



The Relationship Between Human Resource Management Practices and Employee Performance

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DOI: <https://doi.org/10.30880/rmtb.2021.02.01.009>

Received 01 March 2021; Accepted 30 April 2021; Available online 01 June 2021

Abstract: As Malaysia is gradually becoming a developed country, the country should pay more attention to the development of the services industry as a machine to promote and sustain economic growth. Based on the Eleventh Malaysia Plan, 2016-2020, the services industry will continue to be a key driver of economic growth. There is lack of studies been conducted on the relationship between Human Resource Management (HRM) practices and employee performance from Malaysia perspective in past researches. The objective of this study is to determine the level of employee performance, to determine the level of HRM practices and to investigate the relationship between the HRM practice and employee performance. A survey among 245 employees from banking service sector in Johor, Malaysia had been conducted. Quantitative approach had been used in this study and data collection was using questionnaire and online distribution. The data were analyzed using four analyses which are descriptive analysis, reliability analysis, normality test and correlation analysis. The results showed that the level of employee performance and the level of HRM practices was high and there was a positive relationship between HRM practices and employee performance. The findings in this study will help managers to determine the best combination of HRM practices which include training and development, compensation and benefits, performance appraisals and work-life policies and help to improve employee performance by developing effective strategies for these practices.

Keywords: HRM practices, Employee performance, Banking service sector

1. Introduction

1.1 Research Background

In the new global economy, performance has been a key issue for organizations to remain competitive in ensuring their success. Thus, performance plays an important role in every

organization and is a key variable that most researchers care about (Imran, Majeed & Ayub, 2015). In addition, organizational performance depends on employee performance. According to Zheng and Lamond (2010), inefficient HRM practices are the most important determinants of employee performance. Besides, HRM practices also conclude that there is a positive relationship with employee performance (Marwat, Qureshi, & Ramay, 2006). In addition to the size and nature of the business, the attitude and decisions of the employees are also the factors that determine the success of the organization. Therefore, many organizations are well aware that HRM practices must be used in performance evaluation because if HRM practices are improved, employee performance will eventually improve (Hee & Jing, 2018). Mello (2005) shows that the performance of any organization depends on the performance of the employees. Successful organizations recognize that there are many factors that influence performance, but HRM practices are undoubtedly the most critical. Employee performance is directly related to organizational performance. Many previous studies have examined the impact of HRM practices on organizational performance (Osman et al., 2011; Abdalkrim, 2012; Hameed Abdul & Mohamed Shaik, 2016; Cho et al., 2005).

1.2 Problem Statements

In the face of challenging global economies, employees are more skeptical than ever before because they hope to better understand their future decisions and organizational business. According to the 2017 Trends in Global Employee Engagement Report, employee engagement levels in Malaysia decreased by 2 points to 59%. A report comparing trends in seven Asian nations which is India, China, Thailand, Philippines, Indonesia and Singapore have found that Malaysian employees are reluctant to recommend their organizations to job seekers and refuse to pay more motivation than usual to get their jobs done (Hewitt, 2017). This show that the lower the engagement level of employees will decrease employee job performance. Therefore, improvement and upgrading of employee performance by developing HRM practices is important for organizational successfulness (Hee & Jing, 2018). According to a survey conducted by the JobStreet.com in 2016, 52% from 5200 people that are interviewed are felt dissatisfied and feel disengaged within their roles in their job. In the Employee Job Happiness Index 2016 survey conducted by JobStreet.com, the Job Happiness Index in Malaysia is currently the second least happy which is recorded 4.22 compare to others seven countries which are Indonesia, Vietnam, Philippines, Thailand, Hong Kong and Singapore. This is because Malaysians are dissatisfied with their leadership skills and lack of career development opportunities. Workplace isolation is a major issue that can affect employee performance and therefore impact on organizational performance and effectiveness. Due to lack of knowledge sharing and social support from colleagues and management level, employees will feel isolated and perform poorly in their job. Employee performance is directly related to organizational performance. Based on the Eleventh Malaysia Plan, 2016-2020, the services industry will continue to be a key driver of economic growth. Organization should mainly focus on the employee performance. This can maintain the service industry's contribution to the Malaysian economy. There is lack of studies been conducted on the relationship between HRM practices and employee performance from Malaysia perspective (Hee & Jing, 2018). Organizational performance is one of the most studied topics and is the focus of many researchers and practitioners (Majid, 2017). Most of researches are focused on identifying the relationship of HRM practices and organization performance (Osman et al., 2011; Abdalkrim, 2012; Hameed Abdul & Mohamed Shaik, 2016; Cho et al., 2005). Therefore, it is important to study the relationship between HRM practices and employee performance, as employees are one of the factors that can influence organizational performance.

