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## RESEARCH ARTICLE

# Investigating Human Resource Practices and its Impact on Employee Performance in Selected Banks in the Philippines

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#### **ABSTRACT**

This paper investigates the impact of human resource practices (HR) on employee performance in selected banks in the Philippines. Survey questionnaires were deployed among employees from selected banks in the Philippines to assess the implementation of HR practices such as recruitment and selection, training and development, employee relations, and compensation and benefits in their respective organization. The survey questionnaire also aids in determining the bank employees' evaluation of their accomplishment in terms of extent, timeliness, and quality. Data were analyzed and interpreted using mean, frequency, percentage, multiple linear regression, and correlation. Results showed that implementation of HR practices helped bank employees meet the accomplishment expected from them with regard to extent, timeliness, and quality. Meanwhile, among the four HR practices, training and development and compensation and benefits have significant impact on employee performance. Included in the identified improvement strategy, is for the bank organization to realign their HR practices to adapt during uncertain times, for instance, this pandemic. Realignment should focus on shift to online/ virtual conduct of recruitment and selection to ensure maintenance of adequate workforce; provision for online courses, trainings, and seminars for employees' continuous learning development; having programs/ activities in place to be able for the employees to be reconnected with their colleagues and the organization; and possible early release of compensation to keep the employees financially able.

# **KEYWORDS**

Human Resource Practices; Employee Performance; Banks; Philippines

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## 1. Introduction

Organizations are posing new challenges in the context of human resource acquisition and optimization in today's modern dynamic business setting. In order to resolve these barriers, rigorous Human Resource (HR) practices are needed to turn an organization's human capital into a long-term competitive advantage (Antwi et. al., 2016). Muchal (2019) in his study on HR Practices and Job Performance, described HR practices as the most important instruments for any organization to achieve the organization's objectives by improving the performance of its employees. In fact, HR practices, essentially establish environments in which workers become actively engaged in the company and work diligently to achieve the organization's objectives (Muchal, 2019). While every organization has the same foundations for developing HR practices, the factors to consider may vary. Although the baseline in crafting of HR practices is the organizational culture (Tampol, 2021), the degree of their implementation differs based on the demographics of Philippine banking firms, which include the number of years in operation, the size of the firm (i.e., bank asset, deposit liability), an/or bank classification – whether universal or commercial banks, rural banks, cooperatives or thrift banks (Enero, 2019). Further, HR practice strategies are company-dependent, the scope of its objectives will vary depending on the goal of the company. In the study made by Mahmood et.al. (2014), they have identified reward, recruitment, selection and training and employee performance to be among HR practices in the banking industry in Pakistan. On the other hand, training, performance, teamwork, employee participation and remuneration were the HR practices in the research made by Jeet et.al. (2014)

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on the impact of HR practices on employee performance in the private banking industry in India. In a study conducted in Cebu, several factors were identified as motivators, for workers to manage their respective assigned tasks. These factors include career management, working conditions, and employee relations (Cabahug & Ferrater-Gimena, 2018). While majority of past studies claimed that HR practices indeed have considerable impact on employee performance, there are also studies that claimed that not all HR practices have a significant impact on an employee's performance. For instance, compensation (Sarker, 2017) and training and development (Bowra, et.al. 2011) were identified to have no significant impact on employee performance. On one hand, asserting the significance of each factor considered for HR practices is critical information for businesses, employee benefits for instance, have a far higher impact on their job performance (Tacdera et al., 2017). On the other hand, in a study conducted among employees in Misamis Oriental, it was noted that the working behavior of employees is not directly caused by the strict implementation of HR practices, in fact, they were observed to be following social norms both at work and outside the office (Enero, 2019).

In the Philippine context, however, despite having 531 Banks and Non-Bank Financial Institutions (46 of which are categorized as universal and commercial banks), as of 31 March 2021 (Bangko Sentral ng Pilipinas, n.d.), available studies/ research on HR practices are concentrated on their impact on the organizational performance and not on the employee performance. Therefore, the researcher has set out to find exactly how employees' performances in selected banks in the Philippines are influenced by the HR practices of their respective organizations.

This study specifically seeks to determine the impact of HR practices on employee performance in selected banks in the Philippines and find out which among *Recruitment and Selection, Training and Development, Employee Relations and Compensation and Benefit* has a substantial impact on how they carry out their respective tasks. The researcher finds it important to ascertain how significant these HR practices are, as manifested in the job performance of employees of selected banks in the Philippines. It is only by having valid and accurate data that the researcher could propose alternatives to the problem.

The performance of bank staff is influenced significantly by an organization's HR practices based on the researcher's experience. This occurrence is consistent with the conclusion made by Saleem & Kurshid (2014), in their study on, "Do Human Resource Practices affect Employee Performance?," which explains that HR practices indeed maximize employee's outcome through enhanced organizational commitment of employees. Moreover, preliminary discussion with people whom the researcher knows to be working in a particular bank in the Philippines revealed that the top three HR practices, which they considered as significant factors for them to work more and improve their performances, are compensation, training and development, and health and safety plans/activities by their organization, with the last having extension to their immediate family members. These corroborate the findings in the studies made by Surech and Reddy (2017) and Shivakumar and Basavaraj (2012), that certainly, HR practices, particularly on compensation packages and training development have significant impact on the performance of those working in a bank.

Considering the above discussion, HR practices in the Philippines affect employee performance. As such, HR practices are critical to the optimization and effective management of every business' workforce. Organizations, such as banks, must cultivate its people to achieve their objectives through employee performance. Again, it is for this reason that the researcher attempts to find out the impact of HR practices on employee performance of selected banks in the Philippines.

#### 2. Review of Related Literature

This section of the study presents the literature review and studies on local and foreign sources, which may add more relevance and depth to the research study.

## 2.1 HR Practices

HR practices is all about processes by which an organization's available resources are created, integrated, and converted into useful services (Ullah & Yasmin, 2013). Practices should not be interchanged with HR functions, practices as defined by Ghal amkari et al. (2015) are part conceptual and part implementation of an HR strategy. HR practices are an organization's strategic operations, which include the HR Department's mission and goals in alignment with company goals and policies. They involve guidance in managing the employees of a company and should be aligned with the business plan.

## 2.1.1 HR Functions

HR functions, on the other hand, are transactional/operational tasks that are used to put HR practices' strategies into action. These are made up of transactional tasks that can be carried out in-house or simply outsourced to third-party providers. Benefits administration, record keeping, and the onboarding and payroll processing of new employees are all examples of transactional functions in human resources. In many circumstances, the department's budget can enable outsourcing these transactional services, freeing up HR staff members' time to dedicate their attention to HR strategic management rather than transactional duties such as personnel administration (Mayhew, 2019).

