

HUMAN RESOURCE PRACTICES AND EMPLOYEE SATISFACTION OF COMMERCIAL BANK IN NEPAL

A Dissertation Submitted to the Office of the Dean, Faculty of Management in Partial
Fulfillment of the requirement for the Master's Degree

By:

Tilak Acharya

Campus Roll No.629/073

Exam Symbol No. 3078/17

T.U. Registration No.: 7-3-39-1772-2016

Shanker Dev Campus

Kathmandu, Nepal

July, 2024

CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled "Human Resource Practices and Employee Satisfaction of Commercial Bank in Nepal" 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 requirements for any other academic purposes.

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

.....

Tilak Acharya

REPORT OF RESEARCH COMMITTEE

Mr. Tilak Acharya has defended research proposal entitled "**Human Resource Practices and Employee Satisfaction of Commercial Bank in Nepal**" successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestion and guidelines of supervisor Dr. Dilliram Bhandari Submit the thesis for evaluation and viva-voce examination.

.....

Dr. Dilliram Bhandari
Dissertation Supervisor

Dissertation Proposal Defended Date:

Dissertation Submitted Date:

.....
Asso. Prof. Dr. Sajeeb Kumar Shrestha
Research Department

Dissertation Viva-voce Date:

APPROVAL SHEET

We, the undersigned, have examined the thesis entitled "**Human Resource Practices and Employee Satisfaction of Commercial Bank in Nepal** " Presented by Tilak Acharya Candidate for the degree of Master of Business Studies (MBS Semester) and conducted the Viva voce examination of the candidate. We hereby certify that the thesis is worthy of acceptance.

.....
Dr. Dilliram Bhandari
Dissertation Supervisor

.....
Internal Examiner

.....
Internal Expert

.....
External Expert

.....
Asso. Prof. Dr. Sajeeb Kumar Shrestha
Chairperson, Research Committee

.....
Asso. Prof. Dr. Krishna Prasad Acharya
Campus Chief

ACKNOWLEDGMENT

The dissertation entitled "Human Resources Practices and Employee Satisfaction of Commercial Bank in Nepal" has been prepared to fulfill the partial requirements for the master degree (M.B.S.) course of Tribhuvan University. I would like to express my gratitude towards each and every individual who have supportive helping hands for the completion of the dissertation work. Without whom, it is not possible anyways, I would like to thank following persons for their continues support and providing intellectual comments.

First of all, I am heartily, indebted and thanks to my dissertation supervisor Dr. Dilliram Bhandari of Shanker Dev Campus whose inspiration and constant valuable guidance, proper supervision and encouragement towards achieving the goal of this dissertation and providing the useful materials. His encouragement and suggestion guidance for this work is incredible, without which it would not be success.

Similarly, I also would like to express my sincere gratitude to management department head Asso. Prof. Dr.Sanjeeb Kumar Shrestha Chairman of research committee Asso. Prof. Dr.Krishna Prasad Acharaya and campus chief of Shanaker Dev Campus for the support during preparation.

I also owe deep gratitude to all reputed authors whose writings have provided me the necessary guidance and invaluable materials for the enrichment of my research papers in all possible ways. My special appreciation goes to my colleague and to all my family members, teachers and friends for their continuous encouragement and help to complete this work directly or indirectly.

Thank you.

Tilak Acharya

TABLE OF CONTENTS

COVER PAGE.....	i
CERTIFICATION OF AUTHORSHIP.....	ii
ACKNOWLEDGMENT.....	v
LIST OF TABLES.....	viii
LIST OF FIGURE.....	ix
ABBREVIATIONS.....	x
ABSTRACT.....	xi
CHAPTER-I.....	1
INTRODUCTION.....	1
1.1 Background of the study.....	1
1.2 Statement of Problem.....	5
1.3 Objectives of the Study.....	6
1.4 Rationale of the Study.....	6
1.5 Limitations of the study.....	6
CHAPTER-II.....	8
LITERATURE REVIEW.....	8
2.1 Conceptual Review.....	8
2.1.1 HR Practice.....	8
2.1.2 Job satisfaction.....	10
2.1.3 HRM outcomes and performance.....	11
2.1.4 Employees' attitude and job satisfaction.....	15
2.2 Theoretical review.....	15
2.2.1 Herzberg's two-factor theory.....	15
2.2.2 Adam's equity theory.....	16
2.2.3 Vroom's need and fulfillment Theory.....	17

2.3 Empirical review	17
2.4 Research Gap	25
CHAPTER-III.....	27
RESEARCH METHODOLOGY.....	27
3.1 Research Design.....	27
3.2 Population and Sample	27
3.3 Nature and Sources of Data	27
3.4 Data Analysis Techniques.....	28
3.5 Research Framework	30
3.5 Definition of Independent and Dependent Variables.....	30
CHAPTER-IV	34
RESULT AND DISCUSSION	34
4.1 Presentation and analysis of data	34
4.1.1 Individual variables analysis	34
4.2 Descriptive Statistics.....	39
4.3 Correlation analysis	40
4.4 Regression Analysis.....	42
4.5 Discussion	44
CHAPTER-V	46
SUMMARY AND CONCLUSION	46
5.1 Summary	46
5.3 Implications.....	47
REFERENCES	49

LIST OF TABLES

Table No	Title	Page No.
2.1	Summery of literature review	21-25
4.1	Work cultural analysis	35
4.2	Training and performance appraisal	36
4.3	Pay and allowance	37
4.4	Transfer and Promotion	38
4.5	Employee Satisfaction	39
4.6	Structure of descriptive statistics of variable	40
4.7	Correlation Matrix of Variables of Banks	41
4.8	Structure of Model Summary	42
4.9	Structure of ANOVA table	43
4.10	Coefficient table	43

LIST OF FIGURE

Table No.	Title	Page No.
3.1	Research framework	30

ABBREVIATIONS

&	:	And
ES	:	Employee satisfaction
et al.	:	And other
HR	:	Human Resources
HRM	:	Human resource management
i.e.	:	That is
O.C	:	Organization commitment
P.P	:	Promotion practices
S.D.	:	Standard deviation
S.R	:	Selection and recruitment
T.D	:	Training and development
T.D	:	Number of observation
TU	:	Tribhuvan University

ABSTRACT

This study looks at how employee satisfaction in Nepalese commercial banks is affected by HR practices. The variable that is dependent is employee satisfaction. Workplace culture, training and performance reviews, salary and benefits, and promotions and transfers are the independent factors. 400 respondents from Kathmandu city were asked for their perspectives as part of a primary data collection process. The survey employed structured questionnaires that included cross-sectional data and a five-point Likert scale. The relationship and effect of an independent variable on employee satisfaction were determined using regression analysis and correlation analysis. The findings indicate that there is a favorable association between work culture, training and performance reviews, salary and benefits, and promotions and transfers with employee satisfaction. Executives at commercial banking institutions could find this study and its findings useful in making decisions, as it offers a basis for projecting and mitigating employee-related problems. Thus, this study offers a more thorough understanding of the current state of HR practices and how they relate to worker happiness. Subsequent studies may be carried out incorporating additional variables related to human resource strategies, as well as gathering additional data to evaluate potential long-term effects. Thus, in subsequent research, the relationship between demographic factors and moderating effects can be investigated.

Keywords: Human Resource Management (HRM), Social benefit, performance, promotion, training and development, job satisfaction, and selection and recruiting

1

CHAPTER-I

INTRODUCTION

1.1 Background of the study

The purpose of this study is to examine Nepalese commercial banks' HR policies and employee satisfaction levels. There has been much study on HR practices in small and medium-sized enterprises and industries. Most of these studies, both theoretical and empirical, have focused on HR practices in Western companies. Relatively few studies have examined the impact of HR policies on Asian businesses' performance (Li, 2003; Lu & Bjorkman, 2008). The HR environment may be a more significant predictor of productivity in the services sector than in manufacturing, given the much higher proportion of employment in total production costs and the far more extensive direct contact between employees and customers (Ann, 2021). The bulk of prior research on HRM and organizational happiness has focused on the manufacturing rather than the service sectors, despite the fact that the majority of workers today are engaged in service-related businesses. The banking sector in Nepal is crucial to the country's economic growth. A vital part of financial intermediation, which fosters stability and prosperity in the economy, is played by commercial banks. However, a major factor in these institutions' success is their workforce. Thus, understanding how HR policies impact employee satisfaction is essential to maintaining a motivated and productive workforce.

The HR practices, outcomes, and impact of HR practices on the performance of Kathmandu's commercial banks have not been studied by many scholars, nor have they been studied in relation to Nepal's public sector banks. This study closes this gap in the literature in the context of the Kathmandu service industry. Nowadays, most people agree that a company's competitive advantage mostly stems from its workforce (Barney, 2010). As a result, it is imperative that a company develop HR policies that optimize employee potential. Numerous research have shown that various indicators of organizational performance and so-called "high performance work practices" (Huselid, 2015) are positively correlated. Due to this trend, interest in how HR affects organizational performance has grown.

Many scholars have seen the effects of HR policies on outcomes such as employee participation, trust, loyalty, commitment, retention, presence, social climate between

workers and management, and organizational justice (Edger & Geare, 2020 & Storey, 2013). Some authors claim that a company's profitability, market value, market share, sales growth, productivity, customer happiness, and future investments may all be impacted by these outcomes and HRM practices.

The impact of HR policies and practices on corporate performance is highly valued by a number of academic disciplines, including personnel economics, industrial relations, human resource management, and organizational and industrial psychology (Boudreau, 2000, Jones & Wright, 2000). The literature is increasingly supporting the claim that a company's current and potential employees' knowledge, skills, and abilities as well as their motivation can be improved by implementing High Performance Work Practices, such as thorough hiring and selection processes, incentive pay and performance management systems, extensive employee involvement, and training, while encouraging non-performers to leave the company and decreasing shirking.

The majority of firms nowadays view their workforce as their most valuable asset. Particularly, human resources hold greater value in service organizations than in industrial ones, therefore changes must be closely tied to personnel-related concerns (Boselie & Wiele, 2020). Because globalization is happening faster than ever, organizations are more mindful of their human resources than they were in the past. Prior research has substantiated the idea that, with the right design, HR procedures may improve an organization's performance.

The state of the economy is fast shifting. The job of HR is now even more important in a changing environment. An organization needs qualified and dedicated labor to accomplish its goals. These are the results of managing human resources effectively and efficiently. The causes driving the increased interest in HR are workforce diversity, technological advancements, globalization, growing completion rates, and changing nature of work.

The people aspect of a company is the focus of human resource management, which is essential to accomplishing organizational goals. The performance of individuals working in organizations determines the effectiveness of those organizations. People become human resources when they combine their physical prowess and vitality with their

competencies—their knowledge, abilities, attitudes, and room for improvement. HR is concerned with managing people via the management of human resources and competences, with the goal of leveraging people's productive contributions to achieve corporate objectives.

The process of organizing, planning, directing, and overseeing the hiring, training, compensation, integration, maintenance, and division of human resources with the aim of achieving group, societal, and personal objectives is known as human resource practice.

Human resource management had its origins in the ideas of Douglas McGregor and Peter Drucker in the 1950s. Drucker introduced the idea of "visionary goal-directed leadership," which paved the way for the creation of "management by objectives," a cornerstone of human resources. McGregor created the idea of "management by integration and self-control." According to Armstrong (2001), this approach promotes HRM strategy as being an essential component of company strategy and assigning responsibility for HRM to all managers. The industrial revolution is the starting point for HRM advancement.