1.3 Research Questions

- (i) What is the level of Employee Performance?
- (ii) What is the level of Human Resource Management Practices?

- (iii) What is the relationship between Human Resource Management Practices and Employee Performance?

1.4 Research Objectives

- (i) To determine the level of Employee Performance.
- (ii) To determine the level of Human Resource Management Practices.
- (iii) To investigate the relationship between Human Resource Management Practices and Employee Performance.

1.5 Significance of the Study

This study is conducted in the field of human resource management, as people will better understand the relationship between HRM practices and employee performance, especially in the service industry in Malaysia. Companies can refer this study as a source of information on how HRM practices can improve employee performance in the workplace. The findings of this study will help to guide organizations in managing their human resource.

1.6 Scope of the Study

This study focuses on the relationship between HRM practices and employee performance. The data is collected from the employees in service sector in Johor Bahru. The population is employees from the selected banking industry. HRM practices have many aspects such as training and development, recruitment and selection, compensation and benefit, performance appraisal, work life policies, career development and performance management. This study focuses on four (4) aspects which include training and development, compensation and benefit, performance appraisal and work-life policies. The other employees which do not form as part of service sector are not within the scope of this research. The study is conducted through the distribution of questionnaire directly to the employees. From their perspective, the researchers is able to know the relationship between HRM practices and employee performance to the employees in the banking industry.

2. Literature Review

2.1 Employee Performance

Employee performance is an indicator of an organization's ability to achieve its organizational goals effectively. In addition, employee performance is the success of tasks performed by one or more people, as determined and measured by the top management of the organization. It entails meeting pre-defined and acceptable standards while efficiently and effectively utilizing available resource in a constantly changing environment (Ngwa et al., 2019). Employee performance also refers to personal behaviors associated with achieving organizational goals and being under the personal control of employees (Soud, 2014). According to Tumbuan and Simanjorang (2016), employee performance is a key resource for achieving organizational goals. For success of the unit, it requires employees to perform well in close coordination. Employees must know what to do to successfully complete their job. Any organization can only make progress when its employees are performing better. Employee performance refers to job completion or employee efficiency (Oravee et al., 2018). Good performance means how well employees have performed in a given job. Employee performance is the rating system used by most companies to determine employee capabilities and output. Employee performance can also be defined as employee performance how well employees perform their work (Tsafack, 2018). According to Yuliansyah and Khan (2015), as part of the organization strategic management system, employee performance appraisals should be addressed to lower-level employees, not upper and lower management members and according to their psychological and physical needs

and special environment in order to evaluate because typically low-level employee performance will change into management and organization-wide performance. This is truer in the case of service organizations. For example, in the banking sector, customer service is performed by front line employees. Thus, low-level employee performance will influence the image of the organization, which reflects and translates into self-management performance (Yuliansyah & Khan, 2015).

