CHAPTER - II

REVIEW OF LITERATURE OF THE STUDY

The chapter highlights various studies related to Human Capital Management. Identifying the components that would construct effective Human Capital Management and studying the nature of the components and their outcomes are brought out in this chapter with the help of existing literature.

2.1 INTRODUCTION

Various studies have been conducted on Human Capital and Human Capital Management both in India and International context since many years. Some of them have dealt with issues specific to Human Capital Management and its significance. Many studies on Human Capital have been conducted concentrating on the economic growth of a country or region. Few others have dealt with Human Capital in organizations. Under Human Management, studies have majorly concentrated on measuring Human Capital and Return on Human Capital Investments. Human Capital Management is identified as the root for Human Capital efficiency, subsequently followed by Human Capital Measurement, Human Capital Investment and Return on Human Capital Investment. There are few studies that have studied the importance of Human Capital Management components or elements that shapes Human Capital Management.

2.2 HUMAN CAPITAL AND HUMAN CAPITAL MANAGEMENT

(LeBlanc et al, 2000) Adopting a Human Capital approach means viewing employees as an investment to be optimized rather than a cost to be minimized. It means considering dollars spent on recruiting, protecting, developing, motivating and retaining employees like investments in capital equipment or plant expansion-as expenditures with an expected payback within a certain time period. There are three types of people investments that build Human Capital: the first builds "knowledge," the second fuels "motivation," and the third creates "opportunity". Human Capital is optimized when there is significant "knowledge," "motivation" and "opportunity" to perform.

The Human Capital represented by corporate employees involved in the information and knowledge economy is becoming an increasingly central value-creating factor in global competition. In contrast to other value-creating factors, Human Capital is more difficult to measure, evaluate and manage. Traditional value-determining factors are apparently no longer adequate to explain an organization's value.

As the U.S. economy continues to shift, there will be an increasing reliance on Human Capital as a source of sustained competitive advantage. This economic shift has led firms to develop measurement systems to manage Human Capital.

used a sample of 750 large, publicly-traded firms and found evidence that superior Human Capital practices are a leading indicator of financial performance and those organizations with the best Human Capital practices provide returns to shareholders that are three times greater than those of companies with weak Human Capital practices.

There has been an increasing consciousness that workforces are considered not only as a vital resource for a business but also a key basis of competitive advantage in today’s changing business environment. As a result, substantial investments towards upgrading Human Capital are mandatory.

defines Human Capital as a stock of competences, knowledge and personality attributes embodied in the ability to perform. It is the attributes gained by a worker through education and experiences to produce economic value.

---


142 (Fulmer et al, 2003) have suggested that companies that emphasize positive employee relations related to Human Capital Management tend to enjoy not only more positive workforce attitudes, but also better performance than their counterparts in the broad market. Literature has also revealed that Human Capital enhances a firm's global initiatives in various ways.

143 (Abeysekera and Guthrie, 2004) define HC as: Combination of factors possessed by individuals and the collective workforce of a firm which also encompass knowledge, skills and technical ability; personal traits such as intelligence, energy, attitude, reliability, commitment; ability to learn, including aptitude, imagination and creativity; desire to share information, participate in a team and focus on the goals of the organization.

144 (Lin, 2005) Many organizations nowadays derive their competitive advantage from their Human Capital, and it becomes critical for organizations to select Human Capital that matches their strategic goals. Human Capital (HC) must be identified, and maintained, and it should be treated as investments instead of expenses in accounting records.

145 (Kathleen, 2006) Skills, experience and knowledge have economic value to an organization and as Employee Value increases, so does the organizations capacity. Human Capital is intertwined with performance management. Those who recognize the importance of Human Capital create a work environment that facilitate maximum employee performance. Another major issue involved in Human Capital Management is employee work problems. She concludes by saying, to manage nursing Human Capital, there is a need to invest in recruitment and retention, healthier work environment, patient safety, training and development and succession planning. The study also emphasis that the organization should not overlook the importance of Job Coaching, the best way to keep organization’s stars, is to know

---


145 Better Manage your Human Capital. Employees are assets. You can enhance staff value through investment, Kathleen .M. White, January 2006, Nursing Management, pp17-19, Spring house corporation
them better than they know themselves. One of the best methods for inspiring the employees to greatness is through investing in Human Capital.

(Larson et al, 2006) Human Capital Management is the trend. There is not only acceptance from academics and at least enlightened human resource management practitioners, but also a growing research agenda leading to the better understanding of the relationship between employees and organizations.

(Nagarajan Ramamoorthy et al, 2007) Human Capital enhancing practices may not occur overnight and may take time to implement and stabilize. In a sense, Human Capital enhancing strategies may be viewed as a philosophy that requires buy-in from all the stakeholders of the firm – employees, top management, shareholders and first line managers.

(Ali et al, 2008) with changing global competition, organizations would lose their Competitiveness unless they address HC in their strategic decision making and emphasize this key asset within their reporting activities.

(Marlena, 2008) The capital value of a man is the stock of capital embodied in people; these are investment that human beings make in themselves or by their organization or its combination to increase the essence of organization. Human Capital mainly consists of competences - it is knowledge, willingness and abilities, skills to use structural capital, interpersonal skills, experience and education, - relations - ability to share knowledge and trust, which are to create the value for an organization, values - these are concepts distinguishing a unit or group, they influence the selection of tools and effects of actions by determining if a given action is right or wrong.

---

Human Capital refers to the costs individuals or organizations incur on activities and processes that lead to the acquisition of competences, abilities, talents, possession of positive attitude and skills. They identified employment of educationally qualified persons, Employee Training, payment of competitive salary to staff and employment of experienced persons as important factors. Human Capital creates added value to the productivity of a firm or organization or nation.

The study advocated the importance of Human Capital Management (HCM) and proposed that, in a context of economic integration and free movement of people, a holistic and broad-based approach to HCM is critical for countries seeking to leverage Human Capital for improved economic performance in three ways: (a) to determine its Human Capital needs to meet national goals, (b) to be positioned to successfully participate in the enrichment of a regional pool of competitive talent, and (c) to provide tools to mitigate the unintended consequences of labour mobility.

The purpose of this paper is to examine the extent of Human Capital (HC) reporting in leading Bangladeshi firms using the HC reporting framework, thereby making a contribution to the body of knowledge in the area of HC reporting practice in a developing country context. Using the technique of content analysis, three years of annual reports of 32 leading manufacturing and service sector companies listed on the Dhaka Stock Exchange (DSE), selected on the basis of the market capitalization, were examined. The study contributes to the HC literature by providing empirical evidence of the status of HC reporting in a developing country context. The most popular framework for distinguishing the various constituents was proposed by Brooking.
1996; 154Brooking and Motta, 1996). This framework has later been expanded by many other researchers (155Dzinkowski, 1998, 2000; 156Guthrie and Petty, 2000; 157Edvinsson and Malone, 1997; 158Roos et al., 1998; 159Christopher and Siu-Chung Kong, 1998; 160Miller et al., 1999). With further modification of such items as the establishment of own Training Institutes or lists of employees participation in training, a list of 20 HC items is compiled from this expanded framework.

161(MacKenzie et al, 2010) Using the resource-based view (RBV), prior researches has shown Human Capital can be a source of sustained competitive advantage. Still, Possessing talented employees becomes irrelevant if the organization is unable to accumulate sufficient levels of Human Capital to maintain a competitive advantage. The purpose of this dissertation is to introduce staffing levels as a complimentary conceptualization of Human Capital. The significance of staffing levels suggest that even a resource which possesses all necessary attributes for a sustained competitive advantage may fail to lead to one if organizations are unable to accumulate it in sufficient levels. This finding also suggests that resources must not only be rare, valuable, inimitable, and non-substitutable, but they must exist at sustainable levels within an organization.

162(Gurhan et al, 2010) Investigated the direct and interactive effects of organizational support and Human Capital on the innovative performance of companies. As for the role of Human Capital (HC), it is found to be an important driver of innovative performance.

159Christopher, T. and Siu-Chung Kong, G. (1998), “Human resources made by small Australian mineral mining companies”, research paper, School of Accounting, Edith Cowan University, Perth.
161Human Capital: The importance of staffing levels, MacKenzie, William I, Dissertations and Theses, pg 98, 2010
162Organizational support for entrepreneurship and its interaction with Human Capital to enhance innovative performance, Lutfihak Alpkan; Bulut, Cagri; Gunday, Gurhan; Ulusoy, Gunduz; Kilic, Kemal, Volume: 48 Issue: 5 Pages: 732-755, 2010
The study established a strong positive relationship between the variables, management styles and organizational productivity. Based on the findings, it is recommended that companies should discourage employees' alienation from work process and encourage their involvement through participatory managerial style. Organizational productivity depends largely on Human Capital Management. Organizational productivity is a vast and complex phenomenon. If organizations are to achieve it, Human Capital Management becomes imperative. There is significant positive relationship between Human Capital Management and organizational productivity.

