

**ASSESSING THE HUMAN RESOURCE MANAGEMENT PRACTICES OF PUBLIC BANKS FROM EMPLOYEES' PERSPECTIVE: CASE STUDY OF SELECTED BRANCHES OF GHANA COMMERCIAL BANK, KUMASI**

**Justice Owusu Antwi,<sup>1</sup> Antwi Collins Opoku<sup>1</sup>, Ampadu Seth<sup>1</sup> and Osei-Boateng Margaret<sup>2</sup>**

<sup>1</sup>School of Management & Economics

University of Electronic Science & Technology of China (UESTC)

<sup>2</sup>Graphic Design/HR Department, New Times Corporation

---

**ABSTRACT:** *Human Resource Management (HRM) Practices and their impacts on employees' performance have received enormous cover in literature. This work took a look at five selected HRM practices and assessed their impact on employees' performance. The main objective of the study was to examine the impacts of these HRM practices on the performance of employees in four selected branches of Ghana Commercial Bank (GCB). The sample for the study was 80 employees from the selected branches of the bank. Data for the study was collected through the administration of structured questionnaire. Descriptive statistics such as charts, tables and regression analysis were used to analyze and present the data collected. The study established a very important relationship among HRM practices and employees' performance. The selected HRM practices which formed the independent variables are training & development, motivation, performance appraisal, internal communication, and reward/remuneration while employees' performance stood as the dependent variable. It was found that, the independent variables together explained 98% of the variance in employees' performance. Internal communication came in as having the strongest relation with employees' performance in respect of all the independent variables. It contributes a high percentage of 41% to explain the variance in employee performance. Performance appraisal showed up taking the second slot in the rank of significance in terms of the individual contributions of the measurement dimensions. It accounted for 26.6% of the overall relationship among the selected HRM practices on employees' performance. Motivation came in third place of significance accounting for 22.9% of the overall variance in employees' performance considering the selected employees' performance measurement variables for the study. Training & Development of employees took the fourth most significant slot among all the five (5) measurement dimensions employed in the research. It accounts for about 21% of the variance in the overall impact of the measurement dimensions on employees' performance and lastly 15.1% of the employees' performance is explainable by reward/ remuneration. Recommendations were then given in accordance with the research findings.*

**KEYWORDS:** Human Resource Management Practices, Training & Development, Motivation, Performance Appraisal, Internal Communication, Reward/ Remuneration, Employees' Performance.

---

## **INTRODUCTION**

### **Background of the Study**

In today's modern competitive business environment, organizations are facing emerging challenges in the form of acquisition and optimization of human resource. In the bid to

surmount these challenges, there has generally been the need for a comprehensive Human Resource Management (HRM) practices to translate organization's human resources into a sustainable competitive advantage. The success of most, if not all, organizations depend largely on its human resource. According to Khan (2010), in an energetic business atmosphere, there is the need for an approach to achieve better performance, to originate and implement HRM practices. This realization reinforces the critical role HRM practices play in this globally modern and increasingly competitive business landscape.

Scholastically, Human Resources Management practices is a form of system in which a set of distinct but interrelated activities, functions and processes are directed at attracting, developing and maintaining or disposing firms' human resources for that matter employees (Lado & Wilson, 1994). Additionally, HRM practices refer to organizational activities directed at managing the pool of human resource and ensuring that the resources are employed towards the fulfillment of organizational goals (Schuler & Jackson, 1987). Likewise, Appelbaum (2001), captures HRM practices as being basically concerned with the management of people within the internal environment of organizations, comprising the activities, policies, and practices involved in planning, obtaining, developing, utilizing, evaluating, maintaining, and retaining the appropriate numbers and skill mix of employees to achieve the organization's objectives. According to Ahmed & Schroeder (2003), human resources are considered the most important assets of an organization, but very few organizations are able to fully harness its potential.

Employee performance in an organizational context is usually defined as the extent to which an organization's member contributes to achieving the goal of the organization. Employees are primary source of competitive advantage in service oriented organization (pfeffer, 1994). Employee performance is originally what employee does or does not do.

Currently, organizations are competing through implementation of unique and exceptional human resource management practices and as a result of globalization, many organizations are adopting up-to-date human resource practices in order to achieve their organizational goals. Excellent human resource management practices are advantageous for both employees and employers. These practices according to Guest (1997) consist of selection, training, appraisal, rewards, motivation, job design, involvement and status, and security.

According to Sari (2009), training and development is seen as one of the key practices of HRM and it refers to the programs designed to teach the employees about the company specifics, educate them on the general rules of an organization, to provide them technical knowledge which is considered important to complete the job tasks effectively and to eradicate the probable imperfections at work. Meanwhile, Rajput (2011) considers motivation as another component of HRM practice and defines it as "individual desire to demonstrate the behavior and reflect willingness to expand efforts". Similarly, Remuneration/ Reward has been found to play motivational role and include but not limited to pay strategies such as performance related pay, production based pay, skill based pay, knowledge based pay and base pay Brown (1989). Performance appraisal as HRM practice in the words of Shahzad et al. (2008, p. 304) represents "a formalized process for monitoring workers and is intended to be a management tool to improve the performance as well as productivity of workers". Internal communication on the other hand as defined by Salas et al. (2008) is the "process through which knowledge and information is shared between team members" and this is also seen as a key HRM practice.

The link between HRM practices and employee performance has been vehemently established by numerous scholars including Pfeffer (1994, Huselid 1995, Delery & Dofy 1996, Truss et al. 1997, Becker & Gerhart 1996, Wright et al. (2003), Edgar & Geare 2005, Long et al. 2013 and Al-Qudah et al. 2014). Some of these scholars even view these practices as a source of sustainable competitive advantage in the modern business environment (Pfeffer, 1994; Wright et al., 2003). According Wright et al. (2003), sustainable competitive advantage can be created through a careful and thorough attention and energy being channeled to these practices in the bid to optimize human resources. Wright et al. (2003) even goes further to contend that, it is purely a conventional wisdom that has been upheld by numerous literature that complementarities among HRM practices greatly contribute to or create sustainable competitive advantage. Becker & Gerhart (1998) adduced empirically that, HRM practices significantly influence the skills and motivation of employees as well as job design and work structure which ultimately make up an organizational outcome; success or otherwise.

