

EMPLOYEE SATISFACTION AND HUMAN RESOURCE MANAGEMENT IN NEPALESE COMMERCIAL BANKS

A Dissertation submitted to the Office of the Dean, Faculty of Management in partial
fulfillment of the requirements for the Master's Degree

by

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CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled “Employee Satisfaction and Human Resource Management in Nepalese Commercial Banks”. The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor it has been proposed and presented as part of requirement for any academic purposes.

The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all sources and literature used are cited in the reference section of the dissertation.

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REPORT OF RESEARCH COMMITTEE

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ABBREVIATIONS

BOD	:	Board of Director
CP	:	Compensation Policy
ES	:	Employee Satisfaction
HR	:	Human Resource
HRM	:	Human resource management
PA	:	Performance Appraisal
PMS	:	Performance Management System
RS	:	Recruitment and Selection
SD	:	Standard Deviation
SPSS	:	Statistical Package for Social Science
TD	:	Training and Development
TU	:	Tribhuvan University

ABSTRACT

The objective of the study is to evaluate and investigate the employee satisfaction with human resource management of Nepalese commercial banks. This study adopts descriptive research design to analyze the human resource management status which causes employee satisfaction in Nepalese commercial bank. Causal-comparative design is used to find the cause and effect of relationship between different factors and employee satisfaction in Nepalese commercial banks. The regression analysis on dependent variable (employee satisfaction) and independent variables i.e. recruitment and selection (RS), training and development (TD), compensation policy (CP) and performance appraisal (PA) is analyzed in SPSS software. It is found that that there is very strong positive relation between performance appraisal and employee satisfaction in comparison to other variables of HRM practice studied in this study. Although all the variables are positively associated with employees' satisfaction in Nepalese commercial banks. There are some complaints from some employees about the recruitment and selection and training and development program of the banks, since these variables have low degree relationship with employee satisfaction. The most significant factor of HRM practice to increase employee satisfaction is performance appraisal system followed by compensation policy of the banks. The bank management should particularly work to improve these dimensions in order to obtain happier and more productive employees.

Keywords: Employee Satisfaction, Recruitment and Selection, Training and Development, Compensation Policy and Performance Appraisal

CHAPTER – I

INTRODUCTION

1.1 Background of the Study

Employee satisfaction and motivation are the central issues among other business issues of every organization globally. The biggest issue facing the company is keeping knowledgeable, devoted, and devoted staff members. Empirical research has demonstrated that if workers are unable to receive training, the investment in them would suffer greatly. Employee retention and motivation for increased performance are limited to contented workers within the organization. The most important factors in encouraging workers to perform more with less are reward and recognition (Bowen, 2000). Modern firms place a strong emphasis on human components for organizational effectiveness in order to maintain long-term success, as employee strengths are seen as a competitive advantage (Wahab, 2014).

Over the past few decades, practitioners and scholars have found that employee satisfaction is a topic worth investigating. Previous studies have connected a variety of factors to employee satisfaction. One of the key indicators among them is the quality of work life, which is crucial for businesses to consistently draw in and keep workers. A happier workplace is essential for improved organizational performance. In addition, employee requirements must be met in order to attain organizational effectiveness. This is especially true for factors like work-life quality, which affect worker satisfaction and performance (Adhikari, 2019).

HRM is crucial to the achievement of an organization's goals. Employee satisfaction is impacted by human resource management practices such as job security, performance autonomy, employee decision-making, pay and benefits, opportunities for advancement and career planning, working conditions, social interactions, communication systems, hiring and selection, job assignment, performance reviews, and so forth. To succeed as an organization, managers need to constantly make sure that their staff members are happy. One of the organization's main concerns among managers and executives has been employee satisfaction (Khadka, 2013).

The most important component for any organization looking to gain a competitive edge in current fast-paced business climate is its human resources. Compared to managing capital or managing innovation, monitoring human resources is a very difficult undertaking. It is possible to see human resource management (HRM) practices as a collection of internally consistent and logical procedures aimed at enhancing and strengthening representative abilities, inspiration, and accountability (Elrehail et al., 2019).

From a humanitarian standpoint, everyone should be treated fairly and with dignity. Contentment is the result of receiving quality care. It may also be regarded as a sign of psychological or emotional wellness. According to the utilitarian viewpoint, employee conduct that influences how a business operates can result from employee pleasure. Academics and human resources specialists typically differentiate between emotional and cognitive work satisfaction (Khadka, 2013).

In the human resource management function, which is seen as a subset of performance management, performance appraisal is a crucial phrase. Employee loyalty, job happiness, and willingness to participate in extra-role conduct will all increase if they believe that the decisions are fair. The correct individual is placed at the proper time and place thanks to recruitment and selection. The process of assigning tasks to employees inside an organization is known as job assignment. It has a direct bearing on dedication, motivation, turnover, and retention of employees. Workers require comfortable and varied work environments. Certain employees require novel and demanding tasks, while others require a routine work environment. A structured system of reviewing and assessing an individual's or a team's performance on a task is called performance appraisal (Mondy & Noe, 2006).

Among all resources, the most potent source of competitive advantage is the highly skilled and driven workforce. Effective training programs are necessary for employees to acquire the necessary information, skills, and abilities to perform well on the job. These programs may also have an impact on employee motivation and dedication (Smith, 2000).

The banking sector in Nepal experiences ups and downs throughout time in a number of areas, including staff management, credit management, liquidity management, and planning. In any firm, managing employees is a constant issue. In order to address personnel management issues, Nepal Rastra Bank has mandated the establishment of an HR department in each BFI. Due to the allure of numerous nations for their educational and professional opportunities, a considerable number of youthful and vibrant individuals have relocated overseas within the past 20 years. Workers with varying levels of skill regularly go to countries in the Arabian Gulf. In this all-encompassing context, Nepali banks persistently struggle with the shortage of talented personnel. (Gautam, 2019).

Worldwide research has been done on the relationship between worker perspectives, such as employee satisfaction, dependability, and productivity, and HRM practices. The individuals who work and perform for an organization determine its success and efficacy. In order for employees to do their jobs, modify the environment, and meaningfully contribute to the achievement of the corporate goal, they must be content with their work environment. The acquisition of pertinent skills, favorable working conditions, just compensation, job security, work status, proper business policy and administration, positive working relationships among coworkers, and everything else that might inspire and fulfill employees are all factors that employers should consider. This fact was used in the study's evaluation of Nepalese commercial banks' employee satisfaction.

1.2 Problem Statement

It is commonly known that Nepalese commercial banks have a broad geographic reach among all of the country's commercial banks. Large market shares benefit the bank and positively impact customer happiness, but employee satisfaction is the only factor that affects customer contentment (Selvarajan & Cloninger, 2011).

An effective financial service delivery system should have a workable workplace, a job design process, well-planned policies, and seamless customer-institution interactions. According to Kadiresan et al. (2015) it also comprises the competence of the staff, punctuality, cleanliness of the office supplies, and efficiency of the service delivery time. Because workers' wants are never satisfied, it is difficult to feel satisfied in their

job. These days, top-level and operational management at banks talk about employee happiness on a daily basis. The reason for this is that success in the banking sector is largely dependent on employee satisfaction (Adhikari, 2019).

HRM procedures will most likely create an environment and work conditions where employees become incredibly committed to the organization and work tirelessly to meet its goals (Cherif, 2020). Similarly, it is anticipated that HRM procedures will eventually enhance employees' performance, accountability, and mindset (Cai et al., 2019).

According to Lee and Lee (2007), HR initiatives that support firms in increasing productivity, flexibility, and product quality include teamwork, HR planning, training and development, compensation or incentives, performance reviews, and employee security. Employee engagement to get their opinions has a beneficial impact on job happiness, according to HR practices. Employees also prefer autonomy in their work, are content with continuous learning, and value teamwork inside the company (Lama, 2021).

Job satisfaction is strongly correlated with work environment, work-life balance, pay and rewards, training and development, and job design (Adhikari, 2019). Employee commitment in Nepalese commercial banks is influenced by HRM policies like pay, training and development, career planning, employee engagement, and performance reviews. This impact is emotional, normative, and continuous commitment within the company (Kandel, 2022).

Hassan and Mahmood (2016) discovered a positive association between organizational commitment and HRM methods, such as performance appraisal, remuneration, and training & development. The collective findings show that workers who are happy with HRM procedures are dedicated to the company. Pay is thought to be a more crucial factor in encouraging organizational commitment. Organizations that implement both formal and informal training tactics can foster the development of dedicated and competent staff members.

The correct individual is placed at the proper time and place thanks to recruitment and selection. The process of assigning tasks to employees inside an organization is known

as job assignment. It has a direct bearing on dedication, motivation, turnover, and retention of employees. Workers require comfortable and varied work environments. Certain employees require novel and demanding tasks, while others require a routine work environment. A formal method of reviewing and assessing an individual's or a team's performance on a job is called performance appraisal (Mondy & Noe, 2006).

The organization needs to take the lead in ensuring satisfaction among employees. Employee motivation and commitment to their work are impeded by dissatisfaction with HR policies (Khadka, 2013). This study's research questions pertain to employee satisfaction. This study aims to measure, evaluate, and investigate the factors that influence employee satisfaction. Some of the questions to be raised in this study are:

- What are the human resource management factors affecting employee satisfaction in Nepalese commercial banks?
- Is there any relationship between human resource management and employee satisfaction in Nepalese commercial banks?

1.3 Objectives of the Study

The objective of the study is to evaluate and investigate the employee satisfaction with human resource management of Nepalese commercial banks. The specific objective of the study are:

- To examine the human resource management factors affecting employee satisfaction in Nepalese commercial banks?
- To analyze the relationship between human resource management and employee satisfaction in Nepalese commercial banks?

