



ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

**THE EFFECT OF HUMAN RESOURCE MANAGEMENT
PRACTICES ON JOB SATISFACTION IN THE CASE OF
HIBRET BANK S.C**

BY: AZEB TADESSE YALLEW

OCTOBER, 2021

ADDIS ABABA, ETHIOPIA



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**A THESIS SUBMITTED TO THE PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF ARTS IN
HUMAN RESOURCE MANAGEMENT (MHRM)**

OCTOBER, 2021

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DECLARATION

I hereby declare that the thesis entitled ‘The effect of Human Resource Management Practices on Job Satisfaction in the Case of Hibret Bank S.C’ is my own work. Furthermore, this study contains neither material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

Azeb Tadesse Yallew

CERTIFICATION

This is to certify that Azeb Tadesse Yallew has carried out her research work ‘The effect of Human Resource Management Practices on Job Satisfaction: The Case of Hibret Bank S.C’ for the partial fulfilment of Master of Arts in Human Resource Management at Addis Ababa University, School of Commerce. This work is original and it is suitable for submission of Masters of Arts in Human Resource Management.

Teklegiorgis Assefa (Asst. prof)

Advisor

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LIST OF ACRONYMS AND ABBREVIATIONS

HRM	Human resource management
HR	Human Resource
PMS	Performance Management System
CIPD	Chartered Institute of Personnel and Development

Abstract

The aim of the study is to identify the effect of HRM practices on job satisfaction at Hibret Bank S.C. The study used a quantitative approach by using survey method to examine the relationship between independent (work environment, recruitment, learning and development, employee recognition, promotion, job security, performance management, and compensation) and dependent (job satisfaction) variables. The study used a descriptive and explanatory design. The quantitative data gathered from questionnaires and qualitative data gathered from different documents. The target population involved in this study are Managerial and clerical employees of Addis Ababa located branches and head office. Simple random sampling techniques are used to distribute the questioner for a sample of 357 employees and out of them 262 respondents returned the questionnaires. This study has applied descriptive statistical tools to compute the data in terms of mean & standard deviation and also inferential statistics to generate correlation and multiple regression analysis. The result shows that the level of job satisfaction at Hibret Bank on compensation, PMS, Promotion, Job Security and employee recognition practice is low level and on the implementation of Learning & Development, Working Environment, and Recruitment is relatively high. According to the correlation and regression analysis result there are a positive relationship between the HRM practices and job satisfaction in Hibret Bank. Finally, the study recommended that Hibret Bank should develop and implement a strategic HRM practice to enhance employee job satisfaction.

Key words: HRM practice, Job satisfaction, and Hibret Bank

CHAPTER ONE

1 Introduction

1.1 Background of the Study

The importance of human resources to every organization cannot be denied. It becomes the backbone and the pillar of any successful organization. Managing employees in the organization is not an easy thing. It is because employees are viewed as a key resource that can attain a competitive advantage. Indeed, the employees are the greatest asset of the organization as they are the most reliable resource that can keep an organization away from its rivals (Azizan, 2015). In the Handbook of Human Resource Management Practice Armstrong (2009) stated that Human Resource Management (HRM) is a strategic, integrated, and coherent approach to the employment, development, and well-being of the people working in organizations. Other scholar (Mahapatro, 2010) also defines HRM as a process of bringing people and organizations together so that the goals of each are met. It is part of the management process which is concerned with the management of human resources in an organization. It tries to secure the best from people by winning their wholehearted cooperation.

According to (Armstrong, 2009) the practice of HRM is concerned with all aspects of how people are employed and managed in organizations. It covers activities such as strategic HRM, human capital management, corporate social responsibility, knowledge management, organization development, resourcing (human resource planning, recruitment, and talent management), performance management, learning and development, reward management, employee relations, employee well-being and health and safety and the provision of employee services. In fast-paced, continuously changing, high-performance organizations, the emphasis must be on finding the people who not only bring relevant skills, competencies, and experience but who are also willing and able to apply them in a variety of situations and projects. Here, flexibility and adaptability are essential, and people are viewed as resources whose abilities contribute to the core capabilities and overall performance of the organization (Mahapatro, 2010).

Policymakers and managers have turned their attention to providing different kinds of good work environment and good work condition to their employees to satisfy their employees. A better

working area can improve employee's satisfaction and they will give their best to increase their working performance (Jain, 2013). If employees are satisfied as well as committed to the organization it helps to reduce the cost of employee turnover, absenteeism, low productivity, etc. (Rahman, Uddin, Shaheed Mia, 2012).

Job satisfaction is the degree to which people like their jobs. In other words, it refers to a subjective evaluation that the worker makes of her/his job, either in its entirety or concerning its different attributes (Macias & Bustillo, 2014). Retaining an adequate and qualified workforce is a prerequisite for a well-functioning organization, but is sometimes difficult to realize when conditions, such as a good economic situation, a tight labour market and an ageing workforce, tend to increase the turnover of the workforce. It can be hypothesized that job satisfaction could function as a buffer against conditions favouring a high turnover, because a small but significant relationship exists between a low level of job satisfaction and turnover. Moreover, job satisfaction could also buffer against other negative influences in the workplace, such as occupational stress. For these reasons, attention paid to job satisfaction of employees may prevent staff shortages in the future and may even cut costs (van Saane, Sluiter, Verbeek and Frings-Dresen, 2003)

The simultaneous delivery and receipt of services in the face-to-face service sector brings employees and customers close together. The direct contact that exists between the employee and the customer in the service sector suggest that HRM may be even more important in the service sector than in the manufacturing sector. Banking is in the service industry and delivers its service across the counter to the definitive customer. The activities of banking industry are all about "relationship". Hence, banking industry must endeavour for providing better services to the customer with a smile in order to cultivate and maintain long lasting relationship with their customers.

Different studies point out that there is a relationship between HRM practices and employee job satisfaction (Alabarah, 2019; Fedai, Murat Koç, Saraçoğlu, 2014; Cherif, 2020; Rahman, Uddin, Shaheed Mia, 2012). Nowadays, employees are playing a fundamental role in an organization's success as they can establish a competitive advantage to compete within the industry. Different HRM factors can affect employees' job satisfaction in the banking industry of Ethiopia. In Ethiopia, the banking industry is one of the biggest industries that hire junior graduates and

experienced employees, in which Hibret Bank stands among the top 5 employers. Hibret Bank is one of the private banks that were incorporated as a Share Company on 10 September 1998. Currently Hibret Bank has more than 376 Branches and 7 sub-Branche s, and several additional outlets on the pipeline. Currently, Hibret Bank has a total of 4708 employees in which 903 are Managerial, 2468 are clerical, and 1337 are Non-clericals.

The banking industry constantly experiencing various changes and challenges, which often result in high turnover and low job satisfaction. In this turbulent business environment, one of the biggest challenge that Hibret Bank stated in the annual survey is a lack of employee job satisfaction and low level of employee engagement. The bank's last three budget year exit interview reports show that employee's resignation reasons are related to HRM practice implementations. Indicated reasons to leave the bank are work environment (conflict with supervisors, working area transfer request), employee promotion (looking for a better career opportunity), compensation & benefits (salary increment, better benefits).

This study presents the relations between eight HRM practices which are work environment, recruitment, learning and development, employee recognition, promotion, job security, performance management, and compensation and its impact on employee's job satisfaction. The study particularly focuses on the case of Hibret Bank S.C. Hence, it helps to clarify on how the research will contribute toward the HRM practice and employee job satisfaction enhancement in the bank.

1.2. Statement of the Problem

The performance of any organization especially in a banking organization largely depends on the quality and competence of its employees and it is possible through proper practices of HR. The effect of HRM practices on employee Job Satisfaction has been a leading area of research in the developed world for many years. But surprisingly, very limited number of researches has been conducted on the effect of HR practices on employee job satisfaction and organizational commitment in the context of developing countries (Rahman, Uddin, Shaheed Mia, 2012).

In today's fast-paced environment, employee turnover is inevitable. Some of the factors that can cause it are technological change, environment concerns, and employee dissatisfaction. Job satisfaction is one of the most important factors that a company can evaluate. It can affect a

company's bottom line and employee loyalty. Saba S. and Nimra A., (2014) stated that all the variables employee promotions, work environment, leadership behaviour, and job stress have a significant relationship with employee's job satisfaction. Singh and Jain, (2013) also indicated that job satisfaction and dissatisfaction not only depend on the nature of the job; it also depends on the expectations of what the job supplies to an employee. On the other hand Edgar & Geare (2005) identified that HRM practices significantly impacted employee job satisfaction, organizational commitment, and organizational fairness.

Implementing the type of HRM practices that best fits the needs and interests of a company is a critical issue that requires huge consideration. In this regard for a company, be it public or private, to operate successfully and stay in the competition, well-established and incorporated HRM practices play a key role in the employee's job satisfaction. It is argued that low job satisfaction leads to high rates of employee turnover and that causes a lot of problems for the organization. Since it costs the company a lot of time and money to train and develop qualified employees in the first place, maintaining a high job satisfaction for employees is essential and crucial. Hence, job satisfaction is very significant, since employees are the most valuable assets in the organization (Alabarah, 2019).

It seems that the problem of running a bank successfully and sustainably might be a short supply of skilled manpower. It is a basic issue that any resource that is in short supply needs to be properly managed for the benefit of society and, therefore, banks need to pay attention to the entire Human Resource Management process. The entire range of HRM practices requires revolutionary changes if the banks have to survive (Mehta, 2016). Managing the people is a key challenge for the bank managements. Commercial banks are expected to take necessary steps in such a way that their employees should feel that training and development, recruitment, selection and compensation have become essential to enhance their productivity and satisfaction. Customer satisfaction is one of the competitive advantages for banks when each banking sector offers the same product. Employees are front-line service providers who have direct contact with customers. Employee satisfaction has a significant impact on customer service. Employees play an important role in maintaining reliable customers. The past five years of Hibret Bank annual report shows that the bank's profit has been waning over time to time due to incompetence and

poor customer service compared to other competing banks. Therefore, the reason for this might be related to employees' low level of job satisfaction that causes hesitancy to provide the best service to the customers that meet their expectations.

Looking at the recent report of the bank, it is observed that employee turnover has shown an increment time to time. The turnover in one or another way could be associated with job dissatisfaction, which is due to lack of proper functioning of HRM practice. The below table showed that the staff turnover rate as of June 30, 2021, is 4% of the total number of permanent staff. The staff turnover rate as of June 30, 2020 is 4% and it is relatively higher than the turnover rate recorded during June 30, 2019 which was 2.68%.

Table 1. Staff Attrition Report

As of 2020/2021 Budget Year

Staff Category	No.	Gender		Reason				
		Male	Female	Resigned	Dismissed	Retired	Deceased	Disappeared
Managerial	41	37	4	36	3	-	2	-
Clerical	97	82	15	82	12	-	-	3
Non- Clerical	41	25	16	19	2	9	8	3
Total	179	178	35	137	17	9	10	6

Source: Hibret Bank Annual report, 2021

As of 2019/2020 Budget Year

Staff Category	No.	Gender		Reason				
		Male	Female	Resigned	Dismissed	Retired	Deceased	Disappeared
Managerial	37	31	6	32	3	1	1	-
Clerical	101	74	25	90	9	3	1	-
Non - Clerical	32	18	16	15	3	10	1	1
Total	170	123	47	137	15	14	3	1

Source: Hibret Bank Annual report, 2019/2020

As of 2018/2019 Budget Year

Staff Category	No.	Gender		Reason				
		Male	Female	Resigned	Dismissed	Retired	Deceased	Disappeared
Managerial	17	16	1	13	-	3	1	-
Clerical	56	38	18	47	5	1	3	-
Non - Clerical	36	16	20	18	2	8	7	1
Total	109	82	27	78	7	12	11	1

Source: Hibret Bank Annual report, 2018/2019

In the last three consecutive budget year, the employee's self-initiated resignation takes the major part which indicates that employees of Hibret Bank are not satisfied with their job and not willing to stay at the Bank. Out of the total resignation number, the managerial and clerical staffs of the bank take the major part of the self-initiated resignation rate. This shows that the bank was unable to retain experienced and competent staff, which resulted in additional hiring and training costs. The bank's exit interview reports show that employee's resignation reasons are correlated to HRM practice implementations. Indicated reasons to leave the bank are working environment (conflict with supervisors, working area transfer request), employee promotion (looking for a better career opportunity), compensation & benefits (salary increment, better benefits). These problems are leading the employees to resign and join other banks. Hence, high professional staff turnover of the Bank and their reasons to leave might indicate the existence of the problem.

1.3. Research Questions

The following specific questions will be addressed in this study.

1. What is the relationship between HRM practice and job satisfaction?
2. What is the level of job satisfaction at Hibret Bank?
3. What are the major HRM practices impacting employee job satisfaction in Hibret Bank?

1.4. Research Objectives

General Objective

The objective of this study is to investigate the effect of human resource management practices on job satisfaction. The identified HRM practices for this research purpose are work environment, recruitment, learning and development, employee recognition, promotion, job security, performance management, and compensation.

Specific Objective

1. To determine the relationship between HRM Practice and job satisfaction;
2. To identify the level of job satisfaction at Hibret Bank S.C;
3. To examine the effect of HRM Practice on job satisfaction;

1.5. Significance of the Study

This study will have significance especially for Hibret Bank in the following ways: First, it will identify the relationship between HRM practice and that of employee job satisfaction at the bank level which in turn is critically important in the continuity of the bank's strategy. Second, knowing the existing situation is, in turn, significant as it helps to point out any weakness and strength of the issue under study and gives a practical picture of the efforts that have been made to improve. Third, this study will add to the literature concerning determining the effect and relationship of the HRM practice and employee job satisfaction. Last but not least, this research may be used as a springboard for other research to be conducted on HRM practice-related issues in the banking industry in general and Hibert Bank in particular.