Given the foregoing discussion above, table below identifies some examples that would explain the differences between an HR practice and function:

HR Practice	HR Function		
(Strategic)	(Operational)		
<ul> <li>Taking into consideration diversity in terms of expertise, background, religion, and/or culture.</li> <li>Implementation of a formal recruitment process</li> <li>Pre-employment tests are designed to measure not only to gauge the reasoning ability of the applicant but more so of the competency on the nature of work.</li> </ul>	Scheduling of interview and/or pre- employment test		
<ul> <li>Adoption of training road map or competency framework wherein required fundamental (non- technical) and technical trainings/ seminars are identified that would assist an individual to become equip for the currency position and eventually for promotion.</li> </ul>	<ul> <li>Allotment of budget for registration fees and other incidental expenses</li> <li>Scouting of resource speakers for trainings/ seminars</li> <li>Processing of nomination/ registration of employees to trainings/ seminars</li> </ul>		
Encouraging people involvement (i.e., communication of business strategies and goal, management's expectations are known, Management welcomes suggestion/ opinion from employees)	<ul> <li>Conduct/ scheduling of general staff meetings</li> <li>Vision/ Mission of the company are discussed during the orientation for newly hired, the same are also posted in conspicuous places in the company.</li> <li>Deployment of surveys among employees (i.e., Organizational Performance Survey, Employee Satisfaction Survey)</li> </ul>		
<ul> <li>Benchmarking of current salary with other companies in the same industry</li> <li>Adoption of non-monetary benefits (i.e., subsidized health programs including immediate family members)</li> </ul>	<ul> <li>Processing of payroll and other benefits</li> <li>Assistance on bank account opening for newly hired employees</li> </ul>		

It is without doubt that HR practices play an important role in any organization. Even though HR practices vary from one organization to another, the importance of HR practices help every organization in fairly and consistently managing its employees, it facilitates in defining and managing employee expectations, and they also serve as medium in conveying the organizational goals and values. Further, HR practices do not only provide a career path for each employee, but they aid in creating an atmosphere of a healthy working environment (Molina, 2018). It is worth mentioning, that based on the study conducted by Roman (2020) on the Human Resource Management in the Philippines, the success of HR practices implementation depends heavily on top management and HR department leadership.

Adhikari (2013), has identified the advantages of HR practices at different levels (i.e., Organization, Management and Employee), to wit:

<u>Organization Level</u> - HR practices help in the dissemination of the organization's vision, mission, values and goals. They also help in the realization of goals by improving efficiency and cost-effectiveness, which is achieved because of employees' enhanced motivation, satisfaction and participation in the overall operation of the organization.

<u>Management Level</u> - at this level, HR practices give guidance on management practices and personal development.

<u>Employee Level - depending on the implementation of HR practices and employees'</u> perception, the advantages of HR practices are demonstrated in terms of employees' commitment to work and participation in achieving goals of the organization and the business unit. As such, HR practices help in building individual progress among employees, career development and better job fulfillment and security.

The following are amongst a number of HR practices that provide an organization with the above-enumerated benefits that eventually lead towards having a competitive advantage, which were also identified in the study conducted by Ullah and Yasmin (2013):

- i. Recruiting and Selection this helps the company employ highly qualified individuals. These individuals may either be from outside or within the company. It should be emphasized that this practice is on choosing the right individual for the right position.
- *Training and Development* having a competitive advantage does not end with recruiting and selecting highly qualified individuals, the organization must do something to keep them in the company. This practice contributes to increasing self-awareness and enhancing talent and motivation of an employee.
- iii. Employee Relations these are practices that aim to keep employees happy and productive. In a broader sense, it entails maintaining a work environment that meets the needs of individual employees as well as management. A healthy employee relation is characterized by a motivated and productive workforce, wherein each employee thrives and allows the organization to outperform the competition (HR Success Guide Top Human Resources Blog, 2014).
- iv. Compensation and Benefits Compensation refers to bonuses given to employees in exchange for their services. These can be given to employees in cash or through indirect compensation (Al\_Qudah et.al., 2014). Indirect compensation can be in the form of travels, leave that are not deductible from the standard vacation leave or compensatory time-offs.

However, the focus and approach in the implementation of HR practices has changed because of the COVID-19 pandemic, which no organization had ever expected. It is without question that this pandemic has brought considerable disruption in people's lives and businesses, and human resources is critical to supporting businesses and driving workplace improvements (Brower, 2020). According to ETHRWorld, (2020), the following considerations have caused shift in HR practices to respond to the uncertainties and challenges of the pandemic:

- i. Ensuring the safety of each employee this should be the top-most priority of every organization. Creation of an overarching policy and guidelines, covering strict observance of proper hygiene, compliance with the mandatory wearing/use of personal protective equipment (e.g., face masks, face shields, disinfectant), strict observance of physical distancing, truthful accomplishment of health declaration forms upon entering the building, and additional precaution for employees with comorbidities.
  - Some banks in the Philippines shifted to doing pre-employment examinations and initial interviews online, in order to limit personnel interaction and taking into consideration the safety of the applicants by not requiring them to travel outside their residences in order to attend their scheduled examinations and/or interviews.
- ii. Reorienting Learning & Development initiatives implementation of health precautions and working remotely does not mean people should stop acquiring new learning and skills, it is the other way around. This pandemic being new to everyone, requires everyone to learn how to carry-out their usual tasks in a different approach working remotely or working with limited face-to-face contact, or none. Taking advantage of all obtainable platforms and programmes in order to continuously develop every personnel across the organization is just one of the ways in order to not to disrupt employee learnings.
- iii. Focus on Performance and Outcomes banks in the Philippines operate face-to-face with colleagues and clients, but the pandemic requires them to follow health protocols. The usual routing of documents for signature, which could be accomplished shortly without physical distancing, are now routed electronically, and signed digitally, which would result in some delays because of factors like, slow internet connectivity, large files could not be sent via email and would require a cloud uploading. But the pandemic brought adjustments/ changes in the metrics/ targets being used to measure performance, and this is done with a strong emphasis on productivity, quality, and a strong emphasis on adaptability.
- iv. Employee Engagement this pandemic calls for "distancing" oneself from one another, hence, there is a clear need to develop novel and effective methods of engagement in order to boost morale and motivation. One of the preliminary information gathered revealed that some units of banks in the Philippines, conduct weekly update meetings, encourage their employees to attend e-learning modules, webinars, etc, in order for the employees to feel their connection with the organization.

#### 2.2 Employee Performance

Employee performance is defined in the study made by Saleem et.al. (2014) to be associated with a variety of ways, which include among others, the employee's attitude, behavior, and motivation to realize the defined goals. This explanation is consistent with how Al\_Qudah et.al. (2014) have discussed employee performance in their study. They have explained it as the most crucial factor in achieving the overall objectives of the organization. Employee performance is the combined utilization of knowledge, skills, experiences and abilities in performing the assigned tasks/ jobs expected from each employee, in an efficient and effective way. An employee's performance in their current role has an effect on future opportunities and advancement in another job.

Employee performance is measured through evaluations. To track employee performance, these evaluations are employed by businesses so that they can keep a record of their progress over time. It is a means by which organizations provide feedback to their employees about their performance and to formally document it. Most employers determine their own evaluation cycles, but most of them follow them once a year with employee evaluations (Williams, 2021). In the same source, the following benefits of performance evaluation are also discussed:

#### 2.2.1 For Employers

Performance measures can also be used to substantiate decisions made by the company, in situations like, employees getting fired or not having the promotion. It serves as a defense against possible legal action; therefore, it is essential to document employee performance in detail. Given the swift-pace operation of many organizations, conduct of employee performance evaluation is of those instances when employers give feedback and reinforcement to their employees. Feedback and reinforcement showcase the expectations that the employees should be meeting, as well as helps to improve the employer-employee relationship. Employee turnover can be reduced if employees can see how their work is valued and valuable. When taken together, performance reviews will provide useful insights for both existing and future practices on recruiting and/or hiring strategies. This method also works if the company notices a particular skill or skills in which employees are not being well developed. If this proves to be a general issue in the process, they can intensify their skills screening for new employees.