1.4 Rationale of the Study

The purpose of this study was to assess worker satisfaction in Nepalese commercial banks. It focuses on the relative significance of HRM components and how they affect workers' performance and general job satisfaction.

Many firms encounter numerous challenges at work because they do not recognize the significance of employee job satisfaction. Because these companies lack internal strength, they are unable to outperform their rivals in the market by bringing in novel items. An employee's emotional orientation toward the part they play at work is known as employee satisfaction. The foundation for employee motivation and encouragement to do better is employee satisfaction.

This study is significant because it identifies the elements that workers at Nepalese commercial banks believe improve performance and worker happiness. The study may be useful to the Nepalese commercial banks' HR departments in raising employee satisfaction levels and enhancing employee morale and productivity. A happy employee would strive to retain excellence in their work if they are successful in their role and have their needs addressed at work.

1.5 Limitations of the Study

The study has some limitations. The main limitations of the study are as follows:

- The study focuses on the human resource management and its impact on employee satisfaction in Nepalese commercial banks and thus does not embrace the other behavioral aspects.
- The assumptions of this study are based on the truthful responses of the participants to the survey questions, as well as the accuracy of the information provided.
- The data analysis section has relied on primary data to greater extent, and the accuracy of the data depends upon the reliability of the opinions of the respondents.
- This study includes employees from 10 commercial banks inside Kathmandu Metropolitan City. The level of employees taken as respondents in the study falls under assistant level, officer level and manager level.
- This study used only descriptive analysis, correlation analysis and multiple regression analysis.

CHAPTER – II

LITERATURE REVIEW

This chapter provides an explanation of the same subject and presents the findings of a review of the literature. An overview, conceptual definitions, a review of the theoretical and empirical literature, and the research gap for this subject are all included in this chapter.

2.1 Theoretical Review

2.1.1 Fredrick Herzberg's two Factors' Theories

According to Frederick Herzberg's theory of the two factors, employees are influenced by two types of factors: motivational factors that lead to employee satisfaction include achievement, recognition, advancement to higher level tasks, responsibility, the job itself, growth and development, and hygiene factors that ensure employees do not become dissatisfied. These factors include working conditions, the quality of the supervisor, status, job security, salary, company policies and administration, and interpersonal relationships. In order to elucidate the relationship between the ideas of human resource management and work satisfaction inside a business, Lee and Lee (2007) additionally employed the Herzberg two factors theory.

2.1.2 Adams's Equity Theory

The idea of equity theory focuses on people's perceptions of their treatment in relation to others (Armstrong, 2010). According to equity theory, when workers receive fair treatment, their motivation increases, and when they receive unfair treatment, their motivation decreases. According to Adam, there are two kinds of equity. Distributive equity addresses the idea that people should be compensated for their contributions and how they stack up against others. Procedural equity, often known as procedural justice, pertains to how employees perceive the fairness of the processes used in areas like performance reviews, promotions, and disciplinary actions. According to this theory, job satisfaction will result from HRM procedures that are viewed as fair and equitable (Cherif, 2020). Conversely, job dissatisfaction will result if HRM practices are thought to be unjust and unequally applied. Given that they forecast a connection between

employee job satisfaction in firms and HRM practices, the aforementioned hypotheses are pertinent to this investigation (Oriyomi, 2022).

2.1.3 Behavioral Theories

John Watson first used the term "behaviorism" in 1924. Watson claimed that psychology should concentrate on measurable behaviors and felt that theorizing ideas, intentions, or other subjective experiences was not scientific (Watson, 1924). According to behaviorism, learning is the process of conditioning oneself to acquire a new behavior (Myers, 2011). Operant and classical conditioning are the two categories of conditioning. The classic learning process is a type of temporal association learning in which two events that happen frequently and in close proximity to one another fuse mentally and elicit the same reaction. Accordingly, learning happens when a stimulus elicits a normal spontaneous response (Myers, 2011).

A reaction to a stimulus that is reinforced triggers the operant learning process. When an action receives praise, it is more likely to happen again. This method relies on changes in overt behavior to facilitate learning. An individual's reaction to occurrences (stimuli) in their environment results in changes in behavior. Behaviourists see learning as a modification of behavior. They can manipulate the environment to produce desired reactions by using tools like competency-based learning, behavioral objectives, skill development, and training.

2.1.4 Constructivism Theory

Constructivism places a strong emphasis on how important it is for students to actively participate in creating their own knowledge and developing new ideas or concepts based on prior information and existing knowledge (Smith, 2000). Constructivism is acknowledged as a distinct theory of learning in and of itself. Cognitive and behaviorism both endorse the process of dissecting a task into smaller, more manageable parts, setting goals, and evaluating an individual's performance in relation to those goals. Conversely, constructivism encourages a more flexible approach to learning in which the processes and outcomes of learning are difficult to quantify and could vary from student to student.

Constructivists, according to Smith (2000), hold that knowledge may be created by anyone in their own mind via trial and error and problem-solving. What separates proponents of this learning paradigm is how much of this process can occur organically without guidance or instruction.

2.1.5 Social Learning Theories

In training and development, the social learning hypothesis is crucial. First, the boss can help his or her colleagues behave better by setting an example for them. Because of their position, background, and ability to influence outcomes, employees are actually more inclined to copy their superiors than their peers. According to Davis and Luthans (1980), modeling is a significant tool for establishing a self-managed method through self-monitoring and self-observation.

A vicarious or modeling principle has been proposed to be used in four stages to improve the effectiveness of training. These stages are: 1) presenting models displaying the desired behaviors; 2) having the observer imitate or practice the modeling behaviors; 3) providing social reinforcement or favorable recognition for the observer's adoption of the modeled behaviors; and 4) transferring training to encourage the use of learned behaviors back on the job (Kadiresan et al., 2015). Social learning theory, in particular modeling and role-playing, provides a basic framework for many elements of management education because of the importance of human interaction in management. Two popular management development strategies that aim to maximize social learning at work are coaching and mentoring (Gautam, 2019).

2.1.6 Human Resource Management (HRM)

HRM is a strategic approach to managing employment relations, according to Bratton and Gold (2009). It emphasizes the need of utilizing people's skills to gain a competitive advantage, which is accomplished through a unique set of integrated employment policies, programs, and practices. Furthermore, according to Armstrong (2010), HRM is a purposeful and cohesive approach to managing an organization's most precious asset, which is its workforce, each of whom individually and collectively contributes to the achievement of the organization's goal. Staffing, human resource development, pay and benefits, safety and health, and labor and employee relations are the functions of HRM according to Gautam (2019).

2.1.7 Human Resource Management Practices

Hassan and Mahmood (2016) stated that HRM practices are a collection of procedures used by businesses to manage their human resources by assisting in the development of competences that are unique to their industry, create complex social relationships, and produce organizational knowledge in order to maintain a competitive edge. According to Tiwari and Saxena (2012), HRM practices are organizational actions focused on managing the human resource pool and making sure that the resources are used in a way that promotes the achievement of organizational objectives. Additionally, Yaseen (2013) suggested that hiring, selection, training and development, pay, reward, and recognition are the most popular HRM procedures. Because these appear to be the most important determinants of job satisfaction, the researcher in this study concentrated on training and development, remuneration, and performance appraisal procedures.

a) Recruitment and Selection

The decision-making processes of placement, selection, and recruitment serve as a foundation for figuring out and choosing the ideal number of applicants for a particular position with the goal of ensuring that the candidate and the job are a good fit—and sometimes the candidate and the organization. Diagnosing congruency between the workforce and their organizations, as well as between workers and their vocations, is crucial in this situation since it fosters a healthy work environment (Lama, 2021).

These days, the hiring procedure has increased in importance for the company since it allows for time and cost savings. For instance, businesses spend a lot of time and money on hiring and training new staff members. It will be detrimental to the organization if they leave a few months later. Therefore, if the hiring committee chooses candidates who are not planning to depart very soon, a strong hiring procedure can lower the turnover rate (Lama, 2021). Therefore, employing top talent can provide a company a competitive edge, whereas poor hiring and selection practices drive up costs and decrease output.

(b) Training and Development

The ongoing process of training and development results in the acquisition of knowledge, talents, and attitudes that position individuals for future growth and increased responsibility in addition to improving current capabilities. According to

Armstrong (2010), training is the deliberate and methodical alteration of behavior through education, development, and planned experience.

The costs of training and development are incurred. However, since frequent employee training is advantageous to businesses in the long run, they make sure it happens. There are certain benefits to training since it increases knowledge and helps workers acquire new abilities while also boosting their own productivity and efficiency. Although training equips workers with useful knowledge and abilities, it may also put the business at risk and raise employee turnover (Oriyomi, 2022).

(c) Performance Appraisal

A management will formally evaluate and rate a worker's performance during what is often an annual review meeting (Armstrong, 2010). Moreover, performance appraisal, in the words of Grote (2002) is a methodical approach to assessing employees' performance standards. Performance assessment is a procedure that helps individuals advance their careers by evaluating them based on how well they perform on the job (Gruman & Saks, 2011). One tool for assessing an employee's work behavior is performance appraisal. Furthermore, it was discovered that assessment, pleasure, and motivation had a favorable association with procedural and interactional justice. Employee engagement, contentment, and willingness to engage in extra-role conduct will all increase if they believe that decisions are fair (Aryal et al., 2022).

Clear expectations are set by a strong performance appraisal, which also increases the impartiality and accuracy of performance evaluation. However, it has been discovered that performance reviews, particularly because of raters' control over the actual process, are a significant source of discrimination when it comes to managing diversity and equity in the workplace (Khadka, 2013). Therefore, we include this factor in our research as well, since employee happiness may potentially be related to how employees perceive the objectivity of evaluations.

(d) Compensation

According to Chaudhary and Chaudhary (2020) compensation is the sum of all of the financial benefits that employers give their staff members, including commissions, salary, insurance, bonuses, and other circumlocutory financial perks. All forms of

payment or benefits that employees receive as a result of their employment are referred to as compensation (Desler, 2007).