The survival of every tourist destination is predicated on the provision of effective Human Capital Management for the tourism organizations and enterprises. The quality of service delivery in a destination is a reflection of the quality of its Human Capital. This paper investigated the challenges of Human Capital Management in the Nigerian tourism industry, the challenges of tourism and hospitality education in Nigeria. The result of effective Human Capital Management will be the possession of the tourism discipline attributes by the employees or citizens of a society. The effect of Human Capital Management can be measured as perceive or actual changes on the employee and organization. It states that a stakeholders' approach to Human Capital development will produce quality Human Capital that will in tum impact positively on tourism development in Nigeria. Human Capital is critical in the development of any tourist destination. The ability of the destination to develop a competitive edge is a function of the level and quality of Human Capital base.

Human Capital is a new discipline not only for human resource department but also to the financial investment analysts as well as to the accountants. It is not a buzzword but a future demand. Human Capital Management is a system approach to people management. HCM is aligned with the

---

163 (Olalekan et al, 2012) The study established a strong positive relationship between the variables, management styles and organizational productivity. Based on the findings, it is recommended that companies should discourage employees' alienation from work process and encourage their involvement through participatory managerial style. Organizational productivity depends largely on Human Capital Management. Organizational productivity is a vast and complex phenomenon. If organizations are to achieve it, Human Capital Management becomes imperative. There is significant positive relationship between Human Capital Management and organizational productivity.

164 (Bassey Benjamin Esu, 2012) The survival of every tourist destination is predicated on the provision of effective Human Capital Management for the tourism organizations and enterprises. The quality of service delivery in a destination is a reflection of the quality of its Human Capital. This paper investigated the challenges of Human Capital Management in the Nigerian tourism industry, the challenges of tourism and hospitality education in Nigeria. The result of effective Human Capital Management will be the possession of the tourism discipline attributes by the employees or citizens of a society. The effect of Human Capital Management can be measured as perceive or actual changes on the employee and organization. It states that a stakeholders' approach to Human Capital development will produce quality Human Capital that will in tum impact positively on tourism development in Nigeria. Human Capital is critical in the development of any tourist destination. The ability of the destination to develop a competitive edge is a function of the level and quality of Human Capital base.

165 (Sujata Priyambada Dash et al, 2012) Human Capital is a new discipline not only for human resource department but also to the financial investment analysts as well as to the accountants. It is not a buzzword but a future demand. Human Capital Management is a system approach to people management. HCM is aligned with the
corporate strategic plans and manages internal and external customers. Today’s HR concentrates on employees and not enough on the broader workforce and issues that impact the enterprises success. HCM increases the scope to include all of the sources of Human Capital, wherever they reside in the Human Capital value chain.

166 (Armstrong et al, 2012) Human Capital Management is the process of recruiting, managing, assessing, developing and maintaining an organizations most important value i.e. Its People. Human Capital Management is concerned with obtaining, analysing and reporting on data which informs the direction of value-adding people management, investment and operational decisions at corporate level.

167 (Marusnik 2012:173) Justification for investment in Human Capital is very simply represented by Marusnik in the following statement: "Given the fact that each person is an individual with his/her own specificities, human resources represent the only irreplaceable source of any organization. Their training and development of their knowledge, skills and competencies also increase the organizational ability to create a new value that is confirmed by the market and that ensures long-term competitiveness".

168 (Ramin et al, 2013) The purpose of this paper is to investigate if Human Capital information voluntarily provided by German companies is value-relevant. The results show that Human Capital information is value-relevant. Especially, information on qualification and competence issues is positively associated with firm value. Companies can improve their valuation on the capital market by disclosing information on their Human Capital. The amount of Human Capital disclosures is increasing over time. Human Capital can be regarded as an important driver of long-term corporate financial performance. Thus, proactively disclosed Human Capital information is assumed to be reflected in share price. Accordingly, Human Capital information is value relevant.

The purpose of this paper is to adopt a new model for the relationship between Human Capital (HC) and product innovation via customer capital (CC) in Banks. The research findings indicate that HC has a positive effect on CC. In addition, product innovation is significantly associated by CC. Hence, HC leads to new product development which yields to Customer satisfaction and loyalty.

2.3 ELEMENTS OF HUMAN CAPITAL MANAGEMENT

2.3.1 EMPLOYEE BENEFITS

There has been an increasing trend in online benefits solutions with employers realizing the efficiency offered in streamlining administration while providing employee satisfaction. This paper focuses on the array of online benefits solutions offered by technology companies and reports the benefits to both employers and employees. Some of the benefits include reduced paperwork, reduced errors and reduced administration costs. Companies that can deliver these benefits will be in great demand to help manage benefits programs and streamline the administrative processes. According to a survey conducted, 19 of 20 HR professionals consider comprehensive Web-based benefit solutions as "must have," "important," or "very important" in future HR benefit offerings.

This article considers potential conflicts between the principles of equity, equality and need in perceptions of fairness regarding Employee Benefits, based on self-interest bias, and makes specific predictions regarding perceptions of distributive justice in specific benefit plans. A survey of 497 employees in seven Canadian organizations tested the predictions. Findings indicate that Organizations that take a proactive approach to understanding how employees determine their perceptions of procedural and distributive justice in Employee Benefits, and design a benefit plan accordingly, can potentially increase employees' perceptions of justice regarding Employee Benefits and reap associated benefits including improved employee retention, enhanced ability to hire and increased benefit satisfaction.
Research undertaken by the Chartered Institute for Personnel and Development (CIPD, 2007) shows that, the better the benefits are communicated, the more staff appreciate their employer and, even when employees don't take up benefit offers, engagement with the organization is increased. Research recently undertaken by AIG UK Benefit, Reviews Company and employee views about the provision and communication of voluntary Employee Benefits (VEBs) to understand how these offerings can create engagement with a workforce. The findings highlighted the importance of communicating benefits packages.

Employee benefit program is an investment in a company's workforce that has the potential to deliver a range of significant business returns. With cost control becoming more of a priority, along with the need to retain motivated workforce, attaining the maximum return on a company's benefits investment is, without a doubt, a critical business need. Key factor that influence an employee's decision to stay is Employee-benefit program that responds to the core needs of security and relevance. It's important to remember that a greater investment in Employee Benefits programs does not necessarily mean bigger benefits spend. As a start, employers should review the programs already in place. First, conduct an inventory of where time and attention is spent. It's also important to determine where an employer is not spending time and attention. The critical required resource is a mind-shift that allows for recognition of benefits not as cost, but as an investment in competitiveness and Profitability. Controlling costs and maximizing Employee Benefits, while still meeting the needs of an increasingly diverse workforce is the building block employers must use to create a benefits framework that raises Profitability and maintains their competitive edge.

The potential impact of Employee Benefits on individuals and their dependents is significant and growing as new products and solutions come on to the market. The aim of this paper is to investigate how benefits impact on employees and the organization as a whole, and how organizations are choosing to

---

172 (CIPD, 2007) Research undertaken by the Chartered Institute for Personnel and Development (CIPD, 2007) shows that, the better the benefits are communicated, the more staff appreciate their employer and, even when employees don't take up benefit offers, engagement with the organization is increased. Research recently undertaken by AIG UK Benefit, Reviews Company and employee views about the provision and communication of voluntary Employee Benefits (VEBs) to understand how these offerings can create engagement with a workforce. The findings highlighted the importance of communicating benefits packages.

173 (Leopold, 2009) Employee benefit program is an investment in a company's workforce that has the potential to deliver a range of significant business returns. With cost control becoming more of a priority, along with the need to retain motivated workforce, attaining the maximum return on a company's benefits investment is, without a doubt, a critical business need. Key factor that influence an employee's decision to stay is Employee-benefit program that responds to the core needs of security and relevance. It's important to remember that a greater investment in Employee Benefits programs does not necessarily mean bigger benefits spend. As a start, employers should review the programs already in place. First, conduct an inventory of where time and attention is spent. It's also important to determine where an employer is not spending time and attention. The critical required resource is a mind-shift that allows for recognition of benefits not as cost, but as an investment in competitiveness and Profitability. Controlling costs and maximizing Employee Benefits, while still meeting the needs of an increasingly diverse workforce is the building block employers must use to create a benefits framework that raises Profitability and maintains their competitive edge.

174 (Terry et al, 2009) The potential impact of Employee Benefits on individuals and their dependents is significant and growing as new products and solutions come on to the market. The aim of this paper is to investigate how benefits impact on employees and the organization as a whole, and how organizations are choosing to

---


174Creating engagement through employee benefits, Pegg, Terry, Strategic HR Review Volume: 8 Issue: 2 Pages: 5-12, 2009
inform their people about the type of benefits they offer. To manage the positive impact of Employee Benefits within an organization, the effective delivery of benefits solutions needs to be a virtuous circle. For benefits to make a positive impact on an individual, the individual first needs to be aware of and understand the benefits their employer currently offers. However, to communicate the advantages, scope and potential impact of Employee Benefits successfully, organizations themselves need to understand their people, what they want from individual products and their motivation to acquire them. Successfully communicating the advantages, scope and potential impact of benefits presents a real opportunity for employers.

