

UNIVERSITY OF CAPE COAST

EFFECTS OF HUMAN RESOURCE MANAGEMENT PRACTICES ON
EMPLOYEE PERFORMANCE OF SELECTED COMMERCIAL BANKS
IN CAPE COAST METROPOLIS, GHANA

HARRIET PRAH

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IN CAPE COAST METROPOLIS, GHANA

BY

HARRIET PRAH

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of Business Administration in Human Resource Management.

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DECLARATION

Candidate's Declaration

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

Candidate's Signature:..... Date:.....

Name: Harriet Prah

Supervisors' Declaration

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

Supervisor's Signature: Date:.....

Name: Dr. Nana Yaw Oppong

ABSTRACT

The study seeks to explore the strategic role of human resource management practices on employee's performance of some selected commercial banks in Cape Coast metropolis, Ghana. This study was empowered by Resource Based View Theory. In particular, the primary data was collected through standard questionnaires from a random and purposive selected sample of 97 employees of the selected banks. Regression model was used to analyze the data SPSS presented. The findings of this study reported that HRM practices (Recruitment and Selection, Training and Development, Performance Management) are positively related to employee's performance.

The significance of this study is to investigate the relationship of HR practices on employee performance in selected Banks in Cape Coast, Ghana.

The study also provides meaningful insight about HRMPs and employees performance in organizations for academics and professional research. It directs organizations especially the banks under study in their effort to recruit and select, train and develop and manage the performance of their employees.

It also helps to provide clarity and concise procedures for developing and implementing HR strategies to ensure effectiveness and efficiency in organizations. In addition, the study contains factual information that contributes to existing body of knowledge in academia, helping to broaden minds on the concept and scope of HRM

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DEDICATION

To my late Dad, WO1 Nicholas Kofi Mensah Prah.

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LIST OF ABBREVIATIONS

HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
SHRM	Strategic Human Resource Management
EMPF	Employee's Performance
RECSEC	Recruitment and Selection
TDEV	Training and Development
PERMGT	Performance Management System
SRECSEC	Strategic Recruitment and Selection
STDEV	Strategic Training and Development
SPERMGT	Strategic Performance Management System

CHAPTER ONE

INTRODUCTION

Background to the study

The ergonomics of the work environment, state of the art equipment as well as quality raw materials can make production possible, but it is the human resources that actually make production happen. Human resources are crucial and expensive resources an organization could ever have. In order to sustain economic and effective performance of this resource it is very essential to optimize their contribution to the achievement of the aims and objectives of the organization through effective human resource management (HRM) practices (Asare-Bediako, 2008).

Strategic human resources management (SHRM) is the comprehensive set of managerial activities and tasks related to developing and maintaining a qualified workforce. This workforce contributes to organizational effectiveness, as defined by the organization's strategic goals. SHRM occurs in a complex and dynamic environment within the organizational context. A significant trend today is for HR managers to adopt a strategic perspective of their job and to recognize critical links between organizational and HR strategies (Fottler, 2012)

Competitive advantage could be gained when organizations develop HR policies and strategies in various functions as recruitment and selection, training and development and performance management that reflect their beliefs and principles as well as maintaining acceptable relationships between management and non-managerial employees. However, some human resource departments merely devise policies that deal with current problems or

requirements (Oakland & Oakland, 2001). Whitener (2001) suggests that employees can interpret organizational actions such as HR practices and the trustworthiness of management as indicative of the organization's achievements. Employees reciprocate accordingly in their performance to the organization. Their attitudes and behaviours, including performance, reflect their perceptions and expectations thereby, reciprocating the treatment they receive from the organization.

Linking HR practices and employee performance, Ostroff and Bowen (2000) depict relationships indicating that HR practices are significantly associated with employee perceptions and attitudes. Such HR practices as recruitment and selection, training and development and performance management to be considered in this study are essential functions of the human resource department of every organization's long term efforts to build a capable and skilled personnels for optimum performance in the organization. To achieve this, the HRD must ensure that recruitment and selection processes are well structured, planned, organized and documented to attract the most competent people from diverse range of backgrounds. Institutionalizing effective recruitment and selection practices will enhance the performance of employees and ensure that every department within the organization achieves their stated organizational objectives. However, the HRD face difficulties in the application of recruitment and selection, training and development and performance management processes.

Commercial banks have been chosen because they play leading roles within the financial system in the country and also engages in an important socio-economic activity (Hinson, Mohammed, & Mensah, 2006). Also, the

government of Ghana intends to build an efficient, effective and a stable banking industry that will support the needs of the real economy and the socio-economic objectives of the country (Dei Mensah, 2014).

It is therefore vital to carry out this study to explore the strategic implications of a bundle of HR practices employee performance so that a completed and comprehensive HR system could be reported for better management processes in the organization. All activities of an organization are significantly influenced by the quality and quantity of its human resources. HR strategies help determine not only the quality and quantity of current employees but also the type of employees to be expected in the future. Effective HR strategies can give an organization an organization a very really competitive advantage in attracting and retaining high quality personnel for productivity.

Statement of the Problem

Less attention is paid to the strategic implications of HR practices that emerge in the organizations (Workarounds, 2008). However, anticipating and forecasting the skills, competencies, abilities and attitudes of the human resources is a key factor in gaining competitive advantage in the global markets. Recruitment and selection and training and development as well as performance management policies are therefore not effectively instituted (Workarounds, 2008; Wright, Gardner & Moynihan, 2003). The result is that, administrative employee's skills, competencies, attitudes and abilities are not enhanced to enable them become effective and efficient on their jobs and in the organization as a whole.

Recruitment and selection help get the right people with the requisite skills while training and development builds on these skills, abilities and competencies for specific tasks and other key positions. Performance management on the other hand, sets expectations for employee performance in ways that are expected. Effective implementation of the above-stated HR practices help the organization achieve its objectives.

A lot of research have proven that HR practices affect organizational performance positively (Liao, Toya, Lepak, & Hong, 2009; Sun, Aryee, & Law, 2007). Other studies have also concentrated on effects of HR practices on employee performance (Raziq, 2014; Akhter, Siddique & Alam, 2013). Hence, literature in this area of study is sparsely available and scattered in other organizations. It is however of interest to conduct this study to investigate such effects of HRM practices on employee performance in commercial banks in Ghana, hence the selected banks in Cape Coast.

Purpose of the Study

The purpose of this study is to examine the strategic role of HRM practices and their effects on employee performance at selected commercial banks in Cape Coast, Ghana.

Objectives of the study

Specifically, the study seeks to:

1. to examine the relationship between three human resource management practices and employee performance in selected commercial banks in Cape Coast, Ghana.
2. to analyze the effects of HR practices on employee performance in selected commercial banks in Cape Coast.

3. to assess the strategic role of HR practices on employee performance in the selected commercial banks.

Research Questions

The following are the research questions for the study in relation to the objectives:

1. What is the relationship between recruitment and selection, training and development, performance management and employee performance in the selected commercial banks?
2. What are the effects of the HR practices on employee performance?
3. What are the strategic role of the three HR practices on employee performance?

Significance of the Study

The significance of this study is to investigate the relationship of HR practices on employee performance in selected commercial banks in Cape Coast metropolis, Ghana. This study provides meaningful insight about HRMPs and employees performance in organizations for academics and professional research. It directs organizations especially the Banks under study in their effort to recruit and select, train and develop and manage the performance of their employees.

