

## **Impact of Human Resource Management Practices on Employees' outcomes (Empirical Evidence from Public Sector Universities of Malakand Division, KPK, Pakistan)**

Nazim Ali <sup>1</sup>, Shahid Jan kakakhel <sup>2</sup>, Wali Rahman<sup>1</sup>, Anjum Ahsan<sup>3</sup>,

<sup>1</sup> Department of Management Studies, University of Malakand, Pakistan

<sup>2</sup> Department of Management Sciences, Abdul Wali Khan University, Pakistan

<sup>3</sup> Department of Management Sciences, Cecose University, Pakistan

nazimali100@yahoo.com

**Abstract:** The basic aim of this study was to investigate the relationship between human resource management practices and employees' outcomes. Data were collected through questionnaire from 224 public sector universities' teachers of Malakand division of KPK, Pakistan. SPSS 17 was used to analyze the collected data. Compensation, promotion and performance evaluation practices of human resource management revealed a significant positive relationship with job satisfaction, organizational commitment, organizational citizenship behavior and employees' perceived performance while they showed a negative relationship with employees' turnover intention.

[Nazim Ali, Shahid Jan kakakhel, Wali Rahman, Anjum Ahsan. **Impact of Human Resource Management Practices on Employees' outcomes (Empirical Evidence from Public Sector Universities of Malakand Division, KPK, Pakistan)**. *Life Sci J* 2014;11(4s):68-77]. (ISSN:1097-8135). <http://www.lifesciencesite.com>. 9

**Keywords:** Impact, Human Resource Management Practices, Employees' outcomes

### **1. Introduction**

The impact of human resource management practices such as compensation practice, performance evaluation practice and promotion practice on employees' job satisfaction, perceived performance, commitment, turnover intention and citizenship behavior cannot be overlooked. All these employees' outcomes have very significant bearings on the operation of organization regardless of its size (small, medium and large) and nature (merchandising, manufacturing and service). Increased job satisfaction, organizational commitment, organizational citizenship behavior, performance and decreased turnover intention help the organization achieve its goals and objectives and vice versa. A country cannot stand on its feet sans education that hinges upon the efforts of teachers. When teachers are not satisfied with their job, they may involve in counter-productive actions such as sabotage of equipments, destructive rumors, and strikes etc etc. Employees' dissatisfaction also culminates in low level of employees' commitment to the organization (Korunka, Kubicek, Schaufeli, & Hoonakker, 2009) and high level of turnover intention (Korunka, et al., 2009). As employees' turnover intention culminates in actual turnover (Griffeth et al, 2000), the most precious time that can be given to think over the development and improvement of the university is squandered on recruitment, selection and training of newly inducted employees. On the other hand, students are deprived of a few important classes in case of high employees' turnover rate.

As Pakistan is under-researched country (Aycan et al., 2000) and no research was done to investigate

the impact of human resource management practices on employees' job satisfaction, employees' commitment to organization, organizational citizenship behavior, turnover intention and performance of public sector universities' teachers of Malakand divisions, KPK, Pakistan, this research will accomplish this specific objective.

### **Compensation Practice and Job Satisfaction**

The term Compensation means all forms of pay received by employees against their services rendered to the organization. It has got two main forms, direct financial payments (which include salaries, wages, commissions, incentives and bonuses) and indirect financial payments (benefits like employer paid insurance and leave concession). There are two basic ways to make direct financial payments to workers: base them on the increment of time or on performance (Dessler, Varkkey, 2012).

Job satisfaction is overall assessment of one's job in his/her work context (Evans, 1997). Job satisfaction is affected by number of factors like the relationship of employee with his/her supervisor, physical environment, the extent of task completion etc. (McNamara, 1999). Study of Kreitner and Kinicki (2006) shows that one of the main factors of job satisfaction is compensation. Pay and security are the two main motivators for private and public sectors professionals (Khojasteh, 1993). Job satisfaction and retention of employees can be achieved through good compensation. High reward systems in organizations also improve job satisfaction (Boyt, Lusch, & Naylor, 2001). If employees are satisfied with their job as well with its environment which includes their other members employees, compensation and management

they will be more devoted than those who are not satisfied (Okpara, 2004; Samad, 2007).

### **Promotion and Job Satisfaction**

Promotion takes place when an employee's status is upgraded to a new position that is higher in financial benefits, power and responsibility and organizational level. Promotion is given to an employee to recognize his last services and promises in coming time.

When employees achieve organizational goals then promotion is used as an incentive to bring alignment between organizational goals and employees personal goals (Lazear & Rosen, 1981). Promotion is considered very important because it brings remarkable increase in employees pay (Murphy, Athanasou, & King, 2002). This raise in salaries due to promotion has a significant impact on employees' job satisfaction (Clark & Oswald, 1996). It is considered that promotion has a significant impact of in the process of organization career development (De Souza, 2002). When employees perceive larger chances of getting promoted then their job satisfaction level is also higher (Pergamit & Veum, 1999). Similarly employees who are not satisfied with the promotion chances available in the organization then their intention to leave the organization is higher (Shields & Ward, 2001). Employee's job satisfaction level is negatively affected when employees are hired externally instead of internal promotions (Kelly-Radford, 2001). Therefore when employees feel that greater chances of promotion are prevailing in the organization then they are satisfied when their current designation in the organization (De Souza, 2002)

### **Performance Evaluation and Job Satisfaction**

Performance evaluation play vital role in the satisfaction of individuals because satisfied employees are important ingredients in the success of an organization. The purpose of performance evaluation is to determine the gap between expected and actual performance, which can be identified through defining, communicating and reviewing individual performance with strategic objectives. Performance evaluation enhances employees' enthusiasm, dedication and productivity and satisfies employees by fulfilling basic human needs of recognition and identifies human resources development needs and opportunities.

