

IMPACT OF HRM PRACTICES ON EMPLOYEE'S PERFORMANCE IN SPORTS INDUSTRY SIALKOT, PAKISTAN

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ABSTRACT: *The purpose of this study to check the impact of human resource management (HRM) practices on employee's performance in the sports industry Sialkot, Pakistan. The techniques were used for collection of data is random sampling. A questionnaire was adopted and distributed to the employee's of sport industry Sialkot, Pakistan. To create link the human resource management practices with employee's performance. For analysing the data the correlation and regression was applied. At the end we have to see that human resource management (HRM) practices (compensation, training, employee involvement, and performance appraisal have positive impact on employee's performance. Evidence showed that human resource management (HRM) practices (independent variable) contributed positive impact on employee's performance (dependent variable).*

KEYWORDS: Compensation, Training, Employee involvement, Performance appraisal, and Employee performance.

INTRODUCTION

Past researchers were regulated their studies to check or set out the link midway HRM practices and the performance of employees. Those studies mostly conducted in developed countries but in developing countries few researches have been conducted like Pakistan. (Ayca et al., 2000) according to this study Pakistan have lot of space for human resource management (HRM) practices. In Pakistan, studies mostly conducted on public sector, bank, telecommunication sectors but Pakistan's sports industry need and mandatory concentration to check link in the midst of human resource management (HRM) practices and performance of employees.

That study was conducted to determine the link in the centre of human resource management (HRM) practices & employee's performance in sports industry Sialkot, Pakistan. In this study we have selected most relevant human resource management (HRM) practices like, compensation, training, employee involvement, and performance appraisal. Regression and correlation techniques were used to evaluate the data. Through this research we able to gain information about human resource management (HRM) practices impact on employee's performance in sports industry.

At the end it is proved that this study is significant or helpful for human resource management professionals in sports corporations to enhance the employee's performance by apply that human resource management (HRM) practices. When organization implement that practices that can help for achieving its goals in efficient manners and also help for gain competitive advantage from others.

Research Objectives:

Purpose of this study is to examine the HRM practices effect on employee performance

Whether increase or decrease.

2. To consider the value of HRM practices in sports industry on worker productivity.
3. Create relation with practices of HRM and Employee's Performance because these practices critically over see all activity of employees.

LITERATURE REVIEW

HRM Practices:

Practices of human resource were programmed to motivation, attraction, and retention of employees and to assurance the success of organizations (Schuler & Jackson, 1987). Human resource management (HRM) Practices were prepared and implemented in that a way the role of human capital has a great significance towards achieving the organizational goals (Delery & Doty, 1996). The better utilize of human resource management practices affected the employee and employer commitment positively (Purcell, 2003). Human resource management practices like, performance appraisal, training & development programs are develop to motivate the employees and when employees were motivated then organization performance defiantly increased (Pfeffer, 1994; Snell & Dean, 1992). The selected practices are important in relation to the sports industry to analyse this research. The practices are filed and explain as below:

Compensation:

In his book of Human Resource Management, (Dessler, Sutherland, & Cole, 2005) defines compensation as:

“Employee compensation refers to all forms of pay going to employees and arising from their employment.”

The sentence ‘all forms of pay’ in the definition does not include non-financial benefits, but these benefits are paid to employee directly or indirectly in case of finance .Compensation is offered to employee for gaining competitive position in market. In others words it support organization because employees are motivated, retained and less leave in the organization and become capital of organization for long time.

A research was run by (Frye, 2004) compensation have positive relationship with organization performance. He said that role of compensation strategies are important for hiring and retaining competent employees. Most of the organizations used performance based compensation strategy for employee rewarded (Collins & Clark, 2003). The strategy of performance based compensation has optimistic impact on employee's performance (Brown, Sturman, & Simmering, 2003). A research conducted by (Huselid, 1995) exposed significant and positive association between organization productivity & compensation. An effective human resource management strategic framework create link between productivity of organization and compensation program that encourage employees work effectively (Wright & Gardner, 2003). Relationship between employee performance and compensation strongly impacted employee recruitment, output and turnover (Teclmichael Tessema & Soeters, 2006).

