

The Impact of HRM Practices on Employee's Job Satisfaction

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Abstract

This research is done to find out link between teamwork, work family balance and pay practices. This study was conducted in Riser Consultant Company and Mandelez International Company of Lahore, Pakistan. Questionnaires were filled up through respondents who are the employees of Riser Consultant Company and Mandelez International Company, the total response rate was 67 percent. SPSS software was used to examine the data using inferential statistics. There are 3 hypothesis were developed and positive results were founded in the variables.

Keywords: Teamwork, Work family balance and Pay practices and Employees' job satisfaction.

1. Introduction

HRM are included many areas that is applicable for an firm's improvement e.g. employees selectivity, appraisal performance/promotion opportunity, employment security, teamwork, work life balance and compensation practices which is play an essential role to increase the capability of organization's workforce .An organization needs an effectual HRM practices to build up a resonance HRM arrangement. According to (Schuler & Jackson, 1987; Schuler & MacMillan, 1984; Wright & Snell, 1991), the administration the team of HRM is done by managerial actions and firm's objectives are achieved through these resources is known as HRM practices. Every organization has different HRM practices. HRM play an essential role in organization for supporting aggressive edge. Researches shows that if organization has precious, unique, extraordinary assets then it can maintain competitive location (Barney, 1991).HRM is a fundamental factor which choose most excellent employees and instruct them with exact proficiency, expertise and talent for producing organization's superior outcome (Dessler, 2000).According to Wagar and Rondeau (2006), which organizations include HRM practices that have significant effect on organization's improvement. The executives of organization constantly struggle for selecting that tools which could make happy organization's workers. The intensity of fulfillment of workforce is caused organization's greater and superior earning. An organization can achieve its competitive advantages through human resource management practices.

In this article, we have selected HRM practices (teamwork, work Family balance, Pay practices) and measured its impact on employees' job satisfaction.

1.1 Research objectives

This research has three research objectives:

- i. To study the relationship between teamwork and employees' job satisfaction.
- ii. To study the relationship between work family balance and employees' job satisfaction.
- iii. To study the relationship between pay practices and employees' job satisfaction.

1.2 Research Questions

This research has following questions:

- i. What is the impact of teamwork on employees' job satisfaction?
- ii. What is the impact of work family balance on employees' job satisfaction?
- iii. What is the impact of pay practice on employees' job satisfaction?

2. Literature Review

Work Family Balance

Several firms are concentrating on its HR procedures and strategy with the aim of work family balance which facilitate organization's workforce to meet their work among their burden life as well as organization inspire appreciated workforce inside extremely aggressive marketplace (De Ciec et al., 2005; Nord et al, 2002; Kotowska et al, 2010). Work family balance has vital value in an institute to encourage the aptitude employees and develop directorial act as work family balance has positive influence on organization's productivity and workforce welfare/happiness (Thompson & Prottas, 2006; Canivet et al, 2010).Workforce can departure from organization if disagreements exist among job in addition to relations existence. These disagreements and labor force's removal can be diminishing through work family/life balance to retain the organization's earning (Konrad & Mangel, 2000).

According to Lobel (1999), only procedures and rules are not enough for organization's outcome rather childcare policy has optimistic impact on organization's profitability/earning (Meyer et al., 2001).Work family

balance system helps to organization's workforce for maintain their job and household tasks (De Ciec et al., 2005). Furthermore, organization's workforces have a better advantage of their work in organizational family culture and living fulfillment (Rayman et al., 1999).

Pay Practices

According to the Fyre (2004) there is a relationship in equity based compensation and the firm performance, as a result he founded that the nature of relationship between these two factors is positive. Furthermore it is argued that there are few social based firms which play a vital role for the purpose of attracting and recalling the employees. Most of the organizations focus on the human capital as they hire competent and highly skilled employees by properly compensating them for their services. There is a major and positive role of incentives for affecting the performance of the employees and if it is combined with different factors like multiple skills training, job design flexibility, security and communication skills then the results will be much better. (Ichniowski et al., 1997). It is founded that high job satisfaction of the employees will have a statistically significant relationship between the company's financial performance and outcomes of workers. (Huselid, 1995). In 2006 Teseema and Soeters reported that if the employees know that they perceive then they will perform better and then there will be positive and significant relation between employee's performance and compensation plans. With the help of literature and opinions we can securely assume that there is a correlation between employee's job satisfaction and compensation plans but there is little need to test the relationship in Pakistani organization. If any corporation wants to enhance the performance of its employees then it must have sufficient rewards, return and compensating plans. It is suggested by the Taylor that remedy for the purpose to enhance the production level is the 'reward', because if the income is increased in return of your effort you perform much better.

