



MEASURING THE IMPACT OF HRM PRACTICES ON ORGANIZATION PERFORMANCE IN JAMMU AND KASHMIR BANK LIMITED

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ABSTRACT

The main purpose of this paper is to measure the impact of HRM on organizational performance and to evaluate the perceptions of managers and non-managers on HRM practices in the context of Jammu and Kashmir Bank. Data were collected from 299 managers and 150 subordinates using a questionnaire. The research study empirically evaluated the nine HRM practices (General climate, OCTAPACE Culture, Selection Process, Job Definition, Career Planning, Employee Participation, Performance Appraisal, Training and Development and compensation). The study showed that enormous benefits of HRM practices on organizational performance. Finally, this research study depicts the limitations, suggestions and future research directions.

KEY WORDS: PAS, Performance Appraisal, OCTAPACE and JKB.

INTRODUCTION

Banking as a service industry delivers its service right across the counter to their ultimate customers. The successful activities of a bank are all about “relationship factor” or as some may call it, the “friendship factor”. Therefore, banking industry must make conscious efforts to strive for providing better services to the customer. To maintain long term relationship and to harness and cultivate the same the banking sector needs to be service provider to their end customers with smile. Being a service sector that is labor intensive human resource management needs to be given utmost importance for long term effectiveness. Technology is nothing but an aid /help to human resource effort and not a replacement.

The world has undergone tremendous changes during the past decades due to globalization and technological challenges that has brought significant changes in the banking industry. There has been massive expansion of banking sector throughout the world. India

has also fastest growth rate in the service sector especially in banks with the annual growth rate of about 9% since 2001 that contributed to 57% of total GDP in 2013-2014. The banking system is increasing at the fastest rate with 7.1% CAGR (compound annual growth rate) in private sector and 1.1% in public sector. The overall employment level in Indian banking system increased at the rate of 3.5% during FY'13-FY'14 period. The main reason for this increase in employment was the introduction of private sector and foreign banks.

The only asset that holds the power to differentiate between the rise and fall of banks in a competitive environment i.e. productive, dedicated, and innovative workforce. An organization cannot afford to underestimate & demoralize their employees in order to classify themselves as successful at the very expense of those who help and make success possible in first place. For HR professionals it is important that they show respect

towards human dignity and having faith in every employee as potential resource and valuable assets are of vital importance while achieving organizational objectives efficiently. In summary, to be classified as a successful bank, each bank has to invest time, effort and resources in their workforce.

RESEARCH OBJECTIVES

The present study has been conducted with the following objectives in view:

1. to address the linkage or association between HRM practices and organizational performance,
2. to identify the impact of HRM practices on organizational performance,
3. to offer some broad guidelines and suggestions in order to enhance the organizational performance of the selected sample organization.

HYPOTHESIS

To give the proper direction to the study, a set of following working hypothesis has been developed:

H1: HRM practices have significant association with organizational performance.

H2: HRM practices have significant impact on organizational performance.

INDEPENDENT VARIABLE

The study looked at the following Independent variables that contribute significantly to organizational performance: General climate, OCTAPACE Culture, Selection Process, Job Definition, Career Planning, Employee Participation, Performance Appraisal, Training and Development and compensation.

DEPENDENT VARIABLE

The perception towards organizations performance was taken as dependent variable.

REVIEW OF LITERATURE

Over the past 40 years & above, human resources are considered as unique & most valuable assets of an organization. The successful management of an organization's human resources can cause a rise or fall of an organization. It is an exciting, dynamic and challenging task, especially during modern time when the world has become one large global village and economies are in a state of flux & ever changing dynamics. A review of literature clearly indicates the significance that has been attributed to the 'human hand' in achieving competitive advantage under diverse conditions. The 'supremacy' 'dignity' and 'uniqueness' of 'human' over the entire creation is proven. The resource being the 'most versatile', 'productive', 'significant', 'most critical', 'high performer', 'the only active', and 'irreplaceable' resource with 'unlimited

potential' also carries out an 'innovator role' by providing 'up-to-date information on current trends and new methods of solving problems'. (Drucker, 1954; Likert, 1967; Megginson, 1972; Foulkes and Morgan, 1977; Rao, 1992; Pfeffer, 1994; Huselid, 1995; Rao, 1995; Blake, 1995; Harvey and Bowin, 1996; Pal, 1997; Diwan, 1997; Mufeed, 1998; Pareek and Rao, 1999; Mishra, Dhar and Dhar, 1999; Rao, 1999; Mufeed, 2000; Meijia, Balkin and Cardy, 2003; Agarwal, 2002 and Judith, 2003; Mufeed 2013).

