

# Factors of Employee Performance Influenced by HRM Practices in Higher Educational Institutions

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**Abstract -** This research work organized to look into factors of Employee performance influenced by HRM practices in higher educational Institutions. This study assembled the information from those employees who are working in higher educational institutions. This study creates a model in the area of human resource practices to be used for testing and improving the performance of employees in the universities. A model was developed highlighting the relationship between the HRM practice variables (Career Benefit, Fringe Benefit, and Rewards & Recognition) and employee performance. 320 responses have been collected from various academicians and work professional working in universities. Factor Analysis, ANOVA, Linear Regression was implemented using SPSS 20.0 version to validate the hypothesized relationship by evaluating the responses of employees working in the universities. The findings of this study demonstrate a strong relationship between HRM practices and employee performance in the universities and also can be used by managers and HR professionals for organizing exclusive relevant programs for improving employee's performance based on the dimensions used in this paper. The present study provides an empirical and theoretical explanation of different dimensions associated with HRM Practices and employee performance.

**Keywords:** HRM Practices, Employee Performance, Higher Educational Institutions,

## I. INTRODUCTION

In every organization employee is very precious assets for them because they include organizations' success and growth [7]. In today's changing environment, organization need to focus on its intangible values such as relationship, knowledge, procedures, learning techniques, and innovations for being responsive and valuable to its shareholders [13] It is needed to update higher educational institutions as a reputed research and training development centre and improve their employees for further challenges. For being reputed institutions, their employees need to develop and upgrade themselves. Today's institutions need motivated and self resilient employees because these employees focus more on their work pleasantly and face challenges positively. HRM practice can improve and upgrade performance of people in any higher educational institutions because these kinds of employees do work strategically in the organization such as faculty's academic reputation, maintain quality in research area and academic programs, contribution of research for society, prepare leaders for tomorrow and maintain graduates' quality [12]. With the focus on concern research work, many universities and HEI implementing many relevant HRM practices to improve performance of people in the institutions. As per today's challenges, it is mandatory for institutions belongs to

developing nations like India upgrade their ranking in all over the world by retaining quality employees, academicians who are experienced in their field and staff that is supportive. Three core sectors are implemented in Govt. of India, a sector related to education which focuses on high quality institutions, and some HRM practices (Career benefit, Fringe benefit, and R&R) included improving EP and ultimately organizational performance. This research work is organized to determine relevant the factors which influencing EP- A role of HRM practices in HEI.

### Problem Statement

Practices related to HRM implemented in every sector in every organization but somehow those practices are not effective positively, their employees are still not capable to improve and upgrade themselves and ultimately organization faces many unavoidable challenges. Many study conducted on this research work but no work highlighted that why people working in organizations or institutions incapable to improve their work, why people not upgrading them. Many reputed HEI are there which providing quality research environment still over all in India research work is not in a very good condition. This study basically conducted to see that how HRM practices like career benefit, fringe benefit, and R&R are helpful to improve EP, and what factors of EP which is highly influenced with these HRM practices.

fringe benefit, and rewards & recognition), highly important for improving EP and organization performance. Every employee expect from manager of HR dept. to give value and effectiveness to their work. So, it is responsibility of manager related to HR dept. to notice the near future and present

## II. LITERATURE REVIEW

**HRM and EP factors** This is mandatory for every organization's manager of HR dept. to aware and updated as per the mandatory changes. HRM practices (Career benefit,

challenges to confirm that expectations related to money in organizations obtained. Employee want to see that their organization satisfying them by providing compensate or bonus for their quality and extra work. HRM practices should be involved in that manner where employee can perform their job perfectly and simultaneously they are safe and healthy and feeling positive during their working time [9]. Today there is needed to hire and retain a quality employee in institutions because it will be very helpful to maintain success level of every organization.

**Career Benefit to EP**

[1] Analyzed about a program that is succession planning and defined that these programs contribute to career benefit in every organization and motivate to employee for quality **Fringe Benefit to EP**

[8] Highlight it as monetary expenses which are provided to people of institutions additionally to their earning income like car, allowance for house, insurance for health, and amount for holidays, schemes related to pension, specific means. Part of fringe benefits is included in that income which is taxable. [11] Analyzed that recognition and appreciation are the better mode for encouraging employees towards work done by them in the institutions as these considered as crucial extra sum for them. [8] Analyzed that both financial and non-financial bonus benefits are important for improving EP in an institutions. As employee’s point of view, monetary fringe benefits are more important than non-monetary benefits. Monetary benefits encourages highly for more and better work performance in an organization. [16] defined about extra money benefits (Job enrichment, **Rewards and Recognition to EP**

