CHAPTER-II

REVIEW OF LITERATURE

The present research attempts to study the perception and job satisfaction of the employees on the Human Resources Management Practices followed by public sector banks operating in Tiruvarur District of Tamil Nadu. A review of literature of the past studies relating to Human Resources Management, perception of employees and job satisfaction of employees are presented here.

2.1 INTERNATIONAL STUDIES

Serkan Bayraktaroglu, et.al., (1992)\(^1\) provides an analysis and evaluation of the main perspectives on global challenges faced by the Turkish tourism sector. The issues involved are; the evaluation of the transformation process of hospitality organizations in Turkey within the European Union Process and the “key success factors” of being successful in order to develop and maintain competitive advantage within the global challenge. It identifies the issues which appear to be of prime importance when challenging global issues including strategic HRM in tourism sector. The study underlined the globalization dimension within the tourism sector especially focusing on the EU dimension and moving onto the emergence of HRM issues into the tourism context with more strategic understanding. The study concluded by the sustainable tourism development issues and general remarks and propositions on the future of the Turkish tourism sector.

Huselid, Mark A. (1995)\textsuperscript{2} comprehensively evaluated the links between systems of High Performance Work Practices and firm performance. Results based on a national sample of nearly one thousand firms indicate that these practices have an economically and statistically significant impact on both intermediate employee outcomes (turnover and productivity) and short- and long-term measures of corporate financial performance. Support for predictions that the impact of High Performance Work Practices on firms’ performance is in part contingent on their interrelationships and links with competitive strategy was limited.

Lambooij (1995)\textsuperscript{3}, in his study the relationships among a cluster of attitudes toward work and job were investigated using a sample of 171 nurses. The hypothesis was that involvement in work and job, commitment to the employing organization, and satisfaction with the job (overall, and with specific facets of the job) would be significantly correlated. The results showed that involvement was not related to overall satisfaction but only to two specific facets, satisfaction with work and promotion opportunities. In contrast, the degree of relationship between overall and various facets of satisfaction and commitment and between involvement and commitment was moderately high.

Adrian Wilkinson (1995)\textsuperscript{4} pointed out that the HRM has been much talked about and written about in recent years. For some, it heralds a new age where human resource issues at last become significant in the consideration of business strategy, and HR practitioners at last attain a place in the sun. However, much of the debate has been conducted in purely theoretical terms


covering HRM definitions and meanings. But, what is happening on the ground? Are HRM ideas changing policies? Are policies translated into practice? This case study seeks to critically examine the development of HR strategy in a bank. The experience suggests that whilst HR type policies are being implemented, the outcomes can by no means be taken for granted.

**Danny Samson, et al, (1999)** the aim of their study was to examine the total quality management practices and operational performance of a large number of manufacturing companies in order to determine the relationships between these practices, individually and collectively, and firm performance. The researchers used a large data base of 1200 Australian and New Zealand manufacturing organizations. Their study showed that the relationship between TQM practice and organizational performance is significant in a cross-sectional sense, in that TQM practice intensity explains a significant proportion of variance in performance. This is consistent with literature findings that behavioural factors such as executive commitment, employee empowerment and an open culture can produce competitive advantage more strongly than TQM tools and techniques such as process improvement, benchmarking, and information and analysis.

**Pawan S. Budhwar (2000)** his research suggests that a number of factors influence human resource management (HRM), policies and practices. This study reports the empirical results of a study designed to examine and highlight the main contingent variables and national factors influencing Indian HRM. The investigation is based on a questionnaire survey carried out in 137 Indian firms in the manufacturing sector. The results suggest a number of significant

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correlations between a set of contingent variables (i.e., age, size, ownership, life cycle stage and HRM strategies of an organization, type of industry and union membership) and four HRM functions of recruitment and selection, training and development, compensation and employee communication. Similarly, four national factors (namely national culture, institutions, dynamic business environment and business sector) are suggested, which influence Indian HRM policies and practices.

Rogg (2001)\(^7\) investigated for 351 small businesses in the industry. Results indicated support for the hypothesized mediated relationship. The indirect effects of HR practices on customer satisfaction were significant and relatively large while the direct effect was no significant and near zero. The results were supportive of a social context model of the impact of human resource practices on organizational outcomes.

Lise M. Saari (2001)\(^8\), identifies three major gaps between HR practice and the scientific research in the area of employee attitudes in general and the most focal employee attitude in particular-job satisfaction: (1) the causes of employee attitudes, (2) the results of positive or negative job satisfaction, and (3) how to measure and influence employee attitudes. Suggestions for practitioners are provided on how to close the gaps in knowledge and for evaluating implemented practices.


Smela, Stephen J (2001)\(^9\), his study looks at performance at the individual restaurant level from the perspective of management, customers and employees. The results are based on surveys of each of these three groups conducted between June and September 2001 at a sit-down, casual restaurant chain. There are several key findings. Service-related employee training and giving staff a say in making decisions improves customer satisfaction and loyalty. How employees perceive the service climate in their restaurant is a better predictor of positive customer perceptions than managers' appraisal. Employees who score higher in terms of being conscientious and extroverted on a personality test perform better. The kind of service climate created by management affects employee performance and customer satisfaction and loyalty. This study is an important milestone which represents the Center's first research on the foodservice industry based on the collection and analysis of primary (original survey) data.

Alberto Bayo-Moriones, et.al. (2002)\(^10\) focused specifically on the impact HRM has on operational performance. The results reveal the presence of a positive, statistically significant correlation between the adoption of high-commitment practices and improvements in quality and time-based performance. They also find that this effect is universal and not dependent on the strategy used by the firm.

Lisa M. Moynihan, et al., (2002)\(^11\) examined organizational commitment and customer focus as mediators between HR practices and customer satisfaction of seventy-one work units from twenty-five business units from a single firm in the food service industry. Customer

satisfaction was assessed by ratings from multiple customers eighteen months after HR practices and process mechanisms were assessed from unique groups of employee respondents. Results suggested that employee commitment and customer focus partially mediate the relationship between HR practices and customer satisfaction.

Angel Cabrera, et al., (2003)\textsuperscript{12} describes a framework for HR evaluation that can help assess the impact of HR on the organization's business objectives. The findings illustrate the current state of HR evaluation and show how, as HR departments assume more strategic responsibilities, their evaluation systems become increasingly sophisticated.

Garry A. Gelade (2003)\textsuperscript{13} examined relationships between human resource management (HRM), work climate and organizational performance in the branch network of a retail bank. The researcher found between work climate, human resource practices, and business performance. The results show that the correlations between climate and performance cannot be explained by their common dependence on HRM factors, and that the data are consistent with a mediation model in which the effects of HRM practices on business performance are partially mediated by work climate.

Durgesh Pattanayak, et al (2003)\textsuperscript{14} found out the association between the multidimensionality of TQM and Customer satisfaction in the banking industry in the Indian context. This research provides constructive information that helps the practitioners to precisely identify areas of concerns and take corrective measures to enhance their level of customer satisfaction.


\textsuperscript{13} Garry A. Gelade The Impact of Human Resource Management and Work Climate on Organizational Performance, Personnel Psychology 2003, 56, 383-404

\textsuperscript{14} Durgesh Pattanayak and Dr. K. Maddulety Effect of TQM on customer satisfaction in Indian Banking industry: A literature review European Journal of Business and Management, ISSN 2222-2839 (Online) www.iiste.org
satisfaction. Knowledge in this area allows managers of the banking organizations to direct their resources adequately in improving the more important contributors of Customer satisfaction.

**Emin Babakus, et al., (2003)**\(^{15}\) a service recovery performance model is proposed and tested with data from frontline bank employees in Turkey. The model is derived from Bagozzi's (1992) reformulation of attitude theory. The empirical results suggest that top management commitment to service quality, as manifested by frontline employees' appraisal of training, empowerment, and rewards, has a significant effect on their perceptions of service recovery performance. The influence of management commitment to service quality on service recovery performance is mediated by frontline employees' affective commitment to their organization and job satisfaction. Implications of the results and further research avenues are discussed.

**Steven H. Appelbaum, et al, (2003)**\(^{16}\) in a pioneering human resource management audit conducted in 2001-2, 13 respondents from nine countries—executives from their respective airline companies—participated in a lengthy audit of their organizations’ HRM practices. The extensive body of data collected from this audit was then compared and contrasted with a review of the literature on all 16 HRM categories covered in the audit. The results of three of the audit categories are presented. The three audit categories, recruitment and selection, education, training and development, and organization development were selected as they constitute a particularly coherent cluster of HRM critical success factors. The conclusion drawn from the

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\(^{15}\) Emin Babakus, Ugur Yavas, Osman M. Karatepe and Turgay Avci, “The Effect of Management Commitment to Service Quality on Employees' Affective and Performance Outcomes” Journal of the Academy of Marketing Science July 2003 vol. 31 no. 3 272-286

review of the literature and the audit data is that, with the exception of a handful of high performing airlines, the civil aviation industry as a whole continues to function as per a traditional, top-down, highly divisionalised, industrial model of operations and governance. This model is manifestly inappropriate in such a highly knowledge-based service market as the airline industry. Numerous studies now show that, in knowledge-based service industries, a high correlation exists between customer satisfaction and satisfied employees. Furthermore, a high correlation exists between satisfied employees and world class human resource practices as depicted in this study.

