

HR Practices and Employee Satisfaction: The Mediating Role of Employer Branding

¹Anupama Sharma, ²Rahul Raj

¹Research Scholar, School of Management Studies, Graphic Era University, Dehradun,
anupamabhatt02@gmail.com

²School of Commerce, Graphic Era University, Dehradun

Abstract

The human resource is the face of an organization. The field of HR has transformed from traditional to techno-driven and business oriented than ever. In order to stay competitive, the human resource professionals are considered as ‘business partners’ in the changing global scenario. The HR department works as a key link between the employer and employees. There is a close association noticed between the employee satisfaction and performance management, profitability, sustainability leading to organizational effectiveness altogether. The present article aims to demonstrate the HR practices that are prevailing in the organization and their impact on the employee satisfaction in it by putting the mediating role of the employer’s branding. The researcher has conducted the survey among the various organization across the country through the structured questionnaire and collected 150 responses from the different zones of the India. It is found that there are mainly four factors of the HR practices that had been measured under this study i.e. Recruitment and Selection, Employee Involvement, Training & Development, Employer’s Branding by applying the mean score value for them and to check their impact on their Employee satisfaction, it had been noticed significant impact of all the four factors of HR practices in the organization. The author has used the regression method in this regard. The study is unique and significant as it deals with changing scenario of HR linking employees and employer for better future prospects and sustainable development point of view.

Keywords: Recruitment and Selection, Employee Involvement, Training & Development, Employer’s Branding, Employee Satisfaction.

Introduction

The human resource is the face of an organization. The field of HR has transformed from traditional to techno-driven and business oriented than ever. In order to stay competitive, the human resource professionals are considered as ‘business partners’ in the changing global scenario. The HR department works as a key link between the employer and employees. There is a close association noticed between the employee satisfaction and performance management, profitability, sustainability leading to organizational effectiveness altogether. There are various factors influence the organizational effectiveness, branding and performance (Sattar, Ahmad & Hassan, 2015). Some of them are Employee Compensation,

Employee Empowerment and Appraisal System that influence the employee satisfaction in the organization whether it is public related organization or privately owned firm. Therefore, the good HR practices will lead to the productive outcomes for the employees in the organization and it gives the fruitful result to the employee of the organization (Khoreva & Wechtler, 2018). The term HRM can be defined as "personnel management and university employee relations," while others define it as "a method for personnel management integration incorporating organizational strategy." If a business is truly devoted to improving its HRM procedures, then its workers will be more dedicated to their job and will play a significant role in the firm's success.

- **Employee Satisfaction**

Employee satisfaction is a metric that reveals what people are thinking and feeling about their workplace and employment. Furthermore, it relates to the role of meeting the job-related demands of employees (Hassan, Hassan, Khan & Iqbal, 2013). Employee satisfaction is defined as an employee's emotion about their employment, or a set of attitudes about various aspects of their job. Employee satisfaction is defined as a favorable emotion or a happy condition that occurs as a result of a work review.

There are several elements that contribute to employee satisfaction that are distinct and distinct from those that contribute to unhappiness. Motivators are factors that contribute to satisfaction, such as acknowledgment, progress, responsibility, and accomplishment. Hygiene variables, on the other hand, are those that contribute to unhappiness and inhibit job satisfaction, and they include things like supervision, interpersonal connections, administrative policies, work conditions, and remuneration (Guest & Conway, 2011).

- **Employee Branding and its Dimension**

Employee branding is depicted as a one-dimensional process in employee branding literature. However, very less attention is paid towards the dimensions of employee and employer branding synchronizing them together. There is a dearth of scientific research in this area. Existing branding literature identified many components of employee branding that encourage employees to support brands. Internal brand management is a second-order formative construct that includes brand identity, brand communication, and brand leadership (Spyropoulou, Skarmas & Katsikeas, 2011). Previous writers, on the other hand, argued that it is a second-order reflective construct that influences workers' brand motivation and performance. The dimensions of Employee Brandings are mentioned below:

Perceived Brand Centered HRM

Perceived Internal Brand Communication

Perceived Brand Specific
Transformational Leadership

Perceived Brand Oriented Support

Perceived External Brand Prestige

As a result, human resource management activities, internal brand communication, leadership, and brand-oriented assistance have been identified as the main contributing characteristics of employee branding in the literature. All of these factors are part of internal branding campaigns aimed at improving workers' impressions of the service brand. The employees also expect self-identity in addition to the aforementioned internal brand management efforts.

Literature Review

Miles, S. J., & Mangold, G. (2004) examined that the employee brand image is controlled by the messages workers get and the processes underlying their psyches that enable them to make sense of those messages, according to a conceptual model of the employee branding process we present. The model defines and describes the many channels via which messages are transmitted, as well as how those sources contribute to the employee branding process. A perceptual component fundamental to the employee branding process is recognized as the psychological contract. The model outlines the effects of the employee branding process as well as a feedback loop that managers may use to keep track of it.