Monetary sum as a extra amount and appreciation is the bonus which is given to workers of an institute according to their performance and sustainability of an institution and performance mix up measures implemented by the institution to decide the amount of rewards as compensation that is provided to the deserved employees. Every system of performance measurement, involving indirect, direct has affects on the bonus for employees and employees’ quality of the institution [15]. [2], [4], [5], [14], [17] explained that R&R and EP have positive relation with each other. The reason behind in this if employee work in those Organizations which are multitasking, get better R&R for their performance and a better R&R retain, motivate, and attract those employees who have capability and quality, this positivity give employees an chance to perform in more better way for getting institutional success.

- H<sub>3</sub>: HRM practices (R&R) influence on EP
- H<sub>3a</sub>: No R&R influence on Enthusiasm
- H<sub>3b</sub>: No R&R influence on Preservation
- H<sub>3c</sub>: No R&R influence on Emolument
- H<sub>3d</sub>: No R&R influence on Opportunity

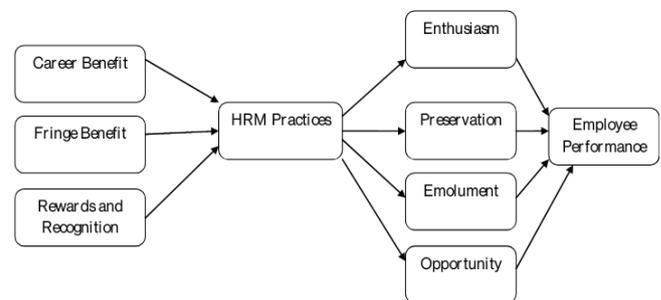
work in an institution. And as result both the performance will enhance people in organization as well as institutions. [10] Explained that opportunities related to career give strength to an institution for the improvement of employees and performance. On the other side, [3] defined that career benefit give more opportunity to institutions’ employees and consequently employees perform in a better way.

- H<sub>1</sub>: HRM practices (Career Benefit) influence on EP
- H<sub>1a</sub>: No Career Benefit influence on enthusiasm
- H<sub>1b</sub>: No Career Benefit influence on Preservation
- H<sub>1c</sub>: No Career Benefit influence on Emolument
- H<sub>1d</sub>: No Career Benefit influence on Opportunity

promotion, benefits for health protection, and rewards& recognition) in higher educational institutions. And they mentioned in their study a positive relation between extra money benefits and performance of workers. Job performance improves with increasing the age, the more experienced and old age employees are highly satisfied because they get retirement benefit which younger employees do not get.

- H<sub>2</sub>: HRM Practices (Fringe Benefit) influence on EP
- H<sub>2a</sub>: No Fringe Benefit influence on Enthusiasm
- H<sub>2b</sub>: No Fringe Benefit influence on Preservation
- H<sub>2c</sub>: No Fringe Benefit influence on Emolument
- H<sub>2d</sub>: No Fringe Benefit influence on Opportunity.

A Conceptual model was figure out before analyzing the data and on the basis of this model related hypotheses was proposed to study the data. Model can be seen as below, Career benefit, Fringe Benefit, Rewards and Recognition are the variables of HRM practices and Enthusiasm, Preservation, Emolument, Opportunity are the variables of Employee Performance.



**Figure 1: Conceptual Model**

**III. RESEARCH METHODOLOGY**

This research work was organized to see how employee performance influenced by HRM practices in higher educational institutions among academicians and work professionals. To determine a positive or negative relation

among HRM practices variables and Employee performance variables. At the same time to see what are the primary factors of employee performance which are mostly influenced by HRM practices. At last to provide recommendation and suggestion for further analysis.

This research work is exploratory in nature, and the information assembled from those respondents related to higher educational institutions. The information was gathered by sending Google form on respondents Whatsapp no, mail ids. Some of the questionnaire was filled in offline mode also. The information was gathered mainly from Madhya Pradesh Zone especially in Gwalior and Indore. The primary data was collected through convenience sampling method and secondary data was collected through previously published research work. The framed questionnaire was

**IV. DATA ANALYSIS**

In this research work, all the data were tested using SPSS version 20, .7 value as a reliability consider a good value for further analysis, the reliability for the questionnaire of HRM practices variables was .927, which is excellent as per the threshold of reliability and on the other side EP questionnaire was tested using the same software, and the reliability of EP for factor analysis. The value of chi-square is also at significant level of .000. Four factors were extracted using principal component and Varimax method, because their eigen value is more than 1. There were 22 items in the EP questionnaire which were considered for organizing factor analysis to highlight the primary factors contributing in HRM practices improvement. After completing factor analysis, ANOVA and Linear Regression was conducted to analyze if HRM practices variables influencing EP in higher educational institutional or not. Durbin-Watson value was used to look into the relation among the HRM practices variables and EP to see if the value is positive or negative, or zero. It is shown in below table:

