


UNIVERSITY OF CAPE COAST



INFLUENCE OF HUMAN RESOURCE MANAGEMENT PRACTICES  
ON EMPLOYEE PERFORMANCE: EVIDENCE FROM CAPE COAST  
METROPOLITAN ASSEMBLY.

CHRISTIANA PODIIBE KPANGKPARI

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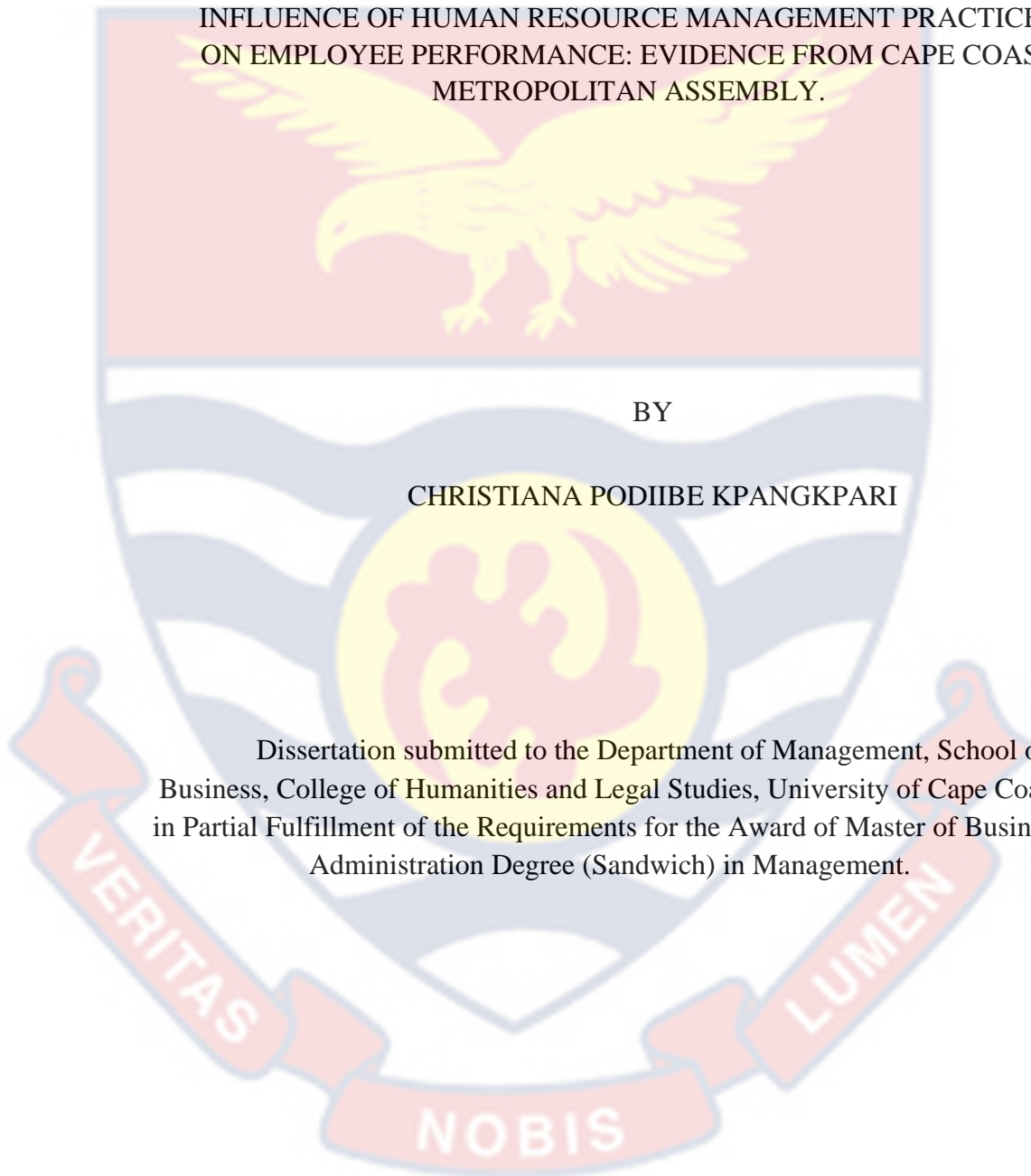
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ON EMPLOYEE PERFORMANCE: EVIDENCE FROM CAPE COAST  
METROPOLITAN ASSEMBLY.

BY

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Dissertation submitted to the Department of Management, School of  
Business, College of Humanities and Legal Studies, University of Cape Coast  
in Partial Fulfillment of the Requirements for the Award of Master of Business  
Administration Degree (Sandwich) in Management.



JULY, 2022

## DECLARATION

### Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in the University or elsewhere

Candidate's signature..... Date.....

Name: Christiana Podiibe Kpangkpari

### Supervisor's Declaration

I hereby declare that the preparation and presentation of this dissertation were supervised in accordance with the guidelines of supervision laid down by the University of Cape Coast

Supervisor's signature..... Date.....

Name: Dr. N. Osei Owusu

## ABSTRACT

The study set out to examine the effect of human resource management practices on employee performance in the Cape Coast Metropolitan Assembly, Ghana. Specifically, the study sought to analyze the effect of reward and compensation on employee performance, examine the influence of recruitment and selection on employee performance, determine the effect of performance appraisal on employee performance, investigate influence of training and development on employee performance and examine the combined effect of the four dimensions of human resource management practices on employee performance. The study was based on the views of 216 employees from the study area. Linear and multiple regression analysis were used to establish the influence human resource management practices and employee performance. The results show that human resource management practices such as reward and compensation, recruitment and selection, performance appraisal and training and development had a positive and significant influence on performance of employee Cape Coast Metropolitan Assembly, Ghana. Results from multiple regression also suggest that human resource management practices greatly influence employee performance. It was recommended that management should take additional steps to organize and implement regular HRM programmes for employees to improve innovativeness to yield the needed employee performance again, human resource management practices should cover all employees with regards to their various areas of performance.

## ACKNOWLEDGEMENTS

I wish to express my sincerest gratitude to my supervisor for his direction and assistance in supervising this work. Also, special thanks go to all my families and friends who helped me through all these endeavours.



## DEDICATION

This work is dedicated to my family.



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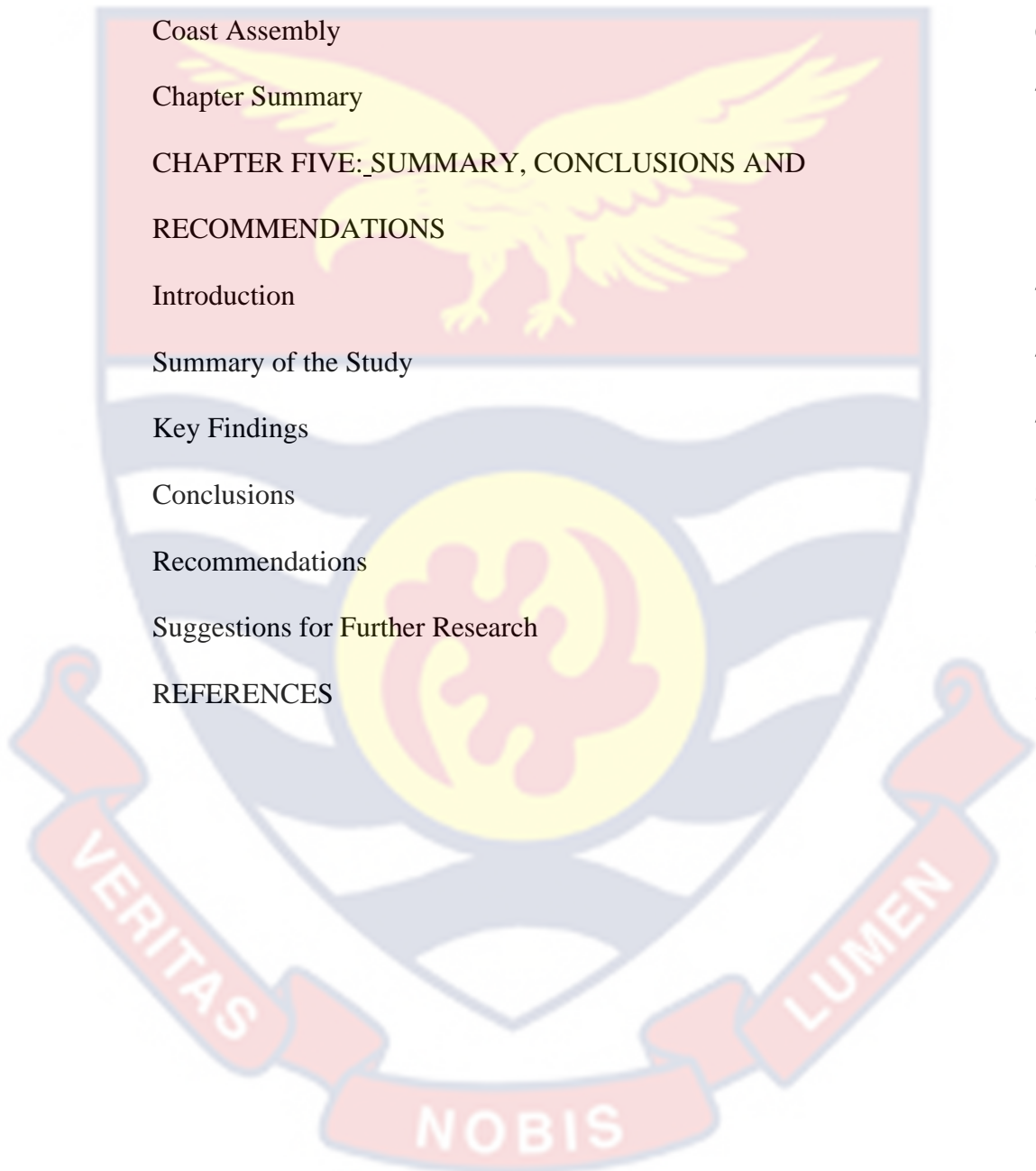
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## CHAPTER ONE

### INTRODUCTION

The purpose of this study is to examine the Human Resource Management practices in the Cape Coast Metropolitan Assembly and its effects on employees' performance. The study also seeks to analyse the effect of reward and compensation systems on employee performance, and the extent to which recruitment and selection influence employee performance.

#### **Background of the study**

The attainment of organizational goals is predicated on the extent of organizational resources and their effective utilization. One such indispensable organizational resource towards achieving organizational objectives and goals is the human resource. This is because human resource is regarded as the "Achille heels" of organizations amongst the other resources that helps in achieving organizational goals (McDermott 2012). In an attempt to realize the importance and contribution of the human resource base to organizational performance, various mechanisms, policies, and practices are implemented in areas of recruitment and selection, training and development, reward and compensation management and human resource planning (Walker, 2001).

Such practices are regarded as the cornerstone to the effective and efficient performance of employees in organizations (Armstrong, 2008). Nzuve (2012) indicated that good human resource management practices and policies provide the congenial atmosphere for enhancing employee productivity which relatively translates into the attainment of organizational goals. Studies have shown that, when organizations implement good human resource management policies, they are better positioned to retain their

talented employees whilst attracting the best employees from the pool of labour in the society (Okumbe, 2011; Nyambegera, 2005).

Similarly, Smith (2016) submitted that the importance of human resource policies requires any organization to implement good human resource management policies. With this, the presence of good human resource management policies in organizations imply that employees are better positioned to undertake various task, both contextual and task performances towards the attainment of broad organizational goals. This is so as employees, through various human resource policies can develop their skills and knowledge whilst developing commitment to duty through practices like welfare schemes in place. The concept of human resource management (HRM) refers to the set of policies, programs and practices designed to ensure the welfare of employees whilst attaining maximum performance and productivity towards the realization of organizational goals (Delery & Doty, 2004).

By this, HRM policies entail specific sets of practices and programs that are designed to attract, develop, motivate and retain employees to ensure effective functioning and survival of the organization. This is particularly the case, as organizations cannot thrive without human resources with its associated policies to aid in the development and achievement of organizational goal. Evidence on human resource management suggests that, human resource practices at the organizational settings have a positive relationship with employee performance through motivation and compensation, training and development, employee welfare schemes, and

staffing (Armstrong, 2009; Marchington & Wilkinson, 2006) and has also the propensity to impact the rate of employee turnover and absenteeism.

Again, human resource management practices improve quality of work as well as impact the performance of the employee (Youndt, 2009; Arthur, 2007). This result from the fact that, such practices in various forms create the necessary environment for employees to learn on the job whilst developing a sense of belongingness. For instance, studies on HR practices and employee performances indicate that HR practices help employee performance by shaping their behaviors and attitudes (Amos, 2005; Huselid, 2005). This creates organizations that are more intelligent and flexible than their competitors through the use of policies and practices that focus on hiring, developing talented staff and synergizing their contribution within the resource bundle of the organization (Armstrong, 2006).

Moreover, good HR practices promote employee commitment and the trustworthiness of management since such policies and practices communicate largely to the individual employee (Amos, 2005). Human Resource Management practices may differ from one organization to another and from one country to another. But according to Chandler and McEvoy (2000), one of the lingering questions in Human Resource Management research is whether or not there is a single set of policies or practices that represents a universally superior approach' to managing people. Theories on best practices or high commitment theories suggest that universally, certain Human Resource Management practices, either separately or in combination are associated with improved organizational performance.

Rundle (2015) argues that one needs to bear in mind that people not the firm, are the adaptive mechanism in determining how the firm will respond to the competitive environment.

Researchers have also found that those well-paid, well-motivated workers, working in an atmosphere of mutuality and trust, generate higher productivity gains and lower unit costs (Boxall, 2016). Several attempts have been made from time to time by different researchers to identify the type of Human Resource Management practices in different sectors. Human Resource Practices play an important role in retention of organization's employees and also increasing organizational performance. Different kinds of organizations (private companies, public sector) increasingly recognize the potential of their human resource as a source of unique edge.