1.6. Scope of the Study

HR practices involve the strategic operations of HR. They form the foundation and guidance for managing the company's employees and should coordinate with the executive business plan. Some examples of HR practices include setting the mission and goals of the HR department, Planning, organizing, and managing the HR department, measuring the effects of programs, creating programs to improve the quality of the work environment, developing talent and future leadership, conducting motivational programs, working with management for on-going performance evaluations, overseeing employee advancement opportunities. Though, the study

focuses on only eight independent variables of HRM practices which are work environment, recruitment, learning and development, employee recognition, promotion, job security, performance management, and compensation.

In Ethiopia there are different private and government commercial banks. Because constraints of budget and time, it was found tedious to include all. Thus, the study was limited to one private commercial bank in which Hibret Bank is case focus of the study.

1.7. Limitation of the Study

It could have better to make a comparative study involving as many organizations as possible to further support the concepts in this study. However, considering the time, budget, access to data, expected rate of return for research instruments and convenience, this research concentrated on the case of Hibret Bank only.

1.8. Definition of Terms

Job Satisfaction - is a pleasurable or positive emotional state, resulting from the appraisal of one's job or job experiences (Gruneberg, 1979)

Compensation - is the HRM function that deals with every type of reward individuals receive in the exchange for performing organizational tasks (Mahapatro, 2010)

Performance Management System (PMS) - is a strategy which relates to every activity of the organization set in the context of its human resources policies, culture, style and communications systems (Bhattacharyya, 2011)

Promotion - is the advancement of an employee to a better job - better in terms of greater responsibilities, more prestige or status, greater skill and especially, increased rate of pay or salary (Pigors and Myers)

Recruitment & Selection - Recruitment is the process of finding and engaging the people the organization needs. Selection is that part of the recruitment process concerned with deciding which applicants or candidates should be appointed to jobs (Armstrong, 2009)

Learning & Development - a planned process to modify attitude, knowledge, or skill behaviour through learning experience to achieve effective performance in an activity or range of activities.

Development is the growth or realization of a person's ability, through conscious or unconscious training (Wilson, 2001)

Work Environment – refers to the elements that comprise the setting in which employees work and impact workers.

Employee Recognition - is the act of acknowledging and appreciating an employee's work (Zojceska, 2019)

Job Security is an employee's assurance or confidence that they will keep their current job. (Singh & Jain, 2013)

1.9. Organization of the Study

This study contains five chapters. The first chapter cover the introduction part, which is the background of the study, problem statement, research questions, objective, significance, scope, and limitation of the study and definition of key terms. The second chapter is all about a review of related literature. The third chapter presents a research methodology that is research approach and design, data collection instrument, method and source of data collection, method of data analysis, and description of the study area. The fourth chapter composed of data presentation, analysis, and interpretation. Finally, the fifth chapter presents a discussion, conclusion, and recommendation.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2. Introduction

Review of related literature covers theoretical literature review, empirical studies, and conceptual model. Part of the theoretical literature has concepts of HRM, HRM practices and job satisfaction. Empirical studies reveals different types of previous studies related to the effect of HRM practices on employee job satisfaction. The conceptual model shows the relationship between independent and dependent variables.

2.1 Theoretical Literature Review

2.1.1 Concept of HRM

Concepts of Human Resource Management describes in different scholars. HRM is the term commonly used to describe all those organizational activities concerned with recruiting and selecting, designing work for, learning and developing, appraising and rewarding, directing, motivating, and controlling workers (Nick, 2016). Managing resourceful humans requires a constant balancing between meeting the human aspirations of the people and meeting the strategic and financial needs of the business (Derek, Laura, & Stephen, 2005). According to Armstrong (2006) HRM is a strategic and coherent approach to the management of an organization's most valued assets – the people working there who individually and collectively contribute to the achievement of its objectives. Other scholar (Mahapatro, 2010) defined HRM as a process of bringing people and organizations together so that the goals of each are met. It is part of the management process which is concerned with the management of human resources in an organization. It tries to secure the best from people by winning their wholehearted cooperation. In short, it may be defined as the art of procuring, developing, and maintaining a competent workforce to achieve the goals of an organization in an effective and efficient manner. Storey (cited in Armstrong, 2006) believed that HRM can be regarded as a 'set of interrelated policies with an ideological and philosophical underpinning'. He suggests four aspects that constitute the meaningful version of HRM: a particular constellation of beliefs and assumptions; a strategic thrust informing decisions about people management; the central involvement of line

managers; and reliance upon a set of ‘levers’ to shape the employment relationship. In the other hand Storey (cited in Zerlu, 2009) also agreed that HRM is a distinctive approach to employment management that seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an array of cultural, structural, and personnel techniques.

Guest (1997) (cited in Armstrong, 2009) argued that the distinctive feature of HRM is its assumption that improved performance is achieved through the people in the organization. If appropriate HR policies and processes are introduced, it can also be assumed that HRM will make a substantial impact on firm performance. On the other hand Mahapatro (2010) stated that a company’s workforce represents one of its most potent and valuable resources. Consequently, the extent to which a workforce is managed effectively is a critical element in improving and sustaining organizational performance. HRM is a strategic approach to the acquisition, motivation and development, and the management of human resources. According to Inancevich and Glueck (cited in Mahapatro, 2010), HRM is concerned with the most effective use of people to achieve organizational and individual goals. It is the way of managing people at work so that they give their best to the organization. Only by satisfying the needs of the individual contributor will the business obtain the commitment to organizational objectives that is needed for organizational success, and only by contributing to organizational success will individuals be able to satisfy their personal employment needs. It is when employer and employee – or business and supplier of skills – accept that mutuality and reciprocal dependence that HRM is exciting centre stage, and productive of business success (Derek, Laura, & Stephen, 2005).

Characteristic of HRM

The characteristics of HRM are that it is diverse, strategic, and commitment-oriented, adopts a unitary rather than pluralist viewpoint, is founded on the belief that people should be treated as assets, and is a management-driven activity (Armstrong, 2009).

HRM Practices

The practice of HRM is concerned with all aspects of how people are employed and managed in organizations. HRM practices have a strong conceptual basis drawn from the behavioural

sciences and from strategic management, human capital, and industrial relations theories (Armstrong, 2009). The study will examine the relationship between eight HRM Practices i.e Work environment, Recruitment, Learning and Development, Employee Recognition, Promotion, Job Security, Performance Management, and Compensation and that of job satisfaction.

2.2. Performance Management System (PMS)

Performance management is a process for establishing a shared understanding about what is to be achieved and how it is to be achieved, and an approach to managing and developing people that improve the individual, team, and organizational performance. Performance management can also be described as a strategic and integrated approach to delivering sustained success to organizations that focus on performance improvement and employee development (Armstrong, 2009). Performance management refers to the set of interconnected practices designed to ensure that a person's overall capabilities and potential are appraised so that relevant goals can be set for work and development, and so that, through assessment, data on work behaviour and performance can be collected and reviewed (Bratton & Gold). Performance management is the process of ensuring that employees' activities and outputs match the organization's goal (Steen, Noe, Hollenbeck, Gerhart, Wright, 2009).

PMS provides an integrative framework of HR policies and practices that enable organizations to explicitly connect the organization's strategic intentions with the efforts of its employees and to define work activities and individual or team objectives according to these intentions. In other words, PM represents the range of HRM activities that enable, encourage, coordinate and support employees to achieve their objectives, monitor, measure, and reward their achievements and, fundamentally, contribute to the long-term success of the organization (Nick, 2016). According to Armstrong (2010) performance means both behaviours and results. Behaviours emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviours are also outcomes in their own right – the product of mental and physical effort applied to tasks – and can be judged apart from results. Another scholar Furnham (2004) (cited in Bratton & Gold) stated that the centre of the PMS is work performance, in which the key ideas are that the principal dimensions of a person's work can be defined precisely in

performance terms, allowing measurement over agreed periods of time that also takes account of particular constraints within the performance situation.

The empirical studies indicates the relation between PMS and job satisfaction. The researches that have been studies in different industries reveal that there is a positive relationship between performance management system and employees' job satisfaction. Agyare, Yuhui, Mensah, Aidoo & Ansah (2016) did the research on the effects of performance appraisal on employees' job satisfaction and organizational commitment in the case of microfinance institutions in Ghana. The study conducted through questioner from 200 employees and it revealed that performance appraisal has an impact on job satisfaction and organizational commitment.

2.3. Compensation Management

Compensation describes a company's total compensation system. It represents both the intrinsic and extrinsic rewards employees receive for performing their jobs and for their members as employees. Intrinsic compensation reflects employees' psychological mind-sets that result from performing their jobs. Extrinsic compensation includes both monetary and nonmonetary rewards (Martocchio, 2017). A competitive compensation and benefits package is key to a company's ability to attract and retain top talent (B.B. Mahapatro, 2009).

Milkovich, Newman, & Gerhart (2014) defined Compensation from the employee's perspective as its return on those investments and contributions. And also they agree that total returns for work are reclassified as total compensation and rational returns. Total compensation included both cash compensation (Base Wage, Merit/Cost of Living, Short-Term Incentives, Long-Term Incentives) and benefits (Income Protection, Work/Life Balance, Allowances). Total compensation is all types of financial rewards and tangible benefits and practices employees receive as part of their employment (Steen, Noe, Hollenbeck, Gerhart & Wright, 2009).

Arrow smith (2010) (cited in Bratton & Gold) a reward is the centrepiece of the employment relationship as it underscores the fact that the relationship constitutes an economic exchange. Another scholar Nick (2016) agrees that individual performance requires motivation to be appropriately directed and sustained and, therefore, a reward can be viewed as a lever for controlling or shaping behaviour in the desired direction, for reinforcing organizational values or enabling cultural change through 'buying' employee compliance. Bratton (2007) (cited in Nick,

2016) defined reward as referring to all the monetary and nonmonetary incentives that an organization provides for its employees in exchange for the work they perform.

Nick (2016) stated that employee satisfaction with reward is determined both by the comparative and absolute level of reward and the overall composition of the reward package. Employee dissatisfaction with the composition of their reward package is likely to manifest itself in lowered productivity, greater intention to quit, lack of employee engagement, and dysfunctional behavior. Employees might also compare their level of pay with other people doing similar jobs in other organizations or relative to other attainable employment. Within the organization, employees might assess their satisfaction with pay according to internal relativities (their pay is comparable to other people in the firm) and according to whether they perceive themselves as receiving a fair share of the wealth generated by their labour.

Effects of compensation on employees (as well as the cost of employee compensation) have major implications for how successful organizations can execute their strategies and achieve their goals (Milkovich, Newman, & Gerhart, 2014). Employee concerns with pay and working conditions have a greater influence over employees' sense of job satisfaction (Bratton & Gold).

Different studies show that compensation and job satisfaction has a significant and positive relationship. For example, M. Baledi & R. Al Saed (2017) studied the effect of compensation on improving employee's performance through job satisfaction in Jordanian newspaper. The studies shows that compensation effect the employees performance and job satisfaction directly and job satisfaction effect the employees performance directly while the effect of compensation effect the employees through job satisfaction is negative so tin this case the job satisfaction don't play the role of mediator between compensation and employees performance in jordanian newspaper. Ramli (2018) also agreed that compensation has a positive and significant impact on employee job satisfaction. His study shows that job satisfaction of employees of can increase, if the compensation is improved.

2.4. Learning & Development

Learning and development is about creating the right culture and environment for individuals and organisations to learn and grow. It knows the current and future capability needs of the organisation, as well as how to create a learning culture that drives engagement in on-going professional development. Learning and development (L&D) strategy sets out the workforce

capabilities, skills and competencies the organisation needs, and how they can be developed to ensure a sustainable, successful organisation (CIPD, 2021).

Learning and development are key ingredients in the competitiveness of firms. Rapid change, especially in the area of technology, requires that employees continually learn new skills and upgrade their current skills. Development is concerned with both individual and collective training and, as a distinct area of HRM, encompasses the constantly evolving practices and processes that act to develop the skills, knowledge, behaviors, and attitudes of an organization's human resources required for effective job performance both now and in the future (Nick, 2016).

Steen, Noe, Hollenbeck, Gerhart & Wright, (2009) defined learning as a planned effort to enable employees to learn job-related knowledge, skills, and behaviour whereas, development as the acquisition of knowledge, skills, and behaviors that improve an employee's ability to meet changes in job requirements and in customer demands. On the other hand, learning is defined by Armstrong (cited in Nick, 2016) as planned and systematic modification of behavior through training events, programs, and instructions that enable individuals to achieve the levels of knowledge, skill, and competence needed to carry out their work effectively.

Companies which are providing the training and development programs for their employees are achieving high level of employee satisfaction and low employee turnover (Wagner, 2000). These results agree with many previous results of other studies (Chaudhary & Bhaskar, 2016, Nguyen & Duong, 2020). This study depicts a strong correlation between learning & development and job satisfaction. Anwar & Shukur (2015) study on the effect of training & development on employee job satisfaction revealed that training & development has a significant and positive relationship with job satisfaction on private banks.

2.5. Work Environment

Organization officials have a legal responsibility, if not a moral one, to ensure that the workplace is free from unnecessary hazards and that conditions surrounding the workplace are safe for employees' physical and mental health. Having an encouraging working environment to motivate and satisfy the employees is turn out to be essential for all managers.

