

# Impact of Human Resource Management Practices on Job Satisfaction

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**Abstract:** This study aims to evaluate the human Resource Management Practices (HRMP) towards Employees' Job Satisfaction and to analyze whether the Employees' Perceptions towards organization act as a Mediator to maintain satisfaction among the employees. Therefore, this study could make a vital contribution to extract research in Management and Organization Behaviour. A theoretical framework was proposed within the guidelines of associative exploratory strategy with confirmatory modeling strategy.

**Key Words:** Human Resource Management Practices-Employees' Job Satisfaction.

## I. INTRODUCTION

Human Resource Management Practices (HRMP) refers to the policies and actively involved in the integral management of employees, including Job Analysis, Recruitment, Selection, Orientation, Compensation, Performance Evaluation, Training, Development, and Industrial relations (Alicia Omer, Oct'2017) (Nieto, 2014). Gould-Williams and Davies (2005), defined that Human Resource Management Practices (HRMP) can be classified as Hard and Soft. Hard Practices are to Promote, Control, Supervision, and Constant Monitoring. Whereas soft Practices include Promote employee trust, Commitment, and affective ties with the Organization.

Human Resource Management Practices constitute the visible side of the organizational culture. These practices are measured as they are perceived by the employee, given that the current trend indicates that perceptions of the practices are more important than the written policies themselves. (Alfes et al. 2013). HRM Practices are considered as an essential element such as Training, Compensation, Working Environment and Employees' Security that helps the employees as well as organizations to improve the performance and Productivity (Lee and Lee, 2007). Lee and Heard (2000), Proposed that Human Resource Management Practices are the Organization to maintain itself. It is an essential tool to change the Employee Attitude, Behaviour, and Job Satisfaction, the more important is an organizational Commitment.

Huselid (1995) studied the eleven Practices that are personnel Selection, Performance Appraisal, incentive Compensation, Job Design, Empower of Decision, information Sharing,

Attitude Assessment, Labour Management Participation, Recruitment Efforts, Employee Training & Promotion Criteria. Job related Human Resource Management Practices are Manpower Planning, Job Design, Working Conditions, relations with Co-Workers, Job-Status, Wage, Fringe Benefits, Supervision, Promotional Opportunities, Job Security, Communication, Organizational Structure & Climate, Management Participation, Leadership Style, Autonomy at work, Work-Schedule and Nature of Work, Performance Management, Rewards, and Recognition, etc. (Robbins, 2010).

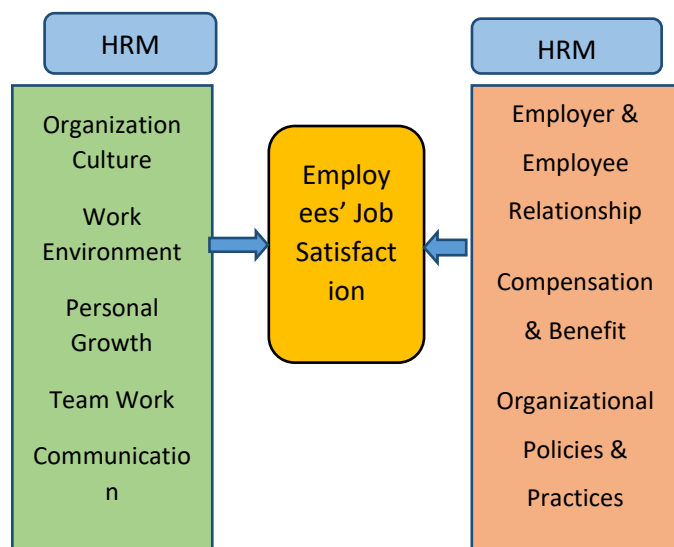
## Employees' Job Satisfaction

Employees' Job Satisfaction depends on many Human Resource factors instead of a single one. It is difficult to estimate because organizational HR Activities are changing continuously, and Job Satisfaction is a person's psychological matter (Mirzanur Rahaman et al., 2012). Job Satisfaction is a pleasurable or positive emotional state resulting from the appraisal of one's Job and Job experiences (Locke et al., 1969). Job Satisfaction depends on many factors like personal, Social- Cultural, Environmental, as well as organizational policies and Practices (Robbins, 2010).