Pay is a significant factor in attracting and keeping exceptional individuals (Mondy & Noe, 2006). In a similar vein, if there is a significant correlation between job happiness and the degree to which people are content with their pay, we may be able to make observations about how pay influences job performance and employee contributions to corporate success.

2.1.8 Employee Satisfaction

In recent years, scholars from several professions have paid close attention to employee satisfaction. The relationship between job happiness and employee behavior explains a portion of the interest in job satisfaction. Employee turnover is lower for happier employees (Aryal et al., 2022). The mindset that workers have about their jobs is referred to as employee contentment. Employee behavior that is influenced by factors like pay, working conditions, control, advancement, social network, talent, and other comparable characteristics is defined by researchers as employee satisfaction (Ijigu, 2015). Numerous academics have noted that low employee satisfaction causes high turnover because dissatisfied workers wait to leave for other opportunities since they lack incentive and acknowledgement for their efforts. The issue with excessive employee turnover is that the business is losing a lot of money on staff development and training (Lama, 2021).

Workplace circumstances impact employee job satisfaction, which is then influenced by employee values and job expectations. The scope of the job, the degree of responsibility and decision-making involved, role stressors like work overload, underload, and challenging working conditions or hours, the size of the work group, the immediate manager's leadership style—particularly the openness of the relationship and the ease with which problems can be discussed and resolved together—the strength of the relationships with coworkers, and the possibility of promotion are all factors in the work situation (Ijigu, 2015).

2.2 Empirical Review

Jaiswal (2023) investigated on the impact of human resource management practices on employee performance in Nepalese commercial banks. Examining the effect of HRM practices on worker performance within the framework of Nepalese commercial banks was the primary goal of the research. Structured questionnaires were created for this study in order to fulfill its objectives. To evaluate the significance and importance of HRM practices on worker performance, regression models and correlation coefficients were estimated. It was discovered that pay policies influence employee performance favorably. Likewise, employee performance is positively impacted by training and development. Additionally, employee performance is positively impacted by performance reviews. Similarly, employee performance is positively impacted by promotion practices, suggesting that improved promotion practices raise employee performance. The outcome additionally demonstrated that employee relations positively impact workers' productivity within the company.

Ghimire et al. (2023) examined employee performance factors in the Nepalese commercial banks: Insights from emerging markets. Using quantitative approaches, the study's goal was to investigate the variables influencing worker performance in Nepalese Commercial Banks (NCBs). Descriptive and causal-comparative analytic techniques were employed in the investigation. The variables utilized to characterize the characteristics of the sample companies were represented by their average, variance, maximum, and lowest values in the descriptive statistics. Regression analysis was used in the causal-comparative to ascertain the link between two or more variables and to estimate how one variable depended on the other. It was discovered that employee performance in Nepalese commercial banks was most significantly positively impacted by organizational culture. In a similar vein, staff performance was significantly improved by training. Similarly, it was also discovered that the compensation and working conditions of employees significantly improved their performance in Nepalese commercial banks.

Kandel (2022) analyzed the relationship between human source management practices and employee commitment in Nepalese commercial banks. The purpose of the study was to examine the connection between employee commitment and HRM practices in Nepalese commercial banks. For the study, a descriptive research approach was

previously employed. Descriptive statistics and correlation analysis were employed in this study to analyze the data. The study discovered that employee commitment is influenced by every HRM technique examined. The results demonstrated a favorable relationship between employee dedication and pay, career planning, training and development, employee involvement, and performance reviews. Additionally, it was discovered that employee commitment at Nepalese commercial banks is influenced by HRM practices like pay, training and development, career planning, employee participation, and performance reviews. This impact is affective, normative, and continuous commitment within the company.

Gohain and Sanyal (2022) studied on employees' job satisfaction and its impact on perceived performance in private banks. This study examined the relationship between job happiness and performance among employees at private commercial banks. An extremely contented employee is more physically and mentally healthy, which boosts the organization's output. The research design used for this study was casual and descriptive. Tools for regression analysis, correlation analysis, and descriptive statistics were used to analyze the data. It was discovered that there were strong correlations between perceived performance and working conditions, salary and promotion, fairness, employment stability, and career growth chances.

Oriyomi (2022) examined employee satisfaction as a result of human resource management practices in Nigerian banking companies: a case study of united bank for Africa. Finding and examining the effects of United Bank for Africa's HRM practices in Nigeria was the primary goal of this study. Recruitment and selection, performance evaluation, training and development, remuneration, working environment, job design and duties, promotion, job security, and appreciation were among the study factors that were examined. Multiple regression, correlation, and descriptive statistics were employed to analyze the data in this study. It was discovered that there was a considerable correlation between employee performance and HRM procedures. Through the implementation of efficient policies, a well-managed human resource can boost an organization's performance and productivity by spearheading initiatives including hiring, compensation and benefits, training and development, and ongoing performance reviews.

Lama (2021) explored human resource practices and employee satisfaction in Nepalese commercial banks. This study looked at how employee happiness in Nepalese commercial banks was affected by HR procedures. Recruitment and selection, training and development, remuneration policy, and performance evaluation were the independent factors, and employee satisfaction was the dependent variable. Regression analysis and correlation were employed in this study to determine the influence of an independent variable on employee satisfaction. Employee satisfaction was found to positively correlate with recruiting and selection, training and development, remuneration policy, and performance appraisal.

Paudel and Sthapit (2021) analyzed work-family balance and employee performance in Nepalese commercial banks. Examining how work-family balance (WFB) policies affect HR performance in Nepalese commercial banks—both private and international joint venture banks—was the goal of the study. The human resource practices of flextime (FT), job sharing (JS), telework or telecommuting (T), and bank leave policies (LP) were examined in this study. Descriptive analysis, a one-way ANOVA test, a multicollinearity test, correlation and linear regression analyses were all used in this investigation. The study revealed that work-family balancing practices, as evaluated by flextime, job sharing, telework/telecommuting, and leave policy, had a noteworthy effect on human resource performance in commercial banks located in Nepal.

Chalise (2020) studied on training and development in Nepalese commercial banks. The purpose of the study was to look into the methods of training and development and how they relate to the performance of Nepalese commercial banks. A well-crafted, structured questionnaire and a descriptive research design served as the foundation for this investigation. In this study, techniques for regression analysis, correlation analysis, and descriptive statistics were used. It was discovered that organizational development in Nepalese commercial banks included training and development as a crucial component. Furthermore, the majority of respondents stated that training programs help them obtain technical knowledge and abilities as well as learning and development skills. More precisely, the research showed that while Nepalese commercial banks place a sufficient premium on employee training, the programs offered are poorly organized and tailored to the needs of the staff. Ultimately, the research demonstrated that

employee happiness and organizational success are directly related to training and development programs.

Chaudhary and Chaudhary (2020) examined on human resource management practice and employees' commitment: a study of Nepalese banking industry. The purpose of this study was to characterize how employee commitment in commercial banks is related to HRM practices. A descriptive research design was used in this study to examine relationships. In order to measure dependability, Cronbach's Alpha has been used in conjunction with descriptive statistics, correlation, frequency tables, and percentage analysis for data display. This study examines several aspects of human resource management practices, including hiring and training practices, employee recognition, compensation management, and job security. It was discovered that, of all the variables, compensation management has a significant relationship to employees' dedication in Nepal's commercial banks. Accordingly, this study came to the conclusion that human resource management practices should be used as a breaking weapon in order to adapt to the changing conditions in Nepalese commercial banks.

Pantha (2020) studied on employee job satisfaction in the banking sector in Nepal. Analyzing employee work satisfaction in Nepal's banking industry was the studies' main objective. The primary elements influencing the degree of employee satisfaction in this study are the working conditions, job security, training and development opportunities, rewards and promotions, and recognition. Descriptive statistics (frequency distribution, mean, and standard deviation) and cross-tabulation analysis were used to examine the survey data that had been gathered. It was discovered that the majority of respondents thought that the work environment had a significant impact on how satisfied employees were with their jobs. Workers in this industry expressed satisfaction with the company's rules, the leaders' communication with staff, the cooperative members, the clean and tidy work environment, the equipment and resources that were accessible, and the banks' provision of flexible work schedules. For upper level employees as well, the employee's view of reward was crucial. Additionally, the workers believe that job happiness is less significantly impacted by acknowledgment.

Ajibola et al. (2019) studied on performance appraisal and employee engagement: does tenure matter? evidence from South-West Nigeria. The aim of the research was to examine how employee engagement among workers in South-West Nigeria is affected by performance appraisals and the feedback that accompany them. The study used an approach to descriptive research. Regression analysis, correlation, and descriptive statistics were employed in this study's data analysis. Employee engagement was found to be positively significantly influenced by performance appraisals, although there was no statistically significant correlation identified between employee engagement and performance appraisal comments. It was discovered that tenure moderated the impact on the relationships. To summarize, the association between employee engagement, performance appraisal feedback, and employee tenure was found to be significantly moderated by employee tenure.

Elrehail et al. (2019) analyzed employee satisfaction, human resource management practices and competitive advantage: the case of Northern Cyprus. The purpose of this study was to investigate how HR management strategies affect gaining a competitive edge by examining the mediating function of employee satisfaction in the setting of Northern Cyprus' five-star hotels. The data gathered for employee satisfaction, competitive advantage, and human resource practices for the questionnaire was examined in this study. Descriptive statistics, regression analysis, correlation analysis, and hypothesis testing were utilized to evaluate the data. According to this study, competitive advantage was significantly impacted by HR practices. In contrast, the study's conclusions showed that Northern Cyprus's five-star hotels were unable to gain a competitive edge due to the mediator variable.