The work environment consisting of the system of work, the design of jobs, working conditions, and the ways in which people are treated at work by their managers and co-workers (Armstrong,

2009). The workplace conditions that surround the employees and can be considered one of the factors that affect job satisfaction. The employees need to use modern equipment and facilities in addition to adequate space with the necessary air conditioning and ventilation, lightening to be more content in the workplace (Abdulraqeb, 2019). The work environment comprises of a set of variables or factors that have a direct or indirect effect on employees within their surroundings. This effect may be either positive or negative in their performance.

The work environment consists of the system of work, the design of jobs, working conditions, and the ways in which people are treated at work by their managers and co-workers. Well-being at work exists when people are happy with their lot – what they do, how they are treated, how they get on with others. The well-being of employees depends on the quality of working life provided by their employers – the feelings of satisfaction and happiness arising from the work itself and the work environment. Working conditions need to meet health and safety requirements. The way people are treated is a matter of managerial behaviour, achieving work-life balance, and dealing with issues such as stress, harassment, and bullying (Armstrong, 2009).

CIPD (2007) (cited in Nick, 2016) defines the management of well-being at work as being concerned with creating an environment to promote a state of contentment that allows an employee to flourish and achieve their full potential for the benefit of themselves and their organization. On the other hand Bratton & Gold stated that ridiculing employees in public and promoting divisiveness between individuals or workgroups – is related to decreased employee commitment, job satisfaction, and performance.

Job satisfaction depends on the working environment. Working environment has a positive impact on the Job satisfaction of employees. Bad working conditions restrict employees to portray their capabilities and attain full potential, so it is imperative that the businesses realize the importance of good working environment (Raziqa & Maulabakhsh, 2014). The studies shows that working environments where employees are made a part of the overall decision making process, being given flexible working hours, less work load, a team work approach and a supportive top management have positive impact on the performance of employees. This leads to high level of employee job satisfaction thus making the employees more committed towards their business, more motivated to work hard and more inclined to get high productivity for their firms benefiting their respective businesses in the long run.

2.6. Recruitment

Recruitment and selection have always been critical processes for organizations. As noted by researchers Rosow and Hickey (cited in Goldstein, Pulakos, Passmore & Semedo, 2017) most other major components of competitiveness are universally available: natural resources can be bought, capital can be borrowed, and technology can be copied. Only the people in the workforce, with their skills and commitment, and how they are organized, are left to make the difference between economic success and failure.

According to Armstrong (2010), Recruitment is the process of finding and engaging the people the organization needs. Selection is an aspect of recruitment concerned with deciding which applicants or candidates should be appointed to jobs. Another scholar Watson (1994) (cited in Bratton & Gold, 2000) referred recruitment and selection as the processes by which organizations solicit, contact, and interest potential appointees, and then establish whether it would be appropriate to appoint any of them. Recruitment is the process of attracting the interest of a pool of capable people who will apply for jobs within an organization (Bratton & Gold). Selection is about choosing between job candidates. It is about how to make a fair and accurate assessment of the strengths and weaknesses of applicants and how to identify the candidate who is most likely to perform well in the job.

Previous studies show that recruitment & selection process has a significant relationship with employee job satisfaction. For instance Slavkovic, Pavlovic & Simic (2018) studies the effect of employee recruitment and its relationship with employee satisfaction and the results of the regression analysis demonstrate that employee recruitment has a statistically significant impact on employee satisfaction. Defining the recruitment process implementation method can affect employee behavior in the organization and their satisfaction with the work they do. Another studies conducted by R. Gopinath & Dr. Shibu.N.S (2014) also agreed that recruitment and selection process are important practices for human resource management, and are crucial in affecting organizational success. From the analysis, the researcher concluded that recruitment and selection is of prime importance to job satisfaction in order to get the best of employees. Also Sumi Jha & Som Sekhar Bhattacharyya (2012) studied the perceived recruitment practices and their relationships to job satisfaction. The findings from the research indicate that

organizations have to strengthen their selection process to attract the most suitable potential applicant for employment to help in enhancing the job satisfaction of employees.

2.7. Promotion

These days, organizations use promotions as a tool to reward and motivate their employees to retain the best talent out of them. Promotion is an increase in the position of an employee from a previous position to a higher position. Promotion means higher position to an employee who carries higher status, more responsibilities and higher salary. If handled carefully, promotion is a double-edged weapon and it contributes to employee satisfaction and motivation (B.B. Mahapatro, 2010). Promotions are an important aspect of an employee's life. Considerable increase in pay or wage of an employee also constitutes a major effect on work and contributes to employee career development.

Different studies are indicated that promotion and employee job satisfaction has a relation. Malik, Danish, Munir (2012) studied on the effect of pay and promotion on job satisfaction in the case of higher education institutes of Pakistan. The study shows that pay has significant influence on job satisfaction but the promotion has less influence and partially significant to the job satisfaction. On the other hand Razak & Sarpan & Ramlan (2018) tested the Influence of Promotion and Job Satisfaction on Employee Performance. The result revealed that promotion and job satisfaction have an effect on employee performance and have significant influence. Promoted employees willing to work hard and desire to achieve maximum work result, can improve its performance effectively. Thus it can be said that the suitability of promotion of positions will affect the satisfaction so that the performance of employees will increase. Other researcher (Nzelum, Unegbu, Nworie, & Irunegbo, 2019) revealed that the rate of job satisfaction and commitments increases as the rate of promotion increases.

2.8. Employee Recognition

It refers to the process of valuing the employees at work (Anja, 2019). Recognition describes how the work of an employee is evaluated and how much appreciation he receives in return from the organization (Rizwan, 2010). When it comes to employers and employees having innate satisfaction, recognition and appreciation are two important tools for managers, businesses,

industrial counsellors, and HR professionals in promoting worker motivation and organizational success (Abdullah, Shonubi, Hashim, & Hamid, 2016).

Armstrong (2006) indicated that job satisfaction can also be increased by acknowledging a job well done. Positive and constructive feedback boosts performance. When the employees meet negative feedback from top management, they tend to leave the organization, increasing the turnover rate and costing the company. Also Danish & Usman (2010) agreed that the recognition is a process of giving an employee a certain status within an organization. This is a very crucial factor towards an employee motivation. Recognition describes how the work of an employee is evaluated and how much the appreciation he receives in return from the organization. It also specifies the way an organization gives its employee the reward and status for his work and activities.

Zani, Rahim, Junos, Samonol, Ahmad & Merican, 2011 and Rahim & Duad, 2013 (cited in Amoatema & Kyeremeh, 2016) stated that employee recognition has been identified to be a highly effective motivational instrument that can have significant positive impact on employee job satisfaction and performance as well as overall organisational performance.

Danish & Usman (2010) studied on the effect of reward and recognition on job satisfaction and motivation that revealed a close relationship between several dimensions of work motivation and satisfaction but recognition along with work itself and operating procedures have shown low mean values and insignificant relationship. Superiors motivate their juniors with proper recognition and appreciation on doing a good job can give employees more courageous and enthusiastic towards working in the organization. Other researcher (Nzelum, Unegbu, Nworie, & Irunegbo, 2019) find that as the rate of recognition decreases, so also the rate of satisfaction and commitment on the job decreases.

2.9. Job Security

Job security, often measured using the perceived risk of job loss in the near future, is a significant determinant of job satisfaction (B. Artz & I. Kaya, 2015). Sanyal, Hisam, and BaOmar (2018) define Job Security as the probability that an individual will keep his or her job; a job with a high level of job security is such that a person with the job would have a small chance of becoming unemployed. The goal of job security is to increase the level of reassurance of the employee on his/her future career and ending all forms of worry for the future. Job

security increases job satisfaction in different circumstances. B. Artz & I. Kaya (2015) shows that in their research job security increases job satisfaction in times of economic contractions, and job satisfaction has been linked to increased employee productivity as well as reduced employee absenteeism and tendency to quit.

2.9.1. Job Satisfaction

Job satisfaction has been defined and presented in many different ways by researchers and practitioners. Job satisfaction is the level to which an individual has a positive attitude towards his job, either in general or a specific dimension.

Armstrong (2009) defined Job satisfaction as the attitudes and feelings people have about their work. The level of job satisfaction is affected by intrinsic and extrinsic motivating factors, the quality of supervision, social relationships with the workgroup, and the degree to which individuals succeed or fail in their work. Locke (cited in Gruneberg, 1979) also defined job satisfaction as a pleasurable or positive emotional state, resulting from the appraisal of one's job or job experiences.

Stride, Wall & Catley (2007) are divided job satisfaction into two groups which is; Intrinsic Job Satisfaction that covers people's affective reactions to job features that are integral to the work itself (e.g. variety, opportunity to use one's skills, autonomy); whereas Extrinsic Job Satisfaction covers that features external to the work itself (e.g. pay, the way the firm is managed).

Rhodes and Steers (cited in Derek, Laura, & Stephen, 2005) suggested that satisfaction with the job is determined by the job situation and moderated by employee values and job expectations. Factors in the job situation are identified as job scope and level of responsibility and decision making; role stress such as work overload, under load, difficult working conditions or hours; work-group size; leadership style of their immediate manager, particularly the openness of the relationship and how easy it is to discuss and solve problems jointly; strength of relationships with co-workers; and the opportunity for promotion.

Theory of Job Satisfaction

Job satisfaction theories have a strong overlap with theories explaining human motivation. Because of the importance of job satisfaction for an organization, many theories have tried to

investigate and illustrate the factors affecting it. Some of these could be grouped in process theories and content theories or satisfaction of needs (Rast & Tourani, 2012; Stamps, 1997).

The process theories emphasize how personality characteristics of an individual affect the professional behaviour and thus job satisfaction. The personality characteristics of individuals, according to these theories, play a major role in both the employee behaviour in the workplace and in personal life. Typical process theories are the “Expectancy Theory” (Vroom 1964), the “Equity Theory” (Adams 1963), and the “Goal Setting Theory” (Locke 1968) (Rast & Tourani, 2012; Spector, 2008; Stamps, 1997). The content theories, or needs satisfaction, are based on the feeling of joy which the employee feels when he has fulfilled his professional goal, the pleasant feeling that covered his desire and his need. An important role in these theories is played by the mental processes a person utilizes for decision making (Gruneberg, 1979; Luthans, 2006; Rast & Tourani, 2012).

One of the most important theories which explain the job satisfaction is Lawler’s theory (Mücahit Ç., 2011). Lawler explains job satisfaction in four basic conditions: The fulfilment theory which explains the reaching of the thing needed. The Discrepancy theory, difference, contradiction and conflict theory. The Equity theory, about equality and the fourth one is The Two-factor theory.

According to the fulfilment theory, the basic rule of the happiness of workers is to satisfy their demands and getting their wishes. Workers are satisfied if their demands are totally provided. Namely, the more a worker earns the more he is satisfied and the less a worker earns the less he is satisfied. A higher rank job or an interesting job can satisfy them too.

On the other hand the Discrepancy theory is concerned on what the workers are expecting and what they are getting. Their expectations, evaluations and hopes of workers about their works are more important than what they are having in real. Accord to the Equity theory, workers considers about what are his qualifications, contribution to the work and the job’s contribution to him. It means creating an attitude of worker against the work he does. If the worker is paid over his work he will feel guilty but if he is paid under what he deserves his feeling for justice will rise. The other theory, Two-factor theory regards the elements of reasons of fulfilment. Negative elements are lower wages, no job guarantee and such factors. Fulfilment elements are, as Herzberg (1976) stated; realization of worker himself and reaching his goals.

Determinants of Job Satisfaction

Many factors, including environmental and personal factors, can affect job satisfaction. Environmental factors include the job characteristics (e.g. stability), the salary, fairness in the workplace, and ergonomics whereas personal factors include a person's personality, gender, age, and social differences. However, recent studies have shown that additional factors, such as education level, self-awareness, empathy, emotional intelligence, and social skills, have a positive correlation with job satisfaction. According to books and to the expressed opinions of many employees, salary is associated with job satisfaction. Nevertheless, many surveys show that increased salary does not mean greater job satisfaction, because salary is mainly correlated and influenced by perceived justice regarding effort at the workplace, and because of the individual perception differences regarding monetary worth. For this reason a worker with a small salary can be satisfied, while the opposite may occur with a highly-paid employee. Thus, employees are more or less satisfied depending mainly on their perceptions of their working efforts' monetary worth (Tasios & Giannouli, 2017).

Job Satisfaction Measurement

Jobs require interaction with co-workers and bosses, following organizational rules and policies, meeting performance standards, living with working conditions that are often less than ideal, and the like. This means that an employee's assessment of how satisfied or dissatisfied he or she is with his or her job is a complex summation of several discrete job elements.

Spagnoli et al., 2012 (as cited on Martins & Proença, 2012) Several approaches have been considered assessing and evaluating job satisfaction in both theoretical and practical researches. Operationally, one of the greatest difficulties in assessing job satisfaction is that it is possible to be satisfied with some aspects of a job and at the same time be dissatisfied with others. The literature endorses two main approaches to measuring job satisfaction: an overall measure of job satisfaction or one regarding several aspects of job satisfaction. The first approach takes a macro perspective and consists in asking the respondent directly about his or her overall feelings about the job, being frequently build up with only one item (Wanous et al., 1997); the second approach emphasizes different aspects of the job. It is the extent to which an individual is satisfied with the several facets of the job that determines the overall degree of job satisfaction, frequently adopting a facet-sum approach (Martins & Proença, 2012).

