The Impact of Human Resource Management Practices on Employee Performance in Banking Industry of Pakistan

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The aim of this study to verify HR practices effect on employee performance of banking sector of Pakistan. The questionnaires were sent to 150 employees of different banks in Lahore. Statistical analysis included histograms, scatter Plots, correlation, t-test and regression analysis to analyzed the data. The study finds that reward, recruitment and selection and training are positively correlated with the employee performance. So the reward, recruitment and selection and training are the strong predictors of performance. Reward, recruitment, selection and training have strong relationship with employee performance. The findings of this study are limited because this study chooses very few HR practices in relation with performance. Moreover this study is limited to branches of Lahore banks of Pakistan only because the data was collected only from the employees of Lahore banks. Emphasis should be placed on effective reward, recruitment and selection and training. Employee Performance is most important factor in an organization success therefore, there is need to adopt effective human resources strategies that aim to improve employee performance and creates the culture of high performance in any organization based on human resource practices.

Keywords: Reward, Recruitment, Selection and Training, Employee Performance, bank, Pakistan

INTRODUCTION

In the present world there is intense competition among organizations. So the organizations needs best human capital to continuously compete with each others because the performance of the organization base on the performance of its people. It is the duty of the mangers to constantly review the strategic resources of an organization. Various arguments have been made during last previous years that human capital is the source of firm’s sustainable competitive edge (Ferris, 1999).
Through internal human resources contribution toward a firm achieving sustainable competitive advantage has become known as resource based view (Barney & Arikan, 2001; Priem & Butler, 2001a, 2001b). Sustained competitive advantage can be developed by the organizations through resource based approach (Barney, 1991; 1995). Last five to ten years HRM field shifted from minor to larger aspect on individual HRM practices to argue on how HRM as a more crucial management approach may create the competitive advantage for the organizations. (Bjorkman and Pavlovskaya: 2000). HRM system work increase performance of both organization & individuals (Becker & Gerhrat, 1996).

In the same way, the right use of these HR practices showed best of their results in high performance almost in every type of organization and countries. So, for the developing countries like Pakistan, the HRM has become the essential element in a developing process. However there are many criticisms made on HRM in developing countries due to its effectiveness (Bennell, 1994; Budhwar & Debrah, 2001). Most of the researchers argue that in developing countries there are low level of salaries, short term rewards for performance and lack of training opportunities for employees (Wheeler & Cohen, 1997; Grindle & Hilderbrand, 1997).

Moreover, Benell (1994) and Budhwar and Debrah (2001) argue that in most developing countries the HR system is obsolete and unsuccessful that put unintentional roadblocks in their way. Similar findings has been reported by Khilji (2003) that in Pakistani management culture, HR practices adopted are not up-to what is required to compete but with the coming multi-nationals in Pakistan, these firms are setting new HR trends and will go forward.

The Business of banking is the very sensitive businesses all over the world. Banks play very important role in the economy of Pakistan. In Pakistan banks are performing very well but global financial crisis also affected the banking sector of Pakistan.

Government and organizations working in Pakistan are still in the development phase of making these benefits policies for employees working in their organizations. The problem is the same between the government sector and these organizations. The organizations are providing certain benefit policies for the employees. But these are not well-made, well defined, and also not well-communicated within the organization and outside the organization.

As, in this dynamic world every employee wants more than a salary from the employer. They want more benefits than that are provided and in that race they become unsatisfied and that is what the employer fears. As in today's world the most important job of the employer to attract new competent employees and keep the experienced ones within the organization. But if the employees become unsatisfied with their jobs then the problem of retention arises. The turnover rate increases and question about employee loyalty also arises. As loyal employees are very important for any organization, because they work for long time without accepting other job offers. They also recommend the company to other persons without looking for job in any other company. The companies are less likely to pay for the replacement of employees if it is successful in retaining existing employees. The Tobacco companies are the best example of it.