Hassan, M., et.al. (2013) stated that employee satisfaction as well as loyalty are the most crucial challenges faced by the banking sector. Many researches have been undertaken to evaluate employee satisfaction determinants,

although these studies have primarily looked at industrialized nations. As a result, the study's major goal is to determine the link between three HR practices, namely remuneration, empowerment, and assessment systems, and employee satisfaction and loyalty in Pakistan's government-owned public sector banks. Data was gathered from workers of government-owned public banks for this purpose. Validity, reliability, correlation, and regression analysis were all performed using the statistical programme SPSS 17. Employee remuneration has been proven to be the most important component in generating employee happiness, while employee empowerment has been found to be a crucial factor in fostering employee loyalty. Theoretical and managerial ramifications, as well as future research limits, have been highlighted.

According to S. Gaddam (2008), "Employer Branding" has been one of the "hottest employment techniques." It is a worldwide idea in which talents and ability are in high demand. Employers are attempting to differentiate themselves in both the internal and external environments by building brand images. 'Branding' is a phrase in and of itself that conjures up images of unique and imaginative items. Similarly, in this fast-changing technology era, 'Employer Branding' is quite popular in the Human Resource Management industry and serves as one of the communication magic tools for obtaining and keeping talent. He further ascertains that the study presents a comprehensive perspective on employer branding and the application of employer branding ideas for recruiting and retaining talent through illustrated cases. It provides useful information on HR executives' activities and how they relate to workplace branding. The article goes on to explain how psychological reasons, organizational cultures, values, and branding initiatives impact HR executives' ability to recruit and keep personnel in the company. The notion of 'employer branding communication' aids businesses in distinguishing themselves from their competitors.

Dhiman, P., & Arora, S. (2020) analyzed that employee branding is feasible through a theoretical framework for identifying crucial employee branding features in the context of the Indian hospitality sector, which have been

missed in prior studies. On a sample of 421 customer-contact staff from the top ten luxury chain hotels operating in five key tourist locations in Northern India, a survey-based technique is used. The study's main goal is to find out what workers think about luxury chain hotels' internal and external brand management initiatives. As a result, a conceptual model was created and validated using Analysis of Moment Structures using AMOS v. 20 and confirmatory factor analysis. The study confirms employee branding as a five-dimensional first-order reflective construct, consisting of perceived brand-centered human resource management, perceived internal brand communication, perceived brand-specific transformational leadership, perceived brand-oriented support, and perceived external brand prestige, after reviewing the literature and conducting an empirical investigation. The work finishes with a discussion, implications, limits, and future research prospects.

Research Methodology:

3.1 Problem Statements:

There are numerous research paper that had been written by the various authors are based on the impact of HRM policies on the performance of the employees in the various areas and sectors across the world but very rare of the study that had been conducted especially on the parameters of the HR practices by considering the few important criteria of the practices like Recruitment and Selection process, Involvement of Employees in the decision making process, Training and Development and Employer's Branding on the performance of the employees in terms of the job satisfaction by considering the mediating effect of the Employers loyalty on the performance of them in the organization.

3.2 Objectives of the Study:

The aim of study is to identify the impact of HRM practices on the employee satisfaction. In addition, it also intends to check the impact of employer's branding towards their employees in the organization.

- To examine the impact of demographic profiles on employee branding in association with identified HR practices.

- To study the underlying factors for the selected HR practices (Recruitment and Selection, Involvement of Employees, Training and Development and Employer's Branding) on the performance of the employees in the organization.
- To analyze the impact of the parameters of the job satisfaction on the employees' performance of the organization by considering the mediating impact of the Employer's Branding

3.3 Hypothesis of the Study:

Hypotheses are the predicted outcomes of a study that take into account our observations of the outside world. Hypotheses that we frame for our study often define the causal link between the examined variables, where one may be seen as the cause, which is the method and mechanism we have utilized for the study, and the study's findings are the consequence.

H01: There is no significant impact of Recruitment and Selection process on the performance of the employees in the organization

H02: There is no significant impact of Involvement of Employees on the performance of the employees in the organization

H03: There is no significant impact of Training and Development on the performance of the employees in the organization

H04: There is no significant impact of Employer's Branding on the performance of the employees in the organization

3.4 Variables for the Study:

- Independent Variable: To study the various parameters of HR practices that can be applicable by the employers to have the complete healthy environment for the working of the employees, the researcher had covered the Recruitment and Selection process, Involvement of Employees in the decision making process, Training and Development and Employer's Branding.
- Dependent Variable: To measure the performance of the employees in the organization, the researcher had covered the job satisfaction of the employees as a part of their performance.

