# The Role of Human Resource Management Practices on Employees' Organization Commitment In Banking Sector Abbottabad

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## Abstract

This field study examined how human resource management strategies affecting employees' organizational commitment in the banking sector of Abbottabad. Data was gathered through questionnaires and analyzed using SPSS 19 version. Descriptive and inferential statistics, including correlation, ANOVA, multiple regression, Cronbach's Alpha, and testing the study hypotheses were used to analyze the data. The researcher concluded that managers must manage the reward system to improve employee satisfaction and retention, implement appropriate skills and programs, develop fair and balanced performance management systems with a feedback system, and institute a clear organizational communication and social strategy to improve interpersonal interaction and relationships between senior and junior employees. Human resource management practices have a significant influence on the elements of employees organizational.

**Keywords:** Human Resource Management Practices, Employees Satisfaction, Reward System, Organization Culture, Training and Development, Job Security, Performance Appraisal, Employees Organization Commitment, Abbottabad Banks.

# Introduction

Employees Organization Commitment (EOC) shows the employees involvement with the organization's goal and values, the intent is to go above and beyond on the organization's behalf and their intention to stay with the organization. (Guchait, P. & Cho S. 2010). Employee's Organization commitment plays an important role on producing the organization commitment that helps to encourage the satisfaction level of the employee and motivation in the workplace. On the other hand, it has a negative relation between employee commitment and employee turnover. (Naim, M. F., & Lenka, U. 2018).

Human resource management (HRM), which primary goal is to manage the function and strategies of human resource management practices, As stated by (Dessler, 2013), HRM practices describe the procedures and approaches used to carry out the human resource components of management roles, including human resource planning, job evaluation, hiring, selecting, orienting, paying, rating performance, developing talent, and managing labor relations. In today's knowledge organizations, where value is built on the skills and abilities of the workforce, it is imperative to implement these cutting-edge HRM practices to recruit, retain, and add value. Effectively HRM practices functions can only ensure the ongoing success of business organizations.

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Our research will look into how HRM practices affect employees' commitment to their organization. As a result, the key to sustaining a successful or successful economy or organization is workforce productivity, which can be attained through enhanced HRM practices. (J. O'riordan, 2022). Strategic human resource management practices are management activities aimed at ensuring employee commitment and productivity in order to attain a firm's long-term competitive advantage. The SHRM practices as a collection of logically sound rules and procedures designed to link an organization's human resources goals to its corporate objectives (Anjum et al.2002).

In the study, the following elements of Human Resource Management Practices is being included (Planning, training and development programs, employee's satisfaction, organization culture, job security, compensation or reward system and performance appraisal). And investigates their effects on employee commitment in Abbottabad's nine banking sectors which are: Allied Bank Limited, Askari Bank Limited, Bank Al Habib Limited HBL, Soneri Bank Limited, Bank of Khyber (BOK), Bank Alfalah Limited, and National Bank of Pakistan (NBP), United Bank Limited (UBL), and MCB Bank Limited.

Employees' commitment is the emotions and feelings of employee towards their organization. There is huge consequences on employment, and as a result, it directs how employees act, including how sincere, enthusiastic, and engaged they are, as well as how they work together, behave, and think. An essential component of organizational management is employee commitment. Because of the impact on productivity, managers must morally uphold the worker satisfaction level. Many businesses have realized how important a content workforce is for the organization success and efficiency. According to (Salman, A., et al, 2014), As a result, each bank has created its own set of HRM practices. There is currently a lack of data in the field of research and a vague understanding of the connection between HRM practices and employee commitment. In addition to the following, research on the effect of human resource management (HRM) on employee commitment in the banking sector of Abbottabad is scarce because of this, the goal of this study is to examine how HRM policies have an impact on employees' organizational commitment in Abbottabad banks. This implies that there is a perceived need to continually reevaluate the best HRM practices in light of their impacts on bank employee commitment. Therefore, the focus of this research is to ascertain how HRM practices in Abbottabad affect employee commitment, specifically concerning job security, employee satisfaction, the reward system, training and development, and performance evaluation.