Past research study has revealed that human resource management practices are directly proportional to employee retention, employee commitment, employee presence, relationship between workers and management, employee satisfaction, employee loyalty, employee trust & employee involvement (Edgar and Geare, 2005; Paauwe and Richardson, 1997 and Storey, 1989). According to Ulrich (1998), "Human resources have never been more necessary than now". Researchers believed that human resources must be taken as the building blocks to gain long-term competitive advantage for companies (Barney, 1991; Becker & Gerhart, 1996). Research by Delery & Doty (1996) found seven practices that have been consistently considered HRM practices that are theoretically or empirically related to overall organizational performance. It is now commonly accepted that employee create vital sources of competitive advantage for companies (Barney, 1991 and Pfeffer, 1994). As result, it is important that a firm adopts human resources management practices that make best use of its employees. The above trend has led to increased interest in the impact of HRM on organizational performance, and a number of studies have found a positive relationship between so called 'high performance work practices' (Huselid, 1995) and different measures of company performance.

HUMAN RESOURCE MANAGEMENT PRACTICES

Human Resource Management practices are organizational activities aimed at managing the available pool of human resources to make sure that the available resources are utilized towards the achieving organizational objectives (Schuler & Jackson, 1987; Schuler & MacMillan, 1984 and Wright & Snell, 1991). Usually HRM practices differ from one organization to another and from one country to another. Effective human resource management practices can be the main factor for the success of a firm according to Stavrou Costea (2005). As supported by Lee and Lee (2007), HRM practices on business performance, namely training and development, teamwork, compensation/incentive, human resource planning, performance appraisal, and employee security

to help improve firms' business performance include employee's productivity, product quality and firm's flexibility.

Organizational Performance:-

The concept of organizational performance has been discussed by various scholars and researchers. It comprises the actual output or results of an organization as measured against its intended outputs (or objectives and goals). According to Richard et al. (2009), organizational performance includes three specific areas of outcomes:

- a) Financial performance (profits, return on investment, return on assets, etc.),
- b) Product market performance (market share, sales, etc.) &
- c) Optimized shareholder return (economic value added, total shareholder return, etc.).

Organizational performance is the combination of people, systems, products and marketing excellence. Ten dimensions of organizational performance are identified such as purpose, perspective, positioning, politics, partnership, plans, products, principles, people and performance.

RELATIONSHIP BETWEEN HRM PRACTICES AND ORGANIZATIONAL PERFORMANCE

Performance of any organization largely depends on the performance of its employees. Successful organizations are increasingly realizing that there are number of factors that contribute to performance but human resource is clearly the most critical (Mello, 2005). In spite of the size and nature of an organization, the activity it undertakes, and the environment in which it operates, its success depends on its employee's decisions and their behavior. To evaluate performance of employees in organization is one of the major purposes of employing human resource practices. In the competitive environment of modern era organizations are persistently improving performance of their employees by improving HRM practices. Caliskan (2010), acknowledged that HRM practices are one main source of competitive advantage. Many researchers have proven that HR practices have a significant and positive relationship with employee's performance (Delery and Doty, 1996; Guest, 2002; Harley, 2002; Huselid, 1995; Qureshi et al., 2006 and Tessema and Soeters, 2006). From last two decades, focusing on HRM practices has been an imperative and decisive area for organizational performance. Effective HRM practices improve the performance of organization and lead to higher profits. Datta et al. (2003) found that best use of HRM practices reveals a stronger association with

efficiency of firm. Human resource management practices have significant association with accounting profits of organization (Delery and Doty, 1996).