**Niels O.Pors (2003)**, Based on a survey of British and Danish Library Managers the study explores the concept of job satisfaction and its relation to stress, job content and job conditions. In his study he explored the concept of job satisfaction and its relation to stress, job content and job conditions. The study evokes the theories of Hofstede as a tentative explanation of national differences. The study sets out to analyze job satisfaction in relation to a range of demographic variables. On the basis of a multitude of questions and statements the author forms several composite variables. They concern factors such as stress, freedom in the job, perception of management style and the actual job content. Hofstede's theories about cultural differences are at least partly confirmed through the analysis.

It is also evident that nationality plays a significant role in relation to factors such as stress and freedom in decision making. The study also hints that an intervening variable could be the way nations adopt different methods to reorganize the public sector. A last point made in the paper is the partial rejection of a generic theory about job satisfaction. The factors tend to be the

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Sohel Ahmad et al (2003)\(^{18}\) pointed out that the interest in strategic human resource management (HRM) has spawned a number of empirical research studies that investigated the impact of HRM practices on organizational performance. However, very little attention has been paid to address the impact of HRM practices on operations management and to generalize the findings across countries and industries. Success of some business decisions (e.g. globalization and merger and acquisition) necessitates recognition and reconciliation of the differences among HRM practices in different countries and industries. This study attempts to generalize the efficacy of seven HRM practices proposed by Pfeffer in the context of country and industry, focusing primarily on the effects of these practices on operations. The findings provide overall support for Pfeffer’s seven HRM practices and empirically validate an ideal-type HRM system for manufacturing plants.

Lise M. Saari and Timothy A. Judge (2004)\textsuperscript{19} identified three major gaps between HR practice and the scientific research in the area of employee attitudes in general and the most focal employee attitude in particular—job satisfaction: (1) the causes of employee attitudes, (2) the results of positive or negative job satisfaction, and (3) how to measure and influence employee attitudes. Suggestions for practitioners are provided on how to close the gaps in knowledge and for evaluating implemented practices.

Bram Steijn (2004)\textsuperscript{20} pointed out that academic research on public administration devotes relatively little attention to issues concerning human resource management (HRM) and job satisfaction. Many private sector studies suggest that investing in HRM has positive effects on worker morale. Therefore, in his study, variables measuring HRM practices were combined with an analysis of determinants of job satisfaction in the Dutch public sector. Three hypotheses were tested and confirmed. They revealed that (a) individual characteristics have a negligible effect on job satisfaction, (b) HRM practices have a positive effect, but (c) this latter effect is largely indirect and mediated by job and organizational characteristics.

Maran Marimuthu, et al., (2004)\textsuperscript{21} pointed out that the human capital is getting wider attention with increasing globalization and also the saturation of the job market due to the recent downturn in the various economies of the world. Developed and developing countries put emphases on a more human capital development towards accelerating the economic growth by devoting necessary time and efforts. Thus human capital development is one of the fundamental

solutions to enter the international arena. Specifically, firms must invest necessary resources in developing human capital which tend to have a great impact on performance. This study examined the extent to which human capitals have direct impacts on firm performance from various critical perspectives. Firm performance is viewed in terms of financial and non-financial performance. Finally, this study developed a model that explains the relationship between human capital and firm performance.

**Jyotsna Bhatnagar and Anuradha Sharma (2005)** focused on the empirical analysis of strategic HR roles and organizational learning capability. Line and HR firm performance is further analyzed. The sample size consisted of 640 managers in India. Standardized questionnaires were used as tools for the managers’ perception of the two variables and their link to data collection. Statistical results indicate that correlation coefficients were mostly significant and positive for the variables and sub-variables of strategic HR roles and organizational learning capability. Discriminant functional analysis reflected that line and HR managers differed significantly in their perception of both variables. Stepwise regression analysis indicated that both the variables of strategic HR roles and organizational learning capability predict firm performance.

**Chiamsiri, S., (2005)** discussed the paradigm of offshore outsourcing by providing a bird’s eye view of the major IT-enabled services outsourced in India. It explored the possible changes of the nature of the services outsourced in India, and issues related to a human resources management perspective.

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Ching-Chow Yang (2006) conducted an empirical study on high-tech firms, in order to analyze the impacts of HRM practices on the implementation of TQM. In this study, a research framework related to HRM practices, TQM practices, and quality performances was developed. Based on the framework, a questionnaire was designed and sent to the HR managers or chief executive officers (CEOs) of high-tech companies in Taiwan to investigate the effect of HRM practices on the implementation and practice of TQM. The study confirms that HRM significantly affects TQM practices. The study concluded that HRM practices have a significantly positive effect on the implementation of TQM. Implementing HRM practices can also have a significant effect on employee and customer satisfaction. It also positively affected “employees’ quality awareness” and “corporate image”. The quality performances were also significantly affected by the implementation of TQM.

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Raigama et al (2006) examined the impact of Human Resource Management practices on Human Resource Management outcomes in Sri Lankan public sector banks. The study found that bundles of HRM practices are also positively related to better employee commitment and compensation & social benefits \( t = 5.546; p = 0.000 \), recruitment and selection \( t = 4.158; p = 0.000 \), and training and development practices \( t = 3.100; p = 0.002 \) emerged as the significant variables in explaining the variance in employee commitment. Compensation and social benefits, performance appraisal, and training and development were found to be explanatory factors having significant effect on employee retention of Sri Lankan public sector banks. Compensation and social benefits had the strongest significant effect on employee retention \( t = 3.269; p = 0.001 \) with a standardized beta of 0.231. It is of interest to note that compensation and social benefits practice had the strongest effect on determining the employee satisfaction, commitment and retention of PSB in Sri Lanka. Findings of this study show that providing training for employees is positively related to higher employee satisfaction, employee commitment and higher employee retention. Results of regression analysis supported the hypotheses that performance evaluation is positively related to higher employee satisfaction, commitment and retention of public sector banks in Sri Lanka. Findings of this study do not support the hypotheses that grievances handling system of PSB in Sri Lanka is positively related to higher employee satisfaction, commitment and retention.

M.G. Shahnawaz and Rakesh C. Juyal (2006)27 explored and compared various HRM practices in two different organizations—consultancy/research based organization and fashion industry. The study also aimed at assessing how much of commitment in the two industries can be attributed to HRM practices. 45 participants each were randomly selected from the two organizations. HRM practices were measured by Geringer, Frayne and Milliman scale, while organizational commitment was measured by Meyer and Allen scale. Data were analyzed by t-test and multiple regressions. HRM practices were found significantly different in two organizations and mean scores on various HRM practices were found more in the fashion organization. Regression result showed that various HRM practices were significantly predicting organizational commitment in two organizations and also when they were combined. Performance appraisal and ‘attitudes towards HRM department’ were the significant predictors of organizational commitment in the both the organizations.

Elise Marescaux, et al., (2006)28 proposed a model in which the presence of five HRM practices and the degree to which an employees’ talents, interests, and expectations are taken into account within these practices influence work outcomes through basic need satisfaction. Data gathered from 5749 Belgian employees showed that different HRM practices satisfy the three basic needs for autonomy, relatedness, and competence and that the degree to which the individual is taken into account generally has an additional positive effect. Moreover, basic need satisfaction positively influences affective organizational commitment and work engagement, and subsequently lowers turnover intention. These findings indicate that (1) basic need

satisfaction is an important, but neglected, mediating variable in the HRM-performance relationship and that (2) bearing in mind individual talents, interests, and expectations of employees within HRM practices may matter equally or more than their mere presence.

Huselid, Mark A (2006)\(^{29}\) determined the relationship between business excellence and job satisfaction. In order to reach this goal, a survey that contains Job Descriptive Index with 5 factors and EFQM Criteria with 6 factors is applied to different nursing departments of two research hospitals. Both hospitals are in the business excellence process. Data obtained in the study has been analyzed at the base of multivariate data analysis and the results show that the canonical correlation between job satisfaction and business excellence model is significant. Theoretical and practical implications of the findings are also discussed in the study.