Banking sector of Pakistan is one of the most developed and still growing sectors of Pakistan. It is related to the service industry. So it is very important for the development of this sector to have competent and knowledgeable employees in this sector. As banking sector provides services to customers through the employees of bank, it is important for banks to retain right people and one way is to provide them what an employee wants in addition to its pay. Benefit packages are an important way to attract employees and also to retain them. Benefit policies should be very good on that behalf and that is what that needs attention as Pakistani banks provides benefit packages including pay scales with predetermined increments, salary slabs, bonuses and time-based fringe benefits like car and house advance, gratuity, pension, etc. so now the question arises that, whether employees in Pakistani banks feel that they are fairly given the benefits packages and Recruitment and selections? and that one question arises many others like if benefits
packages are not that good than what is the future of theses employees in that sector, level of job satisfaction, employee loyalty with the organization and the performance of employee in the long run. Various complaints have been reported in news and magazines of poor policy formation and implementation. Hence, we have attempted to probe deeply into the matter to look for the reasons of such complaints and also we want to study from our research that what is the impact of benefit policies on job satisfaction of employees.

LITERATURE REVIEW

Ghafoor, Khan, & Khan (2011) describe research on the topic of training and development on employee performance in education sector of Pakistan, the main purpose of the researched article to verified training and development with employee performance in educational sector of Pakistan. Independent variables were training and development, on the job training delivery style and dependent variable was employee performance. Data was collected through teachers of different universities through structured questionnaire based on five liker scales. For analysis purpose used SPSS software descriptive and inferential analysis was applied for garneted result. Results show that Training and Development, On the Job Training, Training design and delivery style have significant affect on employee Performance and all these have positively affect the employee Performance. It means it increases the overall organizational performance.

Fatima.T & Tayyaba.S, (2012) worked on the topic of article was impact of group based rewards on employee perceptions. The purpose of researched article was group based reward system is the most rapidly growing reward specially where there is a concept of team. The purpose of this researched article was factors which are important from employee’s perspective while implementation of group based rewards plan in the organization. Independent variable was grouped based rewards, employee satisfaction, trust and empowerment dependent variable organizational commitment (Chaudhry et al. 2011). For this researched article used a quantitative study worked on in the natural settings of the Pakistani organizations. Questionnaire based survey was formulated to test the hypothesis. Data analyzed and interpretations are based on the responses collected from the organizations. The results are significantly in favor of the theoretical framework which was developed after the comprehensive study of literature related to the thesis topic? All the hypotheses were proven to be positive. It was found that Employee Satisfaction, Organizational

Ali.R & Ahmed.S, (2009) worked on the topic of article was the impact of reward and recognition programs on employee’s motivation and satisfaction. The main purpose of this researched article was verified the relationship between reward, recognition programs on employee’s motivation and satisfaction. Independent variable were used in this study was reward, recognition mediating variable motivation and dependent variable was job satisfaction of employee. Data collected from employee of Unilever companies structured questionnaire was used from data collection two hundred questionnaires was distributed and received 180 filled questionnaires simple random sampling technique was used. Statistical analysis done by using SPSS software correlation and regression test was applied. Result shows that all the variable has linear relationship with job satisfaction of the employees

Agwu (2013) worked on the topic of article was impact of fair reward system on employee’s job performance in Nigerian Agip oil company limited port-Harcourt. The purpose of this researched was to ascertain the impact of fair reward system on employees’ job performance in Nigerian Agip Oil Company limited Port-Harcourt. The research question addressed the extent at which improved employees job performance/reduced rate of industrial action is influenced by the implementation of fair reward system in Nigerian Agip oil company limited Port-Harcourt. The core aspect of the study is the use of cross-sectional survey research design in generating the required primary data. The place of study is the Nigerian Agip Oil Company limited Port Harcourt. A sample of 396(34 managers, 97 supervisors and 259 workmen) respondents
determined at 5% level of significance for sample error, using Yamane’s formula, was selected from a population of 40,568 employees using stratified random sampling method for the purpose of questionnaire administration. The results indicated that implementation of fair reward system in Nigerian Agip oil company limited Port-Harcourt to a large extent influenced improved employees’ job performance (82.05% response rate) and reduced rate of industrial action (80.77% response rate). It therefore recommends among others: regular review of organizational reward system to ensure fairness, maintenance of competitive rates of pay, flexibility in reward administration and rewarding people for the value they create.