Some of the most popular measures in the field, e.g. the Job Descriptive Index (Smith, Kendall and Hulin, 1969), the Minnesota Satisfaction Questionnaire (Weiss, Dawis, England & Lofquist, 1967), the Job Satisfaction Survey (Spector, 1985) adopt this perspective. One supposable advantage of multidimensional measures of job satisfaction is that components may relate differently to other variables of interest contributing to a deeper understanding on the subject, advancing science and practice of industrial organizational psychology (Hirschfeld, 2000). Most used approaches to measuring job satisfaction of the employees are a Single Global Rating and Summation Score. The first approach is nothing more than asking individuals to respond to one question such as; all things considered, how satisfied are you with your job?, whereas the other approaches is identifies key elements in a job and asks for the employee's feelings about each. Typical factors that would be included are the nature of the work, supervision, present pay, promotion opportunities, and relation with co-workers.

Besides in summation score many researchers used so many ways of measuring job satisfaction namely;

Job Diagnostic Survey - Hackman and Oldham developed this survey which measures both overall and specific facets of job satisfaction. There are three dimensions of overall job satisfaction which include general satisfaction, internal work motivation, and growth satisfaction, which are combined into a single measure. The facets which are measured on the survey include security, compensation, co-workers, and supervision.

Job Satisfaction Index - Schriesheim and Tsue developed this measure. It consists of six items that form an index that determines overall job satisfaction. The items are work, supervision, co-workers, pay, promotion opportunities, and the job in general.

Job Satisfaction Survey - This was developed by Spector and contains 36 items based on nine job facets. The job facets include pay, promotion, supervision, benefits, contingent rewards operating procedures, co-workers, nature of work and communication. When it was initially developed, it was specific to job satisfaction in human service, non-profit and public organizations.

Minnesota Satisfaction Questionnaire - The long-form of this survey is made up of 100 questions based on 20 subscales which measure satisfaction with ability, utilization, achievement, activity, advancement, authority, company policies and practices, compensation,

co-workers, creativity, independence, moral values, recognition, responsibility, security, social service, social status, supervision human relations, supervision-technical variety, and working conditions.

Job Satisfaction Relative to Expectations - Bacharach, Bamberger, and Conley developed this measure. It assesses the degree of agreement between the perceived quality of broad aspects of a job and employee expectations. It is most effective to determine how job stresses role conflicts, or role ambiguities can hinder an employee from meeting job expectations.

Global Job Satisfaction - In 1979, Warr, Cook, and Wall developed this measure which includes 15 items to determine overall job satisfaction. Two subscales are used for extrinsic and intrinsic aspects of the job. The extrinsic section has eight items and the intrinsic has seven items.

Job Descriptive Index (JDI) - In 1969, this was originally developed by Smith, Kendall, and Hulin. 72 items in this index assess five facets of job satisfaction which include: work, pay, promotions, supervision, and co-workers. Through the combination of ratings of satisfaction with the faces, a composite measure of job satisfaction is determined.

2.10. Empirical Studies

The results from a number of empirical studies show the effect of HRM practices on job satisfaction.

For example, Rathnaweera (2010) investigated the effect of HRM practices on job satisfaction in Sri Lankan public sector banks. The data was gathered from 209 employees who are working in different departments of branches of two public sector banks in Sri Lanka and the study revealed that bundles of HRM practices are positively related to better employee satisfaction. The researchers used seven HRM practices namely learning & development, motivation, recruitment & selection, compensation, performance evaluation, promotion, and organizational commitment. The result showed that Recruitment & selection, performance appraisal, and compensation & social benefits practices emerged as significant variables in explaining the variance in employee satisfaction. Compensation and social benefits had the strongest effect on employee satisfaction.

Another researcher P. Suresh and Dr. T.Narayana Reddy (2017) investigated the effect of HRM practice on employee satisfaction. The data gathered from 260 respondents of different banking

sector in chittoor district and the result showed that HRM practices have a significant impact on employee job satisfaction. The researcher revealed that training and development, Employee compensation, human resource planning, and the work environment have a significant impact on employee job satisfaction. In addition, Compensation is a key variable among the select HRM Practices i.e. effecting the satisfaction of the employee.

Md. Shamimul Islam, Jaynob Sarker & Md. Mahmudul Islam (2018) also studied six element of HRM Practices influence on Employee Job Satisfaction in the case of Private Commercial Banks in Bangladesh. The research investigated the influence of HRM practices on employee satisfaction that included 80 respondents from 20 private commercial banks through a structured questionnaire. The researcher concluded that all the factors of HRM practices covered in the study have a positive and significant relation with employee job satisfaction. The result shows that some HRM practices which are work-life balance practice, compensation & reward, training & development and recruitment & selection have the highest degree of relation and impact on employee job satisfaction.

Another researcher Md. Mizanur Rahman, Mohammad Jamal Uddin and Mohammad Abdush Shaheed Mia (2012) investigated a comparative analysis on the role of human resource management practices on job satisfaction and organizational commitment in banking Sector of Bangladesh. The data gathered from among 1000 employees of different private and public banks within the five divisions by using a structured questionnaire and analyzed them objectively. The result showed that HR practices, job satisfaction and organizational commitment are interrelated and these three important terminologies are very essential conditions for the retention of employees, productivity and success of any organization especially in banking organization.

The researcher revealed that generally both the public and private banks' employees are moderately satisfied on their HR practices. But there were some discrepancy over their satisfaction levels on some specific HR practices. Such practice like job security, promotional opportunity, reward benefits & services, organizational structure, attitude of top management and compensation management, etc. result comparatively higher satisfaction among employees of public banks and on the other hand, manpower planning, recruitment and selection process,

motivation, working environment result higher degree of satisfaction among employees of private banks.

The analysis also revealed that, none of the two banks' employees were highly satisfied on their respective HR practices. Since employee retention and productivity is highly related with organizational commitment which in turn related with job satisfaction.

In Ethiopian context, Amare Werku Ijigu (2015) studies the Effect of Selected Human Resource Management Practices on Employees' Job Satisfaction in Ethiopian Public Banks. The result of the study revealed that HRM practices, mainly performance appraisal, learning and development compensation and recruitment, package are positively related to job satisfaction.

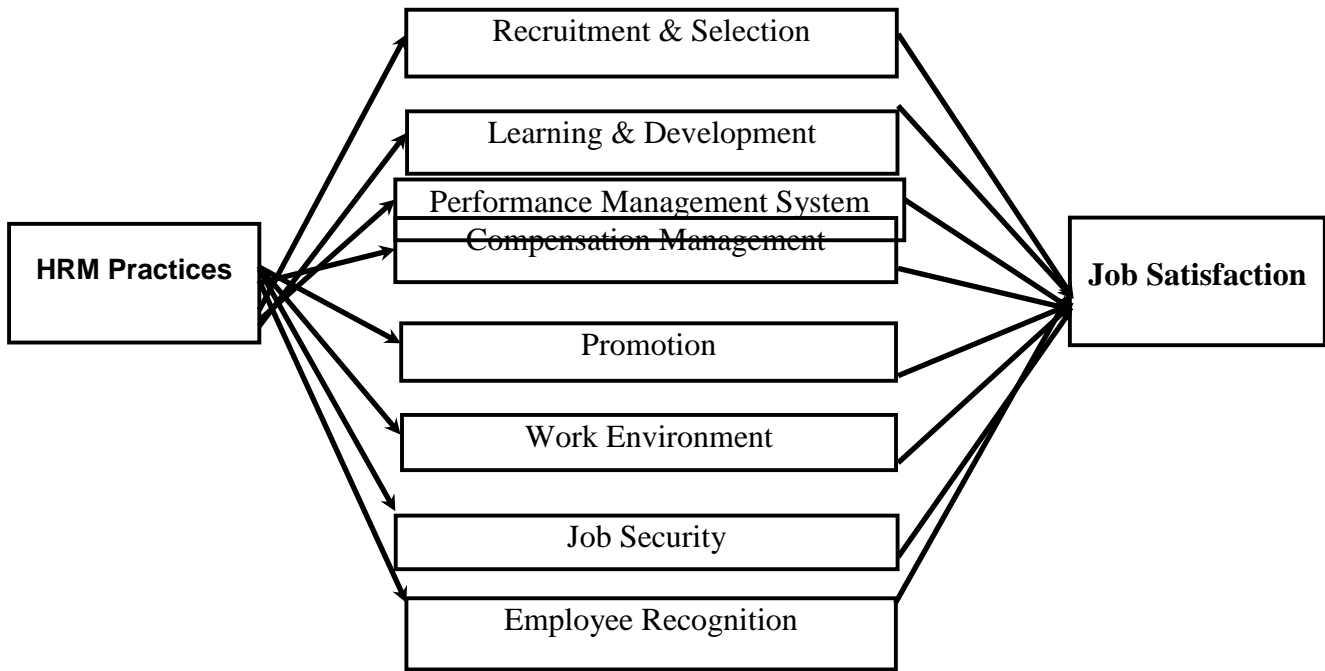
In general we can understand that HRM practice and employee job satisfaction has a significant and positive relationships. The effect of HRM practice on employee job satisfaction is relatively high, so concerned banks authority should give more attention on raising employee job satisfaction by effective design and implementation of human resource functions.

2.11. Conceptual Model

According to Ndunguru (2007), conceptual framework refers to an assembled set of research concepts functioning as variables together with their logical relationships often presented in the form of diagrams, charts, graphs, pictographs, flow charts, organograms, or mathematical equations. Ndunguru argued that conceptual framework unveils a studied phenomenon of conceptual variables into a simple set of relationships that can be easily understood, modelled, and studied.

In regarding to different studies the following conceptual model and hypothesis are adopted from previous studies to examine the effect of HRM practices on job satisfaction at Hibret Bank.

Figure 1: Conceptual Model



Source: Anwar, Tufail & Mujahid (2017)

The conceptual framework explains the relationship between human resource management practices and job satisfaction.

Research Hypothesis

H1: Recruitment has a significant and positive effect on employees' job satisfaction in Hibret Bank

H2: Learning and development have a significant and positive effect on employees' job satisfaction in Hibret Bank

H3: PMS has a significant and positive effect on employees' job satisfaction in Hibret Bank

H4: Compensation has a significant and positive effect on employees' job satisfaction in Hibret Bank

H5: Work environment has a significant and positive effect on employees' job satisfaction in Hibret Bank

H6: Job security has a significant and positive effect on employees' job satisfaction in Hibret Bank

H7: Employee Recognition have a significant and positive effect on employees' job satisfaction in Hibret Bank

H8: Promotion has a significant and positive effect on employees' job satisfaction in Hibret Bank

Based on the comprehensive literature review, this study will be focused on eight HRM practices; Recruitment, learning and development, PMS, compensation, Promotion, Job security, Employee Recognition, and Work environment as independent variables, and job satisfaction as a dependent variable.

CHAPTER THREE

3. Research Methodology

3.1 Introduction

Research methodology of the research describes the selection of the sample size and the design of the survey instruments used to collect the data. The aim of this chapter is to present the instruments used in the study and the statistical analysis undertaken in an effort to provide answers to the research questions and the objectives of the research.

3.2 Description of the Study Area

The paper studied the effect of HRM practices on the job satisfaction of Hibret Bank employees by employing a quantitative research approach. A survey of participants on the existing HRM practices system conducted and the findings documented. Questionnaires and document reviews used to collect data. In doing so, both primary and secondary data are used.

3.3 Research Approach

Based on the research nature the approach of research has three types which are quantitative, qualitative and mixed approach. The researcher used a quantitative approach to study the effect of HRM practice on job satisfaction.

Quantitative approach is helpful to collect results in numerical and standardized data to build up and make use of a mathematical model, theories and hypotheses. And also it shows the relationship between HRM practices and employee job satisfaction by using statistical analysis. So, the quantitative approach is appropriate for this study.

3.4 Research Design

As stated in Cooper and Schindler, (2008), research design constitutes the blueprint for the collection, measurement, and analysis of data. The study used a descriptive and explanatory design. Because the researcher will describe the effect of HRM practices i.e. work environment, recruitment, learning and development, employee recognition, promotion, job security,

performance management, and compensation on employee's job satisfaction by adopted the use of questionnaire.

The study is a quantitative in nature by using survey method to examine the relationship between independent (work environment, recruitment, learning and development, employee recognition, promotion, job security, performance management, and compensation) and dependent (job satisfaction) variables. The researcher gathered quantitative data by questionnaires and qualitative data gathered from different books on job satisfaction and HRM Practices, internet sources, management journals and reviews, reports of the organization, and different published materials. By tracing the literature the researcher tested the internal reliability and validity of the items by distributing the developed questionnaire for randomly selected 10 respondents.

There are several alternatives to determine a statistical techniques to test dependent and independent variables. Among those the researcher used a multiple regression techniques to comprise of the correlations among the variables, which is Job satisfaction (dependent variable) and Independent variables i.e work environment, recruitment, learning and development, employee recognition, promotion, job security, performance management, and compensation. This quantitative method finally determines the characteristics, strength and direction of the hypothesized relationships. The findings and conclusion of the study depend on the fully utilization of statistical data collected and analyzed using SPSS.

3.5 Population and Sample

Currently, Hibret Bank has about 4708 employees (Hibret Bank Annual Report, 2020/2021), who spread among the two sets of geographically separated groups city (Addis Ababa) branches including the head office retains about 56% (2631), and outlying (regional) branches that have the remaining 44% (2077) of the total number of employees. Thus, employees in outlying branches are excluded from the study being an unreachable part of the population under study and top managerial employees are also excluded because of the challenge in collecting the questionnaire particularly from those who are in top level managerial positions in the Bank. In addition, non-clerical staffs are also excluded from the study because of low level of resignation rate than other professional categories.