Raigama Rathnaweerage Neelamani Thanuja Rathnawerera (2006)\(^{30}\) attempted to examine the impact of Human Resource Management practices on Human Resource Management outcomes in Sri Lankan public sector banks. Research on Human Resource Management practices and their outcomes such as employee satisfaction, commitment, and retention have rarely been conducted in banking industry in Sri Lanka. Data were collected on employees’ perceptions about Human Resource Management practices and their outcomes through structured questionnaire. Sample consisted of 209 employees who are working in different departments of branches in two PSB in Sri Lanka. Multiple Regression, Cronbach alpha, Pearson correlation coefficient and descriptive statistics were used for various analyzes of this study. The findings of the research revealed that Human Resource Management practices are

significant predictors of employee satisfaction, commitment and retention. The results of this study revealed that bundles of HRM practices are positively related to better employee satisfaction with adjusted R2 of 0.623 and a F-value 58.242 (p<0.001). Compensation and social benefits had the strongest effect on employee satisfaction with a standardized beta of 0.655. This study found that bundles of HRM practices are also positively related to better employee commitment and compensation & social benefits (t = 5.546; p = 0.000), recruitment & selection (t = 4.158; p = 0.000), and training & development practices (t = 3.100; p = 0.002) emerged as the significant variables in explaining the variance in employee commitment. Compensation & social benefits, performance appraisal, and training & development were found to be explanatory factors having significant effect on employee retention of Sri Lankan public sector banks. Compensation and social benefits had the strongest significant effect on employee retention (t = 3.269; p = 0.001) with a standardized beta of 0.231. It is of interest to note that compensation and social benefits practice had the strongest effect on determining the employee satisfaction, commitment and retention of PSB in Sri Lanka. Findings of this study show that providing training for employees is positively related to higher employee satisfaction, employee commitment and higher employee retention. Results of regression analysis supported the hypotheses that performance evaluation is positively related to higher employee satisfaction, commitment and retention of public sector banks in Sri Lanka. Findings of this study do not support the hypotheses that grievances handling system of PSB in Sri Lanka is positively related to higher employee satisfaction, commitment and retention.
Komal Khalid Bhatti, et al., (2007)\textsuperscript{31} the main intention of their study was to find out relationship among employee participation, job satisfaction, employee productivity and employee commitment. For the matter 34 organizations from Oil & Gas, Banking and Telecommunication sectors were contacted, of which 15 responded back. The findings of this study are that employee participation is an important determinant of job satisfaction component. The study also revealed that increasing employee participation will have a positive effect on employee’s job satisfaction, employee commitment and employee productivity. Naturally increasing employee participation is a long-term process, which demands both attention from management side and initiative from the employee side.

Smita Gupta and Manisha Agarwal (2007)\textsuperscript{32} examined the suggested relationships empirically; data was collected from 100 managerial personnel belonging to a privately owned manufacturing organization in Nourth India. Besides establishing the suggested relationships, results unearthed that among the factors of IC, the positive dimensions, recognition and novelty affected the OC adversely. This study establishes relationship between IC and OC at dimensional level.

Edwina Pio (2007)\textsuperscript{33} pointed out that the India is emerging as a super power, slated to be among the world's five largest economies and viewed by international investors, business conglomerates and tertiary education providers as a land of opportunity. A database search since the opening up of the Indian economy in 1991 reveals a slowly increasing number of scholarly

\begin{itemize}
\item[31] Komal Khalid Bhatti and Tahir Masood Qureshi, Impact Of Employee Participation On Job Satisfaction, Employee Commitment And Employee Productivity, International Review of Business Research Papers Vol.3 No.2 June 2007, Pp. 54 – 68
\item[32] Smita Gupta and Manisha Agarwal Perceptions of Performance Appraisal System, Climate of Innovation and Commitment, AIMS, Volume 1, Number 2 May 2007, pp. 117-136
\item[33] Edwina Pio, HRM and Indian epistemologies: A review and avenues for future research, Human Resource Management Review Volume 17, Issue 3, September 2007, Pages 319-335
\end{itemize}
articles on HRM, with a steep rise from the year 2000 onwards. While it is acknowledged that the field of HRM is a broad area, there is currently a dearth of research in specific HRM practices and policies in India to warrant a focus on only one area. Hence the primary objective of this article is to present a scholarly survey of important research literatures in the area of HRM in India, and to offer avenues for future research. To this end this article garners, integrates and discusses research on HRM in India with a focus primarily on the past fifteen years. It is within this complexity that research on India and its workforce is presented by illuminating HRM as embedded in the Indian environment with its intricate epistemologies and transitions in a period of dynamic change.

Mohinder Chand, (2007)\textsuperscript{34} investigated whether some specific characteristics of hotels affect organisational performance in the hotel industry in India; and to investigate whether some HRM systems affect organisational performance in the hotel industry in India. A total of 439 hotels, ranging from three-star to five-star deluxe, responded to a self-administered questionnaire that measured 27 HRM practices, five organisational performance variables, and ten demographic variables. Factor analysis was performed to identify HRM systems, one-way ANOVA was employed to test the association of the demographic variables with organisational performance, and correlation analysis was used to test the relation between HRM systems and organisational performance. The results indicate that hotel performance is positively associated with hotel category and type of hotel (chain or individual). Furthermore, hotel performance is positively related to the HRM systems of recruitment and selection, manpower planning, job design, training and development, quality circle, and pay systems.

\textsuperscript{34} Mohinder Chand, The impact of HRM practices on organisational performance in the Indian hotel industry, Journal of Employee Relations, Vol. 29 Iss: 6, pp.576 - 594
Yeganeh, Hamid; Su, Zhan (2008)\textsuperscript{35} analyzed HRM practices in Iran in view of underlying cultural, political and economic factors. The study is organized in three major parts. The first part deals with HRM concept and Iranian social context. The second part presents methodology and data analysis. The third part discusses results and illustrates HRM practices in Iranian organizations. The study involves in-depth interviews with four Iranian managers and data collected from 82 respondents through Likert-type questionnaires. The findings in the study shed light on the main HRM functions in the Iranian public sector. Staffing is marked by pervasiveness of networking, entitlement, compliance with Islamic/revolutionary criteria and high job security. Compensation is described by features such as fixed pay, ascription/seniority-based reward, and hierarchical pay structure. Training and development programs are found to be unplanned and spontaneous. Finally, the paper shows that the appraisal function receives little attention and tends to be based on subjective and behavioral criteria.

Georgios N. et.al., (2008)\textsuperscript{36} explored the relationships between best human resource management (HRM) practices, knowledge management (KM), organization learning and organizational capabilities (OC) and their impact on organizational performance. The proposed framework intends to add to the understanding of the specific processes that mediate between best HRM practices and organizational performance. A range of relevant literature is explored and a conceptual model is proposed and discussed. The study explored an answer to “how” best HRM practices can influence performance. It is suggested that KM and organizational learning (OL) play their own unique role in creating OC, which lead to superior performance.

\textsuperscript{35} Yeganeh, Hamid; Su, Zhan, An examination of human resource management practices in Iranian public sector, Personnel Review, Volume 37, Number 2, 2008 , pp. 203-221(19)

Brown, Andrew, et.al (2008) examined the relationship between human resource management practices and job satisfaction, drawing on data from the 1998 and 2004. The study finds significant increases in satisfaction with the sense of achievement from work between 1998 and 2004; a number of other measures of job quality are found to have increased over this period as well. It also finds a decline in the incidence of many formal human resource management practices. The study reports a weak association between formal human resource management practices and satisfaction with sense of achievement. Improvements in perceptions of job security, the climate of employment relations and managerial responsiveness are the most important factors in explaining the rise in satisfaction with sense of achievement between 1998 and 2004. Researchers infer that the rise in satisfaction with sense of achievement is due in large part to the existence of falling unemployment during the period under study, which has driven employers to make improvements in the quality of work.

Alina Ileana Petrescu, Rob Simmons (2008) investigated the relationship between human resource management (HRM) practices and workers' overall job satisfaction and their satisfaction with pay. The study uses British data from two different cross-sectional datasets. It estimates probit models with overall job satisfaction and satisfaction with pay as subjective dependent variables. After controlling for personal, job and firm characteristics, it is found that several HRM practices raise workers' overall job satisfaction and their satisfaction with pay. However, these effects are only significant for non-union members. Satisfaction with pay is higher where performance-related pay and seniority-based reward systems are in place. A pay


structure that is perceived to be unequal is associated with a substantial reduction in both non-union members' overall job satisfaction and their satisfaction with pay. Although HRM practices can raise workers' job satisfaction, if workplace pay inequality widens as a consequence then non-union members may experience reduced job satisfaction.