#### 2.2.2 For Employees

Employee performance reviews provide managers a dedicated opportunity to concentrate on an employee's performance as well as opportunities for growth and development. This is a great time for workers to talk about their salaries and career goals, as well as what they need to do to get there. Employers and workers should build a development strategy that widens the employee's expertise while still benefiting the business by recognizing strengths of success and areas for change. This will pave the way for long-term career growth and achievement. There may be representatives of senior management who are difficult to reach and who do not communicate with workers on a regular basis. The performance assessment process will give these leaders information about the workforce, such as who the best performers are and where to promote promotions. In some companies, pay increases and/or bonus-based benefits are issued to staff that perform well based on assessments. An impressive employee's accomplishment or success may lead to further opportunities in the business. This includes leadership and increased responsibility for day-to-to-to-day tasks. Employee performance evaluations are conducive to effective communication. It also has positive mechanisms that guide conversations and provide feedback in two directions, they also relax tensions with a stressful topic. Occasionally, this process provides opportunity for greater communication beyond the process.

Iskandar et. al., (2014) conclude in their study that factors such as job stress, motivation and communication do instantaneously influence the employees' performance. In the similar study these factors were described as:

- i. Job Stress manifests whenever one's personal abilities do not match with available resource and job demands. Simply to say, job stress happens when demand surpasses the capacity and capability of an employee, hence fails to meet the expectations of the senior management. With this description, comes the period of evaluation, performance review for such employees could either result in a downside or upside consequence. Not being qualified for a promotion or salary increase could be its downside. The upside consequence would be an opportunity for the employee to be sent to training/s in areas that hinders him in performing his job. Either way depends on the culture of the organization and how the top management handles the situation.
- *ii.* Motivation is the employee's eagerness to do assigned tasks, on the premise of satisfying some needs. Factors that motivate an employee vary from one person to another. Some are motivated because they feel some sort of self-satisfaction and self-fulfillment whenever they finish any tasks with accuracy or whenever they uncover new learning and experience in doing such a job. Hence, it is with no argument that motivation improves job involvement and commitment, thereby making the work more profound and stimulating.
- iii. Communication involves delivering information as well as meaning and understanding. The significance of communication cannot be doubted for the influence that organizations have on the bottom line -work productivity, when companies are able to effectively communicate, it enables good team- or unit-level coordination, which is beneficial to running the business and is unavoidable in most cases. Lack of communication will result in individuals being affected, even if it doesn't pose problems for the whole organization.

There are a number of ways to measure employee performance (Contributor, 2020), among these are:

- a) Productivity Tests these are prevalent in manufacturing companies where accomplishments can be measured in quantifiable terms
- b) 360-degree Feedback This requires development of training modules for all levels across the organization, which will serve as reference in giving objective feedback and input on their co-employees.
- c) Management by Objectives An employee's technical abilities, or ability set, interpersonal communication, motivation, and efficiency are all assessed in a standard evaluation. A few employees are evaluated on their goal attainment percentages, where MBOs are used to their full advantage. A few employees are evaluated on their goal attainment percentages, where MBOs are used to their full advantage.

Initial information gathered by the researcher revealed that companies measure their employees' performances in terms of their accomplishment of assigned tasks for any given period, most often than not, a calendar year (January to December). In terms of extent of accomplishment, each employee's performance is evaluated whether all assigned tasks are completed or not. But depending on the situation, supervisors assign additional tasks to employees, which when completed on top of the initial tasks assigned, will serve as an avenue for a better performance rating, hence being remarked as "exceeding target." Aside from the extent of accomplishment, the timeliness of completion is being considered during the evaluation of performance. In this case, the set deadlines are reference points, whether the employee was able to complete/ submit the required deliverables prior to the deadline, on deadline or day/s past the deadline. The quantity of tasks and the timeliness of their completion are not the only factors being considered during evaluation. The extent and the timeliness of submission has no bearing without giving attention to the quality of employee's work. In selected commercial banks in the Philippines, quality of employee's work may be seen in the number of reversal entries/ transactions for those assigned in accounting departments and tellering. Quality of work performance of employees assigned in loan departments is manifested in the completeness of documentary requirements submitted by loan applicants and review of their eligibility prior to approval.

Most often than not, employees were given the highest rating in the approved scale whenever they have accomplished more than what is initially expected from them, have submitted/ completed the tasks earlier than the set deadline and have produced an almost error-free output.

## 2.3 HR Practices on Employee Performance

The effective roll-out of HR practices is an important factor in competitive advantage. Its importance had long been recognized with the continuing emergence of both change and challenges in the business world. In today's situation, which is by far the most challenging situation that no business has ever imagined of, the impact brought about by this pandemic in every organization – small and big – and the nature of the workplace. The organizations are depending on their HR teams to assist in business continuity plans, communicate policy and calm anxiety for their people.

- i. Recruitment and selection on employee performance
  - The more effective an organization is in its recruitment practices, the greater the chance of attracting good people and maintaining their workforce. The strategic activities relating to the recruitment and selection function should be given particular attention. It is important to be able to attract qualified candidates and select people who not only have the requisite technical abilities but also those with behaviors and values that are consistent with the organization's values and beliefs (Edralin, 2010). Furthermore, the selection system's effectiveness influences business outcomes, including productivity and profitability (Oaya et al., 2017). In a study conducted by Wairimu & Dr. Kamaara (2018), they conclude that tools during recruitment process such as, interview, job screening, placement and induction, influence performance of an employee since during the process, employees were able to better understand their responsibilities and how they are expected to accomplish them, thus allowing them to better focus on the organization's goals. It is also noted that the application of formal selection processes, particularly in both managerial and staff positions, results in the employment of individuals who are qualified for the job and the company (Supangko, 2012). Moreover, employers who support diversity in the workplace, opt to have a diverse applicant pools by conducting career fairs at schools and institutions with a wide range of student populations, as well as posting job openings in multiple locations, are examples of recruitment activities and functions (Mayhew, 2019).
- ii. Training and development on employee performance

  According to Salah (2016), in order to thrive in today's global market, it is necessary for businesses to have the capacity to expand, thus development and training is both a key and an investment in their capacity. A good way to ensure employees that they are well-prepared to succeed in their job is to equip them with proper training and on-the-the-job development. Further, in the study conducted by Edralin (2010), it is stated that entrepreneurial mindset and culture can only be fostered if companies actively encourage and support their managers, supervisors, and line employees, as well as

train them to become more competent in their roles. For this reason, they must keep investing heavily in their human capital.