It also helps to provide clarity and concise procedures for developing and implementing HR strategies to ensure effectiveness and efficiency in organizations. In addition, the study contains factual information that contributes to existing body of knowledge in academia, helping to broaden minds on the concept and scope of HRM.

Delimitations of the study

This study examines the effects of HR practices on employee's performance in selected commercial banks in the Cape Coast metropolis, Ghana using regression model. The banks used included: Ghana Commercial Bank, Prudential Bank, Uni Bank, Fidelity Bank, Societe Generale, Guarantee Trust Bank, Zenith Bank and Agricultural Development Bank. The study employs the following variables: recruitment and selection, training and development and performance management of the selected banks.

Organization of the study

This study is organized into five chapters. Chapter one, which is the introductory chapter, presents a background to the study, problem statement, purpose of the study, objectives of the study, the hypotheses, significance, and delimitation of the study as well as organization of the study. Chapter two contains the review of relevant literature; both theoretical and empirical literature that underpins strategic implication on the bundle of HR practices on employee's performance of selected commercial banks in Ghana. Chapter three presents the methodological framework and techniques employed in conducting the study. Chapter four examines and discusses the results and main findings with reference to the literature. The final chapter presents the summary, conclusions and recommendations of the study.

CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter presents the relevant theoretical and empirical literature on the strategic implication on the bundle of HR practices on employee's performance of some selected commercial banks in Ghana. The first section explores the concepts, the theoretical underpinning of the study including the Human Civilization Theory, the Resource Based Theory and Human Capital Theory. The second section examines empirical literature of interest to the topic with a conceptual framework and main discussions on phenomena within the context and scope of the study.

Theoretical Framework

The Resource Based View Theory

The Resource Based Theory argues that competitive advantage of a firm lies primarily on the application of a bundle of valuable tangible and intangible resources at the firm's disposal (Warnerfelt, 1984; Rupert, 1984; Penrose, 1959). The theory maintains that, it is not industry's structure that creates competitive advantage and superior performance but rather, the willingness to explore the firm's internal resources with human capabilities, core and distinctive competencies to outwit others in the industry. Wheelen and Hunger (2008), also states that resources refer to an organization's assets and are, thus, the building block of the organization. These include physical assets, such as plant, equipment and location, human assets, in terms of the number of employees and their skills and organizational assets such as culture and reputation. Tangible and intangible assets and organizational capabilities

are the three basic resources (Pearce & Robinson, 2000). Marfo-Yiadom and Boachie-Mensah, (2009), add core and distinctive competencies as a cross – functional integration and coordination of capabilities. They explain that a core competency is very valuable resource and the more it is used, the more refined and valuable it becomes. When core competencies are superior to those of the competition, they are called distinctive competencies.

This theory is significant to the study because it explains that the workforce of every organization is the main asset in gaining competitive advantage. The human resource when harness well actually makes use of other resources to attain the goals and objectives of the organization. For a commercial bank to achieve competitive advantage, employees must perform well. This is can be achieved by strategic recruitment and selection, strategic training and development as well as strategic performance management.

Empirical Review

Over the years, there have been a number of important contributions in the literature dealing with issues pertaining to the management of the workforce. Significant attention has been directed towards human resource management (HRM), which many have seen as representing a distinct approach to managing people (Guest, 1997). Researchers have sought to show the importance of HRM influencing employee performance towards the attainment of organizational goals and objectives. According to Cappelli and Crocker-Hefter (1996), currently interest is seen in the development of strategic human resource management (SHRM).

Rapid environmental changes, globalization, innovations to provide competitive products and services, changing customer and investor demands

have become the standard backdrop for organizations. To compete effectively, business organizations must constantly improve their performance and create competitive advantage with the HR focusing on a new set of strategies instead of the traditional HRM. These strategies include appropriate recruitment and selection procedures, flexible workforces, quality improvement and development practices, team-based job designs, employee empowerment, performance management systems and incentive compensation (Jing & Huang, 2005).

Recruitment and Selection

The Equity Theory proposed by Adams (1963), underlies the principle of fairness. According to this theory, the best recruitment and selection criteria in the organization is that which portrays the firm as *equal opportunity employer*. Finding competent workforce is an important organizational challenge (Hausdorf and Duncan, 2004) with difficult centering on recruiting and selecting employees with correct qualifications to help achieve organizational goals (Jain and Saakshi, 2005). As further argued, this problem is compounded by the lack of strategic implications for recruitment and selection of employees.

A systematic recruitment process according to Gamage (2014) and Carroll et al. (1999) involves; *identifying vacancies, job analysis, job description, person specification and advertising*. As against informal process for recruiting and selecting employees, strategic recruitment and selection involves the recruitment process; *gathering information about qualified applicants, evaluating the qualification of each applicant and making decisions about the employment in the long-term* (Rogelberg, 2006).

This indicates that recruitment and selection is not a mere administrative function and an end in itself, but a strategic process that aimed at contributing to the achievement of organizational objectives. Having recruitment and selection strategies and policies in place is not adequate. The relevance and effectiveness of such strategies and policies should be monitored, evaluated and reviewed on regular basis (Bloisi, 2007).

Training and Development

According to Dessler (2008), even when employees are carefully selected, it does not guarantee totally acceptable performance. This is because the potential of an individual to perform is different from performing and therefore an employee with a high potential to perform may still not be able to deliver efficiently and effectively if he does not go through training and development. The part III (Protection of Employment) of the Labour Act 2003, Act 651 section 10 (Rights of a Worker), states that “ *the right of a worker include the right to be trained and retained for the development of his work and to receive information relevant to his work*”. Training and development activities as other activities of the organization depend on the policies and strategies of the organization. An organization with a well-organized and systematic training and development programmes have inevitable job descriptions during the recruitment and selection process.

Miller (2007), built a framework of talent management comprising planning, recruiting, performance, learning, career development, succession planning, compensation and measuring and reporting for effective running of an organization. In order to organize an organization effectively, management must rethink how they hire, train, manage performance and reward employees.

One of the main management strategies of the organizations is to invest in employees. They must seek to develop, motivate and increase the performance of their employees in a variety of HR practices applications (Gungor, 2011). Thus, performance management should be an important step in the organization's HRM system and influence employee performance and that of the organization as a whole.

The AMO-Model by Appelbaum (2003), claims that performance is a function of employees *Ability, Motivation and Opportunity* to participate. This means in managing performance, employees must have the opportunity (O) to contribute discretionary effort by giving the autonomy in decision making. To effectively harness their efforts, employees need to have the ability (A), thus, requisite skills and knowledge through training and development and then motivation. Motivate the employees on their jobs to put their abilities into the best effort for the organization.

Raziq (2014) study is concerned with the relationship between Strategic Planning and High Performance Human Resource Management Practices. The study was conducted in the context of Small and Medium-size Enterprises in the service and manufacturing sector in Pakistani. The primary data was collected through a survey of HPHRMP and as such the study is quantitative in nature. The target population of the study consisted of SMEs operating in the city of Karachi, Pakistan. Stratified random sampling method was applied to collect data from 357 SMEs. An independent-sample t-test test was employed to see whether group means of Strategic Planning are significantly different in relation to prevalence of HPHRMP. The overall

results were mixed and partially supportive of a positive relationship between Strategic Planning and the adoption of HPHRMP.