The creation of competitive advantage through employees requires close attention to the practices that best leverage these assets. Consequently, there is increase in research which focuses on employee and organizational level impact of HRM practices in the past ten years but only few researches have been done to examine the effect of human resource management practices on employee performance: evidence from Cape Coast Metropolitan Assembly.

### **Statement of the Problem**

Changing economic environment, characterized by globalization and deregulation of markets, changing customer, investor demands and ever-increasing product-market competition, has become the norm for most organizations. To compete, the companies must continually improve their performance by reducing costs, innovating products and processes and

improving quality, productivity, and speed to market. How do human resource decisions influence organizational performance? In the simplest terms, they must either improve efficiency or contribute to revenue growth. Human resources, both as labour and as a business function, have traditionally been viewed as a cost to be minimized and a potential source of efficiency gains.

For the purpose of attaining efficiency, effectiveness and competitive advantage, organizations implement reforms in relation to human resources. In the case of Ghanaian public and private organizations in particular, most human resource policies and practices have concentrated on areas like training and development, recruitment and selection, human resource planning, reward system, and staff welfare (Wright 2021; Armstrong, 2008). The aim of such HR policies is to contribute to the attainment of organizational goals by attracting and maintaining the right caliber of talent, whilst organizing training and development programs for the continuous advancement of the skill and career of employees (Armstrong, 2009).

As a result, organizations have established human resource management departments to oversee the performance, development and welfare of employees (Cole, 2011; Bratton, 2015). The human resources departments are charged with the responsibility of ensuring the development and implementation of HR related policies and programs for their respective organizations (Bratton, 2015). Generally, such human resource departments are obliged to develop policies for the efficient performance of the individual staff (Soliman, 2010). However, in the Ghanaian public sector, the performance of employees has always been a subject of discussion in the



public space with regard to their attitudes to work and performance (Kamoche, 2008).

The seeming low performance and poor attitudes of Ghanaian public servants has often been argued on the types and effectiveness of human resource management practices in place. One such institution in the public space whose performance has been questioned for a very long as regards its commitment to service has been the district, municipal and metropolitan assemblies of which Cape Coast Metropolitan assembly is no exception (Ohemeng & Anabo, 2012).

However, few studies have been carried out in this context of developing countries and even in the Metropolitan Assembly insufficient number of studies have been conducted especially in the context of state-owned organizations. This study, therefore, examines the impact of Human Resource Management Practices on employee performance and investigates the influence of four Human Resource Management Practices (recruitment and selection, training and development, performance appraisal and reward and compensation systems) on employee performance in the Cape Coast Metropolitan Assembly, Ghana.

### **Purpose of the Study**

This study is conducted to examine the effect of human resource management practices on employee performance in the Cape Coast Metropolitan Assembly.

### Objectives of the Study

Specifically, the study sought to achieve the following objectives;

1. To analyze the effect of reward and compensation on employee performance.
2. To examine the influence of recruitment and selection of employee performance.
3. To determine the effect of performance appraisal on employee performance.
4. To investigate influence of training and development on employee performance.
5. To examine the combined effect of the four dimensions of human resource management practices on employee performance.

### Research Questions

1. How does reward and compensation systems affect employee performance?
2. How does recruitment and selection systems influence employee performance?
3. What is the effect of performance appraisal on employee performance?
4. How does training and development affect the performance of employees?
5. To what extent does the combined effect of the dimensions of human resource management practices impact employee performance?

### **Significance of the Study**

The study will be of immense benefit to the employees and management of various assemblies in Ghana, students and academicians. This is because the study has highlighted how the concept of human resource management practices and employee performance are valued and understood and the need for all to pay attention to a variety of human resource management practices to enhance performance of employees.

Again, the factors leading to high performance as well as causes of low performance will inform the management of the assemblies in their decision making. Human resources managers will be helped through this study to be able to use the practices not just for the sake of it but to know how, when and what type of human resource management practice to use to achieve maximum performance of employees. This will play an important role in enlightening employers and shape their opinion on the role human resource management practices plays in ensuring continuous and consistent growth in performance.

Finally, the study will be of massive benefit to future researchers who will make use of the findings to conduct further research in the area of human resource management practices and employee performance in the various district, municipal and metropolitan assembly.

### **Delimitation of the Study**

The study was carried out in Cape Coast in the Central Region of Ghana. The study sought to examine the effect of human resource management practices on employee performance using Cape Coast Metropolitan Assembly. There are different human resource management practices but keeping with studies by Safiullah (2014); and Khan, Shahid,

Nawab, and Wali (2013), this study focused on reward and compensation, recruitment and selection, training and development and performance appraisal.

### **Limitation of the Study**

The quantitative data of this study were derived entirely from self-report questionnaires, with associated risks of social desirability bias (participants report what they think the researcher wants to hear) and mono method bias (participants are more concerned about being consistent than accurate in their answers). Financial constraints provided a challenge for the work; this limited the coverage of the entire employees and management of Cape Coast Metropolitan Assembly.

### **Organization of the Study**

The study is presented in five chapters. The first chapter is the introduction which covers the background to the problem, statement of the research problem, the objective of the study, research questions, and significance of the study, delimitations, limitations and organisation of the study. Chapter Two comprised theoretical literature review, conceptual definitions, empirical literature review, and conceptual framework. Chapter Three focused on the research methods which includes research design, study area, the population of the study, sample and sampling procedures, data collection instrument, data collection procedures, reliability and validity of the data, data processing and analysis. Chapter four also covered data analysis and discussions.

Finally, Chapter Five comprised summary, conclusions and recommendations.

## CHAPTER TWO

### LITERATURE REVIEW

#### Introduction

This chapter is devoted to relevant issues of the effect of human resource management practices on employee performance in the Cape Coast Metropolitan Assembly. The first section set the theoretical framework for the research issues to be discussed. Under this section, the theory underpinning the study was discussed. The second section dealt with the various concepts of the study and empirical review. It surveyed actual studies previously done on the problem. Finally, based on the reviewed literature about the constructs and the relationships among the constructs, a conceptual framework was proposed.

#### Theoretical Framework

The theoretical framework that helped provide the logical structure of meaning which guided the development of this study is Resource Based theory and Human Capital Theory. These frameworks were chosen as they helped bring meaning and generalisation. They also helped create the vision to which the research problem is focused.

#### Resource Based Theory

The resource-based theory as propounded by Porter (2015) argues that organizations, institutions and group among other sects derive their successes from the presence of joint and many or different components of resources owned by the organization. These resources of an organization include the human, financial, material, and capital resource which contain the essential knowledge and skills, talent and technical know-how. Even though all these resources are critical to the sustenance and success of organizations, human

resources take a central stage in the utilization of all the other resources (Porter, 2015) and thus require effective and efficient management systems which will help in their performance and utilization of other organizational resources. This is more so as efficient human resources are scarce, and firm.

Thus, management of HR requires the presence of HR practices that seeks to help in their effectiveness at work. Among such practices include recruitment and selection of highly qualified human resource, reward and compensation systems, and training and development schemes. Objectively, HR practices aim to attain competitive advantage (Wright, 2012). Studies by Singh, (2004) Mueller (2003) and Wright (2012) all indicate human resource as the most important capital for the attainment of organizational goals among all organizational resources. The recognition of HR as most important organizational resources calls for the implementation of certain measures towards managing it. Significantly, HR practices have centered on areas like recruitment and selection, reward and compensation systems, training and development, and performance appraisal (Armstrong, 2008).

Following the impetus granted HR by the resource-based theory, organizations have introduced several measures and practices to motivate, develop and increase their performance at work. This theory maintains that in order to develop a sustainable competitive advantage, organization must create resource in a manner that is rare, non-imitable, and non-substitutable. Wright (2021) argued that because the resources that have historically provided organizations with competitive advantage are easily and rapidly imitated, the human resources of the organization may be an extremely important source of sustained competitive advantage.

The Resource Based View (RBV) of the firm is a theoretical paradigm originating in the field of strategic management. The RBV assumes that resources and attributes of the firm are more important to sustained competitive advantage than industry structure and competitors' actions (Barney, 1997). Resources have been defined as the tangible and intangible assets a firm uses to choose and implement its strategies (Barney, 2001). The key elements of this framework require resources to be valuable, rare, inimitable and non-substitutable. Technology, natural resources and economies of scale can create value, RBV argued that these sources of value are increasingly available to almost anyone anywhere and they are easy to copy, whilst human resources which is defined as the pool of employees under the firm's control in a direct employment relationship (Wright & McMahan, 1992) can provide the firm with a source of competitive advantage with respect to its competitors.

The first of these criteria is the value added to the company's production processes, the contribution made by each employee having its effect on the results obtained by the organization as a whole. Also, since employees are not all the same, their characteristics are in limited supply in the market. In addition, these human resources are difficult to imitate. Since it is not easy to identify the exact source of the competitive advantage and reproduce the basic conditions necessary for it to occur. Finally, this human resource is not easily replaced; though short-term substitutes may be found, it is unlikely that they will result in a sustainable competitive advantage like the one provided by human resources. Therefore, the Resource Based Theory is

suitable for the study having identified human resource as a key resource of sustained firm performance and a source of competitive advantage.

### **Human Capital Theory**

The human capital theory was propounded by Schultz (2006) and developed by Nobel Prize winning economist Garry S. Becker in 1962 and 1964. Owing to the competitive nature of businesses, presence of globalization factors, technology, economic challenges and changing demands and taste of customers in both advanced and developing economies, organizations are compelled to seek for other sources of competitive advantages in various industries. Following this, competitive advantage acquisition implies organizations adopt means different from others particularly in the same industry. According to the theory, human resource is the center of all organizational resources as it is the most valuable organizational capital for development. The theory posits that, human capital undertakes all functions, roles and responsibilities in relation to various functions required to get an organization running.

This is more so as human resource makes use of all other organizational and societal resources. As a result, the theory indicates that, without human resources, organizations cannot thrive. The theory therefore recognizes that, human capital is pivotal to the growth and performance of organizations, certain essential practices and policies are required in all the areas of management that impact human capital. Recognizing the important contribution of Human Resource, various practices have been put forward by most organizations.



In particular, practices have centered commonly on rewards systems, recruitment and selection, training and development, performance appraisal, and employee welfare. Human resource practices like welfare, training and development, recruitment and selection, and succession planning serve as the tool for achieving the kind of competitiveness required by organizations as effective human resource practices put employees on the radar of effective and efficient performances. Following due recognition of HR as essential resources in organizations by this, theory, it is employed as the basis for analysis and subsequent discussions to examine the effect of Human resource management practices on employee performance at Cape Coast Metropolitan Assembly.

The human capital theory points out that human resources are the essential resource which perform all other duties and responsibilities towards the attainment of goals in the organizations. Human resources serve as engine of growth in organizations. They take on the task of controlling machines and technology; manage human resources, development of policies and programs and development of organizations. By these critical roles played by HR as indicated by this, it is important for the development of measures towards managing HR in organizations like Cape Coast Metropolitan Assembly. This theory thus gives impetus to the concepts of human resource practices and policies in organization such that, it recognizes human resource as key to organizational functioning. Through this, human resource policies are required to ensure the effectiveness and efficiency of the performance of human capital in organizations.

Most organizations both in Ghana and other parts of the world have thus instituted various schemes, practices and policies in relation to the management of human capital and the Cape Coast Metropolitan Assembly is no exception to this. This theory owing to its recognition of human capital and the existence of practices for their effective performance is adopted to examine how human resource management practices at Cape Coast Metropolitan Assembly influence the performance of employees.

### **Concept of Human Resource Management Practices**

Human Resource Management (HRM) is a discipline, a professional specialization that has developed in recent years as a broad spectrum of management, encompassing various field incorporated and synthesis with certain element of personnel management organizational behavior industrial and labour relationship and many more. HRM is defined as a strategic, integrated and coherent approach to the employment, development and well-being of the employees in respective organizations (Armstrong, 2010). HRM links with all the management decisions, actions and directions which affect the nature of the relationship between the employee and employer in respective organization (Beer et al., 2018).

Guest, (2018) explained that HRM comprises a set of policies and procedures designed to maximize organizational integration, commitment of employees attached, flexibility and quality of work performed by employees. HRM is “The management of work and people towards the desired ends” (Boxall, 2007). HRM is concerned with the means and ways of managing the workforce by their organization (Grimshow and Rubery, 2011). Redman, and Wilkinson (2001), elaborated that HRM policies are to be entangled with

strategic business planning of the organization in order to achieve the organization's excellence, through the committed workforce. Thus, organizational culture should be paid attention to value the human resources as a source of competitive advantage which they should be tapped by the consistent policies effective to commit the employees' willingness to act flexibly in the interest of the organization. According to Hutchinson, (2010) HRM is considered as an exceptional approach to employment management which desires to achieve competitive advantage through the strategic deployment of capable, committed and entrusted workforce using an integrated disposition of structural, cultural and personnel techniques. HRM is the policies, procedures and systems that influence employees' behavior, attitudes, abilities and performance. HRM is defined as a series of integrated decisions on the employment relationship in an organization that influenced the effectiveness of employees as well as the organizations (US Army War College, 2007).

Therefore, human resources have been identified as the most important asset of an organization.

It forms a greater and reasonable portion of organization's resources and directly connects to the success of an organization.

Human resource management practices dealt with all the aspects of how people are employed and managed in particular organization. It has a strong conceptual basis drawn from the behavioral sciences, strategic management, human capital and industrial relations theories.

This foundation has been built with the aid of a multitude of research studies (Armstrong, 2010).