# **Literature Review**

## **HRM Practices**

Human resource management (HRM) practices involve various activities such as hiring, training, performance monitoring, and appropriate compensation (Al-Sarayrah et al., 2016; Mohyin et al., 2012). The effectiveness of HRM practices can impact employee satisfaction, organizational culture, training and development, pay, job security, and organizational commitment (Al-Sarayrah et al., 2016). Best HRM practices can enhance the capabilities of a company's human resources and provide a competitive advantage (Al-Sarayrah et al., 2016). Education is an essential factor that positively affects productivity, according to Becker's research (1962). He claims that education is one of the most important factors in achieving an organization's productivity and goals and earning a high salary. HR plays a crucial role in attracting efficient human resources to an organization (Terstena et al., 2020). HR activities can improve the effectiveness of research and organizational success (Kaya, 2006). Changing an employee's performance path, reward system, teamwork, training and development programs, and job security can lead to increased organizational efficiency (Kang, 2015). HRM practices aim to increase employee satisfaction, retention, and productivity by addressing employee needs (Saks & Burke, 2014; Smalley, 2014). The most common HRM activities include recruiting, training, appraising, compensating, and benefits (Poonam Singh, 2018). Overall, the importance of HRM practices cannot be overstated as they help organizations identify talent, create a flourishing environment for employees, and ensure an effective and motivated workforce (Al-Sarayrah et al., 2016; Mohyin et al., 2012; Saks & Burke, 2014; Smalley, 2014).

#### **Employees Satisfaction**

Employee satisfaction is crucial for organizational success, as it leads to enhanced productivity, commitment, and performance, among other benefits (Lathabhavan, 2020; Harter et al., 2002). The use of human resource management practices, such as training programs, performance evaluation, and compensation management, can improve employee satisfaction (George et al., 2008). Employee satisfaction and organizational commitment have a positive relationship and impact job involvement, motivation, and other factors (Van Dick et al., 2012). Employers must meet employee needs by treating them fairly and understanding their concerns to maintain a positive work environment (Wan, 2007). Optimal human resource management practices result in high employee satisfaction and organizational commitment (Coetzee & Stoltz, 2015). Employee turnover, a significant challenge for companies, is primarily due to dissatisfaction with work-related factors, supervision, and organizational dedication (Abbasi & Hollman, 2000).

#### **Reward System**

According to Galanou et al (2010), the reward system is crucial for motivating employees to contribute effectively to an organization. Adeoye and Obanewo (2019) state that the main goal of reward system management is to attract and retain quality employees while focusing on the organization's outcomes. Martocchio (2011) emphasizes that rewards fuel employee performance. Widodo and Damayanti (2020) categorize incentives as extrinsic or intrinsic rewards, which impact an organization's success. Extrinsic rewards include pay, fringe benefits, awards, and promotions, while intrinsic rewards include recognition, appreciation, and participation. Yousaf et al (2014) highlight the importance of monetary and non-monetary rewards in increasing employee satisfaction. Financial benefits such as pay, fringe benefits, and insurance are vital, as are non-financial benefits like acknowledgement and involvement. Salah (2016) emphasizes the significant impact of a reward system on employee engagement and organizational productivity.

#### Organization Culture

Organizational culture has been defined in various ways by different researchers. Boon and Arumugam (2006) define it as shared ideals, beliefs, and customs of a company, while Zain et al. (2009) see it as the rules and regulations that members adhere to. Rashid et al. (2003) emphasize the importance of values and beliefs that impact organizational success. Chow (2012) highlights the role of management in improving organizational effectiveness through corporate culture. Manetje and Martins (2009) stress that corporate culture reflects the true image of an organization, including how it conducts its business. Pinho et al. (2014) argue that it is influenced by various factors like employee retention, productivity, and innovation. Recardo and Jolly (1997) note that organizational characteristics like team management, communication, and decision-making can impact employee commitment. Ramdhani et al. (2017) highlight the significant impact of organizational culture for their organization's vision and mission, and Lok and Crawford (2004) highlight the impact of organizational culture on employee satisfaction. Sarhan et al. (2020) argue that different types of organizational structures have varying impacts on employee motivation and engagement.

#### Training and Development

Additionally, Vakola et al. (2006) argue that training and development programs can also lead to increased job satisfaction, as employees feel more competent and confident in their abilities. This can also lead to higher levels of employee retention, as employees who feel valued and supported are more likely to stay with the organization. Moreover, training and development can also help organizations adapt to changes in the business environment and remain competitive in the market (Chandrasekar, 2012). However, it is important to note that the effectiveness of training and development programs may vary depending on



various factors, such as the quality of the training, the relevance to employees' job responsibilities, and the support provided by management (Abdullah et al., 2016). Therefore, it is crucial for organizations to design and implement training and development programs that are tailored to the specific needs and goals of their employees and the organization as a whole.