Employee Job Satisfaction is a function of the perceived relationship between what one wants from one's job and what one perceives it as offering (Locke et al., 1969). Job Satisfaction is an attitude that the individual has about their jobs, and it is believed to be a result of the Perception of individuals of their employment (Ivancevich). Job Satisfaction is a prerequisite for employee commitment to the Organization. It is imperative to know the ways the employees are committed to the Organization (Allen & Meyer).

## Theoretical Model of Hrm Practices And Employee's Job Satisfaction

Conceptual model Postulated for relations between Human Resource Management Practices and Employees' Job Satisfaction.



#### *Organization Culture:*

In general, Organization Culture is a system of shared assumptions, values, and beliefs, which governs how people behave in the Organization. These values have a lot of impact on employees in the workplace, how to dress-up, act, and perform their duties in the workplace. The unique culture provides guidelines and limitations to their people's behavior at the workplace. Culture also includes Organization's Vision, Values, Norms, System, Language, Assumptions, Beliefs, and Habits (Needle, 2004). While, organization culture termed as Corporate Culture, Workplace Culture and Business Culture. Work place Culture can be classified as 1. *Person Culture and Market Culture*: Market Culture is a culture to conduct business, treat employees, customers, and wider community are the major aspects. While, Person Culture is a culture which include horizontal structure of an individual to value more than the organization itself. 2. *Adaptive Culture and Adhocracy Culture*: Adaptive Culture allows individual to participate in decision making, developing innovative ideas and personal expressions. On the other hand, Adhocracy Culture is deals with risk-taking, innovation, and doing things first. 3. *Power Culture, Role Culture, and hierarchy Culture*: Power Culture leads to role Culture, Hierarchy Culture in that culture a leader take initiation to take rapid decisions and have control over the strategy of business process. 4. *Task Culture and Clan Culture*: Task Culture are seen in Working Teams; the expert members take decisions to resolve problems at work place. On the other hand, Clan Culture are focusing on Compensation and benefits are important aspects of HRM, and it helps to keep the workforce motivated. It provides benefits to employees based on their performance and actions and brings the best out of the employees at the workplace.

#### *Organizational policies and Practices:*

A policy is a course of action or guidelines to be followed. A set of policies are principles, rules, and conditions formulate

mentoring, nurturing and developing togetherness among the employees.

#### *Work Environment:*

Work Environment is a social place or surrounding conditions in which employee perform their job, this can be involved physical conditions like infrastructure, temperature, equipment, etc., and social interactions include peers, subordinates, managers. A healthy work environment will be free of all the problems at the workplace. A pleasant environment is one of the most essential elements in making people feel good and for our activities to function and develop.

#### *Personal growth:*

Personal growth is an ongoing process of understanding and developing oneself to achieve one's fullest potential. Personal growth or development is an integral part in terms of growth, maturity, success, and happiness. Personal growth and development provide incentives as well as the best possible version of ourselves.

#### *Team Work:*

Teamwork is not the personalities, attitudes, or behavioral styles of team members, but enabling conditions- a compelling direction, a strong structure, and a supportive context- continue to be particularly critical to team success (J. Richard Hackman).

#### *Workplace Communication:*

Communication is one of the critical concerns of the workplace. Creating and maintaining a positive work environment is what means effective workplace communication. Exchanging information and ideas within an organization is called workplace communication. Communication in the workplace defines organizational goals and helps co-worker's collaboration.

#### *Employer and Employee Relationship:*

Employer and employee relationship refers to the relationship between employees in an organization. The relationship can be between anyone in the Organization- between co-workers, employee and his superior, or between two members in the management, etc.