Hakuduwal (2019) studied on human resource development and employee engagement in Nepalese commercial banks. Using employee engagement as the dependent variable and the three human resource development components of training and development, career development, and performance management as independent variables, the study's goal was to examine the relationship between HRD and employee engagement in Nepalese commercial banks. Descriptive statistics, regression analysis, correlation analysis, t-test, and f-test were employed in this study's data analysis. Results indicated that employee engagement in Nepalese commercial banks is significantly impacted by training and development, career growth, and performance

management. The study also showed that whereas female employees place more value on training and development, male employees place more focus on performance management. Similar to this, personnel who are not officers place more emphasis on training and development, while those who are officers place more emphasis on performance management.

Gautam (2019) analyzed comprehensive reward system, employee motivation and turnover intention: evidence from Nepali banking industry. This study looked at the connections between worker motivation in the banking industry in Nepal and the elements of a comprehensive reward system. Descriptive-correlational research design using a quantitative methodology was used to perform this study. The hypothesis was tested using regression analysis, descriptive statistics, and Pearson correlation. It was discovered that the main elements of a comprehensive incentive system were salary, benefits, work-life balance, performance recognition and empowerment, and career opportunities. It was also shown that there was a strong positive correlation between these characteristics and employee motivation.

Adhikari (2019) explored on quality of work-life for job satisfaction in Nepalese commercial banks. This study looked at how job satisfaction in Nepalese commercial banks is impacted by the quality of work life. This study used a descriptive and informal comparative research design. The association has been tested using the multiple regression model. The findings demonstrated a favorable relationship between job satisfaction and the working environment, work-life balance, pay and rewards, training and development, and job design. According to the regression analysis, all variables—work-life balance, training and development, reward and pay, working environment, and job design—had positive and significant beta coefficients that were correlated with job satisfaction.

Chauhan (2019) studied on career development and employee satisfaction in 'A' graded commercial bank of Nepal. The research examined the career progression of commercial bank employees while taking into account age, gender, and several other commercial bank characteristics. The results obtained from the questionnaire are analyzed in this study using descriptive statistics, a reliability test with Cronbach's Alpha, and a hypothesis test. Research indicates that Nepal's banking industry offers

career growth chances to its commercial bank personnel. Workers acknowledged that if they felt their company didn't offer enough opportunities for professional growth, they might quit. All career development initiatives are carried out by the commercial banking industry in an effort to boost worker job satisfaction, which in turn results in increased output and efficiency.

Sthapit and Ghale (2018) analyzed the impact of training and development on perceived employee performance: a case study of Agricultural Development Bank Ltd. Using a case-based methodology, the study sought to investigate how training and development initiatives affected employees' perceptions of their performance. The survey method served as the study's foundation, and descriptive statistics, regression analysis, and correlation were employed for analysis. It was discovered that T&D components had a major influence on junior officers' and assistant level employees' perceptions of their performance in the bank under study. The impact of attitude and behavior change was shown to be substantial among the four predictors (T&D constituents), but the other three (training content and deliverability, instructional design, and skills, knowledge, and ability development of employees) did not show a significant effect. It is imperative for bank management to guarantee training contents, deliverability, and instructional design in order to improve employee productivity and competency.

Gautam (2018) reviewed on training culture and employee's performance in Nepali banking industry. The purpose of the study was to determine whether or not the banking industry in Nepal has developed a culture of training and whether or not training significantly affects performance. Descriptive and correlational research designs were used in this study. The data are analyzed using independent sample t-test, correlation, and descriptive statistics. It was discovered that the culture of training has been formed by Nepali banks. The main elements of training culture that have an impact on employee performance and training satisfaction are the training environment, training methods, and training-reward linkage. Workers are content because they have the abilities they learned in training. When it comes to employee performance and training satisfaction, gender and bank types play a mediating impact.

Sthapit (2017) examined the preferability and perceived effectiveness of HRD intervention programs: a survey of Nepal bank supervisors. Based on supervisors'

perceptions, the study looked at the preferability and efficacy of Human Resources Development (HRD) component-cum-intervention programs in Nepali banks. Training and development, management development, career development, performance development, and organization development were the HRD intervention programs mentioned in this study. An exploratory and analytical research methodology was used in this study. It was discovered that management development and performance development were the next most popular and ostensibly most successful HRD programs, after training. The organizational growth and career development initiatives, which the Nepali bank managers thought were less successful, were not as popular.

Ijigu (2015) analyzed the effect of selected human resource management practices on employees' job satisfaction in Ethiopian public banks. This study was carried out to examine the impact of employees' job satisfaction on work-related outcomes; nevertheless, there hasn't been much thorough research done to demonstrate how HRM practices affect employees' job happiness. Research design type co-relational was utilized in this study. Descriptive statistics, frequencies, and percentages were utilized to examine the correlation and regression of the data. The remaining factors—training and development, performance reviews, and remuneration package—were found to have a high positive link with employees' job satisfaction, while recruiting and selection had a moderate but positive correlation. Additionally, the regression analysis revealed that factors such as hiring and selection, performance reviews, training and development, and remuneration package significantly improved job satisfaction.

Pathak (2015) researched on job satisfaction of employees in commercial banks. This study examined the degree of job satisfaction among commercial bank workers while taking into account variations in age, gender, and experience. The research has employed descriptive research designs. The data were analyzed using regression analysis, correlation analysis, and descriptive statistics. According to the findings, the majority of workers expressed satisfaction or great satisfaction with their occupations. The most important component of job satisfaction for Nepalese workers in commercial banks was "job security." There was not a noticeable distinction in the degree of job satisfaction between male and female employees. Nonetheless, there were notable variations in the degree of job satisfaction among different employee age groups.

Khadka (2013) examined the satisfaction with human resource practices: evidence from banking industry of Nepal. The main focus of this study was how satisfied employees were with HR procedures. This study examines employee perks, hiring and selection processes, work assignments, and performance reviews. The research design used for this study was quantitative. Utilizing Cronbach's alpha, the results were examined to assess the questionnaire's dependability. It was shown that the majority of workers in Nepal's banking sector were content with their current salaries. The majority of workers concurred that bonuses are paid by banks when they generate a profit. Most workers are content with their retirement benefits. The majority of banking industry employees in Nepal express satisfaction with the bank's staff selection procedure, saying that the bank hires the right individual at the right spot. It was discovered that the banking sector in Nepal has a well-defined division of labor. Employees concurred that Nepalese commercial banks offer educational chances. Employees in Nepal's banking sector are happier with performance review intervals than the norm.

Table 1

Summary of Empirical Review

Authors	Title	Objective	Methodology	Findings
Jaiswal (2023)	Impact of human resource management practices on employee performance in Nepalese commercial banks.	The main objective of the study was to examine the impact of human resource management practices on employee performance in the context of Nepalese commercial banks.	The correlation coefficients and regression models were estimated to test the significance and importance of human resource management practices on employee performance.	It was discovered that pay policies influence employee performance favorably. Likewise, employee performance is positively impacted by training and development. Additionally, employee performance is positively impacted by performance reviews. Similarly, employee performance is positively impacted by promotion practices.

Ghimire et al. (2023)	Employee performance factors in the Nepalese commercial banks: Insights from emerging markets.	The objective of the study was to examine the factors impacting employee performance in Nepalese Commercial Banks (NCBs).	The study used employing quantitative methodologies, descriptive and causal-comparative methods of analysis.	It was discovered that employee performance in Nepalese commercial banks was most significantly positively impacted by organizational culture. In a similar vein, staff performance was significantly improved by training. Similarly, it was also discovered that the compensation and working conditions of employees significantly improved their performance in Nepalese commercial banks.
Kandel (2022)	Relationship between human source management practices and employee commitment in Nepalese commercial banks.	The study was conducted to analyze the relationship between human resource management practices and employee commitment in Nepalese commercial banks.	This study used descriptive statistics and correlation analysis for the data analysis.	It was discovered that employee performance in Nepalese commercial banks was most significantly positively impacted by organizational culture. In a similar vein, staff performance was significantly improved by training. Similarly, it was also discovered that the compensation and working conditions of employees significantly improved their performance in Nepalese commercial banks.
Gohain and Sanyal (2022)	Employees' job satisfaction and its impact on	This study analyzed the employee job	This study followed descriptive and	It was discovered that there were strong correlations between perceived performance

	perceived performance in private banks.	satisfaction and its impact on employee job performance in Private commercial banks.	casual research design. Data were analyzed using descriptive statistics, correlation analysis and regression analysis tools.	and working conditions, salary and promotion, fairness, employment stability, and career growth chances.
Oriyomi (2022)	Employee satisfaction as a result of human resource management practices in Nigerian banking companies: a case study of united bank for Africa.	The main objective of this research was to find and explore the impact of human resource management practices in United Bank for Africa in Nigeria.	This study used descriptive statistics, correlation and multiple regression for data analysis.	It was discovered that there was a considerable correlation between employee performance and HRM procedures. Through the implementation of efficient policies, a well-managed human resource can boost an organization's performance and productivity by spearheading initiatives including hiring, compensation and benefits, training and development, and ongoing performance reviews.
Lama (2021)	Human resource practices and employee satisfaction in Nepalese commercial banks.	This study examined the impact of human resource practices on employee satisfaction in Nepalese commercial banks.	In this study correlation and regression were used to identify the association and impact of an independent variable on employee satisfaction.	Employee satisfaction was found to positively correlate with recruiting and selection, training and development, remuneration policy, and performance appraisal.