#### Job Security

According to Yousef (1998), job security refers to an employee's expectation of not losing their current job and has a significant impact on their commitment to the organization. Akpan (2013) highlights that job security is one of the most important factors of employee commitment and employees who feel secure in their jobs tend to contribute more to their organization. Hur and Perry (2020) further argue that employment stability boosts an organization's output as satisfied employees tend to focus on the growth of the organization. However, when employees receive better-paying and more secure job offers, they tend to alter their jobs (Jarosch, 2021). While job security remains an ideal for many employees, every employee may have a different perception of it within an organization (Bartol et al., 2009). Meeting employee expectations of job security helps establish equal exchange relationships and social interactions, such as the worker exchange relationship, which reflects an individual's thoughts about their ethical obligations and financial incentives (Maria et al., 2005). When an unfair exchange relationship is given to an employee, they tend to feel insecure with their current jobs and fail to meet their obligations (Lu et al., 2017), which negatively impacts their work attitudes and performance.

#### Performance Appraisal

A fair and effective performance appraisal process is essential for employee satisfaction and organizational performance (Salleh et al., 2013). It involves establishing clear evaluation criteria, providing specific and constructive feedback, involving employees in goal-setting, and training managers to give feedback effectively (Yilmaz & Ergun, 2018). Communication is also critical to ensure that employees understand expectations and evaluation processes (Hernandez, 2008). Demotivation and resentment can result from an unfair appraisal process (DeNisi & Smith, 2014), making it important to implement a collaborative effort to improve employee performance and organizational outcomes (Robbins & Coulter, 2012). Therefore, organizations must prioritize a fair and effective performance appraisal process.

#### **Employees Organizational Commitment**

Organizational commitment is an important factor for enhancing organizational effectiveness, as stated by Keskes (2014). It fosters employees' willingness to stay with the organization, which, in turn, improves their performance and motivates them to work harder to achieve the organization's goals. Employees who have a sense of belonging and understand the organization's objectives tend to be more committed to the organization. In the field of organizational behavior, organizational commitment is considered to be a critical concept. Research has identified three components of employees' organizational commitment, including affective, normative, and continuance. Affective commitment is when an employee's beliefs and goals align with the organization. Normative commitment refers to where an employee feels obliged to stay with the organization. Continuance commitment is when employees are aware of the costs of leaving the organization and tend to stay with it. According to Su et al. (2009), employee organizational commitment (EOC) measures an employee's identification with the organization's mission, overall identity, and desire to remain with the organization. EOC also predicts absenteeism and has a negative correlation with an employee's intent to search for other jobs and leave their current position. Organizational commitment reflects employees' engagement with the organization's aims and goals and their willingness to work hard for the company and remain with it.

# **Conceptual Framework**

Employee's satisfaction and organization commitment is one of the most important aspects for an organization is to keep their employee happy, comfortable, and satisfied with their current jobs. Numerous studies demonstrate that employee satisfaction and motivation is influenced by high staff morale at work, goal-oriented performance. (AlKahtani.N, et al., 2021), demonstrates that if employee are content, they will be more motivated, which will raise their organizational commitment, and if employees are dissatisfied, they will be less influenced, which will decrease their organizational commitment.

 $H_{01}$  Organizational commitment is strongly influenced, both positively and negatively, by employee satisfaction.

#### Reward system and organization commitment

The reward system is one of the most crucial components in motivating and keeping employee satisfied, and it has a big impact on how committed employees are to their organization. (Al Kahtani, N, 2021) emphasized the importance of human resources management practices in analysis and monitoring the Job evaluation, payment planning and construction, performance appraisal, employee salaries and retirement, and reward procedures management. (Emelianova, Y. 2019) declares that every company needs a four-part employee reward system, which is remuneration, incentives, recognition, and appreciation.

 $H_{02}$  The reward system and employees' dedication to the organization are positively correlated.

#### Organizational commitment among employee and organizational culture

According to (Arifin, A. et al, 2019), the study's indicates that organizational commitment and organizational culture have a significant and advantageous relation. In other empirical studies, researchers have found a significant connection between organizational commitment and organizational culture. The following idea based on the description:

 $H_{03}$  Employee commitment and organizational culture have a significant and favorable relationship.