(Leopold et al, 2010) Employee Benefits represent an investment from which companies derive value and should be managed in line with an overall business strategy rather than written off as an expense. To shift a company's mind-set from benefits as an expense to benefits as strategic business drivers, employers and brokers must move away from the traditional notion of benefits (e.g., medical coverage, retirement accounts, time-off policies) and toward the key strategies of health and wellness, financial security, life balance and experience. Viewing benefits holistically helps maximize value while strengthening employee engagement and satisfaction. A company's investment in Employee Benefits is significant and when managed effectively, has the potential to deliver invaluable returns in the form of employee attraction, retention and productivity. Employers that view benefits programs holistically rather than as an obligatory expenditure will derive the most value from their benefits initiatives.

(Mochama et al, 2013) Established that there is a positive correlation between equal Employee Benefits and level of Job Satisfaction among employee. There was also a significant correlation between equal Employee Benefits and increased efficiency as well as Profitability. From the findings, it is essential for the company to harmonize the benefits package so as to cushion itself and its employees against

---

175 A Fresh Perspective: Employee Benefits as a Strategic Business Investment, Leopold, Ronald Benefits Quarterly Volume: 26 Issue: 4 Pages: 21-24, Fourth Quarter 2010
the harsh effects of inflation. Lastly, the company ought to review its benefits award structure so as to make it more competitive, equitable and transparent. The study contributes knowledge useful in streamlining employee rewards systems in a bid to attain competitive advantage, improved performance and good corporate image. The company will also attract and retain the best talent as a result of adopting best practices in Employee Benefit programs and will save on costs associated with lockouts and strike.

(Rappaport et al, 2013) Employee Benefits have been and remain important to society as a whole, and are necessary for individual employee's financial security, Employee Benefits support the employer's financial and workforce business needs. This article focuses on the business case for Employee Benefits from the perspectives of several different stakeholders: the employer that is often a plan sponsor, the public at large and the individual. Depending on the business, meeting employer business goals may be highly dependent on having the right Human Capital and keeping workers satisfied and motivated. Often, attraction and retention of employees are key business issues. Employee Benefits help attract and retain good employees. For many individuals, the availability of satisfactory health benefits is essential if they are to consider employment, and health benefits are often a consideration in leaving jobs as well. Well-structured, managed and defined benefit plans generally get better investment returns and allow more dollars of retirement benefits to be delivered per dollar paid in. Benefits paid as guaranteed life income allow assurance that benefits will continue for life and provide more dollars of regular income than a relatively safe, self-managed periodic pay-out from an investment account. In many ways, a dollar spent on benefits gets more than a dollar of value for employees. Research demonstrates that individuals are not well equipped to manage financial security programs when left on their own. Financial advisors do not serve the middle market well. Social programs are under budget stress and likely to be reduced. Employers can provide benefits more efficiently and at a more attractive cost than individuals can on their own.

177 Business Case for Employee Benefits, Rappaport, Anna M., Benefits Quarterly Vol 29 Is 1 Pages: 8-14, First Quarter 2013
2.3.2 ENTREPRENEURIAL SPIRT

178 (Toma et al, 2009) The author mentioned the fact that any human has a hereditary creative legacy of a smaller or a bigger value. This legacy can be developed by theoretical training and practice, and the creative potential can be valued. The author mentioned the fact that the creativity stimulation is necessary. The Austrian economist Joseph Alloys Schumpeter mentioned for the first time the mechanisms and the factors of the innovation process, proving that the Entrepreneurial Spirit and the possibility of obtaining temporally monopoly profit could stimulate the insertion of the new products on the market, or the reducing of the production costs.

179 (Rowley et al, 2010) Entrepreneurial competencies are important to business growth and success. The purpose of this paper is to undertake a literature review of research on entrepreneurial competence in order to provide an integrated account of contributions relating to entrepreneurial competencies by different authors working in different countries and different industry sectors and at different points in time; develop an agenda for future research and practice in relation to entrepreneurial competencies. Conclusions suggest that although the concept of entrepreneurial competencies is used widely by government agencies and others in their drive for economic development and business success, the core concept of entrepreneurial competencies, its measurement and its relationship to entrepreneurial performance and business success is in need of further rigorous research and development in practice. There is evidence to suggest that understanding of the competencies required and the changing role of the entrepreneur through the different phases of development of a business will support the development of competence, and, will, in turn, have consequences for successful business growth. Entrepreneurial competencies are important to business growth and success. An understanding of the nature and role of such competencies can have important consequences for practice.

178 Innovation and Creativity within the Economic Organizations, Toma, Viorica, Economy Transdisciplinarity Cognition Is 2 Pages: 92-108, 2009
Argue that a distinction should be made between the general body of publicly available knowledge and economic knowledge - a subset of knowledge from the general body which businesses have found to use profitably. The authors actually state that general knowledge is converted into economic knowledge by the efforts of entrepreneurs, who essentially sift through the general body of knowledge until they find something they believe they can exploit and then start a business based on that piece of knowledge. Thus, knowledge by itself is not enough to create economic growth, since entrepreneurship is required to turn general knowledge into economic knowledge.

AlBuqami, recommended that more powers should be given to the staff. The study also recommended that employee should participate in decision-making related to work, reconsider the current rewards system and Increase the use of modern technical means, which help in the completion of the work accuracy and fast.

The goal of the current article is to examine the status and role of entrepreneurship in the Greek economy. It presents data on entrepreneurship and business demographic data as size classes, employment, value added and business failure. The final conclusion is that entrepreneurship play a vital role in Greek economy.

2.3.3 JOB ROTATION

Job Rotation not only increases professional knowledge and experiences, also individual's performance in different positions and responsibilities. It is the best criterion for evaluation and measurement of employees’ capabilities.

---

180 (Smith, D, 2010) The Role of Entrepreneurship in Economic Growth. Undergraduate Economic Review, 6(1), Art. 7
183 (Esmaili, 1999) Staff education and job rotation, Tadbir magazine, No. 109, p: 96
Today, official education isn't able to train organizational individuals in different aspects and the reason is that most of the capabilities and human force qualities are trained by working. Job Rotation system is one of the two-targeted mechanisms which simplifies executive affairs and develops human abilities. Job Rotation saves time and costs, leads to better works and trains workforce in various aspects.

States that each manager and totally each system hopes to have flexible, skilful and multi-skilled staff. Such individuals can simplify and accelerate affairs and save time and even resources in activities if Job Rotation is open.

Job Rotation causes increase of individual knowledge and experiences, decreases tiredness and this leads to intellectual transformations, creativity and innovation.

This research was carried out to study the relation between Job Rotation and staff performance in Customs. Finding of this research showed that there are significant relationships between importance of Job Rotation and staff performance, management style in organization and staff performance, organization goals of Job Rotation and staff performance and also, satisfaction with Job Rotation and staff performance in Customs organization of Golestan and Mazandaran Provinces.

2.3.4 EMPLOYEE PARTICIPATION IN TRAINING

The aim of this study was to assess how training motivation in terms of the expectation of gaining valued outcomes and motivation to learn explains participation in training and development. Multiple regression

---

184 (Soltani, I., 2000) Role of job rotation in development of human resources, Tadbir Magazine, No. 101, p: 35
186 Sa'adat, E., (2011), Human resources management, Tehran, Samt Publication, 15th Ed
analyses show that, the higher the training motivation, the more employees participated in training and development, as they also did from higher supervisor support.

189 (Tonnessen et al, 2005) The paper aims to address the failure of prevailing international management concepts to utilize the potentials of company-wide employee participation in innovation, and give the reader some practical solutions and some ideas about how to exploit these potentials more efficiently. These solutions and ideas are developed mainly through two Norwegian action research programmes that have been carried out together with industry over a ten-year period. The case studies showed that a better utilization of the potentials of company-wide employee participation in innovation gives efficiency as well as working environment improvements. The case studies also showed that more knowledge and a further development of practical tools that ease participation in innovation is an important challenge for future R&D. In order to fully exploit the potentials of employee participation in innovation companies and consultants need to adjust their practice in the direction of a more participatory approach.

190 (Renaud et al, 2006) This study seeks to investigate whether gender and managerial status act as significant correlates of participation in voluntary training. It identified that individuals participate in voluntary training in order to increase their productivity, and consequently, their benefits. Similarly, the higher the workers' level of schooling, the smaller the gap between the individuals' training needs (i.e. total training demand) and training supply (mandatory training).

191 (Ben et al, 2011) This study examined technical and nontechnical employee attitudes toward participation in training. A survey was administered to 337 self-identified technical and nontechnical university employees. Findings are as follows: (a) most employees prefer training that is less than 2 hours in length, (b) employees

189 Continuous innovation through companywide employee participation, Tonnessen, , Tor, The TQM Magazine, 17 (2) Pages: 205-207, 2005
190 Participation in voluntary training activities in the Canadian banking industry, Renaud, Stéphane; Morin, Lucie; Cloutier, Julie, International Journal of Manpower 27(7) Pages: 666-678, 2006
191 EXPLORATION OF TECHNICAL AND NONTECHNICAL EMPLOYEE ATTITUDES TOWARD PARTICIPATION IN TRAINING, Ryburn, Ben; Brown, Dan, Performance Improvement, 50(8), Sep 2011
do not want training outside their regular shift, (c) employees strongly prefer hands-on training, and (d) less than half were encouraged by their supervisor to apply what was learned in nontechnical training to their job.