Paudel and Sthapit (2021)	Work-family balance and employee performance in Nepalese commercial banks.	The study aimed to examine the impact of work-family balance (WFB) practices on HR performance in Nepalese commercial.	This study used descriptive analysis, one-way ANOVA test, multicollinearity test, and correlation and linear regression analyses.	The study revealed that work-family balancing practices, as evaluated by flextime, job sharing, telework/telecommuting, and leave policy, had a noteworthy effect on human resource performance in commercial banks located in Nepal.
Chalise (2020)	Training and development in Nepalese commercial banks.	The study was conducted to investigate training and development practices and its relation with performance in Nepalese Commercial Banks.	Descriptive statistics, correlation analysis and regression analysis tools were used in this study.	It was discovered that organizational development in Nepalese commercial banks included training and development as a crucial component. Furthermore, the majority of respondents stated that training programs help them obtain technical knowledge and abilities as well as learning and development skills.
Chaudhary and Chaudhary (2020)	Human resource management practice and employees' commitment: a study of Nepalese banking industry.	This study was conducted to describe the association between HRM practices and employee's commitment in commercial banks.	For data analysis descriptive statistics, correlation, frequency tables and percentage analysis for data presentation and Cronbach's Alpha have been	It was discovered that, of all the variables, compensation management has a significant relationship to employees' dedication in Nepal's commercial banks.

			utilized to test reliability.	
Pantha (2020)	Employee job satisfaction in the banking sector in Nepal.	The primary objective of the thesis was to analyze employee job satisfaction in the banking sector in Nepal.	Data were analyzed using descriptive statistics (frequency distribution, mean, and standard deviation) as well as cross tabulation analysis.	It was discovered that the majority of respondents thought that the work environment had a significant impact on how satisfied employees were with their jobs. For upper level employees as well, the employee's view of reward was crucial. Additionally, the workers believe that job happiness is less significantly impacted by acknowledgment.
Ajibola et al. (2019)	Performance appraisal and employee engagement: does tenure matter? evidence from South-West Nigeria.	The objective of the study was to investigate the influence of performance appraisal and performance feedback on the employee engagement among workers in South-West Nigeria.	The study adopted descriptive research approach. In this study descriptive statistics, correlation and regression analyses were used for the data analysis.	Employee engagement was found to be positively significantly influenced by performance appraisals, although there was no statistically significant correlation identified between employee engagement and performance appraisal comments. It was discovered that tenure moderated the impact on the relationships.
Elrehail et al. (2019)	Employee satisfaction, human resource management	This study was conducted to explore the impact of human resource	To analyze the data descriptive statistics, correlation analysis,	According to this study, competitive advantage was significantly impacted by HR practices. In contrast, the study's conclusions showed that

	practices and competitive advantage: the case of Northern Cyprus.	(HR) management practices on achieving competitive advantage in Northern Cyprus.	regression analysis and hypothesis testing were used.	Northern Cyprus's five-star hotels were unable to gain a competitive edge due to the mediator variable.
Hakuduwal (2019)	Human resource development and employee engagement in Nepalese commercial banks.	The objective of the study was to analyze the impact of human resource development on employee engagement in Nepalese commercial banks.	This study used descriptive statistics, correlation analysis, regression analysis, t-test and f-test while analyzing the data.	Research indicates that employee engagement in Nepalese commercial banks is significantly impacted by training and development, career growth, and performance management. The study also showed that whereas female employees place more value on training and development, male employees place more focus on performance management.
Gautam (2019)	Comprehensive reward system, employee motivation and turnover intention: evidence from Nepali banking industry.	This study examined the relationships between the components of comprehensive reward system and employee motivation in Nepalese banking sector.	Descriptive statistics, Pearson correlation, and regression analysis were used to test the hypothesis.	It was discovered that the main elements of a comprehensive incentive system were salary, benefits, work-life balance, performance recognition and empowerment, and career opportunities. It was also shown that there was a strong positive correlation between these characteristics and employee motivation.
Adhikari (2019)	Quality of work-life for	This study examined of the	Descriptive and casual	The study revealed that there was a positive and substantial

	job satisfaction in Nepalese commercial banks.	impact of quality of work life for job satisfaction in Nepalese commercial banks.	comparative research design have been used in this study. The multiple regression model has been used to test the relationship.	correlation between job satisfaction and the beta coefficients of all the variables, including work-life balance, training and development, remuneration and reward, working environment, and job design.
Chauhan (2019)	Career development and employee satisfaction in 'A' graded commercial bank of Nepal.	The study analyzed the level of employee's career among job holders of commercial banks.	In this study descriptive statistics, reliability test using Cronbach's Alpha and hypothesis test are used to analyze the data collected through questionnaire.	It was discovered that Nepal's banking industry offers chances for professional advancement to its commercial bank staff. Workers acknowledged that if they felt there were insufficient opportunities for professional growth, they might quit the company.
Sthapit and Ghale (2018)	Impact of training and development on perceived employee performance: a case study of Agricultural Development Bank Ltd.	The study aimed to examine the impact of training and development programs on perceived employee performance by adopting a case approach.	The study was based on the survey method and for the analysis descriptive statistics, correlation and regression analysis were used.	It was discovered that T&D components had a major influence on junior officers' and assistant level employees' perceptions of their performance in the bank under study. The impact of attitude and behavior change was shown to be substantial among the four predictors (T&D constituents), but the other three (training content and deliverability, instructional

				design, and skills, knowledge, and ability development of employees) did not show a significant effect.
Gautam (2018)	Training culture and employees' performance in Nepali banking industry.	The study aimed to examine whether Nepali banking sector has established training culture and whether training has significant influence in performance or not.	This study followed descriptive and correlational research design. Descriptive statistics, correlation and independent sample t-test are used to analyze the data.	It was discovered that the culture of training has been formed by Nepali banks. The main elements of training culture that have an impact on employee performance and training satisfaction are the training environment, training methods, and training-reward linkage. Workers are content because they have the abilities they learned in training.
Sthapit (2017)	Preferability and perceived effectiveness of HRD intervention programs: a survey of Nepal bank supervisors.	The study examined the preferability and effectiveness of Human Resources Development (HRD) component-cum-intervention programs in Nepali banks.	In this study an exploratory and analytical research approach was adopted.	It was discovered that management development and performance development were the next most popular and ostensibly most successful HRD programs, after training. The organizational growth and career development initiatives, which the Nepali bank managers thought were less successful, were not as popular.
Ijigu (2015)	Effect of selected human	This study was conducted to	This study used co-relational type	The remaining factors— training and development,

	resource management practices on employees' job satisfaction in Ethiopian public banks.	analyze the job satisfaction of employees' on employees job related outcomes.	of research design. To analyze the data correlation and regression, descriptive statistics, frequencies and percentages were used.	performance reviews, and remuneration package—were found to have a high positive link with employees' job satisfaction, while recruiting and selection had a moderate but positive correlation.
Pathak (2015)	Job satisfaction of employees in commercial banks.	This study analyzed the level of job satisfaction among employees of commercial banks.	Descriptive statistics, correlation analysis and regression analysis were used to analyze the data.	It was shown that nearly all workers expressed high levels of satisfaction or contentment with their positions. The most important component of job satisfaction for Nepalese workers in commercial banks was "job security." There was no discernible difference in the degree of job satisfaction between male and female employees.
Khadka (2013)	Satisfaction with human resource practices: evidence from banking industry of Nepal.	This study was primarily concern with employee satisfaction with HR practices.	This study was based on quantitative research design. The data were analyzed using Cronbach's alpha to test the reliability of the questionnaire.	It was discovered that the banking sector in Nepal has a well-defined division of labor. Employees concurred that Nepalese commercial banks offer educational chances. Employees in Nepal's banking sector are happier with performance review intervals than the norm.

2.3 Research Gap

Worldwide, a great deal of study has been done on HR management and employee satisfaction. The goal of HR procedures is to have a close relationship with employee satisfaction since many scholars and professionals believe that effective HR practices raise employee contentment at work, which boosts organizational performance. People that apply human resource management practices (HRMP) are more likely to participate in decision-making processes and communicate with coworkers, other employees, and external parties. Employee attitudes about training and development, reward management, performance appraisal, and recruitment and selection were shown to be unfavorable in the study on the effect of HRM practices on employee performance.

Previous research has demonstrated a strong and positive correlation between employee performance and recruiting and selection, reward management, performance appraisal, and training and development. Nevertheless, this study lacks content because it doesn't look into how HRM practices affect workers' job happiness. The researcher was thus motivated to conduct a study in this specific area by adding new additional variable to fill these gaps due to the inconsistent findings among researchers, empirical gaps, analysis, and lack of attention given by researchers on the effects of the overall HRM practices on employee satisfaction in employees of Nepalese commercial banks.

CHAPTER – III

RESEARCH METHODOLOGY

Research methodology is the systematic method of finding solution to a problem i.e. systematic collection, recording, analysis, interpretation and reporting of information about various facts of a phenomenon under study. In this study research methodology describe the methods and processes applied in the entire aspect of the study.

3.1 Research Design

This study is based on descriptive research design and causal-comparative research design to deal with fundamental issues associated with the impact of human resource management on employee satisfaction in Nepalese commercial banks. This study adopts descriptive research design to analyze the human resource management status which causes employee satisfaction in Nepalese commercial bank. Causal-comparative design is used to find the cause and effect of relationship between different factors and employee satisfaction in Nepalese commercial banks.

3.2 Population and Sample

The population for this survey is the employees working in 20 commercial banks in Nepal till 2023. Out of these commercial banks, there are three government banks, six joint venture banks and 11 domestic private banks which are the population for the study. In this study, 50 percent of the sample from the population of banks i.e., one government bank, three joint venture banks and six domestic private banks are chosen as samples for the study using quota sampling technique. Thus, the sample size represents the average number of employees working at different departments of commercial banks in Nepal. In aggregate, 50 percent of the population was used as the sample using convenience and judgmental sampling technique.

The survey includes various commercial banks ranging from public banks to private joint venture and domestic private commercial banks. The various commercial banks chosen for the survey include Nepal bank Limited, NMB Bank Limited, Himalayan Bank Limited, Nabil Bank Limited, Global IME Bank Limited, Mega Bank Limited,

Laxmi Bank Limited, Machhapuchchhre Bank Limited, Sunrise Bank Limited and NIC Asia Bank Limited.