In Ghana, works on HRM practices in terms of their effect on customer retention and employee performance abounds (Mensah & Alemna, 1997; Mensah, 2010; Nartey, 2012). Mensah & Alemna's work in 1997 on HRM practices and employee retention showed a very significant positive relationship and HRM practices determines how effective and efficient an employee will become to a large extent and whether or not they are willing to stay. Mensah's research in 2010, at a bank, buttressed the fact that HRM practices influence employee performance. Based on the findings of Nartey (2012) on a study of HFC Bank in Ghana, recruitment and selection is an HRM practice impacts on employees' performance.

Economic theory proposes that good working conditions for workers lead to good productivity. The capability of management to motivate and equip their employees with the necessary skills is vital, effective and efficient for enhanced performance. Workers are generally inspired by the activities of human resource management (HRM) in an organization and thus it is important for human resource management units in organizations especially banks to be aware of the kind of practices that highly motivates employees (Agyapomaa, 2011). Available literature shows that HRM practices create competitive advantage particularly when they are in line with a firm's competitive strategy (Schuler & Jackson, 2007). This can also affect a company's discretionary efforts as well as organizational structures that grant employees the opportunity to control tasks they perform (Birdi et al., 2008). It is in the light of these that, this study assess the HRM practices of Ghana Commercial Bank (GCB) and their impacts on employees'.

### **Problem Statement and Research Intent**

Existing literatures have greatly elicited the tremendous contributions of Human Resources Management (HRM) practices on organizations' performances (Ahmed & Schroeder, 2003; Schuler & Jackson, 2007; and Agyapomaa, 2011). The performances of organizations are a reflection of employees' performance. The relationship between Human Resource Management practices and employee performance is an increasingly researched topic in human resource management (Edgar & Geare, 2005; Truss et al., 1997). More specifically, HRM is hypothesized to fulfill employees' needs which enhances favorable attitudes, and subsequently improves the total organizational performance outcomes (Meyer & Allen, 1997; Edgar & Geare, 2005; Kuvaas, 2008).

Nonetheless, in the quest to achieve sustainable competitive advantage in this turbulent business environment, organizations need to improve their human resources to be a contender. Such improvement requires an estimation of the individual significance of the HRM practices

in terms of their impacts on employees' performance, hence, the overall companies' performance. Although studies have been conducted on GCB, most have concentrated on their poor service rather than human resource management practices (Mensah, 2010). This study then focuses on the examination of the human resource management practices and the impact on GCB employees' performance in the hope to alleviate some of the challenges the bank faces in serving its pool of customers.

## **LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT**

### **Human Resource Management Practices at Ghana Commercial Bank (GCB Ltd)**

According to Boxall (2007) there is no agreement on what constitute HRM practices let alone a prescribed set of them. Researchers over the years have however come up with countless varied lists of practices. Yet, the argument still exists that there is no definition on what or which practice qualifies as an aspect of HRM (Beer et al., 1984; Boselie et al., 2005; Guest, 1997; Storey, 1995). It is interesting to note that there are still some practices that form the core of the various practices proposed (Abubakar & Abubakar, 2013). These include recruitment and selection, training and development, performance management and reward scheme. Others such as job design and employee involvement are more sporadic and are yet to gain grounds in the HRM literature (Boselie et al., 2005). Meanwhile, in the banking environment as indicated by Farid et al. (2014), selection and recruitment, salaries and wages adjustment, motivation, performance evaluation, audit promotion scheme and internal communication form major HRM practices. Similarly, considering internal reports of GCB, Job Advertisement Design, Job Vacancies Postings, Training & Development, Employees' Motivation, Recruitment & Selection Process, Job Placement, Performance Appraisal, Internal Communication, Promotions, Social Security Contributions and Reward/Remuneration form an integral part of HRM practices. However, this study seeks to assess the impacts of five (5) major HRM practices on employees' performance in Ghana Commercial Bank (GCB). Having done a thorough review of GCB internal reports, it is noticed that the major HRM practices that exist in the bank include Training & Development, Motivation, Performance Appraisal, Internal Communication, and Reward/Remuneration. These practices are also considered for the study due to their significance and measurability. Briefly, Training & Development includes the designing & implementation of staff training & development plans, charting out career paths, planning for career succession, ensuring employees have development opportunities. Motivational packages specifically consist of Enhanced Salaries to employees, Employees Car Loan Scheme, Employees Housing Loan Scheme, Fringe Benefit, Promotion and Recognition. Appraisal system has seven different stages with respective processes for employees' performance evaluation. This involves front-line managers in order to facilitate the processes for accurate results of their respective employees' performance evaluation. Internal Communication has three phases: the first consists of a conducive environment for daily face-to-face interaction among employees or interaction between employee and managers and vice versa. The second phase takes the form of top level managerial communication to line managers. This further trickles down to the dissemination of such information to the lower grade employees. Lastly, the third phase looks at departmental or unit meetings among line managers and the employees for updates on duties and responsibilities.

## **HRM Practices and Employees' Performance**

The relationship between Human Resource practices and employee performance is an increasingly researched topic in human resource management (Truss et al. 1997; Edgar & Geare, 2005; Long et al., 2013; Farid et al., 2014 and Al-Qudah et al., 2014). More specifically, HRM is supposed to comply with employees' needs which enhances favorable attitudes, and subsequently improves performance outcomes (Edgar & Geare, 2005; Kuvaas, 2008; Meyer & Allen, 1997). This is in synch with social exchange theory (SET) which argues that HRM practices provides positive and relevant exchange relationships among employee and employer – especially when the needs of individual workers are considered – to which employees reciprocate with favorable attitudes and behavior (Gould-Williams & Davies, 2005).

Guest (2002) has demonstrated that the Impact of HRM on employees' and organizational performances depend upon responses of workers towards HRM practices. So, the impact of HRM practices move in the direction of the perception of employees. Qureshi et al. (2007) concluded that HRM practices are positively correlated with employee's performance. Ichniowski (1997) while observing productivity of steel workers, realized the extend complementarity among the HRM practice System affects workers performance. In a similar research that targeted smaller businesses, it was found that effective HRM practices impact on employees' performance significantly (Guest 1987).