Job satisfaction is a positive emotional response of individuals due to appraising one's job performance (Locke, 1976). Vitell and Singhapakdi (2008) describe that employees job satisfaction depend upon satisfaction form compensation, top management, development opportunities and colleagues. According to McKenna (2000) employees' job satisfaction is associated with aligning personal expectations with outcomes received. Smith (1992) found that job

satisfaction reduces absenteeism, executing errors, and turnover intentions which ultimately reduce cost and improve performance of an organization.

(Moorman, 1991; Schwepker Jr, 2001) argue direct causal relationship between perception of organizational justice i.e. performance evaluation and job satisfaction. Akhtar and Khattak (2013) described that a performance evaluation system having proper appeal procedure and employee participation in performance evaluation increase the acceptability of performance appraisal and consequently increase performance and job satisfaction and Malik, Zaheer, Khan and Ahmed (2010) found that an employee having more job satisfaction has low turnover intention.

Earlier studies have identified three constructs of organizational justice in performance evaluation. These are distributive, procedural and interactional justice (Blader & Tyler, 2013). Roberts, Coulson and Chonko (1999) found direct relation between satisfaction from evaluation criteria (procedural justice) and organizational commitment. Long, Kowang, Ismail and Rasid (2013) argues that fairness in performance evaluation increase employee's commitment and job satisfaction and ultimately lead towards success of an organization because employees will believe in perceived fairness in performance evaluation. Sharma, Borna and Stearns (2009) argue that perceived fairness moderates the relationship of job performance and commitment. On the other side (Karimi, Malik, & Hussain) found positive relationship between performance evaluation and job satisfaction while Alvi et al., (2013) found that performance evaluation has no impact on job performance of employees.

### **Compensation and Organizational Commitment**

Organization commitment can be defined as attachment of employees with the organization and his/her involvement in the organization. It is a force that ties together the employee's certain course of performances that is having connection with the organization's goals and objectives (N. J. Allen & Meyer, 1996; Mathieu & Zajac, 1990). To behave in a way which meets organizational goals and interests is organizational commitment (Wiener, 1982). Organizational commitment for university teachers can be the acceptance of university norms and objectives and their wish to be the team of the university and perform their duties in the best interest of the university (Nawab & Bhatti, 2011). Compensation plays very vital role in increasing organizational commitment (Dhawan & Mulla, 2011). Many researchers have proved the vitality of compensation for organizational commitment. Pay dissatisfaction is a vital cause of employee turnover (Carragher, 2011) and it has a large impact on affective

and normative commitment (Dhawan & Mulla, 2011). Compensation encourages organization effectiveness and competitiveness by increasing employee's morale, performance, initiative, and attachment to the organization (Danish & Usman, 2010).

#### **Promotion and Organization Commitment**

Organizational commitment is referred to the loyalty and responsibility of an employee towards his employer/organization. Research studies show that promotion decisions influence employees' behavior just like their commitment to the employer (Schwarzwald, Koslowsky, & Shalit, 1992). It was also illustrated that promotion plays a significant role in developing organization commitment because it raises employee's performance (Markham 1987). According to Ueno and Sekaran (1992), organizational commitment of employees tends to be high when the chances for advancement in the organization are higher. Similarly many research studies showed that there exists a positive relation between employee's commitment and the benefits packages given to them (Grover & Crooker, 1995). However when there are no or less chances for promotion and advancement in the current organization, those employees who look for promotion tends to find jobs that give higher opportunities. As a result their commitment level towards the current organization to achieve its goals will be low (Ueno & Sekaran, 1992).

#### **Performance evaluation, Organizational commitment and OCB**

Individuals who perceive fairness in their organizations performance evaluation system demonstrate more OCB result high job satisfaction and organizational commitment (Colquitt, Conlon, Wesson, Porter, & Ng, 2001). Organizational citizenship behavior (OCB) is the valuable and constructive behavior of human resources which can't be enforced on the basis of formal role obligation.

Wang, Tsai and Lin (2013) found the positive moderating role of organizational trust on the relationship between OCB (economic, legal, discretionary and ethical) and organizational commitment. While in contrast (Lin, Lyau, Tsai, Chen, & Chiu, 2010) found direct relationship between OCB and perceived legal citizenship and perceived ethical citizenship behavior and negative relation between OCB and discretionary citizenship behavior. The quality of relationship between manager and subordinate is central variable in workers commitment (Thompson & Heron, 2005) and (T. D. Allen & Rush, 1998) found that OCB influence the performance of employees' knowledge, skills and abilities required for a job.

#### **Compensation and Organizational Citizenship Behavior**

Milkovich & Newman, (2005) discussed compensation as it is all the financial returns and tangible services and benefits employees receive as a part of an employment relation. Vandenberghe and Tremblay (2008) searched out that in every organization compensation is means to acquire a best suitable employee.

In order to maintain equity and consistency within organization, the adapted compensation system in that organization is of prime importance. A well designed reward system that uses innovative reward strategies for the attraction of labor-force can help the organization to grow up to the desire extent. Compensation not only plays its part in increasing the employees' satisfaction but also play a vital role for the employer in recruitment process (Milkovich, Newman, & Milkovich, 2005). Rewards can also bring motivation in the employees to develop the desired skills for the organization (Milkovich, et al., 2005).

The impact of compensation strategies on the perceived performance and turnover is still of pivotal interest for the researchers. A number of theories exist regarding compensation and extensive research has also been done about the issues regarding compensation policies although the impact of this independent variable on perceived performance and turnover intention in educational institutions is still to be searched out.