Rafiq.M, Javed.M, Khan.K, & Ahmed.M (2012) examine research on the topic of article was effect of rewards on job satisfaction evidence from Pakistan. The main purpose of this researched article was examined the relationship between reward and employee performance. Independent variable was reward and dependent variable employee performance. This study examines the impact of intrinsic and extrinsic rewards on job satisfaction, a case of call centre employees in Pakistan. The data was collected from 210 call center employees that were working in different banking organizations. Standardized questionnaire was use to collect data. Results showed positive trends in all variables. Extrinsic rewards are comparatively more important than intrinsic rewards when job satisfaction of employee was evaluated. The results of regression analysis show that job satisfaction is more dependent on extrinsic rewards as compared to intrinsic rewards. The results and its implications for managers have also been discussed.

Akram (2012) worked on the topic of article was Impact of Financial Rewards on Employee’s Motivation and Satisfaction in Pharmaceutical Industry, Pakistan. Employees are considered as the human capital of any organization. If employees are motivated and satisfied they will perform their duties diligently and actively. In this research article, data of 186 employees working in Pharmaceutical industry is analyzed. The results indicated gender-wise and age-wise comparison of motivation & satisfaction of employees with respect to salary and position. Hypotheses developed to find relationship between financial rewards, motivation and satisfaction of employees. A positive relationship found between financial rewards, motivation and satisfaction. Overall results indicate employees working in Pharmaceutical industry are being offered good financial rewards. They are motivation in performing their duties and satisfied with their salary and job position.

The main purpose of this investigate is to examine the impact of Human Resource Management Practices on employee performance for banking Sector of Pakistan. No studies currently exist on the relationship between HRM practices and employee performance in Pakistan. The results of this study should help Pakisti managers for making strategy in HRM practices can substantially help a employee performance. Performance criteria are standards for employee behavior at work. This criteria contains much more than how an employee does the work. Employees are rated on how well they do their jobs compared with a set of standards determined by the employer.

The overall objective of the study is to determine the impact of Human Resource Practices (Recruitment and selection Practices, reward, and Promotion Practice), on employee performance in banking sector of Pakistan.

To examine the impact of Recruitment and selection practices and employee performance in banking sector of Pakistan.

To examine the impact of training and employee performance in banking sector of Pakistan.

To examine the impact of reward and employee performance in banking sector of Pakistan.

The present study determines the affect of Human Resource practices on employee performance in banking sector of Pakistan. This study also aims to find out practices such as Recruitment and selection Practices, Reward, and Training which can affect employee performance in banking sector of Pakistan. It also helps the human resource managers to implement the Human resource practices which can enhance the performance of an organization by improving employee performance.
The present study will tell the importance of training and it’s linked with employee performance. In addition, employees will not reach their full potential and higher levels of productivity will not be achieved unless employees are adequately trained. A poorly trained work force will eventually lead to poor performance and result in costly mistakes and in banking sector employee mistake can cause of big loss for bank.

This study will help for manager to reduce the cost by making effective development of a comprehensive training plan. It is essential for employers to maintain the training necessary to compete their work specially in banking sector. Additionally, the cost can further be reduced by training employees in-house with the use of internal trainers of banks.

This study will help to tells trained employees do not require tight control and supervision as they are well aware of how to perform a job. Trained employees can show higher performance by making optimum and best utilization of the strategy and other resources provided to them. Trained employees will minimize wastages of resources in the organization and work both efficiently and effectively. Training will makes employees more committed to an organization as the employees are provided with growth, advancement and learning opportunities in banks. Training will develops a line of proficient and skilled managers as it prepares employees for complex and higher level tasks. Trained employees will adjust to the job better and there are fewer rates of absenteeism and turnover. Trained employees will produce quality and quantity output. Trained employees will respond and adapt to the changing technology well. Trained employees will be more proficient and, thus, their earning potential increase.

This study is very important because it gives a conceptual understanding of the relationship between Human Resource practices and Employee Performance in banking sector of Pakistan.