3.5 Sample Size:

Total of the 150 responses had been collected by the author to check the impact of the few HR practices parameters on their performance in the organization.

3.6 Sampling Design:

The study conducted here is based on the Non Convenience probabilistic sampling techniques had been used. The reason choosing this technique is because the responses had been collected from the random number of respondent in the market as per the convenience of the researcher.

Societal Importance of the Study

This study is basically focusing on the parameters of the HR practices that have been prevailing in the organization which have the significant impact on the productivity of the employees working in the organization whether it is at the top level management, middle level management or lower level management in the organization. So this study will provide those parameters which are important for the organization to improve the productivity of the employees in the organization. So this study will be the focal point for the employers to understand the working parameters for the employees to improve their productivity in the organization and accordingly they can design their HR policies and processes. On the other hand, this study will also help the employees to understand the mindset of employers on the parameters of their willingness towards the employee welfare and safety parameters.

Data Analysis and Interpretation:Table 1: *Demographic Profile of the Employees*

Gender	Percentage	Categories of Industry	Percentage
Male	60.1	Information Technology	35.25
Female	39.9	Automobiles	22.10
		Banking & Insurance	27.25
		Others	15.50
Education of Employees		Annual Income of Employees	
Graduation	20.30	Less than Rs. Rs. 2,50,000	11.20
Post-Graduation	24.31	Rs. 2,50,000 – Rs. 5,00,000	34.12
Doctorate	21.30	Rs. 5,00,001 – Rs. 7,50,000	24.36
Professional Degrees	26.28	Rs. 7,50,001 – Rs. 10,00,000	25.41
Others	07.81	More than Rs. 10,00,000	04.91
Area of Residence		Age of Employees	
North Zone of India	21.21	Less than 25 Years	20.30
South Zone of India	27.15	25 – 40 Years	22.25
West Zone of India	28.70	41 – 50 Years	27.12
East Zone of India	15.36	51 – 60 Years	20.17
Central Zone of India	07.58	Above 60 Years	10.16

(Sources: Research Output)

From the above table of the demographic profile of the employees in the organization, it had been found that the majority of the employees covered under this study for measuring the impact of HR policies on the performance of the employees with the mediating role of the Employer's branding are falling under the category of the Male from the west Zone of India with having the majority of them are falling under the age group from 25 years to 50 years of

age which proves that they are young as well as mature people. Education wise majority of them are falling under the Post-Graduation and some expert professional course that they had done for getting expertise in the respective field of education. Income wise majority of them are covering the category of Rs. 2,50,000 – Rs. 5,00,000 and Industry category wise they are falling in the Information Technology and Banking & Insurance.

Table 2: *Factors of HR Practices in the Organization*

Factors	Parameters for HR Practices	Mean Value
Recruitment & Selection	Information regarding the recruiting procedure is widely disseminated.	3.58
	Selection exams are administered by skilled and unbiased	3.66

	individuals.	
	At the conclusion of the selection process, communicates performance results to candidates.	3.01
	Provides candidates with information about the selection process.	3.28
	Selection procedure that is competitive.	3.74
Employee Involvement	Attempts to attain personal and professional goals.	3.98
	Encourages decision-making and problem-solving engagement.	3.15
	Recognizes my efforts and accomplishments.	3.17
	Superiors and workers work in an environment of trust and understanding.	3.91
Training & Development	Aids in the development of abilities necessary for the successful completion of my responsibilities.	4.10
	Taking a wide approach to my personal and professional development.	3.41
	Encourages knowledge acquisition and application.	3.21
	Participants assess the training.	3.57
Employer's Branding	Performs performance evaluations on a regular basis.	3.42
	Promotions and salary increases are based on this.	2.98
	This document serves as the foundation for an employee development strategy.	3.18
	Employees are informed about the criteria and results of Employer's Brandings.	3.34

(Sources: Research Result)

The above table represents the various factors of the HR practices prevailing in the organization and its effect on the performance of the employees with respect to those HR practices. It had been observed from the above table that there are three HR practices are covered under this study i.e. Recruitment and Selection, Employee Involvement, Training & Development and Employer's Branding. By observing the first factor of HR practices i.e. Recruitment and Selection, it had been seen that the highest weightage given by the employees

under this factors is to the "Selection procedure that is competitive." For the second factor of Employee Involvement, the highest weightage has been given to the "Attempts to attain personal and professional goals." For the third factor i.e. Training and Development the highest weightage has been given to the "Aids in the development of abilities necessary for the successful completion of my responsibilities" and for the Employer's branding, the highest preference given to the "Performs performance evaluations on a regular basis."

