

A Study of the Impact of Effective IR Policies on Human Resource Involvement: Empirical evidence from Bharat Heavy Electricals Limited Bhopal

Dr. Ramandeep Kaur

Assistant Professor: The Bhopal School of Social Sciences

ABSTRACT

Industrial Relations is one of the key fundamental elements of Organizational Performance, Prosperity and Sustainability. Improved industrial relations remarks highly committed, motivated and loyal employees in an organization. The aim of this paper is to study the impact of effective Industrial Relation Policies in terms of three HRM practices namely; compensation, performance evaluation and recruitment and selection on Human Resource Involvement measured in terms of employee performance in Bharat Heavy Electricals Limited, Bhopal and at the same time identify various employee relations practices used by BHEL. To achieve the study objectives, the researchers developed and distributed a self-administered questionnaire to 125 employees of BHEL, Bhopal working in 5 different manufacturing units. The data collected was analyzed using SPSS. Regression and correlation analysis indicated a significant and positive association of the three HRM practices considered on employee performance. The study provides insight to the management of the organizations to use these practices for superior and improved performance and contributes to the limited empirical field of knowledge.

Key Words: Industrial Relations, Human Resource Involvement, Human Resource Management Practices, Employee performance, Compensation, Recruitment and Selection.

INTRODUCTION

INDUSTRIAL REVOLUTION brought together many Persons, originating from different Culture, Religion, Caste, or even Country, under a single roof called **FACTORY**. People who used to run Cottage Industries closed their Operations and started moving towards the Cities with better Industrialisation to earn more. Firstly, what used to be a Single Person Managed business, transformed into a Professional Society in which People from different origins started working together.

In **PERSONNEL MANAGEMENT**, the People at the Helm of the Affairs treated Human Capital as a Factor of Production called **LABOUR**. Traditionally, the Organizations worked on the Principle of **PAYMENT – PUNISHMENT** which highlights the fact that the Labour who could produce what was required/expected was **COMPENSATED** and the one who couldn't, was **PUNISHED** (Low Wage Payment, No Payment, Lay off). There was less Scope of Development for the Worker. This system treated employees/labours as Tools and Machine. The Major functions of Personnel Management is Planning, Organizing, Staffing, Training, Directing and Control

In last 3 Decades, the Owners and the Organizers understood the importance of Human Capital and started treating them not as Machines or Tools but as an **ASSET**. They realised the fact that if we invest more in the Development of the Labour, the Returns will be 10 folds. Reason accounts to Increasing Competition, Technological Advancement, Globalisation, because of which every organization needed Skilled labour/employee who they can train and develop them as an Asset. **HUMAN RESOURCE MANAGEMENT** came into existence, and its Objective was to use the Human as a Resource and in the best Possible Manner. Thus, it is an art of employing the human resources of an organization, in the most efficient and effective way. The Major functions of HRM includes:

- Employment
- Recruitment and Selection

- Training and Development
- Employee Services
- Salary and Wages
- Industrial Relations
- Health and safety
- Education
- Working conditions
- Appraisal and Assessment

INDUSTRIAL RELATION (IR) or commonly known as **EMPLOYMENT RELATION** examines various employment situations that include employees, employers, trade unions, and government. Primarily, IR will instigate with employment relations where compensation is offered in lieu for work such as employment contract.

HISTORY AND EVOLUTION OF INDUSTRIAL RELATION

Bruce E. Kaufman (2014), attributed the popularization of the term 'industrial relations' to a Commission on Industrial Relations created by the federal government in 1912. That commission was created to investigate and report on conditions in 'industry' that gave rise to labor problems that often erupted in violence and strikes. Therefore, the term 'industrial relations' stated to 'relations' among employers and employees in an organisation.

As noted by Dunlop (1958) and his colleagues, industrialization gives rise to employment relationships, in which large numbers of people work for and follow the instructions of others in return for wages or salaries and other compensation. This contrasts with agrarian societies where the farmer is typically self-employed, directing his or her own labor and obtaining his or her livelihood as the difference between revenues and expenses.

Thus, industrial relations refer to relationship between employers and employees not only in heavy goods industries but also in retailing, government, financial services, education, and recreational services. In fact, even agricultural produce, when organized in a particular form where an employer depends upon broadly on the services of hired workers, can be denoted to fall within the purview of industrial relations.