\textsuperscript{192}(T + D, 2012) Social learning is a good way to get the entire organization involved in learning. But for it to be effective, it requires a high level of employee participation. Organizations find they often must first deal with self-esteem and self-confidence issues. There are three practices to put in place to help encourage employee contributions. To help with self-confidence: Set up areas in your learning community where people can share their perspectives and expertise on subjects outside of work topics. This will provide a place for people to connect across disciplines and enable them to showcase their unique expertise, helping them develop confidence. To help with self-esteem: Provide fun, extrinsic rewards for contributions (such as clothing, paperweights, or key chains) tied to the initiative and learning community, but lacking in significant monetary value. Rewards of recognition and acknowledgement have been shown to increase motivation. To encourage participation: Seed the community with content. No one wants to post on an empty forum or be the first to write a blog comment or submit a new idea. Add some innocuous posts, and even some responses, to encourage people to join in an active discussion.

\textsuperscript{193}(Zelna \textit{et al}, 2013) This study highlights that some participants indicated that training and development opportunities were offered, they had negative perceptions of these opportunities as they felt that they were mainly exposed to repetitive, low-level courses or that they were not introduced to new skills. These participants felt that the opportunities offered to them contributed very little to their career advancement, possible promotion or career growth.
The constant emerging trends in business environment initiate so many changes in all organizations. Every organization has to strive to increase its Profitability, improve the quality of goods and services to ensure customer satisfaction. In order to meet the challenges posed by emerging trends organizations need the committed participation of talented people so that effectiveness & efficiency of the organizations could be enhanced.

2.3.5 EMPLOYEE TRAINING

This purpose of this study was to analyse and compare costs of computer-assisted instruction (CAI) versus traditional classroom instruction as a means of training and educating the natural gas industry workforce. The major study findings for the cost differences are the following: (1) Classroom training costs were more for completing a course than CAI. (2) Classroom training costs were more per day than CAI. (3) On-site and off-site classroom training costs were higher than CAI costs. The major study findings from the interview data for costs relating to incident reduction and timeliness are the following: (1) All respondents believed training reduced incidents. (2) CAI provided more training in less time and for less money. (3) CAI was consider timely due to availability, and convenience.

investigated the effects of training and development activities on Employee Turnover for the Turkish insulation sector. He recommended that through training and development, turn over in low level and mid-level employees reduce significantly.

The study aims at exploration of causal relationship among golf club employees 'training reactions, training learning, training behaviours and organization commitment (result level) with Kirkpatrick's four-level evaluation model as the foundation of ideas and verification of causal model. .Empirical results
show golf club employees' training reactions affect the result of organization commitment through training learning and training behaviours. Thus, training learning and training behaviours are mediating in overall causal model. The conclusion of the study is golf club employees show stronger learning achievements and learning behaviours when they have better reactions to education training. They have, as a result, higher organization commitment. The key to promote organization commitment is to enhance golf club employees' positive reactions after education training to have stronger learning achievements and learning behaviours.

198(Koleva et al, 2013) Training and improving of employees represents a frame which is focused on organization skills, development of the employee through education, long term needs of the company, individual goals in the career and the value of employees that could be provided. Training is a very expensive process which demands time and money for realization. Bringing decisions, preparing good programs for the training process, and upgrading the skills and employees attitudes on every possible level, increase the efficiency in the company, and can bring back the money and time invested with interest. This represents the only way to get the company to the top of success.

2.3.6 EMPLOYEE SKILLS AND COMPETENCIES

199(David, 2008) The biggest challenge today is to be more economical. As the economy is being stressed, they have to be more inventive on ways to get their jobs accomplished more efficiently. Actively updating and upgrading the facilities and employees of an organization will produce profits.

200(Sanghi et al, 2009) The biggest challenge of any business is to sustain and grow. In order to compete it is essential to know what competencies are business needs. In any business strategy, people are more critical than the plan. Strategies can only be effectively implemented if organizations have a competent force of employees. This can be done by developing a competency model and mapping each job incumbent on these competencies.
Competencies by themselves are insufficient for performance unless defined in behavioural terms. This paper is a review of the competency literature. This study suggests that Competencies and competency models are a viable tool that can be utilized to prepare the current and future workforce and retain skilled incumbent workers to meet the job requirements and other needs of employers. Furthermore, for career exploration and development purposes and during times of job change, whether by choice or due to market changes, competencies and Competency models are an assistive device for individuals to focus on their current competencies and refocus or enhance their competencies.

Skills of workers alone are not enough to make progress but it should be organized in an integrated and coherent framework so that those skills are integrated and are resembled to accomplish the work. This change requires shifting towards sustainable management in action and continuous improvement of the skills and reviewing of structures and foundations and providing adequate support, including the freedom of the workers.

Career competencies are those behavioural competencies that are common to all jobs and combined with the organization wide competencies make up the suite of behavioural competencies necessary for success. This paper aims to study the relationship between career competencies and organizational success in universities of Iran. The findings show that there is a meaningful relationship between career competencies and organizational success. Organizations can support their success by reinforcing competencies which focus on employees' performance. It is possible to state that career competencies are not static, they need to be renewed taking into consideration a person's career goals and plans of actions needed to achieve them.

1. Vazirani et al., 2010
2. Al-Omari, Burhan M Awad, 2012
3. Malikeh et al., 2013

Competencies and Competency Model-A Brief overview of its Development and Application, Vazirani, Nitin, SIES Journal of Management, 7(1), Pages: 121-131, Apr-Aug 2010
Relationship between competencies career and organizational success Beheshtifar, Malikeh; Zare, Elham , Interdisciplinary Journal of Contemporary Research In Business, 5 (1) Pages: 834-842, May 2013
2.3.7 INTELLECTUAL SKILLS

(Burgman, R. J. et al, 2005) has viewed Intellectual Skills as assets representing all the stocks of what matters to the creation of enterprise value that is not represented on its traditional balance sheet as monetary or physical assets. Additionally, intellectual asset is the sum of everything everybody in the company knows that gives a competitive edge in the market place.

(Chen, M. C. et al, 2005) Intellectual asset generally represents the critical resource in the value creation process. Due to globalization, banking industry has to transact their financial products being one of the services enriched and knowledge intensive industry. It also has to manage its knowledge base to gain competitive advantage.

(Afiouni, F. et al, 2007) The most important qualities of intellectual assets is having diverse knowledge assets that can improve organizational processes, knowledge management and Human Capital Management in order to enhance the operational performance of organizations. This study found that when employees have better internal communication channels there is stronger knowledge creation which could also enhance the Human Capital of banks. Therefore, this study infers that types of knowledge creation would influence the formation of Human Capital in the banking industry.

(Coudhury et al, 2010) People management practices should work towards nurturing talent to manage develop, protect intellectual pool of the organisation which is distinct from materials and physical objects and seem initially intangible and subjective. So there is lot of accountability on HR professionals to develop and protect intellectual asset of an organisation which is fundamental in success strategy.


ROLE OF HR ARCHITECTURE ON INTELLECTUAL CAPITAL, Choudhury, Jyotirmayee; Mishra,14 Issue: 1/2 Pages: 35-4, Jan-Jun 2010
Organization that seeks to reach and maintain an outpost in the area of increased competition, especially in financial and investment fields must rely on the creative and Intellectual Skills of their employees. Because these skills generate new ideas for dealing with problems and difficulties, product development, participation in the formulation of ideas that help to implement them, afford the risk consequences when change in product is made and to commensurate with the needs and tastes of consumers.

This paper documents that business ethics has positive impacts upon the development of intellectual assets. Knowledge has become the most important asset of modern businesses, and this study argues that Businesses with ethical values at the core reinforce ethical conducts and successfully build trust with their various stakeholders, leading to the formation of an ethical and trustworthy corporate culture and a positive corporate environment. Thus, in this reasoning, an ethical approach to business can encourage open communication, problems solving, knowledge sharing and creativity among employees to increase organisational capital; enhance interactions and relationships with suppliers, customers and other stakeholders to increase social capital; attract and retain good talent to increase Human Capital. The results suggest that business ethics is associated with increased intellectual abilities.

2.3.8 HUMAN CAPITAL STATISTICS

Within the UK corporate sector, the Royal Bank of Scotland (RBS) has been out on its own in terms of the rigor it has applied to Human-Capital measuring in its employment systems. Neil Roden, director of Human Resources (HR) has transformed the HR function into a statistics-led discipline that is underpinned by a comprehensive application of metrics. Employee data are linked with reward preferences, business productivity and turnover to provide a rich source

209 (Hwan-yann et al, 2014) This paper documents that business ethics has positive impacts upon the development of intellectual assets. Knowledge has become the most important asset of modern businesses, and this study argues that Businesses with ethical values at the core reinforce ethical conducts and successfully build trust with their various stakeholders, leading to the formation of an ethical and trustworthy corporate culture and a positive corporate environment. Thus, in this reasoning, an ethical approach to business can encourage open communication, problems solving, knowledge sharing and creativity among employees to increase organisational capital; enhance interactions and relationships with suppliers, customers and other stakeholders to increase social capital; attract and retain good talent to increase Human Capital. The results suggest that business ethics is associated with increased intellectual abilities.