## Training and development and organization commitment

According to (Shafiq, M. et al, 2013), as previously mentioned, employee training and development significantly affect organizational commitment. They contend that positive reinforcement from role models or upper management affects an employee's sense of loyalty to the organization and moral duty to continue working there. In study, the training and development programs was found to be the most significant predictor of organizational commitment. Training, support for training, learner motivation, training environment, and perceived training benefits were influence by affective commitment, normative commitment, and overall organizational commitment. Additionally, it was discovered that the training environment and perceived benefits had an impact on long-term commitment.

 $H_{04}$  Employee commitment to the organization has a significant and favorable relationship with training and development.

#### Job security and organization commitment

According to (Reinardy, S., 2012) the job that an employee does and the work that the organization produces demonstrate personality. In an organization structure, an employee who has lost interest in his or her job intends to leave. Both the risk of losing one's job and a poor opinion of the quality of one's job exist.



When job dissatisfaction sets in, and employee can no longer cope with organizational change and they have no other choice but to leave.

 $H_{05}$  Job security has a significant positive and negative impact on employee commitment to the organization.

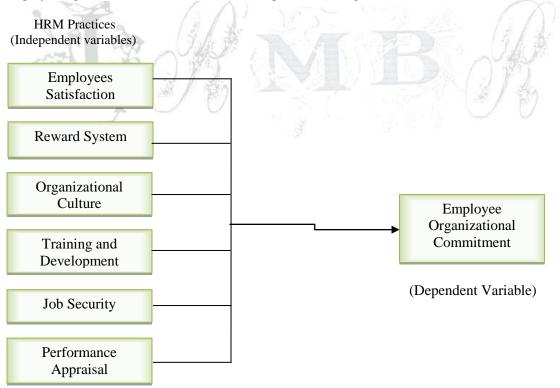
#### Performance Appraisal and organization commitment

Setiawati & Ariani (2020) the researchers looked into the link between performance reviews and organizational commitment, and job satisfaction. It highlights the need of fairness in performance evaluations and organizational commitment in an organization. Job satisfaction and performance appraisals, on the other hand, have a substantial impact on organizational commitment. Many other studies also looked into the relationship between performance management and employee loyalty.

 $H_{06}$  Performance appraisal and employees' organizational commitment are positively correlated.

## Model of Research

According (Cheluget, J., 2019) a conceptual framework is a group of overarching concepts and tenets that are taken from various academic disciplines and used to structure a presentation in the future. Employee satisfaction, reward system, organizational culture, training and development, job security, and performance appraisal are all independent factors that significantly influence the dependent variable of employee organizational commitment in both the positive and negative directions.



# **Research Methodology**

The main objective of this chapter investigate how human resource management practices affect employee commitment to the organization. In this section, the study's methodology, population under investigation, sampling strategy, size and measurement of variables, and also the methods used to establish validity and reliability, were all described. These ae the techniques used to gather information from respondents.

#### **Research Design**

According to (Hair Jr, J. F, et al, 2014), there are three primary research designs: exploratory, descriptive, and explanatory. Exploratory research is used when there is little information available on the problem, and the goal is to discover patterns and relationships without forming a hypothesis. Descriptive research, on the other hand, aims to describe the characteristics of the research subject and employs descriptive statistics to illustrate them. Explanatory research, also known as hypothesis testing, seeks to determine whether one variable causes another and employs statistical and mathematical techniques to establish a logical connection between two distinct events or variables. It is used to forecast organizational outcomes or explain the variation in the dependent variable (Creswell, J., 2014). The research described in the text utilized a quantitative research design, with the researcher using quantitative data techniques for both data collection and analysis.

#### **Research Procedure**

Hundred questionnaires were distributed to the employees at various levels of the banks. Each questionnaire was accompanied by a summary of the study's objectives and the consequences for the Abbottabad banking sector in terms of employee engagement.

#### Population and Sample Proportion

The sampling strategy in this study was probability sampling. The data was collected from the banking sector of Abbottabad, including Allied Bank Limited, Askari Bank Limited, Bank Al Habib Limited HBL, Soneri Bank Limited, the bank of Khyber, Bank Alfalah Limited (BAL), and United Bank Limited (UBL), MCB Bank Limited, using a stratified random sampling method.

