An Empirical Study of Autonomous Medical Institution to Identify the Role of Human Resources Practices on Perceived Employees Performance in Punjab, Pakistan

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ABSTRACT

This study gauges the associations between Human Resource (HR) practices and the perceived performance of employees at Autonomous medical institutions (AMI), Punjab (Pakistan). The HR practices thrashed out in this study are Recruitment & Selection, Training & Development, Compensation, complaint resolutions procedure, and Job clarity. 220 respondents were selected randomly from the 13 AMI’s of Punjab. The data was collected through a personally administered questionnaire. A personally administered questionnaire was used to obtain the data. The study's findings demonstrate that in the health sector, recruitment and selection, training and development, salary, and job clarity all have a substantial association with employee performance, but the complaint resolution method has no such relationship. The study provided a strategic tool for the improvement of employee performance by using these practices.

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1. Introduction

Human Resource is the most crucial part in any organization. Although an organization has strong economic and scientific resources, yet it can't endure without efficient HR. The organization can accomplish its goal by growing the productivity and performance of the staff by using HR practices. Therefore, modern organizations in the current era invest more in HR to get better consequences. The performance of Government sector is explicitly adjudged on the basis of their staff. The public sector activities are more personnel strenuous and thus we should concentrate on HR practices to improve employee and organizational performance (Ingraham and Kneedler, 2000).

Human capital is the most vigorous organizational resource, consisting of talented and cerebral staff that contributes to the organization's longevity, survival, growth and productivity (Philip & Ikechukwu, 2018). The achievement of an organization is generally influenced by its human capital, which includes staff education, motivation, job experience, expertise, skills and knowledge (Sumual et al, 2017), all of which influence employee and organizational performance. When human capital is reinforced by organizational capital, employees' productivity tends to rise and become greater, as organizational support is a very crucial for staff to be more productive (Nezaz et al, 2013).

In the current era employee performance is one of the major factors in gaining competitive advantage (Sutduean & Jermsittiparsert, 2019; H. Khan & Wisner, 2019). HR is the main pillar in the organization to increase the performance of the employees, and it can be increased with the help of HRM (Kerdpitak & Jermsittiparsert, 2020). Formerly, the
organizations were not focusing on HR practices but now, due to globalization, it is mandatory for the organization to implement proper HR practices to increase staff performance (Chumpon Rodjam et al 2020).

The Performance is a diverse and multifaceted issue, thus to determine, how much HR practices effect on staff performance is very difficult (Paauwe, 1998). It’s becoming more difficult to gauge the influence of HR practices on staff performance in the public sector (Hays & Reeves, 1984; Guest, 2001). It is necessary to monitor and scale the performance of employees in order to achieve goals and boost the efficiency and effectiveness of any industry. The success of any organization is based on the competency and performance of the staff. HRM has no direct impact on performance but it is the most important factor in determining performance (Tessema and Soeters, 2006).

The Health sector try their level to ensure that patients receive high-quality care but only a well-developed and competitive force can assure that these efforts are worthwhile. The employees represent the face of this system and with the availability of trained health personnel we will be able to battle diseases, implement new tactics, and promote the health facility in this region. The hospital staff considered that their demands will be met only by going on strike because there is a weak HR system that is why mostly the staff is on strike, which will continue until their demands are met by the Government. Employees are the most energetic, one-of-a-kind, and highly valued organizational resources that competitors cannot mimic. They should be properly managed and handled to increase organization and individual performance. The department can achieve this objective by introducing and implementing the best HR practices to enhance their performance to satisfy the patient care. The outcomes of the study may aid policymakers in prioritizing areas of immediate concern and allocating public resources in accordance with employees’ local requirements. Thus there is dire need to identify the role of different HR practices on employee performance to provide quality health services to the ailing humanity.

The majority of HR research was piloted in developed countries and emerging countries were unheed to explore the relationship between HR practices and performance of staff. In Pakistan, for example, virtually little HR research was conducted, particularly in the government sector. Legge (1998) contended that the public sector was overlooked due to HR practices (Legge, 1998). In the realm of HR practices, Aycan et al. (2000) claim that Pakistan is an "under-researched" country. The Health Sector in Punjab is underutilized and uncompetitive in the world market due to non-awareness and less focus on HR practices (Aleem et al., 2012). This research will be helpful to answer these questions and also help increase the performance of the staff to provide quality health services to the patients. Consequently, the existing study investigates the link between selected HR practices and perceived employee performance (PEP) in Health sector.