Hence, considering the geographical restrictions, access to data, expected rate of return, and low level of resignation rate this study is limited at head office and Addis Ababa located city

branches mid-level managerial and clerical employees who are adopted as the research population in this study. The study focused on this employee category because they are assumed to be more critical to the operational sustainability of the Bank. Another reason for the selection is the recent increasing rate of self-initiated resignation in the managerial and clerical employee category. For the last three consecutive budget years, a number of critical managerial and clerical employees voluntarily quit their job.

There are several methods to determine sample size. To determine an accurate representative sample the researcher chooses the Taro Yamane's formula. The Taro Yamane method for sample size calculation was formulated by the statistician Taro Yamane in 1967. Given the total population number was known Yamane's (1967) formula used to calculate a sample size which could accurately represent the total of 3371 employees in head office and city branches.

A 95% confidence level and $p = 0.5$ are assumed for this equation.

$$n = \frac{N}{1 + N(e)^2}$$

Figure 2. A simplified formula to calculate sample size (Yamane, 1967)

Where 'n' is the sample size, 'N' is the population size, and 'e' is the level of precision

The researcher consider a 5% level of significance or margin of tolerable error and the confidential level is 95%. By computing the sample size of the population using the above formula, the sample size to be included to the study will be;

$$\begin{aligned} n &= 3371 / 1 + 3371 \times (0.05)^2 \\ &= 3371 / 1 + 3371 \times 0.0025 \\ &= 3371 / 1 + 8.43 \\ &= 3371 / 9.43 \\ &= 357 \end{aligned}$$

From the formula, the sample size for this study is 357 clerical employees.

3.6 Sampling Procedure

The study used simple random sampling to select employees. Simple random sampling is a form of respondents' selection which is done in order to avoid bias (Mugenda and Mugenda, 2003). As Levy & Lemeshow, (2008) explain simple random sampling is a probability sampling technique in which a random selection is made of the first element for the sample, and then subsequent samples or elements are selected using a fixed or systematic interval until the desired sample size is reached in the study. The following table shows the details about questionnaires distributed.

Table 2: Sampling Instrument Administration

No.	Branch/Department	Distribute
1	Beklo Bet	14
2	Bole	12
3	Bole Airport	6
4	Bulbula St. Mary Matoria	6
5	Cinema Ras	11
6	Corporate Banking	15
7	Engineering	13
8	Facility	30
9	Finance	24
10	Flamingo	9
11	Gofa	8
12	Gofa Matoria	12

No.	Branch/Department	Distribute
13	Haya Hulet	8
14	Hiber Tower	14
15	Human Capital	17
16	Internal Audit	7
17	IT	29
18	Jemo 3 Condominium	10
19	Lancha	7
20	Marketing	19
21	Merkato Goma Tera	11
22	Meskel Square	11
23	Ras Desta	6
24	Retail Banking	17
25	Saris	8
26	Strategy	5
27	Trade Finance	30
28	Urael	8
Total		357

3.7 Data Sources and Types

This study conducted based on both primary and secondary data to fully answer the research questions and to meet the objective of the study. The primary data are collected by structured questionnaire. Secondary sources include published and unpublished materials about HRM practices and job satisfaction, bank manuals, international journal articles, annual progress and survey reports of the bank were used.

3.8 Data Collection Procedures

Since employees can only provide information regarding their satisfaction level, the instrument used in this research is a questionnaire. To collect the data relating to general information on HRM practices (work environment, recruitment, learning and development, employee recognition, promotion, job security, performance management, and compensation) 32 factors and on job satisfaction 11 factors identified. This scale is modified as a five point Likert scale ranges from 1 (strongly disagree) to 5 (strongly agree). In order to answer an item, employees requested to select a choice which best matched their opinion, thus confirming their level of agreement with the statement. The first section of the questionnaire designed to collect demographic information including age, gender, qualification, work experience and designation. The remaining part of the questionnaire contains questions related to HRM practices and its impact on job satisfaction.

3.9 Validity and Reliability

Validity can be described as the extent to which the instrument measures what it significances to measure. According to Healy and Perry (2000), validity determines whether the research truly measures what it was intended to measure. Thus validity measures how truthful the research results are or the extent to which scores truly reflect the underlying variable of interest.

Reliability is concerned with the findings of the research and refers to the consistency of a measuring instrument (questionnaire). Reliability is internal consistency used to measure consistency between different items of the same construct. The reliability of the scale was measured by using the Cronbach's alpha. Cronbach's alpha is a reliability measure designed by Lee Cronbach in 1951. It is viewed as the most appropriate measure of reliability when making

use of Likert scales (Whitley, 2002, Robinson, 2009). Hinton et al. (2004) (cited on Taherdoost, 2016) have suggested four cut-off points for reliability, which includes excellent reliability (0.90 and above), high reliability (0.70-0.90), moderate reliability (0.50-0.70) and low reliability (0.50 and below). The reliability test result presented as follows:-

Table 3. Reliability Statistics of HRM Practices and Job Satisfaction

Reliability Statistics	No. of Items	Cronbach alpha
Compensation	5	.810
PMS	4	.935
Recruitment & Selection	4	.625
Learning & Development	4	.753
Working Environment	5	.877
Promotion	4	.857
Job Security	2	.618
Employee Recognition	4	.958
Job Satisfaction	11	.908
Total	43	

Source: Researcher survey 2021

The result shows that the Cronbach Alpha reliability tests fall between 0.618 and 0.958, which is very high to analyse the association between the variables under study. Therefore, it indicates the reliability of the scales is high depicting a strong internal consistency among the measurement items and the selected instrument accurately measures the variables selected.

3.10 Ethical Consideration

The study carefully considered ethical issues throughout the research process. Before the actual study is conducted, the researcher sent a permission letter to concerned parties of the respective Banks organ and they show willingness and be allowed to participate in the study. The participants of the study fully informed and understand the aim and/or purpose of the study and then, the data obtained from respondents kept confidentially and honestly.

3.11 Data Analysis

Data that the researcher collects for this study is presented using tables and analysed using quantitative tools. Among the quantitative tools this study has applied descriptive and inferential statistical tools. Descriptive statistics used to describe the respondents demographic profile in the form of frequency and percentage to determine the independent and dependent variables in terms of mean and standard deviation presenting. And also inferential statistics used to examine correlation and multiple regression analysis. To measure the degree of relationship between the two variables the researcher used Correlation analysis more specifically Spearman rho coefficient. A multiple regression performed by making use of all the discrete variables (i.e dependent and independent variables) available in the data set. Data presentation, analysis, and interpretation take on using descriptive statistics techniques with the help of statistical analysis programs like SPSS; results are then presented through tables following the data collection.

CHAPTER FOUR

4. Data Presentation, Analysis and Interpretation

4.2. Introduction

The following chapter contain data presentation, analysis and interpretation of the results. Descriptive and inferential statistics were used to present the analysis result. The descriptive statistics describe the result of the variables in mean and standard deviation term. The researcher used inferential statistics to show the relationship between dependent & independent variables in correlation and multiple regression result. SPSS used to calculate statistic results. Based on the sample size 357 questionnaires were distributed to Hibret bank employees, and out of which 262 returned which have a response rate of 73%, while 95 questionnaires were not returned representing 27% of the total questions distributed to the respondents.

4.3. Response Rate

The questionnaires are distributed for Hibret Bank staffs who work in Head office and City Branches. The first part of the questionnaire contained demographic information of the participants. According to the collected information, the data analysed based on their personal and professional characteristics which is gender, age, educational qualification, length of service, and Job grade. Consequently, the following variables were summarized in table 4.1.

Table 4: General information of the respondents

Gender Group		Frequency	%	Valid %	Cumulative %
Valid	Male	148	56.5	57.1	57.1
	Female	111	42.4	42.9	100
	Total	259	98.9	100	
	missing	3	1.1		
Total		262	100		
Age Category		Frequency	%	Valid %	Cumulative %
Valid	18-25	27	10.3	10.4	10.4
	26-30	74	28.2	28.5	38.8
	31-35	86	32.8	33.1	71.9
	36-40	51	19.5	19.6	91.5
	Above 40	22	8.4	8.5	100
	Total	260	99.2	100	
	missing	2	0.8		
Total		262	100		
Education Background		Frequency	%	Valid %	Cumulative %
Valid	Diploma	23	8.8	8.9	8.9
	BA Degree	163	62.2	63.2	72.1
	MA Degree	72	27.5	27.9	100
	Total	258	98.5	100	
	missing	4	1.5		
Total		262	100		
Work Experience		Frequency	%	Valid %	Cumulative %
Valid	1-2 years	46	17.6	17.6	17.6
	3-5 years	54	20.6	20.7	38.3
	6-9 years	94	35.9	36	74.3
	Above 10 years	67	25.6	25.7	100
	Total	261	99.6	100	
	missing	1	0.4		
Total		262	100		
Job Grade		Frequency	%	Valid %	Cumulative %
Valid	3C-4	122	46.6	47.5	47.5
	5C-5A	82	31.3	31.9	79.4
	6C-7	26	9.9	10.1	89.5
	8-10	27	10.3	10.5	100
	Total	257	98.1	100	
	missing	5	1.9		
Total		262	100		

Source: Researcher survey 2021

According to table 4.1, among the total number of respondents 148 (about 56.5%) are male and 111 (about 42.4%) out of the respondents are female. This implies that the majority of the

respondents were males than females. Another description pointed out in the table is that the age interval of the respondents. The sample population is largely dominated by respondents who are at the age of 31-35 covering 32.8% followed by age group of 26-30(28.2%). The remaining fall in age group 36-40 (19.5%), 18-25(10.3%) and above 40(8.4%). The data of Age category shows the workforce composition of the respondent is Hibret Bank built with very young and middle age group employees which is strong and effort to achieve organizational objectives.

Considering the respondents level of education, the above table show that out of the respondents 23(8.8%), 163(62.2%) and 72(27.5%) had Diploma, Bachelor Degree, and Master's Degree respectively. As we can see from the data the majority of respondents had Bachelor Degree. As the table depicts that the work experience of the respondents. Out of the respondents 94(35.9%) of them have 6-9 years of experience, 67(25.6%) have been serving for 10 years and above. The remaining 54(20.6%) and 46(17.6%) of the respondents have 3-5 and 1-2 years of experience in the bank respectively. From the result we can understand that the majority of the respondents have been serving for longer years and this will help the deeply understand the culture of the bank and the environment of the sector as a whole. The other demographic part of the questionnaire is job grade group. The above table indicated that population of the study constitutes 53(20.2%) are categorized under grade 6C to 10 which are managerial staff and 204(77.9%) are clerical staff who are labelled under grade 3C to 5A. This point out the study covered more of the clerical staff who is taken the majority population of the bank.

4.4. Descriptive statistic results of variables

Section two of the survey questionnaire contained 43 items grouped under the elements of participants were asked to rate their agreement with the given statements with options ranging from 'strongly disagree' to 'strongly agree' with a neutral point at the centre. Here a brief summary of each of the element with its sub-items is presented.

Table 5. Compensation Management Descriptive Statistics

No.	Items	strongly disagree		disagree		neutral		agree		strongly agree		N	Mean	SD
		No.	%	No.	%	No.	%	No.	%	No.	%			
1	The Benefits Department has timely follow up on questions for Benefits & employee relations issues	32	12.2	104	39.7	27	10.3	81	30.9	15	5.7	259	2.78	1.182
2	Compensation is directly linked to employees performance	31	11.8	87	33.2	37	14.1	89	34.0	13	5.0	257	2.87	1.165
3	I think the benefits in my bank is as good as they are in similar banks	35	13.4	121	46.2	26	9.9	55	21.0	25	9.5	262	2.67	1.219
4	I feel the company's benefits meet my needs	32	12.2	98	37.4	34	13.0	79	30.2	18	6.9	261	2.82	1.191
5	I feel I am being paid a fair amount for the work I do.	35	13.4	112	42.7	21	8	67	25.6	20	7.6	255	2.71	1.218
	Average												2.77	1.195

Source: Researcher survey 2021

Out of the sample studies 136 (51.9%) of the respondent's state that the Benefits Department has not timely follows up on questions for benefits & employee relations issues. 10.3% of the employees or 27 of them stated as neutral and the remaining 96 (36.6%) of the respondents agree with the statement. Related to the question which state that the Compensation is directly linked to employees performance; out of the respondents 87 (33.2%) disagree and 31 (11.82%) strongly disagree with the statement. The remaining 89 (34.0%) agree and 13 (5%) strongly agree. Concerning the question stated in table 4.1 which state that the benefits in the bank is as good as they are in similar banks, out of the respondents who answered the questionnaire 35 (13.4 %) of the respondents strongly disagree with the statement 121 (46.2%) disagree and the rest 55 (21.0%) do agree and 25 (9.5%) strongly agree with the statement. The table above shows that

the highest average response 59.6% could therefore be said that the benefits in the bank are not as good as in similar banks.

Regarding the questions that state ‘I feel the company's benefits meet my needs’ out of the respondents who answered the questionnaire 130 (49.6%) do not agree with the statement and out of the sample employ 79 (30.2%) respondents agree and the rest 18 (6.9%) strongly agree. It is clear from the table above that the highest average response 49.6% could therefore be said that Hibret bank benefit package does not meet employee’s needs. For the question related to being paid a fair amount for the work, out of the respondents who answered the questionnaire 35 (13.4%) strongly disagree and 112 (42.7%) disagree believe that the payment amount for the work they do is not fair and the remaining 67 (25.6%) and 20 (7.6%) agreed and strongly agreed with the statement respectively. This indicates that majority of the respondents believe the payment system in the bank is not fair enough for the work they assigned for.