Anastasia A. Katou (2008)\textsuperscript{39} measured the impact of HRM on organizational performance in the context of Greece. Data were collected from 178 organizations using a questionnaire survey in the Greek manufacturing sector, and analyzed using the ‘structural equation modeling’ methodology. The results indicated that the relationship between HRM policies (resourcing and development, compensation and incentives, involvement and job design) and organisational performance is partially mediated through HRM outcomes (skills, attitudes, behaviour), and it is influenced by business strategies (cost, quality, innovation). Thus, the contribution of this study for academics and practitioners is that HRM policies associated with business strategies will affect organizational performance through HRM outcomes.

Olumide Ijose (2008)\textsuperscript{40} focused primarily on alliances between large corporations and between large corporations and joint ventures. However, powerful strategic partnership and alliances between small and medium sized enterprises and big businesses are also critical to the ability of big business to develop and maintain sustainable competitive advantage. This study lays out a conceptual framework for studying the relationship between the strategic human resource management practices of small and medium sized businesses and their performance as corporate partners, as industry and competitive conditions change.

\textsuperscript{39} Anastasia A. Katou Measuring the impact of HRM on organisational performance, Journal of Industrial Engineering and Management, 2008 – 01(02):119-142 -
\textsuperscript{40} Olumide Ijose, Slippery Rock University of Pennsylvania, Strategic human resource management, small and medium sized enterprises and strategic partnership capability, Journal of Management and Marketing Research, 4(8): 78-93. 2008
Upasana Aggarwal and Shivganesh Bhargava (2009)\textsuperscript{41} reviewed and synthesized literature on the role of human resource practices (HRP) in shaping employee psychological contract (PC). Based on this review, a conceptual framework for examining the relationship between HRP and PC and their impact on employee attitudes as well as behaviour has been put forward for further examination. An extensive review of the literature, examining the role of HRP in influencing PC of employees, between the periods 1972 to 2007 has been conducted. Adopting the multi-level approach, the paper discusses the role of individual variable (PC) and organizational variable (HRP) on employee attitudes and behaviours. The review brings to fore the following: the role of business and employment relationship strategy on HRP; the relationship between HRP and organization culture as well as employees attitudes and behaviours; the relationship between HRP on and employee’s psychological contract; and the moderating effect of those conceptions on employee attitudes and behaviours relationship.

Raduan Che Rose, (2009)\textsuperscript{42} examined the relationship among the variables using a sample of public service managers in Malaysia. Organizational learning was found positively related to organizational commitment, job satisfaction, and work performance. Organizational commitment and job satisfaction are also positively related with work performance and these variables partially mediate the relationship between organizational learning and work performance.

\textsuperscript{41} Upasana Aggarwal and Shivganesh Bhargava Reviewing the relationship between human resource practices and psychological contract and their impact on employee attitude and behaviours
A conceptual model, Journal of European Industrial Training Vol. 33 No. 1, 2009, pp. 4-31
Ruwan Abeysekera (2007)\textsuperscript{43} empirically evaluated six Human Resource (HR) practices (realistic job information, job analysis, work family balance, career development, compensation and supervisor support) and their likely impact on the Marketing Executive Intention to Leave (MEIL) in the Sri Lankan leasing companies. The sample consisted of hundred marketing executives working for 10 different leasing companies in Sri Lanka. The data were gathered by administering questionnaires. The results indicated job analysis, career development, compensation, realistic job information variables were negatively and significantly correlated with MEIL. The work family balance was not negatively correlated with MEIL. Results of regressing the HR practices on MEIL showed that compensation and job analysis are strong predictors of MEIL.

Komal et al (2007)\textsuperscript{44} found that the employee participation not only an important determinant of job satisfaction components. Increasing employee participation will have a positive effect on employee’s job satisfaction, employee commitment and employee productivity. Naturally increasing employee participation is a long-term process, which demands both attention from management side and initiative from the employee side.

Ruwan Abeysekera (2007)\textsuperscript{45} indicated that the job analysis, career development, compensation, realistic job information variables were negatively and significantly correlated with Marketing Executive Intention to Leave (MEIL). The work family balance was not

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\bibitem{44} Komal Khalid Bhatti and Tahir Masood Qureshi, Impact Of Employee Participation On Job Satisfaction, Employee Commitment And Employee Productivity, International Review of Business Research Papers Vol.3 No.2 June 2007, Pp. 54 – 68
\end{thebibliography}
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**Brown, Andrew, et.al (2008)**

examined the relationship between human resource management practices and job satisfaction, drawing on data from the 1998 and 2004. The study finds significant increases in satisfaction with the sense of achievement from work between 1998 and 2004; a number of other measures of job quality are found to have increased over this period as well. It also finds a decline in the incidence of many formal human resource management practices. The study reports a weak association between formal human resource management practices and satisfaction with sense of achievement. Improvements in perceptions of job security, the climate of employment relations and managerial responsiveness are the most important factors in explaining the rise in satisfaction with sense of achievement between 1998 and 2004. Researchers infer that the rise in satisfaction with sense of achievement is due in large part to the existence of falling unemployment during the period under study, which has driven employers to make improvements in the quality of work.

**Alina Ileana Petrescu, Rob Simmons (2008)**

the purpose of this study is to investigate the relationship between human resource management (HRM) practices and workers' overall job satisfaction and their satisfaction with pay. The study uses British data from two different cross-sectional datasets. It estimates probit models with overall job satisfaction and satisfaction with pay as subjective dependent variables. After controlling for personal, job and firm characteristics, it is found that several HRM practices raise workers' overall job satisfaction and

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their satisfaction with pay. However, these effects are only significant for non-union members. Satisfaction with pay is higher where performance-related pay and seniority-based reward systems are in place. A pay structure that is perceived to be unequal is associated with a substantial reduction in both non-union members' overall job satisfaction and their satisfaction with pay. Although HRM practices can raise workers' job satisfaction, if workplace pay inequality widens as a consequence then non-union members may experience reduced job satisfaction.

Raduan Che Rose, (2009)\textsuperscript{48} in his study the literature review reveals that there is a relationship between organizational learning organizational commitment, job satisfaction and work performance. However, it is apparent that the integrated relationships between these variables have not been found to be reported. Hence, the researcher examined the relationship among these variables using a sample of public service managers in Malaysia. Organizational learning was found positively related to organizational commitment, job satisfaction, and work performance. Organizational commitment and job satisfaction are also positively related with work performance and these variables partially mediate the relationship between organizational learning and work performance.

B.Pavan Kumar and Vijai N.Giri (2009)\textsuperscript{49} investigated the relationship between organizational communication and job satisfaction. Data were collected from 380 employees at junior, middle and top level management from various telecom and banking sectors. Results reveal that there is a significant correlation between organizational communication and job satisfaction.

\textsuperscript{49} B.Pavan Kumar and Vijai N.Giri, Examining the Relationship of Organizational Communication and Job Satisfaction in Indian Organizations, Journal of Creative Communications, November 2009 vol. 4 no. 3 177-184
satisfaction. It was observed that trust and communication satisfaction predicted significantly pay, promotion, supervision and fringe benefits. Job satisfaction differed significantly across hierarchy. However, organizational communication did not differ across hierarchy. Thus, it can be implicated that there are some aspects of communication like trust and communication satisfaction that can be given more priority in order to get high levels of job satisfaction in Indian organizations.

Fadi El-Jardali, et.al., (2009) assessed the perception of HR managers about the challenges they face and the current strategies being adopted and assessed enabling factors including role, education, experience and HR training. A cross-sectional survey design of HR managers (and those who combine their role as HR manager with other duties) in Lebanese hospitals was utilized. The survey included a combination of open- and close-ended questions. Questions included educational background, work experience, and demographics, in addition to questions about perceived challenges and key strategies being used. Quantitative data analysis included uni-variate analysis, whereas thematic analysis was used for open-ended questions. The result of the study revealed that the respondents had varying levels of expertise in the realm of HR management. Thematic analysis revealed that challenges varied across respondents and participating hospitals. The most frequently reported challenge was poor employee retention (56.7per cent), lack of qualified personnel (35.1per cent), and lack of a system for performance evaluation (28.9per cent). Some of the strategies used to mitigate the above challenges included offering continuing education and training for employees (19.6per cent), improving salaries

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50 Fadi El-Jardali, et.al., Assessment of human resources management practices in Lebanese hospitals, journal of Human Resources for Health 2009, 7:84
(14.4 per cent), and developing retention strategies (10.3 per cent). Mismatch between reported challenges and strategies were observed.

**Dr. R.K. Uppal (2010)** acknowledged with same limitation that Indian private sector banks and foreign bank’s marketing strategies are quite better than our public sector banks. On the basis of performance parameters like deposits, advances, interest income, other income and operating profits, the growth in performance is much better in foreign banks and private sector banks. The study suggests some strategies for the enhancement of bank marketing. Only those banks will survive in the future which will adopt effective and realistic strategy to win the trust of the customer.