2.2 Human Resource Management Practices

Human Resource Management (HRM) practices are defined as a unique but interrelated set of activities, functions and processes designed to attract, develop, and sustain a company's human resources (Tangthong et al., 2014). HRM practice is a broad term that includes related but different activities, functions and processes for the entire human resource of the company. According to Tan and Nasurdin (2011), HRM practices as a system to attract, develop, motivate and retain employees to ensure the effective implementation and sustainability of the company and its members. In addition, HRM practices are also conceptualized as a set of consistent policies and practices designed to ensure that the company human capital contributes to the achievement of its business goals (Hee & Jing, 2018; Tan & Nasurdin, 2011). HRM practices are implemented to evaluate employee performance. In this highly competitive era, improving HRM practices can improve employee performance (Caliskan, 2010; Bowra et al., 2012). Ahmad and Shahzad (2011) argued that employee performance expresses the entire faith of an employee in the actions and commitment to achieving the organization's goals and mission. They also mentioned that payroll practices, performance appraisals and practices related to promotion and staffing are benchmarks of employee performance. Alagaraja and Shuck (2015) reveal that employee performance can be measured through regular training and improvement. Khan (2010) adopted five HRM practices to investigate the impact of HRM practices on the performance of Pakistan workers and organizations. Recruitment and selection, performance appraisal, training and development, employee relations as well as compensation and rewards were the five HRM practices. This study will not cover other HRM practices factors such as recruitment and selection, performance management and career development other than the four aspects which are training and development, compensation and benefit, performance appraisal and work-life policies.

According to Armstrong (2006), training can be defined as a systematic method that enables employees to gain the knowledge and technique to perform tasks effectively. Training can also be defined as a learning process that include gaining knowledge, concepts and skills to improve employee performance (Byars & Rue, 2004). Training and development are often used to bridge the gap between current and future performance. Training and development are part of the Human Resource Development (HRD) function and some consider it an essential function of HRM falls under HRD function which has been argued to be an important function of HRM (Weil & Woodall, 2005). Blair and Sisakhti (2007) found that investing in training and development can bring a lot of benefits to the organization. Some researchers report that training can have a positive effect on productivity. Employees and employers can receive benefit from training (Conti, 2005; Ballot et al., 2006). Furthermore, Tanveer et al. (2011) studied how HRM practices affect employee performance and found that training effectiveness is positively related to employee performance. Marwat et al. (2006) concluded that training as a human resource practice had a very positive impact on employee performance, as it was found there is highly positive correlation in the study. Moreover, Sattar et al. (2015) suggest that training has a positive and significant impact on employee performance. HRM practices such as training and development influence the employee performance at higher rates and there is a positive relationship between training and development and employee performance in the manufacturing sector in Malaysia (Hee & Jing, 2018). Besides, Hassan (2016) conducted a study to examine the relationship between HRM practices such as compensation, career planning, performance appraisal, training, employee involvement and employee performance. The results showed that

Training ($r=0.781$) which represent that there is a positive correlation between training and employee performance. Based on the empirical research, the following hypothesis is proposed:

H₁: There is a positive relationship between training and development with employee performance.

Compensation is a process of giving employees value for their efforts in performing their tasks. Besides, compensation is also believed to bear the highest costs of operating the business. Similarly, compensation system acts as motivational tool for improving job performance (Chiu, Luk & Tang, 2002). Many previous studies have identified the role of compensation and benefits in influencing employee performance. Tessema and Soeters (2016) have reported a positive relationship between compensation practices on employee performance. Besides, there is a clear relationship between the compensation and the performance of university lecturers (Shahzad et al., 2008). Compensation system which based on excellence is the most effective HRM practice as it encourage high performance of employees. Compensation may include basic salary, overtime, bonuses, travel / accommodation allowances, stock options, medical allowances, commissions and profit sharing (Hassan, 2016). In addition, Frye (2004) mention that compensation have positive relationship with organization performance. He said the role of the compensation strategy is important to hiring and retaining capable employees. Tessema and Soeters (2006) stated that that relationship between employee performance and compensation strongly influences employee employment, output and turnover. Furthermore, Al-Qudah et al. (2014) studied the impact of HRM practices and found that there is a positive relationship between compensation and employee performance in the Malaysian Institute of Skills (MSI). Based on the empirical research, the following hypothesis is proposed:

H₂: There is a positive relationship between compensation and benefit with employee performance.