210 (Donkin et al, 2005) Within the UK corporate sector, the Royal Bank of Scotland (RBS) has been out on its own in terms of the rigor it has applied to Human-Capital measuring in its employment systems. Neil Roden, director of Human Resources (HR) has transformed the HR function into a statistics-led discipline that is underpinned by a comprehensive application of metrics. Employee data are linked with reward preferences, business productivity and turnover to provide a rich source
of feedback pointing to trends that require management action. The RBS annual report cross-references employee statistics in various sections, thus emphasizing the inter-relationship between employees and business performance. An advantage of using a set of measures according to the International Survey Research standard that is employed across the financial-services sector is that managers have powerful comparisons as a base for strategic decisions. Comparing the same figures year on year is even more useful since it enables a company better to understand how specific adjustments to the employment policies affect other dimensions.

\[\text{211 (Nik Maheran N. M, 2009)}\] Human Capital can be defined as health, knowledge, motivation and skills, the attainment of which is regarded as an end in itself because they yield fulfilment and satisfaction to the possessor. Unlike structural capital, Human Capital is always owned by the individuals who have it, unless it is recorded in a tangible form or is incorporated in the organizations procedures and structures. In essence, financial sector especially banks in particular, needs a new generation of professional executives who are more customer-centric, technology-savvy, more highly qualified, flexible and agile with skill sets that are now more comprehensive than previously. In the context of globalization, high-class Human Capital today has become a necessity and not merely opulence.

\[\text{212 (Nofan et al, 2014)}\] The study aimed to identify the positive impact of Computerized Accounting Information Systems' effectiveness in increasing the efficiency of Human Capital in financial departments in the public Jordanian universities. The results showed positive impact of Computerized Accounting Information Systems on factors of Human Capital (knowledge, creativity, skills) in the Jordanian Public Universities.

\[\text{213 Nik Maheran, N. M. (2009), Intellectual Capital Efficiency and Firm's Performance: Study on Malaysian Financial Sector,}\]
\[\text{International Journal of Economics and Finance (IJEF), Vol. 1, No. 2.}\]
\[\text{IMPACT OF COMPUTERIZED ACCOUNTING INFORMATION SYSTEMS' EFFECTIVENESS IN INCREASING THE EFFICIENCY OF HUMAN CAPITAL: FIELD STUDY IN THE FINANCIAL DEPARTMENT IN THE PUBLIC JORDANIAN UNIVERSITIES, Nofan, Humid Mohammed Al-Oleemat}\]
2.3.9 LEADERSHIP PRACTICES

There is a substantial body of research evidence regarding the importance of leadership development to organizational success. In this paper leadership is defined as, "Influencing others to accomplish organizational Goals". The viewpoint advocated in this paper is that everyone in the organization influences others by their actions. Therefore, it can be argued that the process of leadership development applies to every person in every organization. Research suggests that successful performance in most forms of work endeavours can be attributed to experience and coaching, rather than simply to in-born talent or early-life experiences. Leadership scholars as well as business practitioners need to focus on those competencies that can be learned and the most effective methods for learning them.

examined the relationship between work life initiatives and their impact on employee and organization outcome. They found work life benefits, direct supervisor support and top management support to be the most significant factors. They recommended that employees who find work life benefits and who receive support from their direct supervisor and top management are more committed with their work

examined the impact of supervisory reward power influence employee' job outcomes. They suggest that through the combine effects of work motivation and supervisory commitment, employees would commit to their supervisors and increase their job effort for organizational objectives.

This study identified the leadership competencies for effective global innovation teams in large multinational corporations. A growing

Leadership Competencies: Can They Be Learned?, Tubbs, Stewart L; Schulz, Eric ,The Business Review, Cambridge Volume: 3 Issue: 2 Pages: 7-12,Summer 2005


Shis and chen jen (2007), "the impact of supervisory reward power influence employee' job outcomes", ProQuest Dissertations and Theses, pp108

Leadership competencies for effective global innovation teams , Messinger, Ross Haynes, ProQuest Dissertations and Theses page: 200 .2008
trend toward global product development further complicates the leadership of technically challenging research and development with the need to motivate highly skilled, creative, multi-cultural, and widely dispersed team members. The global innovation team leader must therefore develop a unique set of competencies that have not previously been identified. The study found that a global innovation team leader should have a participative leadership style, exhibit an Entrepreneurial Spirit, have a genuine concern for others, and be self-managed. The global innovation team leader should excel in cultural competencies while demonstrating basic technical and social competencies.

(Kathuria et al, 2010) The purpose of this paper is to examine the role of manufacturing leadership in enhancing manufacturing performance for different manufacturing configurations. Findings show that Effective leadership is positively associated with overall manufacturing performance beyond the fixed effects of organizational variables, such as competitive orientation and industry membership.

(Fredendall et al, 2011) This study aims to examine the effects of leadership behaviours on quality management (QM) practices and their effects on quality performance of manufacturing companies in Thailand. This paper demonstrates that leadership in Thailand is important to the implementation of quality practices. The findings indicate that leadership is an important component of QM and affects infrastructure practices which in turn affect core quality practices. Finally, these core practices affect quality performance.

(Olalekan et al, 2012) Managers should avoid autocratic style except in situations that gets to the extreme because Human Capital is behavioural in nature with different tendencies which could be covert. Employees can intentionally be soldiering at work there by widening the gap between perceived and actual

---


organizational productivity. Workers should be involved in their performance appraisal. This will give them insight into their strength and weakness and allow them to build up on them. Besides, the choice of self-managed learning is recommended while the organization provides advisor. Workers voice must be recognized in order to foster increased productivity at the workplace in Nigeria. To this effect, managers must encourage joint consultation and industrial democracy.

220 (Nusair et al, 2013) Leadership is perceived to play a vital role in enhancing the creative thinking capacity for individuals and innovative outcomes through the many practices that support innovative efforts and provide risk tolerance, so the individuals feel more confident to express and implement their innovative ideas. Transformational leadership is highlighted to enhance subordinates innovative outcomes by stimulating them intellectually and motivating them to think "out of the box", and encourage them to exceed the expected performance by challenging their selves and proving that they can achieve more.

2.3.10 EDUCATIONAL QUALIFICATION

221 (Rick et al, 2002) The Veterans Health Administration (VA) continues to hire nurses with diploma and associate degrees. The VA also actively supports nurses working toward degree completion and advanced degrees. The administration has earmarked $50 million in financial support for VA nurses seeking to obtain their bachelor's, master's, or doctoral degrees. To address spiking patient care complexity within its health care system, the Veterans Health Administration (VA) revamped its professional nurses' performance standards and education requirements. Registered Nurse Qualification Standards emerged as a promising solution. Some professionals challenge the sense of hiring and promoting based on expertise and education level during a workforce shortage. But the VA cites its commitment to employ a highly qualified nursing workforce with a focus on performance and education from varied levels as an effective recruitment and retention strategy. It contends that employers who foster a professional environment that values nurses' educational preparation and their unique contributions will emerge as employers of choice.

---

Qualification standards: Excellence at all levels, Rick, Cathy Nursing Management, 33(10) Pages: 21-2, Oct 2002
222 (Gottesman, A. A et al, 2010) find a significant relationship between qualifications and performance. The results of empirical analysis suggest that managerial qualifications indeed have a bearing on firm valuation.

223 (Rakhmayil et al, 2013) This paper examines the effect of managerial qualifications on firm value. The study focuses on financial performance of Fortune 500 firms using annual data for 2006-2009. Results indicate that companies whose managers have MBA degrees or degrees from the prestigious schools have higher market values.

224 (Naidoo et al, 2013) This paper examines the career benefits of the MANCOSA MBA (Masters in Business Administration) qualification. This study tests the hypothesis that there is a positive link between obtaining MBA qualification, productivity at the workplace and career enhancement. This study also tests Human Capital theory which declares that the more educated a workforce, the higher the productivity. The framework of this study is underpinned with a quantitative approach by utilising descriptive and inferential statistics. The findings of the research yielded a positive correlation between the MBA qualification and workplace productivity and career progression. In addition, the most important reason MBA qualification is considered a competitive qualification in South Africa is because MBA graduates apply their knowledge at their workplace. The finding of the study also lends support to Human Capital theory, as it is proves that productivity increases in the workplace due to the MBA qualification.

225 (Asiedu-Appiah F et al, 2014) Locus of control (LOC) has been construed as the extent to which individuals believe that they have control over their own destiny. This study is concerned with investigating the causal relationship between LOC and contextual performance of employees of Kumasi Centre for Collaborative Research


225 AN INVESTIGATION INTO THE CAUSAL RELATIONSHIP BETWEEN EMPLOYEES’ LOCUS OF CONTROL AND CONTEXTUAL PERFORMANCE, Asiedu-Appiah, F; Addai, H . 21(1) Pages: 40-59, Feb 2014.
(KCCR). Contextual performance includes any behaviour that contributes to organizational effectiveness through its impact on the psychological, social, and organizational context of work. These include volunteering to carry out tasks that are not formally part of one's job and helping and cooperating with others in the organization to get tasks accomplished. The findings of the study revealed that most of the respondents at KCCR have internal locus of control whilst a few have external locus of control. The study further discovered that employees' Educational Qualification is a strong socio-cultural variable with significant impact on employees' LOC. This implies that a person's Educational Qualification is more likely to determine or influence the way he/she perceives the things that happen around him/her especially at the work place. Employees with internal LOC tend to have higher contextual performance than those with external locus of control. It is recommended that self-awareness programs, behaviour modelling and further education will help employees develop the right mental attitude and contribute positively to the success of their organizations.