- iii. Employee relations on employee performance
  Sarker (2017), describes employee relations about communicating with workers about workplace actions, complaints, disputes, dispute solving, unions, and collective bargaining problems. It was further explained that it is the management of the relationship between the employer and the workers with the overall goal of achieving the highest degree of efficiency in terms of goods and services, employee motivation, and the avoidance of issues that negatively influence the working atmosphere. Edralin (2010), concluded in her study that employee relations is the primary driver of innovation.
  - working atmosphere. Edralin (2010), concluded in her study that employee relations is the primary driver of innovation, with a focus on long-term goals, open and regular dialogue across a variety of channels, a healthy corporate atmosphere, respect for the treatment of people, empowerment, and flexibility. Simbre (2019), has determined in his research that an ongoing dialogue at all levels helps reaffirm commitment, answer questions, and identify areas for improvement.
- iv. Compensation and benefits on employee performance
  - In many cases, compensation and benefits are considered combined, providing a holistic picture of how businesses compensate their employees. Compensation and benefits as discussed by Ramzan et.al. (2014), is what an employee receives in the form of pay, salaries, and other similar benefits such as monetary exchange for the employee's performance to improve. Moreover, it is a method of assigning monetary value to workers in return for their efforts. Compensation and benefits can help with recruiting, work efficiency, and job satisfaction, among other things. Leonard (2019) explains that skilled employers acknowledge that attracting the best talent requires a fair pay package. Compensating employees fairly demonstrates that the organization respects them as employees and people. People are more likely to show up at work when they feel respected. They feel they are more inspired to report to work and accomplish a good job as a result of increased employee morale. If organizations are to make sure that workers receive the right incentive and that they are highly motivated, a performance managements system must be in place (Guevarra, n.d.)

The outcomes of the study are expected to serve as reference in knowing the degree of impact of HR practices on work performances of employees from selected banks in the Philippines. And be able to identify which among the HR practices has a significant impact. Despite of the technological advancements as compared with past decades, the banking sector remains to employ many people and rely on their performance towards the attainment of the organizational objectives. It is the bank employees who deliver services to the clients – individual or corporate, as such Banks need to keep good employees and one way of doing it is providing what employee deserves other than their salaries. Banking sector has handful of human resource practices at hand but differ on how these are designed, communicated, and implemented. Knowing their impact on employee performances will assist the banks in revising and redesigning their human resource practices. This study will provide input in the body of knowledge in terms of identifying the challenges encountered by bank employees with regard to the HR practices of their respective companies. Moreover, this study will also reveal which among the current human resource practices in the Philippine banking sector need to be improved and adapted based on the needs of their employees including those practices that are necessary during times of pandemic. In view of these, this study may be useful to the following:

**Bank Employees**. This may help the bank employees to have an in-depth appreciation of their role in the organization. Further, it is also expected that this will unveil the relation between HR practices of the bank and their performances.

**Human Resource Department (HRD).** The result of this study will help in redefining the HR practices that would boost up the performance of employees in banks. This will also serve as their basis in recommending to top management the needed realignment in the HR practices.

**Top/ Senior Management.** The conclusion of this study will serve as reference in approving the recommendation made by the HRD in the realignment of HR practices. Moreover, it provides important information by stating how important each human resource practice is in determining the performance of employees.

**Immediate Supervisors** – They will know how each individual should be dealt with and making them productive and valuable members of the workforce.

**Organization** –A working environment with employees who perform well are keys in the achievement of the overall objective of the company.

**Future Researchers** - This study will benefit future researchers in assisting them to prosper in the related field. They can keep the paper as a reference in the future.

## 2.4 Theoretical/Conceptual Framework

This paper is premised on the concept of determining the impact of HR practices, the independent variables, on the employee performance, the dependent variable. Figure 1 illustrates the conceptual framework of this study.

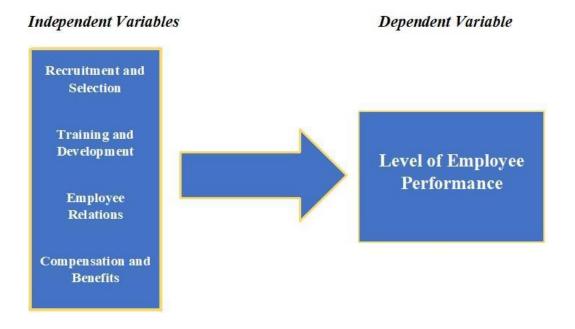


Figure 1: Conceptual Framework

## 2.5 Statement of the Problem

This study wishes to determine the degree of impact of existing Human Resource Practices on Employee Performance in selected Banks in the Philippines, with the intent of identifying what to improve and what to adapt in order to respond not only to employees' needs but also to challenges brought about by this pandemic. Specifically, it will seek to answer the following questions:

- 1. What is the employees' assessment on the extent of implementation of Human Resource Practices in the Philippine Banking Sector in terms of
  - 1.1 Recruitment and Selection;
  - 1.2 Training and Development;
  - 1.3 Employee Relations;
  - 1.4 Compensation and Benefit?
- 2. How does the implementation of human resource practices, that are currently in place, affects employee performance based on the:
  - 2.1 Extent of accomplishment
  - 2.2 Timeliness of accomplishment
  - 2.3 Quality of accomplishment?
- 3. Do human resource practices significantly affect employee performance?
- 4. What are the challenges encountered by the employee with regards to Human Resource Practices?
- 5. What improvement strategy for human resource practices may be developed based on the findings?

The concentration of the study was on the relationship, in terms of impact of different HR practices on the work performances, as measured in terms of their output (i.e., timeliness, quantity and quality), of employees from selected banks in the Philippines. Demographic information of respondents includes their gender, age, educational attainment, and position in their respective organization.

The HR practices that were captured in this research comprise recruitment and selection, training and development, employee relations and compensation and benefits. On the other hand, the basis used in measuring the employee performance were the employee's extent of accomplishment, timeliness, and quality of work accomplishment/s.

The respondents of the study were 105 employees from 7 selected banks in the Philippines.

## 3. Methodology

This study utilized a descriptive correlational type of research in establishing how HR practices impact employees' performance in selected commercial banks in the Philippines. Descriptive type of research seeks to characterize a population, condition, or phenomenon in an accurate and systematic way, hence it responds to questions about what, where, when and how. But cannot answer why questions (McCombes, 2019). Correlational research, on the other hand, as described by Quinto and Albrando (2019), seeks to define the relationship between variables and to quantify its strength.

As primary data collection tools, a set of standardized questionnaires on profile characteristics, social desirability, coping orientation, and behavioral changes was used.

The study was conducted among employees of selected commercial banks in the Philippines. The researcher limited the conduct of the study to commercial banks due to the financial capacity to benchmark with best practices in terms of HR practices and allot budget for these. Including employees from thrift and rural banks might result to presence of outliers. The respondents of the study were ninety-seven (97) bank employees, out of the one hundred and five (105) initially target. These 97 respondents are from different departments/ branches of the 7 selected banks in the Philippines.