Training:

Structured approach is adopted for training which made employees capable for gaining skills and aware for achieving their goals effectively and improve behaviour through training (Armstrong, 2006). Training is provide to adopt the change that organization are required and also training conducted for new employees for easily adjust according to the culture of the organization and enhance their abilities and adopt new skills. Considered training as a meaningful weapon to hike competitive advantage (Laird, Holton, & Naquin, 2003). Culture of the institution quickly accepts through training and that employees have rewarded or awarded who have advantageous (Cardon & Stevens, 2004). Training considered the necessary element of HR activity in organizations that enhance the awareness and minor points and boost employee's performance (Castilla, 2005). For enhancing the employee's performance and developing the skills and knowledge of the employees training used as a equipment or tool. Training is also used for future development and needed requirement of today and also enhancing the additional competencies of the employees that enhance the employee's productivity (Jackson, Schuler, & Jiang, 2014). Training sections play a positive role in attaining organizational objectives (Dobson & Tosh, 1998). By providing the proper training to our employees organizations can attain desired changes (Huselid, 1995). Organizations achieved their objectives in efficient manner when their workers are trained (Laird et al., 2003).

Employee Involvement

(Tata & Prasad, 2004) calculate that if organizations empower its employees then the employees are more committed because when they take part in the decision making when they feel like organizations part and attitude of the employees are positive toward the performance of the organization. Involvement of employees creates an atmosphere which authority to make decisions and took act according to own job. Involvement of Employee was helpful for enhancing ownership, retaining, commitment, motivation and contribution of employees in an organization. Contribution of employees positively impact on employee's performance (Locke, Alavi, & Wagner III, 1997). Employee involvement enhances motivation, work satisfaction and employees commitment and they realized more contributed in competing the organizational objectives goals (Mullins & Peacock, 1991). Involvement of employees in making decision empowered the employees because it maximise the productivity, minimize the decision time, reduced the gap between supervisor and subordinates and develops teamwork (Smith, 1997). Conflict among the workers can be minimized by empowering the workers (Nykodym, Simonetti, Nielsen, & Welling, 1994).