2.3.11 EMPLOYEE TURNOVER

(Trevor, C. O, 2001) Whenever employee is satisfied there is a negative relation with Employee Turnover intentions but when employee is deprive from their rights there is high positive relation with turnover intentions which force employee to discontinue his job.

(Benson, S, 2003) investigated the role of employee development on commitment and intentions to leave for the manufacturing sector. He found that the most significant factor which affects Employee Turnover is promotion.

(Bloch et al, 2004) investigated the effect of Job Satisfaction on employee motivation and turnover intentions. He concluded that Job Satisfaction results in increased motivation and reduced turnover intentions.
(Scott et al., 2007) investigated the impact of training on Employee Commitment and Employee Turnover. He concluded that training is the major element to create more committed employees and establish productive workforce. With the help of employee investment, reciprocity, identification and alternative employment options, good training can yield more committed employees and less Employee Turnover.

(Ali et al., 2007) examined the employee perception regarding turnover in Bangladesh banking sector. They analysed the effect of variables (career growth, learning and development, pride in organization, exiting work and challenges, inspiring leadership, family friendly, recognition for work, location, job security, autonomy, flexibility) on the intention to leave the organization. They found that employees consider growth, learning and development, exciting and challenging work, fair pay and benefits, company policies as important factors that motivate them and decrees turnover.

(Ming et al., 2008) investigated the role of career development practices in turnover intention. The findings revealed that the most significant factor which has effect on turnover intentions depend on the nature of organizations career development practices. These practices enhance personal goals, motivate the workforce and reduce turnover.

(Sajjad et al., 2013) this study investigated the impact of motivation on Employee Turnover in Telecom sector of Pakistan. Motivation was established to be significant predictors of decrease employee's intention to quit.

(Muhammad et al., 2014) This research has been conducted in the private sector as well as in public sector organizations of Bahawalpur City. The main objective of
this research is to know the anticipants that have effect on employee satisfaction in any organization. Study focus is the relationship between employee satisfaction and Employee Turnover intentions, meaning intention towards leaving the organization. Whenever there is low level of employee satisfaction in any organization, the employees of that organization will intentionally leave that organization. The Satisfaction level of employees is necessary for the success of any business. Study concludes that if employees are more satisfied there seems to be lower turnover rate.

2.3.12 NUMBER OF EMPLOYEES

(Murray et al, 2001) "It's not 'potential' at all, it's very real," says Dr. Graham Hunter, a family physician in Calgary. "The Calgary Regional Health Authority says Calgary has 200,000 people who do not have a family doctor, and that Calgary needs 200 new family doctors to bring it up to par. In fact, there was talk that Calgary might apply for underserviced area status." This study emphasises the need for more family doctors as the existing number of family doctors are insufficient proving the importance of the number employed.

(Donkin et al, 2005) The Royal Bank of Scotland (RBS), keeps a keen eye on the most performance-responsive human-capital developments and trends in other sectors and companies that help to inform its own strategies. The importance of its employees is stressed early in its annual report and accounts, backed up immediately by a key blanket measure - the annual employee-opinion survey. The annual report cross-referenced employee statistics in various sections, thus emphasizing the relationship between employees and business performance. In the 2004 report, the ballpark figure for the total Number of Employees, regarded by some companies as the only employment-related figure that any external observer should care to know about is included in a new section on corporate responsibility.
If the workload causes an attorney to shed business, it may be time to bite the bullet and expand. Number of Employees in an organization, their deficit and over population impacts individual performance of employees and organizational performance at large. Work load is a barrier for efficient performance.

Private-sector banks have been functioning in India since the beginning of the banking system. This paper aimed to analyse and compare the physical performance of new private sector banks and offer suggestions for the improvement of its performance. The analysis reveals that the mean of private sector banks average Number of Employees is ranging from 1999 to 52758 branches with the overall mean is 18470 employees. The highest average employees are held by HDFC Bank and lowest is DCB. It clearly indicates that the average employees of Axis Bank, HDFC and ICIC Bank is more than the overall average employees of private sector banks but other four banks average employees is less than the overall average. The standard deviation of private sector banks employees is ranging from 254 to 10288 employees with the overall average Standard Deviation (SD) is 4036 employees. The highest standard deviation is HDFC Bank but lowest is DCB. The results show that Axis Bank, HDFC Bank and ICICI Bank SD is above the private sector banks average SD and remaining four banks SD is below. The degree of reliability is less in case of Development Credit Bank (DCB), IndusInd Bank (IB), Kotak Mahindra Bank (KMB) and Yes Bank (YB). Thus the results clearly prove the importance of assessing the Number of Employees in banks and cross checking if the bank has the required Number of Employees. Finally the study concludes that physical parameters among new private sector banks are of significant difference. The performance of the Axis Bank, HDFC and ICIC Bank are good compared to the new private sector banks.
2.3.13 EMPLOYEE VALUE

(Lowe et al, 2002) Today's skill needs and tomorrow's baby-boomer retirements are motivating employers to act strategically about recruitment and retention. The goal of a resilient and committed workforce is expressed in vague terms, like becoming an "employer of choice." This lofty goal must be broken down into concrete actions. From an employer's perspective, Employees’ Basic Value proposition is a job and a work environment that meets expectations.

(Nicholas, 2003) Typical approaches to brand building tend to focus on marketing communications. Yet it is employees, through their understanding of a company's ideology, they truly build an image of the organisation in the minds of customers and other stakeholders. This paper uses research undertaken for the book "Living the Brand" among organisations (Nike, H&VI, Baxter International, Patagonia, Adobe and UNICEF) It argues that the focus should be more on bringing the ideology to life internally, which is, concentrating on Employee Value to enhance brand value.

(Mike et al, 2009) The purpose of this viewpoint is to highlight the importance of organizational actions toward employees, matching the stated Value of Employees. Organizations will benefit from consciously endeavouring to treat employees in a manner that is consistent with explicit and implicit statements made with regard to the Value of Employees to the organization. The article reminds managers and leaders to consider their actions toward employees. Inconsistencies between their actions and their words may be negative to organization’s performance.

(William H et al, 2013) Preparing a closely held company for ultimate exit requires a long-term plan to build value. The objective of a value-sharing plan with key employees is to align their interests with those of owners. This includes significant upside sharing at exit for the growth in value that is achieved. The idea is

---

238 Employees’ basic value proposition: Strong HR strategies must address work values; Lowe, Graham S; Schellenberg, Gigant, Canadian HR Reporter, 15(13) Pages: 18-23, Jul 15, 2002
240 Incongruence in the value of employees: organizational actions speak louder than words; Schraeder, Mike, Development Learning in Organizations, 23(2), Pages: 4-5, 2009
241 Sharing value with key employees, Wiersema, William H, CPA, Electrical Apparatus 66(11) Pages: 36-37, Nov 2013
retention of key employees for the long-term, even after the company is sold. One way of sharing value is to provide for cash bonuses, which are payable upon sale of the company or other predetermined event. Most commonly closely held businesses use the appreciation in value approach, known as Phantom Stock Option (PSO), which allow key employees a share of the upside. A similar alternative is a Stock Appreciation Right (SAR) plan. In implementing a PSO or SAR plan, the first step is deciding how much of the future increase in value should be awarded to employees. A benchmark is ten to fifteen percent.

2.3.14 EMPLOYEE RECRUITMENT POLICY

(Bret Lee et al, 2003) The purpose of this study was to determine if athletic directors in northwest Ohio put any emphasis on prior head baseball coaching experience when hiring a head baseball coach based on a baseball coaches perspective. Findings from this research proved that athletic directors do view experience as a necessary requirement for hiring baseball coaches. Baseball coaches with no playing experience beyond high school and no prior coaching experience have a greater chance of having unsuccessful programs compared to those with experience in both of these areas. Baseball coaches with four years and beyond experience and no playing experience beyond the high school level are more likely to have less opportunities for a successful over time compare to those with four years and beyond prior coaching experience and playing experience beyond the high school level.

(Sonya Thorpe Brathwaite, 2004) Effective change begins at the top. When it comes to recruiting more diverse employees, suppliers and franchisees, this principle holds true as well. This article provides concrete policies for hiring diverse executive talent: 1. Expand the recruitment base. 2. Overcome the "we're too small syndrome." 3. Change the priorities. 4. Focus on scale. 5. Focus on the long term.
recruitment and selection practices are the key factors to the entry point of human resources to any organization which also tends to determine the success and sustainability. Human resource practitioners and academics worldwide hold the belief that, survival, growth and development of an organisation grossly depend on an effective and efficient culture of recruitment, selection and placement of people endowed with broader and deeper range of core competencies, preferred attitudes, knowledge, skills and experiences.