Since the mid-1950s, when unions signified roughly one-third of employees, U.S. union representation has declined so that today unions represent about one-seventh of personnel. The terms 'human resources' and 'human resources management' have emerged as chosen labels indicating employment issues in the absence of unions. Some researchers, believed that industrial relations is a field within human resources while for others opined that human resources is a field within industrial relations. Later, the human resources term has become more prevalent, and the industrial relations term has become less prevalent due to decline of the trade unions.

THE BRIDGING GAP BETWEEN INDUSTRIAL RELATION AND HRM *HUMAN EXPERIENCE MANAGEMENT*

With more Focus on Needs of Employees and Labour, Industrial Relations seems to be shaking hands with Human Resource Management and Planning. Gone are the days when labour were treated Mechanically. Certain Factors that have contributed to narrow the Gap between IR and HRM are

- Increase in Demand (Rise in Production)
- Dynamism in Business Environment
- Rise in Competition
- Scarcity of Skilled Workers
- Factor of Production (Labour Cost)

The Above cited Factors have forced the Organisers/Entrepreneurs to work on Holistic Development of Labour, and to Merge members of Labour Union in Decision Making Team to understand the Demands of the Labour and Act upon them Immediately. More Financial and Non – Financial benefits are being introduced to Satisfy the needs of the Labours for the Companies to Retain them. It becomes a herculean task to hire a fresh labour and train them from scratch and it attracts huge expenses.

INDUSTRIAL RELATION AS STRATEGY

According to Vivek S Patwardhan (2017), Strategic industrial relations is an approach for analysing the strategic choices made by the actors - employers, workers and their firms, and policy fabricators - in IR systems and the consequences of those choices for industrial relations outcomes. Strategic industrial relations are based on the premise that these actors deliberately choose the strategies and institutional structures that they believe will best facilitate attainment of their objectives.

According to the Post, Tata Steel signed a Pact with Employee union which sets the tone of Industrial Relation as Strategy and Key Management Decision Making. The contents of that agreement are: Mutual Security, Closer Association of Employees with management, Productivity, Job Description, Job Evaluations and Wage Structure, Revision of Wages and Gratuity etc.

Southwest has its own style when it comes to negotiating with unions. In essence, Southwest does three key things. Southwest assumes the unions to have an intense devotion to the company and try to generate a feeling of ownership. Southwest treats the unions as associates, and not like some burden hanging around their organization's neck. From that perspective, Southwest provides each union with precisedata, so negotiations can move forward without any confusion or mistrust.

LITERATURE REVIEW

The business environment is dynamic which made the business units to adapt quickly to the suitable human resource management practices to compete in their respective industries and to make success at large. The impact of human resource management practices on employee performance has been the focused research area in recent past and a lot of studies have been conducted to validate this relationship. These research studies have found a positive relationship between almost each human resource management practice and employee performance.

Employee Performance

Employee Performance is one of the most critical factors that effect on the performance of the whole organization. According to Aguinis (2009), 'the elucidation of performance does not include the outcomes of an employee's behavior, but the behaviors themselves. Performance is all about employee behavior or what employees do and not, what employees produce or the outcomes of their work'. Perceived employee performance signifies the general belief of the employee about his behavior and contributions in the success of an organization. According to McCloy, Campel&Cudeck (1994), employee performance may be represented in the outlook of three factors – 'declarative knowledge', 'procedural knowledge' and 'motivation'.

Compensation Practices

In the words of Caruth& Handlogten (2001), 'Employees are motivated when their rewards (monetary and non-monetary) are directly tied to their performance'. Employees work for an organisation and in return, they receive compensation for work done. Compensation and Pay are totally different; the evidencesprove that compensation is much more than just the monetary rewards provided by an employer. According to Milkovitch& Newman (2005), Compensationis all forms of financial returns, tangible services and benefits, employees receive as part of an employment relationship. The term 'financial returns'represents an employee's base salary along with shortand long-term incentives. 'Tangible amenities and gains'include insurance, paid vacation and sick days, pension plans and employee discounts.