The Industrial Revolution stage focused on the factory structure and machine power for mass manufacturing. Personnel management, charity programs, and labor regulations all began to take shape. Subsequently, the scientific management stage promoted various human management tools and concentrated on increasing worker efficiency through appropriate hiring, training, and remuneration. For the first time, the human relations movement of the early 2000s highlighted the management of the human element in organizations that were continuously moving toward strategic human resource management. Its main topics were camaraderie, the power of self-respect, motivation, and the interaction between superiors and subordinates as well as common ideals and objectives. The human behavior movement emerged from the human relations movement and marked the beginning of a new era in management by emphasizing employee behavior within the workplace.

HRM was pioneered by Peter Drucker and Douglas McGrefor; proponents of this stage include Abraham Maslow, Rensis Linkert, Chris Argyris, and Frederick Herzberg. The first idea to adopt a system-wide strategy to manage planned change for enhancing organizational performance through behavioral interventions is the organization development movement. It promotes cooperation and teamwork, humanistic democratic

principles, and individual behavioral pattern and attitude transformation. Additionally, it emphasizes quality of work life, collaborative management, planned change management, team building, training and development, and quality of work life. The mutuality between management and employees was highlighted throughout the organizational culture movement stage. It includes accepted standards, viewpoints, attitudes, and values that direct workers' conduct inside the workplace (Agrawal, 2004).

The banking industry in Nepal has expanded and changed significantly in recent years as a result of growing competition, technological advancements, and economic liberalization. One of the key elements affecting the sustainability and profitability of commercial banks is effective human resource management (HR). The aim of human resource practices is to maximize human potential and organizational success via a wide variety of activities such as hiring, training, performance management, compensation, and employee relations. HR practices have a big influence on employee satisfaction in the context of Nepalese commercial banks, which is important for retaining competent staff, fostering a positive work environment, and raising overall productivity.

Many elements influence employee happiness, such as fair compensation, opportunities for career advancement, work-life balance, and acknowledgment of achievements. Satisfied workers are more likely to be motivated, devoted, and productive at work, which boosts the bank's operational effectiveness and customer satisfaction. In order to find practical HR strategies that might enhance both employee well-being and organizational performance, this study explores the complex relationship between HR practices and employee satisfaction in Nepalese commercial banks. In order to help bank management create and execute HR policies that encourage a motivated and happy workforce, the research will evaluate current HR practices and their impact on employee satisfaction.

Work contentment, sometimes known as job satisfaction, is a multifaceted phenomenon. The following themes relate to what makes work fulfilling: inventing something new, applying abilities, working tirelessly, exercising initiative, taking responsibility, interacting with others, and collaborating with knowledgeable others. However, doing monotonous job, contributing little to nothing, completing pointless duties, experiencing insecure, and being overly carefully watched lead to employee unhappiness. In addition, there are two types of elements that affect overall satisfaction: factors related to the job

and factors not related to the job. It has been determined that both of these sets of characteristics have a significant role in determining work satisfaction.

1.2 Statement of Problem

Writing on human resource management and teaching it in university business schools tends to be somewhat out of step with some major developments in theoretical social science thinking about organizations and management, and less critical than it could be in several important ways. As we shall see, several of the most important shortcomings have been noticed by other observers. But rather than serving as a goal in itself, the study's goal is to compile and expand on some of these criticisms of academic HRM. The aim is to identify some of the issues that need to be avoided in order to resolve the primary obstacle that will be addressed here. This is the difficulty of developing and implementing a theoretically sound, critical social scientific analytical approach to some "real" strategic HRM activities. Effective and efficient human resource management involves both behavioral and psychological components. In order to achieve organizational goals through the recruitment, development, use, and retention of a dedicated workforce, human resource development (HRD) is concerned with the people component of an organization as well as the management of human energy and competences in a changing and dynamic environment.

Numerous research studies have been carried out by scholars about Human Resource Management and job happiness. However, this particular study is similar in that it relates to managing workplace transformation and gaining knowledge from past experiences with HRM. These are the variables that have not yet been investigated and examined in relation to the organization in Kathmandu. Thus, in an effort to investigate in the Nepalese context, these factors have been chosen for the research, which is novel work in the field of management research. Therefore, the following issues are the focus of this study.

1. What are levels of HR practices and employee satisfaction in Nepalese commercial banks?
2. Do the HR practices and employee satisfaction are related to each other?
3. What is the impact of HR practices on employee satisfaction?

1.3 Objectives of the Study

This study's main goal is to evaluate the consequences that human resource management has on a sample of Nepalese commercial banks. To further facilitate the investigation, the precise objectives listed below might be mentioned:

1. To examine the level of HR practices and employee satisfaction in Nepalese commercial banks?
2. To assess the relationship between HR practices and employee satisfaction.
3. To analyze the impact of HR practices on employee satisfaction.

1.4 Rationale of the Study

The current researcher could find the consequences of organizational change in human resource management in Nepalese commercial banks based on several factors within the study framework. The current researcher will examine and analyze the impacts of organizational change in human resource management with regard to different commercial banks in Nepal in addition to assessing the effects generally.

The researcher was able to see a circumstance in which the impacts of organizational transformation on human resource management in Nepalese commercial banks had not been before studied. The study's focus is on how organizational changes in Nepalese commercial banks' HR departments affect worker happiness. This makes it easier to pinpoint the strengths and weaknesses of a given bank's HRM practices as well as how employee happiness impacts the profitability and performance of the bank. Shareholders and other stakeholders can use the information provided to assess the bank for financing purposes. (Lender, depositor, body that oversees, etc.). It has more academic value since the new framework and findings will be helpful in developing future research instruments to gauge employee satisfaction levels.

The research's conclusions will thus be helpful to managers in evaluating the effectiveness of HR practices they already utilize and identifying the HRM implications of such policies. Managers in the banking sector in Kathmandu also have the ability to alter the HR protocols that are already in place. Finally, the study's findings may be used to raise the public sector's and the banking sector's performance in Nepal.

1.5 Limitations of the study

The study has limitations even with the careful considerations that were made during the investigation. This study's primary shortcoming was its failure to incorporate a larger

number of national organizations; additional commercial banks that have implemented HRM nationwide may have been included in order to offer a more comprehensive analysis. Since the study only included a sample of five commercial banks, there aren't enough observations; additional observations should be gathered in order to improve the accuracy and credibility of the analysis. Convenient and informal comparative survey methods were employed in the study to gather primary data. There is no particular sample strategy used in the study to choose the businesses that would participate in the survey. The organization's top manager's comments are not included in this study. The responses collected for the analysis were limited to personnel at the middle and lower levels. The study's resources and time constraints are equally limited, with just ten years' worth of data included in the sample.

When contacted, the respondents hesitated to provide information out of concern that it would be used against them or the Bank in an attempt to intimidate them or create a bad impression of them. Since the study only looks at five independent factors, it is also restricted in its ability to examine the effects of HR practice from various angles. More variables may be included.

Future researchers might therefore expand the study's scope by taking into account more factors and samples.

CHAPTER-II

LITERATURE REVIEW

The primary goal of this chapter's research was to comprehend the impact of HR practices inside the framework of Nepalese commercial banks. In order to understand more about the linked constructions that are guiding the current research, the researcher discovered that the works of several academics are relevant sources.

1. Conceptual Review
2. Theoretical Review
3. Empirical Review
4. Research Gap

2.1 Conceptual Review

2.1.1 HR Practice

According to Armstrong (2010), human resource management (HRM) is a deliberate and comprehensive strategy for managing a company's most important asset its people who both individually and collectively help the organization achieve its objectives. All managerial decisions and activities that have a direct effect on the company's workforce or human resources are included in HRM.

According to McMahan and McWilliams (2000), an organization's professional and experienced personnel is not the same as its human resources systems. They argued that a company's human resources had a greater potential to generate value over time. To produce value, however, human resources must possess high skill levels as well as the willingness, motivation, and fulfillment to demonstrate productive behavior that is fostered by HR practices. Thus, HRM strategies have an impact on employees' behavior in addition to assisting in the development of their skills and abilities. Human resources are precious, uncommon, distinctive, and well-organized when four basic requirements are met (Barney, 1991).

As a result, it's imperative that a company use human resource management (HRM) techniques that optimize employee potential. Pfeffer (2001) proposed that seven HRM practices are shared by successful organizations: extensive intra-organizational sharing of

financial and performance data; job security; self-managed teams; decentralization of decision-making as fundamental organizational design principles; and relatively high compensation that is based on performance. Less barriers and status distinctions, such as dress codes, language, office layouts, and salary disparities between levels, are also common to successful organizations. These days, organizations have to deal with a degree of competitiveness that is increasing daily. For this reason, managers need to be constantly looking for ways to maximize the utilization of human resources in order to improve organizational performance.

Lado and Wilson (1994) defined the HRM system as an assortment of distinct yet related duties, positions, and practices used to attract, develop, and hold onto (or discharge) an organization's human resources. Moreover, promotion, training, assessment, and pay are just a few of the HR roles, activities, and processes that may be strategically integrated to form this organizational competence. These actions are taken to recruit, develop, and retain strategic HR that helps the company achieve its goals (Pérez and Falcón, 2006).

Dessler (2001) lists selection, training, compensation, labor relations, and employee security as the five tasks of HRM systems. A human resource system enhances organizational performance, develops and maximizes an organization's capabilities, and aids in the maintenance of the organization's competitive edge, according to Huselid (2008) and Becker & Gerhart (2010). Wilson and Lado (2000). Consequently, a coherent set of processes that enhance employee competences, spread information, enable employees to participate in decision-making, and motivate employees makes up an efficient HRM system (Pfeffer, 2001; Applebaum, 2000). It is recognized that HRM practices have the ability to affect organizational performance through HRM outcomes, either directly or indirectly.

Petra and Juan (2019) discovered a paradigm that is based on their main assertion, which is that human resources may be used to gain a competitive edge. This model takes into account the prospect of a sustained competitive advantage for those who know how to set up an HR system that incorporates HR policies and procedures in order to create and protect strategic human capital.

2.1.2 Job satisfaction

A multifaceted notion, job satisfaction captures all of an employee's feelings and perspectives about their work. It considers a number of factors, including as the type of job, compensation, opportunities for career growth, working environment, relationships with supervisors and coworkers, and work-life balance. The level of job satisfaction significantly impacts an employee's motivation, commitment, and performance inside the company. Elevated job satisfaction is often linked to favorable consequences including increased output, reduced staff attrition, and enhanced worker welfare.

Job satisfaction has become a key area of study for organizational and industrial psychology. It is common to quote Locke's (2010) definition of job satisfaction, which is described as an agreeable or pleasant emotional state resulting from an appraisal of one's job or work experiences (Jex 2002). The evaluation takes into account a wide range of work-related aspects, such as salary, working conditions, relationships with colleagues and supervisors, career chances, and of course the key components of the job itself (Arnold et al 2000). In other words, job satisfaction is correlated with the degree to which our expectations of the task align with the results that really occur. Furthermore, as an employee's attitude toward their work is all that constitutes job satisfaction, the theories of attitudes that have been previously explored may also be applied to job satisfaction. As a result, three elements may be identified as constituting job satisfaction: emotive, cognitive, and behavioral (Jex 2002). The cognitive component is a belief about a work, whereas the emotional component is a feeling about a job. These two factors are frequently connected. The behavioral component serves as a gauge for the kinds of behavioral goals that go into a job, such showing up on time and putting in a lot of effort. The easiest way to define job satisfaction is as a person's degree of satisfaction with their place of work. At the more sophisticated levels of conceptualization used by academic researchers and HR experts, there are differing definitions of work satisfaction. The traditional definition of affective work satisfaction is a one-dimensional subjective construct that captures a person's overall emotional feeling about their employment. Consequently, an individual's emotional job satisfaction reflects the degree of pleasure or delight they typically derive from their profession.