The purpose of this study was to examine recruitment practices of selected Banks, operating in Rawalpindi / Islamabad. The study found that those employees who entered the organization through internal recruitment sources experienced slightly less unmet expectations than employees recruited through external recruitment sources. The study also found that unmet expectation mediated the relationship between recruitment sources (internal vs. external) and both Job Satisfaction and organizational commitment. Results suggest that Banks should prefer internal recruitment practices to ensure less unmet expectations of employees and high level of Job Satisfaction and organizational commitment.

This study sought to identify the skills and competences required of graduates by SMEs, and the graduates selection and recruitment practices of SMEs. The results suggest that a majority of SMEs do recruit graduates but do not retain them beyond three years. Respondents identified information technology as the most important skill they require of graduates; followed by numerical skills, written communication skills, oral communication skills, confidence and self-discipline.

The study was conducted to identify the relationship between hiring practices on factors such as career planning, attracting workers, selection of professionals and Job Satisfaction and its impact on career.
pleasure and discontent. The result of the study showed that there was a strong relationship between the focus on the process of hiring of employees and the achievement of pleasure.

248 (Al-Ma'ani et al, 2013) This study aimed to investigate the effect of (employee selection, Employee Training, and employee empowerment and employees motivation) on organizational loyalty of the employees through the observation of the attitudes of the employees in the Jordanian Commercial Banks. There are many significant factors influencing organizational loyalty of the employees working in the Jordanian commercial banks, out of which, effect of employees selection ranked first. The dimension of selection of employee had the greatest effect on organizational loyalty, the management of the Commercial Banks should pay more attention to this factor by following clear and declared policies for hiring.

2.3.15 EMPLOYEE COMPENSATION

249 (Doukas et al, 2008) In circumstances of financial crisis banks should be planning and implementing changes to their compensation programs and strategies in order to ensure that they can continue to retain, attract, reward, and motivate the talent they need. Any modifications to current compensation practices need to be consistent with the organization's style, structure and needs and should be designed and implemented to help address these new challenges in compensation structures. All organizations will need to be pro-active if they want to be able to sustain. By anticipating the future, organizations can plan compensation activities to achieve success.

250 (Quersh et al, 2010) Investigated the impact of intrinsic and extrinsic compensation instrument in the banking sector of Pakistan. Study defined compensation and its direct positive relation with motivation, employee morale, retention, employee engagement and productivity. The result analysis shows that employees’ performance and motivation are linked with both intrinsic and extrinsic (monetary, non-monetary) compensation factors.

249 Are We Headed for a Compensation Meltdown in Banking?, Doukas, Jon, Kentucky Banker Magazine Pages: 9-10 ,Sep 2008
(Soharab et al, 2011) did a study on the impact of compensation on the performance of university teachers of Azad Jammu and Kashmir. Authors concluded that compensation has strong and positive impact on performance of university teachers of AJK. Compensation is the major element to influence teachers. The more teachers are compensated fairly the more they will perform better.

(Abdul et al, 2014) Say, Compensation is very important for the performance of employees. Therefore they are very important for the organization too. The purpose of this research was to measure the impact of compensation on employee performance. It was found from different results that Compensation has positive impact on employee performance.

2.3.16 EMPLOYEE INCENTIVES PROGRAM

(Ali et al, 2001) examined the impact of reward and recognition program on employee's motivation and satisfaction. The study was conducted in UNILEVER companies. They recommended that if more focus is placed on reward and recognition it will positively impact motivation and enhance high level of performance and retention.

(Sammer et al, 2007) Health benefit costs keep rising, global competition soars, and many companies are not in any position to increase their expenses or bump up employees' pay. Employer should try promoting rewards other than pay. Employers should focus on the value of "total rewards" they offer employees. Employers need to communicate those rewards to employees effectively so employees can truly understand and appreciate what they are getting. The overall goal of generating total-rewards statements are to develop, manage and, most important, communicate all rewards programs as one comprehensive whole.
Incentives are intended to change employee behaviour, usually to make employees more loyal or productive. Incentives should never make employees feel like they're being bribed to do more than their fair share. If you're stumped for ideas, don't be afraid it's opening Pandora's Box to talk to your employees. They'll be flattered you cared enough to ask, and their ideas may be surprisingly modest. Be willing to meet them at least halfway. Incentives mean more to people who already feel like they're appreciated. Little celebrations don't have to be expensive. Recognize personal milestones such as employment anniversaries, birthdays, and perfect attendance to show that the company cares about individuals. Meaningful incentives can win employees' hearts and minds, but you don't always have to break the bank to show you care.

(Tausif, M, 2012) investigated the relationship between non-monetary rewards and Job Satisfaction among teachers in public schools in Pakistan. The findings show that non-financial rewards are the most powerful predictors of Job Satisfaction. Therefore, Non-monetary incentives positively influence Job Satisfaction.

(Abdullah et al, 2013) The objective of the paper is to present the theoretical and empirical evidence conceptually regarding the relationship between non-monetary incentives and Job Satisfaction in influencing job performance. Non-monetary incentives are regarded as cost effective ways to compensate employees, thereby, attracting, motivating and retaining employees. The study proposes that non-monetary incentives and Job Satisfaction significantly and positively influence job performance.

(Agwu, M. O, 2013) assessed the impact of fair reward system on employees’ job performance among employees of an oil company in Nigeria and concluded that fair implementation of rewards significantly influenced employee job performance.
2.3.17 EMPLOYEE SAFETY AND HEALTH

(Borstorff, C et al, 2007) investigated the turnover drivers and retention factors affecting hourly workers. Health Benefits was one of the most important factors for retention.

(Frick, K et al, 2007) give the following examples of ways to manage the impact of health on production: workplace health promotion to support healthy lifestyles of employees; rehabilitation; workplace adaptation; disability management; promoting work ability in order to enhance and utilize the remaining productive capacity of less healthy employees; provision of health and medical care, health screening at recruitment, medical treatment, vaccinations, and disease and drug abuse control.

(Hansson, B et al, 2007) Frontrunner companies in health management regard health as a strategic asset, the motor of development and innovation, and as a resource contributing to the achievement of business targets. This has been acknowledged by the Canadian Quality Institute, which regards the "healthy workplace route" as one of the ways to achieve business excellence.

(Nielsen, C et al, 2007) In this research health is not seen from a medical perspective or a health protection perspective, but is seen as a factor that codetermines the functioning of people (Human Capital), factor that may contribute to an organization's value, a production factor to be developed and promoted. In fact positive mental health is likely to be a primary resource for creativity, which is increasingly relevant in the emerging knowledge society.

Owing to demographic developments, changing lifestyle patterns and the growing prevalence of diseases of affluence (e.g. obesity) public health issues have entered the workplace. An average 36 percent of the Dutch working population suffers from (self-reported) chronic diseases such as arthritis, rheumatism, migraine, heart problems, diabetes, etc. Irrespective of their age, roughly half of this group report that their chronic illnesses hinder them at work.

A healthy and vital workforce is an asset to any organization. Workplace health management and health promotion are therefore increasingly relevant for organizations. This paper aims to identify the organizational benefits companies strive for, and analyses the ways companies use and manage data in order to monitor, evaluate and improve the achievement of organizational benefits through workplace health management. This research provided insights into several implicit assumptions used by key company personnel who make decisions on health programs. Three examples of such implicit assumptions are: positive attention to mental health helps to develop an innovative corporate culture; engagement is a predictor of good mental health; and synergy between programs promoting physical and mental health can be achieved.

The purpose of this study was to examine employee health and safety practices in the shipping and manufacturing industries. The results revealed that age, gender and levels of education of employees do not influence employees' attitudes toward health and safety practices. The qualitative analysis also revealed that low productivity and high medical insurance bills were associated with ineffective employee health and safety practices while effective health and safety practices led to high Profitability and high productivity. In conclusion, industries must consider employee health and safety as their internal corporate social responsibility investment.
This paper examines the state of occupational health and safety in Ghana and the role it plays in the sustainable development agenda of the country. The paper observes the argument that there are three pillars of sustainable development; people, planet and profit. The paper also reveals that OHS has three pillars similar to sustainability; Economy, Environment and Society. It thus recommends that there should be sound OHS policies that will embrace sufficient environmental friendly programmes to ensure that the employees are safe and hence ensure sustainability.

2.3.18 CAREER DEVELOPMENT AND OPPORTUNITIES

(Greenhouse J et al, 2000) claim that if individuals understand the developmental task associated with each career stage, they can develop goals and strategies that are most appropriate for their particular career phase. Looking from the organizational points of view, an organization, seeking results of effective management should combine the goals of the organization and employee together and design developmental programs most relevant to an employee's stage.

(Hall D.T et al, 2005) In employees’ perception of career success, deciding their career change and managing their career should be their choice. Therefore, organizations where individuals are expected to self-manage their own careers rather than rely on organizational directions are vital.

(Baruch Y et al, 2006) In a highly competitive global environment it has become increasingly difficult and costly to attract employees with the desirable skills. Organisations need to convince employees that they are looked after with more opportunities, challenges and rewards than their competitors. This can be achieved by lending organizational support in employee career development.

---

Organizational support for career development (OSCD) found a positive relationship between career management behaviours and career satisfaction. Findings suggested that individuals benefit personally from engaging in career management behaviours. Empirical evidences indicate that OSCD initiatives that promote the individual benefits associated with career management behaviours of employees, and encourage them to be engaged in these behaviours, will experience greater success in facilitating employee career satisfaction.