This study will help for hr manager in bank how to implement efficient reward practices helps to attracting result driven professionals who can thrive and succeed in performance based environments.

This study will understand reward is big motivator and may contribute towards the enhancement of the productivity of the employees if implemented properly in banking sector.

This study will help effective reward system should be linked with the performance development system, which focuses on performance based pay and offers ample learning opportunities along with a healthy work environment. General Mills, reward their employees for attaining new skills which may add value to the organizational performance and thereby facilitate job rotation.

What is the effect of Human Resource Practices on employees performance in banking sector of Pakistan?

The recruitment and selection process is important for new and established businesses alike. Your human resources department has the support and expertise of employment specialists who assist hiring managers with the procedures to ensure your company’s leaders are making wise hiring decisions. There are several pieces to the recruitment and selection process: sourcing candidates, reviewing and tracking applicants, conducting interviews and selection for employment.

A thing given in recognition of service, effort, or achievement: the holiday was a reward for 40 years' service with the company he’s reaping the rewards of his hard work and perseverance.

The action of teaching a person a particular skill or type of behavior.

Performance criteria are standards for employee behavior at work. This criteria contains much more than how an employee does the work. Employees are rated on how well they do their jobs compared with a set of standards determined by the employer.

H1a= There is relationship between Recruitment & selection practices and employee performance

H1b= There is relationship between training and employee performance
The Impact of HRM Practices on Employee Performance  

H1c= There is relationship between reward and employee performance.

DATA COLLECTION
The data collected through survey questionnaire. As this study is about the HRM and performance to understand about it I am conducting Quantitative approach. Rational for the selection of close-ended questions instead of conduct interviews is to find the relationship between variables and comparisons between the respondents (Brayman& Bell, 2007).

Population
The population of the study is the employees of banking sector in the Lahore region. The sample of the study is the employees of banking sector. The data of the study is collected by using convenience sampling technique from the employee of banking sector Lahore Pakistan.

The data of the study is collected from the sample of 150 employees of banking sector. The employees must work in bank. The data is collected from the sample of the study through convenient sampling technique. In this type of approach the research collects the data from the source easily accessible to the researcher. Research site is Lahore from where I will collect data, I choose this site because competitive and complex business environment in Lahore. Rational of using experimental strategy of quantitative approach is to establish a relationship between HR practices on employee performance in baking sector of Pakistan.

Tool of data collection
The data of the study is collected by using questionnaires developed with the help of existing literature. A questionnaire survey was conducted in the Lahore region employees of banking sector of Pakistan.

The close ended questionnaires for the collection of the data are developed by using 5 point likert scale from “strongly agree” to “strongly disagree” on all the variables of the study with the help of existing literature on these variables.

The purpose of applying descriptive statistics is to find the frequency of the data. Descriptive statistics is also helpful to find the minimum and maximum range of the data.

Histograms are applied to check the graphical representation of all the variables with the curve to check the normality of the response rate. The bell curved shapes of the data in histogram verify that the data is normally distributed.

Regression analysis is a statistic technique used to investigate the relationships between a dependent variable and one or more independent variables. Regression analysis is used to check the strength of relationship among variables. In regression analysis t-test is used to find the level of significance and r-square test is used. R-square test tells that how much dependent variable is affected by the independent variable. At the last the present study employed the f-test to check the overall relationship of the independent variable with dependent variable.

According to my research problem I have choose quantitative Approach so to measure the validity of my research I will use following strategies. Face Validity: In face validity I will ask the experienced or expert people from the HRM field to determine whether the study is conducted in the relative field or not. The questionnaire for the study has been taken from Teseema & Soeters, Shahzad.k, Bashir& Ramay, (2006, 2008), who has investigated the same model to find out the relationship between human resource practices on employee performance. So the reliability and validity scales are already ensured. But I checked the reliability through croon bash alpha.