The survey questionnaire used consists of three parts. First part is on the demographic profile of the respondents, while the last two parts are the survey question proper. The first set has 20 questions on the four identified HR practices, such as *recruitment* and selection, training and development, employee relations and compensation and benefits. A five-point Likert scale was used in answering the first set of questions, ranging from Strongly Agree to Strongly Disagree. The second set of questions is on the performance of employees, in terms of quantity, quality and timing of accomplishments. The 12 questions on employees' performance is answerable on a scale of 1 to 3, 1 as having receded the expectations, 2 as having met the expectations and 3 as having exceeded the expectations. The questionnaire used was adapted from the structured questionnaires used in the studies conducted by Racelis (2008) and Kazan& Gumus (2013). Data gathered were all primary data, which were collected from respondents through deployment of well-structured survey questionnaires that identify their demographics and describe their respective organization's HR practices and their accomplishments in terms of timeliness, extent and quality.

The following procedures were observed in gathering the needed data:

- 1. A letter was sent to the department/ branch heads of the 7 selected commercial banks, to request permission on the conduct of the study.
- 2. Upon approval of the department/branch heads, questionnaires were deployed online via MS forms. A link was sent to the department/ branch heads, for dissemination to their staff.
- 3. After giving ample time to the department/ branch heads to disseminate the link and answer the same, the summary, which is in excel format, was downloaded from the MS form site in preparation for data analysis.

## 3.1 Data Processing and Statistical Treatment

The data collected were tabulated and processed using the SPSS (Statistical Packages for Social Sciences) Version 23 and Graph Pad InStat Version 3. Data were analyzed and interpreted, and the following statistical measures were utilized:

1. **Mean Score.** This statistical tool was used in the assessment of the respondents with regards to human resource practices based on recruitment and selection, training and development, employee relations and compensation and benefits. The assessment for human resource practices was quantified using the following scale:

Response Description	Value Range
Strongly Agree	4.50 – 5.00
Agree	3.50 – 4.49
Neutral	2.50 – 3.49
Disagree	1.50 – 2.49
Strongly Disagree	1.00 - 1.49

2. Frequency, Percentage and Mean Score. This statistical tool was used in the assessment of the respondents with regards to employee performance in terms of extent of accomplishments, timeliness of accomplishments and quality of accomplishment. The assessment for decision making style was quantified using the following scale:

Response Description	Value Range
Exceeded Expectation	2.50 – 3.00
Met Expectation	1.50 – 2.49
Receded Expectation	1.00 - 1.49

- **3. Multiple Linear Regression Analysis.** This statistical tool was utilized to determine impact to employee's performance significantly by human resource practices in relation to recruitment and selection, training and development, employee relations and compensation and benefits. Multiple Linear Regression Analysis refers to determining the value of one dependent variable using two or more independent variables (Lund Research, Ltd., n.d.).
- **4. Correlation.** This was used to measure the strength of the relationship that exists between the identified HR practices and employee performance (Frost, 2021).

This research opted to determine the 95% validity of the study with a 5% degree of error and set at P-values of <0.05 was assumed to be statistically significant.

## 3.2 Ethical Considerations

The Graduate Studies Department of La Consolacion University Philippines (LCUP) has recently introduced the determination and implementation of specific ethical considerations in any thesis and dissertation to ensure that ethical requirements are complied with to safeguard research participants' interest. Hence, the researcher secured institutional clearances and permission from both LCUP's Graduate Studies Department and the Management of the selected commercial banks in the Philippines.

The following ethical considerations were put into place for this research undertaking:

- 1. The research data will remain confidential throughout the study;
- 2. The respondents will be informed that they will be participating in a research study; and
- 3. The researcher will obtain the permission from the Management of the selected commercial banks

#### 4. Result Discussion

The data are presented in the order and sequence of the questions raised in for clarity and consistency, to wit: (1) the assessment of respondents on the extent of implementation of human resource practices based on recruitment and selection, training and development, employee relations, and compensation and benefits, (2) the assessment of respondents on their performance in terms of extent, timeliness, and quality of accomplishment, in consideration of the HR practice being implemented, (3) the impact of HR practices on employee performance, (4) the challenges encountered by the employee with regards to human resource practices, and (5) improvement strategy that may be developed based on the findings.

#### 4.1 Human Resource Practices

Human resource practices are strategic endeavor, they serve as a crucial navigation system for managing a company's workforce that should be aligned with the plan of the organization (Chron, 2021).

**Recruitment and Selection.** This HR practice is vital in every organization, as failure to employ the right individual for the right position would also mean a failure in the process. Table 1 below shows an overall mean of 4.15 or the respondents "Agree" that the recruitment and selection process in their respective organization is in place. The foregoing result corroborates the study made by Edralin (2010) wherein both rank and file and the management considered recruitment and selection process to be extensively implemented.

However, respondents are neutral on the statement on they were hired because they came from one of the best, or top-notch schools/ universities/ colleges in the country.

Table 1 Mean Score Distribution in the Assessment of the Human Resource Practices in terms of Recruitment and Selection

Statements	Mean Score	Descriptive Interpretation
I was given a pre-employment test prior to hiring.	4.63	Strongly Agree
I was interviewed by an HR personnel to have an initial basis if I am qualified for the position.	4.75	Strongly Agree
I was hired because I am a graduate of one of the best, top- notch schools/universities/colleges in the country.	3.05	Neutral
My qualifications (i.e., education, certifications, work experience/s and other job-related information) were intensively evaluated prior to hiring.	4.46	Strongly Agree
I perform better because I believe in the highly selective recruiting programs of the company.	4.12	Agree
Workloads are fairly distributed as recruitment and selection process continuous, despite the pandemic, as HR personnel shifted to conducting online interviews, preemployments examinations and deliberations, to ensure that there is enough workforce.	3.87	Agree
Overall Mean	4.15	Agree

Strongly Agree – 4.50 - 5.0, Agree – 3.50 - 4.49, Neutral – 2.50 - 3.49, Disagree – 1.50 - 2.49, Strongly Disagree – 1.00 - 1.49

**Training and Development.** The role of the Human Resource does not end in the recruitment and selection of right individual for the right position. To maintain the competitive advantage, the organization must do something to make these individuals stay by continuously enhancing their skills and talents through training and development. Table 2 indicates an average mean score of 4.09, which means that training and development program is being implemented and employees are benefiting from it. The result is consistent with the study conducted by Simbre (2019), wherein the respondents agreed that this HR practice is being practice in the bank.

Table 2 Mean Score Distribution in the Assessment of the Human Resource Practices in terms of Training and Development

Statements	Mean Score	Descriptive Interpretation
I am given trainings, both technical and non- technical.	4.36	Agree
I am given guidance on career opportunities.	4.00	Agree
I have the option to undergo coaching and/or mentoring program for career development.	3.92	Agree
I was/am/will be promoted because the company believes that I am equipped to meet the current/future demands of my work.	4.20	Agree
I perform better because the Management is open to applying new learnings/ best practices I gained from trainings.	4.22	Agree
I am still able to develop my skills during this pandemic when face-to-face interactions are discouraged, since I am given opportunities to attend to online seminars, online courses, e-training modules, etc.	3.86	Agree
Average Mean	4.09	Agree

Employee Relations. Relationship that exists among employees in a company. It is important that employees are at ease with one another to maintain a healthy work environment, but it is the supervisors' and team leaders' primary responsibility to discourage conflict within the team and promote healthy relationships among employees (Management Study Guide, n.d.). Table 3 indicates that employee relations is given importance by the organizations, as evidence by the average mean score of 4.02, wherein respondents have agreed to all six statements concerning employee relations. Similarly, in a study conducted by Edralin (2010), employee relations are extensively being implemented and given focus by the organization.