Most of the organizations refer to HRM as involving people practices. There are significant

HRMP that should engage the organization's business strategy such as analyzing of work and designing of jobs, determining how many employees with specific knowledge and skills are needed (human resource planning), attracting potential employees (recruiting), choosing employees (selection), educating employees how to perform their jobs and preparing them for the future (training & development), evaluating their performance (performance management), rewarding employees (compensation) and creating a positive and healthy work environment (employee relations). An organization performs utmost when all of these practices are managed well. Organizations with effective HRMP, employees and customers apt to be more satisfied and the organizations apt to be more innovative, have a greater productivity developing a more beneficial identity in the community of employee (Larsen, & Brewster, 2003).

According to Dessler, (2007) HRMPs include selecting human resource needs, screening, recruiting, training, rewarding, appraising, attending to labor relations, safety and health. Management of an organization can reach the goals and objectives of human resources through the contribution (behavior), composition (ratio and skill), competence (ability) and commitment (Dyer and Holder, 1998). In fact, other resources make things possible but HR makes things happen. The term HR implies that people have ability and capability to drive organizations towards the success with the interaction of the other resources. Further explains that an effective HRMP enables employees to contribute effectively and productivity to the overall

organizational direction and the accomplishment of the organization's goals and objectives.

### ***Recruitment and Selection***

Recruitment and selection can be defined as the process of searching for candidates for employment purposes and stimulating them to apply for jobs in organizations either public or private (Brewster, 2008; Armstrong, 2008). Recruitment connotes the activity that links organizations with potential employees or job seekers on the street. It entails the process of finding and attracting capable applicants for employment in organizations. The process begins when new recruits are sought and ends when their application are submitted. The result is a pool of applicants from which new employees are selected. Recruitment and selection process provides the platform for the selection of potentially qualified candidates join an organization.

Chandan, (1987; 12) as cited in Brewster (2008) outlined six (6) main objectives of recruitment in organizations as follows; "Determine the present and future requirement of the organization in conjunction with its personnel planning and job analysis activities; Increase the job pool of job candidates at minimum cost; Help increase the success rate of the selection process by reducing the number of visibly under- qualified job applications; Help reduce the probability that job applicants, once recruited and selected, will leave the organization only after a short period of time; Meet the organizations legal and social obligation regarding the composition of its workforce; Evaluate the effectiveness of various recruiting technique and sources for all types of job applicants".

Theories on recruitment and selection argue that, employees must have in place a culture necessary to enable them fit into the new in organizations. In relation to this, Dessler (2006) argued that, for the purpose of employees attaining the necessary fit in the culture of organizations, human resource management team must develop and cultivate organizational culture that enhances the fit in process for employees and also promotes performance and productivity. Recruitment strategies usually include but not limited to advertisements in both electronic and print media, agencies and services, schools and colleges/universities forum, professional associations and internal resources and must as well as consider the various different portfolios in place like human resource manager or assistant, accountant, project manager, and director of administration.

Different forms of strategies for recruitment produce particular employees in organization with different levels of performances. In most cases, at the organizational level, interviews have been employed as the commonest means of recruitment strategy. Interview methods commonly used has been behavior-based interview as against situational interviews. Studies on recruitment and selection methods indicate that, behaviour-based interviews usually help in predicting the behavior and subsequent performance of employees rather than situational based interviews and thus behaviour-based interviews have often been employed largely (Armstrong, 2008). Recruitment policies in organizations involve how people and job seekers can be persuaded to apply for jobs in organizations.

In the course of recruitment, both sides of the process, that is, employers and candidates are required to be concerned of the need and the

issue of “fitness”. On the part of applicants, organizations and jobs will be attracted to them when they consider such opportunities as a perfect match for their career and interest whereas employers also consider the skills and capabilities of such candidates. Kamoche (2008) refers to this “fitness idea” as “Person Organization (P-O) “fit”. Applicants for job consider the “P-O” through an assessment and understanding of the organization’s culture. Largely, the success or failure of organizations in terms of productivity, profitability, attainment of goals as well as securing competitive advantage rests on the recruitment process and policies in place (Soliman & Spooner, 2010).

Selection specifically targets the act of choosing the “fit” applicant or rejecting the unfit or a combination of the two process (Gupta & Kohli, 2009). Selection process assumes that, the number of applicants outweighs the available openings and thus it basically centers on soliciting the maximum rate of information about various candidates so as to identify the most suitable for employment (Prasad, 2011). This shows that the process of recruitment and selection involves a procedural approach which examines the competence, skills and abilities of applicants in relation to the particular task. Applicants who do not meet the required capabilities and skills are ignored.

The essence of the “fit-in” approach is to ensure that organizations make the right decisions through recruitment, and save cost of training unproductive employees whilst seeking to attain maximum productivity and performance.

The objective of the recruitment and selection methods in place is to offer a comprehensive plan of attracting and retaining best human resource to aid in the accomplishment of organizational objectives.

### *Reward and Compensation System*

Reward systems encompass the set of policies, schemes and plans instituted by group, and organizations, either public or private to remunerate or compensate their employees for their performance or roles executed in relation to a particular activity (Armstrong, 2008). Armstrong and Murlis (2007; 18) observes that “reward is concerned with the formulation and implementation of strategies and policies that aim to reward people fairly, equitably and consistently in accordance with their value to the organization”. “Reward is thus, an operational concept for describing the positive value an individual subscribes to an object, behavioral act or an integral physical state” (Cole, 2011, p.18).

The institution of reward systems presents several importance to organizations. For instance, rewards systems position employees to be competitive; enable organizations to retain its skilled labor force whilst reducing employee turnover; promotes motivation, productivity and obtain their commitment (Armstrong, 2008). Organizational reward systems could range from the institution of pay systems, recognition, empowerment, promotion, awards schemes, acknowledgement of exceptional performance, job security, work conditions, interpersonal and supervisor relations and administrative rules and regulations achievement, work itself, recognition, responsibility and advancement (Aydin & Ceylan, 2009). Reward systems have the influence of motivating employees in organizations. Reward can be tangible or intangible and is usually made to an individual after undertaking a particular action (behavior) with the prime aim of influencing the individual’s action.



Motivation could come from the individual fellow or external factors (Weightman, 2008). Motivation emanating from an individual is known as intrinsic whereas those coming from external factors are known as extrinsic motivation. Work place reward systems have been identified to have positive impacts on employee performance. Reward programmes and policies serves as one of the key tenets of any sound human resource management practices and policies in organizations. Reward management could take various forms like tangible, money and intangible like recognition. Offering reward to employees creates the opportunity for meeting their various needs and expectations working in the organizations. When employees are rewarded, they feel appreciated and recognized and this propels them to perform towards a sense of belongingness, and maximum output.

### ***Training and Development***

The concept of training and development involves the organization of skills development programs and learning schemes for employees and individuals in various areas of limited knowledge in relation to their current or future role. Training forms an integral part of the human resource management and development in organizations (Cole, 2011). Offering opportunities for training and development seeks to create the platform for higher performance and productivity as well as pathway for the development and growth of individual employee's career. Workplace training and employee development is positively related to organizational commitment and performance. For instance, Bartlett (2011; 17) found a positive relationship between workplace training and organizational commitment. He indicated that, "from an employee standpoint, a training received is related to a significant portion of satisfaction

experienced on the job, and employee's value training on the job as well as equip them with the needed skills and abilities to offer customer satisfaction since they already satisfied themselves and will increase their performance levels".

Again, studies on the relationship between employee training and job performance, Pathardikar, Sahu & Jaiswal, (2016); Pathardikar & Sahu (2011); Schmidt (2004), argued that performance of employees at the work place is intimately related to the rate of training and development such that, regular training and development offers increased performance in task and responsibilities as work output largely is a by-product of employee's experience. Scholars further pointed out that, training and performance are related as they determine whether one will keep or lose the job when done well or otherwise.

Moreover, in the face of competition among companies and organizations in the same industry, training and development make the difference towards the attainment of competitive advantage as it positions employees to be very productive (Hyz & Pappas, 2005). New employees may also require similar training so as to improve their performance in their new roles whereas other employees may require training necessary for the development of new service and product (Pakenham & Bukachi, 2009). Greatly, job dissatisfaction results from the lack of skills and training of most employees as the difficulty encountered in the accomplishment of most tasks at work is due to employee skill levels.

For the purpose of meeting the training, development and skills needs of employees, Pakenham and Bukachi (2009) observed that organizations

should undertake a need assessment of all employees to identify their areas of skills need before organizing any training program. In relation to this, Foley (2004) indicated the need for training in organizations so as to avoid talent loss. Particularly, much importance is attached to competencies and skills, and redevelopment due to the changing socio-economic environment. The development of employees' competencies through training and development provides the impetus for great performance and productivity in organizations (Manente, 2008), hence the attainment of organizational success (Nelson & Wei, 2012). Training employees in organizations also depicts a strong commitment between an employer and employees as well as how the employer values his workers.

Absence of training and development thus implies the lack of skill and knowledge acquisition among employees in their respective areas of operations with its resultant effect of ineffective services, poor customer satisfaction, lack of self-satisfaction, and low productivity.

Considering the significance of employee training and development, human resource policies and practices have always been centered on it. A greater examination of the importance of training indicates that, it is very key to positioning employees in organizations towards both task and contextual performances. This is particularly so as training and development equips individual employees with the needed skills, attitudes, capabilities, technical know-how, knowledge of organization's mission, purpose and abilities and this shape them towards contributing to organizational objectives.

## Performance Appraisal (PA)

Performance appraisal (PA) is the measurement of work and its results by using the right method that can measure the desired quantity and quality with precision and free of personal judgments and vague criteria of evaluation (Armstrong, 2006). Performance appraisal is a formal system of review and evaluation of individual or team task performance (Deming, 1986). According to DeNisi and Pritchard (2006), PA is a discrete, formal, organisationally sanctioned event, usually not occurring more frequently than once or twice a year, which has clearly stated performance dimensions and/or criteria that are used in the evaluation process. In the words of Wambui (2016), PA serves as a strategy focusing on the employees' choosing behaviours that is required to attain goals of the organisation with success.

Performance is the way through which employees perform their duties and the evaluation is judging the performance of employees (Scott, 2009). Measurement of an activity is done by activity and comparison of its results with a criterion that we can evaluate the desired quantity and quality precisely. Thus, PA is an evaluation process, which involves a systematic, periodic and an impartial rating of an employee's excellence in matters pertaining to his/her present job and his/her potential for a better job. A critical point in the definition is the word formal, because in actuality, managers should be reviewing an individual's performance on a continuing basis.

In reality, Kolb and Osland (1995) suggest that appraisal is a process that begins long before the appraisal interview and consists of reviewing legal requirement; translating organisational goal into individual objective or requirements; setting clear expectations for job performance and communicate

both training and coaching that they require to meet the expectations; supplying adequate supervision, feedback, and coaching throughout the years; acknowledging employee accomplishments and diagnosing employee's relative strength and weaknesses and presenting all of these accurately during the appraisal interview to establish performance goals and development, plan with the employee, which include an action plan for improved performance and the efficient future use to the employees' abilities.

In the context of this study, the definition of PA is taken from Rue and Byars, (2005) as stated in Natalie, (2014) who consider performance appraisal as a method used in determining, examining and communicating how the employees perform their jobs and initiating plan for improving the process of carrying out work responsibilities. This definition addresses the specific aspects related with PA and also reveals that effectiveness and success of appraisal system depends on reactions and feedback of employees. This suggests that employee feedback is critical factor in assessing effectiveness of appraisal system (Thurston, 2001). This feedback can be positive or negative regarding outcomes of appraisal system.

Prior studies have revealed that positive feedback is more likely to be accepted whereas employees often hesitate to accept negative outcomes of appraisal system (Rao, 2004). On the other hand, Roberson and Stewart (2006) suggest that if negative feedback is delivered in an effective and persuasive manner, employees will take it seriously and will focus on eliminating the negative aspects in their performance aspects. An effective appraisal system helps to make a good decision on shortcomings of employee development and assess human resource policies and programmes. Overall,

there are five key elements of a PA. These include measurement, feedback, positive reinforcement, exchange of views, and agreement (CIPD, 2008a).

In the context of the sources of PA, it can be said that the appraiser is likely to be any person, who has thorough knowledge about the job content, contents to be appraised, and who observes the employee while performing a job. According to Mahesh and Lee (2014) PA can be done by anyone familiar with a person's performance including the following: supervisors, subordinates, peers, customers and self-appraisal. These are discussed as follows:

*Supervisor rating of subordinates:* Rating of employees by supervisors is based on the assumption that the manager is the most qualified person to evaluate the employee's performance realistically, objectively and fairly. There are drawbacks to this approach; the superior may have an ethical bias against 'playing God', the superior may not have the necessary interpersonal skills to give good feedback, and, lastly, the superior - having reward and punishment power - may make the employee feel threatened and alienated.

*Employee rating of superiors:* The concept of having superiors rated by subordinates is being used in a number of organisations today, to make their organisations less hierarchical, and to develop better managers. While subordinates often do not have access to information about all dimensions of supervisory performance, they do have access to information about supervisor subordinate interactions. Drawback: subordinates may not always evaluate performance objectively or honestly - particularly, if subordinates feel threatened.

*Peer ratings:* Peer ratings are especially useful when supervisors do not have the opportunity to observe each employee's performance, but other work group members do. Common performance dimensions on which team members have evaluation expertise include attendance and timeliness, interpersonal skills, group supportiveness, and planning and coordination. Drawback: peer evaluations have not been widely used however- with the exception of TQM organisations because usually team members resist evaluating colleagues since this can damage relationships. Thus, it may be that peer evaluations are best used for developmental purposes rather than for administrative purposes. Appraisal by Customers: For salespeople and other service jobs, customers/clients may provide the only really clear view of certain behaviours. The information that customers provide can serve as useful input for employment decisions, such as those regarding promotion, transfer, and need for training. It can also be used to assess the impact of training, or as a basis for self-development.

*Self-Appraisal:* Self-appraisal is a self-development tool that forces employees to think about their strengths and weaknesses and set goals for improvement. Thus, if an employee possesses a unique skill, the employee may be the only one qualified to rate his/her own behaviour. Yet, employees may not rate themselves as supervisors would rate them, using quite different standards. (Schuler, 1995).