The conventional definition of cognitive work satisfaction is a more impartial and rational evaluation of the many components of a job. As a result, cognitive work satisfaction may

be categorized as one-dimensional when it just considers one part of a job, such as maternity leaves or remuneration, or as multidimensional when it considers two or more aspects of a job at the same time. Cognitive work satisfaction assesses how well a job holder feels a specific job feature aligns with personal objectives or other employment, as opposed to gauging the degree of fun or pleasure gained from a given job aspect. While affective job satisfaction and mental job satisfaction can be influenced, the two concepts are distinct, not necessarily associated, and have different causes and consequences.

Narrow definitions of job satisfaction include an employee's general attitude or feeling about their occupations and the components of their jobs, such as fair remuneration, a nice working environment, and contact with coworkers (Glisson and Durick, 2005; Kim, Leong, and Lee, 2010). A more general definition of job satisfaction, according to Locke and Lathan (2000), is a joyful or pleasant emotional state that results from an assessment of one's work or work experience. A worker's degree of job satisfaction is based on how they perceive their occupations to support the things that are important to them.

2.1.3 HRM outcomes and performance

Zheng et al. (2006) did an empirical study on high performance HRM approaches in Chinese SMEs. For use and comparison in this study, five popular models that explicitly draw attention to the connection between HRM and organizational performance were selected. They classify HRM activities and outcomes and illustrate the relationships between performance, results, and practices.

a) Training and development

A key component of human resource management (HRM) that significantly affects both employee effectiveness and organizational success is training and development. Investing in comprehensive training and development programs is crucial for commercial banks, particularly those in Nepal, to achieve strategic business objectives and enhance staff skills and work satisfaction. The impact of training and development on HRM outcomes and organizational success is examined in this article.

Investing in training may be seen as an investment in the company's human capital. Furthermore, three main tasks are included in training and development: education, training, and development. Knoke and Kalleberg (2001), cited by Sandra, state that "training is seen as a useful means of withholding changes fostered by technological innovation, market competition, organizational structuring, and demographic shifts."

Companies that encourage staff development and training are making an investment in their personnel. One advantage of this investment is that each employee will have a higher employability (Waterman, 2000).

In an increasingly technologically advanced and rapidly changing global market, organizations must maintain a trained and flexible workforce in order to remain competitive. Thus, having a competent labor pool becomes a strategic objective. To ensure that staff members possess the knowledge, skills, and attitudes necessary to meet company goals and get a competitive advantage, an organization's training and development plan is crucial (Peteraf, 2006). Once employment officially begins, workers invest in their human capital, which is commonly known as training. The corporation may provide vocational training or on-the-job training as a means of obtaining this investment. Economists often distinguish between two types of learning.

It gives a worker abilities that are exclusive to the business or abilities that will increase output just for the business (Garibaldi, 2006). This type of training will increase productivity for a range of firms by improving the employee's entire human capital (Gary Becker, 2000). On the other hand, organizational risk might increase with general training and development if skilled employees decide to quit the firm in quest of greater opportunities elsewhere. It makes sense to believe that the amount of money a firm spends on both technical and non-technical training will have a favorable impact on how well it is able to develop the abilities and knowledge of its workforce.

A number of high-performance HRM methods were noted by MacDuffie (2006), Huselid (2000), and Koch and McGrath (2001), including training. Employers who place a higher priority on staff development than staff training may also see lower employee turnover than their counterparts. Workers in organizations that have robust technical and non-technical training programs will probably observe a more favorable growth in their market worth than they do at other organizations. Therefore, it makes sense for them to work for the organization longer. Within the domain of human resource management, the area of training and development pertains to organizational endeavors targeted at enhancing the performance of both people and groups within organizational environments. Through the growth and acquisition of a company's human capital, HRM procedures have an impact on employee abilities (Huselid, 2010).

By using a range of HRM strategies, employers may enhance employee talents (Delaney & Huselid, 2000). Initially, these processes can be used to improve the quality of applicants hired, the skills and talents of current employees, or both. Second, by providing extensive training and development opportunities, employers may improve the level of their present personnel after recruiting. Training investments have been shown to have good organizational impacts by previous studies (Bartel, 2001; Knoke & Kalleberg, 2004).

Many research have been done on the impact of training on an organization's performance. For instance, a substantial amount of evidence suggests that corporate training investments increase organizational performance (Kalleberg & Moody, 2004). Studies have consistently demonstrated a favorable correlation between organizational success and staff development (Koch & McGrath, 2006). Companies with great training programs outperform those with less effective ones when it comes to staff turnover and employee growth (Arthur, 2004; Fey, 2009). Moreover, increased investment in staff development and training is positively connected with increased productivity, a decline in workers' inclination to quit the firm, and organizational effectiveness (Harel and Tzafrir, 2006).

An organization's productivity and its training program appear to be positively correlated, according to a number of studies looking at the effect of training on production (Bartel, 1994). Previous studies have found a relationship between training and development strategies and a number of organizational performance measures (Becker & Huselid, 1998).

b) Recruitment and selection

Within Human Resource Management (HRM), recruitment and selection are essential procedures that directly impact the output and performance of the firm. Effective recruiting and selection procedures are essential for commercial banks, especially those in Nepal, to draw in and keep skilled personnel who may have a big impact on the bank's success. The significance of recruiting and selection in influencing HRM results and its effects on organizational success are discussed in this article.

The hiring, screening, and assignment of employees are the phases in the organization's staffing process (Harel & Tzafrir, 2006). Terpstra and Rozell (2003) found a strong and positive correlation between the level of recruitment, the reliability of selection tests, and the use of formal selection methods and firm profitability. Productivity is increased when the correct individual is placed in the right position through HRM practices (organizational structure and employee skills) (Huselid, 2005). Similarly, research has shown that establishing effective staffing procedures or selective hiring practices improves organizational performance (Delany & Huselid, 2006). Koch and McGrath (2006) discovered a positive correlation between advanced hiring and selection procedures and worker productivity.

C. Performance evaluation practices

One important component of human resource management (HRM) that has a big impact on employee advancement and organizational effectiveness is performance assessment. Well-structured performance assessment methods are essential for assessing employee input, identifying areas for improvement, and coordinating individual goals with organizational objectives in commercial banks, including those in Nepal. The significance of performance evaluation for HRM outcomes and its impact on organizational performance are discussed in this article.

A systematic process of worker monitoring, performance assessments are intended to be a management tool to increase staff productivity and performance (Shahzad, et al., 2008). Performance evaluation, or observing, rating, and providing feedback to staff members on their work, is one potentially important tactic for developing a productive workforce. Performance appraisals are an extra technique for improving employee performance. It is widely recognized as the primary human resource management intervention for providing employees with feedback on their work-related successes, according to Waddell et al. (2000). Performance reviews can help with choices concerning pay, retention, transfer, promotion, and demotion. It serves as a developmental roadmap for staff feedback and training needs evaluations as well. Employee happiness and productivity can both rise with performance assessment systems (Brown & Benson, 2003).

2.1.4 Employees' attitude and job satisfaction

Employee happiness is another idea that appears simple enough, but requires explanation to be fully understood. According to Gregson (2007), employee satisfaction is the feeling of well-being that arises from a person's personal evaluation of their work or experience. Employee work satisfaction is clearly influenced by a lack of growth and promotion chances, a factor that has been the subject of countless studies. It is impossible to understand employee attitudes regarding an HR practice without also knowing attitudes generally. Attitudes have been given a lot of power since they help a person achieve a lot. According to Armenakis and Bedeian (1992/2009), employee attitude may also operate as a "marker" or indicator of the chance that workers will take the actions required to bring about the changes that are wanted. Applying this reasoning to the current study, it is conceivable that workers who have a good outlook will be more inclined to support their newly combined company, whilst those who have a less positive outlook will probably be more likely to be unhappy with the merger. This study evaluates attitudes' emotional component—also referred to as employee satisfaction—after HR practices have taken place.

It is impossible to understand employee attitudes regarding an HR practice without also knowing attitudes generally. Attitudes have been given a lot of power since they help a person achieve a lot. It directs behavior, perception, and information processing (Pratkanis, 2009). According to Eagly and Chaiken (2003), attitude is a psychological propensity that manifests itself as a degree of favoritism or dislike toward a certain thing. Applying this reasoning to the current study, it stands to reason that staff members who have good views will generally be more supportive of their newly combined company, whilst staff members who have less positive attitudes will probably be more disappointed with the merger.

2.2 Theoretical review

2.2.1 Herzberg's two-factor theory

Herzberg created a two-factor theory of job happiness after researching 200 engineers and accountants for his studies on employment attitudes and motivation. Herzberg et al. (2009) state that components that satisfy (motivators/intrinsic) and dissatisfy (hygiene/extrinsic) are what make up job satisfaction. The word "hygiene" is derived from an analogy with the medical usage of the term, which denotes preventative and

environmental measures, according to Herzberg et al. (2006). When these hygiene aspects—which relate to Maslow's lower-level needs—like salary, supervision, security, and working conditions—are absent or insufficient, it can lead to job discontent. These variables are also known as intrinsic motivation. While job happiness is influenced by satisfiers, often referred to as motivators (intrinsic motivation), which include progression possibilities, success, responsibility, acknowledgment, and the job itself (all of which align with Maslow's higher-level criteria).

According to Herzberg (1968), the presence of satisfiers (motivators) causes job satisfaction, whereas their absence results in job dissatisfaction rather than job satisfaction. Similar to this, unhappiness at work might result from unsanitary circumstances, but these factors do not necessarily translate into happiness at work (Herzberg, 1968). More factors than only compensation, security, and working conditions affect job happiness. However, Gruneberg (1979) argues that job satisfaction may temporarily increase if certain hygiene factors have recently improved.

Numerous studies that used the critical event approach to collect data have backed up Herzberg's theory. However, some study has not been able to support Herzberg's idea since they used different methods to collect data, which led to a lack of empirical proof (Gruneberg, 1979). However, it is widely acknowledged that Herzberg's two-factor theory was groundbreaking and significant in differentiating between job unhappiness and job pleasure (Hassard et al., 2016).

2.2.2 Adam's equity theory

Employees desire more than just their wants to be satisfied; they also want to be treated fairly and/or equally to other employees in the incentives system. Employees evaluate their efforts and results in relation to others'. The extent to which a person believes they have contributed to their place of employment, taking into account factors including education, prior employment, loyalty, time, inventiveness, and job happiness.

According to Wood et al. (2004), outcomes are the benefits that a person feels they will receive as a result of their job. These rewards might take the form of financial bonuses, employment stability, social advantages, and psychological rewards. The idea that people get demotivated or unmotivated if they believe their inputs, such as effort or devotion,

exceed their outputs, such as salary and privileges, is the cornerstone of the equity hypothesis. The equity theory's detractors contend that ideas of justice and fairness may be arbitrary since it's possible that one's ideas or opinions don't fully represent the circumstances at hand.

2.2.3 Vroom's need and fulfillment Theory

According to the need fulfillment hypothesis, an individual's degree of job satisfaction is influenced by their income (Gruneberg, 1979). Performance, satisfaction at work, and career choice are all taken into consideration by Vroom's 1964 expectation theory. The theory he developed is known as the Valence, Instrumentality, Expectancy (VIE) hypothesis. In this theory, Valence stands for the desire for a reward, Expectancy for the possibility of completing a task successfully, and Instrumentality for the mechanism by which rewards are obtained.

Workers are motivated by a desire to achieve and a belief that their efforts will be rewarded, whether in a positive or negative way. A positive incentive raises the possibility that employee motivation will rise, whereas a negative reward increases the possibility that employee motivation would fall, according to Wood et al. (2004). Together, these three elements provide motivation that raises job satisfaction and decreases job dissatisfaction (Vroom, 1964). Vroom's hypothesis (Van Eerde & Thierry, 1996) is one of the motivation theories that is most widely acknowledged and aids in explaining how and why individuals make decisions. It has been said that Vroom's expectation theory is "too convoluted and over-intellectualized" (Campbell et al., 1976). Lawler (1994) points out that one of the difficulties with this theory is that it "fails to consider differences in people's feelings about what the outcomes they should receive." Individual-difference variables also point to the theory's falsity as a basis for understanding work satisfaction. Stated differently, an individual who feels they are getting paid enough for their work is likely to be happier than someone who anticipates earning more money.