**Monica Bedi (2010)** investigated the relationship between service quality, overall customer satisfaction and behavioral intentions across public and private banks in India. The findings indicated that service quality is a significant determinant of customer satisfaction in Indian banking industry irrespective of public and private sector banks. However, different dimensions of service quality were found to be statistically significant across public and private banks. Customer satisfaction was found to be strongly associated with propensity to recommend.

**Junaid Zafar, et al., (2010)** made an attempt to know where Pakistan stands in terms of IT adoption especially in the HR field and at what level e-HR is being implemented, at its major institutions like State Bank of Pakistan. The results of this research showed that as the

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latest advanced technologies offer the potential to streamline many organizational functions, so is the case with HR. The State Bank of Pakistan is increasingly utilizing Information Technology (IT) to design and deliver their HR practices. A lot has been done and much more is yet to be achieved in this regards.

**Shikha N. Khera (2010)**[^54] pointed out that over recent years there has been an increasing interest in the field of human resource management. Currently, the literature encourages the consideration of human resources as strategic factors, not only because they play an important role in strategy implementation, also because they are beginning to be reckoned as sources of sustainable competitive advantage. Relationships between human resource management and productivity have been studied from different perspectives. This study is an attempt to investigate the extent to which Commercial Banks of India differ on aspects of human resource management practices and the key Human Resource Practices contributing to employee productivity from a sample of 184 respondents from three commercial banks of India (one foreign sector, one private sector and one public sector bank).

**Debashish Bhattachjee (2010)**[^55] established an overarching conceptual, historical and academic context for approaching Indian industrial relations (IR). The Introduction explores changing comparative approaches to the ‘IR System’ of a developing country in light of India’s complex and unique employment realities. Then researcher traces, in two parts, the evolution of Indian IR since independence and argues that theories developed in the West are of only limited value in understanding this. In conclusion, researcher considers the way in which Indian

academic IR and other social science disciplines have addressed this problem. This leads on to the four research articles that complete this special edition.

**Salman Khalid (2010)** examined five components of job satisfaction such as work, pay, promotion, salary and recognition, besides overall job satisfaction. The researcher examined job satisfaction level of bank employees in Punjab Province. A structured questionnaire survey conducted. The required information was collected from 4 bank employees who were randomly selected from both public and private sectors bank. The result of study reveals that employees of private banks were more satisfied with pay, recognition, and working hours as compared to public sector bank employees whereas, the employees of public sector were satisfied with job security as compared to private sector bank employees.

**Xiaoya Liang, et.al., (2010)** examined research in the field of human resource management (HRM) published in six leading Chinese management journals from 2001 to 2007. First, they showed publication patterns of Chinese HRM research by topic and reference discipline. Second, they assessed the status of research quality using four raters to independently rate the articles based on type, orientation, design and statistical analyses. Through a systematic approach of analyzing this selection of articles, their study offered an opportunity for international scholars to appreciate the unique contributions of the Chinese language literature to the general HRM research.

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Dr. K. Karthikeyan and R. Karthi (2010)\textsuperscript{58} pointed out that the Employee training is becoming a necessity to every organization now-a-day. Employees are entrusted different roles and responsibilities in the banks. Training enables them to carry out these roles and responsibilities efficiently and also learn new things, which will prepare them to take up higher responsibilities in the future. In this study the researcher studies the existing practices of the various aspects of training program and its effectiveness in selected public and private sector banks in Tiruchirappalli District, South India. This is mainly to assess the present status of the employee effectiveness in discharging the roles and responsibilities in tune with the objectives of the bank. The aim is to assess the effectiveness of the various facets of training i.e. employees’ attitude towards training inputs; quality of training programmes; training inputs and application of training inputs to the actual job.

Usha Lenka, et.al., (2010)\textsuperscript{59} examined whether soft and hard aspects of quality management practices determine service quality and customer satisfaction. Data were collected from a branch manager and a valued customer from each of the 315 scheduled commercial bank branches in Orissa (India). A conceptual model depicting the relationship was tested applying structural equation modeling. Results revealed that transformational leadership, workplace spirituality and service climate, depicting the soft aspects of quality management practices, do increase employees’ job satisfaction and affective commitment. Employees’ job satisfaction and affective commitment have a positive influence on human aspects of service quality, which in turn increases customer satisfaction. Management information system and physical evidence depicting hard aspects of quality management practices enhance service quality and the latter

\textsuperscript{58} Dr. K. Karthikeyan and R. Karthi Impact of Training in Indian Banking Sector – An Empirical Investigation, International Journal of Business and Management Vol. 5, No. 7; July 2010
\textsuperscript{59} Usha Lenka, et.al., Customer satisfaction in Indian commercial banks through total quality management approach, Total Quality Management, Vol. 21, No. 12, December 2010, 1315–1341
furthers customer satisfaction. Applying the hard and soft aspects of quality management practices in a synergistic manner, organizations can deliver high service quality and achieve customer satisfaction.

**Dr. R.K. Uppal (2010)** analyzed the parameters like priority sector advances of SCBs, Globalization of Indian banks, credit-deposit ratio, movements in non-performing assets and IT index. On the basis of these parameters the study finds some emerging challenges like Indian banking is far away from the 100 pc globalization, technology is also isolated in the Indian banks especially public sector banks, rising priority sector advances have enlarged the NPA’s in Indian banks and human resource management is also poor in the Indian banks. To face these challenges paper also suggest some possible measures like increase the number of Debt Recovery Tribunals to remove NPAs, products should be provided at lower prices to capture market share, banks should adopt latest technology and job training should be provided to inefficient bank staff. All the parameters have been analyzed for the period 2006 and 2007 except IT index. IT index is analyzed for the pre-IT and post-IT period. Ratio analysis is used to analyze all the parameters.

**Tahir Masood Quresh (2010)** analyzed the relationship between ‘HRM Practices’ and the ‘Financial Performance of Banks’. As a sample, 46 scheduled banks were contacted, of which 38 responded. The HRM practices selected for the research study were selection, training, performance appraisal system, and compensation system and employee participation. Empirical evidence was calculated through stepwise regression analysis, Pearson correlation and

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60 Dr. R.K. Uppal, Indian Banks In The Era Of Global Financial Crisis - Emerging Challenges And Opportunities, International Journal Of Research In Commerce And Management, Volume No: 1 (2010), Issue No. 01 (May)

descriptive statistics to support theoretical models that link HRM practices with financial performance of banks. The study concluded that all tested variables have a positive relation and impact on financial performance of banks but the major contributory practices are selection, training, compensation and employee participation.

**Dr. K. Karthikeyan (2010)** evaluated the existing practices of the various aspects of training program and its effectiveness in selected public and private sector banks in Tiruchirappalli District, South India. This is mainly to assess the present status of the employee effectiveness in discharging the roles and responsibilities in tune with the objectives of the bank. The aim is to assess the effectiveness of the various facets of training i.e. employee’s attitude towards training inputs; quality of training programmes; training inputs and application of training inputs to the actual job.

**Mohinder Chand (2010)** investigated the effects of HRM practices on service quality, customer satisfaction and performance in the hotel industry. A conceptual model is developed and four research hypotheses are empirically examined using structural equation modeling. The data were collected via a survey of Indian based hotels. 52 hotels in India responded to questionnaires pooling 52 HR managers 260 employees (5 from each hotel) and 260 customers (5 from each hotel). The results indicate that HRM practices have a positive influence on the improvement of service quality as well as on customer satisfaction and hotel performance. The study further testified the relationship among them, and provides useful information for future hotel management needs. The findings indicate that creation of customer satisfaction value in the

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62 Dr. K. Karthikeyan, Impact of Training in Indian Banking Sector – An Empirical Investigation International Journal of Business and Management Vol. 5, No. 7; July 2010
hotel can be achieved via increasing responsiveness to customers' needs and that the creation of customer value which have a positive impact in the firm's profitability. The results suggest that HRM practices improve hotel service effectiveness and in consequence firm performance replicates and extends in a HRM context research. The study also suggests that management should emphasis on the development of intra-departmental learning and relational capabilities. The findings of this study are important for the hotel industry as the sector is faced with increasing competitive pressures in a highly fragmented, high growth market, and challenges that threaten its viability as evidenced by recent consolidations, merger & acquisition, franchising and foreign collaboration, etc. Further, in terms of theoretical contributions, this research suggests that HRM improvements are as much an outcome of technical and operational measures as they are of managerial, organizational and inter-organizational capabilities.

K.A.S.Dhammika (2010)\textsuperscript{64} examined the HRM strategies of selected three star hotels and the level of customer satisfaction in their customers. Further, it assessed the contribution of HR strategies for customer satisfaction the sample organizations. A random sample of 50 managers whose population stands around 280 and two hundred employees out of nearly around 1200, were drawn for data collection. The HR strategies profile developed by the research and Customer satisfaction Questionnaire (CSQ) were utilized for data collection. The factor analysis and multiple regressions were applied for data analysis in relation to hypotheses testing. It was revealed that HRM contribute significantly to CS in hotel industry, further, it was found that strategies such as customer oriented value system, Empowerment, behavior based employee evaluation, and performance based rewards systems are prominent in enhancing CS in three star hotels in Sri Lanka.