Performance appraisal is the process of identifying employees and communicating their work performance. Ideally, this process also includes the process of formulating improvement plans. Proper performance appraisals will not only tell employees how well they are doing but will also affect their job performance and future work direction (Byars & Rue, 2004). Diriba (2012) opines that in order to continue to enjoy the efficiency and effectiveness of employees, each organization must periodically evaluate the performance of its employees to monitor and replace them, incentivize, defend or otherwise take appropriate action. Performance appraisal has a significant positive impact on employee performance at privatized companies (Kashoob & Jais, 2020). Furthermore, Bekele et al. (2014) confirm that there is a positive and significant relationship between appraisal performance and employee performance. Besides, Tanveer et al. (2011) studied how HRM practices affect employee performance and found that performance appraisals have a positive relationship with employee performance. Moreover, there is a positive relationship between performance appraisal and employee performance in the manufacturing sector in Malaysia (Hee & Jing, 2018). Hassan (2016) conducted a study to examine the relationship between HRM practices such as Compensation, Career Planning, Performance Appraisal, Training, Employee Involvement and Employee Performance. The results showed that Performance Appraisal ($r = 0.790$) which represent that there is a positive correlation between performance appraisals and employee performance. Based on the empirical research, the following hypothesis is proposed:

H₃: There is a positive relationship between performance appraisals with employee performance.

Work-life policies is similar to the work environment. There is small conflict between work and family issues as the company takes into account the needs of employees. (Hee & Jing, 2018). Mendis and Weerakkody (2017) conducted a study by referring to the telecommunications industry in Sri Lanka on the impact of work-life balance on employee performance and found that the Pearson correlation coefficient which is (0.543) between two variables and show that there is a positive relationship between work-life balance and employee performance. Besides, Kopelman et al. (2006)

studied the relationship between work-life balance programs and positive attitudes and behaviors at the human resource manager and employee level. They conclude that the more work-life balance programs are offered, the better it will be to commit and organize family support. It is important to adopt a work-life balance policy which can reduce the stress of employees, reduce work-family conflict and achieve more positive output between work and family (Thompson & Prottas, 2006). Based on the empirical research, the following hypothesis is proposed:

H₄: There is a positive relationship between work-life policies with employee performance.

Based on the hypotheses developed and the theoretical explanation, a conceptual framework was developed which is adopted from Hee and Jing (2018). As shown in Figure 2.1, it is expected that the four HRM practices have the positive relationship between employee performance.