For the purpose of this research study, the following nine variables were selected for study purposes and their brief description is given as follows:

1. General Climate:-

The general climate is a fusion of all the concerned corners within the organization viz, support from the top management, good supportive personnel policies and practices as well as positive attitude towards development of the people. It can be seen as an employee's perception about the developmental environment of their organization, which may include number of characteristics such as, importance given to workforce, two-way communication, encouragement given to take risks and try out new ideas and experiments, feedback given to employees to make them aware about their weaknesses and strengths, a general climate of trust, faith in employees capabilities, employees tendency to help each other and to collaborate, work as a team, tendency to discourage racism and favoritism, supportive and encouraging personnel policies and practices (Scheider & Reichess; 1983 Chandrashekhar; 1993 and Coelho; 1993).

2. OCTAPACE Culture:-

Development of human resources requires a developmental climate that call for Openness, Confrontation, Trust, Authenticity, Pro-activeness, Autonomy, Collaboration and Experimentation represents OCTAPACE. "OCTAPACE culture" is important for enhancing HRD. Openness & frankness refers to the environment where employees feel free to put forward their views, ideas, activities and feelings with one and all. Confrontation is striking at problems and issues in an open with the view to solve them rather than concealing them for fear of getting hurt or hurting others. Trust means believing people what they are saying and taking people at their face value. Autonomy is granting enough freedom to employees to work independently with responsibility. It is also a degree to which a job provides freedom, independence, and discretion to individual in scheduling their work. Pro-activity is encouraging workers to take risks and initiative. Authenticity is the tendency on part of employees to do what people say. Collaboration is to accept the interdependence to be helpful and useful to one another and work as teams. Experimentation reflects an environment where the spirit of trying out new ideas with the view to bring innovation and improvement in the existing system. These values help in promoting & stimulating a climate of that leads to continuous development of work force (Rao & Abraham, 1985).

3. Selection process:-

Selection is the process of identifying the qualifications and exploring characteristics of the job applicants in order to establish their likely suitability for the particular job position in an organization. The growth of any Organization inevitably involves expansion in employee's numbers, and hence recruitment and selection is used to achieve this objective. Effective selection decisions are those where candidate was predicted to be successful and later did prove to be a successful performer on job.

4. Job Definition:-

Job definition takes into cognizance both job description and job specification. It helps management to define, organize and integrate various task, authority and systems across individual jobs and organizational units. Further with regard to an individual/worker performing that particular job gives an outlines of responsibilities, duties, expected skills and working condition (Qureshi et al., 2006).

5. Career Planning:-

According to Michael (1993), career planning stands for the forward looking employment policies of an organization which takes into account the career of individual executives involved in various tasks, particularly critical tasks. According to Strauss and Sayles (1980), "the objective of career planning program is to make each of the years count and to provide each manager with the rich learning experience, so that he/she has productive and satisfying career".

6. Employee's Participation:-

Michael and wood (1974), have shown that satisfaction was affected by participation. Satisfaction was greater where participation was complete than where it was partial. Holter (1965), found less tension between employees and management where joint management existed and more tensions in the company in which it did not exist. In a survey of employees of General Motors, Jacobson (1971), indicated that out of 400 employees, 70 percent believed that management should consult them on work assignments.

7. Performance Appraisal:-

Performance appraisal is an exercise carried out to evaluate the contribution of all the executives and staff/workers made towards the overall growth of the organization. Performance appraisal has attracted a lot of attention among HRM professionals like Levin (1986), in his studies identified some uses of performance appraisal like assessment of employee merit appraisal, determining of employee salary, employee training needs, feedback & suggestion of employee's past performance. Thang (2004), in his experiments concluded that is how well a suitable

human resource management related decision is made will determine how well employees will perform their jobs.

8. Training and Development:-

Training may be defined as a planned program designed to improve performance and to bring about measurable changes in knowledge, skills, attitude and social behavior of an employee for performing a particular job. Training & Development (T&D) is a very prominent feature of HRM (Vlachos 2008). Training refers to activities which equip employees or upgrades workers with needed skills to perform/ carry out better in their present jobs (Li, et al., 2008). In a competitive business age, innovations and technologies are needed to handle these pressures while workers are expected to learn new skills and knowledge for performing their jobs and tasks with quality. Tai (2006), states that training, learning and development plays a key role in increasing the flexibility, ability, adaptability, competence, and most importantly motivates employees in work. This one variable influences employee productivity the most. A survey conducted in southern European countries by Apospori et al. (2008), concluded on the note that training plays a vital role an organization's performance.

