource management (HRM) is the epicentre of every organization. HRM functions in the organization aims at providing support to the organization to fulfil its various objectives, like developing business, infrastructural changes, improve business process or increase knowledge and promote innovation (SHRM.org, 2020). Since the inception of organizational human resources, HRM practices have aimed at the acquisition, development, and motivation of employees as a key to attaining sustainable performance. These practices have deep impact on employee satisfaction.

Employee satisfaction is a broad term used by the HR industry to describe how satisfied employees are with elements like their jobs, their employment experience, and the organizations they work for. Employee satisfaction is one key metric that can help determine the overall health of an organization, which is why many organizations employ regular surveys to measure employee satisfaction and track satisfaction trends over time. A high satisfaction level indicates that employees are happy with how their employer treats them. (bambooHR). According to (Anil, (January - June 2013), p. 12), indicators of effective HRM outcomes include: Employee Satisfaction, Employee Motivation, Employee Trust, Employee Commitment and Employee Loyalty. Hence, the organization should be able to maintain culture and environment that helps employees stay satisfied, motivated and committed. (Dr. Vaishali Sharma, 2018)

There are lot of evidences which predicts the relationship between HRM practices and employee satisfaction. HR practices are critical in execution of effective training to the employees, enhancing their inspiration through compelling reward strategies and reinforcing the enrolment and determination process (Mehwish Jawaad, 2019). Although research work between HRM practices and employee satisfaction differ on parameters, the paradigms of research in terms of rules of interpretations are not established. The term employee satisfaction and HRM practices have been treated differently by different researchers. (Cherif, 2020)

1. Following are the key Human Resource Management practices followed by the organizations

A. Human Resource Planning- Effective management of human resources enable organizations to meet their current and future demands of the talent. It also helps in anticipating and developing valuable skill for the organization which help to maintain the balance of staff in terms of available skill- sets and number of personnel (Goddard, 2020)

B. Recruitment and Selection- Recruitment is the key responsibility of the HR Department. It focuses on attracting the best talent for the organization for a job role. Selection is the process of identifying and selecting the right candidate for the job. The contributions of each employee play a pivotal role in the sustenance and growth of a business. This function reflects the organization's professionalism and maturity. (Empxtrack, 2013)

C. Training and Development- Employee development is universally recognized as strategic tool for an organization's continuous growth and productivity, and ability to retain valuable employees. If organizations neglect certain challenges, then the employee development process will be cumbersome for the organization. (SHRM.org, Developing Employees)

D. Performance Management – Companies can inspire, monitor and manage employees with the help of right performance management process, tools and approaches. An effective performance management process needs commitment and dedication from human resource management department, managers and employees. Performance management help in boosting employee engagement and productivity. It helps in creating employee development strategies. (Hearn, 2018)

E. Compensation Management- Compensation is a systematic approach. It provides monetary value to employees in exchange for their services. Compensation may achieve several purposes assisting in recruitment, job performance, and job satisfaction. An ideal compensation management system will help you significantly boost the performance of your employees and create a more engaged workforce that's willing to go the extra mile for your organization (B .Chandra Mohan Patnaik, 2012)

F. Reward and Recognition- Employee recognition is as much an organizational management issue as it is one related to the basic needs of individuals. Employee recognition helps organization to motivate and retain employees. Motivated employees help organization to achieve new heights.

1.1. Problem Statement

The existing theories focuses on various HRM practices responsible for employee satisfaction. Hygiene factors, growth, expectation, motivation is important to be considered while doing the research. Various studies show the relationship of these factors on employee satisfaction. Organizations are focusing on various HRM practices in the organization but it is observed that many organizations fail to satisfy need of their employees which result in low morale and employee dissatisfaction. Addressing their needs is primary responsibility of the management. HRM practices should be developed such that employee's need are well addressed so as to develop a competent and competitive workforce. Hence it is important to understand which HRM practices has major impact on employee satisfaction.

Review of Literature:

Human resource management is correlated positively with employee job satisfaction and organizational commitment. On the other hand, employee job satisfaction was found to be positively correlated with

organizational commitment (Cherif, 2020). However, HRM practices such as career advancement, employee participation, job security, performance feedback, rewards and recognition, training and development are the significant predictors of employee engagement (Alima Aktar, 9 July 2018). It is observed through research that high level commitment of HR Department towards practices related to recruitment and selection, Rewards and Recognition and work environment have direct impact on organizational commitment level, possess by the individual (Mehwish Jawaad A. A., 2019).