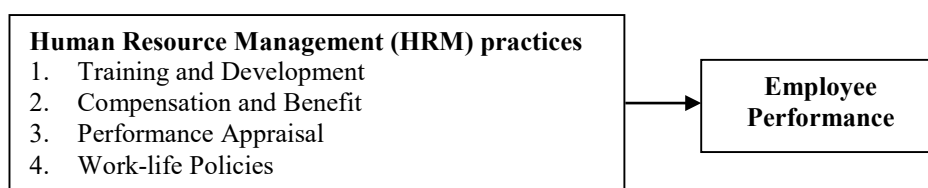


Figure 1: Research framework

3. Research Methodology

3.1 Research Design

Descriptive design is used to describe the population characteristics or phenomena, such as frequency studies, mean and other statistical data. This study uses quantitative research design as it seeks to explore the relationship between HRM practices and employee performance. A survey questionnaire is used a tool to collect the data of HRM practices and employee performance. The unit of analysis is the individual which is the employees who works in service sector specifically the banking industry. This study focuses on commercial banks in Malaysia. However, due to limited budget and time, this study is only for employees who work at a commercial bank in Johor, Malaysia. Commercial banks have larger market shares than other types of banks such as Islamic banks, financial institutions, and investment banks. According to Association of Banks in Malaysia annual report, at the end of 2018, the total number of employees who work in Malaysian commercial banks is at 101,123 persons and the total number of bank branches was around 1,854 branches (The Association of Banks in Malaysia, 2018). The questionnaire will be distributed to the commercial bank employees in selected states which is Johor. The reason for select this location is that the concentration of bank branches is the top 3 highest among the states in Malaysia which recorded 233 branches. A non-probability sampling is employed where convenience sampling technique is used in this study. Convenience sampling refers to the collection of information from the target population based on the concept of whether the target audience is appropriate or capable of conducting a survey (Sekaran & Bougie, 2010). According to the sample size determination table by Krejcie and Morgan (1970), 384 employees will be appropriately representing the population and selected as the respondents. The questionnaire consists of three sections. Section A requires the background information of the respondents which are gender, age, race, highest education completed, duration of working and monthly salary. Section B consists of questions that is related to the of HRM practices. Whereas, Section C consists of questions that related to the employee performance. Compensation and benefits, performance appraisal and training and development were measured by 4 items each. Work-life policies were measured by 3 items. These items were adapted from Hee and Jing (2018). A 5-point Likert scale was used to measure the level of HRM practices and employee performance. The scale was anchored by 1=strongly disagree, 2=disagree, 3=neutral, 4=agree and 5=strongly agree.

3.2 Data Collection

Primary data and secondary data are the data that used in the study which can reduce the chances of obtaining biased information (Sekaran & Bougie, 2010). First, the researcher obtained a permission to distribute the questionnaires to the employees from the company's manager by phone call and email. The responded questionnaires were collected back in two weeks' time for two months. Meanwhile, since it was during the movement control order due to Covid-19 pandemic, online method was also used where the questionnaires were distributed using Google Forms and a link was sent to the employees. A total of 384 questionnaires were distributed and about 245 sets of questionnaires were returned which reflect the response rate of 63.8%. The summary of the respondents' profiles is presented in Table 1. Most of the respondents were females (68.6%), aged between 20 to 30 years (50.2%), Malay (75.9%), have a bachelor degree (43.7%), have 1 to 5 years working experience (49.4%), have a salary between RM1,500.00 to RM 3,000.00 (50.2%), and works as an executive in the company (55.9%).

Table 1: Demographic profiles of respondents

Item	F	P	Item	F	P
Gender			Working experience		
Male	77	31.4	Less than 1 year	18	7.3
Female	168	68.6	1-5 years	121	49.4
Age			6-10 years	88	35.9
20-30 years old	123	50.2	More than 10 years	18	7.3
31-40 years old	102	41.6	Monthly salary		
41-50 years old	14	5.7	Less than RM1,500	16	6.5
51 years old and above	6	2.4	RM1,500-3,000	123	50.2
Race			RM3,000-4,500	91	37.1
Malay	186	75.9	More than RM4,500	15	6.1
Chinese	51	20.8	Position in company		
India	8	3.3	Executive	137	55.9
Educational level			Supervisor	84	34.3
SPM	70	28.6	Manager	24	9.8
STPM/ Diploma/ Matriculation	60	24.5			
Bachelor's Degree	107	43.7			
Master's Degree	6	2.4			
PhD	2	0.8			

Note: F = Frequency, P = Percentage (%), N = 245

3.3 Data Analysis

There are four types of analyses used which are descriptive analysis, reliability analysis, normality test and correlation analysis. A Statistical Process for Social Science (SPSS) software was used as the main tool to run the data analysis. The descriptive analysis is used to illustrate the mean and standard deviation of the data obtained from the results. The reliability analysis is an indicator for measuring the internal consistency of the variables. The normality test is a statistical analysis to determine whether a sample or set of data corresponds to a standard normal distribution. Normality tests can be performed statistically or graphically. Finally, the correlation analysis is used to determine the relationships between two or more variables.