Educational institutions where HR Practices are at large, compensation plays a vital role in acquiring highly motivated and skilled faculty and administration in order to provide high quality human capital to the society. It is also worth mentioning that in education sector, compensation is significant factor towards turnover intention (Heckert & Farabee, 2006).

#### **Promotion and Organization Citizenship Behavior**

OCB is an optional activity of an employee, not openly mentioned in his/her job description, which tend to support the organization. This type of behavior is not an integral part of organization compensation/reward system. Research studies reveal that there is positive relationship between organizational performance and OCB ((Phillip M Podsakoff & MacKenzie, 1994). Different research studies showed relationship between job satisfaction and OCB. Job satisfaction is perceived to be as an ancestor to organization citizenship behavior and organization commitment (Currivan, 1999; Van Scotter, 2000). Increase or decrease in organization citizenship behavior cause similar fluctuation in job satisfaction (Sharma et al., 2011). It is also claimed that there exists significant and strong correlation between organization citizenship behavior and job satisfaction (Chiboiwa et al., 2011). Form the above discussion it obvious that job satisfaction influence OCB. Similarly raise in salaries due to promotion has

a significant impact on employee's job satisfaction (Clark & Oswald 1996). Hence it can be concluded that promotion also have a direct impact on organization citizenship behavior.

#### **Compensation and Perceived Performance**

There is a significant relationship between HR practices (including rewards) and employers outcome (Huselid, 1995). Teseema & Soeters (2006) found positive correlation between compensation practices and perceived employee performance. Several other researchers also showed that there is a positive relationship between employee's performance and HR practices in organizations (Guest, 2002; Wright, Gardner, & Moynihan, 2003). Frye (2004) also concluded in its findings while assessing the equity based compensation and firm performance, the relation found being positive.

According to Frohreich (1988) equity theory claims that the unjustly paid/ remunerated employees as compared to other employees, resulting dissatisfaction which further affect to employee's loyalty and motivation resulting poor performance.

#### **Promotion and Perceived Performance**

Robbins (2003) is of the view that promotion enhances chances for personal development, duties and status. It is actually the degree to which a business gives to its workforce for business development and job satisfaction. Promotion is an element of performance appraisal method which is given to an employee to avail an opportunity for augmentation and improvement on the basis of his are her knowledge, Education, skills and job. In addition, promotion opportunities do cover behaviors by inspiring of professionals as well as securing job and other prospects in the form of salary, authority, social standings etc. (Verplanken & Holland, 2002) is of the view that employees at hospital food duties have three significant motivating variables that is "good salary", "good operating environment" and "rewards in the form of recognitions, promotion, and development in the institution". "Performance is the way of actions people adopt to have an impact on organizational goals and objectives (Campbell, McCloy, Oppler, & Sager, 1993). Saleem, Mahmood, and Mahmood (2010) studied Telecom sector and find out that issues fronting by Telecom Zone is due to insufficient HR-Practices. He stated that worker efficiency can be advance by following different procedures and methods like training and development, rewards in the form of Promotion, bonuses, incentives, job enrichment etc. he defined job satisfaction is the employee wellbeing and love for organization. The Business performance is directly related with employee level of satisfaction. The more he satisfies more the employee output for the organization. He also mention to increase the intensity of worker

happiness, business should offer promotion to those who suit it the most.

Danish and Usman (2010) stated that job satisfaction is an employee excitement that one finds with his job. Rewards are given to please workers in the form of financial compensation, salary and remuneration, promotions etc. Anderson, Fornell and Lehmann (1994) asserted that In general satisfaction is like a snow ball make of opportunities, perceived performance and early period satisfaction. Wilson and Laschinger (1994) stated that total reward system has many implications, in which one of them is the performance management process. Danish and Usman (2010) mention that rewards and reorganization programs result into high morale between employee and make a connection between performance and motivation of employees. The main idea beside acknowledgement and reward plane is to develop a schema to compensate and exchange words with the employees in order to connect their return to the outcome which finally results into work force job satisfaction.

#### **Performance evaluation and perceived performance**

Performance appraisal is a process of evaluating and judgment of the work performance of the subordinate by the superior. Many organizations employ either formal or informal appraisal system that measure employees performance (Carroll & Schneier, 1982). So performance appraisal is a mandatory process to judge the performance of employees for a particular time period (Coens & Jenkins, 2002). Performance appraisal is a necessary tool for effective human resource management and performance improvement (Longenecker & Goff, 1992). In this regard researchers developed and implemented various evaluation criteria for improvement and accuracy of perceived process (Banks & Murphy, 1985), but employees still perceive the process as inaccurate and unfair (Church, 1985). But there is a reaction to performance appraisal and according to Keeping and Levy (2000) it is very important for so many reasons that is the interest of practitioners that have been overlooked. It is even contributed to the validity and reaction leads to dissatisfaction and that leads to performance failure (Cardy, Dobbins, & Ferris, 1994). It is a great source of dissatisfaction when employees think of a system as biased (Skarlicki & Folger, 1997), and it is often perceived as inaccurate and unfair (Latham & Wexley, 1981).