The mean score of compensation management range between (2.67 up to 2.87). In addition to this it had overall mean score and standard deviation of (M=2.77, SD=1.195). The results imply that the practice of compensation management system in the bank does not meet the employee’s expectation. So that the bank need more work with the compensation management practice.

Table 6: Performance Management Descriptive Statistics

No.	Items	strongly disagree		disagree		neutral		agree		strongly agree		N	Mean	SD
		No.	%	No.	%	No.	%	No.	%	No.	%			
1	I am informed about how my performance will be evaluated	23	8.8	81	30.9	23	8.8	114	43.5	19	7.3	260	3.10	1.180
2	My supervisor provides me with adequate feedback	24	9.2	84	32.1	18	6.9	114	43.5	22	8.4	262	3.10	1.206
3	The bank’s performance appraisal method helps me to learn and grow	41	15.6	94	35.9	44	16.8	63	24.0	18	6.9	260	2.70	1.196
4	The Bank management takes performance management into consideration for promoting decisions	37	14.1	78	29.8	53	20.2	80	30.5	12	4.6	260	2.82	1.154
	Average												2.93	1.184

Source: Researcher survey 2021

Table no. 4.3 shows out of the respondents who answered the questionnaire 133 (50.8%) of them agreed that they are informed about how their performance will be evaluated and the remaining 104 (39.7%) of the respondents said that they do not have the clue about how their performance will be evaluated. Regarding the question to ‘My supervisor provides me with adequate feedback’ 24 (9.2%) of them strongly disagree and 84 (32.1%) of them disagree with the statement. The remaining 114 (43.5%) agree and 22 (8.4%) strongly agree. In the other element related to the help of performance appraisal method for employee growth and learn, the majority of responses fall in 41(15.6%) strongly disagree and 94 (35.9%) disagree ranges. As per the respondent the bank’s performance appraisal method does not help the employees to learn and grow. Similarly, respondents have indicated that the bank management does not take performance management into consideration for promoting decisions. Out of the respondents 37 (14.1%) of the strongly disagree and 78 (29.8%) of them disagree of the statement. The remaining 80 (30.5%) and 12 (4.6%) agree and strongly agree with the statement respectively.

The mean score of performance management system range between (2.70 up to 3.10). In addition to this it had overall mean score and standard deviation of (M=2.93, SD=1.184). In the overall analysis, the result show that employees of hibret bank believe that the PMS practice in the bank does not contribute to their enrichment and also their performance doesn’t considered for the promotion process. Hence, Hibret bank has to make sure that the PMS practice is interrelated with the employees’ improvement so it can help the bank to achieve its objectives.

Table 7. Recruitment & Selection Descriptive Statistics

No.	Items	strongly disagree		disagree		neutral		agree		strongly agree		N	Mean	SD
		No.	%	No.	%	No.	%	No.	%	No.	%			
1	The bank is committed to the procedures and policies of selection process	13	5.0	31	11.8	84	32.1	114	43.5	19	7.3	261	3.36	0.958
2	Standardized tests are used to select suitable employees	18	6.9	38	14.5	76	29.0	113	43.1	14	5.3	259	3.26	1.007
3	Employees are selected based on their skills and knowledge	22	8.4	40	15.3	74	28.2	108	41.2	18	6.9	262	3.23	1.062
4	Duties of jobs are clearly defined by HR department	22	8.4	36	13.7	67	25.6	113	43.1	23	8.8	261	3.30	1.083
	Average												3.28	1.027

Source: Researcher survey 2021

Table 4.4 reveals the Likert scale result of respondent's and arithmetic mean and standard deviation of recruitment considered in this study. As shown in the above table, employees of Hibret bank are satisfied with the recruitment process. Out of the respondents who answered the question, the majority agree with the indicated items which is 'The bank is committed to the procedures and policies of selection process' 114 (43.5%), 'Standardized tests are used to select suitable employees' 113(43.1%), 'Employees are selected based on their skills and knowledge' 108(41.2%) and 'Duties of jobs are clearly defined by HR department' 113(43.1%). The mean score of recruitment & selection range between (3.23 up to 3.36). In addition to this it had overall mean score and standard deviation of (M=3.28, SD=1.027). It implies that the bank's recruitment practice meet the employee's expectation and satisfaction. According to the table, Recruitment & Selection process of the bank is adequate and appropriate with the bank's standard. It shows that hibret bank has suitable employees to do the jobs they assigned for.

Table 8. Learning & Development Descriptive Statistics

No.	Items	strongly disagree		disagree		neutral		agree		strongly agree		N	Mean	SD
		No.	%	No.	%	No.	%	No.	%	No.	%			
1	I am given the training I need to do my job effectively	34	13.0	82	31.3	42	16.0	84	32.1	18	6.9	260	2.88	1.196
2	Learning programs are beneficial and help employees to learn and improve their skills	13	5.0	36	13.7	39	14.9	124	47.3	48	18.3	260	3.61	1.090
3	The Bank is investing a lot in the development of its employees	29	11.1	58	22.1	85	32.4	77	29.4	13	5.0	262	2.95	1.076
4	My supervisor encourages my professional development	24	9.2	44	16.8	71	27.1	96	36.6	22	8.4	257	3.19	1.109
	Average												3.15	1.117

Source: Researcher survey 2021

In order to find out the learning and development practice in the bank, respondents are requested to forward their opinion. Accordingly, regarding the question implicate 'I am given the training I

need to do my job effectively’ the majority response indicate that 82 (31.3%) and 34 (13%) of them are disagree and strongly disagree respectively. It follows by 84 (32.1%) and 18 (6.9%) of them are agree and strongly agree respectively. As per the respondents, the majority which is 124 (47.3%) of response shows that the employee believe learning programs are beneficial and help employees to learn and improve their skills. Correspondingly, 29 (11.1%) and 58 (22.1%) of respondent are strongly disagree and disagree with the statement of ‘the bank is investing a lot in the development of its employees’ respectively and 77 (29.4%) and 13 (5.0%) of respondent are agreed and strongly agreed with the statement. With regard to the question ‘My supervisor encourages my professional development’ 96 (36.6%) response agree and 71 (21.1%) response neutral.

The mean score of learning & development range between (2.88 up to 3.61). In addition to this it had overall mean score and standard deviation of (M=3.15, SD=1.117). Related to Learning and Development practice in the bank, the study reveal that the bank management encourages its employees to explore and share their knowledge by giving the training that the employees need to do their job effectively.

Table 9. Working Environment Descriptive Statistics

No.	Items	strongly disagree		disagree		neutral		agree		strongly agree		N	Mean	SD
		No.	%	No.	%	No.	%	No.	%	No.	%			
1	My supervisor always listens to his/her employees	16	6.1	38	14.5	62	23.7	111	42.4	34	13.0	261	3.42	1.080
2	I have a good relationship with my workmates in the bank	5	1.9	8	3.1	18	6.9	140	53.4	88	33.6	259	4.15	0.829
3	The tools and equipment I need to do my job right are readily available	14	5.3	27	10.3	36	13.7	135	51.5	47	17.9	259	3.67	1.059
4	The teamwork in the bank is strong	18	6.9	39	14.9	53	20.2	114	43.5	35	13.4	259	3.42	1.112
5	Communications seem good within the bank.	23	8.8	46	17.6	52	19.8	102	38.9	29	11.1	252	3.27	1.160
	Average												3.58	1.048

Source: Researcher survey 2021

There are factors influencing working environment in the bank. As we can see from the above table, out of the respondents who answered the question, 145 (55.4%) in total thinks that the

supervisor always listens to his/her employees. However, around 54 (20.6%) of them in total disagree about ‘the supervisor listening to his/her employees’ item. And the remaining 62 (23.7%) respond to neutral.

For the next question, the majority of respondents 140 (53.4%) agree and 88 (33.6%) strongly agree that they have a good relationship with their colleagues in the bank. Most of the respondents 182 (69.4%) believe that the tool and equipment that employees need to do their job right are readily available. Also, 149 (56.9%) of the respondent agree with the teamwork in the bank is strong and the remaining 57 (21.8%) of them don’t think that the teamwork in the bank is strong enough. Regarding to the bank’s inter communication 102 (38.9%) agree and 29 (11.1%) strongly agree that communication in the bank is seem good.

The mean score of working environment range between (3.27 up to 4.15). In addition to this it had overall mean score and standard deviation of (M=3.58, SD=1.048). The study indicates that the bank’s working environment is as good as to make employees comfortable and satisfied in regard to office equipment and communication.

Table 10. Promotion Descriptive Statistics

No.	Items	strongly disagree		disagree		neutral		agree		strongly agree		N	Mean	SD
		No.	%	No.	%	No.	%	No.	%	No.	%			
1	I have a good chance to be promoted in the bank	41	15.6	92	35.1	35	13.4	78	29.8	13	5.0	259	2.73	1.193
2	Employees have clear idea about their promotion opportunities in the bank	58	22.1	101	38.5	35	13.4	57	21.8	8	3.1	259	2.44	1.151
3	Job promotions are fair and equitable in the bank	65	24.8	97	37.0	38	14.5	53	20.2	6	2.3	259	2.37	1.136
4	Career paths exist for someone like me in the bank	41	15.6	84	32.1	39	14.9	81	30.9	6	2.3	251	2.71	1.152
	Average												2.56	1.158

Source: Researcher survey 2021

Another factor that is affecting the job satisfaction is employee Promotion. As this study captured in the above table 4.7, this is the area relatively many respondents have shown dissatisfaction compare to other HRM practices. With regard to item number 1(I have a good chance to be promoted in the bank) 133 (50.7%) believe that they don’t have a good chance to be promoted in the bank. Another description pointed out in the table is the majority of respondents

159 (60.6%) indicate that employees don't have a clear idea about the promotion opportunities in the bank and over 61% which are 160 of them don't think that job promotions are fair and equitable in the bank. Regarding to the career path 125 (47.7%) out of the respondents believe that there is no a career paths exist for someone like them in the bank.

The mean score of Promotion range between (2.37 up to 2.73). In addition to this it had overall mean score and standard deviation of (M=2.56, SD=1.158). Associated to promotion practice in the bank, the study findings that the employees of Hibret bank have not affirmative awareness of their next career path and also they don't get the chance to be promoted.

Table 11. Job Security Descriptive Statistics

No.	Items	strongly disagree		disagree		neutral		agree		strongly agree		N	Mean	SD
		No.	%	No.	%	No.	%	No.	%	No.	%			
1	I worry about losing my job	65	24.8	89	34.0	52	19.8	41	15.6	10	3.8	257	2.39	1.140
2	I plan to stay in the bank	23	8.8	36	13.7	75	28.6	87	33.2	38	14.5	259	3.31	1.151
	Average												2.85	1.145

Source: Researcher survey 2021

Two items related to job security were asked to the respondents. One of them is whether they are worried about losing their job or not. The majority of them 154 (58.8%) are clearly stated that they are not worried about losing their job and 52 (19.8%) out of the respondents are not sure with the statement and respond to neutral. However, 51 (19.4%) thinks that they will lose their job and this indicates that some of Hibret bank employees don't feel secure with their job. The other item questions were direct in that respondents were asked whether they plan to stay in the bank or not. Out of the respondents 87 (33.2%) and 38 (14.5%) are agree and strongly agree with the idea of staying with the bank respectively, 36 (13.7%) and 23 (8.8%) are disagree and strongly disagree that implies they intend to leave the bank respectively, the remaining 75 (28.6%) out of the sample respond neutral that indicates they are not sure if they are staying in the bank or not.

The mean score of job security range between (2.39 up to 3.31). In addition to this it had overall mean score and standard deviation of (M=2.85, SD=1.145). The study implies that Hibret bank employees are loyal and committed to stay at the bank.

Table 12. Employee Recognition Descriptive Statistics

No.	Items	strongly disagree		disagree		neutral		agree		strongly agree		N	Mean	SD
		No.	%	No.	%	No.	%	No.	%	No.	%			
1	I receive adequate recognition for work that I do	48	18.3	86	32.8	34	13.0	75	28.6	15	5.7	258	2.70	1.232
2	Bank management appreciates their workers	47	17.9	90	34.4	42	16	74	28.2	7	2.7	260	2.63	1.153
3	Employees can participate in decision making	55	21.0	105	40.1	60	22.9	32	12.2	6	2.3	258	2.34	1.021
4	Employees' suggestions are always taken under consideration.	59	22.5	94	35.9	57	21.8	41	15.6	6	2.3	257	2.38	1.076
	Average												2.51	1.120

Source: Researcher survey 2021

Respondents were asked whether they 'Strongly agreed, Agreed, Neutral, Disagreed or strongly disagreed' based on the four questions shown in the table 4.7 above to confirm the existence of employee recognition in the bank. Accordingly, this is the area relatively many respondents have shown dissatisfaction. With regard to item number 3(Employees can participate in decision making) 160 (61.1%) which is the majority of respondents believe that employees of Hibret Bank cannot participate in decision making. It follows by item number 4(Employees' suggestions are always taken under consideration). Out of the respondents 153 (58.4%) consider that employees suggestions are not always taken under consideration. As regard to appreciation (Item number 2) 137 (52.3%) of the respondent disagree with the statement. It indicates that the bank management does not appreciate their workers. Another description pointed out in the table is recognition of employees. The majority of respondents 134 (51.1%) disagree that the employee receive adequate recognition for the work they do.