4. Data Analysis and Results

Table 2 shows the result of reliability analysis. For the dependent variable, Cronbach's Alpha value of employee performance is $\alpha=0.936$, while for the independent variables, Cronbach's Alpha value of training and development is 0.893, compensation and benefit is 0.875, performance appraisals is 0.917 and work-life policies is 0.907. The Cronbach's Alpha value of both variables was considered moderate and acceptable (Zikmund, Babin, Carr & Griffin, 2010). Hence, the result was reliable and all of the items and variables can be used for further analysis.

Table 2: Reliability analysis

Variable	Cronbach's Alpha, α	No of Items
Employee Performance	0.936	10
Training and Development	0.893	4
Compensation and Benefit	0.875	4
Performance Appraisals	0.917	4
Work-life Policies	0.907	3

Table 3 shows the central tendency level for all the variables. Training and development received the highest mean at 4.029 which mean that the respondents agreed their organization has provided training opportunities to them which can extend their range of skills and abilities. The lowest mean of training and development is 3.829 which is their work pays for any work-related training and/or development they want to undertake. In overall, training and development had a mean of 3.920 which reflect a high level. This show that training and development has provided to the respondents from their organizations to make sure the respondents are able to handle different kind of task in the organization. Next, the compensation and benefits received the highest mean at 3.976 which mean that the respondents satisfied with their benefit package. The lowest mean of compensation and benefits is 3.833 which is satisfaction of respondents about their current salary. In overall, compensation and benefits had a mean of 3.923 which reflect a high level. This show that the respondents are able to get the compensation and benefits with their organization. Moreover, performance appraisals received the highest mean at 3.922 which mean that the performance review process is standardized and documented. The lowest mean of performance appraisals is 3.841 which is the performance review process is linked to compensation plans. In overall, performance appraisals had a mean of 3.872 which reflect a high level. This show that the performance appraisals is important for an organization in order to analyze the performance of respondents in their organizations to make sure the respondents can achieve the targeted goals in an organization. Furthermore, work-life policies received the highest mean at 4.033 which mean that the respondents agreed that their managers allow generally enough time for the completion of projects so that they can do good quality work with limited stress. The lowest mean of work-life policies is 4.016 which is the respondents agreed their job does not affect their role as a spouse and/or a parent. In overall, work-life policies had a mean of 4.025 which reflect a high level. This show that respondents agreed that good work-life policies will make sure they can work comfortable in an organization. Finally, the mean score for employee performance ranged from 3.837 to 4.049 as compared to general mean amount of 4.049. It is observed that questions related to employee performance received the highest mean by 4.049 which indicate that the respondents are capable to complete duties according to procedures. The lowest mean of employee performance question is the respondents which are able to establish their job objectives with regard to the department and company goals with the mean score of 3.837. As a whole, employee performance had a mean of 3.977 which reflect a high level. These results show that most of respondents agreed they are doing well in performance.

Under Kolmogorov-Smirnov and Shapiro-Wilk. The results show employee performance, training and development, compensation and benefits, performance appraisals and work-life policies variable significant value is $p < 0.05$ which indicate that the data is not normally distributed. As the outcome, Spearman's correlation is employed to test the relationship between both independent variables and dependent variable.