9. Compensation:-

According to Huselid (1995), compensation system is recognized as workers merit and it is widely linked with objectives of the organization. Compensation refers to all payments or all commodities (used instead of monetary compensation) to reward the work-force. The expectancy theory put forth by (Vroom 1964) implies that rewards both direct & indirect compensation packages have enormous potential to influence employee's levels of work motivation. Thang (2004), points out that compensation and reward are extremely powerful tools to motivate employees to exert "extra-effort", be a star-performer to fulfill the organizational goals. In similar context, Wan (2008), suggested that compensation must be considered based on performance, not just on the basis of age or years of service that an employee has been working in any organization.

RESEARCH APPROACH AND METHODOLOGY

The main components of research methodology adopted for conducting the research are highlighted as under:

1. Based on past research citations, list of variables were prepared to analyze user's reaction to selected HRM practices in the sample study organization.

2. Critically review of literature available on multifaceted dimensions of present study.
3. Comprehensive interviews were conducted with the managers and other cadres wherever necessary.

SAMPLE SIZE

The total sample size taken for this study was 352, out of which 86 were managers and 266 were subordinates.

SELECTION OF SAMPLE ORGANIZATION

The national bank, The Jammu and Kashmir Bank, were taken for the purpose of present study to achieve the aforementioned research objectives. The Jammu and Kashmir Bank (JKB), The bank was established in 1938 and started business on July 4, 1939 and is the leading private sector commercial bank so far as rate of

growth of deposits, profitability and business turnover is concerned in the state of Jammu and Kashmir. In 1971, it was announced and confirmed as scheduled bank and in 1976, the RBI notified it as an "A" Class bank. J&K Bank has approximately 10,000 employees and is considered as an employer of choice within J&K.

RELIABILITY AND VALIDITY

It is very important for the empirical studies to test the reliability of the variables as it depicts to what extent variables can produce consistent result if computed or calculated repeatedly. The most widely used method to check the reliability is Cronbach's alpha test. Its value varies from 0 to 1 but any value more than 0.6 is said to be reliable (Malhotra, 2002; Cronbach, 1951). In the current study, we, therefore, used Cronbach's alpha scale in order to measure reliability and is clearly depicted in Exhibit 1.1 as under:

Exhibit 1.1: Depicting cronbachs test

S.No	Variables	No. of items	Cronbachs Alpha (α)
1.	General climate	7	0.82
2.	OCTAPACE Culture	7	0.77
3.	Selection	6	0.87
4.	Job definition	4	0.78
5.	Career planning	7	0.78
6.	Employee's participation	3	0.85
7.	Performance appraisal	7	0.90
8.	Training & Development	6	0.89
9.	Compensation	5	0.81

From the exhibit above, it is clear that the range of reliability value varies from 0.77 to 0.90, which is greater than standard value of 0.6 postulated by Cronbach (1951) so it is clear that the scale used for present study is highly reliable for data analysis.

DATA ANALYSES AND FINDINGS

In order to ascertain the extent to which managers and subordinates are cognizant with the said objectives of the present study, the respondents were provided with the well structured questionnaire. The questionnaire consists of two sections "Section A" consists of 52 statements pertaining to HRM practices and "Section B" seeks the demographic information, like, age, gender, qualification, total work experience, work experience in the sample organization and designation as shown in the Annexure at the end of the chapters. The questionnaire is the five point likert scale which varies from 1 to 5 as: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree and 5 = Strongly Agree.