Table 3 Mean Score Distribution in the Assessment of the Human Resource Practices in terms of Employee Relations

Statements	Mean Score	Descriptive Interpretation
I am inspired to do my best because of the system and practices in place.	4.05	Agree
I know the company's direction and business strategy because the Management uses every channel to communicate them to its employees.	4.19	Agree
I feel my importance because the Management consults when significant changes are made to the company.	3.75	Agree
I know the Management's expectations of me because they provide frequent and continuous communication regarding their expectations.	3.96	Agree
I look forward in going to work because the fun and feel-good atmosphere in the workplace.	4.05	Agree
Despite having to work on alternative arrangements (i.e., skeletal workforce, work from home), and having limited or no physical interaction among my colleagues,	4.15	Agree

Statements	Mean Score	Descriptive Interpretation
I still feel connected to the organization because of regular online meetings/ updates.		
Average Mean	4.02	Agree

Strongly Agree - 4.50 - 5.0, Agree - 3.50 - 4.49, Neutral - 2.50 - 3.49, Disagree - 1.50 - 2.49, Strongly Disagree - 1.00 - 1.49

**Compensation and Benefits.** Generally, this refers to salaries and wages, bonuses, incentives, given by any organization to their employees. Non-monetary benefits may include provision for uniform, travel incentives, non-interest-bearing loan, among others. Table 4 shows that compensation and benefits are being implemented as agreed by the respondents.

**Table 4** Mean Score Distribution in the Assessment of the Human Resource Practices in terms of Compensation and Benefits

Statements	Mean Score	Descriptive Interpretation
I am receiving a competitive salary.	4.00	Agree
I receive financial reward/ incentive because the Management recognizes my good performance.	3.90	Agree
I receive non-monetary but equally satisfactory benefits (i.e., health benefits/plans up to my immediate family).	4.22	Agree
I am benefiting from profit sharing programs of the company.	3.70	Agree
The compensation and benefit package of the company inspires me to perform better.	4.02	Agree
I regularly receive my compensation and benefits as scheduled, and sometimes earlier, so I remain financially able even during this pandemic.	4.58	Strongly Agree
Average Mean	4.07	Agree

Strongly Agree – 4.50 - 5.0, Agree – 3.50 - 4.49, Neutral – 2.50 - 3.49, Disagree – 1.50 - 2.49, Strongly Disagree – 1.00 - 1.49

# 4.2 Employee Performance

Employee performance is associated with a variety of ways, which include among others, the employee's attitude, behavior, and motivation to realize the defined goals (Saleem et.al., 2014). There are ways to measure employee performance and there are factors that may affect them. In this study, employee performance was measured in terms of accomplishment (i.e., extent, timeliness, and quality) as influenced by HR practices – recruitment and selection, training and development, employee relations, and compensation and benefits.

**Extent of Accomplishment.** This pertains to the number of works done by an employee as influenced by HR practices. Table 5 below shows that expectations, in terms of number of works, are met because of the HR practices being implemented in the organization, as indicated by the average mean of 2.12.

**Table 5** Frequency, Percentage and Mean Score Distribution in the Assessment of the Employee Performance in terms of Extent of Accomplishment

Statements	Parameters	complishment Frequency	Percentage	Mean	Descriptive
Sutcilients	. araineters	ricquency	refeelitage	Score	Interpretation
The number of works done because of the highly selective recruiting programs of the company.	Receded Expectation	3	3.10%		
	Met Expectation	72	74.20%	2.20	Met Expectation
	Exceeded Expectation	22	22.70%		
	Receded Expectation	1	1.00%		
The number of work done because of the additional learning gained from trainings, coaching, and/or mentoring program.	Met Expectation	78	80.40%	2.18	Met Expectation
	Exceeded Expectation	18	18.60%		
The number of works done	Receded Expectation	3	3.10%		
because of the additional learning gained from trainings, coaching, and/or mentoring program	Meet Expectation	71	73.20%	2.20	Met Expectation
mentering program	Exceeded Expectation	23	23.70%		
The number of works done	Receded Expectation	2	2.10%		
The number of works done because of the highly competitive compensation and benefit package	Meet Expectation	79	81.40%	2.14	Met Expectation
	Exceeded Expectation	16	16.50%		
		O	verall Mean	2.12	Met Expectation

Exceeded Expectations – 2.50 – 3.00, Met Expectations – 1.50 – 2.49, and Receded Expectations – 1.00 – 1.49.

**Timeliness of Accomplishment.** This relates to the timeliness with which works are completed as influenced by human resource practices. Because of their implementation in the organization, expectations in terms of finishing the work on time have been satisfied, as evidenced by the 2.10 average mean, as shown in Table 6.

**Table 6** Frequency, Percentage and Mean Score Distribution in the Assessment of the Employee Performance in terms of Timeliness of Accomplishment

Statements	Parameters	Frequency	Percentage	Mean Score	Descriptive Interpretation
The time the work is done because of the highly selective recruiting programs of the company	Receded Expectation	7	7.20%		
	Met Expectation	77	79.40%	2.06	Met Expectation
	Exceeded Expectation	13	13.40%		
	Receded Expectation	4	4.10%		
The time the work is done because of the additional learning gained from trainings, coaching, and/or	Met Expectation	80	82.50%	2.09	Met Expectation
mentoring program.	Exceeded Expectation	13	13.40%		
	Receded Expectation	2	2.10%		
The time the work is done because of the workplace's atmosphere and culture.	Meet Expectation	79	81.40%	2.14	Met Expectation
	Exceeded Expectation	16	16.50%		
	Receded Expectation	2	2.10%		
The time the work is done because of the highly competitive compensation and benefit package.	Meet Expectation	80	82.50%	2.13	Met Expectation
	Exceeded Expectation	15	15.50%		
		0	verall Mean	2.10	Met Expectation

Exceeded Expectations – 2.50 – 3.00, Met Expectations – 1.50 – 2.49, and Receded Expectations – 1.00 – 1.49.

**Quality of Accomplishment.** This relates to the total quality and worth of work completion as influenced by human resource practices. As evidenced by the 2.14 average mean in Table 7, expectations for deliverables are met because of the organization's human resource practices.