2. Literature Review

2.1 Human Resource Practices

Many studies have found that HR practices improve both employee and organizational performance (Wright et al., 2003; Park et al., 2003; Tessema & Soeters, 2006). Macduffie (1995) conducted a study on auto assembly plants and found that many HR practices are available which enhance the quality and output of the staff. Delery and Doty (1996) argued that HR practices also increased financial performance. In the manufacturing industry, there are different permutations of HR practices that can upsurge the operating performance of organizations (Youndt et al., 1996).

Prefer (1994) considered sixteen HR practices which can increase the EP which includes promotion, training, high wages, job design, employee ownership, recruitment, Pay, promotion, pay, training and employment security etc. Ichnaowski et al., (1995) found that the performance of the staff is improved if there is flexible job design, communication, training, job security, higher compensation and extensive screening.

Huselid (1995) studied the eleven HRM practices which include promotion, recruitment, labour management, participation, attitude assessment, training, appraisal system, pay, pension and grievance procedures etc. Tesseema and Soeters (2006) focus on eight HR practices to catch out affiliation with staff performance. These practices include R&S, pay,
pension, grievances handling, promotion, staff appraisal, placement and training. The majority of former research confirms that there is a significant connection between HR practises and employee perceived performance (Tabiu&Nura, 2013; Shahzad et al., 2008; Bashir &Khattak, 2008; Jan et al., 2009; Sels, 2006; Shakeel & Lodhi, 2015).

To create a successful and competitive environment, HR management practices are helpful in selecting the right person for the right job to enhance their performance (Cania, 2014). Employee performance is reliant on many HR practices but all of these practices cannot be investigated at once. The major objective of this study is to catch out the association between EP and selected HR practices in the health sector and to sustenance the higher authorities of Health Sector to follow those HR practices which can mend the enactment of employees and obviously, the health department.

2.2 Recruitment & Selection system:
Bakalo, A (2022) stated that the organization should provide equal selection opportunities to all the candidates on the basis of their qualification and experience and should avoid the selection process based on friendship, blood relations, favoritism and giving preference to female applicants, because employees hired through such unfair methods can provide no value to the organization and their performance is also low. According to Holzer (1987), the robust and accurate selection system is helpful to recruit the best candidate which have the capacity to perform well for the organization. R&S procedures are one of the primary facets that determine whether an organization's outcomes are successful or not (Sinha & Thaly 2013). Furthermore, the success of the organization's selection system might have an impact on the bottom line business productivity, such as financial performance or staff performance in main stream departments. With the help of suitable selection system the employees are not only satisfied but also motivated (Caliskan, 2010). Jan et al., (2009) and Teseema & Soeters (2006) found that there is an affirmative association between R&S and employee performance.

In light of the above-mentioned literature and viewpoints, it is presumed that recruitment and selection are favorably connected with employee perceptions of performance. This association, however, has to be tested in Pakistan's health sector. As a result, the following hypothesis is developed:

H1: Recruitment & Selection are positively associated with perceived employee performance.

2.3 Training & Development
Training and development is one of the major critical factor to improve organizational efficiency and enriching individual work experiences (Bhatt, D; 2022). If a company wants to improve its productivity, it must acquire competent and experienced people, and if the organization desired to increase its productivity continuously and individuals should increase their knowledge and abilities acquired with the help of training & development. According to extensive research, training has a momentous impact on employee performance. Training is an important component of employee performance in addition to competitiveness, productivity, efficiency, and effectiveness (Cooke, 2000). Many studies have found that training & Development has a favorable impact on employee attitudes and performance (Shields & Price, 2002; Schmidt, 2007). Teseema and Soeters (2006), indicated that there is a link between training and PEP. Staff training sessions are beneficial in satisfying and improving their performance. (Hanaysha & Tahir, 2016). Halepota & Irani (2010) found that in the existing global economy, employees are more concerned with learning to improve their career. The performance of the staff can be enhanced by upgrading and expanding the contents, duration and assessment of training needs (Kuruppu, C.L., et al., 2021).