#### **Compensation and Turnover Intention**

Robbins (2005) termed turnover as the permanent withdrawal of employee's from an organization whether it is voluntary or involuntary. The high rate of employee's turnover not only increases the direct financial cost due to replacements

of employee's but also harmfully affect workers' commitment and morale and hence potential loss of skills, experiences and understanding occur. According to Luthans et al., (2005), every individual should be paid as they deserve, which is a main belief of distributive justice and in simple terms distributive justice is salary, fringe benefits, promotions, incentives and recognition. Hassan (Hassan, 2002) searched out that there is an inverse relationship between distributive justice and turnover intention. Smith (2001) is of the opinion that money plays its role in appointment but not on keeping them. Harris and Brannick (Harris & Brannick, 1999) explain that money is not a basic factor of retention; organization can also follow retention strategies without high compensation strategies (Pfeffer, 1998). A great number of other elements are also present to reduce turnover in organizations. Providing high wages to the employees as compared to other organizations, strong induction take place there which ultimately result decline in the turnover rate and creating culture of excellence with in that organization (Lawler 1990). At the conclusion the researcher suggests that university administration should use reward strategies, administrative support and other policies to reduce turn over within educational institutions

#### **Promotion and Turnover Intention**

Nowadays top management and practitioners are thinking about new challenges arising in new era in different departments that has negative consequences for the organizational outcomes like absenteeism, poor performance, turnover etc. Turnover intention is the difference between inclinations of employees to left and actually left the business.

Employees' intension to quit their jobs is mostly effected by their organizational commitment level. Organizational commitment has many forecasters like high level of equity and equality, care development, promotional chances, job satisfaction. Enhancing organizational commitment is vital to employees as well as for business turn over can be decreased by raising organizational commitment turn over badly influence business in different methods (it may be in the form of direct cost for business such as recruiting, selection and training work force and indirect costs like disturbance in the form of strikes etc and therefore effects workforce performance negatively). Turnover also disturbs an employee like misplace of rewards colleagues and may disturb his relatives. If business recognizes consequences of turnover, they can develop different plans, strategies and methods to maintain their worthy workforce. Employees feel dissatisfaction and less committed to their business, if they work hard and get positive assessment look forward to be advanced when there is actually no advancing chances existing (Nelson, Cooper, & Jackson, 1995). Price

(1989) concluded that higher organizational commitment is directly related with promotional opportunities. They are of the view that if there is no promotional opportunity existing then the company should not appoint manager for marketing who wish to be advance soon to new position.

Danish and Usman (2010) asserts that when the employee have more promotional opportunity they keep friendly environment with their colleagues they think. They are compensated well for their work. Find their job secured. They find their personal growth with the organization and motivated. Employee turnover can also be decrease by a policy which has element with a considerable relation is the extent to which a person is in line with the business. P-O fit means an individual traits, ambitions and values in relation with its business. The value of P-O fit for business is shown by the momentous relationship among P-O fit and worker's turnover. The P-O fit dispute over the employees are that they are hire by organization understand to be suit their vales and they quit the organization due to difference in values. The objectives of P-O fit can be achieved by different ways like having decent job, appreciation, recognition, career development and standard of life. Silverthorne (2004) stated that enhancing output and decreasing workforce turnover are best plans with element of fit among person and the business. The more the degree of fit between an individual and the organization, more will be the output for the organization. Sutarjo (2011)concluded that employee turnover can be decreased by plain career development management practices like rewards in the form of pay, promotion etc.

## **2. Research Methodology**

### **2.1. Sample and Data Collection**

Data were gathered from 224 teachers of public sector universities of Malakand division of KPK, Pakistan.

### **2.2. Measurement**

#### **2.2.1. Human Resource Practices and Perceived Performance**

Questionnaire was adapted from Teseema and Soeters (2006) to measure HRM Practices (Compensation practice, performance evaluation practice and promotion practice) and employees' perceived performance.

#### **2.2.2. Organizational Citizenship Behavior**

Organizational Citizenship Behavior (OCB) was gauged by 24 items adapted from Podsakoff et al., (1990).

#### **2.2.3. Organizational Commitment**

Organizational Commitment was measured by using 8 items adapted from Porter et al., (1974).

### 2.2.4. Turnover Intention and Overall Job Satisfaction

Turnover intention and overall job satisfaction were measured by using three questions for each factor adapted from Cummann et al.,(1979)

### 2.3. Statistical Tools

Correlation was used to investigate the relationship between variables. Multiple Regression was also used to investigate the impact of independent variables on dependent variables. Data were analyzed through SPSS 17.

### 2.4. Reliability

All factors showed a reliability of above .75 that is acceptable.

## 3. Results

**Table 1. Demographics**

Age	Frequency	Percentage (approx)
25-30	16	7
31-35	172	77
36-40	31	14
41-45	5	2
<b>Total</b>	<b>224</b>	<b>100</b>
<b>Marital status</b>		
Married	208	93
Single	16	7
<b>Total</b>	<b>224</b>	<b>100</b>
<b>Gender</b>		
Male	215	96
Female	9	4
<b>Total</b>	<b>284</b>	<b>100</b>
<b>Qualification</b>		
Master	123	55
M.Phil	71	32
PhD	30	13
<b>Total</b>	<b>224</b>	<b>100</b>

**Table 2. Relationship of Compensation Practice with Job satisfaction, organizational citizenship behavior, organizational commitment, turnover intention and perceived performance**

	Compensation Practice
Job Satisfaction	.641**
OCB	.579**
Organizational Commitment	.570**
Turnover Intention	-.384**
Perceived Performance	.669**

The results revealed a significant positive relationship between compensation practice and job satisfaction ( $r = 0.641, p < .01$ ), compensation practice and organizational citizenship behavior ( $r = 0.579, p < .01$ ), compensation practice and organizational commitment ( $r = 0.570, p < .01$ ), compensation practice and perceived performance ( $r = 0.669, p < .01$ ) while a negative relationship between compensation practice and turnover intention ( $r = -0.384, p < .01$ ) was noted. Therefore, the hypothesis that states that compensation

practice is statistically related to job satisfaction, organizational citizenship behavior, organizational commitment, turnover intention and employees' perceived performance is accepted in this sample.