Compensation practices of an organisation are motivational and a prominent attraction for employees to perform duties in utmost efficient manner. Expectancy theory also proves that once pay factor is linked with employee's performance, they are more likely to increase their efforts in working hard to increase their performance as well as the performance of the entire organization.

Performance Evaluation Practices

In the words of Brown & Heywood (2005), Performance appraisal is envisioned, for the enhancement of employee's productivity along with performance as it is a formal process of monitoring the employees effectively. Mullins (1999), contributes that, the complete process of performance management includes continuous evaluation of employee's attitude, behaviorand performance. Employees should be completely clear of, what is expected of them and how their performance will be measured in the end. Aformalized and ideal appraisal scheme should measure appropriately, the individual's performance, highlight the potential of employees and determine the future needs for training and development. An effective appraisal practice, should always improve the performance of employees in future. It should focus on the rewards and career development of employees. The system which only measures the performance of employees periodically without providing continuous feedback/ coaching is just a performance appraisal not the complete performance management system.

Recruitment and Selection Practices

Effectivepolicies of Recruitment and Selection are integrated factors that affect the performance of the employees. Also, both of them, have close relationships and connections with the organization's development.

Recruitment is defined as the process to completely fill the offered work positions with sufficient number and potentials of the candidates, to meet the expectations and requirements of the organization. On the other hand, Selection is assembling the information about the

A lot many research studies have found a significant positive relationship between recruitment and selection and employee performance. Huselid (1995) emphasised that adopting best recruitment and selection practices, open doors for good quality of skilled and unskilled man force in the organization. He also stressed upon the importance of training as an effective tool and complementary to selection practices; together through which the organizational culture and employee behavior can be aligned to produce positive outcomes.

Evidences from literature

After a review of literature, it can be concluded that all HRM practice like: training and development, career progression, recruitment and selection, rewards and incentives, employee benefits, employee welfare, flexible timings, bonuses, have a strong and positive effect on employee performance. If these practices are implemented appropriately, the performance of employees can definitely be improved in real sense, which will ultimately improve organizational performance.

According to Mathison & Vinja (2010) and Dave & Wayne (2005), a lot of research work has been conducted in last ten to fifteen years to explore the relationship between HRM practices on employee and organizational performance, but most of the studies are conducted in developed countries, thus a lot of scope is available for conducting research in developing nations and especially in Tier- II cities of the developing nations. Also, according to Bowen & Ostroff (2004), consistency among various HRM practices is very important for organizations along with the employees as they, continuously know, what is expected from them.

IV. Literature Gap

As Tier- II cities of developing nations like: India are considered to be ‘under researched’, so a lot of scope for conducting research is available in Bhopal. Moreover, the research study, undertaken to understand the impact of effective Industrial Relations Policies in terms of HRM practices on Human Resource involvement measured in terms of employee performances specifically in BHEL, Bhopal is very less explored. Thus, there was a lot of scope to narrow down this research gap and explore this relationship effectively.

V. Theoretical/conceptual Framework:

The dependent variable of employee performance is affected by nearly each practice of human resource management as conferred in literature. But for the present study the researcher is choosing three independent variables – compensation practices, performance evaluation practices and recruitment and selection. These variables will be used in our questionnaire to demonstrate the relationship between them and to find the outcomes of current study.