Although any of these can conduct PA, none of them is immune to errors. There are many possible sources of error in the PA process. One of the major sources is a mistake made by the rater. There is no simple way to eliminate these errors but making raters aware of them is helpful. The most

common errors committed in performance appraisal include: the halo effect; leniency; strictness; the central tendency error, and the contrast error (Mahesh & Lee, 2014).

In effect, PA helps to evaluate the current levels of performance, assess them against the desired levels, and therefore enhances performance, adds value and contributes to objective attainment. Regular performance appraisal reviews can contribute to the auditing of performance, as well as motivating employees to perform even better (Foot & Hook 2011). In addition, appraisals can provide an opportunity to discuss issues such as promotion or underperformance (Egginton 2010). This suggests that the appraisal process can be seen as an opportunity to take an overall view of, for instance, work content and achievements, and to agree on objectives for the next period. In short, performance appraisal is one way of giving feedback to employees. Besides, it is also a useful tool for identifying poor performance already at an early stage. Foot and Hook (2011) therefore point out, that the objective of PA could be to transform performance levels by encouraging and enabling increasingly new or innovative ways of working.

In as much as performance appraisal is but one component of performance management, it plays a very vital role, in that it directly reflects the organisation's strategic plan. In essence, employee performance appraisal is an effective tool or vehicle for assessment of employee performance and implementation of strategic initiatives for the improvement of employee performance (Lawler and McDermott, 2003).



## Employee Performance

Employee Performance has always been a significant concern for managers of organisations (Kelidbari, Dizgah, & Yusefi, 2011). Similarly, employee performance is key edifice of an organization therefore, facets that place the grounds for great performance must be examined critically by the organizations for them to succeed (Abbas & Yaqoob, 2009).

According to Lee, et-al, (2011), in a study titled —The effects of internal marketing, job satisfaction and service attitude on job performance among high-tech has always been regarded as an important item in organizational management defined job performance as workers' total performance in meeting the anticipated worth and achievement of tasks under the procedure and time requirements of the organization.

Similarly, Liao et-al, (2012), defines job performance as the standard for advancements, redundancy, rewards, punishments, reviews and salary changes. It also satisfies the needs for employees to realize themselves. Ahmad and Khurram (2011), also argue that employee performance represents the extensive belief of the employees about their behaviour and contributions towards the achievement of the organization. According to Ahmad and Shahzad (2011), apparent employee performance embodies the whole belief of the employee about their conduct and contributions to the achievement of the organization and further stated that reward practices, performance evaluation and promotional practices as a determinant of employee performance.

Anitha, (2013) define employee performance as a pointer of financial or other outcome of the employee that has a direct linking with the performance of the organisation as well as its accomplishment, further

revealed that working atmosphere, leadership, team and co-worker relationship, training and career development, reward programme, guidelines and procedures and workstation wellbeing as well as employee engagement are major factors that determine employee performance. However, a study conducted by Alagaraja1 and Shuck (2015) intended to discover dominant viewpoints of organizational configuration and employee engagement in order to understand the reasons associated with enhancing individual performance argue that employee performance can be enhanced or improved through training and development.

According to Cole (2011), the principal objective of organizations, small or large in both developed and developing societies alike is to attain a greater level of competitive advantage in the market arena of their operations and activities, thus calling for the need for efficiency in their activities. Significantly, the effective functioning and performance of organizations depends on the human resource available. This is because organizational growth and performances result from HR's levels of productivity, education and skills development in relation to their areas of specializations and task performance (Armstrong, 2007). Maslow (1971) as cited in Armstrong (2007) observed that, the satisfaction of human needs is a critical factor to individual employee performances in organizations such that people have different needs, different ambitions and attitudes, different levels of knowledge and skills, potentials as well as responsibility (Humes, 2008).

The difference in employee needs and the expectation of satisfaction implies that, when such needs are met by organizations, employees are well-positated to perform towards the attainment of organizational objectives. This

leads to increased productivity, growth and development in organizations in the long run (Katanbutra & Avery, 2015). Biddle & Evenden (2014; 18) describe performance as “a pattern of behavior which a manager or supervisor uses in relationship with others, particularly subordinates or those of more junior status”. Performance basically is concerned with the manner and authority and leadership is expressed by organizational and institutional heads alongside the feedback derived from the subject (employees) of such authority.

One major function of management in organizations is basically performance as it encompasses all functions, roles and activities. Every organization has its own unique policies in the management of human resources. Despite the differences, such policies should support individuals in the performance of their roles and responsibilities (Cohen, 2012; 2010). In the course of observing performance at organizational settings, usually, individual job performance is compared to the measurement criteria set. Whereas high performance may attract reward and promotion, low performance often attracts any other system as may be deemed right by the organization.

Actions could come in the form of demotion, transfer or a complete sack from the organization (Amos, 2005). Kim (2010) submitted that, low performance in organizations usually calls for corrective actions in the form of organizing training and development or demotion whereas in the event of higher performance ratings, employees may be rewarded.

Every organization’s success rests on high performance of its employees as their performance ultimately results in the attainment of organizational goals and objectives as well as attaining the needed competitive advantage in their industry of operations (Mackey, 2008).

Employee performance is also an important facet of motivation to the individual worker as attaining higher performance on task in organizations connotes several factors like specialization, experience, salary increment, and recognition among peers whereas low performance records of an employee could serve as a source of demotivation and an indication of lack of knowledge, experience and skills to the individual employee (Biddle & Evenden, 2014). A critical examination of the above conceptions of employee performance indicates that, employee performance at the organizational level is the process connoting some form of behaviors and attitudes exhibited by employees at the work place towards the performance of task and accomplishment of organizational set goals. Employee performance relates with how individual employees accomplish various task set out for achievement with regard to defined job description as well as contextual performance.

Ahmad and Shahzad (2011) argued that performance of an employee expresses the entire principle of an employee in esteems to the actions and input to the achievement of the organisation goals and mission. They further stated that practices of compensation, evaluation of performance and practices concerning promotion of and employee are the yardstick for performance of a worker. So also, Anitha (2013) stated that performance of an employee is a measure or pointer of monetary or other result of the employee that has absolute relationship with organisation performance and achievement as well. Anitha, (2013) additionally disclose that atmosphere at which employee perform task and other schedules, relationship with bosses, employee

relationship and that of team, compensation procedure, and engagement of an employee are determining factors for performance.

Conversely, Alagaraja<sup>1</sup> and Shuck (2015) disclose that employee performance can be measured by means of regular training and improvement.

To add to it, Thomas and Feldman, (2010) take on measures of employee performance as core job performance, that includes in-role performance, security performance, and inventiveness, trailed by citizenship performance, branded into equally targets-specific and wide-ranging organizational citizenship. As far as this study is concerned however, dimensions for measuring employee performance provided in the study of Armstrong (2008) were chosen, for which they considered the concept recruitment and selection, reward and compensation system, training and development, and performance appraisal as the measure of change in employee performance.

### **HRMPs and Employee Performance**

Studies on HR resource practices in organizations have indicated that, human resource practices are critical to the management affairs of employees as they contribute significantly to the performance of individuals and the growth of organizations (Amos, 2008; Armstrong, 2008). As a result, several studies have concluded that, effective human resource practices and employee performance are positively related in organizations. For instance, Boselie (2005); Collins & Smith, (2006) and Hailey et. al, (2005) conducted studies on the relationship between human resource practices and employee performance in America and concluded that, there exist a positive kind of relationship between human resource practices and organizational performance owing to the positive results generated.

According to the authors, human resource practices provide the needed space for the attainment of increased performance owing to its ability to offer motivating factors, training and skills. Wall & Wood (2005) argued that, the performance of employees in organizations solely rests on the type and extent of application of human resource practices adopted by the organizations. This was particularly the case as the available human resource policies indicated what employees would do and what they would not do as well as provided for the needs of employees. To this end, they concluded that, any organization that seeks to achieve maximum productivity and performance from its employees need to institute some good and sound human resource practices and policies. This is so as the human resource component of organization's assets constitutes the most critical aspect of management and growth at the organizational level.

They further observed that, since there is a positive relationship between human resource practices and organizational growth, the absence of good human resource policies and practices implies, greatly, low employee performance and contribution to the success of organizations.

This will ultimately impact on the competitiveness and growth rate of organizations.

### **Empirical Review**

Human resources form an integral part in the list of resources for the management and growth of organization, the world all over. The quest to attain competitive advantage in a particular industry largely depends on the capabilities, knowledge and skills of employees in place (Armstrong, 2008). This is particularly so as the human resource component of organizations takes

up the development, and initiation of all other policies, schemes, and strategies towards the development of the organization. Thus far, the pivot of attaining other strategic goals and usage of other resources rests largely on the capabilities of employees in place (Bratton, 2007, p. 37).

Owing to the importance of HR policies and practices, organizations must strive to implement best practices so as to reap the full benefits of human resource management. In the absence of such best practices, organizations risk losing a greater chunk of their human capital and their contribution. Carter & Scarbrough (2010); Robertson & Hammersley (2009) observed that, best HR practices constitute the basic factors of knowledge management in organizations such that, without them, organizations cannot move in any way possible. For Flood et al., (2001; p. 45) “the trouble is that knowledge is not a discrete object and that the most valuable knowledge is embedded in people and so difficult to transfer outside the immediate context that it becomes a major competitive advantage”.

Flood et al., (2001) contend that, the significant feature here is the personal nature of tacit knowledge which demands that, those possessing such credentials to share and transfer them to other employees. Thus far, essentially, the success of any talent and knowledge management process most largely would depend on participants who are highly committed to the process (Robertson & Hammersley, 2009).

Similarly, in the case of Africa, Soliman and Spooner (2011) conducted a study on implementation of human resource management practices in Kenyan Universities and their impact on productivity and concluded that, the major determinant of performance in universities in Kenya

was the resultant of effective of human resources policies and practices such that, good HR practices led to the employment of qualified lecturers and researchers as well as other administrative staff that aided in the performance of schools. He also contended that HR practices serve important role in the knowledge transfer, sharing, creation and absorption process. Accordingly, he added that HR practices such as rewards systems, selection and recruitment criteria, as well as career development systems “have an influence on the flows of knowledge which is seeking to maximize employee performance that would result in the overall organization performance” (Soliman & Spooner, 2011, p.82).

On the part of Oltra (2005), in organizations, human resources undertake all important roles and thus HR policies should be centered on the humans in organizations with a greater emphasis on the kinds of employees and pool of talents available. Related to this, the development and institution of human resource practices and policies takes into account several factors and considerations. Guest et al. (2003) for instance indicated that, the formulation of policies and consideration of HR practices in organizations takes into account factors included but not limited to labor law and regulations, religion, and expatriate workforce and social elites, as well as culture (Aycan et.al., 2007). A greater examination of the above discussed empirical studies throws more light on the importance of human resource practices in individual employee and overall organizational performance.

Njanja et al., (2013) undertook a study on Effect of Rewards on Employee Performance. Their conclusion was that cash bonuses had no significant effect on employee performance. Those who had received and



those who had not received perceived it to affect their performance the same; hence it did not have a significant effect on performance. They stated that Rewards have been known to have a positive effect on employee performance. However, no rewards system is perfect, this is because motivation is personal and what motivates one employee could be different from what motivates the next. Therefore, the organization should get to know their employees well so that they can employ the right motivational strategy.

According to Murphy (2015), reward practices do have a relationship with performance. He said in both the primary and secondary research, he found evidence to support the use of a more comprehensive or total rewards approach to how employers managed and designed rewards systems. Responding to employee needs and expectations should govern an organizations rewards system. These expectations may ultimately change the standard practice of formal policies that govern the organization in question. A total rewards design within a modern multinational organization above all needs to be relevant to current needs and expectations. It should always be developed in real time. Rewarding should not only be applied to individual employees within the organization but also to teams that perform excellently. Incentives given for good behavior usually improve the relationship between the employees and management because employees feel that they are being appreciated for their efforts and good work. This leads to increased employee morale, better customer care as well as increased productivity.

Onyango and Wanyoike (2014) did a study on the effects of training on employee performance in Siaya County, Kenya. The study employed questionnaires to collect data from 56 respondents using the stratified

sampling technique. Inferential analysis was conducted to determine the effect of training on performance of the employees. The results of the study showed that there is a strong positive relationship between training and development of employees and performance. The results implied that the performance of the employees was positively influenced by training.

Ojoh and Okoh (2015) investigated the impact of training on employees' job performance. A set of structured questionnaires was used as the instrument for data collection and the sample size was 60 employees who were sampled from a population of 70. The results showed that training impacts positively on the organisation under the study. Secondly, the findings also revealed that training is an organizational way of improving on employees' performance. It further revealed that lack of training brings about low productivity of workers.

Mulievi and Wanyama (2019) in their study sought to establish the influence of performance appraisal practices on employee performance in the health sector in the County

Government of Kakamega with a view of proposing a mechanism to manage employee retention. The study was anchored on Equity Theory. Performance appraisal practices and employee performance results revealed a positive and significant relationship in the health sector in the County Government of Kakamega. The study recommended that organizations should effectively implement performance appraisal practices in various departments. The study findings may help to streamline the performance of staff in the health sector in Kakamega County.