## **Training & Development and Employee's Performance**

According to Guest (1997) training and development program is one of the vital human resource management practices that affect the value of the workforce's knowledge, capability and skill positively. Ultimately, the effects are higher on employees' job performance and creating super companies. Tzafrir (2005) also asserted strongly that, Training is an important element in producing the human capital. Investing in training programs can make employees feel indebted to the company (ibid). Training is necessary for the employees to perform particular job because most jobs require specific skill and knowledge by which the job is much easier to perform as it is in the benefit of the employee. Qureshi et al. (2007) came to the conclusion that training as an HRM practice has a very positive impact on the performance of the employees since a highly positive correlation was found in that study. Danvila del Valle et al. (2009) intimated without mincing words the provisions training equips employees with in terms of skills, abilities and knowledge required by their various positions. These studies have emboldened organizations in their commitment to employees' training & development. Cheng and Ho (2001) also discussed the relevance of training and its considerable effect on job performance. According to them while employee performance is one of the crucial measures emphasized by the top management, employees are more concerned about issues on their own output and are increasingly aware of the accelerated obsolescence of knowledge and skills in their turbulent environment. As the literature suggests, by continuously training and developing employees effectively, they will become more aligned for career growth and career potential enhances personal motivation.

Farog and Aslam (2011), empirical research examined the impact of training and feedback on employees' performance. The authors also conducted a thorough literature review that illustrated the importance of both factors in influencing the employees' performance. The review further highlighted the improved quality of performance of tasks and processes. The result of their research showed that training programs are effective tool for the enhancement of employees' performance.

Fakhar et al. (2011) conducted a research on impact of training on employee's performance taking Pearl Continental Hotel, Karachi Pakistan, as a case study. The research was studied on the basis of age, experience, gender, number of trainings attended, time spent on these trainings and overall performance of scores acquired through training examination. Six dimensions of performance were analyzed, namely: job preparedness, work safety, physical maintenance of rooms, hotel hygiene, preparation for serving customers in several ways and communication with the guests. The results showed essential and strong relationship between employees' performance and the six dimensions. Also, those employees who have received higher number of trainings were found more capable while performing the assigned tasks as compared to those who received lower number of trainings.

Per the discussions above, there is a clear positive relationship between Training & Development and employees' performance and this has led the researcher to come up with the proposition that:

### **H1: Training & Development has a positive relation with Employee's Performance**

#### **Motivation and Employee's Performance Relation**

Some researchers have made a strong case in support of the positive relationship between motivation and employees' performance (Herzberg, 1950; Vroom, 1964; Adams, 1965; Cummins, 1967; McClelland & Boyatzis, 1982; McClelland, 1984; Anthony et al., 2012; and Dauda et al., 2012). As early as the 1950's, motivation and employees' performance have gained researchers attention. Herzberg (1950) suggested that there are some key determinants of job satisfaction and dissatisfaction. Job satisfaction elements he called intrinsic factors (motivators) and job dissatisfaction he referred to as dissatisfaction factors (hygiene factors). To him, when motivational factors are met, the employees become motivated and hence perform higher as an implication. Vroom (1964) proposes that people are motivated by how much they want something and how likely they think they are to get it. Adams (1965) on his part suggests that people are motivated to seek social equity in the rewards they receive for high performance. According to him the outcome from job includes; pay recognition, promotion, social relationship and intrinsic reward. To get these rewards various inputs need to be employed by the employees to the jobs done, such as time, experience, efforts, education and loyalty. He suggests that, people tend to view their outcomes and inputs as a ratio and then compare these ratios with others and turn to become motivated if this ratio is high. The research findings of McClelland & Boyatzis (1982) indicates a positive relationship between motivation and employees' performance especially motivation related to having authority in employees' career development. The need for the rise in an organizational hierarchy known as job promotion according to the study serves as an enormous tool for employees to push to the limits of what they can accomplish. Anthony et al. (2012) studied the educational sector and established that there is a positive relationship between motivational factors and employees' performance. It was found out that income level of employees in the educational sector served as a strong predictor of their performance. In similar vein, the study conducted by Dauda (2012) in the educational sector among university staff affirmed the significant relationship between employees' motivational factors and their performance. In view of the literatures above, it is amply evident that motivational packages of employees at GCB such as pay, promotions, recognition inter alia impact on their performance and this leads the researcher to hypothesize that:

## **H2: Motivation has positive relation with employees' performance**

### **Performance Appraisal and Employees' Performance**

Employee commitment and productivity can be improved with performance appraisal systems (Waddell et al., 2000; Brown & Benson, 2003; Shahzad et al., 2008). "Performance appraisal represents a formalized process of worker monitoring and is intended to be a management tool to improve the performance and productivity of workers" Shahzad et al. (2008). The performance appraisal system, in the perspective of Shahzad et al. (2008) is the process of observing and evaluating employees' performance and providing feedback, is a potentially important method for developing an effective workforce (ibid). Performance appraisal to them is used as a mechanism for improving employee performance. It is widely recognized as the primary human resource management intervention for providing feedback to individuals on their work-related achievements that ultimately improve workers' performance (Waddell et al., 2000). According to Waddell et al. (2000) performance appraisal can be used as an aid in making decisions pertaining to promotion, demotion, retention, transfer, and pay. Evrim (2009) also analyzed whether appraisal system leads to employee performance. It was concluded that in terms of administration, the appraisal system helped define roles and responsibilities more clearly, review and determine job descriptions, determine organizational goals and objectives, and lead to continuous learning, team building and improve employee performance.

It is realized in Waddell et al. (2000) study that training needs, assessment and employee feedback impact positively on employees' performance which is born out of their need to be as well as stay relevant and significant. It is therefore hypothesized that:

## **H3: Performance Appraisal has a positive relation with employees' performance**

### **Internal Communication and Employees Performance**

Prior studies have found that internal communication between management and employees motivates the employees to perform to the best of their abilities (Goris et al., 2000; Benner & Tushman, 2003; Lowenstein, 2006; Trinkka, 2006; Chong, 2007; Erogluer, 2011; and Gallup, 2012). Internal communication enhances a number of important bottom line outcomes for the organization including increased employees' productivity and organizational profitability (Gallup, 2012). Internal communication boosts productivity by streamlining employees' roles and duties in organizations (Benner & Tushman, 2003). Chong (2007) carried out a study on Singapore Airlines and found that focusing on face-to-face dialogue between management and staff helped the airline deliver its brand promise to its customers through its employees. Internal communication reflects management's ability to build relationships between internal stakeholders at all levels within an organization (Welch & Jackson, 2007). Quirke (2008) noted that the role of internal communication is to "illuminate the connections between different pieces of information", and its job is "to provide employees with the information they need to do their job". D'Aprix (2009) posited that "communication is the undoubted lubricant to prevent the corporate machinery from self-destructing from the friction of change". Thus, in both theory and practice, internal communication is critical to building relationships with employees.