In light of the above-mentioned literature and viewpoints, it is presumed that Training & Development are favorably connected with employee perceptions of performance. This association, however, has to be tested in Pakistan's health sector. As a result, the following hypothesis is developed:

H2: Training & Development are positively associated with perceived employee performance.
2.4 Compensation

Compensation management is very crucial in current era because the staff can be motivated, attracted and retained in the organization with the help of this practice. Many researchers contend that inducement based compensation has a positive influence on the performance of firms, e.g. (Milkovich and Boudreau 1998; Gomez-Mejia et al., 1995). Compensation is an imperative facet of human resource management since it aids in employee motivation and organizational effectiveness. Compensation and benefits have varying effects on EP and organizational success, depending on the company's existing salary and performance management processes (Reddy, 2020). In their study, Harrison and Liska (2008) argue that compensation is the supremefacet of the service contract because it is the primary inspiration for people to work. Many studies have established a link between pay and performance (Jan et al., 2009; Teseema & Soeters, 2006; Baloch et al., 2010, Aleem et al., 2012; Bashir & Khattak, 2008). There is positive association between the employee performance and compensation as per study conducted in the public sector of Iraq (Muhammad IA et al., 2022). Adnan & zaffar (2021) concluded in their study that compensation had a favorable and considerable impact on employee performance because regression coefficient (0.056) was positive. The authors also stated that higher is the compensation higher is the staff performance.

In light of the above-mentioned literature and viewpoints, it is presumed that compensation is favorably connected with employee perceptions of performance. This association, however, has to be tested in Pakistan's health sector. As a result, the following hypothesis is developed:

H3: Compensation is positively associated with perceived employee performance.

2.5 Job Clarity

According to Kim (2009), job clarity refers to employees' understanding of their job's obligations and expectations. The term "job clarity" refers to a combination of work specifications and job descriptions. It is linked to the organizational structure, in which employees are clear about their role in the firm (Zeffane and Al Zarooni, 2008). Job description, placement, and role clarity all have a control on HRM outcomes (Becker & Gerhart, 1996; Fey et al., 2000). According to Ting (1997), work clarity is vital for employees to acclimatize to their employment and eliminate ambiguity.

Employees who are clear about their obligations and tasks, according to Teseema and Soeters (2006), are more productive than those who are unclear about their duties and responsibilities and have confusion and ambiguity about their work. According to Qureshi M Tahir (2006), if roles are defined clearly, individual performance will become more accountable. There is strong association between job clarity and employee performance (Jan et al., 2009).

In light of the above-mentioned literature and viewpoints, it is presumed that job clarity is favorably connected with employee perceptions of performance. This association, however, has to be tested in Pakistan's health sector. As a result, the following hypothesis is developed:

H4: Job clarity is positively associated with perceived employee performance.

2.6 Grievance procedure/Complaint resolution Systems

A grievance is any unhappiness or sense of injustice related to one's employment condition that is brought to the attention of the organization's management. If issues are addressed and resolved as soon as possible, they can serve as a powerful motivator. In current era when mental work is expanding and physical work is decreasing, grievance management can be a wonderful incentive tool for all firms to boost employee morale and performance (Monish P. and Dhanabhakyam M. 2022).

The process in which employee complaints are handled influences the perception of the organization by the employees (Morrison &Robinson 1997).In any organization, a well-functioning, compliant redressed procedure will eradicate perceived injustice or clashes. According to Fey et al., (2000), if employee concerns are addressed well, employees are more committed to the firm. When an employee is dedicated, his or her performance improves. Fey
et al., (2000) identified that if the complaints of the staff are handled well, then there is a higher assertion toward the organization. When a worker is devoted, his performance will also upsurge. Roberts (1997) contended that if the workforce notice that another organization is remunerating extra to the staff as compared to this organization, despite having identical qualifications and expertise, and if their complaint is not remedied, then employee will sabbatical the organization. Teseema & Soeters (2006) in his study contend that there is an affirmative connection between complaint procedure and EP.

In light of the above-mentioned literature and viewpoints, it is presumed that Training & Development are favorably connected with employee perceptions of performance. This association, however, has to be tested in Pakistan’s health sector. As a result, the following hypothesis is developed:

H5: Grievances procedures are positively associated with perceived employee performance.