**Table 7** Frequency, Percentage and Mean Score Distribution in the Assessment of the Employee Performance in terms of Ouality of Accomplishment

Statements	Parameters	Accomplishm Frequency	Percentage	Mean Score	Descriptive Interpretation
The quality of work done because of the highly selective recruiting programs of the company.	Receded Expectation	3	3.10%		
	Met Expectation	75	77.30%	2.17	Met Expectation
	Exceeded Expectation	19	19.60%	_	
	Receded Expectation	4	4.10%		
The quality of work done because of the additional learning gained from trainings, coaching, and/or	Met Expectation	77	79.40%	2.12	Met Expectation
mentoring program.	Exceeded Expectation	16	16.50%		
	Receded Expectation	3	3.10%		
The quality of work done because of the workplace's atmosphere and culture.	Meet Expectation	74	76.30%	2.17	Met Expectation
	Exceeded Expectation	20	20.60%		
	Receded Expectation	2	2.10%		
The quality of work done because of the highly competitive compensation and benefit package.	Meet Expectation	81	83.50%	2.12	Met Expectation
	Exceeded Expectation	14	14.40%		
		(	Overall Mean	2.14	Met Expectation

## 4.3 Effect of human resource practices on employee performance

Human resource practices, such as recruitment and selection, training and development, employee relations, and compensation and benefits, were predicted to have no substantial impact on employee performance when the study was conducted. The data were subjected to regression analysis to establish the amount of the factors' influence on employee performance (Corporate Finance Institute, 2021), results of which are presented in Table 8. The B coefficients present the amount of change in the respondents' performance associated with a change in any of the four predictors (Statistics Solutions, 2021). The magnitude of the values of their b coefficient is relatively included in the equations. The same results indicate that for every unit increase in

recruitment and selection, training and development, employee relations, and compensation and benefits, employee performance may yield a decrease of 0.035, an increase of 0.168, 0.098, and 0.151, respectively.

When the probability value is less than or equal to 0.05, the correlation is judged significant by Pearson's correlation coefficient and p-value analysis, hence, further looking at Table 9 reveals that training and development with significance value of 0.012 and compensation and benefits with significance value of 0.020, are both less than the set significance level (0.05), which implies to have a significant impact on employee performance. Meanwhile, recruitment and selection and employee relations with significance value of 0.633 and 0.143, respectively, which are higher than the set significance level of 0.05, have no significant impact on employee performance. This result of the study on compensation and benefits is consistent with the findings on the investigation conducted by Tacdera, et. al. (2017), wherein it was concluded that benefits have a much greater effect on the job performance of the employees.

Table 8 Multiple Regression and Correlation Analysis of human resource practices and employee performance

Variables	Unstandard	dized Coefficient	Standa	rdized Coef	ficient
Variables	В	Std Error	Beta	Т	Sig.
Constant	0.590	0.239		2.467	0.015
Recruitment and Selection	-0.035	0.072	-0.049	-0.479	0.633
Training and Development	0.168	0.066	0.310	2.552	0.012
Employee Relations	0.098	0.066	0.187	1.477	0.143
Compensation and Benefits	0.151	0.064	0.281	2.367	0.020

R = 0.664

 $R^2 = 0.440$ 

F-Value = 18.108

p-value of 0.000

Alpha = 0.05

## 4.4 Challenges encountered by the employee with regards to human resource practices

Presented in Table 9 below are HR practices that were disagreed by the respondents, it is either the company is not implementing them effectively, being practiced but only to some extent, or totally not part of their practices. Twenty-one questions/ statements on HR practices were negatively answered by the respondents. Out of the four HR practices, majority of the disputes were from employee relations with 42 disagreed responses out of 97 expected replies, followed by training and development and compensation and benefits, both with 37 negative responses, and the HR practice with the least encountered challenges is the recruitment and selection with 18 unfavorable responses.

This finding is supported by the study made by Cabahug & Ferrater-Gimena (2018), wherein training and development were being practiced in some cases only. Similarly, as concluded by Simbre (2019), management should make a greater effort to foster a positive work environment by meeting employees' needs, involving and engaging employees, and developing employees' skills. Meanwhile, compensation is not used widely to encourage innovation within the organization (Edralin, 2010).

Glancing on the details disputed by respondents, something that is common among the four HR practices are the ones associated with the pandemic: (1) Recruitment and selection continues as HR personnel shifted to conducting online interviews, preemployments examinations and deliberations, to ensure that there is enough workforce, (2) I am still able to develop my skills during this pandemic when face-to-face interactions are discouraged, since I am given opportunities to attend to online seminars, online courses, e-training modules, etc., (3) Despite having to work on alternative arrangements (i.e., skeletal workforce, work from home), and having limited or no physical interaction among my colleagues, I still feel connected to the organization because of

regular online meetings/ updates, and (4) I regularly receive my compensation and benefits as scheduled, and sometimes earlier, so I remain financially able even during this pandemic.

**Table 9** Frequency and Percentage Distribution on HR Practices disagreed by employees

Table 9 Frequency and Percentage District		
HR Practices	Frequency	Percentage (%)
Recruitment and Selection	18	18.56%
I was given a pre-employment test prior	4	4.12%
to hiring	_	
I was interviewed by an HR personnel to	2	2.06%
have an initial basis if I am qualified for		
the position	-	F 450/
I perform better because I believe in the	5	5.15%
highly selective recruiting programs of		
the company  Recruitment and selection continues as	7	7 220/
	1	7.22%
HR personnel shifted to conducting		
online interviews, pre-employments examinations and deliberations, to		
ensure that there is enough workforce.		
	27	20.140/
Training and Development	<u>37</u> 8	38.14% 8.25%
I am given guidance on career opportunities	0	0.4370
I have the option to undergo coaching	9	9.28%
and/or mentoring program for career	3	3.2070
development		
I was/am/will be promoted because the	4	4.12%
company believes that I am equipped	•	1.1270
to meet the current/future demands		
of my work		
I am still able to develop my skills during	5	5.15%
this pandemic when face-to-face		
interactions are discouraged, since I		
am given opportunities to attend to		
online seminars, online courses, e-		
training modules, etc.		
I perform better because the	11	11.34%
Management is open to applying new		
learnings/ best practices I gained from		
trainings.		
Employee Relations	42	43.30%
I am inspired to do my best because of the	6	6.19%
system and practices in place		
I know the company's direction and	6	6.19%
business strategy because the		
Management uses every channel to		
communicate them to its employees		
I feel my importance because the	14	14.43%
Management consults when		
significant changes are made to the		
company		
I know the Management's expectations of	6	6.19%
me because they provide frequent		
and continuous communication		
regarding their expectations		
and continuous communication		

HR Practices	Frequency	Percentage (%)
I look forward in going to work because the fun and feel-good atmosphere in the workplace	6	6.19%
Despite having to work on alternative arrangements (i.e., skeletal workforce, work from home), and having limited or no physical interaction among my colleagues, I still feel connected to the organization because of regular online meetings/ updates	4	4.12%
Compensation and Benefits	37	38.14%
I am receiving a competitive salary	3	3.09%
I receive financial reward/ incentive because the Management recognizes my good performance	7	7.22%
I receive non-monetary but equally satisfactory benefits (i.e., health benefits/plans up to my immediate family)	1	1.03%
I am benefiting from profit sharing programs of the company	21	21.65%
The compensation and benefit package of the company inspires me to perform better	3	3.09%
I regularly receive my compensation and benefits as scheduled, and sometimes earlier, so I remain financially able even during this pandemic	2	2.06%

## 4.5 Improvement strategy for human resource practices that may be developed based on the findings:

The following strategy may be developed based on the findings:

- 1. Redefining HR practices during pandemic: (a) online/ virtual conduct of recruitment and selection to ensure adequate workforce, (b) availing of online courses, trainings, seminars for employees for continuous learning and development, (c) introducing programs/ activities that would reconnect employees to the organization and colleagues, and (d) timely and/or consideration on early release of compensation.
- Given that the among the four HR practices, it is the recruitment and selection that is least likely to contribute to the improvement of employee performance, as such strategic initiatives relating to the role should receive additional emphasis, as recruiting and selecting qualified employees for suitable positions of work has a tight interaction and connection with the success of the organization (Al\_Qudah et al., 2014)
- 3. Programs for training and development help people feel more confident and improve their performance (Madan & Bajwa, 2016), more so when entertaining on-the-job application of new learnings/ best practices gained from trainings by employees.
- 4. It is not sufficient to find, train and develop talented employees to maintain a competitive advantage. Retaining them is the hard part. Many firms, including banks, are receptive to new reward and benefit programs, including a variety of creative pay schemes (Shivakumar & Basavaraj, 2014). Management's recognition of good performance and introducing profit sharing are just ones of those many ways to compensate employees.
- 5. In addition to compensating employees through creative pay schemes, firms' ability to foster growth while also empowering individuals has a fair share of importance. Apart from providing employees with a clear understanding of their roles and responsibilities as soon as they join the firm, it is also important to focus on employee relations tactics including teamwork, open and regular communication, a positive company climate, and treating employees fairly (Edralin, 2010.)

#### 5. Conclusion, and Recommendations

This study used the descriptive-correlational method of research that utilized standard questionnaires as a primary data gathering tool. The respondents of the study were ninety-seven bank employees, represented from rank and file, supervisory, middle and higher management positions.

The null hypothesis, which states that HR practices, such as recruitment and selection, training and development, employee relations and compensation and benefits, have no significant impact on employee performance, was subjected to testing at a .05 level of significance and was accepted/rejected.

The demographic profile of the respondents was assessed using frequency and percentage. Mean score was utilized in the interpretation of the respondents' evaluation with regard to human resource practices based on recruitment and selection, training and development, employee relations and compensation and benefits. Relative to the respondents' measurement of their performance in terms of accomplishments, frequency, percentage, and mean. The results were analyzed using the Statistical Package for the Social Sciences (SPSS), and the data were presented in the relevant tables and texts. The results were analyzed using multiple linear regression as statistical tools to determine the impact of HR practices to employee performance. Using the methodologies outlined above, the following conclusions may be drawn about the study's findings:

#### 5.1 Summary of Findings

#### 5.1.1 Problem 1: Demographics of the respondents

Sex. Most of the respondents are female, comprising 64.90% of the total respondents, thereby leaving the male to 35.10%.

**Age.** Majority of the respondents' age range from 26-30 or 39.20%, followed by 31-35 (23.70%). 14.40% are between 36-40, 7.20% are 41-45, 6.20% are 46-50. Meanwhile, only 5.20% and 4.10% are 20-25 and 51 and above, respectively.

**Educational Qualification.** Summary of the data gathered showed that 82 or 84.50% of the respondents have bachelor's degree, 14.40% or 4 respondents have earned their master's degree, while one of the respondents have his PhD units.

**Position.** Respondents' positions vary from rank and file to higher management positions. Majority are holding supervisory position, representing 42.30% of the total respondents, followed by rank and file at 38.10%, then by those in middle management, 17.50% and 2.10% from higher management.

## 5.2.2 Problem 2: Assessment of Human Resource Practices

The overall assessment on the HR practices is on "agree" level as evidenced by the average mean score of 4.15 for the recruitment and selection, followed by 4.09 for the training and development, compensation and benefits at 4.07 mean value, and last, employee relations at 4.02.

## 5.1.3 Problem 3: Employee Performance

Generally, employee performance has "met the expectations" because of the extent of implementation of HR practices. The quality of the accomplishments has the highest value of 2.14, followed by the extent of accomplishment at 2.12, and lastly the timeliness of accomplishment, at 2.10.

## 5.1.4 Problem 4: HR practices on employee performance

The correlation between HR practices and employee performance is strong or substantial given the value of R to be 0.664. Statistics also shows that given the set significance level of 0.05, training and development as well as compensation and benefit show a significant impact to employee performance as compared to recruitment and selection and employee relations.

#### 5.1.5 Problem 5: Challenges encountered by the employee with regard to HR practices

Twenty-one (21) out of twenty-four (24) questions/ statements on HR practices were negatively answered by the respondents. Ranking from highest to lowest, employee relations had 42 disagreed responses, followed by training and development and compensation and benefits, both with 37 negative responses, and lastly recruitment and selection with 18 unfavorable responses. However, the questionnaire was not designed in such a way that it would identify whether these practices are ineffectively implemented by the organizations or implemented in some cases only or totally outside of the practices in place.

## 5.1.6 Problem 6: Improvement strategy for HR practices

In accordance with the findings of the study, the following improvement strategy were derived:

- 1. Realignment of HR practices adaptable to uncertain times, as based on the result of the survey, respondents disputed the organizations readiness in terms of shifting to online/ virtual conduct of recruitment and selection to ensure maintenance of adequate workforce; provision for online courses, trainings, and seminars for employees' continuous learning development; having programs/ activities in place to be able for the employees to be reconnected with their colleagues and the organization; and possible early release of compensation to keep the employees financially able.
- 2. Strategic initiatives relating to recruitment and selection should be give preferential attention in order to contribute to employee performance.
- 3. Allowing employees to apply new learnings gained from trainings/ seminars.
- 4. Giving financial rewards to employees as a way of recognizing their good performance. Sharing the profit earned by the company, from time to time, will inspire employees more to perform better.
- 5. Empowering the people and giving them the feeling of involvement and participation in the company by having a culture of teamwork, allowing employees to speak their ideas and informing them of the direction of the company.

Based on the study's findings, the following conclusions were reached:

- 1. HR practices on recruitment and selection, training and development, employee relations, and compensation are generally being practiced by banks in the Philippines at different extent.
- 2. HR practices have helped employees meet their deliverables, in terms of extent, timeliness and quality.
- 3. Undeniably, there is a correlation between HR practices and employee performance. But among the HR practices that have the significant impact to employee performance are the training and development and compensation and benefit. Hence, the null hypothesis stating that HR practices have no significant impact on employee performance is rejected with respect to training and development and compensation and benefits. But is accepted with regard to recruitment and selection and employee relations.
- 4. There are identified improvement strategies that can assist organizations in improving their human resource operations in order to better amplify employee performance.

#### 5.2 Recommendations:

The following suggestions are made in light of the study's findings and findings:

- 1. Organizations/ Firms to put into consideration the unfolded improvements on HR practices, particularly on redesigning them to align with the employees' needs particularly during pandemic.
- 2. Improvement in the implementation of HR practices may further be achieved through benchmarking and identifying best-practices in the banking industry particularly on recruitment and selection, and employee relations.
- 3. Training and development, and compensation and benefits should remain at state of having impact on employee performances.
- 4. Further studies that to be conducted should consider inclusion of identifier in the questionnaire as to whether certain HR practices are being implemented or not among those rolled-out in the organization.
- 5. To include and relate other factors such as respondents' demographics in the assessment of implementation of HR Practices, and their profile in terms of extent of implementation, in the future research.

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