Table 3: Descriptive analysis

No.	Items	Mean	SD	Level
Training and Development				
1	My employer encourages me to extend my abilities.	3.935	0.885	High
2	This organization has provided me with training opportunities enabling me to extend my range of skills and abilities.	4.029	0.943	High
3	I get the opportunity to discuss my training and development requirements with my employer.	3.886	0.903	High
4	My work pays for any work-related training and/or development I want to undertake.	3.829	0.898	High
	Average Score	3.920		High
Compensation and Benefits				
1	I am satisfied with my current salary.	3.833	0.958	High
2	I am satisfied with the amount the company pays for my benefits.	3.931	0.962	High
3	I am satisfied with the raises I have received in the past.	3.951	0.944	High
4	I am satisfied with my benefit package.	3.976	0.954	High
	Average Score	3.923		High
Performance Appraisals				
1	Performance appraisals are based on objective and quantifiable results.	3.878	0.950	High
2	The performance review process is linked to compensation plans.	3.841	0.968	High
3	The performance review process is standardized and documented.	3.922	0.999	High
4	Promotions and pay increases are based on achieving documented performance objectives.	3.845	0.941	High
	Average Score	3.872		High
Work-life Policies				
1	Managers allow generally enough time for the completion of projects so that employee can do good quality work with limited stress.	4.033	0.923	High
2	My work schedule is not in conflict with my personal life.	4.025	0.987	High
3	My job does not affect my role as a spouse and/or a parent.	4.016	0.979	High
	Average Score	4.025		High
Employee Performance				
1	I complete my job accurately and timely to achieve the work objective.	3.878	0.845	High
2	I meet work hours schedule and attendance expectations.	4.020	0.956	High
3	I able to identify, analyse problems and find solution for it.	3.963	0.964	High
4	I deal confidently and efficiently with top management and colleagues.	3.984	0.932	High
5	I demonstrate necessary knowledge and skills to perform the job effectively.	3.976	0.927	High
6	I establish my job objectives with regard to the department and company goals.	3.837	0.940	High
7	I am capable of completing my task within the time frame.	4.029	0.934	High
8	I volunteer to complete extra tasks.	4.033	0.909	High
9	I produce high quality work.	4.004	0.973	High
10	I complete duties according to procedures.	4.049	0.974	High
	Average Score	3.977		High

Table 4 shows the correlation analysis between HRM practices and employee performance. For training and development, the result depicts that the value of Spearman's rho correlation coefficient is $r=0.654$ with significant value $p<0.01$. It shows that training and development has a moderate positive relationship with employee performance. For compensation and benefits, the result depicts that the value of Spearman's rho correlation coefficient is $r=0.577$ with significant value $p<0.01$. It shows that compensation and benefit have a moderate positive relationship with employee performance. For performance appraisals, the result depicts that the value of Spearman's rho correlation coefficient at $r=0.726$ with significant value $p<0.01$. It shows that performance appraisals have a strong positive relationship with employee performance. Next, for work-life policies, the result depicts that the value of Spearman's rho correlation coefficient at $r=0.742$ with significant value $p<0.01$. It shows that work-life policies have a strong positive relationship with employee performance. All of the relationships between HRM practices and employee performance showed a positive and significant relationship.

Table 4: Correlation analysis

HRM Practices	Employee Performance
Training and Development	0.654**
Compensation and Benefits	0.577**
Performance Appraisals	0.726**
Work-life Policies	0.742**

** Correlation is significant at the 0.01 level (2-tailed).

5. Discussion and Conclusion

According to the findings of the study it shows that the level of employee performance is high. Average mean score for employee performance is 3.977. This study is consistent with previous studies conducted by Tumbuan and Simanjorang (2016) which indicated that employee performance was a key resource for achieving organizational goals. For success of the unit, it required employees to perform well in close coordination. Employees must know what to do to successfully complete their job. Besides, past studies conducted by Platis, Reklitis and Zimeras (2015) which reported employee performance was an important challenge as it was closely linked to effectiveness, quality, knowledge management, finance and organizational development. Furthermore, it shows that the level of training and development is high. The average mean score for training and development is 3.920. This study is consistent with previous study conducted by Nassazi (2013) who stated that the higher level of training and development leads to increased organizational performance which bring more benefit to human resource managers and its policy makers, decision makers, as well as the government. In addition, past studies conducted by Iftikhar and Sirajud (2009) indicated that the higher level of training and development would increase the performance of the employees. Next, it shows that the level of compensation and benefits is high. The average mean score for compensation and benefits is 3.923. This study is consistent with previous study conducted by Nawab and Bhatti (2011) who realized that level of compensation would lead to effective commitment of employees in the organization and hence it would lead to increased organizational performance. Moreover, past studies conducted by Qureshi and Sajjad (2015) described that level of compensation and benefits influence employees' outcomes. Moreover, the level of performance appraisals is high. The average mean score for performance appraisals is 3.872. This study is consistent with previous study conducted by Anso (2014) which stated that higher level of performance appraisals could enhance organizational growth and professional development. Besides, past studies conducted by Grubb (2007) indicated that performance appraisal as a process of evaluate the performance of each employee and how it could be improved to contribute the overall performance of the organization.