**Table 1.1 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	HRM variable with EP
1	.572 <sup>a</sup>	.328	.318	4.42101	1.710	CB with EP factors
1	.503 <sup>a</sup>	.253	.243	4.26012	2.267	FB with EP factors
1	.607 <sup>a</sup>	.369	.360	4.35760	1.571	RR with EP factors

**Author's Compilation**

Durbin-Watson value between HRM practice (career benefit and factors of EP) is 1.710, (Fringe benefit and factors of EP) is 2.267, (Rewards & Recognition and Factors of EP) is 1.571 that is not more than 2.5, showing the variables which have a good positive relation. That means HRM practices

given to 320 people but only 295 questionnaires were collected properly and 281 questionnaires were useful for this research work. For organizing this survey some specific tool was utilized to look into the variables that are related to this research. To examine HRM practices (Career benefit, Fringe Benefit, and Rewards & Recognition) with EP. The measure utilized was of [6]. Items in the framed questionnaire were on the scale which was Likert have 5 point measures from SA to SD. For analyzing the data, Factor Analysis test was applied to extract the relevant factors influenced by HRM practices, then conducted ANOVA to get F value to analyze variation among the variables and Linear Regression among the variables to see if there are any impact of HRM practices on EP variables or not

was .927, which is also excellent as per the threshold of reliability. After that, factor analysis was conducted on EP to analyze that which factor is highly related and influenced by HRM practices. It is assumed that if KMO Value is more .6 that means it is good for further study and KMO value for EP questionnaire was .837 which is excellent and sample is adequate

(career benefit, Fringe Benefit, Rewards and Recognition) are influencing highly Employee performance in institutions or organizations.

**Table 1.2 ANOVA<sup>b</sup>**

S. No.	HRM Practices Variable	Relation with	F Value	Sig. level
1	Career Benefit	EP Factors (Enthusiasm, Preservation, Emolument, Opportunity)	33.634	.000
2	Fringe Benefit	EP Factors (Enthusiasm, Preservation, Emolument, Opportunity)	23.419	.000
3	Rewards And Recognition	EP Factors (Enthusiasm, Preservation, Emolument, Opportunity)	40.308	.000

**Author's Compilation**

**Table 1.3 : Result Summary**

Independent Variable	Dependent Variable	T Value	Sig. Level	Hypothesis Status
Enthusiasm	Career Benefit	1.773	.077	Not Supported
		7.268	.000	Supported
		2.929	.004	Supported
		2.121	.035	Not Supported
Enthusiasm	Fringe Benefit	4.411	.000	Supported
		4.168	.000	Supported

Emolument		2.004	.046	Not Supported
Opportunity		.4540	.650	Not Supported
Enthusiasm	Rewards & Recognition	3.611	.000	Supported
Preservation		10.067	.000	Supported
Emolument		3.871	.000	Supported
Opportunity		4.126	.000	Supported

**Author’s Compilation**

The table of ANOVA showing that the model is fit as their F value 33.634 at the significant level of .000 for career benefit and EP factors, 23.419 at the significant level of .000 for fringe benefit and EP factors, 40.308 at the significant level of .000 for R&R and EP factors, showing the above model is positively and highly predictable. Therefore, the model indicates that the relation between HRM practices (Career benefit, FB, and R&R) and EP is suitable for further analysis. Y is HRM Practices (dependent variable) and x is an EP (independent variable). T value for HRM practice career benefit that is related to enthusiasm 1.773 at the significant level of .077 which is not significant and (Null Hypothesis) the conjecture is accepted, preservation 7.268 at the significant level of .000 and (Null Hypothesis)the conjecture is not accepted, emolument 2.929 at the significant level of .000 and (Null Hypothesis)the conjecture is not accepted, and opportunity 2.121 at the significant level of .035 and (Null Hypothesis)the conjecture is accepted, for fringe benefit that is related to enthusiasm 4.411 at the significant level of .000 and (Null Hypothesis)the conjecture is not accepted, preservation 4.168 at the significant level of .000 and (Null Hypothesis)the conjecture is not accepted, emolument 2.004 at the significant level of .046 and (Null Hypothesis)the conjecture is accepted, and opportunity .454 at the significant level of .650 and (Null Hypothesis)the conjecture is accepted, for rewards & recognition that is related to enthusiasm 3.611 at the significant level of .000 and (Null Hypothesis)the conjecture is not accepted, preservation 10.067 at the significant level of .000 and (Null Hypothesis)the conjecture is not accepted, emolument 3.871 at the significant level of .000 and (Null Hypothesis)the conjecture is not accepted, and opportunity 4.126 at the significant level of .000 and (Null Hypothesis)the conjecture is not accepted.