**Table 3. Relationship of Promotion Practice with Job satisfaction, organizational citizenship behavior, organizational commitment, turnover intention and perceived performance**

	Promotion Practice
Job Satisfaction	.560**
OCB	.524**
Organizational Commitment	.515**
Turnover Intention	-.306**
Perceived Performance	.585**

The results revealed a significant positive relationship between promotion practice and job satisfaction ( $r = 0.560, p < .01$ ), promotion practice and organizational citizenship behavior ( $r = 0.524, p < .01$ ), promotion practice and organizational commitment ( $r = 0.515, p < .01$ ), promotion practice and perceived performance ( $r = 0.685, p < .01$ ) while a negative relationship between promotion practice and turnover intention ( $r = -0.306, p < .01$ ) was noted. Therefore, the hypothesis that states that promotion practice is statistically related to job satisfaction, organizational citizenship behavior, organizational commitment, turnover intention and employees' perceived performance is accepted in this sample.

**Table 4. Relationship of Performance Evaluation Practice with Job satisfaction, organizational citizenship behavior, organizational commitment, turnover intention and perceived performance**

	Performance Evaluation Practice
Job Satisfaction	.632**
OCB	.320**
Organizational Commitment	.453**
Turnover Intention	-.197**
Perceived Performance	.344**

The results revealed a significant positive relationship between performance evaluation practice and job satisfaction ( $r = 0.632, p < .01$ ), performance evaluation practice and organizational citizenship behavior ( $r = 0.320, p < .01$ ), performance evaluation practice and organizational commitment ( $r = 0.453, p < .01$ ), performance evaluation practice and perceived performance ( $r = 0.344, p < .01$ ) while a negative relationship between performance evaluation practice and turnover intention ( $r = -0.197, p < .01$ ) was noted. Therefore, the hypothesis that states that performance evaluation practice is statistically related to job satisfaction, organizational citizenship behavior,

organizational commitment, turnover intention and employees' perceived performance is accepted in this sample.

**Table 5. Impact of Compensation Practice, Promotion Practice and Performance Evaluation Practice on Job Satisfaction**

R	.706		
R Square	.499		
Adjusted R Square	.492		
Standard Error of the Estimate	.76639		
F	73.077		
Sig.	.000		
	<b>Beta</b>	<b>t</b>	<b>Sig.</b>
		5.080	.000
Compensation Practice	.316	4.079	.000
Promotion Practice	.131	1.840	.067
Performance Evaluation Practice	.353	5.544	.000

The results of table revealed a statistically significant impact of compensation practice, promotion practice and performance evaluation practice on job satisfaction. The results showed that almost 50% of the variance in job satisfaction could be attributed to compensation practice, promotion practice and performance evaluation practice. Performance evaluation practice was proved to be the strongest predictor of job satisfaction followed by compensation practice and promotion practice.

**Table 6. Impact of Compensation Practice, Promotion Practice and Performance Evaluation Practice on Organizational Citizenship Behavior**

R	.606		
R Square	.367		
Adjusted R Square	.359		
Standard Error of the Estimate	.91960		
F	42.551		
Sig.	.000		
	<b>Beta</b>	<b>t</b>	<b>Sig.</b>
		8.204	.000
Compensation Practice	.491	5.646	.000
Promotion Practice	.240	3.013	.003
Performance Evaluation Practice	-.135	-1.878	.062

The results of table revealed a statistically significant impact of compensation practice, promotion practice and performance evaluation practice on organizational citizenship behavior. The results showed that almost 37% of the variance in organizational citizenship behavior could be attributed to compensation practice, promotion practice and performance evaluation practice. Compensation practice was proved to be the strongest predictor of organizational citizenship behavior followed by promotion practice.

**Table 7. Impact of Compensation Practice, Promotion Practice and Performance Evaluation Practice on Organizational Commitment**

R	.594		
R Square	.353		
Adjusted R Square	.344		
Standard Error of the Estimate	.85796		
F	39.987		
Sig.	.000		
	<b>Beta</b>	<b>T</b>	<b>Sig.</b>
		6.453	.000
Compensation Practice	.491	4.765	.000
Promotion Practice	.240	3.138	.000
Performance Evaluation Practice	-.135	-2.756	.000

The results of table revealed a statistically significant impact of compensation practice, promotion practice and performance evaluation practice on organizational commitment. The results showed that 35% of the variance in organizational commitment could be attributed to compensation practice, promotion practice and performance evaluation practice. Compensation practice was proved to be the strongest predictor of organizational commitment followed by promotion practice.

**Table 8. Impact of Compensation Practice, Promotion Practice and Performance Evaluation Practice on Turnover Intention**

R	.393		
R Square	.155		
Adjusted R Square	.143		
Standard Error of the Estimate	1.08777		
F	13.414		
Sig.	.000		
	<b>Beta</b>	<b>T</b>	<b>Sig.</b>
		17.610	.000
Compensation Practice	-.397	-3.951	.000
Promotion Practice	-.073	-.793	.428
Performance Evaluation Practice	.103	1.238	.217

The results of table revealed a statistically significant impact of compensation practice, promotion practice and performance evaluation practice on turnover intention. The results showed that almost 15% of the variance in turnover intention could be attributed to compensation practice, promotion practice and performance evaluation practice. Only Compensation practice was proved to be the strongest predictor of turnover intention.