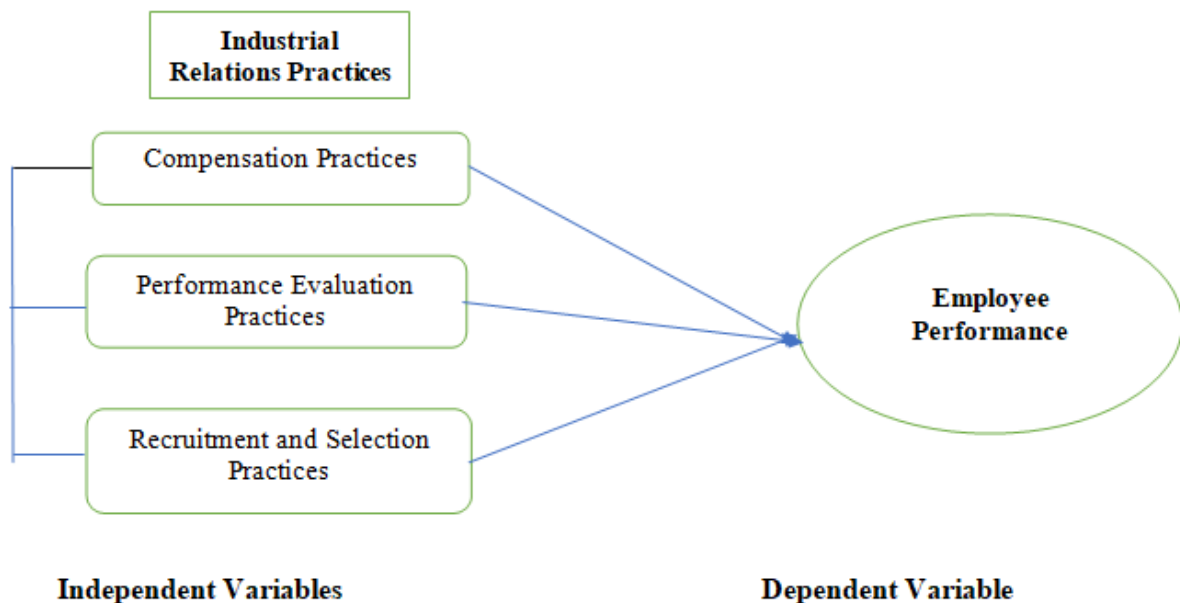


Figure- 1- Research Framework developed for this Research

Statement of Problem

Bharat Heavy Electricals Limited is the oldest and state-governed engineering and manufacturing organisation in India in the energy and infrastructure segment. It is the twelfth largest power equipment manufacturer in the world. Like, many other manufacturing concerns, this organisation has to deal with a varied group of skilled, semi-skilled and unskilled workers and thus face a lot of challenges in handling them. The management continuously need to keep the employees motivated in order to bring out the best from them. Thus, definitely there is a need to study that what kind

of Industrial Relations Policies in terms of human resource management practices have a major impact on the employee's performance and further on the organizational performance.

VI. Research Questions

1. Does Industrial Relations Programs in terms of human resource management practices significantly affect the employee's performance?
2. What is the impact of compensation practices on employee performance?
3. What is the impact of performance evaluation practices on employee performance?
4. What is the impact of recruitment and selection on employee performance?

VII. Research Objectives

1. To determine whether Industrial Relations Programs in terms of HRM practices has an effect on the performance of employees.
2. To find out the effect of compensation, performance evaluation and recruitment and selection practices on the performance of employees.

VIII. Research Hypotheses

H:1 There is a significant positive relationship between Compensation Practices and Employee Performance.

H:2 There is a significant positive relationship between Performance Evaluation Practices and Employee Performance.

H:3 There is a significant positive relationship between Recruitment and Selection Practices and Employee Performance.

RESEARCH METHODOLOGY

- **Type of study:** The study is exploratory & descriptive in nature.
- **Data Collection:** The data is collected with the help of self-administered Questionnaire which is the most common method of data collection. Questionnaires of Sekaran[2003] are selected for data collection with the amendment of dependent variables. Also, secondary data has been collected from books, publications, company's official website.
- **Sampling Units & sample data:** For analysing the impact of different HRM practices on employee performance, non-probability sampling method was undertaken. Convenience sampling was used to select the sample, because of the availability of the respondents and their willingness to participate in our survey, thus the sample may or may not represent the whole population well. 25 employees from 5 different manufacturing divisions of BHEL Bhopal, comprising total 125 employees were drawn. Out of selected sample of 125 employees, 114 returned out of total distributed questionnaires, thus the response rate is 91%.
- **Data analysis:** This study found the impact of effective Industrial Relations Practices in context with three human resource management practices, namely- compensation, performance evaluation and recruitment and selection on Human resource experience represented in terms of employee performance. In the self-administered questionnaire, the employees were supposed to answer against each item of the questionnaire on the Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The respondents were requested to indicate their opinion as- strongly disagree, disagree, neutral, agree or strongly agree to every question being enquired. The questionnaire was designed on five sections. Section one was the demographics i.e., age, sex, marital status, experience etc. Section two was for the dependent variable employee performance, section three for the performance evaluation practices, section four for the compensation practices, section five for the recruitment and selection practices.
- **Data analysis techniques:** To check the direction and significance of the bivariate relationship among the variables of the study, regressions, Pearson correlation were used through SPSS. Reliability analysis was implemented to verify the internal consistency of the items of the questionnaire instrument of current study. Demographics were also assessed to evaluate the necessary demographics of the sample. Demographics in the study were education level, gender and marital status.