Employee performance = constant + training a + recruitment and selection b +reward c+ E1

DATA ANALYSIS
Reliability Analysis

| Insert Table 1 here |

For checking the reliability of the data and check our instrument is reliable or not we apply inter item consistence test and check our data reliable first variable employee performance factors in this research have 4 question and value of cronbach’s alpha is .795 that’s shows data or instrument are valid next variable reward factors and have 5 question and value of .851, next variable
recruitment and selection have 4 question and value .849 the last variable training factors and have 5 question and value of .842 are reliable because if the value of cronbach’s alpha is greater than .7 than data is reliable and our instrument for this research valid.

**Demographics**

Insert table 2 here

Demographic questions were asked in order to know profile of the respondents of this study. There are 150 respondents ask the question of gender in which 131 respond mark male 87% and female respondents in this survey are 19 respondents and percentage 13%. Second demographic questions were asked in order to know profile of the respondents of this study. There are 150 respondents ask the question of age in which 56 respondent mark 20-25 and percentage 37%, 60 respondents mark 26-30 and in percentage 40% and next category 31-35 respond mark 18 and in percentage 12% last category 36-40 in which 16 respondent lie and in percentage 11%.

Third demographic questions were asked in order to know profile of the respondents of this study. There are 150 respondents ask the question of age in which 16 respondent mark matriculation and percentage 11%, 18 respondents mark intermediate and in percentage 12% and next category graduate respond mark 60 and in percentage 40% last category post graduate in which 56 respondent lie and in percentage 37

**Descriptive Statistics**

Insert Table 3 here

presents the descriptive statistics that show the overall picture of all the four variables. There were scales of 5 responses that lead to the options (strongly disagree, disagree, neutral, agree, and strongly agree). Number of observations of each variable is 150. In the above table the mean values and the values of standard deviation of all the 4 variables have been shown. Mean value provides the idea about the central tendency of the values of a variable. For example if we observe the above output to assess the average response rate or the respondent then we come to know the mean of different variables like employee performance (mean: 3.54) reward (mean: 3.43), recruitment and selection (mean: 3.58) and training (mean: 3.58). If we observe then for the first three variables (reward, recruitment and selection and employee performance) the average response rate of responded is lie within the option 3-4 (3 is for neutral and 4 is for agree). The minimum option that is ticked by responded is 1 and the maximum option that is ticked by responded is 4.75.

Standard deviation gives the idea about the dispersion of the values of a variable from its mean value. So, if we observe then in the response rate for the variable of training is value of standard deviation is (S.D.875) which is the lowest value as compare to other variable values. Which shows that most of the respondent answers were same for the variable of recruitment and selection and have consistency in their response rate but if we observe then for the value of standard deviation is (S.D .957) which is quite high as compare to other variables which clearly shows that the response regarding of mostly respondents were not the same and they don’t have consistency in their answers.

**Hypothesis Test**

Table 4a and 4b here

To check the variation of independent variable on dependent variables simple regressions computed. The first table shows the observed values reward affect on the employee performance is 84% percent. The value of the adjusted coefficients of determination (adj. R2) is affected. The value of the adjusted coefficient of determination (adj. R2) is .84 which shows that 84% variations in employee performance. The value of F-statistic is statistically significant at less than five percent that exhibits that in the estimated model at least one of the partial regressions coefficients is different from zero.

The coefficient table presents the results of the regression analysis. The objective of the regression in this study is to find such an equation that could be used to find the impact of reward on employee performance. The specified regression equation takes the following form:
Employee performance = C + b reward  
Employee performance = .491+.888 reward

The results show that the independent variables significantly affect the employee performance. Alternative hypothesis accepted in reward and employee performance test is set as the simple regression coefficients are less than 0.05. This test shows that the coefficients of the predictor are statistically significant at less than five percent level of significance. Its means alternative hypothesis accepted and null hypothesis reject. To check the variation of independent variable on dependent variables simple regressions computed. The first table shows the observed values recruitment and selection affect on the employee performance is 89% percent. The value of the adjusted coefficients of determination (adj. R2) is affected. The value of the adjusted coefficient of determination (adj. R2) is .89 which shows that 89% variations in employee performance. The value of F-statistic is statistically significant at less than five percent that exhibits that in the estimated model at least one of the partial regressions coefficients is different from zero.