2.3 Empirical review

Private academic institutions, according to Mondejar and Asio (2023), have hiring and selection procedures, assess worker satisfaction, offer training and development, fair pay, career planning options, and guarantee worker safety, health, and welfare. Furthermore,

the respondents expressed satisfaction with their managers, coworkers, pay, benefits, and duties in addition to the job itself, advancement, stability, and acknowledgment. Inferential analysis indicates that there is a strong correlation between HRM practices and work satisfaction. The researchers created a paradigm for teacher retention based on employment satisfaction and HRM techniques in light of these findings.

Lama (2023) said that this study looks on how HR practices affect employee satisfaction in Nepalese commercial banks. Employee happiness is the dependent variable. The independent variables are hiring and selection procedures, training and development programs, remuneration policies, and performance reviews. The primary source of data for the study was the opinions of 389 residents of Kathmandu. Structured questionnaires with a five-point Likert scale and cross-sectional data were used in the survey. Regression and correlation analysis were used to establish the link and impact of an independent variable on employee satisfaction. The results show that hiring and selection, training and development, compensation policy, and performance evaluation are positively correlated with employee satisfaction. The study provides a framework for forecasting and mitigating employee-related issues, thus executives at commercial banking institutions may find the data and analysis helpful in their decision-making process. As a result, this research provides a deeper comprehension of the condition of HR practices today and their connection to employee satisfaction. In order to assess possible long-term implications, more data may be gathered and new factors pertaining to human resource strategies may be included in future research. Therefore, the link between the moderating effects of demographic factors may be studied in future study.

According to Ayofe et al. (2021), there is a correlation between employee motivating experiences and work satisfaction. Using cross-sectional data from a semi-structured questionnaire, 206 senior cadre workers of First Bank of Nigeria participated in a descriptive research survey. The study reveals a robust positive relationship between non-monetary motivating incentives such job security, career progression chances, flexible work schedules, retirement benefits, and pay increments and raises with employee job satisfaction in the firm. Research indicates that job stability is the most important non-monetary incentive ($R=0.835$), whereas competitive compensation ($R=0.809$) is the most important monetary motivator. It was suggested that the research organization use both monetary and non-monetary incentives to promote better performance. Male employees

are more motivated by monetary incentives (61%), whereas female employees are more driven by non-monetary incentives (58%).

According to Cherif (2022), the purpose of this study was to investigate the relationship between organizational commitment and employee job satisfaction as well as human resource management in the Saudi banking sector. For its goals, this study employed quantitative survey research. Human resource management and employee work satisfaction are the independent determinants, whereas organizational commitment is the dependent variable. Human resource management, employee work satisfaction, and organizational commitment were found to be positively correlated. Nonetheless, it was found that employee work satisfaction and organizational devotion had a positive association. Both independent characteristics alone have a considerable impact on the prediction of organizational commitment.

The effect of Human Resource Management Practices (HRMP) on enhancing Employee Satisfaction (EP) is examined by Alsafadi and Altahat (2021). In order to finish the study, the effect of HRMP on EP is predicted, and it is further believed that this influence is mediated by work satisfaction. Employee involvement is also taken into account because it may have a moderating effect within the theoretical model. A total of 480 surveys were distributed to Jordanian commercial bank personnel. These surveys provided the data, which was then analyzed using SEM, route analysis, and CFA techniques. To complete our analysis, researchers used the Analysis of a Moment Structures (AMOS) software version 24. The results show that HRMP had a beneficial effect on EP, work satisfaction, and its component parts (stability and enrichment). It was discovered that stability and enrichment at work had a moderating effect. Employee engagement turned shown to be a moderating factor that linked HRMP and EP in the end. The study's findings emphasize the critical roles that job satisfaction and employee engagement play in achieving HR performance goals. It is suggested that more study be done on the connections between HRMP, employee training, work satisfaction, and satisfaction reviews.

The study by Russo et al. (2021) contributes to the body of knowledge in the HRM literature by examining the impact of certain HRM practices on workers' overall job satisfaction and the variables influencing their perceptions of discrimination. Our study is intriguing because it explores the connection between HRM procedures and workers'

perceptions of discrimination at work. This study examines how employees perceive HRM procedures and job satisfaction while comparing different types of discrimination. It is expected that there will be less of a link between these two factors for workers who have encountered prejudice. Our findings indicate that HRM practices, in addition to work group autonomy and task intensity, improve employee satisfaction and decrease discriminatory perception. We also find that employees' perceptions of all types of discrimination have a detrimental effect on their job satisfaction.

According to Raisal and Ali (2020), work happiness is the topic that business science and organizational behavior (OB) researchers have researched the most. Although literature evaluations on work satisfaction have been carried out, there is little information to enable a thorough study of the causes, outcomes, and challenges in the service environment. An organized summary of empirical studies on worker job satisfaction conducted between 2010 and 2016 is given by this analysis. The results suggest that it is important to look at employee job satisfaction from a variety of angles. The workplace atmosphere, employee job expectations, reward management system, leadership style, and motivating techniques are all important indications. This research might further the field's understanding of employee satisfaction metrics and other essential elements for efficient organizational execution, especially from the viewpoint of Sri Lanka.

According to Dziuba et al. (2020), work satisfaction has a major influence on employee satisfaction. These variables affect both job safety and the opinions of employees regarding it. A contented worker gives his task his best, pays more attention to details, and looks out for himself and others. The researcher feels safe at the firm. This paper assessed employee job satisfaction and work satisfaction using a straightforward survey. To achieve this, a survey asking employees of a certain metallurgical business to rank their level of job satisfaction was given out. The employees determined their degree of job happiness by looking over twenty sentences that represented it and evaluating the three factors that were utilized to compute the satisfaction index. The poll made a broad measure of employee satisfaction attainable.

The study examined how ethnicity influences the anticipated links between work satisfaction, emotional organizational commitment, and human resources management practice (HRMP), according to Amah and Oyetunde (2019). The study was quantitative in

nature and employed a cross-sectional research methodology. There were 450 participants, who were from eight different organizations in Nigeria. The results demonstrated that whereas HRM is favorably connected with both organizational commitment and job satisfaction, ethnicity has an unfavorable association with these two variables. Ethnicity acted as a mediating factor in the relationships between HRMP, job satisfaction, and organizational commitment.

Obeidat et al. (2019) came to the conclusion that because HRM and general quality management practices are becoming increasingly important in giving businesses a competitive advantage and enhancing their ability to compete in the market, businesses need to know how to draw in, keep, and inspire outstanding people resources. Furthermore, in order to maintain a competitive advantage over time, a corporation needs to be skilled in carrying out the more subtle components of overall quality management. The purpose of this research is to evaluate the literature on how human resource management and overall quality management tactics affect competitive advantage.

Table 2.1

Summary of Literature Review

Date and Authors	Objectives	Methodology	Findings
Mondejar and Asio (2023)	To evaluate the satisfaction level of employee. Further, the research tends to assess the reason behind disperformance of employee and to study the quality of banking service.	Descriptive, correlation and regression method were used	According to inferential analysis, the association between HRM practices and job satisfaction is extremely significant. On the basis of these findings, the investigators developed a framework for teacher retention based on human resource management practices and employment satisfaction.
Lama (2023)	To finds the effect of HR practices on	Fixed Effect Panel Method	This study offers a more thorough understanding of

	employee's satisfaction in Nepalese Banking sectors.	is used.	the current state of HR practices and how they relate to worker happiness. Subsequent studies may be carried out incorporating additional variables related to human resource strategies, as well as gathering additional data to evaluate potential long-term effects. Thus, in subsequent research, the relationship between the moderating effects of demographic variables can be investigated.
Ayofe et al. (2021)	This study examines the effects of HRM on employees' satisfaction in Nepalese Banking sectors.	Descriptive and Comparative research design has been used for the study.	There is a strong positive correlation between employee job satisfaction and non-monetary motivational incentives such as job security, career advancement opportunities, flexible work schedules, retirement benefits, and salary increases and raises. It was shown that the most significant non-monetary motivation is job security, while the most significant monetary motivator is competitive wage.
Cherif (2022)	To study the satisfaction level of	Job Descriptive and	Positive correlations were found between

employee relate to verificative organizational commitment organizational technique was and employee job commitment in the used satisfaction and human Saudi banking resource management. industry. However, it was discovered that there was a favorable correlation between organizational dedication and employee work satisfaction. The prediction of organizational commitment was significantly influenced by each of the two independent factors separately.

Alsafadi and Altahat (2021) The study investigates the impact of Human Resource Management Practices (HRMP) on improving Employee Satisfaction (EP). Correlation coefficients and regression models It was found that work satisfaction (enrichment and stability) plays a moderating role. Eventually, a moderating component that connected HRMP and EP was found to be employee engagement. The study's conclusions highlight the significance of the roles that employee engagement and job satisfaction play in reaching HR performance objectives.

Russo et al. (2021) To examines the effects of certain HRM practices on employees' overall Panel data method (fixed effects model) is applied HRM practices aside from work group autonomy and job intensity have a beneficial effect on

job satisfaction and the factors that influence employees' perceptions of discrimination.

employee happiness and lessen the perception of discrimination. We also discover that workers' job happiness is negatively impacted by their impression of all forms of discrimination.

Raisal and Ali (2020) To studied the most in business science and organizational behavior (OB) is job satisfaction. Regression model was used to develop the relationship between employee job satisfaction should be examined from multiple perspectives. Significant indicators include leadership style, motivational practices, the reward management system, employee job expectations, and the working environment. This study may contribute to the advancement of research, particularly from a Sri Lankan perspective, so as to bring greater clarity to the employee satisfaction measures and components for effective organizational execution.

Dziuba et al. (2020) To explore employee satisfaction is significantly impacted by job satisfaction. Descriptive and verificative technique was used. By examining twenty statements that expressed their level of job satisfaction and assessing the three variables that were used to calculate the satisfaction

			index, the employees defined their level of job satisfaction. A general indicator of employee satisfaction was made possible by the poll.
Amah and Oyetunde (2019)	To find out the study explored how ethnicity affects the expected relationships among human resources management practice (HRMP), job satisfaction and affective organizational commitment.	Panel data regression	The findings showed that whereas ethnicity is inversely relationship between job satisfaction and organizational commitment, HRM is positively correlated with both. The correlations between HRMP, job satisfaction, and organizational commitment were mediated by ethnicity.
Obeidat, et al. (2019)	To explore how HRM affects the relationships among job satisfaction and affective organizational commitment.	Explanatory research design using correlation and regression method	Business gain a competitive edge over time, it must be adept at executing the soft aspects of overall quality management. This paper's goal is to review the literature on the impact of overall quality management and human resource management strategies on competitive advantage.

2.4 Research Gap

A few scholars have investigated the relationship between HR procedures and bank workers' job satisfaction. There is a dearth of research on HR practices, employee happiness, and the impact of HR practices on the banking sector, including no studies on HR practices and employee satisfaction in Nepal's public sector banks. This study looked

at job satisfaction and HR practices in development banks to close this gap in the literature. The study's insights are helpful in identifying HR practices that have a good correlation with HR outcomes, such employee satisfaction in the banking sector of Kathmandu. Managers may thus utilize the research's findings to evaluate the effectiveness of the HR practices they already employ and to ascertain the outcomes of such practices. Additionally, managers in Nepal's banking sector may lessen the negative consequences of HR outcomes by making the necessary changes to the HR procedures that are already in place. Consequently, it is suggested that managers in the banking sector look at HR procedures and how they affect HR results.