\textsuperscript{64} K.A.S.Dhammika Faculty of Commerce and Management Studies, University of Kelaniya, Kelaniya, Sri Lanka, ICBI 2010 - University of Kelaniya, Sri Lanka
Nguyen Ngoc Thang et al., (2010)\textsuperscript{65} described the important theoretical approaches and proposes a framework for analyzing training and firm performance issues. Data from previous studies are used to assess the effects of training on firm performance. The analysis indicates that the relationship between training and firm performance may be mediated by employee knowledge and attitude. Furthermore, capital investment or organisational strategy does moderate the training performance relationship. Finally, the study discussed and identified the limitations of previous studies and directions for future research on this topic.

Indeeren Vencatachellum, et al, (2010)\textsuperscript{66} investigated the extent to which HRM practices in the Mauritian hotel industry are customer service excellence oriented. Based on Zeithaml and Bitner (2000) Human Resources (HR) Strategy wheel framework, HRM practices were studied in relation to the identified four core HR strategies namely hiring the right people, develop the people to deliver service quality, provide needed support systems and retain the best people. Key HRM practices such as recruitment and selection, training and development, performance management and reward systems have been identified as significant to customer service excellence and service quality. For the purpose of the study, a qualitative research paradigm was selected to guide the exploratory study of role of HRM practices in hotel industry towards customer service excellence. Hotels representative of different group of hotels and star-ratings were selected as the unit of analysis. Data were collected during depth, unstructured and semi-structured interviews with HR Managers. The sample size was of 20 hotels, namely 12 hotels from groups of hotel in Mauritius and hotels belonging to international chain of hotels and


\textsuperscript{66} Indeeren Vencatachellum and Nada V Mathuvirin, “Investigating HRM practices role towards customer service excellence in the Mauritian Hotel Industry” International Research Symposium in Service Management, 24-27 August 2010
8 individual small hotels were targeted. The response rate was 60 per cent. The process of analyzing the data collected for this study was characterized by the fact that it began as soon as the researcher started collecting data, it was ongoing and inductive. It was observed that the HRM practices adopted by the hotels addressed to varying degrees the four core HR strategies and their sub-strategies identified in the HR strategy wheel. Furthermore, qualitative analysis undertaken helped to uncover the specific HRM practices and initiatives adopted by the hotels and the implications for HR managers to ensure their HRM strategies deliver customer service excellence are discussed.

**Anthonia Adenike (2011)** explored the organizational climate as a predictor of employee job satisfaction of academic staff from a private Nigerian University. The study of the antecedents of job satisfaction is important because of the role it plays in job satisfaction of employees which in turn affects organizational productivity. Data were collected from three hundred and eighty-four academic staff of the university with the aid of questionnaire out of which a total of two hundred and ninety-three questionnaires were returned fully and appropriately filled. Three hypotheses were tested and the results of the finding showed a significant positive relationship between these two variables. Thus, the study then paves way into other research opportunities in the field to stretch the depth of knowledge into public universities- i.e. the federal and state universities. It also serves as eye opener to conduct the research into other zones in Nigeria to see whether their organizational climate in relation to job satisfaction of the academics in those places will differ from what we have in the south-west Nigeria. Therefore, apart from confirming a theoretical proposition, the findings of this study are likely to have significant practical value.

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67 Anthonia Adenike, *Organizational Climate As A Predictor Of Employee Job Satisfaction: Evidence From Covenant University*, Business Intelligence Journal - January, 2011 Vol.4 No.1
M. Suleman Sabir, et. al, (2011) analyzed how leadership style effects the organization commitment of the employees, when the organization culture is reflecting the employee’s values in the organization. This study is a conceptual based paper which gives theoretical evidence to support the idea. The study also gives a brief overview of transactional leadership and transformational leadership. The results of the study suggested that the leadership style is a strong dimension of organization commitment when organization culture of the organization represents the employees’ values in the organization. Employees are more satisfied if the organization will meet their expectations which are the part of that organization culture, so they are more committed with the organization.

Dr. Veeri Chettiar Arumugam, et.al., (2011) proposed a model to conduct an empirical study in Malaysian Industries in order to improve their financial performance. There are many factors which are effective factors in improving performance of Malaysian Industries namely, employee participation, training, job description, career planning system, compensation system, selection system, and performance appraisal system. The Job satisfaction plays a fundamental role in determining the performance in Malaysian industries. In this research, a model has been developed that includes Human Resource Management Practices and job satisfaction to study their influence on the performance of Malaysian industries. It is hoped that this paper can provide an academic source for both academicians and managers due to investigate the relationship between Human Resource Management Practices, Job Satisfaction,

and Financial Performance in a systematic manner to increase successful rate of Human Resource Management.

Dr. Muhammad Tariq Khan, et.al. (2011)\textsuperscript{70} pointed out that HRD is an important topic of present time. It is considered by management professionals as sub discipline of HRM, but many researchers have broadened the scope and integrated the concept of HRD by looking it from socioeconomic angle and giving it other dimensions such as physical, intellectual, psychological, social, political, moral and spiritual development. Physical, intellectual, psychological development depends on economic (financial) development and vice versa. Political and social development also depends on economic development. Thus HRD has now become multidimensional rather than being simply confined within the limits of training and development and this multidimensional HRD is Integrated HRD.

Ajay Solkhe (2011)\textsuperscript{71} highlighted that the HRD climate helps the employees to acquire required competencies that would enable them to execute their present or future expected roles and aids in developing their capabilities for better Organizational Performance. Though the measures of Organizational Performance are many ranging from financial to behavioural ones’, but researcher has focused only on single measure i.e. Job Satisfaction because of dearth in amount of studies exploring this relationship. The study attempts to analyse and determine the relationship, further the impact of HRD Climate, OCTAPACE Culture on Job Satisfaction as an Organizational Performance measure in the selected public sector enterprise. The study is based on the responses sought from 71 executives from various departments and different hierarchical

\textsuperscript{70} Dr. Muhammad Tariq Khan, et.al., Integrated concept of human resource development (Proposing new model for HRD), Far East Journal of Psychology and Business Vol. 5 No. 3 December 2011

levels of a public sector undertaking located in North India. The questionnaires relating to the HRD Climate (Rao and Abraham, 1985) and Job Satisfaction (Daftuar, C.N,1997) was administered to the sample population and the findings indicate that HRD Climate has a definite impact on Job Satisfaction which in turn leads to the increased organizational performance.

**Durgesh Pattanayak (2012)** pointed that the Total Quality Management (TQM) has been practiced in diverse industries from manufacturing to services. But its important in banking sector has attracted only a few researchers. By providing the best service quality in banks higher organizational performance will be expected. There is intense competition between Public sector, Private sector and foreign banks in India. So customer satisfaction plays a major role to survive in the intense competition. The study attempts to close the research gap of relationship between TQM and Customer satisfaction. So the objective is to find out the association between the multidimensionality of TQM and Customer satisfaction in the banking industry in the Indian context.

**Rosemary Batt and Mallika Banerjee (2012)** assessed that proposition by reviewing almost 1000 award-winning papers and articles published in leading US and British management journals since the mid-1990s. They used this data to evaluate the scope of HR research in the field, the extent to which it has changed, and whether changes in this research have kept pace with changes that organizations face in the current global economy. Consistent with the strategic HR framework, they find that the question of the link between HR and performance has, indeed, become the dominant one among both micro-and macro-organizational scholars. Contrary to

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72 Durgesh Pattanayk, Effect of TQM on customer satisfaction in Indian Banking industry: A literature review, European Journal of Business and Management www.iiste.org
expectations, however, micro-level research continues to be more prevalent than macro-organizational studies; and they find little change in the subjects and sites of research or theoretical approaches adopted. These characteristics of HR research are in sharp contrast with the dramatic changes occurring in the world of work – suggesting a mismatch between what HR scholars study and what issues and dilemmas organizations face.

Aitziber Lertxundi and Jon Landeta (2012)\textsuperscript{74} analysed the readiness of multinational enterprises to export their human resource management (HRM) system to their subsidiaries abroad, depending on the perceived quality of the system and the differences in the cultural contexts of the headquarters and subsidiaries. Using a qualitative exploratory study of 8 Basque firms and another quantitative study of a sample of 58 Spanish industrial multinationals, they conclude that the quality of the headquarters-based HRM system has a significant influence when it comes to deciding whether to export it to the subsidiary, whereas the difference in cultural contexts is not decisive when transferring the basic principles of the human resource system, although it is possibly decisive in the transfer of practices and sub-processes.