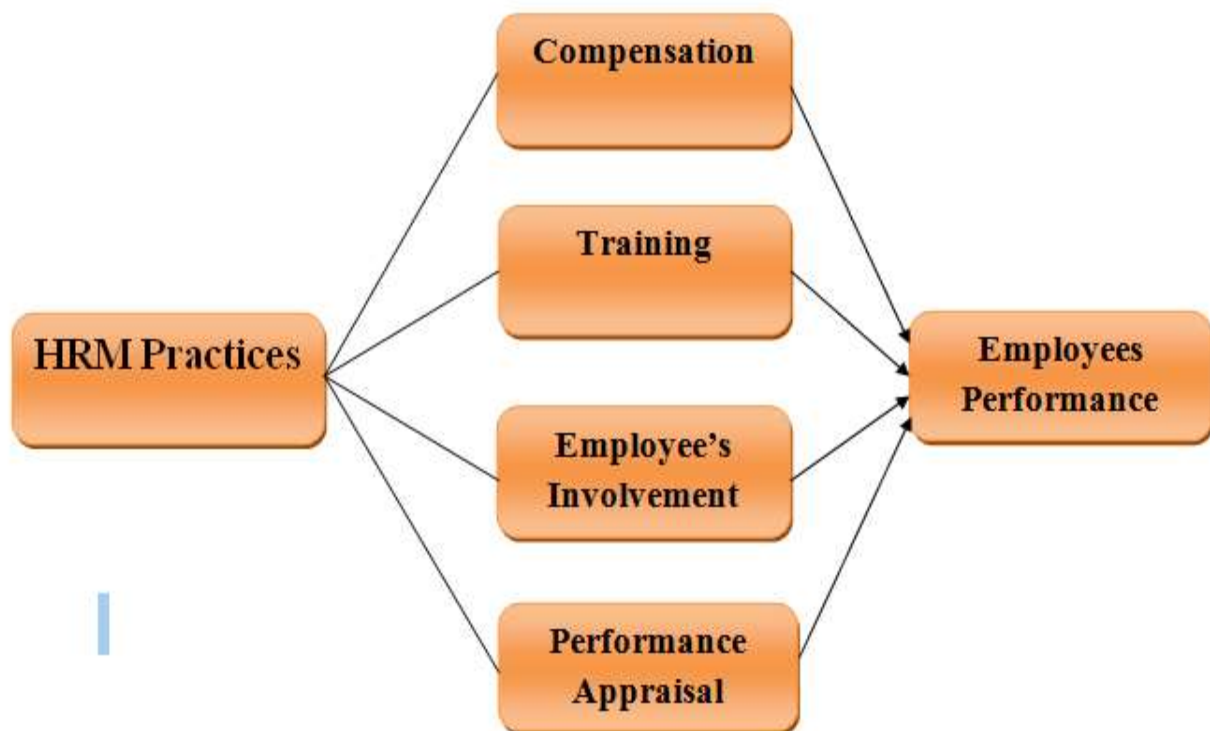
Performance Appraisal

Appraisal of performance is a structure measurement process of performance of a employee's towards their assigned job. Performance appraisal's prime purpose is to enhance employee's insight and motivation. (Sels et al., 2002) told that performance appraisal increase the productivity of employees and in return organizational performance increased. Performance appraisal increase professional skills by mentioning the area there needed improvement required (Singh, 2004). Employee's commitment and motivation increased if the performance appraisal on merit that positively influence on organization reported by (Wan, Ong, & Kok, 2002). If the employees show its willingness to play something extra in the organization so that was the key of organization's success (Ahmad & Schroeder, 2003).

HRM Practices and Employee's Performance

Numbers of researches was taken at different sectors of different countries. Mostly studies displayed positive impact of human resource management practices on employee productivity. Performance of employees has been linked with organization's performance directly. (Boselie, Dietz, & Boon, 2005) mentioned that in 104 researches, human resource management sought from bundles of activities perform by workers. (Delery & Doty, 1996) explained (7) seven human resource management practices were linked with whole organizational productivity. (Pfeffer, 1994) propose that company hired aware and skilled employees in recent elastic & international atmosphere. In reality HR activities are perform supervisor in day to day work that optimistically collision employee's insight about HRM practices which are applied on workers (Purcell & Kinnie, 2007). The failure and doing well implementation of human resource management practices relay on well knowledge and skills of the manager (Guest, 2011).

Research Framework



METHODOLOGY

Design of study

Research was taken to check impact of human resource management practices on employee performance.

Data collection

Questionnaire arranged on five likert scale from strongly agree to strongly disagree, was passed down to gather data from HR employees who's employed in sports industry Sialkot, Pakistan. Questionnaires are arranged according to the variables of our research paper. Random sampling was used to collect data and to fulfil that questionnaire from 130 targeted suspects for analysis our study.

Analysis of data

Regression and correlation techniques were used for evaluate the impact of practices of HRM on employee's performance.

RESULTS

Correlation:

	Training	Employee Involvement	Performance Appraisal	compensation	Employee Performance
Training	1				
Employee Involvement	.357**	1			
Performance Appraisal	.087	-.057	1		
Compensation	.105	.153	.106	1	
Employee Performance	.196*	.089	-.028	.116	1

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

To find out correlation, Pearson test was applied between HRM practices and employee's performance. Employee performance correlated with Employee Involvement, (r-.089) Performance Appraisal, (r-.028) Training, (r-.196) and Compensation (r-.116) and results prove that all variables significant.

Regression:

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.225 ^a	.051	.021	.55877

A, Predictors: (Constant), compensation, Training, performance appraisal, E.I

The value of R Square is 0.051 which shows that variation in performance of employees that anticipated in above model. That is showed that HR activities have direct or positive impact the level of the employee's performance. At the end it is conform that HRM practices have positive impact on employee performance.

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2.168	4	.542	1.73	.146 ^b
1 Residual	40.590	130	.312	6	
Total	42.757	134			

a. Dependent Variable: employee performance

b. Predictors: (Constant), compensation, Training, performance appraisal, Employee involvement.

Significant result was proved in ANOVA bellow than 0.15.

DISCUSSION AND CONCLUSION

The learning exposed an important connection stuck between Human Resource Management (HRM) practice (compensation, training, employee involvement, and performance appraisal) and employee's performance. The learning also exposed that employee's performance may be amplified by giving workforce a chance to create efficient decision. Tuition and employee participation play an optimistic role in increasing employee's performance (Munjuri, 2011)

It is suggested that those organization should carry on in attractive the competency of their workers to achieve improved performance goal. It is significant to determine so as to the HR practice plays its complete role in employee's performance which will help the company to utilize effectively its human being as capital to enlarge and maintain a viable edge, as people stay the sole matchless resource as compare to other organizations.

Limitations

This study was bounded to sports industry Sialkot, Pakistan while in the course of time this investigation organize in various industries of distinct cities to gain deeper significant outcomes. Limited character of suspect has been selected for this investigation so a comparable research should be regulated by improving the element of content. This research evaluate just four HR practices (compensation, training, employee involvement, and performance appraisal) while more practices can be passed down for extra research to cop a fair conclusion of the enhancement employee's performance elements.

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