Human resource issues, however, know no bounds and cannot be contained within strict parameters. The following gaps in our understanding of how HR practices affect human resources have been found by a thorough assessment of the literature. Despite a large body of research on HR practice and employee satisfaction, Gaudel (2020), Devarajappa (2012), and Tiwari (2017) assert that the impact on human resources is mainly concentrated on organization culture, communication, and human resource integration when assessing the success of these deals. Nonetheless, the study must to include other HR procedures including training and satisfaction surveys, compensation and benefits, and promotions and transfers. The impact of HR practices and employee happiness on the effectiveness of organizations has also been the subject of much research. Nonetheless, academicians and researchers still need to focus more on how these accords affect workers' pleasure.

CHAPTER-III

RESEARCH METHODOLOGY

Developing the idea of what will be examined, how it will be studied, and how the information produced will be used in planned study is the primary goal of research methodology.

3.1 Research Design

In order to address the basic questions surrounding the influence of HR practices on employee satisfaction in Nepal's commercial banks, this study has used a descriptive research approach. A true description of the features of a specific event or group in real life is given by the descriptive research design. In a similar vein, the basic comparative research design examines the facts and assesses the information gathered.

3.2 Population and Sample

The banking industry in Nepal, which has often operating as per the prevailing law of Nepal and under supervision of Nepal Rastra Bank, is the study's target demographic. In Nepal, twenty commercial banks are in operation. From which five commercial banks are readily chosen from among them in accordance with the study's objectives. The five-point Likert scale was used in the questionnaire design to get feedback on employee Satisfaction, and HRM practices. Five questions were marked as strongly agreed, four as agreed, three as neutral, two as disagreed, and one as extremely disagreed on the questionnaires.

- i. Global IME Bank Ltd.
- ii. Rastriya Banijya Bank Ltd.
- iii. Laxmi Sunrise Bank Ltd.
- iv. Macchapuchhre Bank Ltd.
- v. Prabhu Bank Ltd.

3.3 Nature and Sources of Data

In this study, information was gathered from the chosen commercial banks via a questionnaire to obtain staff members' answers. Primary data is gathered via the HRM from the staff members of the chosen banks. Both paper questionnaire forms and Google

forms were used to deliver the survey. The sample's investors were commercial bank personnel with HRM backgrounds. Cronbach's alpha was used to determine the questionnaire's reliability, and it was 0.7 or above. In addition, data from secondary sources was gathered for additional evaluation and analysis.

3.4 Data Analysis Techniques

After collection, the data is sorted, tabulated, and presented. This study makes use of both descriptive and inferential statistical methods. The mean and standard deviation values of the variables used to explain the characteristics of the sample businesses are included in the descriptive statistics. The link between the independent and dependent elements is ascertained by correlation analysis. Regression analysis is a method used alone or in conjunction with other variables to ascertain the independent variable's effect over the dependent variable. SPSS version 20 software is used for quantitative data analysis and presentation.

Arithmetic Mean

Measures of central value are straight forward statistical analyses of distributions that look for a single number that best captures the distribution as a whole. It is the variable set's optimal value that best captures the group as a whole. The central value in the statistical analysis is about in the middle of the entire set of data. In this investigation, the mean has been utilized where appropriate among the several instruments available to measure the central value. A collection of data derived from the distribution's arithmetic mean is called the Arithmetic Mean.

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

Standard Deviation

As a measure of dispersion (risk), standard deviation (SD) is the most often used and most practical. The ranges and magnitude of the departure from the mean or center are displayed. It gauges the dispersion in absolute terms. Variability increases with a greater standard deviation number and vice versa. It is the average sum of squares of the observations' departures from the distribution's arithmetic mean, expressed as a positive square root.

$$\text{Standard Deviation} = \sqrt{\frac{\sum (X - \bar{X})^2}{n - 1}}$$

Correlation Analysis

The most crucial component of statistical analysis is often inferential statistics, especially when the goal of the study is to determine how variables relate to one another, make predictions, and other such conclusions. The findings on the data are aided by this analysis. Determining whether to accept that the link observed in the sample data is the same as the association that may be discovered if testing the complete population is made easier with the use of inferential statistics.

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

Where,

N = no of observation in series X and Y

$\sum X$ = Sum of observation in series X

$\sum Y$ = Sum of observation in series Y

$\sum X^2$ = Sum of square observation in series X

$\sum Y^2$ = Sum of square observation in series Y

$\sum XY$ = Sum of the product of observation in series X and Y

The coefficient of correlation's result is always in the range of -1 to +1, where $r = +1$ denotes a positive association and $r = -1$ denotes a negative relationship between the two variables.

Regression Analysis

A statistical technique for removing a link between a dependent and independent variable is regression analysis. It is helpful in determining how strongly the variables are related to one another. Additionally, it aids in the modeling of the variables' potential connection. Regression analysis is a collection of statistical procedures used in statistical modeling to estimate the connections between variables. When examining the link between a dependent variable and independent variables, it encompasses a wide range of modeling and analysis tools. Regression analysis, in particular, clarifies how changes in any one of the independent variables, while holding the other independent variables constant, affect the dependent variable's usual value.

Regression Model for dependent variable Y:

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Where,

Y = Employees Satisfaction

- b_0 = Intercept of regression equation
- b_1 = Coefficient of Work Culture
- b_2 = Coefficient of Training and Performance appraisal
- b_3 = Coefficient of Pay and Allowance
- b_4 = Coefficient of Transfer and Promotion
- e = Error term of the regression equation

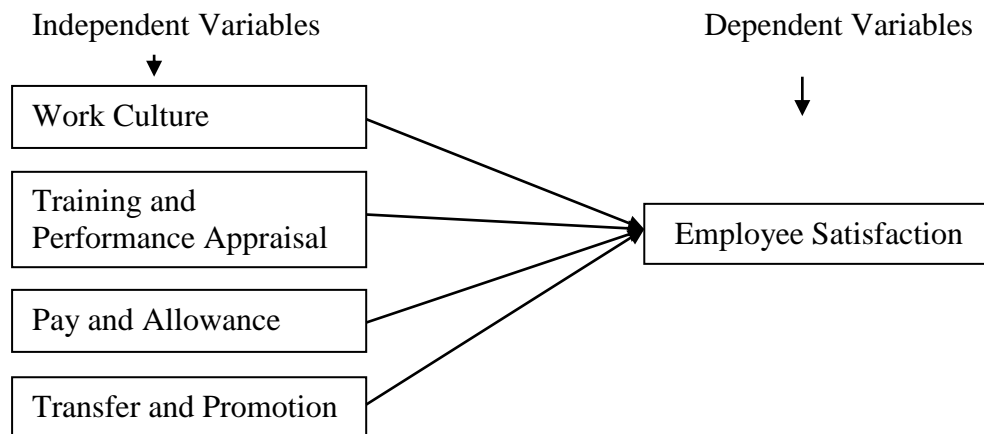
3.5 Research Framework

A research framework offers a methodical framework for carrying out investigations and arranging the principal components of a study. It describes the general strategy, research topic, and conceptual framework that will be employed to look into a particular research problem or subject. The goals of the study, the theoretical context, the research design, the data collecting strategies, and the data analysis methodologies are usually included in a research framework.

The following is the study's research framework:

Figure 3.1

HR practices



Source: *Tiwari (2019)*

3.5 Definition of Independent and Dependent Variables

a) Work Culture

The shared values, beliefs, attitudes, and practices that characterize an organization and influence how its members interact and cooperate are referred to as its work culture. It encompasses the environment, standards, and conduct that shape how work is completed and how employees communicate with the company and each other. While a negative work culture may lead to low morale, high turnover, and decreased productivity, a healthy

work culture promotes positive attributes like cooperation, respect, and integrity. Workplace culture essentially affects the entire experience of working for a company and has a big influence on both organizational success and employee satisfaction.

A few writers and academics have described work culture from a variety of perspectives, relating to a multitude of attributes, beliefs, and norms of human behavior that form the core identity of the organization. Some of the observed variables that are employed in this study are work culture factors that affect employee performance, such as goal clarity, justice/democracy, confidence in coworkers, supervisor support, corporate image, and career development program.

H01: A commercial bank employee's job happiness and work culture are significantly correlated.

b) Training and Performance Appraisal

Comprehensive training programs teach employees the necessary skills, instilling confidence and competence in their tasks, which may contribute to higher job satisfaction. The link between training, performance assessment, and employee happiness is crucial. Fair and helpful performance evaluations also provide employees with detailed feedback on their areas of strength and growth, which enhances their motivation and professional development. Employees are more likely to feel appreciated and content in their roles when they think that training opportunities and performance assessments are fair and helpful. This enjoyment might thus result in higher levels of engagement, productivity, and retention, creating a positive feedback loop that is advantageous to the company as a whole as well as to its employees.

Elevating the value of employees' labor is related to workplace recognition. It is honoring the accomplishments of the workforce (Ogonda et al., 2015). Akali (2010) found that pay, recognition for promotions, work environment, and promotion were factors that affected employees' job satisfaction and performance. For this study, recognition in the form of awards, prizes, presents, perks packages, promotions, and praise is employed.

H02: A commercial bank employee's happiness and training and performance appraisals are significantly correlated.

c) Pay and Allowance

Pay or other financial compensation given in exchange for services rendered by an employee is known as remuneration; this should not be confused with giving, donating, or the act of providing for. Several supplementary perks in addition to compensation are

becoming more and more common forms of compensation. One element of reward management is compensation.

There is a significant and intricate relationship between employee happiness and pay and benefits. Employee happiness is significantly impacted by competitive remuneration packages, which include salary, bonuses, and benefits like health insurance and retirement plans. Paying employees fairly and according to industry standards promotes job satisfaction by providing security in one's finances and recognition for their hard work. Furthermore, by reducing daily expenses and raising general quality of life, allowances like housing, transit, and meal subsidies can increase contentment. Dissatisfaction is typical, though, when pay and benefits are perceived as unfair or insufficient when compared to peers or industry standards. Consequently, banks that prioritize competitive and transparent pay plans in addition to thoughtfully crafted benefits typically see higher rates of employee retention and satisfaction.

H03: A commercial bank employee's happiness and pay and allowances have a substantial link.

d) Transfer and Promotion

The dynamics of the company as a whole and employee satisfaction are greatly impacted by the transfer and promotion procedures. Employees that undergo transfers often have fresh experiences and opportunities to learn new skills, which advances their professional growth and work happiness. In addition, transparent and equitable promotion policies encourage individuals to reach their goals and align their aspirations with those of the company while also recognizing the accomplishments of staff members. In the cutthroat banking industry, when implemented correctly, these strategies may create a positive work atmosphere, raise morale among staff members, and ultimately result in higher retention rates and organizational success.

Promotion is described as moving an employee from one job to another with a higher pay grade or compensation, whereas transfer is the movement of an employee from one post to another at the same pay grade level or equivalent income (Ghosh and Dutta, 2015). Promotions and transfers are two methods by which an organization might modify the number of employees in order to adapt to changing circumstances. Internal mobility is the term used to describe an employee's lateral or vertical movement inside a business. It

might happen in between tasks in different divisions or departments. These tasks might be completed in an official or informal manner. Adopting formal systems is often done so to guarantee operational consistency and effectiveness.

H04: There is a strong correlation between a commercial bank employee's contentment and their transfer and promotion.

e) Employee Satisfaction

According to Bekenova (2015), job satisfaction is the result of an individual's evaluation of their work influenced by their personal needs, traits, and desires—elements that they consider fundamental to their existence. HR practice activities to provide human resource managers in both acquiring and acquired firms with a different set of problems. Factors like as compensation, a helpful manager, the job, relationships with coworkers, and opportunities for professional progression are taken into account when determining employee happiness.