HR practices shape the skills, attitudes, and behaviour of an organization's workforce, and these skills, attitudes, and behaviour in turn influence organizational behaviour and HR practices can have a direct impact on firm performance by creating structural and operational efficiencies. In this research the researcher integrates the 3 primary streams of research—individual-level, organization-level, and cross- or multilevel approaches—into a cohesive multilevel framework. Further this research reveals, how climate contracts guide the behaviour and attitude of the workforce and performance of the organization (Ostroff, 2000).

HRM Practices have deep impact on workplace trust, job satisfaction, commitment, effort and perceived organizational performance. In this article the researcher develops a theoretical model and tested it using the data collected through postal survey. The result derived support the hypothesis that HR practices are powerful predictor of trust and organizational performance. (Gould-Williams, 24 Jun 2010). HRM practices define in the article emphasis on association of human resource management and performance with effectiveness of HRM practices. In this article perspective of stakeholders are taken in to consideration for testing of hypothesis. Hypothesis was HR effectiveness of senior line managers will be more strongly associated with the outcomes than those of HR managers. Bowen and Ostroff's concept of consensus is use for building another hypothesis as shared perception of (high) effectiveness will be associated with higher performance. In this research, researcher used 237 pairs of senior line managers and HR managers. The analysis confirms the association on of HR practices and performance outcome. This study confirms the

The expansion of industries and innovative HR practices trigger the interest of researcher in the field of HR. Researchers are inclined towards studying effectiveness of HR practices in organizations. In this research, study was conducted in a Malaysian telecom major. The aim of the study is to identify the impact of HR practices (Training, Compensation and employee participation) on employee performance. Research also focus on the impact these dimensions on employee job satisfaction. Total 162 organizations like Dutch home care, nursing care and care homes participated in the research. The clients were surveyed using the client quality index using stratified sampling method. Result analysis shows that the impact of HR practices on HR outcomes have larger outcome than financial outcome (Brenda Vermeeren, 2014)

Identifying the right match for the job is very important for the organizations. Human resource practices like manpower planning, recruitment and selection, performance management etc. play very important aligning the job with the organization requirement. HR practices identify and develop the talent as per the need of the organization; thus, they have great impact on employee satisfaction. Few researches focus on perception and interpretation of employees about the HR practices of the organizations. It is important to study what employees perceive about person – organization fit and person – job fit. Researcher study the relationship between strategic HRM and personal environment fit literature. It is also aim at finding out role of personal – organizational fit and person -job fit have any impact on employee's perception of HRM practices. From the analysis of responses collected from 412 employees, it is observed that person-organization fit and person- job fit affect relationship between perceived HRM practices and employee outcomes (Corine Boon, 2011).

Employee relations are crucial for organizational success. Trust in the management is important. The study on impact of trust in the management on employee attitude reveals that trust is the moderator in the relationship between HRM practices and employee attitude. The study adopted structural equation modelling to understand the relationship with HR system and also focus on whether this relationship varies according specific practice. Sample of 9000 employees from Italian organizations were use in this study. AMO approach were used to assess relationship on HR practices. These practices include, increasing the ability (performance), motivation and employee progress by providing opportunities. The result confirms that moderation with HRM practices. The effect varies depending on the set (bundle) of practices. Motivational practices are more significant than other practices in changing attitude of the employees (Peluso, 12 November 2010). Trust in management defines the attitude of employees towards management decisions and various practices adopted by them. This attitude also impacts the level of satisfaction among the employees.

If employees have the trust in the management then definitely it influences their behaviour in organizations. Perception of stimulus behaviour of individual. Employee perception towards human resource management practices and well-being at work is another area of research. In this research the researcher used survey method to study a perception of 856 police officers. The perception towards five measure HRM practices (Training, communication, performance appraisal, health, promotion and opportunity to participate)

and well-being at work were measured using Warr's perspective (1990). The result depicts a significant positive correlation, between HRM practices comfort, enthusiasm, affective well-being at work. On the other hand, result reveals negative correlation between perception of HRM practices, depression and anxiety. This study reinforces the assumption that the organizational variables have a potential impact on, and should be included in, the models of well-being and interventions at work (Gonçalves, 2012).