Performance Management

Collins (2005) investigated the small businesses and found that effective HR practices impact employee outcomes significantly. Guest, (2002) has argued that the Impact of HRM on performance depends upon worker's response to HRM practices, so the impact will move in direction of the perception of HRM practices by the employee. If the perception is positive the impact will be positive and if the perception is negative the impact will be negative. Wright et al., (2003) were of the view that an employee will exert discretionary effort if proper Performance management system is in place and is supported by compensation system linked with the performance management system.

Marwat et al. (2009) explored contribution of human resource management practices in telecom sector on perceived employee performance in telecom sector in Pakistan. Results highlighted that all the tested variables are positively correlated but correlation of compensation and training are highest respectively. In a recent study, Baloch et al., (2010) measured the impact of three HR practices which are compensation practices, promotion practices and performance evaluation practices on perceived employee performance. The results of correlation indicated a significant relationship between compensation practices and perceived employee performance, promotion practice and perceived employee performance and performance evaluation practices and perceived employee performance.

Research in the past has basically focused on the relationship between individual human resource (HR) practices and firm performance, while recent research studies are based on ‘bundles’, ‘systems’ or ‘configurations’ of HR practices and their impact upon performance outcomes (De Kok & Hartog, 2006; Drummond & Stone, 2007). These bundles of HR practices are called high performance human resource management practices (HPHRMP) in the current study.

It has been proven that HR practices wherever practiced affect organizational performance positively (Liao, Toya, Lepak, & Hong, 2009; Sun, Aryee, & Law, 2007). Different researchers found that organizational performance can be achieved through employees involvement. It is the employees attitude that translated HRM policies and practices into explicit performance (Ramsay, Scholarios, & Harley, 2000). Workers once attained the title of high performer, he is spirited with intrinsic motivation and encouragement. Such highly determined employees enhance organizational performance. That is why while conducting research on HR; employees perceptions are given weightage (Bowen & Ostroff, 2004; Nishii & Wright, 2008). The way, in which organizations run HR management system, reflects their strategy and contextual circumstances.

Organizations decide the pattern of their people management. This pattern tells about communication system of the organization to share information with their employees (Bretz & Judge, 1994). Every HR system is not supposed to deliver the desired effects on employees until it is implemented in clear terms (Legge, 1989). Role of line manager has proved effective enough to implement the intended HR system and fix the problems

and challenges confronting at the time of implementation (Den Hartog, Boselie, & Paauwe, 2004). According to the findings of Nishii, (2008), HR system will be considered practical that proves result oriented when put into practice by the managers successfully. There exists difference in perceptions between managers and non-managers about the perceived effectiveness of HR practices (Nishii, 2008). This missing link creates gap among managers and non-managers regarding perceived effects of HR practices on employees performance. This gap in perception lays the need for research on seeking perceptive agreement on HR outcomes between the two stakeholders (Nishii, 2008).

Employee perceptions mediate between HR practices and employee (Arthur, 2008). As a result of integrated HRM system and practices, fresh management thought has emerged. HRM is moving from evolution towards revolution to gain financial viability and ultimately competitive advantage (Ashraf, 2011). Citizens of developing nations need high back up for higher productivity in business at this critical juncture of the human history. They should get rid of lethargic habits and adopt mature habits based on knowledge and skills learnt during life (Khalid, 2011).

Conceptual Framework

This framework has been taken from the theoretical principles of the research in which the variables such as strategic recruitment and selection, strategic training and development, and strategic performance management system have been considered as independent variables and the variable such as employee performance has been thought of as the dependent variable. On the basis of the literature reviewed, it is clear that strategic HRM practices affect

employee's in an organization. The researcher establishes the impact of strategic HRM practices on Employees performance which is the main theme of the study.

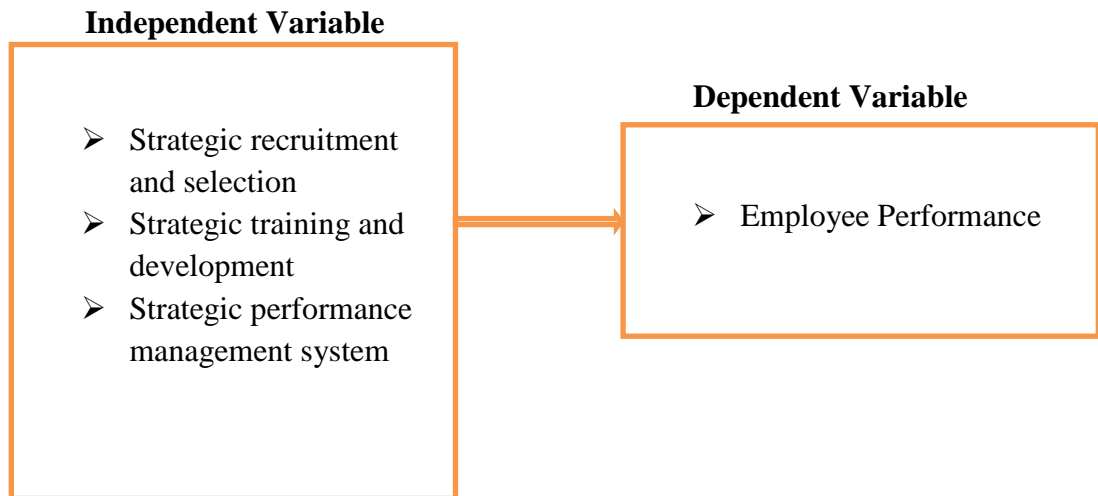


Figure 1: Conceptual Framework
Source: author's Construct

From the above conceptual frame, employee performance can be seen to be influenced by the indicators or variables. Thus, the framework demonstrates that the employees performance is influenced by strategic HRM practices.

Summary

In a whole, Jones & Wright, 1992 in Huselid (1995) explain that, thoroughly planned, well-documented and comprehensive recruitment and selection procedures coupled with extensive employee training and development and effective performance management systems can indeed improve both current and future skills, knowledge and capabilities required for growth of organizations. Simultaneously, employee motivation is increased as well as empowerment which will in turn enhance retention of quality employees while encouraging non-performers to leave the organization.

CHAPTER THREE

RESEARCH METHODS

Introduction

This chapter presents the research methods and the procedures employed to explore the strategic implication on the bundle of HR practices on employee among some selected commercial banks in Cape Coast, Ghana. These include the research design, study area, population, sample and sampling procedure, instrument, techniques for data collection and data analysis.

Research Design

The research design used for this study is survey design. According to McMillan and Schumacher (1993), surveys involve the selection of a sample of respondents and administering questionnaires or conducting interviews to gather information on variables of interest. The survey method is the most appropriate for obtaining factual or attitudinal information or for research questions about self-reported beliefs, values, motives, ideas, habits, feelings, desires, characteristics and present or past behaviour (David & Sutton, 2004). The survey method assumes that all the respondents in this study have information or experience that bears on the problem being investigated. The survey design incorporated both quantitative and qualitative aspect of research. Therefore, the research design adopted for this study is a survey design which will use both questionnaire and interviews to elicit the relevant information.

Target population

Target population is defined by Kitchenham (2002) as the group or the individuals to whom the survey applies. This study specifically focuses on employees of the selected commercial banks in the Cape Coast Metropolis, Ghana. This is based on the assumption that, this group of employees within the administrative set up are the pivot around which all administrative activities in the banks revolves. This represents the staff strength of the selected commercial banks. The total population of the employees in the banks is one hundred and thirty (130).

Sample Size

The total population of 130 mentioned above does involve both senior and junior staff employees. A sample size of ninety-seven (97) employees within the target population was selected for the study. The sample size is selected based on the Krejcie Morgan (1970) Table which is found in the study's appendix. The table below depicts the sample size for the study based on the selected banks.