For the survey in this study 450 structured questionnaires distributed to the employees of the sample banks, 45 for each organization (20 for credit department and 25 for operation department), valid responses were received from 400 respondents. Therefore, the sample size of the study is 400. This study attempts to find out the major determinants of human resource management and how those factors influence employee's satisfaction. Non-probability and convenient sampling method was used to collect the responses.

3.3 Nature and Sources of Data

The primary data were used to extract the information from the employees regarding the perception of employees on the human resource management practice of the bank and its impact on employee satisfaction in Nepalese commercial banks. Structured set of 5 point likert Scale (1 for strongly disagree, 2 for disagree, 3 for neutral, 4 for agree and 5 for strongly agree) questionnaires were distributed to the employees of the banks.

3.4 Research Framework and Definition of Variables

The empirical literature reviews done in the second chapter of the study support the following conceptual framework for this study. Previous researchers Adhikari (2019), Chaudhary and Chaudhary (2020) and Lama (2021) have used the following variables as dividend practice and market price of the stock in their studies.

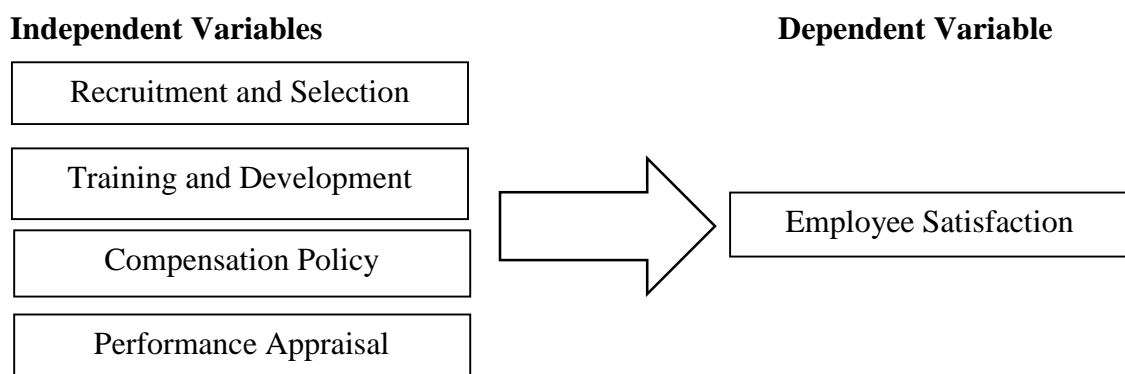


Figure 1: Research Framework

Source: (Adhikari, 2019), (Chaudhary & Chaudhary, 2020) & (Lama, 2021)

Definition of Variables

Employee Satisfaction

A person's general attitude about their employment can also be referred to as employee satisfaction. Additionally, the three primary dimensions of job satisfaction can be interpreted as follows: an emotional response to one's work; a concept that essentially aims at the level at which one's expectations or acquisition achievements have been met; and finally, job satisfaction represents distinct behaviors that are interrelated (Lama, 2021). According to Adhikari (2019) employee satisfaction is a psychological response that is tripartite and integrates ideas, feelings, and intentions to execute. It allows individuals to evaluate their work experiences on a cognitive and emotional level. The study measures employee satisfaction using a 6-item scale with a 5-point Likert scale (1 being strongly disagreed and 5 being strongly agreed). The scale looks at factors like proper promotion and recognition in bank practices, balancing work and personal life, teamwork practices within the bank, a safe and pleasant work environment, a good future and better career in the banking sector, and respect for the organization where they work.

Recruitment and Selection

The decision-making processes of placement, selection, and recruitment serve as a foundation for figuring out and choosing the ideal number of applicants for a particular position with the goal of ensuring that the candidate and the job are a good fit—and sometimes the candidate and the organization. Diagnosing congruency between the workforce and their organizations, as well as between workers and their vocations, is crucial in this situation since it fosters a healthy work environment (Lama, 2021). A 5-point Likert scale, with 1 being strongly disagreed and 5 being strongly agreed, is used to measure recruitment and selection practices. The study examines hiring staff from internal selection both on and off, timely notice of vacancies, transparent selection criteria for employees, appropriate recruitment and selection procedures followed in the bank, and an adequate number of employees based on need.

Training and Development

Employee development is the process of organizing and becoming ready for new tasks and challenges (Kadiresan et al., 2015). But training and development is a procedure that improves an employee's performance and corrects their conduct (Lama, 2021).

Through improved staff productivity, training and development aid companies in adjusting to new technological advances (Gautam, 2019). The study examines employee training and development using a 5-item Likert scale (1 being strongly disagreed and 5 being strongly agreed). It also analyzes the identification of training needs within the bank, employee training in accordance with system changes, use of flexible training methods during training sessions, appointment of effective trainers for each training, and evaluation of trained employees' efficacy following training.

Compensation Policy

One essential facet of human resource management is compensation. In addition to benefits, indirect compensation, and supplemental pay, it includes monetary compensation in the form of wages and salaries (Chaudhary & Chaudhary, 2020). Employee performance is also greatly impacted by a company's compensation package (Aslam et al., 2015). There is a positive correlation between compensation and reward and job satisfaction since compensation primarily stems from the fact that it gives employees an income and is a significant expense item for the business (Adhikari, 2019). The study examines compensation policies in terms of providing employees with a sufficient salary, offering incentives based on their work efficiency, providing facilities for employees to work overtime, and implementing scheduled promotional plans to keep employees. The measures are within a 4-item scale on a 5-point Likert scale (1= strongly disagree to 5= strongly agree).

Performance Appraisal

In the human resource management function, which is seen as a subset of performance management, performance appraisal is a crucial phrase. Employee engagement, contentment, and willingness to participate in extra-role conduct will all increase if they believe that decisions are fair (Lama, 2021). Organizations should concentrate on creating long-term value for employees if they want to maintain profitable growth. Assessment satisfaction and motivation were found to be positively correlated with procedural and interactional justice (Selvarajan & Cloninger, 2011). This study examines performance appraisal using a 4-item scale on a 5-point Likert scale (1 being strongly disagreed and 5 being strongly agreed). It also analyzes the implementation of performance appraisal for improvement in all possible ways, regular perform evaluation

plans, appropriate work assessment recording practices in the bank, and worked-based evaluation policies.

3.5 Method of Analysis

Various statistical tools were employed in the study. The statistical tools used in this write what statistical study to analyze the data findings are mentioned in the following sub sections:

- **Mean**

Calculated by dividing the total of all values by the number of values, the mean is the arithmetic average of a range of values or quantities. It alludes to the mean that is examined or employed to determine the data's central tendency. A widely used and easily comprehended measure of central tendency is the arithmetic mean. To calculate it, sum up all of the population's data points, then divide the total by the number point. In this study, the average of respondents' answers to the various variables in the Likert scale question is determined by computing the mean. The Likert scale question's mean value is computed for each sample.

$$\text{Mean } (\bar{X}) = \frac{\sum X}{n}$$

Where,

$\sum X$ = Value of responses of each independent or dependent variable

n = No. of statements

- **Standard Deviation**

The standard deviation, which measures dispersion, is used to express how much a set of data values vary or are dispersed. The positive square root of variance is one way to define it. One helpful characteristic of the standard deviation is that, in contrast to variance, it has the same units of measurement as the data. There is a larger deviation within the data set if the data points deviate further from the mean. Therefore, the standard deviation increases with data spread. The standard deviation for each sample's Likert scale replies in this study is computed.

$$\text{Standard Deviation (S.D.)} = \sqrt{\frac{\sum (X - \bar{X})^2}{n}}$$

Where,

X = Value of responses of each dependent or independent variable

\bar{X} = Mean value of responses of each dependent or independent variable

n = No. of responses

- **Correlation Analysis**

The relationship between an independent variable and another independent variable is known as the correlation coefficient. It is a technique for ascertaining how these two variables are related to one another. A correlation coefficient is present when there is a strong relationship between the two variables, meaning that changes in the independent variable's value also affect the dependent variable's value. To determine the degree of relationship between independent and dependent variables for each sample in this study, correlation is computed for the responses given on a Likert scale.

$$\text{Correlation Coefficient (r)} = \frac{n\Sigma XY - \Sigma X \Sigma Y}{\sqrt{n\Sigma X^2 - (\Sigma X)^2} \sqrt{n\Sigma Y^2 - (\Sigma Y)^2}}$$

Where, X & Y = Variables i.e. Employee satisfaction, Recruitment and selection, Training and development, Compensation policy and Performance appraisal

- **Regression Analysis**

One statistical tool used to assess the strength of a link between one dependent variable and one or more independent variables is regression. It covers a wide range of methods for modeling and examining several variables in order to determine how they relate to one another. Regression analysis is used in this study to determine the direction of the association between the independent and dependent variables for each sample based on Likert scale responses. Equation below represents the theoretical model for the relationship.

The model

$$ES = \beta_0 + \beta_1 RS + \beta_2 TD + \beta_3 CP + \beta_4 PA + e$$

Where,

ES= Employee satisfaction

RS= Recruitment and selection

TD= Training and development

CP= Compensation policy

PA= Performance appraisal

β_0 = Intercept (constant)

$\beta_1, \beta_2, \beta_3, \beta_4$ = Coefficient of variables

e = error term

- **Test of Significance**

- t- test**

It is used in hypothesis testing via Student's t-test. The t-statistic is used in a t-test to determine whether to support or reject the null hypothesis. Set up Hypothesis

Null hypothesis (H_0); $\rho = 0$ i.e. There is no correlation between the considered variables.

Alternative Hypothesis (H_1); $\rho \neq 0$ i.e. There is significant correlation between the considered variables.