The various literature study shows that employee satisfaction has the correlation with HRM practices. These studies focused on various factors like training, performance appraisal, recognition, motivation etc. In one of the study on HRM practices and employee satisfaction done in micro financial banks in Nigeria reveals that sound human resource practices can enable MFBs satisfy their employees and sustain competitive advantage. In this study the researcher used purposive sampling technique, in which 60 senior employees of 10 microfinance bank of Nigeria were used for the study. The data was analysed by using ANOVA, Pearson correlation, and multiple regression technique. The results show positive association HRM practices and employee satisfaction. This study concludes that HRM practices are the tools used by the various organizations to get best performance from the employees. It recommends that to be competitive organization must consider various stakeholders involved in the organizations and ensure their satisfaction by implementing sound HRM practices. (Chijioke Esogwa Nwachukwu, 2017).

In another study of how HRM practices influence employee satisfaction and employee retention in Thai hotel industry, research studied how HRM practices contributes to organizational success. The objective of the study is to evaluate impact of soft HRM practices on employee job satisfaction and job retention. It focuses on soft HRM practices which are based on the theories of commitment and motivation. A quantitative approach is use to assess soft HRM practices which refers to relations between staff and hotel organizations. Data is analysed with the help of multiple regression analysis. Study reveals that employee satisfaction is related to quality of work life, good relationship style, regular training, leadership style, job security, employer brand and personal traits of the employees are more important. Equality is important factor for intrinsic and extrinsic motivation of the employees (Ashton, 2017).

Intrinsic and extrinsic motivational practices have deep sited impact on employee satisfaction and retention. Motivated employees have positive outlook towards organization which enhance their performance. Increased performance result in competitive advantage of the organization. A study was conducted in Saudi Ports which is facing challenges from different seaports. It includes the challenges of over stocking of Cargo Field which result in low performance of the employees. Researcher tries to analyse whether the root of this problem is based on the HRM practices like training and development, reward, job analysis, social support and recruitment and selection, employee relationship and empowerment. The study focuses on exploring impact of HRM practices on the employee performance, to solve the current problem. It analyses data of 367 Saudi port employees. The research reveals positive significant relation between HRM practices and employee performance. It also reveals positive relationship between HRM practices and employee satisfaction (Mira, 2019).

A study from Saudi Arabian bank investigates the role of HRM practices on employee satisfaction in predicting organizational commitment. In this research data was collected through survey method. Independent variables were employee satisfaction and HRM practices and dependent variable is organizational commitment. This research reveals that HRM and practices has positive correlation with job satisfaction and organizational commitment. While job satisfaction has positive correlation with organizational commitment. Both the individual independent variables made a significant contribution in organization commitment. (Cherif F., 2020)

Problem Statement:

The existing theories focuses on various HRM practices responsible for employee satisfaction. Hygiene factors, growth, expectation, motivation is important to be considered while doing the research. Various studies show the relationship of these factors on employee satisfaction. Organizations are focusing on various HRM practices in the organization but it is observed that many organizations fail to satisfy need of their employees which result in low morale and employee dissatisfaction. Addressing their needs is primary responsibility of the management. HRM practices should be developed such that employee's need are well addressed so as to develop a competent and competitive workforce. Hence it is important to understand which HRM practices has major impact on employee satisfaction.

1.2. Purpose of the research

HRM activities help sight, acquire and develop the skills and abilities from various of its working employees to attain the desired organizational goals while, employees, through these activities get their dues in the form of years of industrial and Professional Experience, Remuneration, Recognition, Career Advancement, etc. So, these HRM activities need to be effective enough for the organization and its employees respectively to

attain the above-mentioned attributes. If the employees of an organization are able to receive the desired benefits through these HRM activities, the employees will continue to be fully satisfied.

Hence, we can say that, Employee Satisfaction is one of the indicators of effective HRM activities prevailing in the organization. Employee Satisfaction is one such element that can help determine the overall health of the organization. Hence, improving and maintaining the level of employee satisfaction in the organization is crucial

With the effect of factors such as technology and communication, a continuous change and renewal steps are taken in organization to improve HRM practices. The basic objectives of research is to find out the factors which impact employee satisfaction. The purpose of current study is to analyse relationship of human resource practices, training and development, performance management system compensation, reward – recognition practices of organization on employee job satisfaction.

1.3. Research Problem

Manufacturing is one of the biggest sector in every country, millions of employees are working in several units. Current study examines various HRM practices and focus on addressing the relationship of these practices with employee satisfaction in manufacturing sector. In these companies such practices have direct impact on increased absenteeism, high turnover, poor quality of work etc. which directly impart employee satisfaction. The current research try to inspect various HRM practices and their influence on employees.