#### Population

(Taherdoost, H., 2016) declares the population as a group of humans, objects, or stuff from whom measurements are obtained.

#### **Targeted Population**

According to (Taherdoost, H., 2016) the targeted population refers to the total collection of items of interest from which the researcher seeks relevant information for the study. The participants in this study were all of the employee's bank in Abbottabad. As shown in table number (1), target population is made up of employees from all nine (9) sampled banks in Abbottabad: Allied Bank Limited, Askari Bank Limited, Bank Al Habib Limited HBL, Soneri Bank Limited, the Bank of Khyber (BOK), Bank Alfalah Limited, and National Bank of Pakistan (NBP), United Bank Limited (UBL), and MCB Bank Limited.

#### Measurement of Instrument and Variables

This research used a systematic self-administered survey questionnaire in gathering quantifiable data. The questionnaire used a Likert scale with different scales based on the measuring tool. According to (Kagaari, J., et al, 2010) all independent and dependent variables (employee satisfaction, reward system, organization



culture, training and development, job security, Performance Appraisal, employee's organization commitment) were evaluated using attitude on a 5-point Likert with 1 being strongly disagree to 5 being strongly agree (5).

#### Procedure for Data Collection

Survey questionnaires were given out and collected from participant in the study. A questionnaire method was used to gather data for this investigation. The questionnaire was subdivided into two segments. Segment one was about the demographic characteristics of the study participants, and segment two included questions about seven variables including employees' organizational commitment, reward system, training and development, organizational culture, job security, and performance appraisal. The secondary data was gathered using a standardized questionnaire divided into two parts, Part 1 and Part 2 (according to annex 1) and delivered to bank personnel via a drop and pick later approach. The questionnaire received 100 responses from employees.

#### Data Analysis and Processing

According to (Kothari, C. R. 2004), the data was processed and organized for consistent performance, validity, and achievement. After that, the outcomes were calculated using SPSS (Statistical package for social scientists). Using statistical multiple regression, the quantitative method will be used to determine how closely related the variables of employee satisfaction, reward system, organizational culture, training and development, job security, performance appraisal, and employee organization commitment. In this study, Pearson's coefficient of correlation and ANOVA was used to determine the nature of the connection that existed between the variables. Furthermore, independent variable's involvement is determined, including employee satisfaction, reward system, organizational culture, training and development, job security, and performance appraisal.

Following is the statistical test that is used:

$$Y = \beta 0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \varepsilon$$

Where: Y is the Dependent Variable of (Employees Organization commitment)

#### $\beta 0 = perpetual term$

- $\beta 1$  = first independent variable's coefficient of (employees' satisfaction)
- $\beta 2$ = second independent variables coefficient of (reward system)
- $\beta$ 3= third independent variable coefficient of (organization culture)
- $\beta$ 4= fourth independent variable coefficient of (training and development)
- $\beta$ 5= fifth independent variable coefficient of (job security)
- $\beta 6=$  sixth independent variable coefficient of (Performance Appraisal)
- $\varepsilon = \text{Error term}$

#### Validity and Reliability

Reliability testing is the consistency of results applied to the sample repeatedly, whether administered by the same or different individuals. The US Department describes acceptable levels of reliability as follows: Outstanding as 0.90 or higher, good as 0.80 to 0.89, satisfactory as 0.70 to 0.79, and possibly limited as 0.69 and lower. A reliability examination of the scales in the research instruments was performed to verify reliability to deliver acceptable results. Cronbach's Alpha was used to calculate the level of reliability. Thus, every factor had an Alpha value greater than 0.6 (value 0.6), which is regarded acceptable for further research. As a result, the instruments were highly dependable.

The Alpha values for each instrument are provided below in "Table 2".

Variables	No. of items	Cronbach's Alpha
Employees Satisfaction	6	0.86
Reward System	6	0.84
Organization Culture	4	0.78
Training and Development	6	0.91
Job Security	3	0.74
Performance Appraisal	4	0.78
Employee Organization Commitment	3	0.87

Table 1:	The	Cronbach's	Alpha	study	variables.

#### Face Validity

According to (Ahmad, I., & Ahmad, S., 2018) Reliability is concerned with the measurement of stability and consistency while validity is used in measuring the right concept. Multiple sources of data were used to set and refine the model and measures including journals, research, research papers, the internet, and articles. Secondly, bank employees presented a comprehensive macro review of all studied variables. There were nine banks in total, with an aggregate response rate of (100 percent).