A study of manager-employee surveys, Trinkka (2006) found that managers can increase their overall effectiveness by 50-60 percent by focusing on communication. He argues that employees are interested in learning communication skills to make a healthy and co-operative working environment. He proposes that a manager can play an important role in retaining

employees and in their performance by engaging them in interaction. He found that those managers, who discuss and communicate the performance standards with their employees, get more effective results and outcomes.

Goris et al. (2000), proposes that job performance and job satisfaction can be achieved only when there is a balance relationship between employees needs for growth and job characteristics. They found that high level of downward communication in the organizations makes employees feel dependent on their bosses. And when there is too much upward communication, employees sometimes assume that their superiors don't know how to perform their tasks and duties. He further argues that excess of everything is dangerous in the same way excess of any communication direction in the organization creates trouble for workers. Negative reactions can be the result of too many good things or too little things. In lateral communication, employees compare themselves with their co-workers and this thing negatively affects employees' satisfaction and their performance.

In summary, this review found that internal communications practices play an important role in employee performance. The above discussions lead to the proposition of the following for further investigation.

#### **H4: Internal communication has positive relation with Employees' Performance**

##### **Reward/Remuneration and Employee's Performance**

Researchers have suggested that rewards or remuneration causes satisfaction of the employees to be affected, which directly influences the performance of the employees (Bergum & Lehr, 1984; Lawler, 1985; and Akerele, 1991). Bergum and Lehr (1964) studied two major influences: investigation of the influence of monetary incentives on performance, and its removal on performance. It showed that the subjects in the experimental group who received individual incentives performed better than those in the control group. Assan (1982) also studied the effect of extrinsic and intrinsic job factors on job motivation and satisfaction which lead to performance. It showed that there was no significant difference in motivational level and job satisfaction across various categories of workers in different organizations. Egwuridi (1981) also investigated motivation among Nigerian workers using a sample of workers of high and low occupational levels. The hypothesis that low income workers will be intrinsically motivated was not confirmed, and the expectation that higher income worker will place a greater value on intrinsic job-factors than low income workers was also not confirmed.

Ajila and Abiola (2004) in their study revealed that reward package has influence on employee performance. Based on their findings they concluded that reward system helps to increase employee performance by increasing energy level, enhancing employee skills, knowledge and abilities in order to achieve organizational objectives.

Lawler (1985) concluded that reward factors influence the performance with regards to work in different scenarios. Firstly, it was noticed that this depends on the amount an employee received and the amount the employee feels he or she should receive. Secondly, the comparison of the amount received by the employee to what other employees received has influence on the employee's performance. Thirdly, the satisfaction an employee gets from both intrinsic and extrinsic rewards received affects overall job performance. Fourthly, people differ widely in the rewards they desire and in the value they attach to each which in essence affect their job performance. Fifthly, many extrinsic rewards bring satisfaction only because they lead to other rewards. All these observations suggest the need for a diverse reward system.

Akerele (2001) observes that poor remuneration is related to profits made by organization. Wage differential between high and low income earners was related to the low morale, lack of commitment and low productivity. Nwachukwu (1994) blamed the productivity of Nigerian workers on several factors. Among them is employers' failure to provide adequate compensation for hard work and the indiscipline of the privileged class that arrogantly displays their wealth which is very demoralizing to working class and consequently reduced their productivity. Judging from all these empirical studies and findings, one may generally conclude that a good remuneration package, which ties financial rewards to individual performance, can be expected to result in higher productivity. Given the discussions above, the researchers propose the following:

### **H5: Reward/remuneration has a positive relation with Employees' Performance**

#### **Methods and Presentation of Analysis**

Four branches of GCB namely Kumasi Main, Kwame Nkrumah University of Science and Technology (KNUST), Kejetia, and Asafo Market branches were selected for the case studies. These branches are located in the commercial areas of Kumasi and have more customers and larger number working staff. For the purpose of this study, the research population considers the entire workforce of the selected branches. However in general situations, due to the large size of a population, researchers often cannot test every individual in the population as it is too expensive and time-consuming (Saunders et al., 2009). In view of this, eighty (80) employees were selected for this study using convenient sampling; a non-probabilistic sampling technique where selection of subjects are conveniently accessible and their proximity to the researcher with 20 respondents from each bank branch is nearby.

Data for the study was collected through the administration of structured questionnaires. The questionnaire used related to human resource management practices in the bank as per the research hypotheses. These in turn is based on the research questions. The questionnaire consists of close-ended questions. The Likert scale approach was adapted to rate responses by respondents. The responses were rated as "Strongly Agree (SA), Agree (A), Neutral (N), Disagree (D), and Strongly Disagree (SD). This approach was used since closed-ended questions are easy to code and analyze.

Statistical tools were employed for data processing, analysis and presentation. Statistical Package for Social Sciences (SPSS) version 21 and Microsoft Office Excel 2007 were used for the processing of the data. Simple descriptive statistics such as charts, tables, mean, and variance were used to analyze the data collected. These descriptive statistics were used due to their ability to convey information to a good number of people easily because they are relatively simple to understand and interpret than rigorous mathematics (Saunders et al., 2009). Then again, a multivariate regression technique was employed to examine the effect of the predictor variables on the criterion variable. In all cases, reliability was extensively examined to table the level of internal consistency within the test items utilizing the Cronbach's alpha estimates ranging from .843 to .920.

#### **Presentation of Research Analysis**

##### **Analysis of Demographic Information of the research respondents**

Four questions were used for collecting demographic information from the respondents. These included gender, age, educational qualification and service period in the bank. Regarding the

distribution of the gender retrieved from the respondents, off the 80 respondents, 62 are male and 18 are female, representing 77.50% and 22.50% respectively. This indicates that majority of the respondents in the sample were male employees during the study. The table below describes the gender of the respondents in the research data.