Team Work

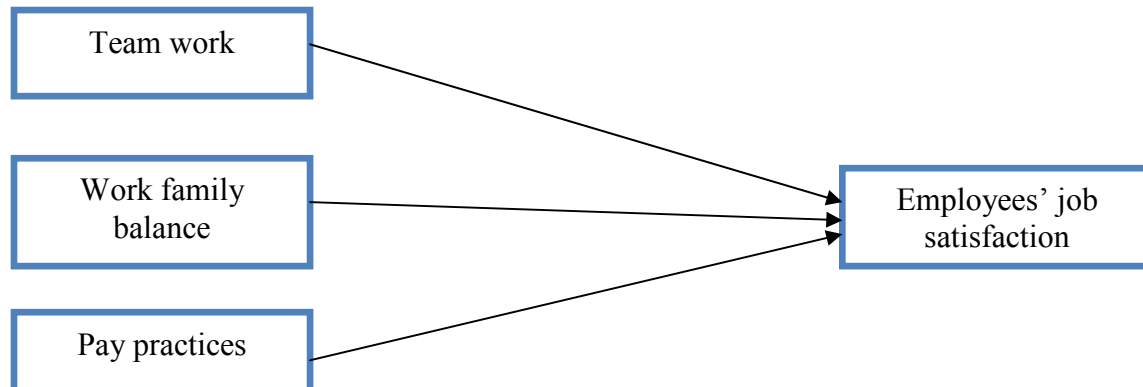
Identification of problem and solution of that problem may be recognized sufficiently and may improve by the team work. As the trends has been changed and there is need to improve the quality and to be innovative for meeting the employees needs and wants and to satisfy them, for meeting these purpose the organization are using team approaches. (Boyett & Conn, 1991). In 1994 Cutcher Gershenfeld and Associates defined that team work is considered as an adding tool for the constant development in work actions. Many studies have been conducted for measuring the effect of team work and for employees' job satisfaction, for example Wall, Kemp, Jackson, Clegg [1986] and Ledford et al [1988]. In these studies team work is considered as a main ingredient for number of innovations in and for determining the positive effect of employee job satisfaction. Current position and occupation regarding the greater job satisfaction are the result of perception of adequate staffing and higher level of teamwork. There is higher level of trust between the co-workers and in the presence of contribution by the other co-workers factor of trust and cooperation will be automatically generated as co-workers will have knowledge and understanding about their organizational events and colleagues. Furthermore, teamwork is very important for producing cooperation and sense of control between coworkers. (Banker, Field, Schroeder, & Sinha 1980)

Job Satisfaction

The level in which citizens have interest in their work is known as job satisfaction. When employees think that their job is an essential element of their living, they like their job and feel happiness (Spector, 1985). Work satisfaction is a total of employees' behavior in which workforce put up regarding their work, Sempanes, et al (2002). Several causes are exist which encompasses employees' work satisfaction (Lambrou, Kontodimopoulos & Niakas, 2010).

Salary packages, pay advantages, promotion criterion of company, operational atmosphere and procedure of organization are included in these reasons (Ghoniem et al, 2011). Employees are satisfying their work intensity and then organization can get its goals/objectives successfully. (Rao & Malik, 2012). If workforces are fulfilled by their work, then their emotion/attitude toward job will be positive while workers who have pessimistic emotion will be displeased by their work (Khalid et al, 2012). The satisfied employees are forever creative employees whereas displeased employees are always burden for their institute (Abbas, et al 2013).

**Conceptual Framework
 HRM Practices**



Hypothesis:

- H1:** There is positive relationship between teamwork and job satisfaction.
- H2:** There is positive relationship between work family balance and job satisfaction.
- H3:** There is positive relationship between pay practices and job satisfaction.

3. Methodology

The data is collected through an adopted questionnaire. The data is composed from Riser Consultant Company and Mandelez International Company. For this research sample a total of 377 respondents were chosen and sample is calculated through www.raosoft.com with 5% level of significance. Questionnaire instrument was used for gathering data. Hence response rate was 88% of this research. SPSS software was used to analyze the data using Reliability statistics, Factor analysis, and Regression analysis and correlation analysis. Non-probability sampling was used for this research. The first part of this research is related with HRM practices (teamwork, Work family balance, and Pay practices), the second part is about employees' job satisfaction. 5-Likert scale is adopted for measurement of variables in this research.