## Ethical Consideration

Throughout the course of a research project, researchers are confronted with a variety of ethical issues. Some researchers have explained research ethics as a set of moral principles that have become widely accepted which provide rules and behavioral expectations regarding proper treatment of experimental subjects and respondents. In addition, the following list of the fundamental ethical considerations must be followed conducting human study.

Participation deliberately and the ability to leave a process partially or completely are two of them. Participants' consent and the possibility of deception Preserving the privacy and confidentiality of the information provided by individuals or identifiable participants. Participants' identities, both potential and actual, are kept private.

Taking part in a human-based research project. The respondents were assured that the information they provided would be treated in strictest confidence and utilized only by the researcher for research. Participants were also advice that they could choose whether or not to participate in the study.

#### Analysis, Interpretation and Findings of Results

The purpose of the study was to ascertain the function of human resource management practices and their impact on employees' organizational commitment in branches of bank in Abbottabad. This chapter includes the data analysis and interpretation process and the study's conclusions relate to the study.

#### **Response Rate**

The majority of the responses came from the targeted sample. According to (Bell, E., 2022) this fraction was used to considered to be adequate for data processing and interpretation of the findings.

#### **Descriptive Statistics Empirical Findings**

The descriptive analysis is among the study's conclusion, in terms of their impact on employee organization commitment in bank branches in Abbottabad. Specific questions on various characteristics of each of the goals were developed to gather feedback on their impact on employee outcomes. Moreover, hundred questionnaires were distributed. All of the banking industry employees who completed with a 100% response rate were included in the analysis. The analysis yielded the following results:

Here, SD is strongly disagree, D is disagree, N is neutral, A is agree, SA is strongly agree and Mean and Standard Deviation are represented by the letters M and SD in the following tables.

Table 2: Descriptive measure of employees' satisfaction (ES)										
Factor	SD (1)	D(2)	N(3)	A (4)	SA (5)	М	S.D			
ES1	5	4	17	42	32	3.9	1.1			
ES2	8	8	28	41	15	3.5	1.1			
ES3	3	3	18	42	34	4.0	0.9			
ES4	3	5	31	43	18	3.7	0.9			
ES5	4	2	24	52	18	3.8	0.9			
ES6	3	4	18	55	20	3.9	0.8			

Factor	SD (1)	D(2)	N(3)	A (4)	SA (5)	М	S.D
RS1	1	0	15	28	56	4.4	0.8
RS2	1	2	12	27	58	4.4	0.9
RS3	3	5	25	38	29	3.9	1.0
RS4	0	12	22	38	28	3.8	1.0
RS5	~ 1 al	0	15	40	44	4.3	0.8
RS6	0	3	14	43	40	4.2	0.8

-	Table 4	: Descrip	tive Revie	w of Organiza	ation culture	(OC).	
Factor	SD (1)	D(2)	N(3)	A (4)	SA (5)	М	S.D
OC1	1	3	23	43	30	4.0	0.9
OC2	1	3	27	39	30	3.9	0.9
OC3	1	3	24	47	25	4.0	0.8
OC4	2	2	19	49	28	4.0	0.9

	Table 5: Descriptive Analysis of Training and Development (TD)									
Factor	SD (1)	D(2)	N(3)	A (4)	SA (5)	М	S.D			
TD1	4	4	21	43	28	3.9	1.0			
TD2	2	3	14	40	41	4.1	0.9			
TD3	4	4	22	36	34	3.9	1.0			
TD4	2	3	26	35	34	4.0	1.0			
TD5	5	4	20	48	23	3.8	1.0			
TD6	2	6	22	43	27	3.9	0.9			

Table 5: Descriptive Analysis of Training and Development	t (TD)	
Table 5. Descriptive Analysis of Training and Developmen	$\mathfrak{l}(\mathbf{I}\mathbf{D})$	

	Table 6: Descriptive Analysis of Job security (JS)										
Factor	SD (1)	D(2)	N(3)	A (4)	SA (5)	М	S.D				
JS1	3	6	33	33	25	3.7	0.9				
JS2	2	7	27	42	22	3.8	1.0				
JS3	3	15	42	27	13	3.3	1.0				