CHAPTER-IV

RESULT AND DISCUSSION

In order to achieve the study's goal, this chapter examines the analysis, presentation, and interpretation of pertinent data from a chosen bank. With the aid of this study, attempts have been made to draw attention to the current state of Nepalese commercial bank employees' satisfaction with HR procedures. The primary source of data provides the basis for analysis. Questionnaire responses make up the majority of the primary source. The 150 respondents' primary data were utilized to gauge how satisfied the Nepalese commercial bank's employees were.

4.1 Presentation and analysis of data

The results of a questionnaire survey that was completed by individual workers in various sections were created here, and 150 employees of Global IME Bank Ltd, Rastriya Banijya Bank Ltd, Laxmi Sunrise Bank Ltd, Macchapuchhre Bank Ltd, and Parbhu Bank Ltd received a copy of the results. With the use of MS Excel and SPSS, the result was taken out of the provided questioner. The information in this analysis section pertains to the respondents' profiles and their level of satisfaction with HRM.

4.1.1 Individual variables analysis

4.1.1.1 Work cultural analysis

Work culture is the collective set of common values, attitudes, behaviors, and beliefs that characterize an organization's workplace. It significantly affects employee behavior, motivation, and overall job satisfaction. Because the commercial banking business necessitates a high level of cooperation, trust, and customer service, workplace culture is very important.

Working Culture Analysis

The common values, attitudes, customs, and behaviors that shape the workplace environment and employee behavior characterize the working culture of Nepal's commercial banks. It has a significant effect on worker satisfaction, organizational effectiveness, and total production. This analysis explores the features, significance,

challenges, and ways to improve of the working culture specific to Nepalese commercial banks.

Table 4.1

Questions	1	2	3	4	5	mean	S.D
1. Employees work scheduling is as of their flexibility	0.0	3.79	37.24	62.06	18.2	4.67	0.63
2. Feel flexible in performing the work	0.0	2.26	10.20	32.12	12.06	4.33	0.16
3. Organization management is open towards suggestions	0.0	18.6	16.8	50.0	62.08	4.00	0.42
Overall Mean						4.33	0.40

Source: *Appendix*

Table 4.1 presents the study's findings regarding work culture, including the proportion of respondents who expressed satisfaction and dissatisfaction with the working culture offered by their firms. Workplace culture is influenced by a number of things. While 28% of the respondents did not believe that their work schedules allowed for flexibility, 72% of the respondents said that their schedules did. Sixty-eight percent of respondents stated that management is receptive to suggestions from employees; the costing mean value ranges from 4.00 to 4.67. Costing has an average mean of 4.33 and a standard deviation of 0.4. Thus, this demonstrates that because of uneven financial rewards, employees are not equally happy.

4.1.1.2 Training and performance appraisal

Training and performance analysis

The HRM policies of commercial banks must include both training and performance review. Comprehensive performance analyses and effective training programs are essential for improving employee competencies, job satisfaction, and overall organizational performance in Nepalese commercial banks.

Table 4.2

Questions	1	2	3	4	5	mean	S.D
1 The banks is providing equally training opportunity	0.0	12.06	12.04	42.0	44.06	4.06	0.43
2 Also provide effective learning environment	0.0	8.02	10.50	32.06	36.26	4.58	0.10
3 Management equally rewards for work efficiency	0.0	0.0	18.2	20.14	48.02	4.08	0.32
Overall Mean						4.24	0.28

Source: *Appendix*

Table 4.2 presents the study's findings about workers' comprehension of career development possibilities and performance evaluations within the firms. Growth, development, and skill improvement are all crucial for maintaining employee satisfaction. Approximately 70.12% of the workforce expresses satisfaction with the organization's training and development programs. Still, 41.28 percent of them express dissatisfaction. The majority of respondents are happy with the organization's development prospects and the excellent learning environment that provides them with many chances for personal development. Nonetheless, a portion of the participants express dissatisfaction about their professional growth prospects, and the company fails to furnish them with worthwhile educational experiences. If employees are dissatisfied with their development prospects, they should be provided with a suitable learning environment that fosters personal growth.

4.1.1.3 Pay and allowance

Pay and allowance analysis

Any organization's pay packages must include wages and benefits, and commercial banks are no exception. In Nepalese commercial banks, attracting, retaining, and motivating employees depends on offering competitive salaries and attractive perks. This study examines how pay and benefits are distributed, how important they are, and how they affect employees' performance and satisfaction in Nepalese commercial banks.

Table 4.3

Questions	1	2	3	4	5	mean	S.D
1 My salary matches my abilities and contributions	5.02	6.32	12.68	33.06	44.60	4.32	0.84
2 Bank management equally rewards work efficiency	10.04	2.52	9.06	29.08	36.24	4.40	0.52
3 The bank is providing more non-monetary benefits.	8.12	10.80	30.28	26.4	15.12	3.12	0.73
Overall Mean						3.12	0.73

Source: *Appendix*

Table 4.3 presents the study's findings, which indicate that compensation and allowances are associated with both the proportion of respondents who expressed satisfaction and dissatisfaction with the rewards offered by the businesses. It is evident that extrinsic incentives are influenced by a number of elements. Of the respondents, 33.12% were dissatisfied with their compensation, while 62.20 percent said that their pay matched their talents. Of the respondents, 54.06% claimed that management compensates them equally for their efforts, whereas 25.32 percent said that management does not treat them equally. Just 42.05 percent of the respondents are happy with their non-monetary compensation, while 69 percent are dissatisfied with it. Of these, 42% are not happy with their pay, while 39% think it is comparable to that of other banks. Overall, the organization's extrinsic rewards are causing dissatisfaction among employees. Thus, this demonstrates that because of uneven financial rewards, employees are not equally happy.

4.1.1.4 Transfer and Promotion

Transfer and promotion analysis

In Nepalese commercial banks, the transfer and promotion rules that are put into place have a significant impact on staff happiness, career advancement, and overall operational success. These HR procedures are essential to guaranteeing an effective workforce distribution, enhancing employee competences, and cultivating a driven and competent workforce in Nepal's banking industry. This study explores the structure, significance, and ramifications of transfer and promotion tactics used by Nepal's commercial banks.

Table 4.4

Questions	1	2	3	4	5	mean	S.D
1 Base on law and rotational transfer system	6.92	25.6	46.51	44.58	33.58	4.28	0.72
2 Indiscriminate Promotion opportunity	2.54	48.21	40.29	30.24	29.54	4.038	0.56
3 Employees transfer and promotion base on their Performance.	0.0	22.10	39.27	42.94	41.06	4.38	0.64
Overall Mean						4.38	0.64

Source: *Appendix*

As seen in Table 4.4, an employee's transfer or promotion serves as a source of motivation for their job. It simply indicates that staff members place a high value on these kinds of instruments. Promotion and transfer have been demonstrated to increase work satisfaction in certain situations. It is evident that there is a lack of flexibility in the transfer and promotion schedule, as indicated by the equal proportion of respondents (64.2% and 48%) who expressed dissatisfaction with the scheduling. Nonetheless, the majority of respondents—32%—feel that they are not given equal opportunities for advancement. In a similar vein, half of the respondents, or 52%, believe that management does not promote and transfer employees based only on their performance. This demonstrates the need for equal chance for employees to improve their performance in order for the company to offer them fair opportunities for promotion and transfer. After all, they may utilize their ingenuity to develop ideas that could work well for the company.

4.1.1.5 Employee Satisfaction

Employee satisfaction analysis

This analysis's main point is that employee happiness plays a critical role in an organization's ability to succeed by influencing performance in general, employee retention, and productivity. Understanding and enhancing employee satisfaction is crucial in the particular context of Nepal's commercial banks in order to maintain a motivated and committed workforce. This research will examine the several aspects that affect

employee happiness, its current state, and possible ways to improve it in Nepal's commercial banking industry.

Table 4.5

Questions	1	2	3	4	5	mean	S.D
1 Commitment of organization on your job security	0.0	6.0	21.5	33.5	60.25	4.42	0.33
2 Company long term growth and development	0.0	2.0	8.5	40.84	58.5	4.65	0.63
3 Learning environments for employee to grow	0.0	10.2	12.0	54.0	44.0	4.71	0.49
Overall Mean						4.71	0.49

Source: *Appendix*

Table 4.5 displays the employee satisfaction across three aspects, including learning environment, long-term business growth, and job security. The aforementioned table shows that the employees' total satisfaction score was 4.71. The three main post-HR practice expectations of workers are learning environment, job stability, and business long-term growth, with weighted averages of 4.42, 4.65, and 4.71, respectively. Based on analysis, workers of combined BFIs are less concerned about working in a larger bank.

4.2 Descriptive Statistics

The mean and standard deviation of the study, which includes working culture, training and performance evaluation, salary and allowance, transfer and promotion, are calculated using descriptive statistics. There are 150 observations total in the investigation, as shown in Table 4.6. Five statements from the five banks and financial institutions under consideration are measured using the observations. where each responder used a four-point Likert scale to give their answers.

Structure of the variable's descriptive statistics

Descriptive statistics are essential for describing and comprehending the properties of data linked to different factors inside an organization. Descriptive statistics are crucial for analyzing important factors in Nepalese commercial banks, as they aid in decision-

making and enhance overall performance. An overview of the format of descriptive statistics for important variables in Nepal's commercial banks is given in this section.

Table 4.6

Variable	N	Mean	Std. Deviation
Work Culture	150	4.33	0.40
Training and Performance Appraisal	150	4.24	0.28
Pay and Allowance	150	3.12	0.73
Transfer and Promotion	150	4.38	0.64
Employee Satisfaction	150	4.71	0.49

Source: *SPSS Analysis*

The work culture average, as indicated by Table 4.6, was 4.33, with a 0.40 standard deviation. The performance assessment and transfer average was 4.24, with a 0.28 standard deviation. In a similar vein, the average for salary and allowance was 3.12, with a 0.73 standard deviation. The average for promotion and transfer was 4.38, with a 0.64 standard deviation. The average employee satisfaction score was 4.71, with a 0.49 standard deviation.

4.3 Correlation analysis

The statistical method used to quantify the relationship between two or more population or sample variables is correlation. Stated differently, it indicates the extent to which two variables have a linear relationship. The degree of link between two sets of figures is measured by the coefficient of correlation. When the coefficient of correlation (r) is +1, it indicates that there is a perfect link between the two variables, and vice versa. This is true regardless of the technique used to calculate the coefficient of correlation. There is no relationship between the two of them when $r = 0$. This section presents the relationship between employee happiness and its independent variables, which include sample banks' working cultures, training and performance reviews, compensation and benefits, and transfers and promotions.

Correlation analysis's structure

One statistical tool used to evaluate the strength and direction of relationships between variables is correlation analysis. When it comes to Nepalese commercial banks, correlation analysis is used to help understand how different elements relate to one another. This kind of study provides insightful viewpoints on worker satisfaction, output, and overall business effectiveness. In this talk, we outline the methodology and use of correlation analysis in Nepal's commercial banking industry.

Table 4.7

Variables	Employee Satisfaction	Work Culture	Training and Performance Appraisal	Pay and Allowance	Transfer and Promotion
Employee Satisfaction	1				
Work Culture	.225** (.005)	1			
Training and Performance Appraisal	.326** (.002)	.202 (.057)	1		
Pay and Allowance	.518** (.003)	.314** (.002)	.223** (.006)	1	
Transfer and Promotion	.602** (.002)	.262** (.000)	.432** (.003)	.512** (.002)	1

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

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

Source: *SPSS Analysis*

Table 4.7 demonstrates that there is a positive correlation between all of the factors (work culture, pay and allowance, training and performance appraisal, transfer and promotion, etc.) and employee satisfaction. Employee happiness and work culture have a 0.326 Pearson connection. Since there is a moderately favorable correlation between work culture and employee happiness, adjustments in either direction are likely to occur. Likewise, a robust and positive correlation ($r = 0.326$) has been seen between employee

happiness, training, and performance evaluation. This is also advantageous, because adjustments to performance and training will alter worker satisfaction. Likewise, there is a moderately favorable correlation between employee performance and compensation and allowances. Additionally, there is a significant, positive correlation (0.518 and 0.602, respectively) between employee happiness and transfer and promotion.