The mean score of employee recognition range between (2.34 up to 2.70). In addition to this it had overall mean score and standard deviation of (M=2.51, SD=1.120). Regarding to

recognition, employees are expecting recognition from their supervisors for the work they have done and a consideration for the idea they provide. But the result indicates that Hibret Bank employees are not getting recognition for their performance or a chance to be part of in decision making process.

Table 13. Job Satisfaction Descriptive Statistics

		strongly disagree		disagree		neutral		agree		strongly agree		N	Mean	SD
		No.	%	No.	%	No.	%	No.	%	No.	%			
1	I am satisfied with recruitment process in the bank	26	9.9	32	12.2	80	30.5	103	39.3	17	6.5	258	3.21	1.073
2	I am satisfied with the job I do, and my work is recognized	25	9.5	126	48.1	25	9.5	58	22.1	24	9.2	258	2.73	1.185
3	I am satisfied with the pay system applied in the bank	36	13.7	115	43.9	33	12.6	56	21.4	18	6.9	258	2.63	1.170
4	I am satisfied with the promotion practice applied in the bank	53	20.2	81	30.9	55	21.0	57	21.8	14	5.3	260	2.61	1.189
5	I am satisfied with the learning & development program in the bank	37	14.1	63	24.0	70	26.7	74	28.2	13	5.0	257	2.86	1.138
6	I am satisfied with working environment in the bank	21	8.0	23	8.8	45	17.2	142	54.2	28	10.7	259	3.51	1.065
7	I am satisfied with job security applied in the bank	14	5.3	41	15.6	53	20.2	123	46.9	24	9.2	255	3.40	1.041
8	I am satisfied with performance management system applied in the bank	47	17.9	74	28.2	54	20.6	71	27.1	13	5.0	259	2.73	1.190
9	I feel I am valued at the bank	22	8.4	80	30.5	51	19.5	70	26.7	34	13.0	257	3.05	1.207
10	Considering everything, I am satisfied at the bank	24	9.2	97	37.0	46	17.6	77	29.4	16	6.1	260	2.86	1.127
11	I am proud to be an employee of the bank	18	6.9	73	27.9	39	14.9	76	29.0	52	19.8	258	3.28	1.262
	Average												2.98	1.149

Source: Researcher Survey 2021

In order to find out the job satisfaction rate of Hibret bank's employee, respondents are requested to forward their opinion. As stated in the table, employees of Hibret bank are more satisfied with the recruitment & Selection process, working environment of the bank, and they are more secured with their job 120 (45.8%), 170 (64.9%), and 147 (56.1%) respectively. However, as we can see from the above table, the remaining 5 items out of 11 many respondents have shown dissatisfaction with the banks HRM practices. As regarding to employee recognition out of the respondents who answered the question 151 (57.6%) are dissatisfied with the job they do and employee recognition that the bank gave to the employees. Most of the respondents who gave their opinion about the payment system in the bank, 134 (51.1%) employees are not satisfied with payment system applied in the bank.

Another item considered in the question is the bank's promotion practice. Out of the respondents most of them 134 (51.1%) are dissatisfied with the promotion practice in the bank. Regarding to learning and development the majority respondents who are answered the question 100 (38.1%) are not satisfied with the learning and development program in the bank. The study shows that performance management system that applied in the bank seems like one of the HRM practice most employees are dissatisfied with. Out of the respondents who answered the question 121 (46.1%) expressed that they are dissatisfied with the system.

Another description pointed out in the table is the general questions concerning to the overall opinion about the bank. According to the result the highest number of respondent's demonstrate that they are neither satisfied nor proud with the bank. For example, in item number 10 (Considering everything, I am satisfied at the bank) most of the respondents are dissatisfied with the bank. Out of the employees who answered the question 24 (9.2%) and 97 (37%) are choose strongly disagree and disagree respectively. The remaining 102 (38.9%) are not feeling they are valued at the bank. Regarding to item number 9 (I feel I am valued at the bank) 104 (39.7%) in total agree with the statement. However, almost equal to the satisfied employees 102 (38.9%) of respondents also disagree with the statement that implies plenty of employees are not feeling they are valued at the bank. How Hibret Bank employees are proud to be their bank is the other question that employees forward their opinion. As regards to item number 11 (I am proud to be an employee of the bank) 76 (29.0%) of respondents agree that they are proud to be employee of Hibret bank, 52 (19.8%) of them strongly agree with the statement. The remaining 73 (27.9%) and 18 (6.9%) of respondents reveal that they don't feel proud being employee of the bank. The

mean score of job satisfaction range between (2.61 up to 3.51). In addition to this it had overall mean score and standard deviation of (M=2.98, SD=1.149).

Overall, based on the above interpretation tool and the descriptive statistics results, at the bank there is employee job dissatisfaction particularly in the practice of compensation management, promotion, employee recognition, performance management, and learning & development. Therefore, Hibret Bank has to try to improve employee job satisfaction level by filling the gap concerning to the HRM practices and implementing better HRM practices.

4.5. Inferential Statistics

In this section, spearman correlation coefficient analysis and multiple regression analysis are applied to study the relationship between dependent and independent variables further.

4.5.1. Correlation Analysis

The correlation coefficient is a statistical measure of the strength of the relationship between the relative movements of two variables. The values range between -1.0 and 1.0. A correlation of -1.0 shows a perfect negative correlation, while a correlation of 1.0 shows a perfect positive correlation. A correlation of 0.0 shows no linear relationship between the movements of the two variables. According to Franzblau (1985), the correlation coefficient can be interpreted as follows:-

- If $r=0$ to 0.20, it indicates no correlation
- If $r=0.20$ to 0.40, it indicates positive but low degree of correlation
- If $r=0.40$ to 0.60, it indicates positive and moderate degree of correlation
- If $r=0.60$ to 0.80, it indicates positive and marked degree of correlation
- If $r=0.80$ to 1.00, positive and high degree of correlation

Table 14 Correlation statistics on Job satisfaction and HRM Practices

Spearman's rho		Compensation	PMS	Recruitment	Learning & Dev't	Working Env't	Promotion	Job Security	Recognition	Job Satisfaction
		Compensation	Correlation Coefficient	1.000	.517**	.359**	.400**	.393**	.419**	.372**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	248	245	244	239	236	238	243	244	228
PMS	Correlation Coefficient	.517**	1.000	.504**	.528**	.460**	.596**	.398**	.600**	.603**
	Sig. (2-tailed)	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	245	258	253	249	245	247	254	249	239
Recruitment	Correlation Coefficient	.359**	.504**	1.000	.490**	.477**	.538**	.306**	.481**	.536**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000	0.000	0.000	0.000	0.000
	N	244	253	257	249	244	246	252	248	237
Learning & Development	Correlation Coefficient	.400**	.528**	.490**	1.000	.448**	.442**	.258**	.375**	.524**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000	0.000	0.000	0.000	0.000
	N	239	249	249	253	242	242	248	244	238
Working Environment	Correlation Coefficient	.393**	.460**	.477**	.448**	1.000	.465**	.288**	.538**	.544**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		0.000	0.000	0.000	0.000
	N	236	245	244	242	249	241	246	242	232

Promotion	Correlation Coefficient	.419**	.596**	.538**	.442**	.465**	1.000	.277**	.682**	.683**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	238	247	246	242	241	250	248	243	234
Job Security	Correlation Coefficient	.372**	.398**	.306**	.258**	.288**	.277**	1.000	.377**	.497**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	243	254	252	248	246	248	257	250	241
Recognition	Correlation Coefficient	.402**	.600**	.481**	.375**	.538**	.682**	.377**	1.000	.726**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	244	249	248	244	242	243	250	253	236
Job Satisfaction	Correlation Coefficient	.539**	.603**	.536**	.524**	.544**	.683**	.497**	.726**	1.000
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	228	239	237	238	232	234	241	236	242

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

The relationship between HRM practices and employee job satisfaction is investigated using Spearman's rho Correlation Coefficient. Hence, there is positive and moderate degree of correlation between the dependent variable (Job satisfaction) and the five of independent variables which are Compensation, Recruitment & Selection, Learning & Development, Working Environment, and Job Security. According to table 4.11, it was found that between job satisfaction and Compensation the Correlation Coefficient value of ($r=.539$), the correlation coefficient between job satisfaction and Recruitment & Selection value ($r=.536$), the relationship between job satisfaction and Learning & Development value ($r=.524$), correlation between job

satisfaction and Working Environment value ($r=.544$) and the relationship between the Job Security and Job satisfaction has also examined and it is found that there is correlation value ($r=.497$). In the same manner, the three of independent variable which are PMS, Promotion, and Recognition were examined and it has a positive and marked degree of correlation with the dependent variable. As regard to the above table, the result show that relationship between PMS and Job Satisfaction value ($r=.603$), the correlation between job satisfaction and Promotion value ($r=.683$), and the relationship between Recognition and Job Satisfaction value ($r=.726$). Generally, regarding the correlation between the independent and dependent variables, the study indicates a stronger relationship and significant at p value 0.01. Hence, the correlation coefficient relationship report illustrates that there is positive correlation between job satisfaction and HRM practices.

4.5.2. Regression Analysis Effects

Regression analysis is a set of statistical methods used for the estimation of relationships between a dependent variable and one or more independent variables. The analysis demonstrates that how much each independent variable has an effect or relationship with dependent variable. Normality test, multi- collinearly test, Auto correlation test, and linearity test were analyzed to check the basic assumptions of the regression analysis.

The test shows that a little skewness and kurtosis, for the dependent and independent variable, but it does not differ significantly from normality. We can assume that our data are approximately normally distributed, in terms of skewness and kurtosis. Regarding to Shapiro-Wilk's test ($p>.05$) and a visual inspection of their histograms, normal P-P plots and box plots showed that the relationship were approximately normally distributed for both independent and dependent variables (Annex I).

Table 15: Multi-collinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	Compensation	.633	1.580
	PMS	.419	2.384
	Recruitment	.482	2.075
	Learning & Development	.550	1.820
	Working Environment	.583	1.716
	Promotion	.386	2.593
	Job Security	.780	1.281
	Recognition	.352	2.839

A multi-collinearity test may occur when two or more variables that are included simultaneously in the model are strongly correlated with each other. It is tested by variance inflation Factors (VIF). The test result reveals that all the tolerance level of the variables are more than 0.2 and which have the VIF value with less than 10. So, this proves that there is no multi collinearity problems.

Table 16: key assumptions

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.849 ^a	.721	.710	.43416

a. Predictors: (Constant), Recognition, Job_Security, Learning_Development, compensation, Work_Environment, Recruitment, PMS, Promotion

b. Dependent Variable: Job_Satisfaction

Model summary of regression analysis has depicted in Table 16. The generally utilized statistic to evaluate the model fit is R^2 which is 1 minus the ratio of residual variability. As stated in the above table the adjusted R^2 value is $\approx .710$. The adjusted R^2 , also called the coefficient of multiple determinations, is the percent of the variance in the dependent explained uniquely or jointly by the independent variables.

Table 17: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	95.136	8	11.892	63.089	.000 ^b
	Residual	36.757	195	.188		
	Total	131.893	203			

a. Dependent Variable: Job_Satisfaction

b. Predictors: (Constant), Recognition, Job_Security, Learning_Development, compensation, Work_Environment, Recruitment, PMS, Promotion

Result shows that 71.0% of the variance in job satisfaction can be accounted for by the eight predictors Recognition, Job Security, Learning & Development, Compensation, Work Environment, Recruitment, PMS, and Promotion, collectively, ($f(8,195) + 63.089$), $p < .001$). This implies that the HRM practices are main managerial tools to improve employee's job satisfaction.

Table 18: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.109	.170		.639	.523
	compensation	.137	.044	.148	3.108	.002
	PMS	.017	.051	.019	.327	.744
	Recruitment	.085	.055	.084	1.548	.123
	Learning & Development	.163	.046	.180	3.521	.001
	Working Environment	.053	.051	.052	1.041	.299
	Promotion	.133	.051	.160	2.634	.009
	Job Security	.146	.040	.155	3.621	.000
	Recognition	.291	.054	.344	5.400	.000

a. Dependent Variable: Job_Satisfaction

This study was conducted to determine if various HRM practices can be impact on employee job satisfaction. It was hypothesized that Compensation, Recruitment, Promotion, Learning & Development, Job Security, Working Environment, and PMS will positively predict the effect on job satisfaction. To test this hypothesis, multiple regression analysis was used.

The beta value is a measure of how strongly independent variable influences the dependent variable. Looking at the individual HRM practice contributions of the predictors, the result shows that compensation ($\beta=.148$, $t=3.108$, $p=.002$), PMS ($\beta=.019$, $t=0.327$, $p=.744$), Learning & Development ($\beta=.180$, $t=3.521$, $p=.001$), Working Environment ($\beta=.052$, $t=1.041$, $p=.299$), Recruitment ($\beta=.084$, $t=1.548$, $p=.123$), Promotion ($\beta=.160$, $t=2.634$, $p=.009$), Job Security ($\beta=.155$, $t=3.621$, $p<.001$),and Recognition ($\beta=.344$, $t=5.400$, $p<.001$) positively impact job satisfaction. This supports the predict hypothesis. From the analysis of the coefficient result recognition has a higher impact on job satisfaction. Since the higher the beta value the greater the effect of the independent variable on the dependent variable.

4.6. Interpretation and Discussion

The study was undertaken to identify the practice of work environment, recruitment, learning and development, employee recognition, promotion, job security, PMS, and compensation and its impact on employee's job satisfaction in Hibret Bank S.C.