As per this study, career planning is an integral part of manpower planning which is an important part of corporate planning. Manpower planning cannot be effective without proper career planning. Similarly, manpower planning provides valuable information to facilitate career planning.

Organizations are paying increased attention on Career Management practices in their quest for organizational growth and the career development of employees. The role of career management practices adopted by organizations has a special significance to the occupational self-efficacy with the progress of employees in their careers.

Individuals view themselves as entangled/embedded in a net of various forces and connections. The more embedded the individual becomes the greater the likelihood that they leave their job is marginalized. Job Embeddedness has been operationalized as a composit of two major factors: on-the-job embeddedness and off-the-job embeddedness. While on-the-job embeddedness refers to how enmeshed a person is in the organization, off-the-job embeddedness refers to how entrenched a person is in the community.

---

270 (Barnett, B. R et al, 2007) Organizational support for career development (OSCD) found a positive relationship between career management behaviours and career satisfaction. Findings suggested that individuals benefit personally from engaging in career management behaviours. Empirical evidences indicate that OSCD initiatives that promote the individual benefits associated with career management behaviours of employees, and encourage them to be engaged in these behaviours, will experience greater success in facilitating employee career satisfaction.

271 (Nithyavathi, K et al, 2011) As per this study, career planning is an integral part of manpower planning which is an important part of corporate planning. Manpower planning cannot be effective without proper career planning. Similarly, manpower planning provides valuable information to facilitate career planning.

272 (Jayawardena et al, 2013) Organizations are paying increased attention on Career Management practices in their quest for organizational growth and the career development of employees. The role of career management practices adopted by organizations has a special significance to the occupational self-efficacy with the progress of employees in their careers.

273 (Mitchell T. R et al, 2001) Individuals view themselves as entangled/embedded in a net of various forces and connections. The more embedded the individual becomes the greater the likelihood that they leave their job is marginalized. Job Embeddedness has been operationalized as a composit of two major factors: on-the-job embeddedness and off-the-job embeddedness. While on-the-job embeddedness refers to how enmeshed a person is in the organization, off-the-job embeddedness refers to how entrenched a person is in the community.

---


---

54
(Mitchell, T. R et al, 2004) found that individuals who are embedded within a local community, (e.g. family duties and leisure participation) show lower work absenteeism and less intent to quit their jobs. Many authors sustained that employees develop attachment towards a specific social and physical context, regardless of their attachment to their organization. Thus, employees who develop a significant embeddedness in their community will show positive attitudes to their job.

(Bookman A, 2004) Friendship, relationships and participation in Community Activities provides important resources in managing work and family duties, whereas the lack of adequate community engagement encumbers work-family activities.

(Dick et al, 2005) One of the new ways used by companies to demonstrate their social responsibility is to encourage employee volunteering, whereby employees engage in socially beneficial activities on company time, while being paid by the company. The reasoning is that, it is good for employee motivation (internal effects) and good for the company reputation (external effects). This article reports an empirical investigation of the internal effects of employee volunteering conducted amongst employees of the Dutch ABN-AMRO bank. The study showed that (a) socio-demographic characteristics from employee volunteers markedly differ from those of non- volunteers and community volunteers and (b) employee volunteering seems to have positive effects on attitudes and behaviour towards the organization. The results do indicate that the volunteers (both participants and community volunteers) think that they develop new competencies while doing volunteer work.


Effects of an Employee Volunteering Program on the Work Force: The ABN-AMRO Case Author: de Gilder, Dick; Schuyt, Theo N M; Breedijk, Melissa, Journal of Business Ethics, 61 (2) Pages: 143-152, Oct 2005
Employee volunteerism is an honoured tradition at AAA Michigan, The Auto Club has consistently taken a leadership role to improve the quality of life in the communities it serves. Community Activities involved a wide variety of community events conducted in the Lansing area. These include: Safety Day at AAA (child passenger inspections, VIN etching, etc.), Police Information Day, Great Pretenders non-alcoholic drinks served, be a tourist In Your Town, Sparrow Hospital child passenger safety inspection, Delta Township Fire Department child passenger safety inspection, Bus safety programs at local elementary schools, Seat belt surveys at local high schools, Adopt-a-Family Program etc.

In this regard, scholars have progressively focused on the role of two off-the-job variables, work-family balance and community embeddedness (off-the-job embeddedness, CE) and their influences on job attitudes, performance and turnover intention. Results showed that both imbalance in the relationship between work and family and absence of social attachments (low community embeddedness) had influences in the everyday work experience and may create contextual forces that directly influence employees' job attitudes.

This study tested a theoretical model that examined the mediating role of Leader-Member Exchange (LMX) in the relationship among two work variables Work-Family Conflict (WFC) and Community Embeddedness (CE) and Job Satisfaction. Results suggest that ignoring the influence of WFC and CE on LMX can have indirect negative effects on Job Satisfaction by decreased quality of relationship with supervisor. Findings also confirm that Community embeddedness may increase the quality of the relationship with leader. Then, managers can increase off-the-job embeddedness by providing people with information about the community surrounding their workplace and by providing social support for local activities and events.
(Graham et al, 2013) Cox Cares is an employee funded foundation. Cox has about 2,000 employees in San Diego. They have both corporate giving and Cox Cares, an employee foundation funded by voluntary payroll deductions that are matched one-to-one by corporate. They believe and know that their employees are also their neighbours and residents. They are one community and Cox is part of the community. It is one giant ecosystem of supporting each other. "Cox pays employees for eight hours a year for volunteer time and everyone can manage their volunteer time as they wish. Employees’ have pronounced that this means a lot to them as they see their efforts are changing lives, and they can come together for a collective impact.

(Siemens, 2013) Siemens has stood for technical achievements, innovation, quality and reliability. Siemens Canada is recognizing employees who "walk the talk" when it comes to Corporate Social Responsibility. The company is donating a total of $30,000 to four Canadian non-profit organizations in recognition of the winners of an internal employee contest called the Greatest Community Supporter Contest. Through their inspiring applications, contestants demonstrated their dedication to supporting their communities through volunteering and fundraising activities; in total they had raised more than $46,000 for non-profit organizations and volunteered more than 11,500 hours, or the equivalent of 480 days of their spare time. Siemens Caring Hands represents a culture of giving that is cultivated by Siemens Canada and focuses on support for humanitarian and environmental non-profit organizations. Over years, Siemens Canada has made a significant impact in enhancing lives through its charitable activities.

(Zodiac Pool Systems Inc, 2014) Leading manufacturer of automatic pool cleaners and equipment based in North County San Diego, has pledged support for a variety of employee-driven charitable activities focused on improving the health of the local community. Giving back to the local community is an integral part of their company’s culture.

281 Siemens donates $30,000 to Canadian charities in recognition of employee community involvement, PR Newswire, Dec 19, 2013
2.3.20 ESTABLISHMENT OF OWN TRAINING INSTITUTE

283 *(L & T, 2008)* The objective of establishing an institute for construction workers is to prepare the workforce to meet the imminent explosion in demand for world-class construction. L & T plans a robust process to establish similar institutes in Hyderabad, Ahmedabad, Bangalore and Delhi.

284 *(Md Habib-Uz-Zaman Khan et al, 2010)* This study has provided an insight into HC reporting practices across a range of business sectors in developing countries. It has been seen from this study that a number of companies in Bangladesh have established their own Training Institutes for continued employee development. This has been reported as an important activity that benefits employees, employers and the wider set of stakeholders.

285 *(The Financial Daily et al, 2012)* The Karachi Metropolitan Corporation and Federation of Pakistan Chambers of Commerce & Industry had signed a Memorandum of Understanding for establishing a Vocational & Technical Training Institute of international standards in the city. KMC administrator Muhammad Hussain Syed and FPCCI president Haji Fazal Qadir Shirani signed the MoU at FPCCI head office. The proposed institute is setup in Bahadurabad under the name 'Centre of Excellence', to impart training in textile designing, electrical and mechanical, cooking, beautician, mobile repairing, computer hardware and other trades besides English language and computer literacy as compulsory subject. The experts provided by Istanbul Metropolitan Municipality under an agreement with KMC would impart training to the master trainers here to teach at the Centre of Excellence highlighting the need and significance of Establishing Training Institutes.

---

283 NEWS: Cos setting up institutes to train blue-collar workers, Company: L & T, Businessline, Jul 3, 2008
(The Financial Express, 2013) Speakers at the workshop have underlined the need for establishing Training and Research Institutes by Islamic banks nationally. The workshop was organised for Muraquibs (Shariah inspector) working in banks and financial institutions providing Islamic banking services in the country. The speakers also laid emphasis on establishing enriched library and research cell at every bank and financial institutions, taking combined initiatives to publicise the Islamic banking mechanism and terminology through print and electronic media. They made the recommendations in a bid to expand and flourish Islamic banking and financing industries and formulate a working group comprising of Muraquibs, with a view to exchange Shariah knowledge and expertise among them.

---

286 Establishing training, research institutes by Islamic banks stressed, The Financial Express, 2013, Oct 6, 2013