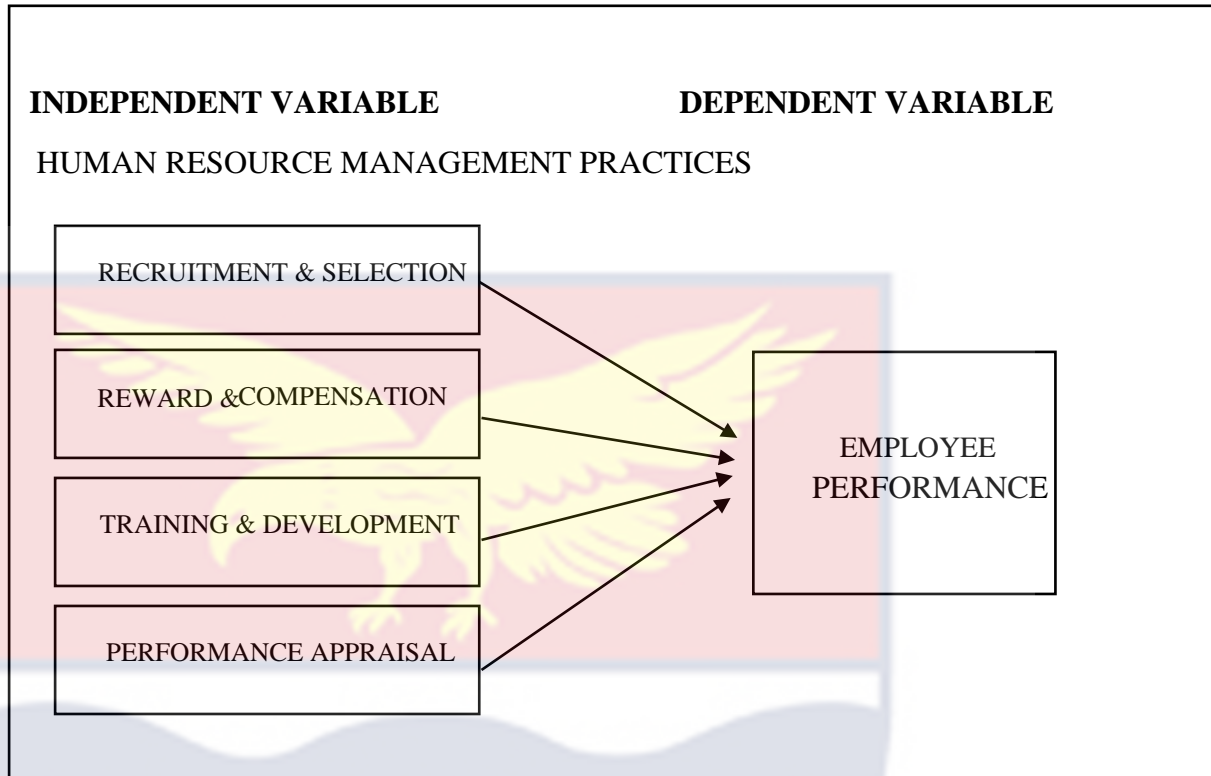
Ajibola, Mukulu and Simiyu (2020) sought to investigate the influence of performance appraisal and employee performance among workers in South-West Nigeria. The study adopted descriptive research approach. Descriptive statistics, correlation and regression analyses were used for the data analysis.

The study found out that performance appraisal had positive significant influence on employee performance. Based on the findings of the study, the study concluded that performance appraisal has a significant influence on employee performance.

HR practices provide the needed facilities required by both individual and organizations to put out their best among competitors. Thus far, it is important organizations develop the required human resource practices that will enhance employee performance and see to address their competitive needs of organizations.

### **Conceptual Framework**

Based on the overall review of related works of literature and the theoretical frameworks, the following conceptual model in which this specific study is governed was advanced. As illustrated in the literature, the human resource management practice has significant influences on employee performance as seen in the figure below. The relationship of the variables for this study is referred to as follows;



**Figure 1: Conceptual Framework**

Source: Author (2022)

Employee performance has been taken as a dependent variable while, human resource management practices as an independent variable. In the independent variable, HRMPs includes four practices (i.e., recruitment and selection, reward and compensation system, training and development and performance appraisal) are assessed.

### Chapter Summary

This chapter has served as the foundation for the development of the study. It also, reviewed the literature based on the objectives and research questions. This literature was reviewed under the following sub-headings. The first section explored the theoretical models underpinning the study which is Resource Based Theory and Human Capital Theory. The second section also examined concepts of human resource management practices such as recruitment and selection,

reward and compensation, training and development, performance appraisal and employee performance. Finally, the last section focused on empirical literature of the relationship between human resource management practices and employee performance with a conceptual framework within the context and scope of the study also discussed.



## CHAPTER THREE

### RESEARCH METHODS

#### Introduction

This chapter presents the methodology used to carry out this study.

Research methodology articulates how the researcher went about his/her study and the logic behind each method used. The rationale is to help the researcher to systematically solve the research problem. Elements to be discussed under this section include; research design, research approach, research area, population, sample and sampling techniques, instrument, and data collection procedure, validity and reliability and data analysis.

#### Research Approach

Sekaran and Bougie (2016) postulated that, the epistemological underpinning of a quantitative motif holds that there exist definable and quantifiable social facts. The study therefore employed the quantitative research approach based on the nature of the study purpose under consideration, specific objectives, hypotheses and the nature of the primary data to be collected and analysed. Creswell (2014) asserted that quantitative approach deals with explaining phenomena by collecting numerical data that are analysed using mathematically based methods (in particular statistics). This approach typically begins with data collection based on a hypothesis or theory and it is followed with application of descriptive or inferential statistics (Tashakkori & Teddlie, 2010).

Quantitative methods are frequently described as deductive in nature, in the sense that inferences from tests of statistical hypotheses lead to general inferences about characteristics of a population. Quantitative methods are also

frequently characterized as assuming that there is a single “truth” that exists, independent of human resource management practice (Lincoln, Lynham & Guba, 2011). It was also found that the findings from quantitative research can be predictive, explanatory, and confirming (Williams, 2007 as cited in Bernard & Bernard, 2012).

### **Research Design**

According to Singh (2006), research design is essentially a statement of the objective of the inquiry and the strategies for collecting the evidence, analysing the evidences and reporting the findings. Research design is a plan or a guide which specifies how data relating to a given research should be collected, measured and analysed (Sekaran & Bougie, 2016). According to Kothari (2004), research designs deal with creation of decisions regarding the techniques which are utilized in gathering data, the type of strategies and instruments for sampling, and ways in which the constraints of time and cost can be dispensed. Sekaran and Bougie (2016), and Saunders and Lewis (2016) posited that research design can be categorised into three broad categories based on the purpose of the study; namely, exploratory, descriptive and causal designs.

The research design selected for the study is the explanatory survey design. According to Grey (2014), an explanatory study design sets out to explain and account for the descriptive information. So, while descriptive studies may ask ‘what’ kinds of questions, explanatory studies seek to ask ‘why’ and ‘how’ questions (Veal, 2017). It builds on exploratory and descriptive research and goes on to identify actual reasons a phenomenon occurs. Explanatory research looks for causes and reasons and provides

evidence to support or refute an explanation or prediction (Kumar, 2019). It is conducted to discover and report some relationships among different aspects of the phenomenon under study. As defined in previous section, the main aim of the study is to investigate the effect of human resource management practices on employee performance with reference to Cape Coast Metropolitan Assembly. To achieve this, it draws statistical, quantitative results and further seeks to provide justifications on the established relationship with qualitative study.

Therefore, the pertinent research design obviously is explanatory type that responds to both the how and why aspect of the fundamental research question. Rahi (2017) identified two main difficulties associated with this design. These include the difficulty of ensuring that items to be responded to are very clear, getting respondents to respond to the items thoughtfully and honestly and the difficulty to reach appropriate conclusions on the basis of causal research findings. This is due to the impact of a wide range of factors and variables in social environment. Despite the difficulties, the major advantage of this design is that it has the potential of providing a lot of information from a large sample of individuals. Necessary measures such as obtaining the validity of the instruments and direct instrumentation were taken in order to minimize the difficulties mentioned above.

### **Study Area**

The Cape Coast Metropolitan is one of the 261 Metropolitan, Municipal and District Assemblies (MMDAs) in Ghana and forms part of the 22 MMDAs in Central Region. The Metropolis covers an area of 122 square kilometers and is the smallest metropolis in the country. It is located on



longitude 1° 15'W and latitude 5°06'N. It occupies an Area of approximately 122 square kilometres. With its administrative capital as Cape Coast, the Cape Coast Metropolitan Area is one of the oldest districts in Ghana. It was raised to the status of municipality in 1987 by LI 1373 and upgrade to metropolitan status in 2007 by LI 1927. Metropolitan is bounded on the south by the Gulf of Guinea, west by Komenda Edina Eguafo Abrem Municipal, east by the Abura Asebu Kwamankese District and north by the Twifo Hemang Lower Denkyira District. The population of the Metropolis according to 2010 population and housing census stands at 169,894 with 82,810 male and 87,084 female. It has a vision to create and maintain a smart, sustainable, resilient City and a mission to improve the quality of life of people living within the City of Cape Coast by providing leadership and opportunities for social and economic development whilst maintaining a clean, attractive and secured environment.

The Cape Coast Metropolitan Assembly has sixteen (16) Departments and other Units with Heads of Departments who all report directly to the Metropolitan Coordinating Director (MCD) and ultimately to the Metropolitan Chief Executive (also referred to as the mayor). The General Assembly meetings are presided over by the Presiding Member (PM). The General Assembly has a Membership of 66 comprising of 41 Elected Members, 25 Government Appointees, 2 Members of Parliament and the Metro Chief Executive who also chairs the Executive Committee. In the performance of its functions, the Accra Metropolitan Assembly works through 14 Sub-Committees. These Sub-Committees perform deliberative functions and submit recommendations to the Executive committee for further deliberation

and then to the General Assembly for final decisions and implementation. The Fourteen (14) Sub-Committees include; Social Services, Finance and Administration, Development Planning, Revenue Mobilization, Justice and Security, Education, Works, Environment, Youth and Sports, Culture and Trade Tourism and Industry, Disaster Management, Food and Agriculture, Health, Women and Children.

### **Population**

The research problem had a bearing on the population. According to Sekaran (2003), the population is the study object and consists of individual groups, institutions, human products and events or the conditions to which they are exposed. According to Leedy and Ormrod (2010) is the target group about which the researcher is interested in gaining information and drawing conclusions. The population of the study will cover all staff within the Cape Coast Metropolitan Assembly in the Central Region of Ghana. The accessible population consists of eighty (216) employees in the organisation. Employees from the organisation were used because of proximity and accessibility of the institution. The frame of the available population was identified through personnel records of the individual provided by the Division of Human Resource of the institution.

### **Sample and Sampling Procedure**

The sampling technique used in this study was simple random technique. Out of the 216 employees from the assembly, a representative sample was drawn for the study. Simple random sampling technique was employed to select the sample from the chosen assembly. This gave all units of the accessible population an equal chance of being selected and also enhanced

the reliability and validity of the study. The sample size was obtained by using the Krejcie and

Morgan (1970) table of sample size determination.

The table has figures for a population ranging from 10 to 1,000,000.

The selection of the sample size only involves an accurate matching of the appropriate cell in the sample size column to the corresponding cell in the population column. Therefore, for a population of 216 staffs, a sample size of 136 staffs was required.

### **Data Collection Instrument**

The research instrument that was used for data collection was a questionnaire. However, some of the materials used in the course of this study were obtained from secondary sources such as published literature, particularly from the internet, journals, textbooks and reports. This is very useful in social science research (O'Brien & Toms, 2010). A questionnaire is a formalized set of questions for obtaining information from respondents (Malhotra, Birks & Wills, 2013). Close ended questions were used to elicit responses needed to answer the research questions and achieve the objectives set for this study. The closed-ended questions required the respondent to choose from among a given set of responses and require the respondent to examine each possible response independent of the other choice.

It also employed a Likert scale, which is more useful when behaviour, attitude or other phenomena of interest needs to be evaluated in a continuum (Leedy & Ormrod, 2010). Groves, Fowler, Couper, Lepkowski, Singer and Tourangeau (2011) posits that there are distinct advantages in using questionnaires rather than interview methodology. Questionnaire was chosen

because it could generate reliable and valid data from a high proportion of a population within a reasonable period. At the same time, it is cheaper and flexible using a questionnaire as it could provide accurate information. The questionnaire was self-constructed and administered to the sampled participants, mainly; employees in the assembly.

### **Data Collection Procedure**

Primary was used for this study. Primary data are original data sources that are collected fresh and for the first time and therefore happen to be the original in nature. The primary data was collected using the survey method. This involved the distribution of questionnaires and collection of data from respondents. In order to achieve the objectives of the study, well designed questionnaires with close ended questions were used. The questionnaires were distributed to the respondents by the researcher personally.

### **Validity and Reliability**

Validity and Reliability are two key components to be considered when evaluating a particular instrument. Reliability, according to Bless and Higson Smith (2000), is concerned with consistency of the instrument, and an instrument is said to have high reliability if it can be trusted to give an accurate and consistent measurement of an unchanging value. Reliability means dependability or consistency (Neuman & Kreuger, 2003). It indicates the likelihood that a given measurement technique will repeatedly yield the same description of a given phenomenon. The role of reliability is to minimize the errors and biases in a study (Yin, 2017). The validity of an instrument, on the other hand, refers to how well and instrument measures the particular concept it supposed to measure (Brynam, 2016).

They further argue that an instrument must be reliable before it can be valid, implying that an instrument must be consistently reproducible; and that once this has been achieved, the instrument can then be scrutinized to assess whether it is what it purports to be. To ensure validity of questionnaires, the researcher reviewed other relevant literature that served as evidence and supported the answers found using the questionnaire, relevance being determined by the nature of their research question and their own judgement (Brynam, 2016).

### Results of the Cronbach's alpha

In order to measure the reliability of the gathered data, Cronbach's alpha was used. Table 1 shows Cronbach's alpha of all indicators. The results in Table 1 provides the values of Cronbach's alpha for all the variables. It appears from the table that the values of Cronbach's alpha range between 0.789 and 0.804. These values are all equal or well above the minimum value of 0.70 as per Brynam (2016). Thus, it can be concluded that the measures have an acceptable level of reliability.