**Table 4.1: Gender of respondents**

Gender	Frequency	Fraction	Cum. Percentage
Male	62	77.50	77.5
Female	18	22.50	100
<b>Total</b>	<b>80</b>	<b>100</b>	

*Source: Author's field work, 2015.*

Pertaining to age distribution of the research respondents, the pictorial presentation of the analysis shows that, 38% of the respondents were in the age category of 36-45, 31%, 26% and 5% were also in the age category of 26-35, 45 and above and 18-26 respectively.

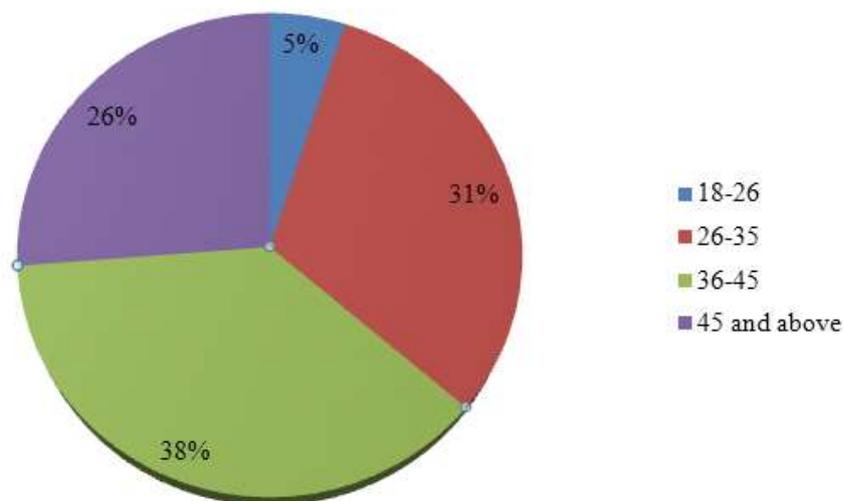
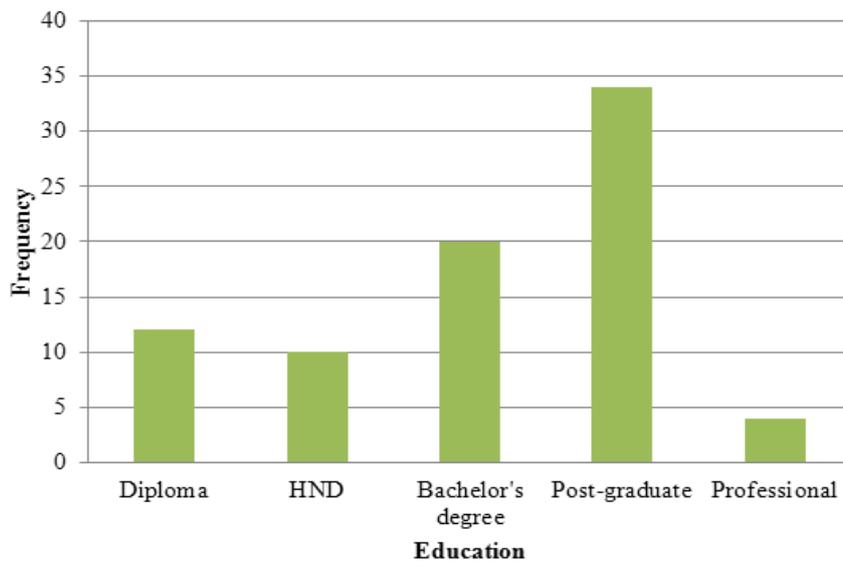


Figure 4.1: Age distribution of respondents

*Source: Author's field work, 2015.*

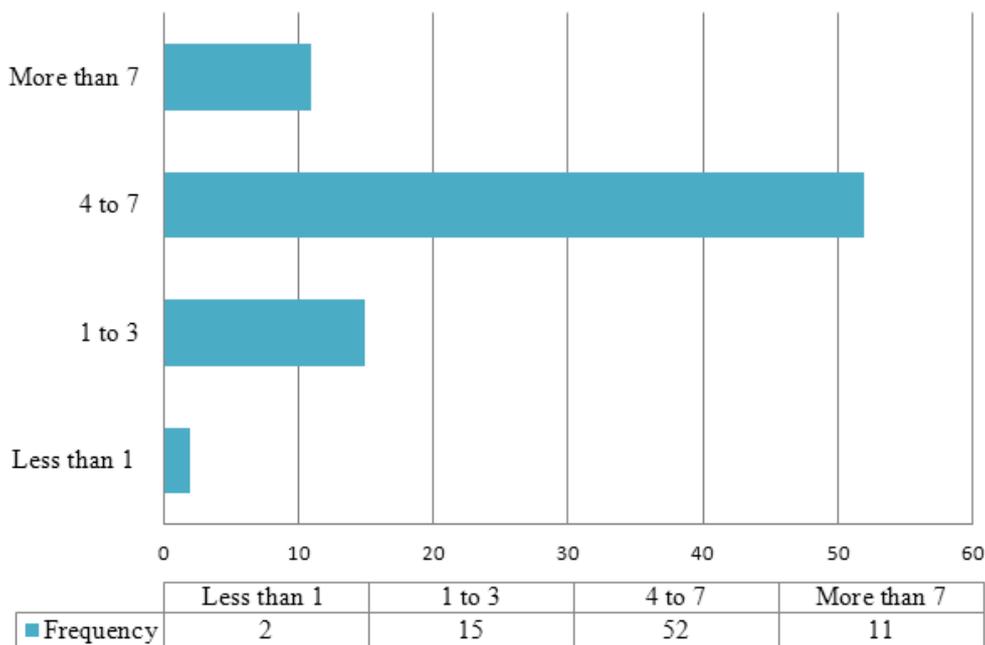
On the education status, respondents were asked to indicate their highest education level. Based on the responses, post-graduate recorded the highest education level which accounted for 42.5% of the total respondents in the sample. Bachelor degree, with a frequency of 20 out of 80 recorded the second highest education level accounting for 25% of the total respondents. Diploma, HND and Professional levels recorded 15%, 12.5% and 5% respectively of the total respondents. The chart below gives detail description of the educational status of the research respondents.



**Figure 4.2: Highest education level of respondents.**

Source: Author's field work, 2015.

Then also, respondents' length of service at the bank was investigated. It was evidential that, 52 employees have worked in the bank for 4 to 7 years which represents 86.25 % of the total number of respondents and 2.50 % of the respondents have worked in the bank for less than a year. The chart below shows the number of years respondents have worked with the bank.