The results of table revealed a statistically significant impact of compensation practice, promotion practice and performance evaluation practice on employees' perceived performance. The results showed that almost 49% of the variance in employees' perceived performance could be attributed

to compensation practice, promotion practice and performance evaluation practice. Compensation practice was proved to be the strongest predictor of employees' perceived performance followed by promotion practice.

**Table 9. Impact of Compensation Practice, Promotion Practice and Performance Evaluation Practice on Employees' Perceived Performance**

R	.699		
R Square	.489		
Adjusted R Square	.482		
Standard Error of the Estimate	.84486		
F	70.099		
Sig.	.000		
	<b>Beta</b>	<b>t</b>	<b>Sig.</b>
		9.120	.000
Compensation Practice	.621	7.945	.000
Promotion Practice	.240	3.346	.001
Performance Evaluation Practice	-.195	-3.035	.003

#### 4. Conclusion and Recommendation

The objective of this research was to investigate the impact of compensation practice, promotion practice and performance evaluation practice on job satisfaction, organizational commitment, organizational citizenship behavior, turnover intention and employees' perceived performance. Data were collected through time tested questionnaires from 224 teachers including professors, associate professors, assistant professors and lecturers of public sector universities of Malakand division of KPK, Pakistan. The results of correlation showed a significant relationship of compensation practice, promotion practice and performance evaluation practice with job satisfaction, organizational commitment, organizational citizenship behavior, turnover intention and employees' perceived performance. The results of multiple regression revealed a statistically significant impact of compensation practice, promotion practice and performance evaluation practice on job satisfaction, organizational commitment, organizational citizenship behavior, turnover intention and employees' perceived performance. Performance evaluation practice was proved to be the strongest predictor of job satisfaction followed by compensation practice and promotion practice. Compensation practice was proved to be the strongest predictor of organizational citizenship behavior and organizational commitment and employees' perceived performance followed by promotion practice. Only Compensation practice was proved to be the strongest predictor of turnover intention.

The management of public sector universities of Malakand division of KPK, Pakistan is requested to pay full heed towards increasing employees' job

satisfaction, commitment, performance, organizational citizenship behavior and decreasing employees' turnover intention by providing good compensation, promotion opportunities and good evaluation practice because these three HR Practices proved a significant relationship with job satisfaction, organizational commitment, organizational citizenship behavior, turnover intention and employees' perceived performance.

#### References:

1. Akhtar, T., & Khattak, S. (2013). Employee Acceptability of Performance Appraisals: Issues of Fairness and Justice. *World Applied Sciences Journal*, 24(4), 507-518.
2. Allen, N. J., & Meyer, J. P. (1996). Affective, continuance, and normative commitment to the organization: An examination of construct validity. *Journal of vocational behavior*, 49(3), 252-276.
3. Allen, T. D., & Rush, M. C. (1998). The effects of organizational citizenship behavior on performance judgments: a field study and a laboratory experiment. *Journal of Applied Psychology*, 83(2), 247.
4. Alvi, M., Surani, M., & Hirani, S. (2013). The Effect of Performance Evaluation on Employee's Job Satisfaction in Pakistan International Airlines Corporation (2013).
5. Anderson, E. W., Fornell, C., & Lehmann, D. R. (1994). Customer satisfaction, market share, and profitability: findings from Sweden. *The Journal of Marketing*, 53-66.
6. Aycan, Z., Kanungo, R., Mendonca, M., Yu, K., Deller, J., Stahl, G., & Kurshid, A. (2000). Impact of culture on human resource management practices: A 10 - country comparison. *Applied Psychology*, 49(1), 192-221.
7. Banks, C. G., & Murphy, K. R. (1985). TOWARD NARROWING THE RESEARCH - PRACTICE GAP IN PERFORMANCE APPRAISAL. *Personnel psychology*, 38(2), 335-345.
8. Blader, S. L., & Tyler, T. R. (2013). How Can Theories of Organizational justice Explain the Effects of Fairness? *Handbook of Organizational Justice*, 329.
9. Boyt, T. E., Lusch, R. F., & Naylor, G. (2001). The Role of Professionalism in Determining Job Satisfaction in Professional Services A Study of Marketing Researchers. *Journal of Service Research*, 3(4), 321-330.
10. Cammann, C., Fichman, M., Jenkins, D., & Klesh, J. (Eds.). (1979). *The Michigan Organizational Assessment Questionnaire*: University of Michigan, Ann Arbor, Michigan.
11. Campbell, J. P., McCloy, R. A., Oppler, S. H., & Sager, C. E. (1993). A theory of performance. *Personnel selection in organizations*, 3570.
12. Cardy, R. L., Dobbins, G. H., & Ferris, G. R. (1994). *Performance appraisal: Alternative perspectives*: South-Western Publishing Company.
13. Carraher, S. M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, and Lithuania. *Baltic Journal of Management*, 6(1), 25-52.
14. Carroll, S. J., & Schneier, C. E. (1982). *Performance appraisal and review systems: The identification, measurement, and development of performance in organizations*: Scott, Foresman Glenview, IL.