**Table 1: Reliability of Scales and Cronbach's Alpha of Study Variables**

Variable	Items Retained	Cronbach's Alpha
Recruitment and selection	6	0.804
Reward and compensation	8	0.752
Training and development	6	0.789
Performance appraisal	6	0.765

**Source:** Field Survey, Kpangkpari (2022)

## Data Processing and Analysis

The responses from the questionnaires was checked for errors, coded and then entered into the Statistical Package for Social Science (SPSS) version 26.0 for processing. Coding was done to facilitate a comprehensive analysis of the data. Both descriptive statistics and inferential statistics were computed. Descriptive statistics, such as frequencies, mean scores, standard deviations and percentages were used to analyse the demographics. Inferential statistics such as linear and multiple regression analysis were used to establish the influence of human resource management practices on employee performance. The data were analysed based on the stated hypothesis of the study. The results produced by the SPSS tool were then tabulated and interpreted. The multiple regression model will be considered as:

$$EP = \beta_0 + \beta_1RS + \beta_2RC + \beta_3TD + \beta_4PA + \varepsilon$$

Where,

*Dependent Variable:*

EP = Employee Performance

B<sub>0</sub> = Intercept

$\beta_1, \beta_2, \beta_3, \beta_4$  = coefficient of the independent variables

*Independent /Explanatory Variables are:*

RS= Recruitment and Selection

RC = Reward and Compensation

TD= Training and Development

PA= Performance Appraisal

Control Variables are:

$\varepsilon$  = Error Term.

### **Ethical Consideration**

According to Awases (2006), ethics is mostly associated with morality and deals with issues of right and wrong among groups, society or communities. It is therefore important that everyone who is engaged in research should be aware of the ethical concern (Rubin & Babbie, 2016). The researchers will employ every effort to avoid as far as possible violation of ethical principles. Edginton & Chin, (2012) have identified the basic ethical consideration for research as; respondents being fully informed about the aim's methods and benefits of the research, granting voluntary consent and maintaining the right of withdrawal. The rationale for the study, assurance of confidentiality and the right of withdrawal will be explained to the participants.

The researcher in the conduct of this study educated the participants concerning the details needed for the study, the reasons why the information are being gathered, the rationale, as well as the way in which they were expected to participate. Again, the researchers assured them of the confidentiality of the information given.

### **Chapter Summary**

This chapter has provided information as to how the primary data for the study was collected, organized, analysed and presented for easy comprehension. This chapter also presents information on the design of the study and scientific approach it took in terms of approach to data needs, statistical techniques and systematic enquiry into the investigation under consideration.

## CHAPTER FOUR

### RESULTS AND DISCUSSION

#### Introduction

The study was conducted to assess the effect of human resource management practices on employee performance of Cape Coast Municipal Assembly (CCMA). This chapter provides the results and discussions of the analysis of the study. Again, the findings were discussed in light of their managerial implications as well as how they relate to some empirical claims as enshrined in the literature review. The findings are presented on Tables chronologically reflecting the order of the specific objectives.

#### Demographic Information of Respondents

This section presents the background characteristics of the respondents. Some of the issues considered under the section were the gender, age, marital status, educational level of respondents, and the working experience of the respondents at the Cape Coast Metropolitan Assembly. Demographic information of the respondents was descriptively measured with frequency and percentage (%) because these statistical tools are appropriate to measure categorical data. This information describes the respondents that were surveyed to prove the sample was selected from the target population. The findings were presented in Table 2.



**Table 2: Demographic Characteristics**

	Frequency	Percent (%)
<b>Gender</b>		
Male	75	55.0
Female	61	45.0
<b>Age</b>		
21-30 years	78	57.5
31-40 years	34	25.0
41-50 years	17	12.5
51-60 years	5	3.8
61 and above	2	1.2
<b>Type of Employment</b>		
Part-Time	44	32.5
Contract	17	12.5
Full-Time	75	55.0
<b>Academic Qualification</b>		
Master's	56	41.3
Bachelor's/HND	71	52.5
WAEC	9	6.2
<b>Working Experience</b>		
Below 3 years	55	40
3-6 year	46	33.8
7-10 years	26	18.7
11-14 years	5	2.5
Above 14	7	5
<b>Total</b>	<b>136</b>	<b>100</b>

Source: Field Survey, Kpangkpari (2022)

**Response Rate**

Table 2 shows the results of the demographic characteristics of the participants of the study. The results as shown in the table reveals that majority (55.0 per cent) of the participants of the study were male, while 45 per cent were female. The distribution of the participant's age reveals that 57.5

per cent of them were 21-30 years, 25.0 per cent were 31-40 years, 12.5 per cent were 41-50 years, 3.8 per cent were 51-60 years while 1.2 per cent were more than 60 years of age. Almost 13 per cent of the participants of the study were found to be employed on contract basis, 55.0 per cent of the participants were employed full-time whilst 32.5 per cent of the participants were part-time workers. In terms of the academic qualification of the participants of the study, 52.5 per cent of the participants had bachelor's degree or HND, 41.3 per cent had master's, and 6.2 per cent had WAEC.

The results of the working experience of the participants of the study revealed that majority (40 per cent) of the participants of the study had below 3 years working experience in the assembly, 33.8 per cent of the participants of the study had 3-6 years working experience in the assembly, 18.7 per cent of the participants of the study had 7-10 years working experience in the assembly, 2.5 per cent of the participants of the study had 11-14 years working experience in the assembly while 5.0 per cent of the participants of the study had above 14 years working experience in the assembly. This result shows that majority of the participants of the study are abreast with the human resource management practices in the assembly.

**Table 3: Response Rate**

Questionnaire	Count	Percentage (%)
Returned	122	89
Non-Returned	14	11
<b>Total</b>	<b>136</b>	<b>100</b>

Source: Field Survey, Kpangkpari (2022)

The survey questionnaire was selected to study 136 staffs at the Cape Coast Metropolitan Assembly using the simple random technique with 122 returned survey questionnaire samples to proceed with the survey questionnaire analysis process, which represented 89% of the total number of survey questionnaires sent. The response rate fell within the response rate of 50%, 60%, 70% and 80% proposed by Babbie (2005) to be adequate, good, very good and excellent respectively, and well above the average response rate of 35.7% (+/- 18.8), which was normal for a research study conducted at the organisational level (Baruch & Holtom, 2008).

### **Descriptive Statistics of Construct**

The constructs were descriptively measured with the means (M) and standard deviation (SD).

### **Human Resources Management Practices**

In order to assess the human resources management practices, respondents were asked to what extents are they agree or disagree with the following aspects of human resources management practices that gives them competitive edge in the region in the Cape Coast Metropolitan Assembly and their responses were descriptively measured with the mean (M), standard deviation (SD), Skewness and Kurtosis. The mean score was reported using a mean scale of 1 to 5 with mean scores of 1 to 2.9 indicating 'low', 3 to 5 indicate 'high' human resource management practices indicators and employee performance levels as applied by Dess, Lumpkin and McFarlin (2005). The interpretation of the mean was based on these subjectively created criteria as informed by previous studies and scale of measurement.

1 = Strongly Disagree (SD),      2 = Disagree (D),      3 = Neutral (N),  
 4 = Agree (A),                      5 = Strongly Agree (SA)

**Table 4: Assessing the Effectives of Human Resource Management (HRM) Practices in the Cape Coast Metropolitan Assembly**

Human Resource Management (HRM) Practices	Mean		Std. Deviation		Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Std. Error	Statistic	Std. Error	Statistic	Std. Error
Recruitment and Selection	4.3725	.269	.40968	.269	-.716	.269	1.042	.532
Performance Appraisal	4.4458	.269	.35258	.269	-1.970	.269	6.839	.532
Training and Development	4.4813	.269	.38520	.269	-1.835	.269	6.418	.532
Reward and Compensation	4.5292	.269	.37576	.269	-1.535	.269	4.606	.532
HRM Practices	4.4607	.269	.29733	.269	-1.708	.269	5.225	.532
Valid N (listwise)								

Source: Field Survey, Kpangkpari (2021)

Table 4 presented the effectiveness for human resource management practices in the Cape Coast Metropolitan Assembly. This was done to identify whether these indicators are applied as well as knowing which of the human resource practices is having high performance. The respondents were asked to rate their opinion about the extent to which they agree or disagree with the effectiveness of human resource management practices. The mean score of the respondents was reported using a mean scale of 1 to 5 with mean scores of 1 to 2.9 indicating 'low' and 3 to 5 indicate 'high' effectiveness of the human

resource management practices indicators. The result revealed that all the indicators of the human resource management practices, thus, recruitment and selection, performance appraisal, training and development and reward and compensation were currently being practiced by the Cape Coast Metropolitan Assembly since they were all high (i.e. within 3 to 5). For instance, it was found that the respondents agreed that there is high performance in reward and compensation ( $M=4.5292$ ;  $SD=0.37576$ ); followed by training and development ( $M=4.4813$ ;  $SD=0.38520$ ) and performance appraisal ( $M=4.4458$ ;  $SD=0.35258$ ). On the other hand, the respondents agreed again that there is high performance in recruitment and selection ( $M=4.3725$ ;  $SD=0.40968$ ). There is also high performance of human resource management practices ( $M=4.4607$ ;  $SD=0.29733$ ) when all the indicators were put together.

Based on the performance of the indicators it could, therefore, be deduced that indeed the effectiveness of human resource management practices in the Cape Coast Metropolitan Assembly were recruitment and selection, performance appraisal, training and development and reward and compensation. All the rationale for employee performance indicators were high and it was dominated by reward and compensation due to the fact that when employees are rewarded, they feel appreciated and recognized and this propels them to perform towards a sense of belongingness, and maximum output, followed by training and development as result of increased performance in task and responsibilities as work output largely is a by-product of employee's experience, performance appraisal and recruitment and selection.

This finding confirms the collective claim by some empirical studies that asserted that human resource management practices help in recruitment and selection, performance appraisal, training and development and reward and compensation (Noe, et al., 2003; Dessler, 2007; Armstrong & Murlis, 2007; DeNisi & Pritchard, 2006).

### **Assessing the Indicators of Employee Performance of Cape Coast Metropolitan Assembly**

In order to assess the indicators of employee performance, respondents were asked to what extents are they agree or disagree with the following aspects of employee performance that gives them competitive edge in the region at Cape Coast Metropolitan Assembly and their responses were descriptively measured with the mean (M), standard deviation (SD), Skewness and Kurtosis. The interpretation of the mean was based on these subjectively created criteria as informed by previous studies and scale of measurement.

*1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Neutral (N), 4 = Agree (A), 5 = Strongly Agree (SA)*

**Table 5: Indicators of Employee Performance**

	Std.					
	Mean	Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Employee Performance						
The reward system enables me to accomplish my duties.	4.4500	.65410	-.785	.269	1.367	.532
The anticipation of reward enhances my performance.	4.2500	.83439	-.771	.269	2.337	.532
I am able to achieve more when I am rewarded.	4.3875	.72030	1.782	.269	5.903	.532
The current reward system offered at your bank motivate you to perform the work diligently.	4.4125	.58879	-.414	.269	-.679	.532
You are held accountable for achieving specific measurable results.	4.3625	.69799	-1.782	.269	6.604	.532
More often than not, your department meets its goals and objectives.	4.5125	.61611	-.215	.269	-.258	.532
Employee Performance	4.4453	.33092	-2.257	.269	7.171	.532
Valid N (listwise)						

Source: Field Survey, Kpangkpari (2022)

The findings relate to the state of employee performance in the Cape Coast Metropolitan Assembly. It was discovered that the respondents agreed that there is high employee performance and this includes the reward system enables me to accomplish my duties (M=4.4500; SD=0.65410), The anticipation of reward enhances my performance (M=4.2500; SD=0.83439), I am able to achieve more when I am rewarded (M=4.3875; SD=0.72030), the

current reward system offered at your bank motivate you to perform the work diligently ( $M=4.4125$ ;  $SD=0.58879$ ), you are held accountable for achieving specific measurable results ( $M=4.3625$ ;  $SD=0.69799$ ) and more often than not, your department meets its goals and objectives ( $M=4.5125$ ;  $SD=0.61611$ ).

Thus, it is established that there are high improvements in the employee performance of the Cape Coast Metropolitan Assembly as a result of effective human resource management practices in the assembly. The overall implication of these finds is that at the moment, the performance of Cape Coast Metropolitan Assembly (CCMA) is good as they claim there is high improvement in the performance for all the measures of employee performance in the context of this study.

### **Multicollinearity**

Pallant (2007) suggested that tolerance values below .10 and variable inflation factor (VIF) values of above 10 indicated multicollinearity among independent variables, thereby hindering the development of good regression models. The tolerance values ranging from 0.573 to 0.768 and V.I.F values also ranging from 1.303 to 1.746, obtained from this analysis indicated the absence of multicollinearity between the exogenous variables. Table 6 displays the tolerance values as well as VIF values for the predictor variables.



**Table 6: Multicollinearity amongst exogenous variables**

Exogenous variable	Collinearity	
	Tolerance	VIF
Recruitment and selection	0.611	1.636
Reward and compensation	0.595	1.680
Training and Development	0.768	1.303
Performance Appraisal	0.573	1.746

Source: Field survey, Kpangkpari (2022)

### Results and Discussion of Main Study Objectives

#### *Effect of Reward and Compensation on Employee Performance at the Cape Coast Metropolitan Assembly*

In order to predict the extent of influence that reward and compensation has on employee performance, linear regression analysis was employed. Model summary shows the coefficient of determination (R<sup>2</sup>) which tells us the percentage of the variation in employee performance explained by the model.