Above table shows about independent and dependent variable with their T- value at the significant level and also shows hypothesis status. T value explains the dependent variables with their independent variable. Four factors of employee satisfaction were related with HRM practices variables (career benefit, fringe benefit, rewards and recognition). H<sub>1b</sub>, H<sub>1c</sub> supported that means preservation and emolument influenced by career benefit of employee in a positive manner. H<sub>2a</sub>, H<sub>2b</sub> supported hypothesis this shows that Enthusiasm, Preservation influenced by fringe benefit positively. H<sub>3a</sub>, H<sub>3b</sub>, H<sub>3c</sub>, H<sub>3d</sub> these four hypotheses are

supported with t-value that means enthusiasm, preservation, emolument, opportunity influenced by Rewards and Recognition.

**V. DISCUSSION, FINDING, AND CONCLUSION**

This research work was organized to analyze that which factors of EP are more affected by HRM Practices in Higher educational institutions. In HRM Practices three variables were included (Career Benefit, Fringe Benefit, and Rewards & Recognition), on the other side after conducting factor analysis on the 22 items of EP, 4 factors were extracted which were relevant and influenced more by HRM practices (Enthusiasm, Preservation, Emolument, and Opportunity). These all are then concern with the Career benefit, Fringe Benefit, and Rewards & Recognition. It can be seen in above table H<sub>1a</sub> career benefit to enthusiasm, H<sub>1d</sub> career benefit to opportunity, H<sub>2c</sub> Fringe benefit to emolument, H<sub>2d</sub> Fringe benefit to opportunity are not supported, that means there is no relation can be conducted between these variables for improving EP and institutions performance. Except these hypotheses all the hypotheses are positively related to EP variables that means these variables are highly influenced by HRM practices and Institutions should focus on these variables to improve and maintain quality for themselves.

This research work show that if a higher education institution provides career benefits to its employees as a result employees work performance will be improved because employees feel preserved in their working environment and if they get career benefit they will have monetary or emolument satisfaction as well. If a higher education institute provides its employees sufficient fringe benefits, like, holiday leaves, flexible working environment, monetary benefits for their extra working hours etc. as a result employees will be very enthusiastic for their work and feel preserved in the institution. If a higher education institution provides handsome rewards and recognition for employees’ outstanding work as a result employee will be more enthusiastic, feel safe in working environment, will also be satisfied with their salary, will get next challenging opportunity in a positive manner. So as a conclusion, any organization or institutions related to higher education needs to focus on these HRM Practices to influence employee working performance in a positive manner.

This study suggest that EP is the crucial part of every organization or institutions, in the view point they need to think about it, and they should provide suitable career benefit to retain its quality employees, institutions need to focus on some specific policies, Management need to highlight all internal quality before going for external quality especially during taking decision for promotion. A relevant path related to employees career need to involve in policy planning. Career benefit should to provided to every concern employees and monitor that their skills enhancing as per the institutions requirements. Management of institutions should provide fringe benefit like allowances for house, holidays

pay, bonus for their extra work etc. and they should give their employee's proper rewards and recognitions such as if any employee do exceptional work for his institutions, he/ she should get certificate and some monetary value as their motivation for further quality work. It can be concluded that above mention HRM practices play a very crucial role in enhancing over all EP and at the same time organization performance.

## VI. LIMITATION AND FUTURE SCOPE

During organizing this study, author faced many limitations, such as sample size was not so high and data collected only from Madhya Pradesh Zone especially from Indore and Gwalior area only. So analyzed part could not be related to the general population by defining measures. At the same time, author did not have much time; he/she could not focus on personal interviews with respondents for collecting more relevant data to enhance EP.

This research work suggest that they should provide suitable career benefit to retain its quality employees, institutions need to focus on some specific policies, suitable fringe benefit will enhance overall performance of employees. This study will help to researcher who wants to do further study on this topic. At the same time this research work will also be helpful for higher educational institutions to take any decision for their employees. By following above results, institutions can focus on these specific variables for enhancing quality work among employees.

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