15. Clark, A. E., & Oswald, A. J. (1996). Satisfaction and comparison income. *Journal of public economics*, 61(3), 359-381.
16. Coens, T., & Jenkins, M. (2002). *Abolishing performance appraisals: Why they backfire and what to do instead*: Berrett-Koehler Store.
17. Colquitt, J. A., Conlon, D. E., Wesson, M. J., Porter, C. O., & Ng, K. Y. (2001). Justice at the millennium: a meta-analytic review of 25 years of organizational justice research. *Journal of applied psychology*, 86(3), 425.
18. Danish, R. Q., & Usman, A. (2010). Impact of reward and recognition on job satisfaction and motivation: An empirical study from Pakistan. *International Journal of Business and Management*, 5(2), P159.
19. De Souza, G. (2002). A study of the influence of promotions on promotion satisfaction and expectations of future promotions among managers. *Human resource development quarterly*, 13(3), 325-340.
20. Dhawan, V., & Mulla, Z. R. (2011). The Role of Pay and Leadership in Developing Organizational Commitment. *South Asian Journal of Management*, 60.
21. Evans, L. (1997). Understanding teacher morale and job satisfaction. *Teaching and Teacher Education*, 13(8), 831-845.
22. Frohreich, L. (1988). Merit pay: Issues and solutions. *Attracting and compensating America's teachers*, 143-160.
23. Frye, M. B. (2004). Equity - based compensation for employees: firm performance and determinants. *Journal of Financial Research*, 27(1), 31-54.
24. Guest, D. (2002). Human resource management, corporate performance and employee wellbeing: building the worker into HRM. *Journal of Industrial Relations*, 44(3), 335-358.
25. Harris, J., & Brannick, J. (1999). *Finding and keeping great employees* (Vol. 314): AMACOM Div American Mgmt Assn.
26. Hassan, A. (2002). Organizational justice as a determinant of organizational commitment and intention to leave. *Asian Academy of Management Journal*, 7(2), 55-66.
27. Heckert, T. M., & Farabee, A. M. (2006). Turnover Intentions Of The Faculty At A Teaching-Focused University 1, 2. *Psychological reports*, 99(1), 39-45.
28. Huselid, M. A. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance. *Academy of management journal*, 38(3), 635-672.
29. Karimi, R., Malik, M. I., & Hussain, S. Examining the Relationship of Performance Appraisal System and Employee Satisfaction.
30. Keeping, L. M., & Levy, P. E. (2000). Performance appraisal reactions: Measurement, modeling, and method bias. *Journal of Applied Psychology*, 85(5), 708.
31. Kelly-Radford, L. (2001). The revolving door of talent. *CEO Magazine*, 86-89.
32. Khojasteh, M. (1993). Motivating the Private vs. Public Sector Managers. *Public Personnel Management*, 22(3), 391-401.
33. Kinicki, A., & Kreitner, R. (2006). *Organizational behavior: Key concepts, skills & best practices*: McGraw-Hill/Irwin.
34. Korunka, C., Kubicek, B., Schaufeli, W. B., & Hoonakker, P. (2009). Work engagement and burnout: Testing the robustness of the Job Demands-Resources model. *The Journal of Positive Psychology*, 4(3), 243-255.
35. Latham, G. P., & Wexley, K. N. (1981). *Increasing productivity through performance appraisal*: Addison-Wesley Reading, MA.
36. Lin, C.-P., Lyau, N.-M., Tsai, Y.-H., Chen, W.-Y., & Chiu, C.-K. (2010). Modeling corporate citizenship and its relationship with organizational citizenship behaviors. *Journal of Business Ethics*, 95(3), 357-372.
37. Locke, E. A. (1976). The Nature and Causes of Job Satisfaction1.
38. Long, C. S., Kowang, T. O., Ismail, W. K. W., & Rasid, S. Z. A. (2013). A Review on Performance Appraisal System: An Ineffective and Destructive Practice? *Middle-East Journal of Scientific Research*, 14(7), 887-891.
39. Longenecker, C. O., & Goff, S. J. (1992). Performance appraisal effectiveness: a matter of perspective. *SAM Advanced Management Journal*, 57, 17-17.
40. Luthans, F., Avolio, B. J., Walumbwa, F. O., & Li, W. (2005). The psychological capital of Chinese workers: Exploring the relationship with performance. *Management and Organization Review*, 1(2), 249-271.
41. Malik, M. I., Zaheer, A., Khan, M. A., & Ahmed, M. (2010). Developing and Testing a model of Burnout at Work and Turnover Intentions among Doctors in Pakistan. *International Journal of Business and Management*, 5(10), P234.
42. Mathieu, J. E., & Zajac, D. M. (1990). A review and meta-analysis of the antecedents, correlates, and consequences of organizational commitment. *Psychological bulletin*, 108(2), 171.
43. McKenna, E. F. (2000). *Business Psychology and Organisational Behaviour: A Student's Handbook*: Psychology Press.
44. McNamara, C. (1999). Job satisfaction: Retrieved 14/09/05 from < [http://www. managementhelp. org/prsn\\_wll/job\\_stfy. htm# anchor306642](http://www.managementhelp.org/prsn_wll/job_stfy.htm#anchor306642).
45. Milkovich, G., Newman, J., & Milkovich, C. (2005). *Compensation* (8th edn): Boston, MA: McGraw-Hill/Irwin Publishing.
46. Moorman, R. H. (1991). Relationship between organizational justice and organizational citizenship behaviors: do fairness perceptions influence employee citizenship? *Journal of Applied Psychology*, 76(6), 845.
47. Murphy, G., Athanasou, J., & King, N. (2002). Job satisfaction and organizational citizenship behaviour: A study of Australian human-service professionals. *Journal of Managerial Psychology*, 17(4), 287-297.
48. Nawab, S., & Bhatti, K. K. (2011). Influence of Employee Compensation on Organizational Commitment and Job Satisfaction: A Case Study of Educational Sector of Pakistan. *International Journal of Business and Social Science*, 2(8), 25-32.
49. Nelson, A., Cooper, C. L., & Jackson, P. R. (1995). Uncertainty amidst change: The impact of privatization on employee job satisfaction and well - being. *Journal of Occupational and Organizational Psychology*, 68(1), 57-71.
50. Okpara, J. O. (2004). Personal characteristics as predictors of job satisfaction: An exploratory study of IT managers in a developing economy. *Information Technology & People*, 17(3), 327-338.
51. Pergamit, M. R., & Veum, J. R. (1999). What is a promotion? *Industrial and Labor Relations Review*, 581-601.
52. Pfeffer, J. (1998). Six dangerous myths about pay. *Harvard business review*, 76(3), 108.