Number of workers in the various banks in Cape Coast

Bank	Total Number	Sample size
GCB Bank	35	20
Prudential Bank	20	17
Uni Bank	10	10
Fidelity	10	10
Societe Generale	15	10
Guarantee Trust Bank	15	10
Zenith Bank	10	10
ADB Bank	15	10

Source: Field Data

Sampling and Sampling Technique

Both purposive and simple random sampling techniques were used for the research. Saunders et al. (2012) defines simple random sampling as probability sampling procedure that ensures each case in the population has an equal chance of being included in the sample. This technique therefore affords each individual of the population to have an equal chance of being included in the sample. These methods were chosen to enable the researcher to elicit vital and quality information from respondents who have reasonable knowledge about the issues under investigation and in position to provide the information needed for the study.

Instrument and Data Collection Procedure

With the source of information being the sampled employees, the data collection procedure adapted was self-administered questionnaire by the respondents. In this study, structured questionnaire as a primary data collection method was used to collect the data.

Questionnaires are the data collection instruments that enabled the researcher to pose questions to respondents for answers to the research questions. The questionnaires contained both closed and opened ended questions. To establish the content validity of the instruments, pilot study or testing was used to correct unclear, biased and deficient items, and evaluate the appropriateness of items in the various sections. A covering letter was attached to the questionnaire to assure respondents of their anonymity. A consent form was also attached to the questionnaire.

In addition, the Likert scale format was used. A Likert scale format involves the use of a special rating scale that asks respondents to indicate the

extent to which they agree or disagree with a series of statements about a given subject (Sekaran, 2003). However, the questionnaires pretested on a smaller size of the sampled respondents for the research. This was to ensure that the questionnaires designed solicited the appropriate responses from the respondents to answer the research questions for the achievement of research stated objectives. The use of closed ended as well as opened ended questions allowed the researcher to make easy categorization and analysis.

Regression Analysis

Aside the descriptive analysis, a regression analysis was conducted to show the actual effects of ergonomics on employee performance. This involves both the focus and control variables. The regression equation is specified below:

$$\mathbf{EMPF = f(RESEC, TDEV, PERMGT, e)} \quad (1)$$

Where EMPF is the employee's performance variable, RESEC is the recruitment and selection, TDEV is the Training and Development and PERMGT is the performance management system. Here, employee performance has four different components such as performance in time, task, initiative, and communication. From equation (1), the employee performance and other explanatory variables can be expressed as an econometric model as;

$$\mathbf{EMPF}_t = \alpha + \beta_1 \mathbf{RESEC}_t + \beta_2 \mathbf{TDEV}_t + \beta_3 \mathbf{PERMGT}_t + \varepsilon_t \quad (2)$$

Assumption about the model;

Where $\varepsilon_t \sim iid(0, \sigma_\varepsilon^2)$ and

$EMPF_t$ = Employee Performance in terms of time at time t

$RESEC_t$ = Recruitment and selection at time t

$TDEV_t$ = Training and Development at time t

$PERMGT_t$ = Performance Management System at time t

α = Constant (the intercept, or point where the line cuts the Y axis when X= 0)

β = Regression coefficient (the slope, or the change in Y for any corresponding change in one unit of X)

ε_t = Error term at time t

t = time

The apriori expected signs of the variables in two models are:

$\beta_1 > 0$, $\beta_2 > 0$, $\beta_3 > 0$, $\beta_4 > 0$, and $\beta_5 > 0$

Definition and Measurement of Variables

For the purpose of this study, the following measurement and operational definitions will be used for the variables being examined.

Dependent variable

Employee Performance

In the organizational context, performance is usually defined as the extent to which an organizational member contributes to achieving the goals of the organization. Employees are a primary source of competitive advantage in service-oriented organizations (Luthans & Stajkovic, 1999 and Pfeffer, 1994). In addition, a commitment performance approach views employees as resources or assets, and values their voice.

Employees performance could include: quantity of output, quality of output, timeliness of output, presence at work, cooperativeness(Güngör, 2011). Deadrick and Gardner's (1997) states that, employee performance could be defined as the record of outcomes achieved, for each job function, during a specified period of time. To conclude, employee performance could be simply

understood as the related activities expected of a worker and how well those activities were executed.

Independent variables

Recruitment and selection

These are vital functions of human resource management for any type of business organization. These are terms that refer to the process of attracting and choosing candidates for employment. The quality of the human resource, the firm has, heavily depends on the effectiveness of these two functions (Gamage, 2014). Recruiting and selecting the wrong candidates who are not capable, come with a huge negative cost which businesses cannot afford. Thus, the overall aim of recruitment and selection within the organization is to obtain the number and quality of employees that are required to satisfy the strategic objectives of the organization, at minimal cost (Ofori & Aryeetey, 2011).

As explained by Opatha (2010), recruitment is the process of finding and attracting suitably qualified people to apply for job vacancies in the organization. It is a set of activities an organization uses to attract job candidates who have the needed abilities and attitudes. Recruitment is the process of generating a pool of qualified applicants for organizational job vacancies. For Ofori and Aryeetey (2011), recruitment is the process of generating a pool of competent individuals to apply for employment within an organization.

The general purpose of recruitment according to Gamage (2014) is to provide the organization with a pool of potentially qualified job candidates. The quality of human resource in an organization highly depends on the

quality of applicants attracted because organization is going to select employees from those who were attracted. .

On the other hand, selection is the process of making the choice of the most suitable applicant from the pool of applicants recruited to fill the relevant job vacancy (Opatha, 2010). Selection is the process by which specific instruments are engaged to choose from the pool of individuals most suitable for the job available (Ofori & Aryeetey, 2011). According to Gamage (2014) the objectives of selection function are to get the right person to the right job, establish and maintain a good image as a good employer, and maintain the selection process as cost effective as possible.

Selection is an extremely important aspect to consider for businesses due to a number of reasons. Selecting the right applicant can be a difficult task, but at the end of the day, the organization's reputation is held by the people it employs (Henry & Temtime, 2009).

Training and Development

Training has been defined variously. DeCenzo and Robbins (2000), explain training as a "learning experience, in that, it seeks a relatively permanent change in an individual that will improve his ability to perform on the job". Dessler (2008), sees training further, as the means of giving new or current employees the skills they need to perform at their various jobs. Continuing, he sees training as the hall mark of good management and thus when managers ignore training, they are doing so to the great disadvantage of the organizations they are managing.

This is because having high potential employees do not still guarantee they will perform on the job. This is why every employee must know what

management wants him to do and how he must do it. However, in general, it can be said that it refers to a planned effort by a company to facilitate employees' learning of job-related competencies. These competencies include knowledge, skills, or behaviours that are critical for successful present job performance in the immediate term or future.

Training techniques for organizations to train its employees especially the training is to done by personnel internally (on-the-job training). Dessler (2008) lists the following training techniques: *On-the-job, Off-the-job, Apprenticeship, Job rotation, Lectures, Job instruction training and orientation.*

Development in the context of HR management is a broad ongoing multi-faceted set of activities (training activities among them) to bring someone or an organization up to another threshold of performance, often to perform some job or new role in the future.

This is in contrast with training, as development is a training that provides employees with competencies for anticipated future jobs and roles. It involves learning that goes beyond today's job – more long-term focus. When these activities and programmes are recognised and controlled well, they have substantial influence in changing the capacity of the managers to perform their assignment better and in doing so are all likely to increase their potential for a planned growth of managers to meet future organizational requirements.