Finally, for descriptive analysis, it shows that the level of work-life policies is high. The average mean score for work-life policies is 4.025. This study is consistent with previous study conducted by Guthrie (2012) that indicated that higher level of work-life policies could improve productivity of employees which in turn impacts the performance of organizations in positive manner. Moreover, past studies conducted by adnan Bataineh (2019) stated that work-life could improve both the life quality of employees and the effectiveness of the organization.

For the second research objective, there is a moderate positive correlation between training and development with employee performance. This study is consistent with study by Sattar et al. (2015) suggest that training has a positive and significant impact on employee performance. Moreover, this result is consistent with Tanveer et al. (2011) who found that training effectiveness is positively related to employee performance. Besides, the finding of this study also supported by a previous study conducted by Falola et al. (2014) which stated that training and development is a much-needed strategic tool to improve employee performance. Organizations increase their training budgets each year and believe that this will enable them to gain a competitive advantage. The results show that there is a close relationship between training and development and employee performance. Furthermore, past research conducted by Tahir et al. (2014) also indicated that training and development has significant relationship with employee performance. Moreover, there is a moderate positive correlation between compensation and benefits with employee performance. This result is consistent with Tessema and Soeters (2016) have reported a positive relationship between compensation practices on employee performance. Besides, this study was also consistent with previous studies conducted by Hassan (2016) indicated that compensation system which based on excellence is the most effective HRM practice as it encourages high performance of employees. Furthermore, the finding of this study supported by a previous study conducted by Hameed et al. (2014) observed that compensation has positive impact on employee performance and so if well managed it will result into organizational performance.

In performance appraisals, there is a strong positive correlation between performance appraisals with employee performance. This result is consistent with Bekele et al. (2014) confirm that there is a positive and significant relationship between appraisal performance and employee performance. Furthermore, past studies conducted by Hee and Jing (2018) also indicated that there is a positive relationship between performance appraisal and employee performance in the manufacturing sector in Malaysia. Besides, this study was also consistent with previous studies conducted by Nadeem et al. (2013) shows that there is a strong positive relation between performance appraisal and employee performance. Nadeem et al. (2013) stated that if performance appraisals system is successfully used in the banks, the employees would be able to know how well they are performing and what is expected to them in future in terms of their work performance and effort. Next, for work-life policies, there is a strong positive correlation between work-life policies with employee performance. This result is consistent with Mendis and Weerakkody (2017) who conducted a study by referring to the telecommunications industry in Sri Lanka on the impact of work-life balance on employee performance and found that there is a positive relationship between work-life balance and employee performance. In addition, Kopelman et al. (2006) studied the relationship between work-life balance programs and indicated there is a positive attitudes and behaviors at the human resource manager and employee level. Furthermore, the finding of this study supported by a previous study conducted by adnan Bataineh (2019) stated that work-life balance has a positive significant impact on employee performance. Employee who feel comfortable and small degree of stress at work and at home tend to be satisfied with their work.

The results show that HRM practices has a positive significant relationship with employee performance. The researcher found that all of the levels of employee performance and HRM practices

such as training and development, compensation and benefits, performance appraisals and work-life policies are indicated as high level. The researcher also found that HRM practices such as training and development, compensation and benefits, performance appraisals and work-life policies are positively related to employee performance. Thus, the findings of the study have achieved the research objectives which is to determine the level of employee performance, to determine the level of HRM practices and to investigate the relationship between HRM practices and employee performance. Current data provides sufficient evidence for employers or human resources department to help them plan the most appropriate solutions to improve employee performance.

Acknowledgement

This research was made possible by learning facilities and research guidance provided by bachelor's degree Final Year Project course. The authors would like to thank the Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia for its support.

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