Shamsud D. Chowdhury, et al., (2012)\textsuperscript{75} employed ‘societal-effect’ approach, a variant of the institutional theory developed and tested in Europe and investigated the impact of societal institutions on human resource management (HRM) practices of European multinational subsidiaries in Bangladesh, which is now on the list of the Next-11 economies of the world. In-depth case studies of four European multinational subsidiaries revealed the presence of different degrees of influence – partly attributable to societal effect – on the human resource practices of


these subsidiaries. Their study added a new dimension to the interface between the strong and weak institutions and how such interfacing accords both legitimacy and reverse legitimacy to MNC subsidiaries and their societal institutions respectively. Another interesting finding of the study is the emergence of political system as a societal institution and, hence, a determinant of HRM practices in these subsidiaries.

**Hans-Gerd Ridder, et.al.,(2012)** planned to advance a conceptual model that captures the relationship between ideal types of HR architectures and performance in NPOs. The researchers developed theoretical propositions that provide further insight on the HR programs and HR practices that define the HR architectures and entail implications about variations in performance outcomes in NPOs.

**Paul F. Buller, et.al (2012)** identified important linkages between the firm's strategy, its human resources, and performance outcomes. First, they review the relevant literature focusing in particular on the role of human resources in creating competitive advantage. They then present a multi-level model illustrating how human resource management practices can effectively align organizational, group and individual factors with the organization's strategy. They redefined line of sight as the alignment of organizational capabilities and culture, group competencies and norms, and individual KSAs, motivation and opportunity with one another and with the organization's strategy. Further, they proposed that such alignment contributes to the creation of human capital and social capital, both of which are necessary to achieve and sustain superior performance.

76 The whole is more than the sum of its parts? How HRM is configured in nonprofit organizations and why it matters, Human resource management review, Volume 22, Issue 1, March 2012, Pp.1–14.
Dr. Krishna A. Goyal and Vijay Joshi (2012)\textsuperscript{78} emphasized that the banking industry in India has a huge canvas of history, which covers the traditional banking practices from the time of British to the reforms period, nationalization to privatization of banks and now increasing numbers of foreign banks in India. Therefore, Banking in India has been through a long journey. Banking industry in India has also achieved a new height with the changing times. The use of technology has brought a revolution in the working style of the banks. Nevertheless, the fundamental aspects of banking i.e. trust and the confidence of the people on the institution remain the same. The majority of the banks are still successful in keeping with the confidence of the shareholders as well as other stakeholders. However, with the changing dynamics of banking business brings new kind of risk exposure.

In this study an attempt has been made to identify the general sentiments, challenges and opportunities for the Indian Banking Industry. This study is divided in three parts. First part includes the introduction and general scenario of Indian banking industry. The second part discusses the various challenges and opportunities faced by Indian banking industry. Third part concludes that urgent emphasis is required on the Indian banking product and marketing strategies in order to get sustainable competitive edge over the intense competition from national and global banks.

Silvia Cantarello, et.al., (2012)\textsuperscript{79} investigated the relationships between HRM practices and product quality by hypothesizing a mediating role of organizational commitment. The researchers design a conceptual model and construct hypotheses that are tested using structural

\textsuperscript{78} Dr. K.A. Goyal & Vijay Joshi, Indian Banking Industry: Challenges And Opportunities, International Journal of Business Research and Management (IJBRM), Volume (3) : Issue (1) : 2012
equation modeling on data collected from an international sample. The study contributes to the theoretical and empirical development of a model to explain and open the black box between skill-developing HR practices and quality performance.

Dhammika (2010) examined the HRM strategies of selected three star hotels and the level of CS in their customers. Further, it assessed the contribution of HR strategies for customer satisfaction the sample organizations. A random sample of 50 managers whose population stands around 280 and two hundred employees out of nearly around 1200, were drawn for data collection. The HR strategies profile developed by the research and Customer satisfaction Questionnaire (CSQ) were utilized for data collection. The factor analysis and multiple regressions were applied for data analysis in relation to hypotheses testing. It was revealed that HRM contribute significantly to CS in hotel industry, further, it was found that strategies such as customer oriented value system, Empowerment, behavior based employee evaluation, and performance based rewards systems are prominent in enhancing CS in three star hotels in Sri Lanka.

Nguyen Ngoc Thang, et al., (2010) Their study aims to advance understanding of the effects of training on firm performance by reviewing theory and previous empirical studies on the relationship between training and firm performance. The paper aims to describe the important theoretical approaches and proposes a framework for analysing training and firm performance issues. Data from previous studies are used to assess the effects of training on firm performance. The analysis indicates that the relationship between training and firm performance may be

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80 Icbi 2010 - University Of Kelaniya, Sri Lanka, Human Resource Management’s Contribution To The Implementation Of Strategies For Customer Satisfaction: The Case Of 3 Star Hotels In Sri Lanka, Kasdhammika@Yahoo.Com

mediated by employee knowledge and attitude. Furthermore, capital investment or organisational strategy does moderate the training performance relationship. Finally, the article discusses and identifies the limitations of previous studies and directions for future research on this topic.

Suleman Sabir, et. al, (2011)\textsuperscript{82}, his study aims to how leadership style effects the organization commitment of the employees, when the organization culture is reflecting the employee’s values in the organization. This study is a conceptual based paper which gives theoretical evidence to support the idea. The study also gives a brief overview of transactional leadership and transformational leadership. The results of the study suggest that the leadership style is a strong dimension of organization commitment when organization culture of the organization represents the employees’ values in the organization. Employees are more satisfied if the organization will meet their expectations which are the part of that organization culture, so they are more committed with the organization.

Shamsud D. Chowdhury and Monowar H. Mahmood (2012)\textsuperscript{83} Using the ‘societal-effect’ approach, a variant of the institutional theory developed and tested in Europe, this study investigates the impact of societal institutions on human resource management (HRM) practices of European multinational subsidiaries in Bangladesh, which is now on the list of the Next-11 economies of the world. In-depth case studies of four European multinational subsidiaries revealed the presence of different degrees of influence – partly attributable to societal effect – on the human resource practices of these subsidiaries. Their study added a new dimension to the interface between the strong and weak institutions and how such interfacing accords both


legitimacy and reverse legitimacy to MNC subsidiaries and their societal institutions respectively. Another interesting finding of the study is the emergence of political system as a societal institution and, hence, a determinant of HRM practices in these subsidiaries.

2.2 INDIAN STUDIES

Pawan (2000)\textsuperscript{84} his research suggests that a number of factors influence human resource management (HRM), policies and practices. This study reports the empirical results of a study designed to examine and highlight the main contingent variables and national factors influencing Indian HRM. The investigation is based on a questionnaire survey carried out in 137 Indian firms in the manufacturing sector. The results suggest a number of significant correlations between a set of contingent variables (i.e., age, size, ownership, life cycle stage and HRM strategies of an organization, type of industry and union membership) and four HRM functions of recruitment and selection, training and development, compensation and employee communication. Similarly, four national factors (namely national culture, institutions, dynamic business environment and business sector) are suggested, which influence Indian HRM policies and practices.

Durgesh Pattanayak, et al.\textsuperscript{85} find out the association between the multidimensionality of TQM and Customer satisfaction in the banking industry in the Indian context. This research provides constructive information that helps the practitioners to precisely identify areas of concerns and take corrective measures to enhance their level of customer satisfaction. Knowledge in this area allows managers of the banking organizations to direct their resources adequately in improving the more important contributors of Customer satisfaction.


\textsuperscript{85} Durgesh Pattanayak and Dr. K. Maddulety Effect of TQM on customer satisfaction in Indian Banking industry: A literature review European Journal of Business and Management, ISSN 2222-2839 (Online) www.iiste.org
Jyotsna Bhatnagar et al (2005)\textsuperscript{86} their study focuses on the empirical analysis of strategic HR roles and organizational learning capability. Line and HR firm performance is further analyzed. The sample size consisted of 640 managers in India. Standardized questionnaires were used as tools for the managers’ perception of the two variables and their link to data collection. Statistical results indicate that correlation coefficients were mostly significant and positive for the variables and sub-variables of strategic HR roles and organizational learning capability. Discriminant functional analysis reflected that line and HR managers differed significantly in their perception of both variables. Stepwise regression analysis indicated that both the variables of strategic HR roles and organizational learning capability predict firm performance.