2. Method

A Descriptive research was incorporated to determine the exact impact and relationship between the effectiveness of HR practices and employee satisfaction. Both primary and secondary data were used for gathering project related information.

2.1. Participants

Sample Size and Technique- Data was collected through survey method by using google forms. 160 employees from five different companies of Nagpur, Maharashtra, were randomly selected for this research. These companies include 5 companies from manufacturing sector who manufactures Pet bottles, belts and hoses, water tank, wrappers for packaging food products. 117 employees respond to the questionnaire. Out of which 17 responses were incomplete. Hence for the research data from 100 responded were analyzed.

2.2. Data Collection Tools

Primary Data was collected through survey method, with the help of structured questionnaire, designed, using Google Form. The link of google form was circulated among employees with the help of administrative department of the organization. Secondary Data was collected by referring online websites, journals, articles, research papers, etc. regarding Effectiveness and Impact of RM activities on level of Employee Satisfaction.

2.3. Analysis of Data

Statistical Techniques and Tests: Collected data was analyzed by using Pearson’s Correlation Coefficients, Descriptive Statistics (Mean, Standard deviation) and Regression Analysis with the help Excel application.

3. Findings

These demographic factors provide data regarding research respondents and are required for the determination of whether the individuals in a particular study are a representative sample of the target population for generalization purposes.

The current study focuses on knowing what level of employee satisfaction and effectiveness of HRM practices prevails in the selected organization. The target of knowing the level of employee satisfaction age wise, Gender wise, department wise, etc. was already decided. Hence, it was important to collect the demographic data of the research participants.

TABLE NO. 1 DEMOGRAPHICS OF THE SAMPLE

Demographic Variable		Percentage	Cumulative Percentage	Frequency
Gender	Male	86	100%	86

	Female	14		14
Age	Less than 40 years	70	100%	70
	More than 40 years	30		30
Education	10th Grade	2	100%	2
	Diploma/HSC	18		18
	Graduation	50		50
	Post-graduation	30		30
Job Title	Assistant Officer	16	100%	16
	Executive Officer	8		8
	Senior Executive	10		10
	Senior Officer	22		22
	Senior supervisor	2		2
	Deputy Manager	10		10
	Manager	14		14
	Officers	18		18

The above table represent demographic details of respondents. The above data is collected from 100 respondents. Information regarding, Gender, Age, Education and Job Title was collected. According to the information there were total of 86 male and 14 female respondents. Information collected about the age of employees reveals that, 70% of employees were aged below 40 years and the rest 30%, above 40 years.

Education plays an important role in assessing the practices of the organization, 50% i.e. 50 respondents were graduates and remaining 50% had completed 10th grade, Diploma and Post-Graduation 2%, 18% and 30% respectively. The nature of job influences the perception of employees about the effectiveness of HR practices; hence this data is important for the research. According to the data collected 22% respondents were Senior Officer, 18% of respondents were Senior Executives, and 16% of respondents were Assistant managers. Remaining 44% respondents had job titles of Executive, Officer, Manager, and Deputy Manager and Senior Supervisors 14%, 8%, 10%, and 10% and 2% respectively.

TABLE NO.2: TABLE SHOWING MEAN, STANDARD DEVIATION AND LEVEL OF EFFECTIVENESS OF COMPENSATION AND BENEFITS			
PARAMETER	STATEMENT	MEAN	SD
Compensation and Benefit	Compensation Practices	3.46	0.9304
	Motivates employees	2.82	1.0821
	Monitory/non monitory benefits	3.28	0.9674
	Performance based pay	3.46	0.9521

Effectiveness of overall compensation and benefits	3.255	-
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From the above table, following can be inferred:

Table No. 2 clearly shows a medium level of effectiveness for all the statements related to Compensation and Benefits. Means ranged from 2.82 (Q2) to 3.46 (Q1 & Q4). While questions related to employees being paid according to the statutory norms and employees receiving performance-based incentives garnered higher level means of 3.46 each, the question of payment received by employees being an important reason to keep them motivated garnered low-level mean of 2.82. Standard deviations ranged from 1.0821, 0.9674, and 0.9521 to 0.9304.