#### *Compensation & Benefits:*

to reach long-term goals of the Organization. Procedures are specific methods employed to express policies in action in daily operations in the Organization.

#### *Work-Life Balance:*

It is a state of equilibrium in which demands of personal life, professional life, and family life are equal. It reduces the stress among employees experience their work, helps to make

a balance between institutional policies, procedures, actions, and expectations.

#### *Career Growth & Development:*

Career growth referred to as Organization's lattice at their job. It contains both vertical and lateral movement between jobs in the career path. Career development includes things employees do to enhance or develop employee career; employees need solid credentials to perform their job, and continuously polish and improve their credentials to build their career path.

## II. LITERATURE REVIEW

- *Zia-ul-islam et al (2016)*<sup>1</sup>, in his research study '*The impact of HR Practices on Job Satisfaction: A case Study*' focused on Hotel Industry in Pakistan. This study empirical in nature and he observed that, HRM became a very important and critical for organization. The role cannot be ignored in organizational commitment and development. The study consists of three major areas of HRM that include: Recruitment & Selection, Empowerment & Working Condition and Compensation & Benefit. The researcher collected data from 100 employees through 5 pint Likert Scale Questionnaire by using convenience sampling technique. Data analysed by using Descriptive Statistics, Correlation and ANOVA. From the findings, Compensation have positive effect on Job Satisfaction and Rewards, Promotion, Recruitment & Selection, Working Conditions had negative impact on HRM Practices.
- *Sarba Priya Ray and Ishita Aditya Ray (2011)*, from their study "Human Resource Management Practices and its effect on Employee's Job Satisfaction: A Study on Selected Small and Medium Sized Iron and Steel Firms in India." It is to identified that human resource likely to have a high level of communication with co-workers, employees and outsiders of the organization, involvement in decision making for new idea generation this can leads to employee's job satisfaction. Trust and intrinsic rewards are leads to positive attitudes and organizational commitment. Also, job satisfaction in their work place results employees' job satisfaction to concern with belongingness, reducing boredom and mastering in skills leads to promotions in their career development.
- *Abdifitah hashi Nur et al (2015)*, In their study "*Employee Job Satisfaction and Organizational Performance*" Focuses on employee satisfaction on organizational performance in the higher education sector. The study was empirical in nature and reviewed the issues surrounding the use of employee satisfaction on organizational performance. After an extensive review of literature, a research frame work was developed. The study consists of four variables namely: Rewards, Autonomy, and Social Benefit and Organizational Performance. The researcher used convenient sampling technique to collect 80 survey questionnaires from the respondents.80% of the

questionnaires were returned in person. SPSS-20.0 was used to code the data. Researcher used simple statistics like descriptive statistics, Cronbach Alpha, reliability, validity tests, correlation, and regression analysis to test the hypotheses. From the conclusion it was identified that, rewards are positively significant with organizational performance ( $r=0.647$  &  $p<0.10$ ), the correlation had positive significance with employee autonomy on organizational performance ( $r=0.477$  &  $p<0.10$ ) and social benefit had positive significant relationship with organizational performance ( $r=0.549$  &  $p<0.10$ ).