2.7 Research Question
Are HR practices affecting the PEP in the public health sector of Punjab, Pakistan?

3. Methodology
For data collection purposes, the questionnaires of Tessema & Soeters (2006) and Singh (2004) are used. The questionnaire was written entirely in English because our respondents are well educated and can easily understand the questionnaire. There are 13 autonomous medical institutions in Punjab, where the survey was conducted. Simple random sampling was used for the data collection from the 275 employees of the health sector. There is no issue with the validity and reliability of the questionnaire because it is already used by the researchers. The questionnaire has a reliability of .82, which is quite good. The data was collected using five-point Likert scales. The data was gathered from the Autonomous Medical Institutions (AMIs) health department and these questionnaires were filled out randomly by the Top, Middle and lower level staff. A personally administered questionnaire was used to obtain the information.

3.1 Participants
The top level (BS-19 or higher), intermediate level (BS-17&18), and low level personnel are all included in this study (Less than BS-17). There are administrators, teaching staff, medical officers, pharmacists, and accounting personnel’s. The respondents are chosen at random to fill out the questionnaire. A total of 275 questionnaires were distributed, however only 220 were returned, resulting in an 80 percent response rate.

3.2 Statistical technique
For the analysis, the descriptive statistics, regression and correlation matrix was used.

3.3 Descriptive Statistics
The accompanying table 1 shows the SD and mean score. The mean scores for R& T&D, training, and job clarity is individually 3.73, 3.63, and 3.68. It indicates that respondents are near to agreed point on the Likert scales which clearly indicate that the staff are satisfied with these practices. The compensation’s average score is 3.3218, which is close to neutral. The average score for the compliant redressed procedure is close to the disagree stage, indicating that people are dissatisfied on this factor because it is ignored in AMI’s.
Table 1: Descriptive statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment</td>
<td>220</td>
<td>3.7273</td>
<td>.76843</td>
</tr>
<tr>
<td>Training</td>
<td>220</td>
<td>3.6300</td>
<td>.56213</td>
</tr>
<tr>
<td>Compensation</td>
<td>220</td>
<td>3.3218</td>
<td>.62467</td>
</tr>
<tr>
<td>Clarity</td>
<td>220</td>
<td>3.6841</td>
<td>.51538</td>
</tr>
<tr>
<td>Compliant Resolution</td>
<td>220</td>
<td>2.1015</td>
<td>.61628</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>220</td>
<td>3.8227</td>
<td>.70900</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>220</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.4 Correlation Analysis

Table 2 reveals that R&S have a substantial relationship with perceived employee performance. The correlation coefficient is (0.50(**), .p.01, and this finding is braced by Tessema & Soeters (2006), whose beta coefficient is (0.38**, .p.01). The value of r is (0.43**, *.p.01), and training & Development has a substantial relationship with EP. These findings are also harmonized with those of Tessema & Soeters (2006). The findings of R&S and T&D are also consistent with the findings of Singh (2004) and Jan et al. (2009), who find values of r (0.33), (.38), and (62) (66), respectively has a positive relationship with compensation practices. The r value is 0.44(**), while the p value is 0.01. The findings of Shahzad et al. (2008) and Tessema & Soeters (2006), whose r values are (0.38(**), p.01) and (r=0.44, p.01), correspondingly, back up these findings. As can be seen from the correlation matrix, the variable "job clarity" has a strong link with employee performance, with a value of r of 0.43 (**), .p.01. Employee performance has no significant link with the resolution of complaints; the r value is 0.12, and these findings contradict those of others (Tessema & Soeters, 2006).

Table 2: Correlation Analysis

<table>
<thead>
<tr>
<th></th>
<th>PEP R</th>
<th>R</th>
<th>T</th>
<th>Com</th>
<th>Cla</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEP</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R&amp;S</td>
<td>0.50**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T&amp;D</td>
<td>0.43**</td>
<td>0.34**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Com</td>
<td>0.44**</td>
<td>0.48**</td>
<td>0.46**</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cla</td>
<td>0.37**</td>
<td>0.26**</td>
<td>0.37**</td>
<td>0.34**</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>CR</td>
<td>0.02</td>
<td>0.12</td>
<td>-0.02</td>
<td>0.13</td>
<td>0.01</td>
<td>1.00</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed). PEP= Perceived employee performance, R&S= Recruitment & Selection, T=Training, com=compensation, Cla=Clarity, CR= Compliant Resolution