**Table 7: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.374 <sup>a</sup>	.140	.129	.82477

a. Predictors: (Constant), Reward and Compensation

b. Source: Field Survey, Kpangkpari (2022)

**Table 8: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients	Standardized Coefficients		Sig.	95.0% Confidence Interval for B		
		B	Std. Error		Lower Bound	Upper Bound	
(Constant)	1.663	.195	8.534	.000	1.280	2.046	
Reward & Compensation	464	.058	379	8.001	.002	.350	.578

Source: Field Survey, Kpangkpari (2022)

a. Dependent Variable: Employee Performance

Table 7 depicts that the coefficient of determination R square is 0.140 and R is 0.374 at 0.05 significant levels. This indicates that 14 % of the changes in employee's performance can be explained by reward and compensation, while the rest of 86% is explained by the residual (other factors not considered in this study). The presumption here is that reward and compensation is more influential in the context of employee performance since 14% of employee performance can be attributed to the important roles played by reward and compensation. Table 8 is the ANOVA table, which provides the test significance for R and R<sup>2</sup> using the F-statistic. A small significance value of the F statistic (smaller than 0.05) indicate that the independent variables do a good job explaining the variation in the dependent variable. In this analysis, the p-value is well below .05 ( $p = .002$ ). This implies that, the R and R<sup>2</sup> between reward and compensation and employee performance is statistically significant. Based on the outcome of this study, the null hypothesis that reward and compensation has no significant impact on employee performance in Cape Coast Metropolitan Assembly is rejected in favour of the alternate hypothesis that reward and compensation significantly impacts employee performance. It can therefore be concluded that, reward and compensation has a positive and statistically significant influence on employee performance in Ghana.

The result is consistent with the findings of previous studies which found that reward and compensation has a significant impact on employee performance (Murphy, 2015; Cole, 2011; Armstrong & Murlis, 2007). However, the result debunks the findings of Njanja et al., (2013) which says that reward and compensation has no significant effect on performance. This

was because, no rewards system is perfect, this is because motivation is personal and what motivates one employee could be different from what motivates the next. Therefore, the assembly should get to know their employees well so that they can employ the right reward and compensation strategy.

### **Influence of Recruitment and Selection on Employee Performance in the Cape Coast Assembly**

Again, to predict the extent of influence that recruitment and selection has on employee performance, linear regression analysis was employed. Model summary shows the coefficient of determination ( $R^2$ ) which tells us the percentage of the variation in employee performance explained by the model.

**Table 9: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.601 <sup>a</sup>	.361	.353	.71067

a. Predictors: (Constant), Recruitment and Selection

b. Source: Field Survey, Kpangkpari (2022)

**Table 10: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
	B	Std. Error				Lower Bound	Upper Bound
(Constant)	1.088	.242		4.500	.000	.613	1.563
Recruitment and Selection	.535	.061	.321	8.811	.014	.416	.655

Source: Field Survey, Kpangkpari (2022)

a. Dependent Variable: Employee Performance

Table 9 depicts that the coefficient of determination R square is 0.361 and R is 0.601 at 0.05 significant levels. This indicates that 36.1 % of the changes in employee's performance can be explained by recruitment and selection, while the rest of 63.9% is explained by the residual (other factors not considered in this study). The presumption here is that recruitment and selection is more influential in the context of employee performance since 36.1% of employee performance can be attributed to the important roles played by recruitment and selection. Table 10 is the ANOVA table, which provides the test significance for R and R<sup>2</sup> using the F-statistic. A small significance value of the F statistic (smaller than 0.05) indicate that the independent variables do a good job explaining the variation in the dependent variable. In this analysis, the p-value is below .05 ( $\rho = .014$ ). This implies that, the R and R<sup>2</sup> between recruitment and selection and employee performance is statistically significant. Based on the outcome of this study, the null hypothesis that recruitment and selection has no significant impact on employee performance is rejected in favour of the alternate hypothesis that recruitment and selection has a significant impact on employee performance in Ghana. Therefore, it can be concluded that, recruitment and selection has a positive and statistically significant effect on employee performance in Ghana.

The result confirms the assertion of Dessler (2006) that, for the purpose of employees attaining the necessary fit in the culture of organizations, human resource management team must develop and cultivate organizational culture that enhances the process for employees and also promotes performance and productivity.

*Effect of Performance Appraisal on Employee Performance in Cape Coast Metropolitan Assembly*

In order to predict the extent of influence that performance appraisal has on employee performance, linear regression analysis was employed.

Model summary shows the coefficient of determination ( $R^2$ ) which tells us the percentage of the variation in financial behaviour explained by the model.

**Table 11: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.641 <sup>a</sup>	.411	.404	.68239

a. Predictors: (Constant), Performance Appraisal

b. Source: Field Survey, Kpangkpatri (2022)

**Table 12: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients		95.0% Confidence Interval for B	
	B	Std. Error	Beta	ig.	Lower Bound	Upper Bound
(Constant)	3.757	.208	18.047	.000	3.348	4.167
Performance Appraisal	-.165	.061	-.138	-.2729	-.284	-.046

Source: Field Survey, Kpangkpari (2022)

a. Dependent Variable: Employee Performance

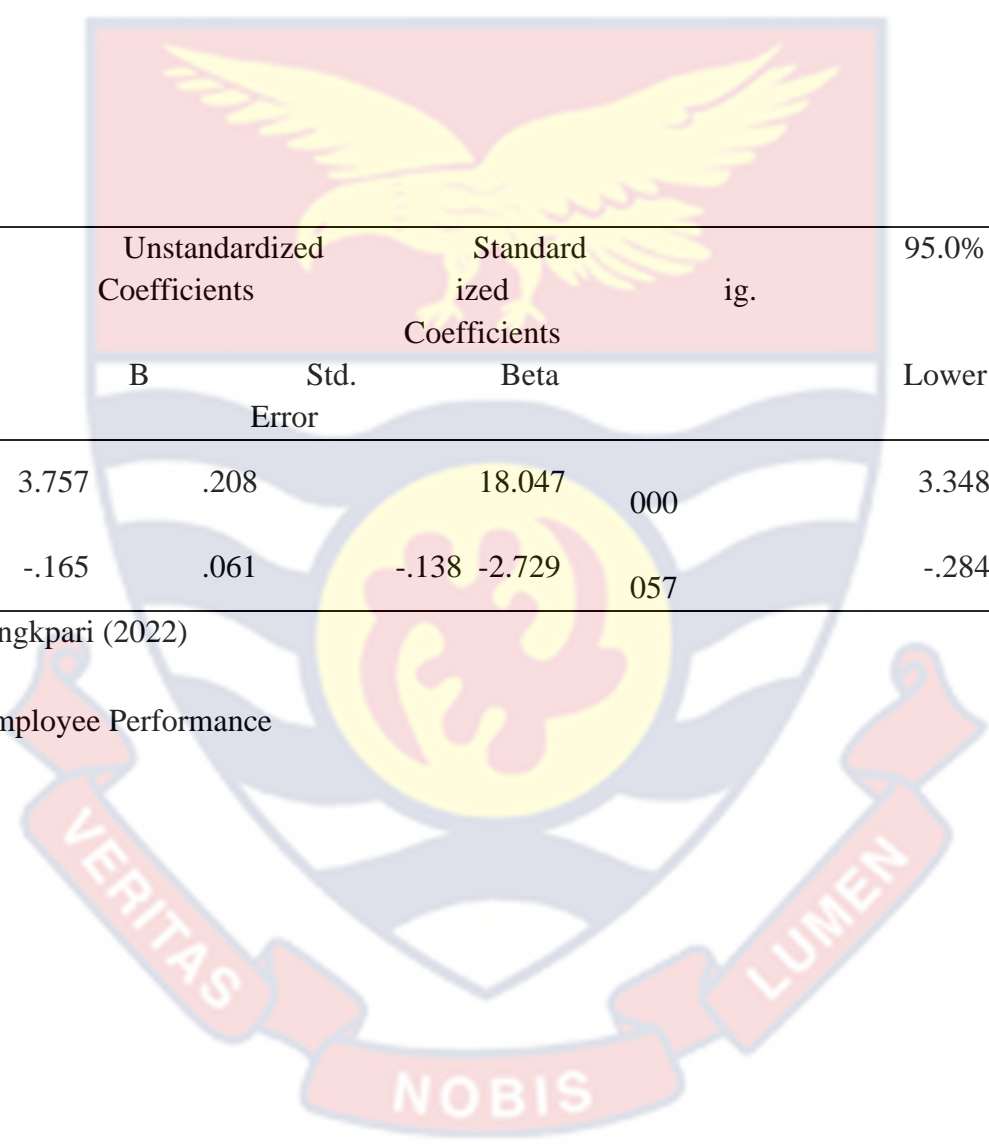




Table 11 depicts that the coefficient of determination R square is 0.411 and R is 0.641 at 0.05 significant levels. This indicates that 41.1 % of the changes in employee's performance can be explained by recruitment and selection, while the rest of 58.9% is explained by the residual (other factors not considered in this study). The presumption here is that performance appraisal is more influential in the context of employee performance since 41.1% of employee performance can be attributed to the important roles played by performance appraisal. Table 12 is the ANOVA table, which provides the test significance for R and R<sup>2</sup> using the F-statistic. A small significance value of the F statistic (smaller than 0.05) indicate that the independent variables do a good job explaining the variation in the dependent variable. In this analysis, the p-value is below .05 ( $\rho = .037$ ). This implies that, the R and R<sup>2</sup> between performance appraisal and employee performance is statistically significant. Based on the outcome of this study, the null hypothesis that performance appraisal has no significant impact on employee performance is rejected in favour of the alternate hypothesis that performance appraisal has insignificant impact on employee performance in Cape Coast Metropolitan Assembly. Therefore, it can be concluded that, performance appraisal has a positive and statistically significant influence on employee performance.

The result is consistent with the findings of Mulievi and Wanyama (2019) who sought to establish the influence of performance appraisal practices on employee performance in the health sector in the County. The findings revealed that there is a positive and significant relationship between performance appraisal practices and employee performance in the health

sector in the County Government of Kakamega. The study recommended that organizations should effectively implement performance appraisal practices in various departments.

***Influence of Training and Development on Employee Performance in the Cape Coast Metropolitan Assembly***

In order to predict the extent of influence that performance appraisal has on employee performance, linear regression analysis was employed. Model summary shows the coefficient of determination ( $R^2$ ) which tells us the percentage of the variation in financial behaviour explained by the model.

**Table 13: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.654 <sup>a</sup>	.428	.421	.67233

a. Predictors: (Constant), Training and development

b. Source: Field Survey, Kpangkpari (2022)

**Table 14: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.	95.0% Confidence Interval for B	
	B	Std. Error			Lower Bound	Upper Bound
(Constant)	1.212	.208	.823	.000	.803	1.621
Training & Development	.489	.051	.443	.000	.389	.588

Source: Field Survey, Kpangkpari (2022)

a. Dependent Variable: Employee Performance

Table 13 depicts that the coefficient of determination R square is 0.428 and R is 0.654 at 0.05 significant levels. This indicates that 42.5 % of the changes in employee's performance can be explained by training and development, while the rest of 57.5% is explained by the residual (other factors not considered in this study). The presumption here is that training and development is more influential in the context of employee performance since 42.5% of employee performance can be attributed to the important roles played by training and development. Table 14 is the ANOVA table, which provides the test significance for R and R<sup>2</sup> using the F-statistic. A small significance value of the F statistic (smaller than 0.05) indicate that the independent variables do a good job explaining the variation in the dependent variable. In this analysis, the p-value is well below .05 ( $\rho = .000$ ). This implies that, the R and R<sup>2</sup> between training and development and employee performance is statistically significant. Based on the outcome of this study, the null hypothesis that training and development has no significant influence on employee performance is rejected in favour of the alternate hypothesis that training and development has a significant influence on employee performance. Therefore, it can be concluded that, training and development positively and significantly influence employee performance of employees in the Cape Coast Metropolitan Assembly.

The result supports the findings of Ojoh and Okoh (2015) who investigated the impact of training on employees' job performance and discovered that training impacts positively on performance. Again, they revealed that training is an organizational way of improving on employees' performance so lack of training brings about low productivity of workers.

*Combined effect of the dimensions of human resource management practices on employee performance*

Regarding the extent of influence that Combined effect of the dimensions of human resource management practices on employee performance, multiple regression analysis was performed which is explained by the model in Table 15, and Table 16.