Table 7: Descriptive Analysis of Performance Appraisal (PA)										
Factor	SD (1)	D(2)	N(3)	A (4)	SA (5)	М	S.D			
PA1	3	4	28	43	22	3.8	0.9			
PA2	2	1	39	39	19	3.7	0.9			
PA3	3	4	28	47	18	3.7	1.0			
PA4	3	7	25	42	23	3.8	1.0			

Table 8: Descriptive Measure of Employees Organization Commitment (EOC)

						(	/
Factor	SD (1)	D(2)	N(3)	A (4)	SA (5)	М	S.D
EOC1	2	1	25	42	30	5	4.0
EOC2	2	1	23	34	40		4.0
EOC3	2	5	17	43	33	5	4.0

# **Correlation Analysis**

The Pearson correlation coefficient, as given in Table 4.5, determines links among the independent factors and the dependent variable. Pearson's regression analysis is a statistical indication of the importance of a linear relationship between two variables in the above table and the symbol for it is 'r' in a sample and confined as follows: -1 < r. TRA NO

	And the	Tab	le 9: Pearson	Correlation	Coefficient	- 19 A.	
	. J. K	ES	RS	OC	TD	JS	PA EOC
ES	Pearson	9	Ū	a - 12 - 5 -	1.25		
	Correlation						
	Sig. (2-tailed)	100					
	Ν						
RS	Pearson	.450**	1				
	Correlation	.000					
	Sig. (2-tailed)	100	100				
	Ν						
OC	Pearson	.295**	.461**	1			
	Correlation	.003	.000				
	Sig. (2-tailed)	100	100	100			
	Ν						
TD	Pearson	.242*	.386**	.376**	1		
	Correlation	.015	.000	.000			
	Sig. (2-tailed)	100	100	100	100		
	Ν						
JS	Pearson	.331**	.440**	.451**	.456**	1	
	Correlation	.001	.000	.000	.000		
	Sig. (2-tailed)	100	100	100	100	100	
	Ν						

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PA	Pearson	.364**	.374**	.485**	.419**	.443**	1	
	Correlation	.000	.000	.000	.000	.000		
	Sig. (2-tailed) N	100	100	100	100	100	100	
EOC	Pearson Correlation	.410** .000	.528** .000	.436** .000	.398** .000	.459** .000	.616** .000	1
	Sig. (2-tailed) N	100	100	100	100	100	100	100

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

\*Correlation is significant at the 0.05 level (2-tailed)

In this Table employee satisfaction, reward system, organizational culture, training and development, job security and performance appraisal are independent variables influenced by employees organization commitment, which is the dependent variable of the study. When the probability value is between 0.05 and 0.01, the Pearson correlation coefficient (r), and p-value analysis are done, correlation considered is vital (p-value 0.05).

#### Multiple Regression Analysis

Multiple regression analysis refers to a set of techniques for studying the straight-line relationships among two or more variables. Multiple regression analysis were performed to establish the relationship between the independent and dependent variables, that is, Employee Satisfaction, Reward System, Organizational Culture, Training and Development, Job Security, and Performance Appraisal and the dependent variable Employees Organization Commitment in the branches of banks.

The model summary below reveals that the adjusted R square was 0.471, which implies that 47% of the variations in the Organization Commitment of employees in the banks of Abbottabad are explained by the independent variables including Employee Satisfaction, Reward System, Organizational Culture, Training and Development, Job Security, and Performance Appraisal. The above table shows the model summary of this research work.

Table 10: Model summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.709 <sup>a</sup>	.503	.471	.59678		

Table 10 summarizes the model coefficients. Employee satisfaction, reward system, organization culture, training and development, job security, performance appraisal, and employees' commitment to the organization are all predictors. The correlation coefficient, or R, denotes the link between the research variables.

#### **Coefficient Analysis**

Coefficient analysis refers to a set of techniques for studying the straight-line relationships among two or more variables.

	Table 11	I: Coefficients an	alysis		
	Unstandardized	Coefficients	Standardized Coefficients		
Model	В	Std. Error	Beta	t	Sig.
1 (Constant)	136	.468		290	.772
$ESMEAN(X_1)$	.100	.092	.093	1.093	.277
RSMEAN $(X_2)$	.323	.116	.258	2.798	.006
OCMEAN $(X_3)$	.035	.112	.029	.316	.752
TDMEAN $(X_4)$	.050	.088	.049	.568	.572
$JSMEAN(X_5)$	.102	.094	.099	1.082	.282
PAMEAN $(X_6)$	.463	.104	.407	4.462	.000

The outcome shown in the table shows that each independent variable had a significant impact on the dependent variable.