Test statistic under H_0 ;

$$t_{cal.} = \frac{r}{\sqrt{1 - r^2}} \times \sqrt{n - 2}$$

Level of significance: Level of significance (α) = 5 percent

Decision: If p-value for the calculated correlation coefficient is less than the significance level the null hypothesis is rejected concluding the coefficient is significant in the population and if p-value for the calculated correlation coefficient is greater than the significance level null hypothesis is accepted concluding that the coefficient is not significant in the population.

ANOVA

ANOVA, or analysis of variance, is a group of statistical models and the corresponding estimate techniques that are used to examine how group averages in a sample differ from one another. ANOVA is used to examine overall differences in means as opposed to particular ones. This method evaluates possible variations in a dependent variable at the scale level using a nominal variable with two or more categories. In its most basic version, an ANOVA expands the scope of the t-test to include more than two groups and offers a statistical test to determine if the population means of many groups are equal. When comparing the means of three or more groups for statistical significance, an ANOVA is helpful. In theory, it is comparable to numerous two-sample t-tests. Another name for this test is the Fisher analysis of variance.

CHAPTER - IV

RESULTS AND DISCUSSION

The purpose of the chapter is to present and discuss the findings of the study. It comprises overview, description of the sample, demographic characteristics of the respondents, reliability test, research objectives and discussions.

4.1 Results

The analysis of employee satisfaction level and human resource management practice in Nepalese commercial banks using the various statistical analysis tools such as; descriptive analysis, correlation analysis and multiple regression analysis are presented in this section.

4.1.1 Demographic Characteristics of the Respondents

The description of the sample was based on age, gender, marital status, education level, length of services and income level per month. Questionnaires totaled 450 distributed, out of them 400 questionnaires were filled and returned which makes a response rate of 88.88 percent.

Descriptive statistics of the demographic characteristics of the respondents are presented in Table 2. It is clear that 230 (57.5 percent) of the respondents were males and 170 (42.5 percent) were females. The majority of respondents were aged between 30-39 years old that account 190 (47.5 percent), followed by aged between 20-29 years old that account 120 (30 percent) and lastly aged above 40 years old that account 90 (22.5 percent). Education level wise the majority of the respondents had bachelor level that account 201 (52.5 percent), followed by those who had masters level education that account 150 (37.5 percent) and 30 (7.5 percent) of the respondents had +2 level education and only 10 (2.5 percent) respondents in had above master's degree education. Length of services as work experience, the majority of the respondents were serviced between 3-6 years that account 200 (50 percent), followed by those serviced the more than 6 years that account 110 (27.5 percent) and only 90 (22.5 percent) respondents had served for 0-2 years.

Table 2*Demographic Characteristics of the Respondents*

Gender	Frequency	Percent
Male	230	57.5
Female	170	42.5
Total	400	100
Age		
20-29	120	30
30-39	190	47.5
40 and above	90	22.5
Total	400	100
Education		
Plus 2 Level	30	7.5
Bachelor Level	210	52.5
Masters Level	150	37.5
Above Masters	10	2.5
Total	400	100
Work Experience		
0-2 yrs	90	22.5
3-6 yrs	200	50
More than 6 yrs	110	27.5
Total	400	100
Position		
Assistant Level	140	35
Officer Level	200	50
Manager Level	60	15
Total	400	100

Source: Field Survey, 2024

Table 2 also depicts that the majority of respondents in the survey are working as an officer i.e. 200 (50 percent), followed by 140 (35 percent) respondents who are working as an assistant level employee and lastly 60 (15 percent) respondents are working in the organization as a manager in the survey.

4.1.2 Descriptive Analysis

The descriptive analysis of the variables used in the study as HRM practice as recruitment and selection, training and development, compensation policy and performance appraisal and employee satisfaction of the employees in Nepalese commercial banks are analyzed in this part of the study. In this study primary data are collected through structured questionnaires set of 5 point likert Scale (1 for strongly disagree, 2 for disagree, 3 for neutral, 4 for agree and 5 for strongly agree). And the response of 400 employees are analyzed here under.

Table 3*Descriptive Summary*

Variables	N	Minimum	Maximum	Mean	SD
Employee Satisfaction	400	2	5	3.430	0.719
Recruitment and Selection	400	1.8	4.2	3.114	0.500
Training and Development	400	2.4	5	3.696	0.690
Compensation Policy	400	1.5	5	3.437	0.732
Performance Appraisal	400	2	5	3.344	0.706

Source: Appendix - II

Table 3 reveals the summary result for the employee satisfaction and HRM practice variables such as; recruitment and selection, training and development, compensation policy and performance appraisal. It is clear that the average score for employee satisfaction is 3.430, which indicates that on average the respondents state that they are agree on the statements regarding employee satisfaction level in the Nepalese commercial banks.

Similarly, mean score for recruitment and selection is 3.114, with the standard deviation of 0.500 which is lowest average score among other variables i.e. training and development with mean score 3.696, compensation policy with mean score 3.437 and performance appraisal with mean score 3.344.

The highest and lowest mean score for the HRM practice variables i.e. training and development and recruitment and selection indicates that most of the respondents agreed with the statements regarding training and development practice followed by commercial banks enhances the employees' satisfaction level while less of the respondents agreed on the statements regarding recruitment and selection practice of the banks enhances the employees' satisfaction level.

There is lowest standard deviation in the responses regarding the statement on recruitment and selection practice which indicates that respondents view point on these statements are more likely to each other.

4.1.3 Correlation Analysis

The relationship between the variables human resource management practice and employee satisfaction level in Nepalese commercial banks are analyzed using Pearson's correlation analysis tools in this part of the study. The correlation analysis among the variables is done with the help of SPSS software and results are presented below;

Table 4

Correlation Analysis

Variables	ES	RS	TD	CP	PA
Employee Satisfaction	1				
Recruitment and Selection	.855**	1			
Training and Development	.728**	.649**	1		
Compensation Policy	.920**	.829**	.601**	1	
Performance Appraisal	.940**	.798**	.709**	.832**	1

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

Source: Appendix - III

Table 4 presents the relationship analysis results between employee satisfaction and the variables of HRM practice i.e. recruitment and selection, training and development, compensation policy and performance appraisal in the Nepalese commercial banks. The correlation between recruitment and selection and employee satisfaction is high degree positive and significant with the coefficient 0.855, meaning that recruitment and selection practice followed in the commercial banks increases the satisfaction level of employees.

Similarly, the correlation between training and development and employee satisfaction is also high degree positive and significant with the coefficient 0.728, meaning that training and development practice in the commercial banks increases the satisfaction level of employees.

Likewise, the correlation between compensation policy and employee satisfaction is very high degree positive and significant with the coefficient 0.920, meaning that compensation policy of the banks increases the satisfaction level of employees.

In the same way, the correlation between performance appraisal and employee satisfaction is very high degree positive and significant with the coefficient 0.940,

meaning that performance appraisal system of the commercial banks increases the satisfaction level of employees. In short there is very strong positive relation between performance appraisal and employee satisfaction in comparison to other variables of HRM practice studied in this study.

4.1.4 Regression Analysis

The effect of variables related to human resource management practice and employee satisfaction level in Nepalese commercial banks are analyzed using multiple regression analysis tools in this part of the study. The joint effect of recruitment and selection (RS), training and development (TD), compensation policy (CP) and performance appraisal (PA) on employee satisfaction (ES) is done with the help of SPSS software and results are presented below;

Table 5

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.977	0.954	0.954	0.15487

a. Predictors: (Constant), PA, TD, RS, CP

Source: Appendix - IV

Table 5 depicts regression analysis result for the dependent variable employee satisfaction (ES) and independent variables recruitment and selection (RS), training and development (TD), compensation policy (CP) and performance appraisal (PA) using the OLS regression analysis. The table shows the R-square value of 0.954 which means that 95.40 percent change in employee satisfaction in Nepalese commercial banks is explained by RS, TD, CP and PA and remaining 4.60 percent change in employee satisfaction is not affected by these variables.

Table 6

ANOVA Table

Statistics	Sum of Squares	df	Mean Square	F	Sig.
Regression	196.95	4	49.237	2052.74	0.000
Residual	9.475	395	0.024		
Total	206.424	399			

a. Dependent Variable: ES

b. Predictors: (Constant), PA, TD, RS, CP

Source: Appendix - IV

Table 6 shows the analysis of ANOVA showing the significance of regression model used in this study. The F-statistics and p-value for the regression result are 2052.74 and 0.000 respectively, which means that included variables in the regression analysis are strong enough to explain the change in employee satisfaction and the regression model is significant or fit for the analysis.

Table 7

Coefficients Table

Variables	Coefficients	t	Sig.	Tolerance	VIF
(Constant)	-0.282	-5.448	0.000		
Recruitment and Selection	0.121	4.013	0.000	0.263	3.805
Training and Development	0.105	6.417	0.000	0.475	2.105
Compensation Policy	0.392	17.784	0.000	0.231	4.323
Performance Appraisal	0.479	20.733	0.000	0.226	4.424

a. Dependent Variable: ES

Source: Field Survey, 2024

Table 7 presents the beta coefficients for each variables used in this study and their significance statistics. The multicollinearity in the variables showed that the VIF values for each variables are less than 5 which means that there is no multiollinearity in the independent variables of the model.

The coefficient of recruitment and selection is 0.121, meaning that recruitment and selection has significant positive effect on employee satisfaction in Nepalese commercial banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if recruitment and selection indicator increases by 1 unit employee satisfaction level of banks also increases by 0.121 unit.

Similarly, coefficient of training and development is 0.105, meaning that training and development has significant positive effect on employee satisfaction in Nepalese commercial banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if training and development indicator increases by 1 unit employee satisfaction level of banks also increases by 0.105 unit.