- *Aleem Hashim, Haider Abbas (2014)*, In their research study, "HRD Climate in Indian Banking Sector" focused on Indian banking environment. This study was empirical in nature and reviewed the issues surrounding the HRD Climate in banking environment. The extensive review of literature developed a model related to HRD Climate in banks. The main purpose of the study is to analyse the HRD Climate in Indian Scenario, Instruments Used in and the process outcomes of the study. They used single cross-sectional descriptive research design for the study, the sample size for the study was 100, adopted convenience sampling method. The data collected through close ended structured questionnaire. SPSS-20.0 was used to code the data. Simple statistical tools like descriptive statistics, simple % analysis, and two independent sample t- test, Cronbach's Alpha were used for analysis. From the conclusion it is indicate that, the excellence is driven by the human capital an organization has. It is important to study the various practices related with human resource development and the efforts of an organization in a given climate which results to an extensive expected outcome. "noted that, human resource development in the organizational context is a process by which the employees of an organization are helped in a continuous, planned way to acquire/ sharpen the capabilities, discover and exploit employees own inner potentialities make good relationship between superior and subordinate, encourage team work, motivate towards achievement of goals."
- *Alicia Omar et al, (2017)*, In their research study "*Impact of Management Practices on Job Satisfaction*" focused on public and private companies based in the city of Rosario, Argentine. This study corresponds to an empirical, quantitative and transversal in nature. The study framed within the guidelines of the associative-explanatory strategy. This study reviews the functional relationship between variables. After an extensive review of literature, a research model was developed. The research consists of two main purposes. 1. To evaluate the effect of five HRM Practices oriented towards results, employees, rigid systems, permanent recruitment of new markets, and open systems on job satisfaction of employees. 2. To analyse whether perceptions of organizational justice act as mediators in such relationship. The sample size was 557 employees selected through simple random sampling technique. Data collected in person. Data

analysed by using SPSS-19.0 package, the EQS 6 program, and the G\* power program was used to code data, Descriptive statistics, correlation and ANOVA were used. From the finding, HRMP generate greatest satisfaction among workers. Perceptions of justice partially mediate the relationship between HRMP and worker satisfaction. "Human resource management practices refers to the policies and actions involved in the integral management of employees, including job analysis, recruitment, selection, orientation, compensation, performance evaluation, training & development and industrial relations."

- *Riaz Ahmed Mangi et al (2011)*, In his research study "A Study of Job Satisfaction among NON PhD Faculty in Universities" focused on the universities of Sindh. The study was comprehending in nature and based on Two Factor theory. The study reviewed the issues surrounding the use of motivators- Advancement, Recognition; and Hygiene-Interpersonal, Policies, Compensation. The main purpose of the study was to identify the impact of motivator, hygiene and demographic factors on job satisfaction of the employees of university. The data collected through structured questionnaire. 81% of the data was reliable for analysis. 83% of the questionnaires were returned in person. Data calculated through frequencies and cross-tabs, and analysed through descriptive statistics and factor analysis. Concluded that, employees are dissatisfied with the job motivator & hygiene factors of satisfaction and opined that the promotion, administration, policies & compensation was significantly dissatisfactory.

### III. RESEARCH METHODOLOGY

- *Purpose of the Study:*

The purpose was to identify the impact of Human Resource Management Practices on Employees' Job Satisfaction. To analyze whether the employee perception towards the organization act as a mediator to maintain satisfaction among the employees.

- *Objectives:*

1. To find out the impact of Human Resource Management Practices on Employees' Job Satisfaction.
2. To describe relationships between Employees' Perception and Job Satisfaction.

- *Significance of the study:*

This study is conducted with a purpose to understand the impact of organizational Human Resource Management Practices on Employees' Job Satisfaction among the Software employees. It is a general observation that software is not getting appropriate considerations in terms of Job Security, Employer, and Employee relationships. They also feel that the policies of their Organization are not in their favour. Through this research, it will be determined that what is the authentic belief of the employees regarding Job Satisfaction.

### IV. CONCLUSION

Job Satisfaction of an employee addressed many issues in the workplace; these issues are related to employer or employee behaviour at their work. Organizational Human Resource Management Practices like Organization Culture, Work Environment, Communication, Team Work, Employer and Employee Relationships, etc. had a lot of impact on Employees' Job Satisfaction need to be clarified for research are presented in brief in this study. Job Satisfaction, Employee Perception are related terms clarified in detail. Human Resource Management Practices affect employee employees' Perception that can lead to Job Satisfaction. There are different measures for Employees' Job Satisfaction like Structured Questionnaire, Interview, Rating Scales, etc. This study concluded that there is a high impact of Human Resource Management Practices on Employees' Job Satisfaction.

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