Anil Kumar Singh (2005)\textsuperscript{87} identified the relationship between human resource (HR) practices and the philosophy of management of the Indian business organizations. For this, the different variables of HR practices were studied and the management’s philosophy was identified by measuring beliefs of top management about employees in the organizations. The sample for the study consisted of 95 respondents from two private sector organizations and 119 respondents from two public sector organizations. The findings of the study indicate that the variables of HR practices (planning, recruitment, and selection) were highly but negatively related to the philosophy of management in the private sector organizations. This meant that the Indian organizations were practicing traditional philosophy of management in such organizations. The prevalence of traditional managerial philosophy focusing on managerial control has always


\textsuperscript{87} Anil Kumar Singh, HRD Practices and Philosophy of Management in Indian Organizations, Vikalpa, vol. 30, No.2, April-June 2005.
dominated the managerial community in the sense that it is more prevalent and is more ‘tightly’ linked to managerial practice.

Shahnawaz et al (2006)\textsuperscript{88} explored and compared various HRM practices in two different organizations—consultancy/research based organization and fashion industry. The study also aimed at assessing how much of commitment in the two industries can be attributed to HRM practices. 45 participants each were randomly selected from the two organizations. HRM practices were measured by Geringer, Frayne and Milliman scale, while organizational commitment was measured by Meyer and Allen scale. Data were analyzed by t-test and multiple regressions. HRM practices were found significantly different in two organizations and mean scores on various HRM practices were found more in the fashion organization. Regression result showed that various HRM practices were significantly predicting organizational commitment in two organizations and also when they were combined. Performance appraisal and ‘attitudes towards HRM department’ were the significant predictors of organizational commitment in the both the organizations.

Mohinder Chand, (2007)\textsuperscript{89} his study has a two-fold purpose: to investigate whether some specific characteristics of hotels affect organisational performance in the hotel industry in India; and to investigate whether some HRM systems affect organisational performance in the hotel industry in India. A total of 439 hotels, ranging from three-star to five-star deluxe, responded to a self-administered questionnaire that measured 27 HRM practices, five organisational performance variables, and ten demographic variables. Factor analysis was


\textsuperscript{89} Mohinder Chand, The impact of HRM practices on organisational performance in the Indian hotel industry, Journal of Employee Relations, Vol. 29 Iss: 6, pp.576 - 594
performed to identify HRM systems, one-way ANOVA was employed to test the association of the demographic variables with organisational performance, and correlation analysis was used to test the relation between HRM systems and organisational performance. The results indicate that hotel performance is positively associated with hotel category and type of hotel (chain or individual). Furthermore, hotel performance is positively related to the HRM systems of recruitment and selection, manpower planning, job design, training and development, quality circle, and pay systems.

**Komal Khalid Bhatti, et al (2007)** the main intention of their study was to find out relationship among employee participation, job satisfaction, employee productivity and employee commitment. For the matter 34 organizations from Oil & Gas, Banking and Telecommunication sectors were contacted, of which 15 responded back. The findings of this study are that employee participation not only an important determinant of job satisfaction components. Increasing employee participation will have a positive effect on employee’s job satisfaction, employee commitment and employee productivity. Naturally increasing employee participation is a long-term process, which demands both attention from management side and initiative from the employee side.

**Pavan Kumar et al (2009)** their study investigates the relationship between organizational communication and job satisfaction. Data were collected from 380 employees at junior, middle and top level management from various telecom and banking sectors. Results reveal that there is a significant correlation between organizational communication and job satisfaction.

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90 Komal Khalid Bhatti and Tahir Masood Qureshi, “Impact Of Employee Participation On Job Satisfaction, Employee Commitment And Employee Productivity”, International Review of Business Research Papers Vol.3 No.2 June 2007, Pp. 54 – 68

91 B.Pavan Kumar and Vijai N.Giri, Examining the Relationship of Organizational Communication and Job Satisfaction in Indian Organizations, Journal of Creative Communications, November 2009 vol. 4 no. 3 177-184
satisfaction. It was observed that trust and communication satisfaction predicted significantly pay, promotion, supervision and fringe benefits. Job satisfaction differed significantly across hierarchy. However, organizational communication did not differ across hierarchy. Thus, it can be implicated that there are some aspects of communication like trust and communication satisfaction that can be given more priority in order to get high levels of job satisfaction in Indian organizations.

Shikha N. Khera (2010)\textsuperscript{92} in this study it is pointed out that over recent years there has been an increasing interest in the field of human resource management. Currently, the literature encourages the consideration of human resources as strategic factors, not only because they play important role in strategy implementation, also because they are beginning to be reckoned as sources of sustainable competitive advantage. Relationships between human resource management and productivity have been studied from different perspectives. This study is an attempt to investigate the extent to which Commercial Banks of India differ on aspects of human resource management practices and the key Human Resource Practices contributing to employee productivity from a sample of 184 respondents from three commercial banks of India (one foreign sector, one private sector and one public sector bank).

Debashish Bhattachjee (2010)\textsuperscript{93} establishes an overarching conceptual, historical and academic context for approaching Indian industrial relations (IR). The Introduction explores changing comparative approaches to the ‘IR System’ of a developing country in light of India's complex and unique employment realities. Then researcher traces, in two parts, the evolution of


Indian IR since independence and argues that theories developed in the West are of only limited value in understanding this. In conclusion, researcher considers the way in which Indian academic IR and other social science disciplines have addressed this problem. This leads on to the four research articles that complete this special edition.

**Salman Khalid (2010)** \(^9^4\) in his study five components of job satisfaction; work, pay, promotion, salary and recognition, were examined besides overall job satisfaction. The aim of this study was to examine job satisfaction level of bank employees in Punjab Province. A structured questionnaire survey conducted. The required information was collected from 4 bank employees who were randomly selected from both public and private sectors bank. The result of study reveals that employees of private banks were more satisfied with pay, recognition, and working hours as compared to public sector bank employees. Whereas, the employees of public sector were satisfied with job security as compared to private sector bank employees.

**Karthikeyan (2010)** \(^9^5\) in their study they pointed out that the Employee training is becoming a necessity to every organization now-a-day. Employees are entrusted different roles and responsibilities in the banks. Training enables them to carry out these roles and responsibilities efficiently and also learn new things, which will prepare them to take up higher responsibilities in the future. In this study the researcher studies the existing practices of the various aspects of training program and its effectiveness in selected public and private sector banks in Tiruchirappalli District, South India. This is mainly to assess the present status of the employee effectiveness in discharging the roles and responsibilities in tune with the objectives of

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\(^{9^5}\) Dr. K. Karthikeyan and R.Karthi Impact of Training in Indian Banking Sector – An Empirical Investigation, International Journal of Business and Management Vol. 5, No. 7; July 2010
the bank. The aim is to assess the effectiveness of the various facets of training i.e. employees’
attitude towards training inputs; quality of training programmes; training inputs and application
of training inputs to the actual job.

Tahir Masood Quresh (2010)96 the purpose of the study is to find out the relationship
between ‘HRM Practices’ and the ‘Financial Performance of Banks’. As a sample, 46 scheduled
banks were contacted, of which 38 responded. The HRM practices selected for the research study
were selection, training, performance appraisal system, and compensation system and employee
participation. Empirical evidence was calculated through stepwise regression analysis, Pearson
correlation and descriptive statistics to support theoretical models that link HRM practices with
financial performance of banks. The study concluded that all tested variables have a positive
relation and impact on financial performance of banks but the major contributory practices are
selection, training, compensation and employee participation.

Mohinder Chand (2010)97 investigated the effects of HRM practices on service quality,
customer satisfaction and performance in the hotel industry. A conceptual model is developed
and four research hypotheses are empirically examined using structural equation modeling. The
data were collected via a survey of Indian based hotels. 52 hotels in India responded to
questionnaires pooling 52 HR managers 260 employees (5 from each hotel) and 260 customers
(5 from each hotel). The results indicate that HRM practices have a positive influence on the
improvement of service quality as well as on customer satisfaction and hotel performance. The

96 Tahir Masood Quresh , Do human resource management practices have an impact on financial performance of

97 Mohinder Chand, “The impact of HRM practices on service quality, customer satisfaction and performance in the
study further testified the relationship among them, and provides useful information for future hotel management needs. The findings indicate that creation of customer satisfaction value in the hotel can be achieved via increasing responsiveness to customers' needs and that the creation of customer value which have a positive impact in the firm's profitability. The results suggest that HRM practices improve hotel service effectiveness and in consequence firm performance replicates and extends in a HRM context research. The study also suggests that management should emphasis on the development of intra-departmental learning and relational capabilities.

**CONCLUSION**

Human Resources Management Practices have become a vital aspect of all organizations for attaining their goals and objectives. Public sector banks have to keep their employees with a high commitment to work to face the competition and better service to the society. Lot of research works have been carried out in the area of Human Resources management including perception and job satisfaction of employees in various types of organizations. Perception and Job satisfaction relating to public sector banks have not been much attempted at regional level. Therefore, the present research is attempted to bring out the perception and level of job satisfaction of employees of public sector banks in Tiruvarur district.