Employees view's on HRM variables in JK Bank:-

The Exhibit 1.2 indicates that the mean values and percentage to mean score ranges between 2.66(41.50%) and 4.29(82.25%) in case of managers of JK bank. The Exhibit 1.3 reveals that the mean value and percentage of mean score ranges between 2.53 (38.25%) and 3.82(70.50%) in case of subordinates of JK bank. It is imperative to note that higher mean values or higher percentage of mean scores linked across the variables HRM indicates that these variables are perceived to be superior and effective and lower mean values or lower percentage of mean scores across the managers and subordinates have poor opinion about the effectiveness of HRM variables. To continue with the same, the Exhibit 1.2 also depicts that the perception of managers in the JK bank towards various components of HRM. It can be interpreted that only 35 out of 52 statements have crossed 60% level of satisfaction among the managerial staff of JK bank rest are less than 60%. The Exhibit 1.3 depicts the

perception of subordinates of JK bank towards the various components of HRM. It can be interpreted that only 9 out of 52 statements have crossed 60% level of satisfaction and rest are below 60%. It reveals that managers are having more favorable perception towards the existing

HRM practices in the JK bank than subordinates. Higher mean score indicates more favorable perception of employees towards HRM practices and lower mean score indicates the vice versa.

Exhibit 1.2: Perceived View of JKB Managers on HRM practices

Statements	JKB Managers (N=86)		
	Mean Score	Percentage of Mean Score	Std. Deviation
GC1	3.13	53.25	0.992
GC2	3.70	67.50	1.030
GC3	3.88	72.00	0.710
GC4	3.64	66.00	1.016
GC5	4.00	75.00	0.751
GC6	3.81	70.25	0.759
GC7	3.57	64.25	0.861
OC1	3.12	53.00	1.078
OC2	3.66	66.50	0.889
OC3	3.49	62.25	0.991
OC4	3.05	51.25	1.116
OC5	3.71	67.75	0.944
OC6	4.06	76.50	0.845
OC7	4.29	82.25	0.630
S1	3.74	68.50	1.008
S2	3.37	59.25	1.041
S3	3.86	71.50	0.842
S4	3.78	69.50	0.999
S5	3.80	70.00	0.794
S6	3.51	62.75	0.891
JD1	3.88	72.00	0.773
JD2	3.74	68.50	0.754
JD3	3.52	63.00	0.955
JD4	3.40	60.00	0.898
CP1	3.53	63.25	0.979
CP2	3.29	57.25	1.004
CP3	3.44	61.00	0.989
CP4	3.48	62.00	0.904
CP5	3.71	67.75	0.969
CP6	3.55	63.75	1.036
CP7	3.67	66.75	0.939
EP1	3.12	53.00	1.045
EP2	3.19	54.75	1.068
EP3	3.35	58.75	1.026
PA1	3.21	55.25	0.869
PA2	3.77	69.25	0.680
PA3	3.33	58.25	1.057
PA4	3.45	61.25	0.849
PA5	3.62	65.50	1.031
PA6	3.41	60.25	1.078
PA7	3.28	57.00	1.102
T1	3.78	69.50	0.887
T2	2.97	49.25	1.068
T3	3.08	52.00	1.031
T4	3.79	69.75	0.813
T5	3.47	61.75	0.929
T6	3.78	69.50	0.925
C1	3.16	54.00	0.931
C2	3.50	62.50	0.942
C3	2.81	45.25	1.079
C4	2.73	43.25	1.011
C5	2.66	41.50	1.001
Total	3.49	62.42	0.116