Likewise, coefficient of compensation policy is 0.392, meaning that compensation policy has significant positive effect on employee satisfaction in Nepalese commercial banks

since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if compensation policy indicator increases by 1 unit employee satisfaction level of banks also increases by 0.392 unit.

Moreover, coefficient of performance appraisal is 0.479, meaning that performance appraisal has significant positive effect on employee satisfaction in Nepalese commercial banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if performance appraisal indicator increases by 1 unit employee satisfaction level of banks also increases by 0.479 unit.

In short, the regression analysis indicates that HRM practice as recruitment and selection (RS), training and development (TD), compensation policy (CS) and performance appraisal (PA) have significant positive effect on employee satisfaction level in Nepalese commercial banks. The most significant factor of HRM practice to increase employee satisfaction is performance appraisal system followed by compensation policy of the banks.

4.2 Discussion

As per the analysis of perception of employees on selected HRM practices variables in the study the employees of commercial banks perceive more with training and development practice of the banks with the highest average score followed by compensation policy of the banks. While the level of employee's satisfaction in commercial banks found better since the responses on the satisfaction indicators are more likely to the agree level. This result suggested that the respondents had positive response on the HRM practice followed in the banks and their satisfaction level.

The relationship of selected HRM practices on employee satisfaction in Nepalese commercial banks found that recruitment and selection and employee satisfaction is highly correlated with each other and the positive association is significant, meaning that recruitment and selection practice followed in the commercial banks increases the satisfaction level of employees. The result is consistent with the finding of Oriyomi (2022) who revealed that recruiting practice of the company positively associated with the performance and satisfaction of the employees.

Similarly, training and development and employee satisfaction is also highly and positively correlated with each other and the relation is significant, meaning that training and development practice in the commercial banks increases the satisfaction level of employees. The result is consistent with the finding of Lama (2021) and Oriyomi (2022) who revealed that training to the employees is positively related with the satisfaction level of the employees.

Likewise, compensation policy and employee satisfaction is very highly correlated with each other and the positive relation is significant, meaning that compensation policy of the banks increases the satisfaction level of employees. The result is consistent with the finding of Gohain and Sanyal (2022) who stated that companies pay policy significantly associated with the employee satisfaction level and their performance as workplace.

In the same way, performance appraisal and employee satisfaction is very highly correlated with each other and degree of positive association is significant, meaning that performance appraisal system of the commercial banks increases the satisfaction level of employees. The result is consistent with the finding of Ajibola et al. (2019) and Lama (2021) who found that performance appraisal system had a positive correlation with employee satisfaction.

The effect analysis through multiple regression analysis found that recruitment and selection has significant positive effect on employee satisfaction in Nepalese commercial banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if recruitment and selection indicator increases by 1 unit employee satisfaction level of banks also increases by 0.121 unit. The result is consistent with the finding of Lama (2021) who reported that recruitment and selection had a positive correlation with employee satisfaction.

Similarly, training and development has significant positive effect on employee satisfaction in Nepalese commercial banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if training and development indicator increases by 1 unit employee satisfaction level of banks also increases by 0.105 unit. The result is consistent with the finding of Ijigu (2015), Ghimire et al. (2023) and

Jaiswal (2023) who reported that training and development has positive effect on employee satisfaction.

Likewise, compensation policy has significant positive effect on employee satisfaction in Nepalese commercial banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if compensation policy indicator increases by 1 unit employee satisfaction level of banks also increases by 0.392 unit. The result is consistent with the finding of Jaiswal (2023) and Ghimire et al. (2023) who found that compensation practices and remuneration have positive effect on employee performance.

Moreover, performance appraisal has significant positive effect on employee satisfaction in Nepalese commercial banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if performance appraisal indicator increases by 1 unit employee satisfaction level of banks also increases by 0.479 unit. The result is consistent with the finding of performance evaluation has a positive effect on employee performance. Likewise, Kandel (2022) and Jaiswal (2023) who found performance evaluation and promotion practices have positive effect on employee performance and satisfaction level.

CHAPTER - V

SUMMARY AND CONCLUSION

The summary of the study has been offered in this chapter, along with findings and practical suggestions for the sample banks for improving human resource management practice and employee performance in Nepalese commercial banks.

5.1 Summary

Human resource management is a necessary component of an organization's success. The practices of human resource management, including job security, performance autonomy, employee participation in decision-making, salary and benefits, opportunities for career planning and advancement, working conditions, social relations, communication systems, recruitment and selection, job assignment, performance appraisals, and so forth, effect employee satisfaction. Managers must always make sure that their staff members are happy in order to attain organizational success. Concerns about employee satisfaction have been raised by managers and executives inside the company. The relationship between worker views, such as employee satisfaction, dependability, and efficiency, and human resource management practices has been the subject of global research. This study evaluated the level of employee satisfaction at Nepalese commercial banks by depending on that fact.

This study attempted to evaluate employee satisfaction in Nepalese commercial banks. It focuses on the relative importance of human resource management factors and their impacts on the overall employee satisfaction and performance of employees. The purpose of this study is to assess employee satisfaction, measure it, and examine how it can affect employee satisfaction. This study adopts descriptive research design to analyze the human resource management status which causes employee satisfaction in Nepalese commercial bank. Causal-comparative design is used to find the cause and effect of relationship between different factors and employee satisfaction in Nepalese commercial banks.

The data for this study are collected form the employees of ten sample bank namely; Nepal bank Limited, NMB Bank Limited, Himalayan Bank Limited, Nabil Bank

Limited, Global IME Bank Limited, Mega Bank Limited, Laxmi Bank Limited, Machhapuchchhre Bank Limited, Sunrise Bank Limited and NIC Asia Bank Limited. For the survey in this study 450 structured questionnaires distributed to the employees of the banks, 45 for each banks (20 for credit department and 25 for operation department), valid responses were received from 400 respondents. Therefore, the sample size of the study is 400. Non-probability and convenient sampling method was used to collect the responses. The questionnaires are formatted as a structured set of 5 point likert Scale (1 for strongly disagree, 2 for disagree, 3 for neutral, 4 for agree and 5 for strongly agree). The collected raw data from the respondents are rearranged in the excel sheet and the data analysis were done with the help of SPSS software.

The results revealed that majority of the respondents were males and 42.5 percent were females. The majority of respondents were aged between 30-39 years old, followed by aged between 20-29 years old only 22.5 percent of the respondents were aged above 40 years old. Education level wise the majority of the respondents had bachelor level that account followed by those who had masters level education and 7.5 percent of the respondents had +2 level education and only 2.5 percent respondents in had above master's degree education. Length of services as work experience, the 50 percent of the respondents were serviced between 3-6 years followed by those serviced the more than 6 years and only 22.5 percent respondents had served for 0-2 years. Likewise, the majority of respondents in the survey are working as an officer followed respondents who are working as an assistant level employee and only 15 percent respondents are working in the organization as a manager in the survey.

As per the analysis on perception of employees on selected HRM practices variables in the study the employees of commercial banks perceive more with training and development practice of the banks with the highest average score followed by compensation policy of the banks. While the level of employee's satisfaction in commercial banks found better since the responses on the satisfaction indicators are more likely to the agree level. This result suggested that the respondents had positive response on the HRM practice followed in the banks and their satisfaction level.

5.2 Conclusion

The HRM practice followed by Nepalese commercial banks and the satisfaction level of employees in the banks conclude the employees of the banks are more satisfied with training and development practice of the banks followed by compensation policy of the banks. While the level of employee's satisfaction in commercial banks found suggested that the respondents had positive response on the HRM practice followed in the banks and their satisfaction level. It can be concluded that the HRM practice as recruitment and selection and performance appraisal are the factors that needs to be reformulated and restructured as per the need of bank and the employees' expectations to enhance the overall performance of the banks.

The relationship analysis concludes that there is very strong positive relation between performance appraisal and employee satisfaction in comparison to other variables of HRM practice studied in this study. Although all the variables are positively associated with employees' satisfaction in Nepalese commercial banks. There are some complaints from some employees about the recruitment and selection and training and development program of the banks, since these variables have low degree relationship with employee satisfaction.

The effect analysis of HRM practice on employee satisfaction through multiple regression analysis leads to conclude that HRM practice as recruitment and selection (RS), training and development (TD), compensation policy (CS) and performance appraisal (PA) have significant positive effect on employee satisfaction level in Nepalese commercial banks. The most significant factor of HRM practice to increase employee satisfaction is performance appraisal system followed by compensation policy of the banks. The bank management should particularly work to improve these dimensions in order to obtain happier and more productive employees.

5.3 Implications

On the basis of major findings drawn the study has some implications;

The research findings have significant weight for human resource managers in Nepalese commercial banks as they formulate policies and programs pertaining to employee development and successful work engagement.

The results of a performance evaluation are an effective tool since they offer recorded feedback on an employee's performance level. It facilitates better communication between owners, directors, managers, and employees and aids in determining continuing employment, promotions, transfers, bonuses, and salary increases. Because these individuals' performance results show limitations in reaching targets, the human resource department should use performance evaluation reports for organizational training need assessments and additional performance analysis.

The decision-maker may resolve concerns and problems pertaining to the job by keeping employees on board for the long run and fostering an environment in the workplace that encourages job satisfaction.

This study examined HRM practices related to hiring and selecting employees, training and development, remuneration policy, and performance assessment. Similar research may be done to evaluate the impact of the other HRM practices, which are not covered in this study, on employee satisfaction.

Policy Implication

Employers ought to have equitable and open hiring procedures. The recruiting procedures that prioritize diversity and inclusion and make sure the candidate and the company are a good fit.

In order to improve worker performance, banks should provide chances for ongoing education and training, make customized development plans, and support coaching and mentoring initiatives.

Similarly, give extensive benefit packages that include paid time off, retirement plans, and health insurance in addition to introducing flexible work schedules and work-life balance programs to guarantee fair and competitive wage structures.

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