**Table 4.3: Number of years respondents have worked with GCB.**

**TESTING OF HYPOTHESES**

H1: Training & Development has a positive relation with Employee's Performance

H2: Motivation has positive relation with employees' performance

H3: Performance Appraisal has a positive relation with employees' performance

H4: Internal communication has positive relation with Employees' Performance

H5: Reward/remuneration has a positive relation with Employee's Performance

**Model Summary**

Model	Unstandardized Coefficients		Standardized coefficients	T	Sig.
	B	Std. error	$\beta$		
(Constant)	-1.371	.311		- 4.403	.000
Training and development	.280	.020	.210	13.679	.000
Motivation	.271	.024	.229	11.288	.000
Performance appraisal	.350	.024	.266	14.471	.000
Internal Communication	.402	.023	.410	17.487	.000
Reward/remuneration	.211	.030	.151	7.073	.000

Notes:  $R=.993^a$ ;  $R^2 = .987$ ;  $Adj\ R^2 = .986$ ;  $F\text{-value} = 1113.135$ ;  $Sig. = .000^b$ ; dependent variable,  $p < 0.00$

Dependent variable: Employees Performance

Predictors: (Constant), Training & development, Motivation Performance, Performance Appraisal, Internal communication, Reward/ Remuneration

The above Model Summary is a tabulated representation of the summary results of the regression analysis for the Independent Variables and the Dependent Variable. The independent variables as indicated are training and development, motivation, performance appraisal, internal communication, and reward/remuneration while the dependent variable is employees' performance. The variance explained in the dependent variable by the independent variable is approximately 98 per cent which is significant since  $F = 1113.135$  and  $p < 0.000$ . All independent variables are supported to be positively related to the dependent variable in that, the coefficient of correlation derived in the model  $r=.993$  indicates a strong linear relationship between the criterion variable and the predictor variables. Internal communication is the most important factor in the dependent variable as its  $\beta = .410$  with  $p\text{-value} < 0.001$ , performance appraisal is the second most important variable with  $\beta = .266$  and  $p < 0.001$ , training and development is the third most important variable also with  $\beta = .210$ ,  $p < 0.001$ , motivation is the fourth most important variable with  $\beta = .229$  and  $p < 0.001$ , rewards/remuneration is the fifth important variable with  $\beta = .151$  and  $p < 0.001$ . In respect to this analysis, all the alternative hypotheses formulated to guide this study are accepted against the null hypotheses. The table

below presents the conclusion remarks of the research hypothesis:

<b>Variables</b>	<b>Hypothesis</b>	<b>Significance</b>	<b>Remarks</b>
Training and development<employee performance	H1	0.00<0.01	Accepted
Motivation<employee performance	H2	0.00<0.01	Accepted
Performance Appraisal<employee performance	H3	0.00<0.01	Accepted
Internal communication<employee performance	H4	0.00<0.01	Accepted
Reward<employee performance	H5	0.00<0.01	Accepted

## DISCUSSION AND SUMMARY OF FINDINGS

This particular research with the methodology adopted has revealed enlightening outcomes which are worthy of mention and the implications thereof.

The research has established a very important relationship between the independent variables; training & development, motivation, performance appraisal, internal communication, and reward/remuneration and the dependent variable; employees' performance. It was found out that, the independent variables together explained 98% approximately the variance in employees' performance.

Internal communication came in as having the strongest impact on employees' performance in respect of all the independent variables. It contributes a huge 41% to explain the variance in employees' performance.

Again, performance appraisal showed up very strong taking the second slot in the rank of significance in terms of the individual contributions of the measurement dimensions. Performance appraisal accounted for 26.6% of the overall impact of the selected HRM practices on employees' performance.

Moreover, motivation came in the third place of significance accounting for a humongous 22.9% of the overall variance in employees' performance considering the selected employees' performance measurement variables for the study.

Training & Development of employees took the fourth most significant slot among all the five (5) measurement dimensions employed in the research. It accounts or explains 21% of the variance in the overall impact of the measurement dimensions on employees' performance. Lastly, reward/remuneration for employees explains 15.1% of the variance in the impact of the measurement dimensions on employees' performance.

## RECOMMENDATIONS

The result of the study clearly indicates that Training and development, Motivation, Performance appraisal, Internal communication, Reward/remuneration have positive relation with employees' performance. Meanwhile, according to the result obtained from the

respondents, majority of them simply disagree to all the questions asked on the HRM practices of the bank indicating that the bank does not fully satisfy the employees in providing these practices. It is therefore recommended that the bank;

- ❖ Provides its employees with adequate and appropriate training and developmental programs
- ❖ Should have a merit-based motivation system. This helps increase employees' performance and increase productivity. Other employees who recognize that the best performers are the ones who are motivated may put forth extra effort to be motivated as well.
- ❖ The bank senior management should maintain a continuous interaction with the employees by updating them on the bank's policies, procedures and decisions. Management also need to keep the employees well-informed on new developments since well-informed employees make sound decisions, remain motivated, productive and feel as a member of one family in the bank.
- ❖ The bank should also consider putting in-place good and fair remuneration/reward systems that would encourage workers to become more motivated to achieve higher levels of performance.

## CONCLUSION

It is noteworthy from the findings of this research that, in today's volatile and increasingly innovative business atmosphere, the study's outcome more or less support the conventional wisdom that employees are the most valuable asset of a business organization and that an effective practice of Human Resource Management Practices (HRMP) to develop and tap this invaluable potential of employees will save the future of businesses. The significant relationship that the research elicits between the selected HRM practices and employees performance is in support of the various similar studies and this therefore should be indicative to researchers and business practitioners across board, not to downplay the importance of HRMP as a strategic tool to achieving comparative advantage. Nonetheless, further research can be undertaken to further broaden the knowledge in this topic area of human resource management practices and employees performance.

## REFERENCES

- [1] Adams, J.S (1995). Inequity in Social Exchange. In L. Berkowitz (ed), *Advance in experimental social psychology*. New York: Academic Press
- [10] Becker, B., & Gerhart, B. (1996). The impact of human resource management on organizational performance: Progress and prospects. *Academy of Management Journal*, 39, 779–801.
- [11] Beer, M. Spector, B., Lawrence, P.R., Quinn Mills, D and Walt on, R. (1984). *Managing Human Assets*, New York: Free Press.
- [12] Bergum, B and J. Lehr. 1984. "Monetary incentives and Vigilance." *Journal of Experimental Psychology*, No. 7: 197-198.