DATA ANALYSIS AND RESULTS

The data gathered was laid to analysis using SPSS version 21.0. The results obtained from the analysis are illustrated in the succeeding tables.

Reliability analysis of the instrument

To check the internal consistency of the items and the reliability of the scale, Cronbach's Alpha was measured. Table-1, presents the reliability check of the four variables undertaken in the study; wherein employee performance is a dependent variable and HRM practices like: compensation, performance evaluation and recruitment and selection are the independent variables and thus the total number of items in the questionnaire are 20.

Table- 1: Scale Reliability

Variables	No of items	Cronbach's Alpha
Employee Performance	5	0.753
Compensation Practices	6	0.818
Performance Evaluation	6	0.806
Recruitment and Selection Practices	3	0.720
Overall Predictors	15	0.902

Interpretation

The reliability of the dependent variable (employee performance) is 0.753, which is acceptable. Further, the independent variables, like: compensation practices showed an Alpha value of 0.818, which is good. For performance evaluation practices the value of Alpha was 0.806, which is again considered to be good. The Alpha value for the recruitment and selection practices is 0.720, which is considered to be satisfactory.

Also, the overall internal consistency reliability of the instrument is 0.902, which is higher than 0.70 as stated by Nunnally (1978) and therefore, accepted and good. Thus, there was no problem with the instrument in terms of inter- consistency along with reliability.

Table-2: Correlation Analysis

	Employee Performance	Compensation Practices	Performance Evaluation	Recruitment and Selection Practices
Employee Performance	1	0.936**	0.952	0.932*
Compensation Practices	0.936**	1	0.789	0.867**
Performance Evaluation	0.850**	0.854**	1	0.804
Recruitment and Selection Practices	0.730**	0.780**	0.808**	1

Notes: *Significant at the 0.01 level (2-tailed), **Significant at the 0.05 level (2-tailed), ***Significant at the 0.1 level (2-tailed).

Interpretation

As shown in the correlation results, the highest correlation value is for Compensation Practices (0.936**; $p < 0.5$), followed by Performance Evaluation (0.850**; $p < 0.5$) and smallest for Recruitment and Selection Practices (0.730**; $p < 0.5$). The results indicate that all the variables have positive relationship and are statistically significant at ($p < 0.5$).

Table-3: Analysis of Means and standard deviations

Variables	Mean	Standard Deviation
Employee Performance	4.1063	.60866
Compensation Practices	3.4833	.70878
Performance Evaluation Practices	3.6126	.68506
Recruitment and Selection Practices	3.9250	.59703

Interpretation

The descriptive statistics table consists of statistics measures like: mean and standard deviation. The results suggest a high mean score the processes for compensation, performance evaluation and recruitment and selection are well established in BHEL Bhopal Also, among three variables, Recruitment and Selection has the highest score of 3.9250 which means that HR staff members are well versed with the rules and procedures, and have experience and competence in the employee recruitment and selection process.

Table-4:Regression Analysis

Variables	Beta	Sig.
Compensation Practices	0.584	0.000
Performance Evaluation Practices	0.490	0.000
Recruitment and Selection Practices	0.456	0.000
R Square	0.947	
Durbin Watson	1.705	
Sig. F	0.000	

Interpretation:

The table 3 depicted the multiple regression coefficients (β) of the three independent variables to the employee performance, as dependent variable. All the three variables in Human Resource Management practices are significant as $p < 0.05$. In terms of beta values, the highest beta coefficient was discovered for Compensation, where ($\text{Beta} = 0.584$). This indicated that Compensation as a variable has the strongest influence to determine the dependent variable (employee performance). This was followed by Performance Evaluation Practices with ($\text{Beta} = 0.490$). The lowest beta value indicated that recruitment and selection with ($\text{Beta} = 0.456$).