Performance Management System

Performance management involves multiple levels of analysis, and is clearly linked to strategic HRM as well as performance appraisal. Different terms refer to performance management initiatives in organizations, for

example, performance-based budgeting, pay-for-performance, planning, programming and budgeting, and management by objectives (Heinrich, 2002). According to Rudman (2003), it is increasingly seen as a means of integrating HRM activities with the business objectives of the organization, where management and HR activities are working together to influence individual and collective behaviour to support the organisation's strategy.

He stressed that the performance management system must fit with the organization's culture. The emphasis of performance management systems is on continuously improving organizational performance, and this is achieved through improved individual employee performance (Macky & Johnson, 2000).

Data Analysis

Returned questionnaires were edited to correct probable errors and to sort out misconceptions and misunderstandings to ensure credibility of the research. In order to collect and organize data in such a manner that will be acceptable which will be later used to conduct the required analysis, the research questionnaires were structured according to the steps provided by the UCC Graduate School dissertation writing hand book.

The data was first put in topical and chronological order so that it will be presented in a descriptive manner. Secondly, the data was classified into categories, themes and theory to allow the use of quantitative methods to be used to analyse some of the data collected. Finally, information from data analysis was summarized and conclusions and recommendations made for application by the banks in their recruitment and selection, training and development and performance management programmes for employees.

The Statistical Package for Social Sciences (SPSS) software was used in processing the data collected from the respondents. The data was analyzed using descriptive statistics (frequencies, percentages, charts among others) and the multiple linear regression.

Chapter Summary

This chapter indicated the research method employed to carry out the study. Thus, the study explores the strategic implication of a bundle of HR practices on employee's performance. As a result of this the quantitative approach was adopted in the frame work of survey design. Questionnaire both structured and unstructured was used on four selected banks. Additionally, a sample size 97 out of a total population of 130 employees from the banks was used. Both purposive and simple random sample techniques were used for the sample selection. Finally, regression analysis was used to examine the actual impact of HR practices on employee performance using SPSS software package.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This chapter entails the socio-demographic characteristics of respondents, examines the three human resource practices in the selected commercial banks, analyses the effect of HR practices on employee performance in the selected commercial banks, and assesses the strategic implication of HR practices on employee performance in the selected commercial banks.

Socio-demographic characteristics

The study sampled 97 staff of some selected commercial banks in the Cape Coast Metropolitan Assembly. Table 1 gives a breakdown of the socio-demographics of the respondents. There were 55 male respondents, representing 56.7% whilst female respondents were 42 representing 43.3%. This implies that the most staff of commercial banks comprise more of males than their female counterparts.

From table 1, staffs in the age bracket of 20 – 29 years were in the majority with a percentage of 71.1%. This was followed by the 25 respondents which were within the age group of 30 - 39 years which constituted 25.8% of respondents. This was followed 3 respondents who were within 40 - 49 years which constitute 3.1%. There was no staff within the age bracket of 50 years and above. This implies that most of the staff in selected banks are in the age bracket of 20 - 29 years.

Table 1, further shows the level of work for staffs in the commercial banks. It can be seen that most respondents sampled that is, 47 (48.5%) work

at the junior level, followed by 36 (37.1%) who also worked at the middle level. and finally, 14 respondents forming 14.4% of the respondents were working at the management level. Hence most of the staff of commercial banks worked at the junior level.

Table 1: *Socio-demographics of respondents*

Background Information	Frequency	Percentage
Gender:		
Male	55	56.7
Female	<u>42</u>	<u>43.3</u>
	<u>97</u>	<u>100</u>
Age:		
20 - 29 years	69	71.1
30 – 39 years	25	25.8
40 – 49 years	3	3.1
50 years and above	<u>0</u>	<u>0</u>
	<u>97</u>	<u>100</u>
Level of work:		
Junior staff	47	47.5
Middle level staff	37	37.4
Senior Management	<u>15</u>	<u>15.1</u>
	<u>99</u>	<u>100</u>

Source: Field Data, 2017.

Reliability

Reliability of a scale gives an indication of how free it is from random error (Pallant, 2013) or the extent to which the scale produces consistent results if repeated measures are taken (Kent, 2007). Cronbach Alpha which measure internal consistency was used and it measures the degree to which all items on a scale measure an underlying construct (Pallant, 2013).

The individual consistency reliability should be 0.7 or higher. From the Table 2, the Cronbach alpha for the variables; employee performance is 0.743, recruitment and selection, training and development, and performance management system for HR practices ranged from 0.728 to 0.860. Recruitment

and selection, training and development, and performance management system for strategic HR practices had a Cronbach alpha that ranged from 0.236 - 0.698. This implies that some constructs and the scales used to measure the variables under study were reliable others were not reliable.

Table 2: *Reliability*

Variable	Cronbach Alpha
Employee Performance	0.743
HR Practices	
Recruitment and Selection	0.728
Training and Development	0.860
Performance Management System	0.733
Strategic HR Practices	
Recruitment and Selection	0.698
Training and Development	0.576
Performance Management System	0.561

Source: Field Data, 2017

OBJECTIVE ONE: The relationship between the three human resource practices and employee performance in the selected commercial banks

This objective sought to examine the three HR practices in the selected commercial banks in the Cape Coast Metropolitan Assembly. To achieve this objective, the three HR practices; recruitment and selection, training and development, and performance management systems were used to know assessed using their means and standard deviation.

From Table, recruitment and selection refer to the process of attracting and choosing candidates for employment. Seven indicators were used to measure this HR practice on a scale of 1 - 5. According to Dess et al (2005), with a scale of 1 to 5, the midpoint mean is 2.9. This means that any mean score above 2.9 is considered as high and below the 2.9 is low.

It can also be seen that all factors measuring recruitment and selection were highly agreed to by the staff of the selected commercial banks. These factors were; there is a formal induction, orientation and familiarisation process is designed to help new recruits understand the bank with a mean of 4.44 and a standard deviation of 0.759, applicants are fully informed about the qualification required to perform the job before being hired had a mean of 4.12 and a standard deviation of 1.189, Also, staff were of the view that appointment in this bank was based on merit, vacancies were filled from qualified employees internally, selection methods select those having the desired knowledge, skill, and attitude, advertisements are used by the bank to recruit and In these banks, line managers participated in the selection process to aid in the recruitment and selection process.

These had a mean of 4.01, 3.59, 3.51, 3.48, and 3.17 respectively and standard deviation of 0.839, 1.195, 1.343, 1.746, and 1.378 respectively. This implies that the selected banks undertook recruitment selection intensively this shows the importance of these HR practice as suggested by Gamage, (2014).

Table 3: *Recruitment and Selection (RS)*

Recruitment and Selection (RS)	Mean	Std. Deviation
Formal induction, orientation and familiarisation process designed	4.44	.759
Applicants are fully informed about the qualification required to perform the job before being hired	4.12	1.189
Appointment in this bank is based on merit	4.01	.839
Vacancies are filled from qualified employees internally	3.59	1.195
Selection methods select those having the desired knowledge, skill, and attitude	3.51	1.343
Advertisements are used by the bank to recruit	3.48	1.746
In this bank, line managers participate in the selection process	3.17	1.378

Source: Field Data, 2017

DeCenzo and Robbins (2000), explain training as a “learning experience, in that, it seeks a relatively permanent change in an individual that will improve his ability to perform on the job. Table 4 shows that the staff of all the selected commercial banks highly agreed to the seven factors used in measuring training and development.