4. Data Analysis

1. Descriptive Statistics

Questionnaires are filled up by Forty four employees. Gender, age and educational level are incorporated in descriptive statistics of this research.

I. Gender

The uniformity of both genders male and female can be clarified by the below table.

Table 1: Gender information

	Frequency	Percent
Male	36	81.0
Female	08	18.1
Total	44	99.0

In this research the variation about the gender can be shown by the table 1. In this research 81.0% male and 18.1 % females are involved and shows that in companies males are most responsive than the female and it explains the intellectual level of gender regarding teamwork, work family balance and pay practices.

II. Education

The descriptive statistics for education can be seen in table 2.

Table 2: Education level

	Frequency	Percent
Under Graduate	02	4.54
Graduate	23	52.2
Post-Graduate	19	43.1
Total	44	99.8

The table 2 is about the education of employees in the organization. The results show that 52.2 percent are graduated and 4.54 percent are respondents under graduate and only 43.1 percent respondents are of post graduate level.

III. Age

The table 3 explains the descriptive statistics for age.

Table 3: Age of Respondents

	Frequency	Percent
15-25	18	40.9
26-35	23	52.2
36-45	02	4.54
Above 45	01	2.27
Total	44	99.9

This table is about the age of our questionnaires' respondents. In our research 52.2 % respondents have age between 26-35 years. 40.9 % respondents of our questionnaires' have age between 15-25 years. 4.54 % respondents have age between 36-45 years and 2.27% respondents have age above 45 years. They overall 99.91 % population are included.

2. Inferential Statistics

Many statistical tools are included for this research. These are:

- i. Factor analysis
- ii. Reliability Statistics
- iii. Correlation analysis
- iv. Regression analysis

i. Factor Analysis

Table4: KMO and Bartlett's test

Kasir-Meyer-Olkin Measure of sampling Adequacy		.819
Bartlett's test of Sphericity	Approx. chi square	715.477
	df.	190
	Sig.	.000

Sample adequacy is 82% in above table. Bartlett's test is highly significant at 0.000 because it is less than 0.05. Significance is also found in chi square.

ii. Reliability Statistics

This table is the **Reliability Statistics** table that provides the authentic value for **Cronbach's alpha**

Table5: Reliability Analysis

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
0.916	0.902	20

Reliability test show the goodness of model and in above table all values show that our model is good. Through a Cronbach's Alpha test we determine .916 values which show that our sample is acceptable because table values show that all number are correlated with total scale to high quality level.

Table 6: Correlations Analysis

		Team Work	Work family balance	Pay Practices	Job Satisfaction
Team Work	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	44			
Work family balance	Pearson Correlation	.429**	1		
	Sig. (2-tailed)	.002			
	N	44	44		
Pay Practices	Pearson Correlation	.407**	.789**	1	
	Sig. (2-tailed)	.004	.000		
	N	44	44	44	
Job Satisfaction	Pearson Correlation	.439**	.828**	.721**	1
	Sig. (2-tailed)	.002	.000	.000	
	N	44	44	44	44

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

This table shows the correlation of variables. The standardized value of correlation is -1 to +1. Negative value explain that there is an inverse relation between two variables, furthermore positive values explain positive relation of variables, above table show that there is positive correlation between variables, In the above table, all variables confirm our assumptions about their relation with Job satisfaction.

IV. Regression Analysis

Table 7: Results of Regression

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.325	.421		3.147	.003
1 Team Work	.115	.047	.122	2.44	.000
Work family balance	.356	.085	.584	4.18	.000
Pay Practices	.152	.042	.181	3.61	.001

a. Dependent Variable: Job Satisfaction

According to regression model explain that positive impact of independent variable with job satisfaction. Team work beta positive value is .115 and that positive value shows that there is positive change in job satisfaction. In the above table p and T value is according to average value and p value is less than .05 which explain that our model is accurate and justify our assumption because job satisfaction are positively related and our alternate hypothesis are accepted.

5. Conclusion

The finding of present study is that HRM practices (Team work, Work family balance, Pay Practices) have significantly and positively related to employees' job satisfaction. Every organization's management should focus on HRM practices. The limitation of this research has not predictable the meaning of not direct mode that is to identify the influence of independent variables on dependent variables through model. Culture, values and personality should be researched as a mediator in future research.

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