4.4 Regression Analysis

The statistical method known as regression analysis is used to determine the connection between two or more quantitative variables: an independent or explanatory variable (or variables) that can be known, and a dependent variable whose value has to be predicted. The method is applied to determine the equation from two or more independent variables that predicts one variable.

The following model served as the study's guide when it implemented multiple regression:

$$Y = b_0 + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + e$$

Where,

Y = Employees Satisfaction

b₀ = Intercept of regression equation

b₁ = Coefficient of Work Culture

b₂ = Coefficient of Training and Performance appraisal

b₃ = Coefficient of Pay and Allowance

b₄ = Coefficient of Transfer and Promotion

e = Error term of the regression equation

Table 4.8

Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.491 ^a	.0517	.512	4.2154

Source: *SPSS Analysis*

The overall findings of the regression model, including the R-square, corrected R-square, and standard error of estimate, are displayed in Table 4.8. The conclusion, as indicated by the r value of 0.491, shows that management accounting methods had a jointly substantial impact on employee satisfaction and the HR policy of the bank in Nepal. The independent

variables accounted for 51.7% of the variable on employee satisfaction of Nepal's commercial banks, according to the R-squared of 0.517. Other factors not included in the model account for the remaining 48.3% of the change.

Table 4.9

ANOVA table

time	Sum of Squares	Df	Mean Square	F	Sig.
Regression	7.428	4	1.857	6.305	.001 ^b
Residual	7.363	25	.295		
Total	14.791	29			

a. Dependent variable: Employees Satisfaction

b. Predictors: Work Culture, Training and Performance Appraisal, Pay and Allowance, Transfer and Promotion

Source: *SPSS Analysis*

According to Table 4.9, the F statistic was 6.305. With a confidence level of 5%, the F-statistic demonstrated significance. In this instance, the whole model has a significant value of 0.001, which is less than 0.05, and all of the predictor variables work culture, training and performance appraisal, pay and allowance, and transfer and promotion explain variations in employee satisfaction.

Table 4.10

Coefficients table

Model	Unstandardized Coefficients		Standardized	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.506	.129		.370	.018
Working Culture	.112	.070	.101	1.598	.112
Training and Performance appraisal	.246	.069	.256	3.571	.000
Pay and allowance	.240	.098	.182	2.453	.015
Transfer and promotion	.462	.068	.514	6.743	.000

a. Dependent Variable: Employee Satisfaction

Source: *SPSS Analysis*

The dependent variable, significance (p-value), and the t-values of each independent variable are displayed in Table 4.10 along with the coefficient findings for the model variables. Based on the aforementioned results, the study concluded that employee satisfaction will be 0.506 for work culture, pay and allowance, training and performance appraisal, transfer and promotion, and employee satisfaction. Work culture positively affects employee satisfaction, but the relationship is not statistically significant (P-value=0.112). In contrast, there is a considerable positive impact on employee satisfaction from training and performance appraisals (B=0.246, P-value=0.000), as well as from pay and allowance (B=0.240, P-value=0.015). Furthermore, there is a substantial positive correlation between Transfer and Promotion and Employee Satisfaction (B=0.462, P-value=0.000). With an R-squared of 0.416, the independent variables together account for 41.6% of the variation in employee satisfaction. However, after accounting for the number of independent variables, the modified R-squared value of 0.404 indicates that 40.4% of the variation in employee satisfaction can be explained by the model. With a p-value of 0.00 and an F-value of 36.628, the entire model is significant.

4.5 Discussion

The influence of HR practices and employee satisfaction in Nepalese banking businesses are the main topics of this study. Research was conducted on five commercial banks in Nepal: Global IME Bank Ltd., Rastriya Banijya Bank Ltd., Laxmi Sunrise Bank Ltd., Macchapuchhre Bank Ltd., and Prabhu Bank Ltd. The study focused solely on the fiscal years 2022–2023. It was conducted based on the research objective to explore the statement of question. Four independent variables work culture, training and performance appraisal, pay and allowance, transfer and promotion as well as one dependent variable are noted throughout the study. contentment among employees. I read through a number of scholarly study papers written by various researchers before starting this one, but the prior studies mostly focused on how an organization's functional systems affect employee happiness. There was a gap or area for more research after studying earlier studies, hence the focus of this thesis paper is to investigate the organization's present standing on unstudied factors.

The correlation coefficient finding demonstrates that employee happiness and workplace culture are positively correlated. The findings of Mondejar and Asio (2023), Cherif (2022), Alsafadi and Altahat (2021), Obeidat, et al. (2019), and other studies support this

conclusion, which is that workplace culture and employee happiness are positively correlated. This result, however, defies the conclusions of Raisal and Ali (2020), Dziuba et al. (2020), and Amah and Oyetunde (2019), which claim that employee satisfaction remains unchanged in response to changes in work culture. The study also demonstrates a favorable correlation between employee happiness, performance reviews, and training. The outcome is consistent with earlier research on the banking industry conducted by Lama (2023), Ayofe et al. (2021), and Russo et al. (2021). Our results were, however, in conflict with those of Cherif (2022), Alsafadi and Altahat (2021), Obeidat, et al. (2019). Likewise, there exists a favorable correlation between employees' contentment and their compensation and allowances. This outcome is in line with the findings of Dziuba et al. (2020) and Raisal and Ali (2020), who found that higher compensation and benefits boost employee satisfaction. This outcome differs from that of Ayofe et al. (2021) and Mondejar and Asio (2023). Additionally, a favorable association between employee happiness and promotions and transfers is indicated by the Pearson correlation coefficient finding. This outcome is in line with Amah and Oyetunde's (2019) findings. This result is similar to the findings of Cherif (2022), Alsafadi and Altahat (2021), but it contradicts the findings of Mondejar and Asio (2023), Dziuba et al. (2020). Whittle (2002), Deal and Kennedy (2010), Buono and Bowditch (2006), and Russo et al. (2021) found that work culture has a positive but non-significant effect on employee satisfaction. On the other side, employee satisfaction is strongly favorably impacted by training and performance reviews. This results is consistent with those of Cherif (2022), Raisal and Ali (2020), and other researchers who found that pay and allowances significantly increase employee satisfaction. This outcome is connected to Amah and Oyetunde's (2019) outcome. As to Ayofe et al. (2021), Transfer and Promotion also have a noteworthy beneficial impact on Employee Satisfaction. This contradicts the findings of Alsafadi and Altahat (2021), Obeidat et al. (2019), and Amah and Oyetunde (2019). With an F-value of 36.628 and a p-value of 0.00, the model is significant and indicates that employee satisfaction is impacted. Similar conclusions were reached by Ayofe et al. (2021) and Russo et al. (2021) indicating that HR initiatives improve employee satisfaction.

CHAPTER-V

SUMMARY AND CONCLUSION

5.1 Summary

The purpose of this research was to examine the relationship between HR practices and employee satisfaction in Nepalese commercial banks and to determine empirically if HRM has a significant influence on the development of Nepalese banks and financial institutions. A survey instrument that was questionnaire-based was utilized to determine how HR practices affected the organizations that measure employee happiness. For the purpose of the survey, representative banks from Global IME Bank Ltd, Rastriya Banijya Bank Ltd, Laxmi Sunrise Bank Ltd, Macchapuchhre Bank Ltd, and Prabhu Bank Ltd were contacted.

With standardized survey questionnaires that included both open-ended and closed-ended questions, data were gathered from a chosen representative sample of the concerned bank branches. The necessary information was gathered from the internet, case studies, journals, and publications. 400 respondents were chosen, the researcher discovered, in order to examine the impact of HRM in Nepalese commercial banks. This investigation also revealed that one independent variable had no significant link at all with the dependent variable, and that there is a strong relationship between the dependent and independent variables. when the study's independent and dependent variables have a positive connection. It may be inferred from the overall data presentation, analysis, and major discoveries of this study that employee happiness and human resource management have a positive relationship in a sample of Nepalese commercial banks.

In the end, the study concludes that it is possible to state that there are beneficial impacts of human resource management in a sample of Nepalese commercial banks based on the overall data presentation, analysis, and major conclusions of this research. This study shows that the independent factors account for approximately 41.6% of variability in the dependent variable, employee happiness, despite the fact that it only examines one facet of human resource management—namely, employee satisfaction. The effect of other factors not included in the research is responsible for the remaining variances in the dependent variable.

5.2 Conclusions

Employee satisfaction was shown to be favorably correlated with work culture, training and performance evaluation, compensation and allowance, transfer and promotion, and HRM's influence on employee satisfaction in Nepal's commercial bank. The study discovered that workers frequently experience insecurity throughout HR procedures and deal with adjustments to their pay, work environment, and output. To avoid negative effects on workers, the organization should manage leadership changes, handle cultural differences, notify major changes to the workforce, and offer assistance throughout transitions. To guarantee employees' comprehension and safety, it is important to communicate with them and provide clear objectives. It's important to share how decisions made about HR procedures affect specific employees.

The study's conclusions about the effect of HRM on worker happiness in Nepal's commercial banks show that elements like salary and benefits, performance reviews and training, transfers, and promotions all have a major beneficial influence on worker satisfaction. The study could not discover any appreciable relationship between work culture and employee happiness in Nepal's commercial banks. Employees, however, frequently go unnoticed throughout HRM and require assistance with insecurity, wage fluctuations, and work environment modifications. The organization should manage leadership changes, handle cultural differences, notify personnel of changes, and offer assistance throughout transitions in order to minimize any negative effects on them. To guarantee employees' comprehension and safety, it is important to communicate with them and provide clear objectives. It's important to convey how decisions made on HR procedures affect specific employees.

5.3 Implications

The study may have significant effects on the merging Nepalese commercial banks. Due to the difficulty of maintaining and retaining employees in a competitive climate, commercial banks have been merging with one another in order to thrive in the market. Consumers anticipate even greater results from these commercial banks following a merger since they are aware of what they need and desire from these kinds of organizations. This could be as a result of the study's reduced sample size.

The study is beneficial to readers who are not professionals as well since it does not rely on complex models to assess the effects of HR practices. Likewise, this study might be useful to students doing comparable research in order to comprehend the relationship between HRM in the banking business and employee satisfaction in Nepalese commercial banks.

Additionally, the study may be used as a reference for academics, financial institutions, and students to examine and assess the connections between worker happiness and pay, worker satisfaction and motivation, and worker satisfaction and job security. This study can be useful to researchers in understanding the impact of these variables on HRM following HRM.

In a similar vein, future researchers can incorporate additional independent and dependent variables to examine the relationship between HRM and employee satisfaction in relation to other aspects of HRM as a whole and how HR practice affects those aspects, which are not covered in this study. Finally, the study serves as a foundation for future research in the case of effects of human resource management on employee satisfaction with respect to employee satisfaction. Commercial banks in Nepal can significantly improve their HR practices and employee satisfaction by implementing these practices and focusing on the aforementioned aspects, which will result in a more motivated, productive, and loyal workforce.