These factors were as follows; There is a budget dedicated to training and development every year with a mean of 4.39 and a standard deviation of 0.726; Training incorporates the interests of the banks as well as the individual had a mean of 4.37 and standard deviation of 0.887; Training needs identified are realistic, useful and based on the business strategy of the bank with a mean and standard deviation of 4.26 and 0.943 respectively; also, Every employee goes through various training programmes every year this had a mean of 4.25 and a standard deviation of 0.951.

The other three factors that were also highly agreed to by the staff of these selected commercial banks were; There is a training strategy and coherent training program, 4.21 mean and 1.081 standard deviation; Training needs were discussed with employees, 3.97 mean and a standard deviation of 1.102 and lastly, The bank's policies for promotion and advancement are always fair with a mean of 3.31 and a standard deviation of 1.131. This also implies that training and development is an important HR practice in commercial banks.

Table 4: Training and Development

Training and Development	Mean	Std. Deviation
There is a budget dedicated to training and development every year	4.39	.726
Training incorporates the interests of the banks as well as the individual	4.37	.887
Training needs identified are realistic, useful and based on the business strategy of the bank	4.26	.943
Every employee goes through various training programmes every year	4.25	.951
There is a training strategy and coherent training program	4.21	1.081
Training needs are discussed with employees	3.97	1.102
The bank's policies for promotion and advancement are always fair	3.31	1.131

Source: Field Data, 2017

Performance management involves multiple levels of analysis, and is clearly linked to strategic HRM as well as performance appraisal. According to Rudman (2003), it is increasingly seen as a means of integrating HRM activities with the business objectives of the organization, where management and HR activities are working together to influence individual and collective

behaviour to support the organisation's strategy. Hence from Table 5 it can be seen that performance management system is an important HR practice in commercial banks.

This is because from the seven factors used to measure performance management system, staff from the selected commercial banks highly agreed to all the factors used to measure the variable. This assessment was done based Dess et al (2005) assessment. They were of the view that with a scale of 1 to 5, the midpoint mean is 2.9. This means that any mean score above 2.9 is considered as high and below the 2.9 is low. Hence There appraisal data is used for decision making like promotion, job rotation, training, compensation, transfer and discharge with a mean of 4.00 and standard deviation of 1.040;

There is a well - defined performance management strategy 3.95 mean and 1.004 standard deviation; There are corrective measures for underperformance with mean of 3.81 and standard deviation of 1.192; In these banks, employees were provided performance based feedbacks and counselling with mean of 3.68 and a standard deviation of 0.967; There was regular appraisal for promotion (3.55, 1.223), Appraisal system is growth and development orientated (3.52, 1.207), Retraining, redeployment and employability take precedence over downsizing (3.42, 1.213) were highly agreed to.

Table 5: *Performance Management System (PMS)*

Performance Management System (PMS)	Mean	Std. Deviation
There appraisal data is used for decision making like promotion, job rotation, training, compensation, transfer and discharge	4.00	1.040
There is a well - defined performance management strategy	3.95	1.004
There are corrective measures for underperformance	3.81	1.192
In this bank, employees are provided performance based on feedbacks and counselling	3.68	.967
There is regular appraisal for promotion	3.55	1.223
Appraisal system is growth and development orientated	3.52	1.207
Retraining, redeployment and employability take precedence over downsizing	3.42	1.213

Source: Field Data, 2017

These HR practices were further computed to find the composite mean for each HR practice and this can be seen in Table 6. From the table, it can be seen that commercial banks see training and development as quoted by Dessler (2008). training and development, is the means of giving new or current employees the skills they need to perform at their various jobs.

He sees training as the hall mark of good management and thus when managers ignore training, they are doing so to the great disadvantage of the organizations they are managing, thus training and development is the most important HR practice in commercial banks which had a mean of 4.11 and a standard deviation of 0.725. This was followed by recruitment and selection with a mean of 3.76 and standard deviation of 0.768 and

performance management system followed with a mean of 3.70 and a standard deviation of 0.698.

Table 6: *HR practices*

HR practices	Mean	Std. Deviation
Training and Development	4.11	.725
Recruitment and Selection	3.76	.768
Performance Management System	3.70	.698

Source: Field Data, 2017

OJECTIVE TWO: The effect of HR practices on employee performance in selected commercial banks

A regression analysis was employed to examine the effect of HR practices on employee performance. The regression model was evaluated by the coefficient of determination denoted by R-square (R^2). This represents the proportion of variance in either variable which is linearly accounted for by the other (Cohen, 1992).

The regression analysis was done using SPSS and the output of the analysis are seen in tables 7, 8, and 9. With HR practices (recruitment and selection (RS), training and development (TD) and performance management system (PMS)) as the independent variables and employee performance as the dependent variable. Table 7 gives the model summary of the output. This table displays R, R squared, adjusted R squared, and the standard error. R is the

Pearson product moment correlation coefficient which indicates the strength and direction of the linear relationship between the dependent variable (employee performance) and the independent variables (RS, TD, PMS). Hence from Table 7, HR practices and employee performance of

commercial banks are positively correlated, and the strength of the relationship is moderate at .652.

The R squared, the coefficient of determination, is the proportion of variation in the dependent variable explained by the regression model. Thus, about 42.6% of the variation in employee performance in commercial banks is explained by the HR practices these commercial banks. This indicates that the relationship between HR practices and employee performance is moderately strong. Adjusted R^2 is reported when it substantially differs from R^2 (Green & Salkind, 2010). But since the difference between the two is insignificant, the adjusted R^2 will not be reported in this study.

Table 7: *Model Summary*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.652 ^a	.426	.407	.39664

a. Predictors: (Constant), PMS, TD, RS

Source: Field Data, 2017

Table 8 is the ANOVA table which provides the test significance for R and R^2 using the F-statistic. The F statistic is the regression mean square (MSR) divided by the residual mean square (MSE). If the significance value of the F statistic is small (smaller than say 0.05) then the independent variables do a good job explaining the variation in the dependent variable. In this analysis, the p -value is well below .05 ($p < .001$). Therefore, it can be concluded that the R and R^2 between branding and consumer buying behaviour of buyers of real estate products is statistically significant, and HR practices can significantly affect employee performance of commercial banks.

Table 8: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11.074	3	3.691	23.463	.000 ^b
	Residual	14.945	95	.157		
	Total	26.019	98			

a. Dependent Variable: EP

b. Predictors: (Constant), PMS, TD, RS

Source: Field Data, 2017

The table in the SPSS output labeled coefficients (Table 9) provides information that is useful for understanding the regression equation. Under the column marked unstandardized coefficient and sub-column B, the numerical value for the first row, labeled (constant), is the value for the intercept (a) in the regression equation.

The numerical value on the second row, labeled as RS, TD and PMS in this case (representing the independent variables), are the values for slope (b) for the regression equation. Based on these results, the researcher can report the following regression equation, predicting employee performance based on Recruitment and Selection, Training and Development and Performance Management Systems of commercial banks.

Y (employee performance) = 2.294 + .431X (Recruitment and Selection) - .070X (Training and Development)+ .037X (Performance Management Systems).

Taking the values for the slope and the intercept in the resulting regression equation, the researcher can make the following statements: According to the intercept, when there is no HR practices, employee performance will be at a percentage level of 22.94% and according to the

slope, for any improvement made in Recruitment and Selection, will lead to a 43.1% increase in employee performance.