3.5 Regression analysis

The impact of HR practices on the AMI's employee performance is deliberate using regression analysis, which supports the findings obtained in the correlation matrix. According to the regression study in table 3, HR practices account for 37% of the variance in employee performance. Our model's F value is 18.659, which is likewise substantial at.000, indicating that it is also an excellent fit. Recruitment, training, salary, and job clarity all have a major impact on EP, but the complaints resolution method has no momentous influence on employee performance which indicate that the grievance system in the autonomous medical institution is ineffective.

Table 3: Regression analysis

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Beta</th>
<th>t-value</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td>.130</td>
</tr>
<tr>
<td>Recruitment</td>
<td>.328</td>
<td>1.521</td>
<td>.000</td>
</tr>
<tr>
<td>Training &amp; Development</td>
<td>.187</td>
<td>2.909</td>
<td>.004</td>
</tr>
<tr>
<td>Compensation</td>
<td>.141</td>
<td>2.079</td>
<td>.039</td>
</tr>
<tr>
<td>Clarity</td>
<td>.170</td>
<td>2.840</td>
<td>.005</td>
</tr>
<tr>
<td>Compliant Resolution</td>
<td>-.037</td>
<td>-.677</td>
<td>.499</td>
</tr>
</tbody>
</table>
4. **Discussion**

There is less literature available in Pakistan's public sector about the relationship between HR practices and employee performance. As a result, the current research looks into the link between these in the public sector. Pakistan's government spends a lot of money on health care. Only the health facility's performance may be effective if the health sector's staff performance is well. In the public sector, most decisions are made on the basis of earlier experience or to implement those decisions/practices which are only practicable for developed nations due to cultural differences. These are both wrong practices (Soni, 2004).

Recruitment & Selection, T&D, compensation, and job clarity have an affirmative effect on employees, as prophesied in the hypothesis. The majority of respondents in the health sector are MBBS (doctors), so they deliberated R&S an important factor. The AMI's are also focusing on training facilities for the staff. The training sessions are constantly carried out for the improvement of health facilities because their skills and abilities improve and they are in a position to provide improved services. The participants of the study are more concerned with their compensation. Employee pay in developed countries is higher than in developing countries, so employees in developed countries emphasis on those HR practices that upsurge their earnings, regardless of other HR practices (Bashir & Khattak, 2008). The performance of the employee can also be increased if the employee is clear about their roles, duties, and responsibilities. If there is any confusion about the job clarity, it will affect the employee's performance.

The perceived employee performance and the compliant resolution method have a shaky link. Employees in Punjab's health sector have expressed dissatisfaction with the complaint resolution method. The current research is very critical for Punjab’s AMI and public health sector to improve its performance. The organization's most significant and central responsibility is to manage its human resources, because the organization's performance is dependent on how well it is managed. Proper implementation of HR practices should be made to enhance staff performance. The review and analysis of performance should also be made after implementation of these practices to observe its impact. There is dire need of training need assessment before starting the training and only those employees should be trained who are interested. It is necessary to monitor the pay system on a continuous basis in order to prevent future strikes. The pay structure should be comparable to the market and as per need of the employees. The performance and motivation of the staff can be increased if performance has strong link with their remuneration and advancement. The fair recruitment and job clariry should also be focus to enhance staff performance. To address the discrimination, higher authorities should establish a policy that ensures that every employee receives an equal type of benefits and fairness, thereby improving their performance and organizational dedication.

5. **Conclusion**

Due to a deficiency of research in the public sector, decisions are made on a hit-or-trial basis or using a previous strategies. Thus, this study is critical for health-care decision-making because the Pakistani government only focuses on compensation practices to improve employee performance and ignores other important factors that are highlighted in this study and can improve employee efficiency and effectiveness for the benefit of patients. May strikes have been faced by the health sector and these strikes can be abridged by nourishing the employees by the providing and execution of the best HR practices to increase their performance to provide best services to the public.

**Reference**


Zeffane, R., Al Zarooni, H.A. 2008.'The influence of empowerment, commitment, Job satisfaction and trust on perceived managers' performance'. *International journal of Business excellence, 1, (1/2).*