Dependent Variable is employee's commitment to the banks. The regression model was created as follows:

$$Y = -.136 + .100(X_1) + .323(X_2) + .035(X_3) + .050(X_4) + .102(X_5) + .463(X_6) + \varepsilon$$

Here,

Y = Dependent variable (Employees Commitment to banks) (Constant)

 $(X_1)$  = Independent Variable (Employees Satisfaction)

 $(X_2)$  = Independent Variable (Reward System)

 $(X_3)$  = Independent Variable (Organization culture)

 $(X_4)$ = Independent Variable (Training and Development)

 $(X_5)$  = Independent Variable (Job Security)

 $(X_6)$  = Independent Variable (Performance Appraisal)

 $\varepsilon$  = Error term 🦈

Performance Appraisal  $\beta = .463$ , which suggests a positive unit change in performance appraisal leads a contributing element to improved performance of bank employees of .463, and vice-versa. Organizational culture and training and development, with factors of factor of  $\beta = .035$  and .050, respectively, had the least impact on bank workers' performance. This suggests that a factor of .035 and 0.50 increase in organizational culture and training and development would result increase in bank employee performance, respectively, and so on.

#### Analysis of Variance (ANOVA)

The ANOVA test was used to determine the model's significance in this study. This was done expressly to see if the variation in the independent variables could account for the observed variance in the outcome. Table 12 summarizes the findings.

_	Table 12: ANOVA					
	Model	Sum of Squares	df	Mean Square	F	Sig.
	1 Regression	33.505	6	5.584	15.680	.000 <sup>b</sup>
	Residual	33.121	93	.356		
	Total	66.627	99			



Predictors: (Constant) Employee satisfaction, reward system, organization culture, training and development, job security, performance appraisal,

Dependent Variable: Bank employee's organization commitment.

The F-value for regression is 15.680 significant at a p value of 0.000, as shown in Table 12. As a result, the regression model has a high level of confidence and may be used to forecast the relationship between the dependent and independent variables.

# Conclusion

This study concludes the impact of human resource management practices on their employee's commitment in Abbottabad banks. Human resource management strategies have a huge impact on employees' organizational commitment in Abbottabad banks. This shows that every independent variable in the research on human resource management techniques has a big impact on how loyal employees are to the organization.

The following elements may contribute to increased staff commitment in Abbottabad banks. Increasing realistic career, training, and growth options. Increasing employees' dedication to their employment, growing trust about employment. Enhancing the advancement of an equitable workforce in the organization. Employees are required free to use all of their knowledge, talents and capabilities while working. Improving the amount of job insecurity for employees 'level. Allocation of remuneration in according to their level of skill and education. Giving the employee's involvement to the task more significance. Establishing a respectful workplace and focusing on employees who need to feel comfortable in their position. Suggestion and Recommendation of the Study

According to existing findings and conclusions. The following strategies could assist boost employee commitment to the Banks of Abbottabad. According to the current study, for the better organization's performance, the quality of HRM factors should be improved efficiently. Bank recruitment practices should be more transparent to current and potential employees.

They need to create, integrate, and implement training and development programs for their staff in order to put some programs that improve their analytical and cognitive skills. The current study also recommends senior management to create a more equal incentive system that includes benefits other than basic pay. The survey found that bank Directors need to implement an explicit and suitable promotion structure that distributes pay as per experience and education level for their staff in a fair manner. The other purpose is to empower their staff members by giving them opportunities to practice their new skills in the workplace and helping them create attainable objectives for their job performance.

Management should ensure that employees are placed in jobs that are good fit for them based on their talents and shortcomings. Training and development programs should be regularly undertaken, and training opportunities should be evenly distributed, in order to stay up with current banking issues.

Bank human resource professionals should conduct annual performance reviews, provide specific and accurate comments after each appraisal process, and adopt relevant measures after each appraisal. Employee should be taught on the relevance of performance management systems and rewarded for their efforts to make the process more relevant. HRM practices should create an effective communication plan to ensure that communication between employees. Supervisors and juniors is precise, clear, and consistent.

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