Training and Development had a negative relationship with employee performance (-0.099) but this relationship is not significant. Also, there is a positive relationship between performance management systems and employee performance at 0.050 but this relationship is also not significant. Therefore, out of the HR practices of commercial banks, only Recruitment and Selection has a significant effect on employee performance.

Table 9: *Coefficients^a*

Model		Unstandardized		Standardized		
		Coefficients		Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	2.294	.265		8.667	.000
	RS	.431	.079	.643	5.473	.000
	TD	-.070	.071	-.099	-.993	.323
	PMS	.037	.102	.050	.361	.719

a. Dependent Variable: EP

Source: Field Data, 2017

OBJECTIVE THREE: Strategic implication of HR practices on employee performance in the selected commercial banks

With strategic implication of HR practices as the independent variable and employee performance as the dependent variable. Table 10 gives the model summary of the output. This table displays R, R squared, adjusted R squared, and the standard error. R is the Pearson product moment correlation coefficient which indicates the strength and direction of the linear relationship between the dependent variable (employee performance) and the independent variables (strategic implication of HR practices).

Hence from Table 10, strategic implication of HR practices and employee performance are positively correlated, and the strength of the relationship is moderately strong at .504. Regarding this relationship between strategic implication of HR practices and employee performance, strategic implication of HR practices (Recruitment and selection (RS), training and development (TD), performance management system (PMS)) shows a moderately strong positive and significant relationship with employee performance in the selected commercial banks. The R Square explains the amount of variation that exists in the dependent variable caused by the independent variables.

Therefore, the result further indicates that 25.4% variation in employee performance (as dependent variable) is explained by the independent variables (strategic Recruitment and selection (SRS), strategic training and development (STD), strategic performance management system (SPMS)). The remaining 74.6% is explained by the residual.

The implication is that an effective strategic implementation of HR management practices would result in an increase in employee performance in the selected commercial banks.

Table 10: *Model Summary*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.504 ^a	.254	.231	.45188

a. Predictors: (Constant), SPMS, STD, SRS

Source: Field Data, 2017

Table 11 is the ANOVA table which provides the test significance for R and R² using the F-statistic. The F statistic is the regression mean square

(MSR) divided by the residual mean square (MSE). If the significance value of the F statistic is small (smaller than say 0.05) then the independent variables do a good job explaining the variation in the dependent variable. In this analysis, the p -value is well below .05 ($p < .001$).

Therefore, it can be concluded that the R and R^2 between strategic implication of HR practices and employee performance is statistically significant, and strategic implication of HR practices can significantly influence employee performance.

Table 11: ANOVA^a

Test significance of strategic implication of the three HRM practices

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.621	3	2.207	10.808	.000 ^b
	Residual	19.398	95	.204		
	Total	26.019	98			

a. Dependent Variable: EP

b. Predictors: (Constant), SPMS, STD, SRS

Source: Field Data, 2017

The table in the SPSS output labelled coefficients (Table 12) provides information that is useful for understanding the regression equation. Under the column marked unstandardized coefficient and sub-column B, the numerical value for the first row, labelled (constant), is the value for the intercept (a) in the regression equation.

The numerical value on the other rows, labelled as (strategic recruitment and selection (SRS), strategic training and development (STD), strategic performance management system (SPMS) in this case (representing the independent variables), are the values for the slope (b) for the regression equation. Based on these results, the researcher can report the following

regression equation, predicting employee performance based on commercial banks' strategic implication of HR practices.

Y (employee performance) = 2.057 – 0.101X (strategic recruitment and selection (SRS)) + 0.416X (strategic training and development (STD)) + 0.120X (strategic performance management system (SPMS)).

Taking the values for the slope and the intercept in the resulting regression equation, the researcher can make the following accessions: According to the intercept, when there is strategic implication of HR practices in commercial banks, thus, when it is zero, employee performance will be at a percentage level of 20.57%, and according to the slope, though there is a relationship between SRS and employee performance (beta = -0.114) but this relationship is not significant ($\rho = 0.452$). STD, SPMS and employee performance are related and this relationship is significant at $\rho = 0.01$ for STD and $\rho = 0.05$ for SPMS.

Hence for any additional strategic training and development done will lead to an increase in employee performance by 41.6% and for any improvement made on strategic performance management system, employee performance will increase by 12.0%. Therefore, strategic training and development and strategic performance management system are the strategic implications of HR practices that have a significant effect on commercial banks' employee performance.

Table 12: *Coefficients^a*

Model		Unstandardized		Standardized		
		Coefficients		Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constan)	2.057	.324		6.353	.000
	SRS	-.101	.133	-.114	-.755	.452
	STD	.416	.120	.473	3.465	.001
	SPMS	.120	.057	.223	2.116	.037

a. Dependent Variable: EP

Source: Field Data, 2017

Chapter Summary

With reference to the purpose of the study to explore the strategic implication of the bundle of HR practices on employee's performance of some selected commercial banks in Cape Coast. The purpose of the study was broken into:

To examine the three human resource practices in the selected banks, to analyse the effect of HR practices on employee performance in selected commercial bank and to assess the strategic implication of HR practices on employee performance in the selected commercial banks.

The first objective was with the mean and standard deviation in order to know the average performance as well as deviation from the mean was present in table 3 to 6. The second objective, the second objective was to analyse the effect of HR practices on employee performance in selected commercial banks, the result demonstrated that recruitment and selection have significant relationship with employees' performance but training and development and performances management system have no significant on employee performance (see table 9). The third objective was also displayed in

table 12 assess the strategic implication of HR practices on employee performance in the selected commercial banks, the findings shows that strategic implications of HR practices that have a significant effect on commercial banks' employee performance but strategic recruitment and selection was insignificant.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

The purpose of this chapter is to present the summary, conclusions and recommendations of this study. The summary presents a brief overview of the research problem, objective, research methods and findings made in the study. On the other hand, the conclusions encapsulate the overall outcomes regarding the findings of the study in the light of the research questions.

The recommendations also present specific remedies to be implemented by specific institutions. The chapter also presents the problems that were encountered in the course of conducting the research in the form of limitations and offer some directions for future research in the area of the above topic of interest.

Summary

The staffs of a company are major resources to that company's success. Human asset in the 21st century is considered the most important asset of any company (Hafiza, Shah, Jamsheed & Zaman, 2011). Bank staffs, in particular, are key contributors to high productive banks and have a major role to play in achieving the objectives of the bank as a whole. Hence, there is the need to investigate the strategic implication of HR practices in the performance of Bank staffs.

This study investigated the relationship, effects and strategic implication of HRM practices on the performance of employees in some selected banks in Cape Coast Metropolis: GCB, Prudential Bank, Uni Bank, Fidelity Bank, Societte Generale, Guarantee Trust Bank, Zenith Bank and

ADB . The study used across section data set from eight (8) banks in Cape Coast. The study employed both descriptive statistics and regression in analysing the data to determine the actual effects of both HR practices and strategic HR practices on employee performance.

For the first objective; examine the HR practices in commercial banks. Training and development is the most important HR practice in commercial banks which had a mean of 4.11 and a standard deviation of 0.725. This was followed by recruitment and selection with a mean of 3.76 and standard deviation of 0.768 and performance management system followed with a mean of 3.70 and a standard deviation of 0.698.