Satisfied employees are more loyal and committed and also have less chance of leaving their organization when compares to dissatisfied employees. It helps to retain employees as a competitive advantage to succeed the organization objective. The achievement of any organization relies on the capability of line managers to design and implement enhanced HRM practices. Nevertheless, quite a few managers at Hibret Bank S.C are not applying HRM practice in an improved way.

Regarding to the descriptive result of the research job satisfaction was categorized in the dissatisfaction level having the average mean score of 2.98. This indicates that there is employee job dissatisfaction at Hibret Bank. The results of this study showed that the HRM practices have a positive and significant relationship with job satisfaction. The analysis result supported by other scholars (Rathnaweera, 2010; Amare Werku Ijigu , 2015; Md. Mizanur Rahman, Mohammad Jamal Uddin and Mohammad Abdush Shaheed Mia, 2012). Therefore, Hibret Bank should give a priority follow-up to the better way of HRM practice implementation.

CHAPTER FIVE

5. Summary of Findings, Conclusion and Recommendation

5.1 Introduction

The following chapter contains the summary, conclusions and recommendations of the study. It summarized and discussed the main findings obtained from research questions. It also dealt with the conclusions that were derived from the analysis, as well as recommendations that can be implemented or used for future research, for each of the main research objectives.

5.2 Summary of Main Findings

To achieve the general objective of the study, descriptive and inferential statistics were used to analyze the data gathered from 357 respondents consisting of middle level managerial and clerical staffs of Hibret Bank. The following findings were observed:

- The study shows that Hibret Bank employees satisfaction on compensation, PMS, Promotion, Job Security and employee recognition practice is low level with Average mean score of (m=2.77), (m=2.93), (m=2.56), (m=2.85), and (m=2.51) respectively. In the overall analysis, the research indicates that the satisfaction level of Hibret Bank employees on the implementation of Learning & Development, Working Environment, and Recruitment is relatively high with Average mean score of (m=3.15), (m=3.58), and (m=3.28) respectively.
- The correlation analysis shows that the eight independent variable Learning & Development (r=.524), Working Environment (r=.544), Recruitment (r=.536), compensation (r=.539), PMS (r=.603), Promotion (r=.683), Job Security (r=.497), and employee recognition (r=.726) has a positive relationship with the dependent variable (Job Satisfaction). The maximum correlation (r=.683) is existed between job satisfaction and promotion. All the correlations between independents and dependent variable were significant at the 0.01 level.
- According to multiple regression, the individual HRM practice contribution of the independent variable the result shows that compensation ($\beta=.148$, $t=3.108$, $p=.002$), PMS ($\beta=.019$, $t=0.327$, $p=.744$), Working Environment ($\beta=.052$, $t=1.041$, $p=.299$), Learning &

Development ($\beta=.180$, $t=3.521$, $p=.001$), Recruitment ($\beta=.084$, $t=1.548$, $p=.123$), Promotion ($\beta=.160$, $t=2.634$, $p=.009$), Job Security ($\beta=.155$, $t=3.621$, $p<.001$), and Recognition ($\beta=.344$, $t=5.400$, $p<.001$) positively impact job satisfaction. The value of R^2 is 71.0% that shows the variability of job satisfaction is explained by the change of HRM practice. The variance is highly significant as indicated by the F value ($f(8,195) +63.089$), $p<.001$).

5.3 Conclusion

From the findings, it can be argued that employees at Hibret Bank are dissatisfied with the compensation, PMS, promotion, job security, and recognition practice. Compensation management in Hibret Bank is not directly associated with employee's performance and the concerned department is not enthusiastic to give a help for those who has questions regarding to their benefit and other related issues. The PMS practice in the bank is not formulated and implemented to cultivate the employee's capability and competency to do their job by giving feedback for their performance.

Promotion is another HRM practice that Hibret Bank employees are not satisfied with. The employees believe that the promotion is not a fair and equitable process that can reassure their career paths. Job Security is a means of knowing that the job is safe or secure. Hibret Bank employees feel that their job is secure and not worried about losing it. However, with some extent they don't have a plan to stay at the bank for a long period of time.

The practice of recognition and appreciation in the bank shows that employees suggestion or opinion not always taken under consideration and they are prohibited from the decision making process. And also the Bank managements do not appreciate their workers and give an adequate recognition for their work.

Hence, this dissatisfaction with some HRM practice may result employee unproductivity, demotivation and increase of turnover rate in the bank.

On the other hand, we can say that Hibret Bank employees are more satisfied with the practice of recruitment, learning and development, and working environment. Hibret bank's recruitment and selection process goes through well standardized method which satisfies the employees and helps in hiring suitable employees.

Related to Learning and Development practice the bank management investing a lot in the development of its employees learning and improvement of their skills to do their job effectively. The Hibret Bank working environment is as good as to make employees comfortable and satisfied in regard to office equipment and communication.

The employee's satisfaction with the HRM practice may result employees hard working, loyalty, High productivity and commitment for their assigned job and help to achieve the bank's objective.

In regards to the correlation between the two variables, HRM practice in Hibret Bank has a positive and significant relationship with employee job satisfaction that may help the bank to use this interrelation as a tool to maintain the greatest asset of an organization, Human resource. In addition, it's an advantage for the management to find out which HRM practice has the highest impact on employee job satisfaction and fill the gap to enhance the implementation of HRM practice.

5.4 Recommendation

Based on the observed data and the studied literature, the researcher provides some recommendations in below sections.

Rewarding employees for those who achieve their target brings the competition between employees for the better achievement. Effective compensation management system implementation that has a fair and equitable payment system and a reward that links to the employee's performance helps the bank to keep its employee's from looking for other options. The bank should increase incentives for the employees so that the employees can get the benefit that meets their needs.

Measuring employee's performance based on a well-known established system can make the evaluation free from bias, unfair treatment, and give an equal opportunity for all employees. Hibret Bank management should implement the system that can let employees to learn and grow through the process and that could take into consideration for promoting decisions.

Further, the Bank management should orient its employee's about their promotion opportunities and a feature career path that exist in the bank. Furthermore, the bank should give a chance to the employees to be promoted and excel by responsibility and salary.

In terms of job security, Hibret Bank management should make feel employees safe and secure with their job by applying a well-formed strategy that allow employees to stay at the bank for a long period of time.

Besides, the management should start giving recognition and appreciation for employees who are making a lot of efforts on their job.

The Hibret bank management should be aware of employee turnover intentions due to a lack of job satisfaction. Once the problem is observed, the management should develop a strategic HRM practice to enhance employee job satisfaction.

5.5 Research Limitation and Areas of Future Research

The major limitation was difficult to reach and get feedback from a majority of the employees in Hibret bank due to time limitation and geographical boundaries that let the researcher to proceed with only 357 responses which are a managerial and clerical staffs. Thus, further studies can be conducted by using a large sample size that might be including non-clerical employees.

This study was accompanied at Hibret Bank in the head office and city branches. So, conducting future research is very important in outlying branches and also other private and governmental banks.

Future researchers should also consider the new trend of modern HRM practice such as the trend of work from home, promotion of diversity and inclusion, cultivation of critical thinking, soft skills & digital skills, employee wellness programs, and artificial intelligence (AI) organization.

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Appendix

Addis Ababa University School of Commerce Masters of Art Program in Human Resource Management. Questionnaires to be filled by employees of Hibret Bank S.C.

Dear Sir/Madam

I am conducting research on “The effect of Selected HRM Practices on Job Satisfaction: The Case of Hibret Bank” for partial fulfilment of the requirements for masters of art degree in human resource management. The questionnaire is designed to obtain your perception about the Human Resources Management Practices and its impact on job satisfaction in Hibret Bank. I confirm to you that the information you share will remain confidential and will only be used for the academic purpose. Hence, your genuine and authentic responses will contribute to the success of this study.

Thank you in advance for your cooperation!

Sincerely Yours;

Azeb Tadesse

Note:

1. No need to write your name.
2. Put this ‘√’ mark (or any mark you want) on the appropriate block/cell
3. For further information, please contact me freely at telephone No. 0913999497 or Email address:- azitikecho@gmail.com

Part one: - Demographic Information

1. Sex Male Female
2. Age 18 – 25 26 – 30 31 – 35 36 - 40 Above 40
3. Education Background
 Diploma Bachelor Degree Master’s Degree
4. Work Experience in this Bank

1 - 2 Years 3 - 5 Years 6 - 9 Years Above 10 Years

5. Your Current Job Grade

3C - 4 5C - 5A 6C - 7 8 - 10

Part two: Research Related Questions

The following questions are presented on a five-point Likert scale. If the item strongly matches with your response choose 5/strongly agree/, if you moderately agree on the idea choose 4/Agree/, if you can't decide on the point choose 3/Neutral/, if you disagree with the idea choose 2/disagree/ and if you completely disagreed with the point choose 1/strongly disagree/

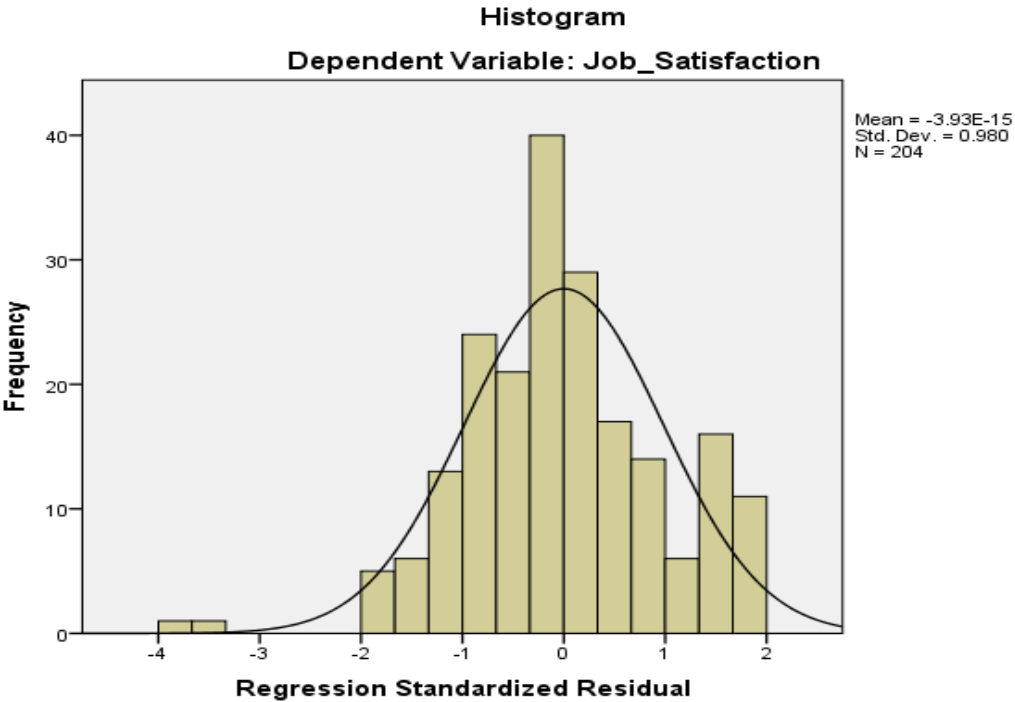
Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
COMPENSATION MANAGEMENT					
The Benefits Department has timely follow up on questions for Benefits & employee relations issues					
Compensation is directly linked to employees performance					
I think the benefits in my bank is as good as they are in similar banks					
I feel the company's benefits meet my needs					
I feel I am being paid a fair amount for the work I do.					
PERFORMANCE MANAGEMENT					
I am informed about how my performance will be evaluated					
My supervisor provides me with adequate feedback					
The bank's performance appraisal method helps me to learn and grow					

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Bank management takes performance management into consideration for promoting decisions					
RECRUITMENT AND SELECTION					
The bank is committed to the procedures and policies of selection process					
Standardized tests are used to select suitable employees					
Employees are selected based on their skills and knowledge					
Duties of jobs are clearly defined by HR department					
LEARNING AND DEVELOPMENT					
I am given the training I need to do my job effectively					
Learning programs are beneficial and help employees to learn and improve their skills					
The Bank is investing a lot in the development of its employees					
My supervisor encourages my professional development					
WORKING ENVIRONMENT					
My supervisor always listens to his employees					
I have a good relationship with my workmates in the bank					

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The tools and equipment I need to do my job right are readily available					
The teamwork in the bank is strong					
Communications seem good within the bank.					
PROMOTION					
I have a good chance to be promoted in the bank					
Employees have clear idea about their promotion opportunities in the bank					
Job promotions are fair and equitable in the bank					
Career paths exist for someone like me in the bank					
JOB SECURITY					
I worry about losing my job					
I plan to stay in the bank					
EMPLOYEE RECOGNITION					
I receive adequate recognition for work that I do					
Bank management appreciates their workers					
Employees can participate in decision making					
Employees' suggestions are always taken under consideration.					
JOB SATISFACTION					
I am satisfied with recruitment process in the bank					

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I am satisfied with the job I do, and my work is recognized					
I am satisfied with the pay system applied in the bank					
I am satisfied with the promotion practice applied in the bank					
I am satisfied with the learning & development program in the bank					
I am satisfied with working environment in the bank					
I am satisfied with job security applied in the bank					
I am satisfied with performance management system applied in the bank					
I feel I am valued at the bank					
Considering everything, I am satisfied at the bank					
I am proud to be an employee of the bank					

Annex



Normal P-P Plot of Regression Standardized Residual
Dependent Variable: Job_Satisfaction