Exhibit 1.3: Perceived View of JKB Subordinates on HRM practices

Statements	JKB Subordinates (N=266)		
	Mean score	Percentage of Mean Score	Std. Deviation
GC1	2.63	40.75	1.085
GC2	3.38	59.50	1.061
GC3	3.27	56.75	1.050
GC4	3.11	52.75	1.019
GC5	3.59	64.75	0.999
GC6	3.39	59.75	0.897
GC7	3.43	60.75	1.037
OC1	2.80	45.00	1.035
OC2	3.24	56.00	0.969
OC3	2.86	46.50	1.121
OC4	2.58	39.50	1.163
OC5	3.21	55.25	1.097
OC6	3.63	65.75	1.002
OC7	3.82	70.50	0.799
S1	3.22	55.50	1.045
S2	3.30	57.50	0.948
S3	3.60	65.00	1.082
S4	3.51	62.75	1.036
S5	3.49	62.25	1.036
S6	3.11	52.75	1.031
JD1	3.54	63.50	1.119
JD2	3.44	61.00	1.063
JD3	3.32	58.00	1.043
JD4	3.28	57.00	1.120
CP1	3.07	51.75	1.069
CP2	2.83	45.75	0.925
CP3	3.08	52.00	1.038
CP4	2.96	49.00	0.999
CP5	3.37	59.25	1.028
CP6	3.05	51.25	1.168
CP7	3.22	55.50	1.070
EP1	2.59	39.75	1.039
EP2	2.89	47.25	1.118
EP3	2.98	49.50	1.144
PA1	2.94	48.50	1.106
PA2	3.20	55.00	1.141
PA3	2.94	48.50	1.165
PA4	3.14	53.50	1.018
PA5	3.37	59.25	1.017
PA6	3.11	52.75	1.102
PA7	3.09	52.25	1.110
T1	3.37	59.25	1.143
T2	2.91	47.75	1.160
T3	2.84	46.00	0.985
T4	3.34	58.50	1.169
T5	3.12	53.00	1.091
T6	3.36	59.00	1.125
C1	2.98	49.50	1.253
C2	3.31	57.75	1.076
C3	2.64	41.00	1.084
C4	2.58	39.50	1.134
C5	2.53	38.25	1.072
Total	3.14	53.63	0.077

Spearman’s Correlation Coefficient:-

Keeping the background in view, the present study has been conducted to study the relationship between HRM practices and perceived organizational performance in the banking industry in India. The correlation coefficients clearly present the results of the current study. Exhibit 1.4 shows the correlation coefficient among HRM practices in the managers of JKB. The

magnitude of correlations is generally small to moderate however association among the all HRM practices variable is positive with the maximum value of 0.319 (Employee Participation and OCTAPACE Culture) and is statistically significant with p-value 0.000 and minimum value of 0.027 (Training & Development and OCTAPACE Culture) and is statistically non-significant with p-value 0.540.

Exhibit 1.4.: Correlation Coefficients among HRM practices in the Managers of JKB

Variables		GC	OC	S	JD	CP	EP	PA	T	C
General climate(GC)	Correlation Coefficient	1.000								
	P-Value									
OCTAPACE Culture(OC)	Correlation Coefficient	0.168	1.000							
	P-Value	0.000								
Selection Process(S)	Correlation Coefficient	0.176	0.116	1.000						
	P-Value	0.000	0.009	.						
Job Definition(JD)	Correlation Coefficient	0.128	0.182	0.076	1.000					
	P-Value	0.017	0.001	0.159						
Career Planning(CP)	Correlation Coefficient	0.091	0.302	0.272	0.272	1.000				
	P-Value	0.026	0.000	0.000	0.000					
Employee Participation(EP)	Correlation Coefficient	0.225	0.319	0.307	0.111	0.299	1.000			
	P-Value	0.000	0.000	0.000	0.075	0.000				
Performance Appraisal(PA)	Correlation Coefficient	0.181	0.239	0.045	0.0254	0.248	0.190	1.000		
	P-Value	0.000	0.000	0.307	0.000	0.000	0.002	.		
Training & Development(T)	Correlation Coefficient	0.065	0.027	0.186	0.305	0.238	0.107	0.102	1.000	
	P-Value	0.138	0.540	0.000	0.000	0.000	0.087	0.021		
Compensation(c)	Correlation Coefficient	0.092	0.177	0.089	0.206	0.168	0.083	0.206	0.096	1.000
	P-Value	0.056	0.000	0.065	0.000	0.000	0.185	0.000	0.046	

From the results presented in the Exhibit 1.5, it is clear that there is no negative correlation between HRM practices as all the coefficients are positive among subordinates of JKB. The highest level of correlation of 0.491 is being perceived between Performance Appraisal and Employee Participation and is statistically significant

with p-value 0.000 followed by 0.402 between Employee Participation and Selection, 0.395 between Performance Appraisal and Compensation and so on. The lower degree of positive correlation ranges from 0.170 to 0.387 between the HRM variables and are statistically significant.