For the second objective, the effect of HR practice on employees' performance. A regression analysis was employed to examine the effect of HR practices on employee performance. The regression model was evaluated by the coefficient of determination denoted by R-square (R^2) which represents the proportion of variance in either variable which is linearly accounted for by the other (Cohen, 1992).

Based on these results, there is no HR practices, employee performance will be at a percentage level of 22.94% and according to the slope, for any improvement made in Recruitment and Selection, will lead to a 43.1% increase in employee performance. Training and Development had a negative relationship with employee performance (-0.099) but this relationship is not significant. Also, there is a positive relationship between Performance

Management Systems and employee performance at 0.050 but this relationship is also not significant. Therefore, out of the HR practices of

commercial banks, only Recruitment and selection has a significant effect on employee performance.

For objective three, the strategic implication of HR practices on employees performance in selected commercial banks in Cape Coast. When there is strategic implication of HR practices in commercial banks, thus, when it is zero, employee performance will be at a percentage level of 20.57%, and according to the slope, though there is a relationship between SRS and employee performance (beta = -0.114) but this relationship is not significant ($\rho = 0.452$). STD, SPMS and employee performance are related and this relationship is significant at $\rho = 0.01$ for STD and $\rho = 0.05$ for SPMS. Hence for any additional strategic training and development done will lead to an increase in employee performance by 41.6% and for any improvement made on strategic performance management system, employee performance will increase by 12.0%.

Hence, strategic training and development and strategic performance management system are the strategic implications of HR practices that have a significant effect on commercial banks' employee performance.

Conclusions

Employees are one of the critical strategic assets for organizations. They have an important and strategic role in gaining competitive advantage which cannot be over-emphasized. There is therefore the need for strategic implementation of HRMPs to stimulate their performance. The results obtained in this study clearly indicates that this objective was achieved. Based on the results obtained in this study the following conclusions were reached:

Training and development is the most important HR practice in commercial banks which had a mean of 4.11 and a standard deviation of 0.725.

This was followed by recruitment and selection with a mean of 3.76 and standard deviation of 0.768 and performance management system followed with a mean of 3.70 and a standard deviation of 0.698; results of the study revealed that Recruitment and selection is statistically significant in influencing employee performance; furthermore, the results revealed that training and development had a negative relationship with employee performance but this relationship is not significant.

There is a positive relationship between Performance Management Systems and employee performance at 0.050 but this relationship is also not significant; again, there is strategic implication of recruitment and selection (SRS) on employee performance but this relationship is not significant; the results also revealed that the strategic implication of training and development (STD) on employees' performance is statistically significant; in addition, the strategic implication of performance management system (SPMS) on employees' performance is statistically significant.

Recommendations

Based on the results obtained from the study, in order to increase employees performance to higher level in the selected banks management should emphasize successful strategic implementation of HRMPs, thus, recruitment and selection, training and development, performance management. Institutions could also pay attention to strategic implication of other HR practices on employees' performance (such compensation). The results can be generalized to similar institutions across the country.

Suggestions for future research

Future studies should consider a larger sample and other organizations in the country. Similar studies in future should also be carried out among different communities in order to develop a broader understanding of HRMPs and employee performance. Also, further studies should increase the study area by including other workers in other profession. Future studies could also explore strategic implication of other HRM practices on employees' performance (such as compensation).

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APPENDIX A

QUESTIONNAIRE FOR DATA COLLECTION

TOPIC: Effects of HR practices on employee's performance of some selected commercial banks in the Cape Coast Metropolis, Ghana.

INTRODUCTION:

Thank you for agreeing to take part in this important survey on the above topic. I am a student of Cape Coast, Department Management Studies, School of Business. I therefore seek your thought and opinions on the above topic. This [will be kept in the strictest confidentiality. All information we collect is important to us and will be looked at as anonymous.

Please tick or write out your responses where appropriate

SECTION A: SOCIO-DEMOGRAPHIC DATA OF RESPONDENT

1. Gender:

Male

Female

2. Age:

20-29 years.

30-39 years.

40-49 years.

50 years and above

3. Level of work:

Junior Staff Middle level staff Senior Management

4. Current Position

SECTION B: TO EXAMINE THREE (RECRUITMENT AND SELECTION, TRAINING AND DEVELOPMENT, AND PERFORMANCE MANAGEMENT SYSTEM) OF THE HUMAN RESOURCE PRACTICES.

Instruction: using the scale of 5 (highly agree) to 1(least agree), please indicate by ticking [√] the appropriate number your level of agreement.

(a) RECRUITMENT AND SELECTION

	STATEMENT	5	4	3	2	1
5.	Appointment in this bank is based on merit					
6.	Applicants are fully informed about the qualification required to perform the job before being hired					
7.	Advertisements are used by the bank to recruit					
8.	There is a formal induction, orientation and Familiarization process designed to help new recruits understand the bank					
9.	In this bank, line managers participate in the selection process					
10.	Selection methods select those having the desired knowledge, skills and attitude					
11.	Vacancies are filled from qualified employees internally					

(b) TRAINING AND DEVELOPMENT

	STATEMENT	5	4	3	2	1
12.	Training needs are discussed with employees					
13.	There is a training strategy and coherent training program					
14.	Training incorporates the interests of the bank as well as the individual					
15.	Training needs identified are realistic, useful and based on the business strategy of the bank					
16.	Every employee goes through various training programmes every year					

17.	The bank's policies for promotion and advancement are always fair					
18.	There is a budget dedicated to training and development every year					

(c) PERFORMANCE MANAGEMENT SYSTEM

	STATEMENT	5	4	3	2	1
19.	In this bank, employees are provided performance based feedback and counseling					
20.	The appraisal data is used for decision making like promotion, job rotation, training, compensation, transfers and discharge					
21.	There are corrective measures for underperformance					
22.	Appraisal system is growth and development oriented					
23.	There is a well-defined performance management strategy					
24.	Retraining, redeployment and employability take precedence over downsizing					
25.	There is regular appraisal for promotion					

SECTION C: TO ANALYSE THE BASIS FOR THE NEED OF THE THREE HR PRACTICES IN THE SELECTED COMMERCIAL BANKS.

26. On which basis are the three HR Practices considered in your bank?

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27. Does the bank regard the three HR practices indicated above?

Yes [] No []

28. Please indicate how your bank really need the three HR practices.

HR Practices	Strongly needed	Needed	Not Needed	Strongly not needed
a. Recruitment and Selection	[]	[]	[]	[]
b. Training and Development	[]	[]	[]	[]
c. Performance Management	[]	[]	[]	[]

SECTION D: TO DETERMINE THE EFFECTS AND STRATEGIC IMPLICATIONS OF RECRUITMENT AND SELECTION, TRAINING AND DEVELOPMENT AND PERFORMANCE MANAGEMENT SYSTEM ON EMPLOYEE PERFORMANCE

(a) RECRUITMENT AND SELECTION

	STATEMENT	5	4	3	2	1
29.	Share both positive and negative messages					
30.	Send only positive information for recruitment					
31.	Make use of internal recruiting					
32.	External recruiting is widely used					
33.	Communicate with a selected group with targeted skills for recruitment					
34.	Consider large number of potential applicants					
35.	Hire short -term generalist for relatively short-period					
36.	Hire long-term generalist to perform a variety of jobs over relatively long -period					
37.	Consider short-term specialist with the expertise for relatively short period.					
38.	Hire long-term specialist for their long –term commitment to the organization.					
39.	Select people who have existing skills and past accomplishment or achievements.					
40.	Select people with the potential that predict capability to develop for future accomplishment.					