- [13] Benner, M. J., & Tushman, M. L. (2003). Exploitation, exploration, and process management: The productivity dilemma revisited. *Academy of Management Review*, 28, 238-256.
- [14] Birdi, K., Clegg, C., Patterson, M., Robinson, A., Stride, C. B., Wall, T. D. and Wood, S. J. (2008). The impact of human resource and operational management practices on company productivity: a longitudinal study. *Personnel Psychology*, 61(3): 467-501.
- [15] Boselie, P., Dietz, G., & Boon, C. (2005). Commonalities and Contradictions in Research on Human Resource Management and Performance” *Human Resource Management Journal*, 13, 3, 67-94.
- [16] Boxall, P., Purcell, J., Wright, P. (2007): *The Oxford Handbook of Human Resource Management*, Oxford University Press.
- [17] Brown, M., D. Hyatt, J. Benson, (2010). Consequences of The Performance Appraisal Experience, *Personnel Review*, 39(3): 375-396.
- [18] Cheng E. W. L. & Ho D. C. K. (2001). The influence of job and career attitudes on learning motivation and transfer. *Career Development International*, 6, 20-27.
- [19] Chong, M. (2007). The role of internal communication and training in infusing corporate values and delivering brand promise: Singapore Airlines’ experience. *Corporate Reputation Review*, 10, 201-212.
- [2] Agyapomaa, A. (2011). An Investigation into the Impacts of HRM Practices on Health Workers’ Motivation at Akim Oda Government Hospital: Ghana. MSc HRM Dissertation submitted to Sheffield Hallam University.
- [20] Cummins, P (1967). TAT Correlations of Executive Performance”, *Journal of Applied Psychology*, 42(1), 178-185
- [21] Danvila del Valle, I., A. Castillo, Miguel., Rodrí’guez-Duarte, Antonio (2009). The effects of training on performance in service companies. *International Journal of Manpower*. 30(4): 393-407.
- [22] D’Aprix, R. (2009). *The credible company*. San Francisco, CA: Jossey-Bass.
- [22] Delery, E.J. & Doty, H.D.(1996). Modes of theorizing in strategic human resource management: tests of universalistic, contingency, and configurationally performance predictions. *Academy of Management Journal*, 39, 802-35
- [23] Dauda Abdulsalam et al.( 2012). Effect of Internal Service Quality on Employee Job Satisfaction: Evidence from Abubakar Gimba Library, IBB University, Lapai – Nigeria. *American International Journal of Contemporary Research*. Vol. 3 No. 6; June 2013.
- [24] Edgar, F. & Geare, A (2005). HRM practice and employee attitudes: Different measures –different results. *Personnel Review*, 34(5), 534-549.
- [25] Egwuridi, P.C. (1981) Job Satisfaction: Effects on Job Characteristics. Unpublished MSc Dissertation University of Lagos, Nigeria.
- [26] Fakhar Ul Afaq, Rosman bin Md. Yusoff, Anwar Khan, Kamran Azam and Kassim Thukiman, (2011). “Employees’ Training and Performance Relationship in Hospitality Sector. A Case of Pearl Continental Hotel, Karachi, Pakistan”, *International Review of Business Research Papers*, Vol.7, No.3, pp.149-158.
- [27] Farid, H. T., Yahin, H., Nahin, H. (2014) HRM practice in commercial banks: A case study of Bangladesh *IOSR Journal of Business and Management (IOSR-JBM)* e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 16, Issue 2. Ver. III (Feb. 2014), PP 29-36
- [28] Farog M, & M.Khan A.(2011), Impact of Training and Employee performance: *European Journal of Business and Management*, 5(4)
- [29] Gould-Williams, J. S., and Davies, F. (2005). Using social exchange theory to predict the effects of HRM practice on employee outcomes: An analysis of public sector workers. *Public Management Review*, 7(1), 25-47.

- [3] Afful-Broni, A. & Nanyele, S. (2012). Factors Influencing Worker Motivation in a Private African University: Lessons for Leadership. *Creative Education*, 3, 315-321. doi: [10.4236/ce.2012.33050](https://doi.org/10.4236/ce.2012.33050).
- [30] Gallup.(2012).Employeeengagement. Retrieved from <http://www.gallup.com/consulting/52/employee-engagement.aspx>
- [31] Goris, J.R., Vaught B.C. and Pettit, J.D. (2000) „Effects of communication direction on job performance and satisfaction: A moderated regression analysis“, *Journal of Business Communication*, 37(4), 348-68.
- [32] Gould-Williams, J. (2007). HR practices, organizational climate and employee outcomes: evaluation social exchange relationships in local government. *International Journal of Human Resource Management*, 18(9), 1627-1647.
- [33] Guest D (2002). Human Resource Management, Corporate Performance and Employee wellbeing: Building the worker into HRM, *The Journal of Industrial Relations*, Vol.44, No.3, pp. 335-358.
- [34] Guest, D.E (1987). Human Resource Management and Industrial Relations. *Journal of Management Studies*, 24: 503–521.
- [35] Guest, D.E. (1997). Human Resource Management and Performance: A Review and Research Agenda. *International Journal of Human Resource Management* 8(3), 263-276.
- [36] Huselid, M. (1995), The Impact of human resource management practices on turnover, productivity, and corporate financial performance, *Academy of Management journal*, Vol.38, No.3, pp.635-670.
- [37] Ichniowski, C., Shaw, K. and Prensushi, G. (1997), “The effects of human resource management practices on productivity: A study of steel finishing lines”. *The American Economic Review*.
- [38] Khan, M. A., (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 Sciences*.
- [39] Kuvaas, B. (2008). An exploration of how the employee-organization relationship affects the linkage between perception of developmental human resource practices and employee outcomes. *Journal of Management Studies*, 45(1), 1-25.
- [4] Ahmad, O. & Schroeder, R.G. (2003). ‘The Impact of Human Resource Management Practices on Operational Performance: Recognizing Country and Industry Differences’, *Journal of Operations Management*, Vol.21, pp.19-43.
- [40] Lado, A.A. & Wilson, M.C. (1994). Human resource systems and sustained competitive advantage: a competency-based perspective. *Academy of Management Review*, 19, 4, 699 – 727.
- [41] Lawler, E.E.( 1985). “The effects of performance of job satisfaction.” *Industrial Relations*, 7: 20-28.
- [42] Long Choi sang, Kowang Owee Tan, Mathuveloo, Ping Ai Teoh (2013). A Review on the Relationship Between Practices and Firm’s Performace. *Australian Journal of Basic and Applied Sciences*, 7(2):312-316
- [43] Lowenstein, M. (2006, February 14). The trust equation: Build employee relationship credibility, rapport and integrity to leverage customer advocacy. *CRMGuru*. Retrieved from [http:// customerthink.com/201/](http://customerthink.com/201/)
- [44] Luna-Arocas, R. & Camps, J. (2008). A model of high performance work practices and turnover Intentions. *Personnel Review*, 37(1), 26-46.
- [45] McClelland, D.C and Boyatzis, R.E (1982).”Leadership Motive Pattern and Long Term Success in Management”, *Journal of Applied Psychology*, 67(6), 737-743.
- [46] McClelland, D.C, (1984). *Motives, Personality and Society: Selected Papers*, New York:

Praeger Publishers.

- [47] Mensah, V., & Alemna, A. A. (1997). Staff retention in public libraries in Ghana. *Library Management*, 18(6), 286-294. MCB University Press.
- [48] Meyer, J. P. & Allen, N. J. (1997). *Commitment in the workplace: Theory, research, and application*. Thousand Oaks (C.A.): Sage Publications.
- [49] Mensah Rebecca Dei (2010) *Effects Of Human Resource Management Practices On Retention Of Employees In The Banking Industry In Accra, Ghana*. Thesis Submitted To The School Of Business, In Fulfillment Of The Requirements For The Award Of Doctor Of Philosophy Degree In Business Administration Of Kenyatta University
- [5] Ajila, C., & Abiola A. (2004). Influence of rewards on work performance in an organization. *J.Soc.sci*, 8(1): 7-12
- [50] Nartey Djabatey Edward (2012). *Recruitment and Selection practices of Organisations, A case study of HFC Bank (GH) LTD*. A Thesis Submitted To The Institute Of Distance Learning, Kwame Nkrumah University Of Science And Technology.
- [51] Pfeffer, J. (1994). *Competitive advantage through people*. Boston: Harvard Business School Press.
- [52] Quirke, B. (2008). *Making the connections: Using internal communication to turn strategy into action*. Burlington, VT: Gower.
- [53] Qureshi M, Tahir., Ramay I, Mohammad., Marwat A, Zubair. (2007), *Impact of Human Resource Management (HRM) Practices on Employees Performance*, Muhammad Ali Jinnah University, Islamabad.
- [54] Rajput, A., Bakar, A. H. A., and Ahmad, M. S. ( 2011). "Motivators Used by Foreign and Local Banks in Pakistan, A Comparative Analysis" *Journal of Academic Research* Vol. 3, No. 2.
- [55] Sari, F.O. (2009). Effects of employee trainings on the occupational safety and health in accommodation sector. *Procedia Soc. Behav. Sci.*, 1: 1865-1870.
- [56] Saunders, M., Lewis, P. and Thornhill, A. (2009). *Research Methods for Business Students*, 5th Ed, Harlow: Pearson.
- [57] Schuler, R. S. and Jackson, S. E. (Eds) (2007). *Strategic Human Resource Management*, (2<sup>nd</sup> Ed), Oxford: Blackwell.
- [58] Schuler, R., and Jackson, S., (1987): "Linking competitive strategies with human resource management practices", *Academy of Management Executive*, Vol.1, No.3, pp. 207-19.
- [59] Shahzad, K., Bashir, S., & Ramay, M.I. (2008), 'Impact of HR Practices on Perceived Performance of University Teachers in Pakistan', *International Review of Business Research Papers*, Vol.4, No.2, pp.302-315
- [6] Akerele, A. (2001). "Role of Labor in Productivity". *Nigeria Journal of Industrial Relation*, 5: 50-58.
- [60] Storey, J., (1995). *Human resource management: Still marching on, or marching out?*, In Storey, J. (Ed.), *Human Resource Management: A critical text*, Routledge, London.
- [61] Truss, C., Gratton, L., Hope-Hailey, V., McGovern, P. & Stiles, P. (1997). Soft and hard models of Human Resource Management: A reappraisal. *Journal of Management Studies*, 34(1), 53-73
- [62] Tzafirir, S.S. (2005), *The relationship between trust, HRM practices and firm performance*, *International Journal of Human Resource Management*, Vol.16, No.9, pp.1600-22.
- [63] Waddell, D., Cummings, T.G. & Worley, C.G. 2000, *Organisation Development and Change*, Nelson Thomson Learning, Sydney William, M.L., McDaniel, M.A., & Ford, L.R. (2007). Understanding multiple dimensions of compensation satisfaction. *Journal of Business and Psychology*, 21(3), 429-459.
- [64] Vroom, V.H. (1964). *Work and Motivation*. New York. Wiley.

- [65] Wilson, B. T. (2003). *Innovative Reward Systems for the Changing Work Place*. New York: McGraw Hill. Retrieved from <http://books.google.co.ke/books?id=qRBSya4773AC>
- [66] Wright, P. M. and Gardner, T. (2003), "The human resource-firm performance relationship: Methodological and theoretical challenges". In *The new workplace: A guide to the human impact of modern working practices*, (eds) D. Holman, T. D. Wall, C. W. Clegg, P. Sparrow and A. Howard. John Wiley & Sons, London.
- [67] Zhou, J., X. Qian, Q. Henan and X. Lei, 2009. Total reward strategy: A human resources management strategy going with the trend of the times, *International Journal of Business and Management*, 4(11): 177-183.
- [7] Al-Quadah Mohammed Hamza A, Osman Abdullah, Al-Qudah Hamzah Edrick M (2014). The effect of human Resource Mmanagement Practices on Employee Performance. *International journal of scientist and Technical Research*. Vol.3 Issue 9, sept 2014
- [8] Appelbaum, S. H., (2001): "Human Resource Management", John Molson School of Business, Concordia University, Montreal.
- [9] Assam, A.P. (1982). *Motivation and Job Satisfaction*. Unpublished MSc Dissertation University of Lagos, Nigeria.