Hypothesis Testing

To test the hypotheses formulated, a linear regression and correlation analysis were carried out on the three Human Resource Management practices and employee performance.

H:1 There is a significant positive relationship between Compensation Practices and Employee Performance.

The effect of compensation practices was verified in relation to employee performance by using Pearson correlation and regression analysis. The results indicated that there is a positive and significant relationship between these two variables as shown in table 2 ($r = 0.936^{**}$; $p < 0.5$). Also, the regression analysis results shown in table 4 ($\beta = 0.584$; $p < 0.5$) indicates a positive statistically significant relationship between recruitment and selection process and employee performance. Thus, H1 is accepted.

H:2 There is a significant positive relationship between Performance Evaluation Practices and Employee Performance.

The effect of performance evaluation practices was verified in relation employee performance by using Pearson correlation and regression analysis. The results indicated that there is a positive and significant relationship between the two variables as shown in table 2 ($r = 0.850^{**}$; $p < 0.5$). Also, the regression analysis results shown in table 4 ($\beta = 0.490$; $p < 0.5$) indicates a positive statistically significant relationship between recruitment and selection process and employee performance. Thus, H2 is accepted.

H:3 There is a significant positive relationship between Recruitment and Selection Practices and Employee Performance.

The effect of recruitment and selection practices was verified in relation to employee performance by using Pearson correlation and regression analysis. The results indicated that there is a positive and significant relationship between the two variables as shown in table 2 ($r = 0.730^{**}$; $p < 0.5$). Also, the regression analysis results shown in table 4 ($\beta = 0.456$; $p < 0.5$) indicates a positive statistically significant relationship between recruitment and selection process and employee performance. Thus, H3 is accepted.

Findings of the Study

Table-5: Results of Hypotheses

S. No.	Hypotheses	Result
H:1	There is a significant positive relationship between Compensation Practices and Employee Performance.	Accepted
H:2	There is a significant positive relationship between Performance Evaluation Practices and Employee Performance.	Accepted
H:3	There is a significant positive relationship between Recruitment and Selection Practices and Employee Performance.	Accepted

The results of the testing hypotheses indicated that the independent variable (employee performance) significantly correlated with the dependent variables (compensation practices, performance evaluation and recruitment and selection).

The correlation results confirmed a significant association between the independent variable and the dependent variables. The analysis suggested the lack of multicollinearity in this study because of the correlation coefficient was less than 0.80. The findings of this study; all three variables (compensation practices, performance evaluation and recruitment and selection) having positive effect on employee performance were supported with the previous studies as well.

Discussion and Recommendations

The study contributes in understanding the impact of effective Industrial Relations Policies in terms of three important HRM practices: compensation, performance evaluation and recruitment and selection on human resource involvement in terms of employee performance in BHEL, Bhopal.

The results provided sufficient empirical evidences to conclude that, HRM practices have a positive and statistically significant relationship with the employee performance in BHEL, Bhopal. After a comprehensive review of the literature, three essential and important HRM practices were identified namely; compensation practices, performance evaluation practices and recruitment and selection practices, to check their relationship with the employee performance in present study.

Compensation practices includes all forms of monetary returns and allied services provided to employees by the organization (Milkovich & Newman, 1999). A comprehensive compensation system can contribute a lot to attract and retain the competitive human resources and can also shape the behaviors and performance of employees. Researchers argued that a balanced, fair and competitive compensation system effect the retention of talented employees (Mathis & Jackson, 2004). Previous researchers also found a strong and positive correlation of compensation practices with the employee performance and the results of present study are in accordance with and validate the results of earlier studies. The correlation and regression matrix indicate that a strong positive relationship exists ($r= 0.936^{**}; p < 0.5$) and ($\beta = 0.584; p < 0.5$) between compensation practice and employee performance.

Performance evaluation includes continuous evaluation of employees behaviors and performance. Employees should clearly know that what is expected of them and how their performance will be measured (Mullins, 1999). An ideal and formalized appraisal scheme should measure properly, the individual's performance, highlight the potential of employees and determine the future needs for training in development. Previous researchers found a strong and positive correlation of performance evaluation practices with the employee performance. The results of present study are in accordance with and validate the results of earlier studies. The correlation and regression matrix indicate that a strong positive relationship exists ($r= 0.850^{**}; p < 0.5$) and ($\beta = 0.490; p < 0.5$) between performance evaluation practice and employee performance.