The coefficient table presents the results of the regression analysis. The objective of the regression in this study is to find such an equation that could be used to find the impact of recruitment and selection on employee performance. The specified regression equation takes the following form:

Employee performance = C + b recruitment and selection

Employee performance = .391+.880 recruitment and selection

The results show that the independent variables significantly affect the employee performance. Alternative hypothesis accepted in recruitment and selection test is set as the simple regression coefficients are less than 0.05. This test shows that the coefficients of the predictor are statistically significant at less than five percent level of significance. Its means alternative hypothesis accepted and null hypothesis rejected.

The basic purpose of this chapter explain the overall research study in this chapter explain HR practices on employee performance in banking sector of Pakistan. We select variable in this study recruitment and selection, reward, training and employee performance. Firstly, we identify the problem statement that in this real estate the competition has been increased and people wants more reward and training to performed better and better. We check our variables with the different articles of foreign researchers. And then make our study. After identifying the problem statement we select these variables and make the literature upon these variables and some others. On these constructs we select these four for our study. The literature shows the authenticity of our constructs. After the completion of the literature that the next chapter covers the ideal model of the base is also the explanation of all the variables and their
relationships to the variable dependent and even these references. Before our analysis bring back these variables with the previous research of the author and take the group of 150 employees of the banking sector.

After completion of the literature review the next chapter includes the theoretical model’s foundation and also the explanation of all the variables and their relationship with the dependent variable. And these also referenced based. Before our analysis we will relate these variables with the previous author’s research. And we take the sample of 150 employee of banking sector.

After purification of the independent variables we used to make the data collection process. In which tools for data collection was recognized. We used the questionnaire technique for the data collection. And the targeted population was employees of banking sector and the methodology that was used was also explained that the data from the respondents put in to SPSS software for further analysis. The whole methodology that we used for analysis explained in this chapter.

After filling the questionnaire from the respondents, the data was prepared in the SPSS. First analysis that has been done was the descriptive statistics. In which the descriptive summary of the data illustrated. The demographics of the respondents also asked in the questionnaire. In which age, gender and qualification of the particular sector includes. The summary of demographics shows that how much participants participate in this activity and the responses of the respondents also involves in the descriptive statistics. The means value shows that how much strong response about the questions gave by the respondents. And maximum and minimum values show that how much people response positive and negative.

To check the validity of the data the reliability test had been used for the further tests. The value of Cronbach’s Alpha shows that our data is reliable or not. The value of Cronbach’s alpha must be more than or equal to 0.70. After reliability test we realize that our data is accurate for the further analysis. Then we compute our variable’s questions statistically in one factor through factor analysis. After the descriptive statistics the second portion of the tests started. That called inferential statistics. In which the regression and correlation analysis made. Regression test shows the relationship between the variables and multiple regressions was used to check the impact of the independent variable upon the dependent variable. And on the other side the correlation explains the relationship and the direction of the constructs. Correlation also explains the predictive statements of the constructs and also shows either acceptance or rejection of hypothesis.

These findings shows that there were be lots of other factors that effect on employee performance but here’s recruitment and selection, reward, training and employee performance has large effect upon the employee performance. That is most probably 80%. Although this study only see the impact of few variables upon the employee performance, yet in future studies it would be useful to include the other variables in the analysis well.