**Table 15: Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.519 <sup>a</sup>	.269	.259	.62043	1.960

a. Predictors: (Constant), Reward and compensation, Recruitment and selection, Training and Development, Performance Appraisal

b. Dependent Variable: Employee Performance

**Table 16: ANOVA<sup>a</sup>**

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	53.555	5	10.711	27.826	.000 <sup>b</sup>
1 Residual	145.504	378	.385		
Total	199.058	383			

a. Dependent Variable: Employee performance

b. Predictors: (Constant), Reward and compensation, Recruitment and selection, Training and Development, Performance

Appraisal

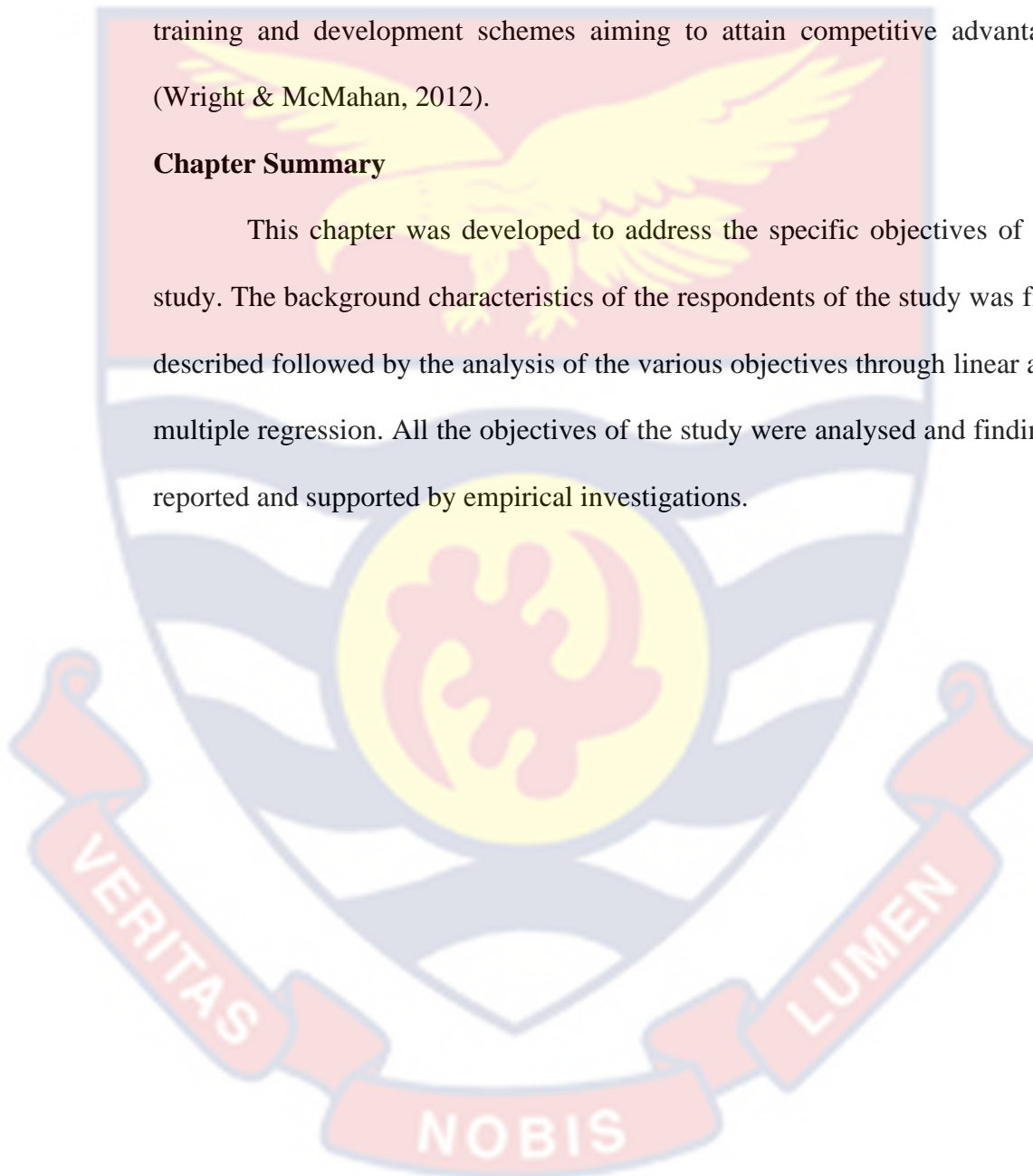
Table 15 shows that the coefficient of determination R square is 0.269 and R is 0.519 at 0.05 significant levels. This indicates that 26.9 % of the changes in workers employee performance can be explained by the combined effect of human resource management practices, while the remaining 73.1% is explained by the residual (other factors not considered in this study). The results further indicate that, the combined effect of their human resource management practices is strongly influential in the context of employee performance since 26.9% of workers performance can be attributed to important roles played by their human resource management practices.

Table 16 is the ANOVA table, which provides the test significance for R and R<sup>2</sup> using the F-statistic. A small significance value of the F statistic (smaller than 0.05) indicate that the independent variables do a good job explaining the variation in the dependent variable. In this analysis, the p-value is well below .05 ( $\rho = .000$ ). This implies that, the R and R<sup>2</sup> between human resource management practices and employee performance is statistically significant. Based on the outcome of this study, the null hypothesis that the combined effect of human resource management practices has no significant influence on employee performance is rejected in favour of the alternate hypothesis that the combined effect of human resource management practices has a significant influence on employee performance. Therefore, it can be concluded that, human resource management practices positively and significantly influence employee performance in Cape Coast Metropolitan Assembly.

This reflects the resource-based theory which posits that management of HR requires the presence of HRM practices that seek to help in their effectiveness at work. Among such practices include recruitment and selection of highly qualified human resource, reward and compensation systems, and training and development schemes aiming to attain competitive advantage (Wright & McMahan, 2012).

### **Chapter Summary**

This chapter was developed to address the specific objectives of the study. The background characteristics of the respondents of the study were first described followed by the analysis of the various objectives through linear and multiple regression. All the objectives of the study were analysed and findings reported and supported by empirical investigations.





## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### Introduction

This chapter presents an overview of the entire study. It consists of a presentation of the summary and draws conclusions based on the study findings on the topic; effect of human resource management practices on employee performance at the Cape Coast Metropolitan Assembly. In addition to that, the chapter presents an overview of the analytical tools employed in this study and the results based on the objectives of this study, recommendations based on the key findings of the study and suggestions for further research.

#### Summary of the Study

The study was conducted to examine the effect of human resource management practices on employee performance at the Cape Coast Metropolitan Assembly. Specifically, the study aimed to;

1. To analyze the effect of reward and compensation systems on employee performance.
2. To examine the influence of recruitment and selection systems of employee performance.
3. To determine the effect of performance appraisal on employee performance.
4. To investigate influence of training and development on employee performance.
5. To examine the combined effect of the four dimensions of human resource management practices on employee performance.

To achieve these objectives, the study was guided by four research questions. The study employed a quantitative research approach. An explanatory survey was used as the research design and the study population was employees of the Cape Coast Metropolitan Assembly. A sample size of 136 employees was obtained from a total population of 216 employees. A questionnaire was used as the data collection instrument.

### **Key Findings**

Beginning with the first objective of this study, the researcher sought to answer the question; “How does reward and compensation systems affect employee performance?” In this objective the researcher addresses the influence of employee performance towards the reward and compensation system, the extent to which the reward and compensation system is important to the performance of employees. With regards to the effect of reward and compensation, the study discovered that reward and compensation and employee performance are positively correlated. Regarding the predictive capacity, it was discovered that changes in reward and compensation has a positive variance in employee performance in the Cape Coast Metropolitan Assembly. The predictor variable (reward and compensation) explained 12.9% of employee performance in the Cape Coast Metropolitan Assembly. Therefore, it can be concluded that reward and compensation significantly influence the employee performance in the Cape Coast Metropolitan Assembly.

The second objective of the study sought to answer the question; “How does recruitment and selection systems influence employee performance?” With this regression analysis was ran to determine the effect, the extent as well

as the significance of the effect of recruitment and selection systems on employee performance at Cape Coast Metropolitan Assembly. The study discovered that recruitment and selection and employee performance are positively correlated, and the strength of the relationship is moderate at .601.

Regarding the predictive capacity of the model, it was discovered that changes in recruitment and selection has a positive variance in employee performance in the Cape Coast Metropolitan Assembly. According to the predictor variable studied (recruitment and selection), it explained 35.3% of employee performance. This therefore means that other factors not studied in this research contribute 64.7% of employee performance. In conclusion the study discovered that recruitment and selection had significant positive influence on the employee performance in the Cape Coast Metropolitan Assembly.

Again, the researcher in answering the research question “What is the effect of performance appraisal on employee performance?” which is the third objective, the researcher discovered that performance appraisal and employee performance are positively correlated, and the strength of the relationship is moderate at .641. It was discovered that changes in performance appraisal has a positive variance in employee performance in the Cape Coast Metropolitan Assembly. The predictor variable studied (performance appraisal) explained 40.4% of changes in employee performance. This means that other factors not studied in this research contribute 59.6% of employee performance. Therefore, it can be concluded that the R and R<sup>2</sup> between employee performance in the Cape Coast Metropolitan Assembly and performance appraisal is statistically significant, and performance appraisal can significantly influence the employee performance in the Cape Coast Metropolitan Assembly.

Finally, in answering the research question “how does training and development affect the performance of employees?” which is the last objective. The study found out that training and development and employee performance are positively correlated, and the strength of the relationship is moderate at .654. Regarding the predictive capacity of the model, it was discovered that changes in training and development accounted for 42.8% positive variance in employee performance in the Cape Coast Metropolitan Assembly. The predictor variable studied (training and development) explained 42.1% of changes in employee performance. Meaning other factors not studied in this research contribute 57.9% of employee performance. Therefore, it can be concluded that the R and R<sup>2</sup> between employee performance in the Cape Coast Metropolitan Assembly and training and development is statistically significant and training and development can significantly influence the employee performance in the Cape Coast Metropolitan Assembly.

### **Conclusions**

The study was conducted to assess the effects of human resource management practices on employee performance at Cape Coast Metropolitan Assembly. With respect to the objectives, it can be concluded that the R and R<sup>2</sup> between human resource management practices at the Cape Coast Metropolitan Assembly and employee performance is statistically significant, and human resource management practices can significantly influence the employee performance at the Cape Coast Metropolitan Assembly. In all, the overall indicators of human resource management practices have high influence on employee performance.

### **Recommendations**

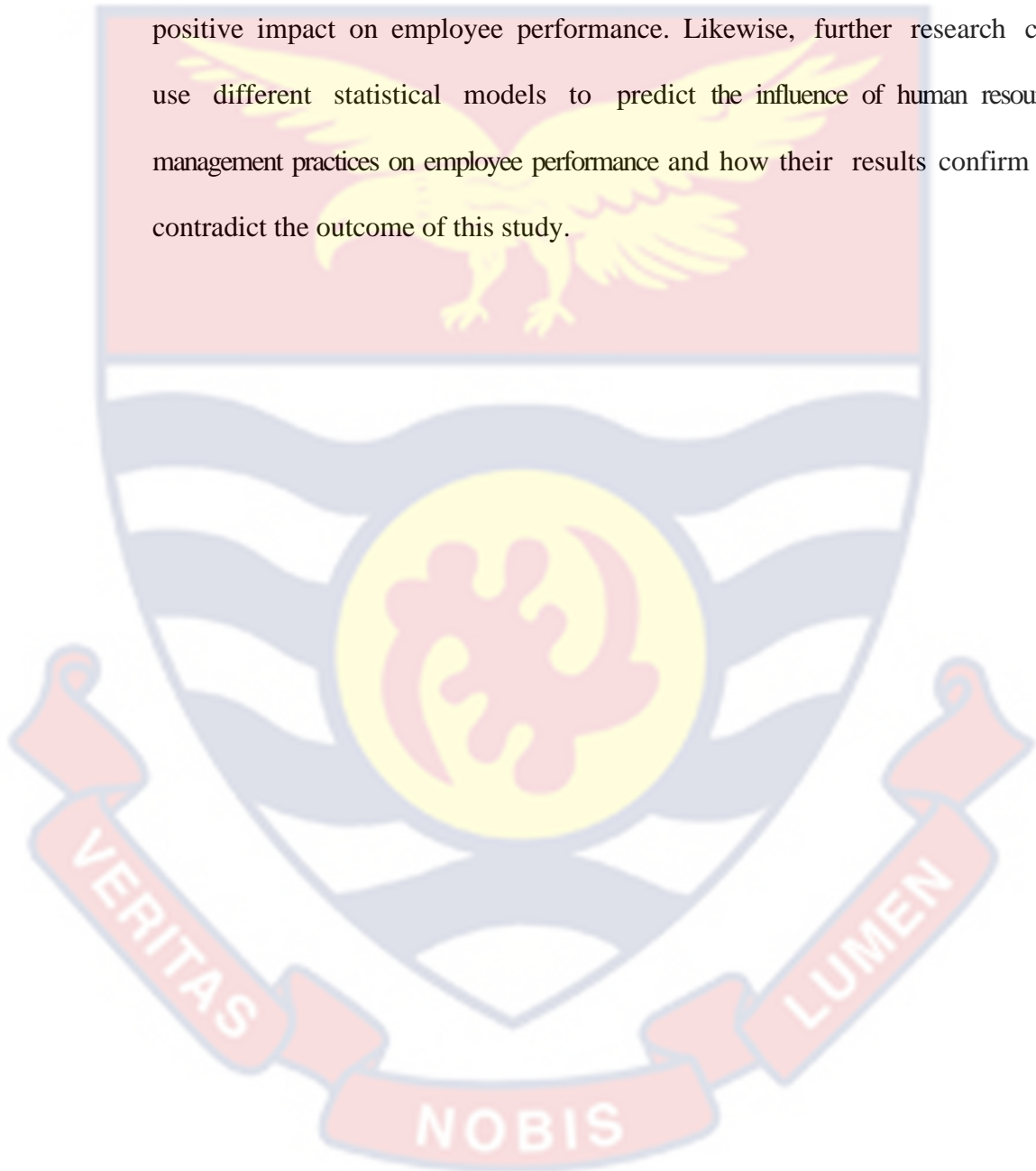
Recognizing the contributions of human resource management practices to employee performance in Cape Coast Metropolitan Assembly as discovered in the study, the following recommendations are offered;

1. Management should take additional steps to organize and implement regular HRM programmes for employees to improve innovativeness to yield the needed employee performance.
2. Also, human resource management practices should cover all employees with regards to their various areas of performance.
3. Again, as part of establishing the necessary environment for human resource management practices, management should institute measures and invest more resources that offer support to employees who embark on further education as this will go a long way to encourage most employees to attain additional skills and knowledge in support of the activities and operations of the organization, which is vital for overall performance.
4. Finally, management of Cape Coast Metropolitan Assembly must create a focus around these practices, which entails entrusting these activities to specialists who can implement and monitor them to ensure efficiency and effectiveness.

### **Suggestions for Further Research**

This study made use of quantitative approach only. This does not allow the respondents to express their views in more details. It is suggested that a qualitative approach should be used in future. The reason being that such method could allow probing more into the variables as the respondents could

express their views in details and it will help to know if the findings of the current study could be validated. Again, further study can consider enlarging the research sample size by involving more stakeholders form a basis to adjudge the human resource management practice mechanism that has a positive impact on employee performance. Likewise, further research can use different statistical models to predict the influence of human resource management practices on employee performance and how their results confirm or contradict the outcome of this study.



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