TABLE NO. 3 MEAN, STANDARD DEVIATION AND LEVEL OF EFFECTIVENESS OF REWARDS & RECOGNITION			
Dimension	Statement	Mean	S.D
Effectiveness of Rewards & Recognition	Praise & Recognition	3.54	1.0730
	Employee Participation	3.68	0.8437
	Reward System	2.4	1.2121
	Employee Suggestions	2.66	1.022
Effectiveness of Overall Rewards & Recognition		3.07	-

From the above table, following can be inferred: Table No.3 has clearly shown a medium level of effectiveness for all the statements related to Rewards & Recognition. Means ranged from 2.4 (Statement 3) to 3.68 (Statement 2). While statements related to employees receiving praise & recognition from the management and frequency of hearing about recognition in the organization garnered high level means of 3.54 and 3.68 respectively, the other two questions garnered low level means of 2.4 and 2.66 respectively. The standard deviations ranged from 1.2121, 1.0730, and 1.022 to 0.8437. statement getting a standard deviation of 0.8437 garnered a high level of efficiency.

TABLE NO 4- SHOWING EFFECTIVENESS OF OVERALL HRM PRACTICES		
Dimensions	Mean	S.D
Compensation & Benefits	3.255	0.983
Rewards & Recognition	3.07	1.0377
Performance Appraisal	3.25	1.0128
Training and Development	3.665	0.7682
Effectiveness of Overall HRM Practices	3.16	-

Compensation & Benefits: With a Mean of 3.255 and a Standard Deviation of 0.983, Compensation and Benefits garnered a medium level of efficiency.

Rewards & Recognition: With a Mean of 3.07 and a Standard Deviation of 1.0377, Rewards & Recognition garnered a medium level of efficiency.

Performance Appraisal: With a Mean of 3.25 and a Standard Deviation of 1.0128, Performance Appraisal garnered a medium level of efficiency.

Training and Development: With a Mean of 3.665 and a Standard Deviation of 0.7682, Training & Development garnered a high level of efficiency.

Pearson's Correlation Benchmark Value

TABLE NO. 5		
TABLE SHOWING PEARSON'S CORRELATION BENCHMARK VALUES		
Correlation, r		
Strength of Association	Positive	Negative
Small	0.1 to 0.3	-0.1 to -0.3
Medium	0.3 to 0.5	-0.3 to -0.5
Large	0.5 to 1.0	-0.5 to -1.0

H0: There is no significant relationship between Compensation Policies and Employee Satisfaction.

H1: There is a significant relationship between Compensation Policies and Employee Satisfaction.

TABLE NO. 6				
TABLE SHOWING CORRELATION BETWEEN COMPENSATION & BENEFITS AND EMPLOYEE SATISFACTION				
Range This Correlation Falls In	Positive/ Negative	Level	Correlation Value	Statistical Decision
0.3 to 0.5	Positive	Medium	0.3706	H0 Rejected

Pearson's Correlation Regression result shown in Table No.7 indicates that there is a significant relationship between Compensation & Benefits and Employee Satisfaction. There is a positive correlation between Compensation & Benefits and Employee Satisfaction. The r value is 0.3706 hence garnering medium level of correlation between Compensation & Benefits and Employee Satisfaction. With this the Null Hypothesis is rejected and an alternative hypothesis is accepted.

H0: There is no significant relationship between Rewards & Recognition and Employee Satisfaction

H2: There is a significant relationship between Rewards & Recognition and Employee Satisfaction

TABLE NO. 7				
TABLE SHOWING CORRELATION BETWEEN REWARDS & RECOGNITION AND EMPLOYEE SATISFACTION				
Range This Correlation Falls In	Positive/ Negative	Level	Correlation Value	Statistical Decision
0.1 to 0.3	Positive	Low	0.2959	H0 Accepted

Pearson's Correlation Regression result shown in Table No. 4.16 indicates that there is a significant relationship between Rewards & Recognition and Employee Satisfaction. There is a positive correlation between Rewards & Recognition and Employee Satisfaction. The r value is 0.2959 hence garnering low level of correlation between Rewards and recognition and Employee Satisfaction. With this the Null Hypothesis is accepted and an alternative hypothesis is rejected

Ho: There is no significant impact of HR Practices on the level of employee Satisfaction

H3: There is a significant impact of HR Practices on the level of employee Satisfaction

TABLE NO 8- CORRELATION BETWEEN EMPLOYEE PERFORMANCE APPRAISAL PRACTICES AND EMPLOYEE SATISFACTION				
Range	Positive/ Negative	Level	Correlation Value	Statistical Decision

0.3 to 0.5	Positive	Medium	0.404	H0 Rejected
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Pearson’s Correlation Regression result shown in table no. 4.11 indicates that there is a significant relationship between Performance Appraisal and Employee Satisfaction.