Exhibit 1.5: Correlation Coefficients among HRM practices in the Subordinates of JKB

Variables		GC	OC	S	JD	CP	EP	PA	T	C
General climate(GC)	Correlation Coefficient	1.000								
	P-Value									
OCTAPACE Culture (OC)	Correlation Coefficient	0.294	1.000							
	P-Value	0.000								
Selection Process (S)	Correlation Coefficient	0.321	0.198	1.000						
	P-Value	0.000	0.000							
Job Definition (JD)	Correlation Coefficient	0.260	0.249	0.247	1.000					
	P-Value	0.000	0.000	0.000						
Career Planning (CP)	Correlation Coefficient	0.269	0.208	0.323	0.372	1.000				
	P-Value	0.000	0.000	0.000	0.000					
Employee Participation (EP)	Correlation Coefficient	0.314	0.279	0.402	0.251	0.323	1.000			
	P-Value	0.000	0.000	0.000	0.000	0.000				
Performance Appraisal (PA)	Correlation Coefficient	0.323	0.225	0.337	0.339	0.347	0.491	1.000		
	P-Value	0.000	0.000	0.000	0.000	0.000	0.000			
Training & Development (T)	Correlation Coefficient	0.255	0.170	0.317	0.306	0.275	0.328	0.395	1.000	
	P-Value	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Compensation (c)	Correlation Coefficient	0.215	0.211	0.281	0.231	0.281	0.353	0.387	0.303	1.000
	P-Value	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	

CONCLUSION

It is evident from the overall results that the managers of Jammu and Kashmir bank are more satisfied than subordinate. It is also clear that there is a positive correlation among HRM practices and organizational performance. We found good HRM practices in sample study organization, but there is a huge difference of opinion about HRM practices among managers and subordinates. The findings indicate that there is substantial scope for improvement in various aspects of HRM practices in the sample study organization.

SUGGESTIONS AND POLICY IMPLICATION

As far as banking industry is concerned there is no other input except human resource and the output depends entirely on the quality of human resource and we have lot of factors to cover in this area. Various HRM practices has acquired in Indian banking industry through a very gradual and reactive process. Since these practices has acquired at different stages, they are neither cohesive nor complementary, may not be in a line with the current business activities, and expected future diversification.

The need of the time is not the routine, casual and gradual approach but to be proactive, well planned , instant and multi prolonged approach to cope with the various challenges like unpredictable technological development, competitive environment, diversified composition of human resource, increasing expectation of customers, effects of financial reforms within the country and globalization. For keeping the climate favorable, certain important issues to be considered seriously, like good quality of leadership, treating employees humanly, mutual confidence, two way communications and opportunity for development. Management should create such an environment where employees can feel they are doing something important and useful and that will be evaluated and appreciated later. Psychological climate in the organizations should be developed /upgraded and proper steps must be taken that are useful for the development of the employees. The other implications of this research is that recruitment and selection should be based on internationally accepted personality traits to be globally competitive. The present research data of the selected organization strongly suggest that management should provide up to date job description, so that employees are

clear about their roles and duties performed by them. There has been a great deal of research, which clearly depicts that career planning is the invaluable tool in management of human resources. Which suggest that the employees in the sample banks should have clear career path? The other important finding of the present study is the sharing of information and employee participation in the decision making which is at the low profile signifies that the employees are not encouraged to make any decision in the sample organizations. In the light of these findings, performance appraisal system in the sample study organization needs to be fairly objective and standard without any bias or favoritism. Training needs should be realistic, useful and based on the business strategy of the organization. There is an urgent need in the sample study organizations to develop and implement reward and compensation policy that will help them to attracts, identify and retains the highly talented employees particularly when compensation has direct relationship with the organizational performance.

Limitation and direction for future research:-

The scope of this research was confined to investigate the impact of HRM practices on organizational performance in JKB. The research study made number of limitations. The main limitation of this research study was small sample size. The study did not cover all the HRM practice variables that have an impact and relationship with organizational performance. In order to validate the findings of the study, case study, focus groups and longitudinal studies are another interesting approach that can be undertaken for future research.

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