REFERENCES

- Adhikari, D. R. (2010). Human resource development for performance management: The case of Nepalese organizations. *International Journal of Productivity and Performance Management*.
- Ahmad, S. and Schroeder, R.G. (2003). The impact of human resource management practices on operational performance: recognizing country and industry differences. *Journal of Operations Management*, 21(1), 19-43.
- Alssfadi, J. & Altahat, W. (1996). Informing the accountant. *Management Accounting*, 74(9), 30-32.
- Altinay, Levent, Eser Altinay, & Judie Gannon (2008). "Exploring the relationship between the human resource management practices and growth in small service firms." *Service Industries Journal* 28 (7):919–37. doi: 10.1080/02642060701846804.
- Amah, G. & Oyetunde, K. (2019). How planners create organizational learning. *Marketing Intelligence & Planning*, 10(6), 5-12.
- Amit, F., & Shoemaker J.H. (1993). Strategic assets and organizational rents. *Strategic Management Journal*, 14, 33-46.
- Amy, A.H. (2005). *Leaders as facilitators of organizational learning*. Unpublished doctoral dissertation. Regent University, Virginia Beach, VA.
- Ann, M. (2021). *Human resource management practice*. Kogan Page, London and Philadelphia.
- Appelbaum, E., Bailey, T., Berg, P. and Kalleberg, A.L. (2000). *Manufacturing Advantage: Why High-Performance Work System Pay Off*. Ithaca, Cornell University Press, NY
- Argyris, C. (1999). *On Organizational Learning*. (2nd ed), Blackwell, Oxford.
- Ayofe, C., Shaw, K., & Prennushi, G. (2021). The effects of human resource management practices on productivity: a study of steel finning lines. *American Economic Association*, 291-313.
- Bae, B.Y. (2006). *LISREL Structural Equation Modeling: Understanding, Application, and Programming*. Seoul: Chunglam Publishing.
- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17, 99-120.

- Barney, J. (1995). Looking inside for competitive advantage, *Academy of Management Executive*, 9, 49-61.
- Barrett, P. (2007). Structural equation modeling: Adjudging model fit, *Personality and Individual Differences-Elsevier*, 42 (5), 815-824.
- Batt, R. (2002). Managing customer services: human resource practices, quit rates and sales growth. *Academy of Management Journal*, 45(3), 587-97.
- Becker, J., & Gerhart, G. (2010). Work redesign, Reading: Addison Wesley. *The management of customer-contact service employees: An empirical investigation. Journal of Marketing*, 52–70.
- Belfield, C., & Harris, R. (2002). How well do theories of job matching explain variation in job satisfaction across educational level? Evidence for UK graduates. *Applied Economics*, Vol. 34 No. 5, pp. 535-48.
- Bratton, J., & Gold, J. (1999). Human resource management theory and practice. Hound mills, Basingstoke, Hampshire, RG21 6XS and London: Macmillan Press Ltd.
- Chapagai, R. R. (2011). Impact of employee participation on job satisfaction in Nepalese commercial banks. *PYC Nepal Journal of Management*, 4(1), 39-51.
- Cherif, J.B. (2022). Effects of human resource systems on manufacturing performance and turnover. *Academy of Management Journal*, 37(3), 670-87.
- Clark, A. E., & Oswald, A. J. (1996). Satisfaction and comparison income. *Journal of Public Economics*, 359-381.
- Clark, A. E., & Oswald, A. J. (1996). Satisfaction and comparison income. *Journal of Public Economics*, 359-381.
- Combs J., Liu Y., Hall A. & Ketchen D.(2006). How much do high-performance work practices matter? A meta-analysis of their effects on organizational performance. *Personnel Psychology*, 59 (3), 501-528.
- Costen, W. M., & Salazar, J. (2011). The impact of training and development on employee job satisfaction, loyalty, and intent to stay in the lodging industry. *Journal of Human Resources in Hospitality & Tourism*, 10(3), 273-284,
- Delaney, J. T., & Huselid, M. A. (1996). The impact of human resource management practices on perceptions of organizational performance. *Academy of Management Journal*, 39 (4) 949-969.
- Dhakal R. (2021). The Corporate Culture and Perceived Organization Performance in Nepalese Commercial Banks. Doctoral dissertation, Department of Management.

- Dziuba, I.S., Gerhart, B. & Scott, K. (2020), “Are the 100 best better? An empirical investigation of the relationship between being a great place to work and firm performance”, *Personnel Psychology*, 56 (4), 965-993.
- Elrehail, H., & Alzghoul, A. (2019). Employee satisfaction, human resource management practices and competitive advantage: The case of Northern Cyprus. *European Journal of Management and Business Economics*. <http://doi.org/10.1108/EJMBE-01-2019-0001>.
- Gautam, Dhruva Kumar, & Ann J. Davis (2007). “Integration and devolvement of human resource practices in Nepal.” *Employee Relations* 29(6), 711–26. <http://doi.org/10.1108/01425450710826168>.
- Gautam, T. P., & Poudyal, P. D. (2018). Human resource planning, selection and training practices of. *Nepal Journal of Multidisciplinary Research*, 1(1) .
- Gazioglu, S., & Tansel, A. (2006). Job satisfaction in Britain: individual and job. *Applied Economics*. 38 (10), 1163-1171.
- Goksoy, A. (2014). The Impact of Human Resource Management Practices on Employee Readiness for Change during Mergers and Acquisitions. *Argument Economical Cracoviensia*. 2014 (11) 47-62. 10.15678/AOC.2014.1104.
- Guest, D., & Conway, N. (2011). The impact of HR practices, HR effectiveness and a 'strong HR system' on organizational outcomes: a stakeholder perspective. *The International Journal of Human Resource Management*, 22(8) London U.K., 1686–1702.
- Hashim, M., & Hameed, F. (2023). Human Resource Management in 21st Century: Issues & Challenges & Possible Solutions to Attain Competitiveness. *International Journal of Academic Research in Business and Social Sciences*. 2 (9).
- Hrel, T. A., & Tzafrir, J. D. (2006). Job attitudes. *Annual Review*, 63, 341–367. Doi 10.1146/annurev-psych-120710-100511.
- Huselid, A. W. (2015). The effect of selected human resource management practices on employees’ job satisfaction in Ethiopian public banks. *Emerging Markets Journal*, Volume 5 (1), ISSN 2158-8708.
- Ichniowski, C., Shaw, K., & Prennushi, G. (2009). The effects of human resource management practices on productivity: *A study of steel finishing lines*. *American Economic Association*, 87 (3). 291-313.
- Khan, M. A., Yusoff, R. M., Hussain, A., & Ismail, F. B. (2019). The mediating effect of job satisfaction on the relationship of HR practices and employee job

- performance: Empirical evidence from higher education sector. *International Journal of Organizational Leadership*, 8(1), 78-94. doi: 10.33844/ijol.2019.60392.
- Kushwaha B. P., & Tiwari D. N. (2018) Demonetization and digital initiative for inclusive social and financial growth. *Kaav International Journal of Economics, Commerce & Business Management*, 2018 5(1), 34-38.
- Lado, R., & Wilson, J. (2000). *Merit pay: linking pay to performance in a changing world*. Information Age Publishing, Greenwich, CT, 2.
- Lama, F. (2023). *Human Resource Management Issues in Developing Countries*. Ashgate: Aldershot.
- Lue, J. & Bjirkman, J. (2008). *The Economics of Business Strategy*, (1st ed), London: Pearson. Education.
- Mahapatro, B.B. (2010). *Human resource management*. New Age International (P) Ltd.
- Mondejar, J., & Asui, D. (2023). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, 103(3), 411-423.
- Nepal Rastra Bank. (2024). *Bank supervision report 2023*.
- Obeidat, V.J., Llorens-Montes, F.J. and Verdu-Jover, A.J. (2006). Antecedents and consequences of organizational innovation and organizational learning in entrepreneurship. *Industrial Management & Data Systems*, 106(1), 21-42.
- Pfeffer, M. A. (2001). The impact of human resource management practices on turnover, productivity and corporate financial performance. *Academy of Management Journal*, 44 3, 635–872.
- Raisal , K. and Ali, P. (2020). The adoption of high-investment work practices. *Industrial Relations*, 35(3), 423-55.
- Russo, J., Menguc, B., & Benson, J. (2021). The impact of human resource management on export performance of Chinese manufacturing enterprises. *Thunderbird International Business Review*, 45 (3), 409–429.
- Terrence, J. K., & Allen, J. J. (2000). A causal model for employee satisfaction. *Total Quality Management*, 11 (8), 1081–1094. doi:10.1080/095441200440340

APPENDIX

Dear Respondent,

The questionnaire is designed to collect the information regarding Human Resources Practices and Employees Satisfaction of Commercial Bank in Nepal. Your information will be used for academic purpose to meet the partial fulfillment of the requirement for the Master's Degree in Business Studies (MBS) from Central Department of Management, Tribhuvan University.

Thanking You.

Please fill in the Questionnaire by ticking (✓) anyone box.

Name (Optional):				
Bank name:				
Branch Name:				
Sex:	Male <input type="checkbox"/>	Female <input type="checkbox"/>		
Qualification:	10+2 <input type="checkbox"/>	Bachelors <input type="checkbox"/>	Masters & Above <input type="checkbox"/>	<input type="checkbox"/>

Please tick mark in the appropriate box as per following schemes.

1 = Strong Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strong Agree.

Questions	1	2	3	4	5
1. Work Culture					
1.1 Employees work scheduling is as of their flexibility					
1.2 Feel flexible in performing the work					
1.3 Organization management is open towards suggestions					
2. Training and Performance Appraisal					
2.1 The banks is providing equally training opportunity					
2.2 Also provide effective learning environment					
2.3 Management equally rewards for work efficiency					
3. Pay and Allowance					
3.1 My salary matches my abilities and contributions					
3.2 Bank management equally rewards work efficiency					
3.3 The bank is providing more non-monetary benefits.					

4. Transfer and Promotion					
4.1 Base on law and rotational transfer system					
4.2 Indiscriminate Promotion opportunity					
4.3 Employees transfer and promotion base on their Performance.					
5. Employee Satisfaction					
5.1 Commitment of organization on your job security					
5.2 Company long term growth and development					
5.3 Learning environment for employee to grow					

Your suggestions for making employees satisfied:

.....

.....

.....

.....

.....

.....

.....

.....

Thank you.

HUMAN RESOURCE PRACTICES AND EMPLOYEE SATISFACT...

By: TILAK ACHARYA

As of: Jul 10, 2024 1:25:07 PM
14,433 words - 114 matches - 5 sources

Similarity Index

13%

Mode: Summary Report ▼

sources:

1,284 words / 9% - from 25-Jun-2024 12:00AM
elibrary.tucl.edu.np

151 words / 1% - from 25-Jun-2024 12:00AM
elibrary.tucl.edu.np

103 words / 1% - from 27-Feb-2024 12:00AM
elibrary.tucl.edu.np

215 words / 1% - Internet
[Rathnaweera, Raigama Rathnaweerage Neelamani Thanuja. "Do HRM practices impact employee satisfaction, commitmentor retention? : \(empirical studies of Sri Lankan public sector banks\)", Universitetet i Agder ; University of Agder, 2010](#)

197 words / 1% - from 07-Jul-2024 12:00AM
www.commercejournals.com

paper text:

ABSTRACT This study looks at how employee satisfaction in Nepalese commercial banks is affected by HR practices.

The variable that is dependent is employee satisfaction . Workplace culture, training **and** performance reviews, salary **and** benefits, and promotions and transfers are the independent factors. 400 respondents from Kathmandu city were asked for their perspectives as part of a primary data collection process.

The survey employed structured questionnaires that included cross-sectional data and a five-point Likert scale. The relationship and effect of an independent variable on employee satisfaction were determined using regression analysis and correlation analysis. The findings indicate that there is a favorable association between work culture, training **and** performance reviews, salary **and** benefits, **and** promotions **and** transfers with employee satisfaction.

Executives at commercial banking institutions could find this study and its findings useful in making decisions, as it offers a basis for projecting and mitigating employee-related problems. Thus, this study offers a more thorough understanding of the current state of HR practices and how they relate to worker happiness. Subsequent studies may be carried out incorporating additional variables related to human resource strategies, as well as gathering additional data to evaluate potential long-term effects. Thus, in subsequent research, the relationship between demographic factors and **moderating effects can be investigated**