53. Podsakoff, P. M., & MacKenzie, S. B. (1994). Organizational Citizenship Behavior. *Journal of marketing research*, 351-363.
54. Podsakoff, P. M., MacKenzie, S. B., Moorman, R. H., & Fetter, R. (1990). Transformational leader behaviors and their effects on followers' trust in leader, satisfaction, and organizational citizenship behaviors. *The Leadership Quarterly*, 1(2), 107-142.
55. Porter, L. W., Steers, R. M., Mowday, R. T., & Boulian, P. V. (1974). Organizational commitment, job satisfaction, and turnover among psychiatric technicians. *Journal of Applied Psychology*, 59(5), 603.
56. Price, J. L. (1989). The impact of turnover on the organization. *Work and occupations*, 16(4), 461-473.
57. Robbins, S. P. (2003). *Organisational behaviour: global and Southern African perspectives*: Pearson South Africa.
58. Roberts, J. A., Coulson, K. R., & Chonko, L. B. (1999). Salesperson perceptions of equity and justice and their impact on organizational commitment and intent to turnover. *Journal of Marketing Theory and Practice*, 1-16.
59. Saleem, R., Mahmood, A., & Mahmood, A. (2010). Effect of work motivation on job satisfaction in mobile telecommunication service organizations of Pakistan. *International Journal of Business and Management*, 5(11), p213.
60. Samad, S. (2007). *Assessing the Effects of Job Satisfaction and Psychological Contract on Organizational Commitment among Employees in Malaysian SMEs*. Paper presented at the The 4th SMEs IN A Global Economy Conference 2007.
61. Schwarzwald, J., Koslowsky, M., & Shalit, B. (1992). A field study of employees' attitudes and behaviors after promotion decisions. *Journal of Applied Psychology*, 77(4), 511.
62. Schwepker Jr, C. H. (2001). Ethical climate's relationship to job satisfaction, organizational commitment, and turnover intention in the salesforce. *Journal of Business Research*, 54(1), 39-52.
63. Sharma, D., Borna, S., & Stearns, J. M. (2009). An investigation of the effects of corporate ethical values on employee commitment and performance: Examining the moderating role of perceived fairness. *Journal of Business Ethics*, 89(2), 251-260.
64. Shields, M. A., & Ward, M. (2001). Improving nurse retention in the National Health Service in England: the impact of job satisfaction on intentions to quit. *Journal of health economics*, 20(5), 677-701.
65. Silverthorne, C. (2004). The impact of organizational culture and person-organization fit on organizational commitment and job satisfaction in Taiwan. *Leadership & Organization Development Journal*, 25(7), 592-599.
66. Skarlicki, D. P., & Folger, R. (1997). Retaliation in the workplace: The roles of distributive, procedural, and interactional justice. *Journal of Applied Psychology*, 82(3), 434.
67. Smith, M. (2001). Young people, informal education and association', the informal education homepage.
68. Smith, P. C. (1992). In pursuit of happiness: Why study general job satisfaction. *New York, NY: Lexington Books, Stone (Eds.)*, 123-163.
69. Sutarjo, V. (2011). Ten Ways to Managing Person-Organization Fit (PO Fit) Effectively: A Literature Study. *International Journal of Business and Social Science*, 2(21), 226-233.
71. Tessema, M., & Soeters, J. (2006). Challenges and prospects of HRM in developing countries: testing the HRM-performance link in Eritrean civil service. *International Journal of Human Resource Management*, 17(1), 86-105.
72. Thompson, M., & Heron, P. (2005). The difference a manager can make: organizational justice and knowledge worker commitment. *The International Journal of Human Resource Management*, 16(3), 383-404.
73. Ueno, S., & Sekaran, U. (1992). The influence of culture on budget control practices in the USA and Japan: An empirical study. *Journal of International Business Studies*, 659-674.
74. Vandenberghe, C., & Tremblay, M. (2008). The role of pay satisfaction and organizational commitment in turnover intentions: A two-sample study. *Journal of Business and Psychology*, 22(3), 275-286.
75. Verplanken, B., & Holland, R. W. (2002). Motivated decision making: effects of activation and self-centrality of values on choices and behavior. *Journal of personality and social psychology*, 82(3), 434.
76. Vitell, S. J., & Singhapakdi, A. (2008). The role of ethics institutionalization in influencing organizational commitment, job satisfaction, and esprit de corps. *Journal of Business Ethics*, 81(2), 343-353.
77. Wang, Y. J., Tsai, Y. H., & Lin, C. P. (2013). Modeling the relationship between perceived corporate citizenship and organizational commitment considering organizational trust as a moderator. *Business Ethics: A European Review*, 22(2), 218-233.
78. Wiener, Y. (1982). Commitment in organizations: A normative view. *Academy of management review*, 7(3), 418-428.
79. Wilson, B., & Laschinger, H. K. S. (1994). Staff Nurse Perception of Job Empowerment and Organizational Commitment: A Test of Ranter's Theory of Structural Power in Organizations. *Journal of Nursing Administration*, 24(4S), 39-47.
80. Wright, P. M., Gardner, T. M., & Moynihan, L. M. (2003). The impact of HR practices on the performance of business units. *Human Resource Management Journal*, 13(3), 21-36.