There is a positive correlation between Performance Appraisal and Employee Satisfaction. The r value is 0.40408 hence garnering Medium level of correlation between Performance Appraisal and Employee Satisfaction. With this the Null Hypothesis is rejected and an alternative hypothesis is accepted.

H0: There is no significant relationship between Training and Development Practices and Employee Satisfaction

H4: There is a significant relationship between Training and Development Practices and Employee Satisfaction

Table No 9- Correlation between Training and Development Practices and Employee Satisfaction				
Range	Positive/ Negative	Level	Correlation Value	Statistical Decision
0.3 to 0.5	Positive	Medium	0.4463	H0 Rejected

Pearson’s Correlation Regression result shown in table no. 4.12 indicates that there is a significant relationship between Training & Development and Employee Satisfaction. There is a positive correlation between Training & Development and Employee Satisfaction. The r value is 0.4463 hence garnering low level of correlation between Training & Development and Employee Satisfaction. With this the Null Hypothesis is rejected and an alternative hypothesis is accepted.

TABLE NO. 10							
SIMPLE REGRESSION ANALYSIS FOR EFFECTIVENESS OF HRM PRACTICES ON LEVEL OF EMPLOYEE SATISFACTION							
Independ ent	R	R2	df	F	Beta	t	Statistical Decisio n
Effective ness of HRM	0.738	0.546	49	56.53 1	0.738	8.345	H0 Rejected

Simple linear regression results as shown in table no. 4.11 indicate that effectiveness of overall HRM practices has a significant impact on the overall employees’ satisfaction. The change of one standardized unit of HRM practices will change the employees’ satisfaction by (0.73) standardized unit, as beta value is 0.76 (t=8.345) which reflects the moderate effect of the independent variable on the value of the dependent variable. The R2 value is (0.546), which means that effectiveness of HRM explains 54.6% of the variation in employees’ satisfaction. As a result, the null hypothesis is rejected and an alternative hypothesis is accepted

4. Discussion and Conclusion

The effectiveness of the selected HRM practices was tested on the basis of descriptive statistics (Mean, Standard Deviation) individually, Compensation & Benefits, Rewards & Recognition, fell in the category of Medium level but Training and Development fell under the category of high-level efficiency.

Hypothesis testing for is done with regression analysis and, it was found that the effectiveness of HRM practices will have a significant moderate impact of 0.73 (r), on the overall employees’ satisfaction. The R2 value of 0.54 states that effectiveness of HRM practices will bring 54% of difference/Variation in the overall employees’ satisfaction.

In the other four hypotheses testing it was found that, there was a medium level of significant relationship between Compensation & Benefits, Performance Appraisal, Training and Development and Employees' Satisfaction. There was low level of significant relationship between Rewards & Recognition and Employees' Satisfaction.

It can be concluded that, Employee Satisfaction is one of the important attributes that every organization must pay due attention on. It is important that each and every organization keeps updating and improving its HRM practices at regular intervals so that it cannot only increase the efficiency of its practices but also can be highly competitive and market relevant in the long run. Following this will help an organization in keeping its employees happy and content which will ultimately lead to employee retention and loyalty.

Every organization should keep innovating and trying new ways of improving the level of efficiency and employee satisfaction even if it is practically difficult to know the actual attribute that can keep an employee content. Employee Satisfaction actually is one of the indicators of efficiency of different kinds of functions prevailing in the organization. It has also been proved that if the level of efficiency of all the functions improves, the level of employee satisfaction will also improve.

5. Recommendations

Organizations are under constant pressure to improve their performance and ensure development. To achieve these primary objectives, organizations are creating new policies and plans. Human resource functions are responsible for designing and managing talent management process. Employee Satisfaction is very important for every organization. Organizations should pay due attention to employee's need and focus on satisfying their needs. Organizations should emphasis on providing constructive feedback to the employees. They should get paid on the basis of their contribution. Compensation, Reward and recognition should be based on the employee performance. Organization should develop training and development practices as per the need of organization.

HR practices shape the skills, attitudes, and behaviour of an organization's workforce, and these skills, attitudes, and behaviour in turn influence organizational behaviour and HR practices can have a direct impact on firm performance by creating structural and operational efficiencies HRM practices should aim at reducing employee absenteeism, attrition, and improve the quality of work. Satisfied employees help organization to deliver desired performance to be competitive in business environment.

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