**CONCLUSION**

The primary purpose of the present study was to study the impact of HR practices on employee performance in banking sector of Pakistan. For this purpose the present study used quantitative research method to check the proposed model in the context of Pakistan and the present study used population of employees of banking sector of Pakistan. The sample size of the study was 150 employees of banking sector of Pakistan. The literature review has presented the theoretical evidence from past studies with regard to the link between HR practice and performance. The present study1has selected only three HR practices which are both considered to be enhanced individual outcomes and performance. The three practices of the present study are recruitment and selection, reward and training. According to Aycan et al. (2000) Pakistan is highly under-researched area in the field of Human Resource Practices. Still there is lot to do in this area. So the present study is an attempt to enhance and improve and finally contribute towards the literature on HR practices and Performance.
linkage. In the present study descriptive analysis used to describe the data by using descriptive summary as well as histogram with normal distribution curve. Inferential analysis is also used to check the acceptance or rejection of hypothesis and see the relationship between variables. Using inferential analysis the relationship between compensation, Performance Evaluation, Promotion Practices, and Employee Performance is tested. After observing the descriptive analysis, histograms, scatter plot matrix, and the correlations, the regression has been used for further analysis. After analysis it is found that all the variables that are used in research are statistically significant. The correlation between all variables is significant. The regression analysis shows the effect size of independent variables on employee performance which is also significant. Hence this study is done in a developing country with an attempt to analyze the impact of HR practices on employee performance in banking sector of Pakistan. The present study helps management and decision makers of banks to improve the employee performance. The main purpose of this study was to help researchers and policy makers in searching the new dimensions to enhance performance of the employees who considered being the main actors in delivering quality services in banking sector. In the past many researchers have studied the impact of HR practices on employee performance in manufacturing sector (Huselid, 1995; McDuffie, 1995; Delery and Doty 1996 etc.). But there were very few studies on exploring individual performance. Therefore the explanation of HR practices and its impact on employee performance in Banking sector of Pakistan is a highly under researched area in this context. Better understanding of HR practices and employees performance like would guide banking companies in Pakistan to manage their Human Resource more effectively and to understand how effective HR practices will lead to employee’s performance and hence the organizational performance.

**FUTURE RESEARCH**

There are also many limitations of this study which includes; First, the study is only limited to the banking sector of Pakistan because it collects data only employees of banking sector. So the results of this study may not be valid for other banks in Pakistan. Secondly the HR practices discussed in this study are very short in numbers. These Hr practices are taken from the research work already done by different researchers but at the same time many organizations might not be familiar with these practices

**REFERENCES**


### APPENDIX

**Reliability analysis**

Table 1

<table>
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<tr>
<th>Sr#</th>
<th>Variables</th>
<th>Cronbach’s Alpha</th>
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<td>1</td>
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<td>2</td>
<td>Reward</td>
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<td>3</td>
<td>recruitment and selection</td>
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<td>4</td>
<td>Training</td>
<td>.842</td>
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(1) DEMOGRAPHIC

(2) TABLE 2

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<th>(3) Respondents’ Demographics</th>
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<th>(5) Percentage</th>
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<tr>
<td>(6) Gender (N=150)</td>
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<td></td>
</tr>
<tr>
<td>(7) Male</td>
<td>(8) 131</td>
<td>(9) 87.3</td>
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<tr>
<td>(10) Female</td>
<td>(11) 19</td>
<td>(12) 12.7</td>
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<tr>
<td>(13) Age (N=150)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(14) 20-25</td>
<td>(15) 56</td>
<td>(16) 37.3</td>
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<td>(17) 26-30</td>
<td>(18) 60</td>
<td>(19) 40.0</td>
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<tr>
<td>(20) 31-35</td>
<td>(21) 18</td>
<td>(22) 12.0</td>
</tr>
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<td>(23) 36-40</td>
<td>(24) 16</td>
<td>(25) 10.7</td>
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<td>(26) Qualification (N=150)</td>
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<td>(27) Matriculation</td>
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<td>(30) Intermediate</td>
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<td>(33) Graduate</td>
<td>(34) 60</td>
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<tr>
<td>(36) Post Graduate</td>
<td>(37) 56</td>
<td>(38) 37.0</td>
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Table 4a and 4b

Model Summary

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<th>Model</th>
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<th>Std. Error of the Estimate</th>
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<td>1</td>
<td>.921a</td>
<td>.848</td>
<td>.847</td>
<td>.34970</td>
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a. Predictors: (Constant), reward

ANOVAb

<table>
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<th>Model</th>
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<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
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<td></td>
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</tr>
<tr>
<td>Total</td>
<td>118.802</td>
<td>149</td>
<td>.122</td>
<td></td>
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</tbody>
</table>

a. Predictors: (Constant), reward

b. Dependent Variable: reward