Human resources refer to people whose knowledge, skills, and abilities are utilized to create and deliver effective services. HR is considered the greatest resource of an organization. Effective recruitment and selection attract the right quality and quantity of people. Previous researchers found a strong and positive correlation of recruitment and selection practices with the employee performance. The results of present study are in accordance with and validate the results of earlier studies. The correlation and regression matrix indicate that a strong positive relationship exist ($r= 0.730^{**}; p < 0.5$) and ($\beta = 0.456; p < 0.5$) between recruitment and selection practices and employee performance.

Limitations of the Study

The study has the following limitations. The present study is focused on a small sample of only one organization- BHEL Bhopal, therefore the generalization of findings of the present study is limited. The respondents gave their responses on the implementation of Human Resource Management practices and employee performance, where the possibility of 'biasness' cannot be avoided. A non-probability sampling technique- Convenience sampling was applied to gather the data from respondents on the basis of their accessibility and inclination to participate in the survey, thus the sample may or may not be representative of the entire population. Also, 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 conduct the research study for the all the HRM practices, thus the present study focused only three HRM practices which are compensation, performance evaluation and recruitment and selection practices.

Future Research

Regardless of the limitations, this research study contributes well to understand and validate the impact of effective Industrial Relations Policies in terms of three important HRM practices: compensation, performance evaluation and recruitment and selection on human resource involvement in terms of employee performance in BHEL, Bhopal. Future research studies can take the large samples and focus upon other industries as well, to validate the results of

the present study. Future studies can also inculcate other HRM practices and their variables, which can mediate or influence the relationship of HRM practices and employee performance.

CONCLUSION

This study can provide additional information for the management to know the impact of effective Industrial Relations Policies in terms of three important HRM practices: compensation, performance evaluation and recruitment and selection on human resource involvement in terms of employee performance in BHEL, Bhopal. The outcome of the study could also be an important element towards making more reliable decisions in the planning process related to HRM policies and implementation of associating program to increase management awareness and employees' engrossment. The management also can use the finding on the study, to plan towards the suitable HRM practices for BHEL, Bhopal. The present system to hiring staff into various positions should be reconsidered. The HR department should conduct a proper job analysis and assessment of positions to be filled. The study conducted has some implications for both- the managers and the decision makers. The important implications could be like: it has been found that employee performance is clearly dependent on the HRM practices, but the compensation is more critical for the employees of BHEL, Bhopal, so compensation practices have a biggest impact on employee performance. Moreover, the proper implementation of the HRM practices will surely improve the employee performance, which will ultimately increase the organizational performance.

Statements & Declarations

The author declare that no funds, grants, or other support were received during the preparation of this manuscript.

Competing Interests

The author have no relevant financial or non-financial interests to disclose.

Ethical approval

Informed consent: Informed consent was obtained from all individual participants included in the study.

REFERENCES

- [1]. Aguinis H (2009). Performance Management. 2nd edition, Person education, Inc., publishing as Prentice Hall.
- [2]. Anastasia A. Katou , Pawan S. Budhwar. (2009). Causal relationship between HRM policies and organisational performance: Evidence from the Greek manufacturing sector, European Management Journal.
- [3]. Aycan, Z., Kanungo, R. N., Mendonca, M., Yu, K., Deller, J., Stahl, G. and Kurshid, A. (2000). Impact of Culture on Human Resource Management Practices: A 10-Country Comparison, Applied Psychology: An International Review, 49(1), 192-221.
- [4]. Batt, R. (2002). Managing customer services: Human resource practices, quit rates, and sales growth, Academy of Management Journal 45, 587-597.
- [5]. Brown, M. and Heywood, J. S. (2005). Performance appraisal systems: determinants and change, British Journal of Industrial Relations, 43(4), 659-679.
- [6]. Brown, M. and Benson, J. (2003). Rated to exhaustion? Reaction to performance appraisal processes, Industrial Relations Journal, 34(1), 67-81.
- [7]. Boselie, P., Paauwe, J., & Jansen, P. (2001). Human resource management and performance: lessons from the Netherlands, International Journal of Human Resource Management, 12, 1107-1125.
- [8]. Coens T, Jenkins M (2000). Abolishing Performance Appraisals, San Francisco, CA, Berrett-Koehler Publishers, Inc.
- [9]. Christian Grund & Dirk Sliwka. (2007). Individual and Job-Based Determinants of Performance Appraisal: Evidence from Germany.
- [10]. Caruth DL, Handlogten GD (2001). Managing Compensation (and understanding it too): A handbook for the perplexed. Westport, CT: Green Wood Publishing Group.
- [11]. David L. Mathison, Vils N. Vinja. (2010). The Annual Performance Review As A positive Source for Employee Motivation?, Journal of Business & Economic Research, 50(12)
- [12]. Datta K, Guthrie J, Wright P (2003). HRM and Firm productivity: Does industry matter, Presented in National Academy of Management Meetings, WA.
- [13]. Frye M. B. (2004). Equity-based compensation for employees: firm performance and determinants, The Journal of Financial Research, 27(1), 31-54.
- [14]. Fakhar UIAfaq & Anwar Khan. (2008). Relationship of training with Employees' Performance in Hoteling Industry: Case of Pearl Continental hotels in Pakistan
- [15]. Guest D. (2002). Human Resource Management, Corporate Performance and Employee wellbeing: Building the worker into HRM, The Journal of Industrial Relations, 44(3), 335-358.

- [16]. Hafiz M. Ishaq, M. Zahid Iqbal & Arshad Zaheer. (2009). Effectiveness of Performance Appraisal: Its Outcomes and Determinants in Pakistani Organizations, *European Journal of Social Sciences*, 10(3).
- [17]. Halachmi A (2005). Performance measurement is only one way of managing performance. *Int. J. Prod. Perform. Manag.*, 54: 502-516.
- [18]. HdigguiELM (2006). Human Resource Management in the Education Sector. Division of Educational Policies and Strategies, UNESCO 7, place de Fontenoy, 75352 Paris 07 SP (France), Retrieved on Dec 29, 2011, from <http://unesdoc.unesco.org/images/0015/001508/150801e.pdf>.
- [19]. Kaufman E. Bruce (2014), 'The Development of Human Resource Management Across Nations, Books, Edward Elgar Publishing, number, 14408
- [20]. Khurram Shahzad, Sajid Bashir & Muhammad I. Ramay. (2008). Impact of HR Practices on Perceived Performance of University Teachers in Pakistan, *International Review of Business Research Papers*,4(2), 302-315.
- [21]. 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.
- [22]. Leila Najafi, Yadollah Hamidi, Sudabeh Vatankhah & Abdolhosein Purnajaf. (2010). Performance Appraisal and its Effects on Employees' Motivation and Job Promotion, *Australian Journal of Basic and Applied Sciences*, 4(12): 6052-6056.
- [23]. Muhammad Asif Khan.(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 Science*-Issue 24.
- [24]. Mostafa Jafari, Atieh Bourouni & Roozbeh Hesam Amiri. (2009). A New Framework for Selection of the Best Performance Appraisal Method, *European Journal of Social Sciences*, 7(3).
- [25]. Mark J. Hooper & David Newlands. (2009). Performance Management: Survey Evidence of Appraisal and Evaluation from Libyan Corporations.
- [26]. McCloy RA, Campel JP, Cudeck R (1994). A confirmatory test of a model performance determinants. *Journal of Applied Psychology*, 79: 493-854.
- [27]. Vijay Gupta. (2000). Regression explained, VJ books inc.
- [28]. Wright, P. M., Gardner, T. and Moynihan, L. M. (2003) The impact of HR practices on the performance of business units. *Human Resource Management Journal*, 13(3), 21–36.
- [29]. Wan D, Kok V, Huat C. (2002). Strategic human resource management and organizational performance in Singapore, *Compens Benefits Rev, Saranac*, 34(4), 10-33.
- [30]. Zikmund, W. G. (1999). *Essentials of marketing research*. Orlando: The Dryden Press.