Table 3: *Impact of HR Practices on the Performance of the Employees with Mediating Effect of the Employer's branding*

Factors of Different modes of learnings	Adjusted R Square	Annova Significant Value	Coefficient Beta Value	Coefficient Significant value
Recruitment & Selection	0.745	0.000*	0.398	0.000*
Employee Involvement			0.274	0.000*
Training & Development			0.091	0.000*
Employer’s Branding			0.078	0.0009
Constant Value of Coefficient Table : 3.541				

(Sources: Research Result)

H0: There is no significant impact of the factors of HR practices prevailing in the organization on the performance of the employees with mediating effect of Employer's Branding.

H1: There is significant impact of the factors of HR practices prevailing in the organization on the performance of the employees with mediating effect of Employer's Branding.

The above table represent the regression table among the factors of the HR practices prevailing in the organization and its impact on the job satisfaction (performance) of the employees. So here the dependent variables are the factor of Performance of the Employees and the Independent variable is the factors derived from the analysis regarding their HR practices prevailing in the organization i.e. Recruitment and Selection, Employee Involvement, Training & Development and Employer's branding.

Based on the results, it can be said that the value of Adjusted R square is 0.745, which means out of the total change in the dependent variable of our study i.e. Performance of the Employees out of which the 74.5% of the changes will be represented by the factors affecting the HR practices prevailing in the organization. On the other hand, the Annova value is 0.000 which is <0.05 which means that the model for the regression is best fitted for this study among the dependent and independent variable. By looking at the coefficient table value the significant value of all the three factors are 0.000 which is <0.05 which means that we need to reject the

null hypothesis and There is significant impact of the HR practices prevailing in the organization on the performance of them by considering the mediating role of the Employer's Branding.

Findings and Conclusions:

From the above study of the factors of HR practices prevailing in India and its Impact on the Employee satisfaction with having the mediating role of the Employer's Branding in the organization noticed that, the majority of the employees covered under this study on the basis of the demographic factors are falling under the Male category having the majority of them are young or at the mature level of age with having the salary range on and average form the Rs. 5,00,000 to Rs. 10,00,000. By looking at the factors of the HR practices, there are mainly four factors that had been noticed i.e. Recruitment and Selection, Employee Involvement, Training and Development and Employer's Branding and these factors are having the significant impact on the employee satisfaction in the organization with having the mediating impact of the Employer's Branding.

Reference

- [1] Bashir, S., & Khattak, H. R. (2008). Impact of selected HR practices on perceived employee performance, a study of Public

- Sector Employees in Pakistan. *European Journal of Social Sciences*, 5(4), 243-252.
- [2] Bowra, Z. A., Sharif, B., Saeed, A., & Niazi, M. K. (2012). Impact of human resource practices on employee perceived performance in banking sector of Pakistan. *African Journal of Business Management*, 6(1), 323-332.
 - [3] Choi, J. H., & Lee, K. P. (2013). Effects of employees' perceptions on the relationship between HR practices and firm performance for Korean firms. *Personnel Review*.
 - [4] Dhiman, P., & Arora, S. (2020). A conceptual framework for identifying key employee branding dimensions: A study of hospitality industry. *Journal of Innovation & Knowledge*, 5(3), 200-209.
 - [5] Fanelli, J.M. and R. Medhora, (1998). *Financial Reform in Developing Countries*. MacMillan Press, London.
 - [6] Gaddam, S. (2008). Modeling Employer Branding Communication: The Softer Aspect of HR Marketing Management. *ICFAI Journal of Soft Skills*, 2(1).
 - [7] 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), 1686-1702.
 - [8] Gürbüz, S. (2009). The effect of high performance HR practices on employees' job satisfaction. *İstanbul Üniversitesi İşletme Fakültesi Dergisi*, 38(2), 110-123.
 - [9] Haider, M., Rasli, A., Akhtar, C. S., Yusoff, R. B. M., Malik, O. M., Aamir, A., ... & Tariq, F. (2015). The impact of human resource practices on employee retention in the telecom sector. *International Journal of Economics and Financial Issues*, 5(1), 63-69.
 - [10] Hassan, M., Hassan, S., Khan, M. F. A., & Iqbal, A. (2013). Impact of HR practices on employee satisfaction and employee loyalty: An empirical study of government owned public sector banks of Pakistan. *Middle-East Journal of Scientific Research*, 16(1), 01-08.
 - [11] Hassan, S. (2016). Impact of HRM practices on employee's performance. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 6(1), 15-22.
 - [12] Jouda, A. A., Ahmad, U. N. U., & Dahleez, K. A. (2016). The impact of human resource management practices on employees' performance: The case of Islamic University of Gaza in Palestine. *International Review of Management and Marketing*, 6(4), 1080-1088.
 - [13] Kehoe, R. R., & Wright, P. M. (2013). The impact of high-performance human resource practices on employees' attitudes and behaviors. *Journal of management*, 39(2), 366-391.
 - [14] Khoreva, V., & Wechtler, H. (2018). HR practices and employee performance: the mediating role of well-being. *Employee Relations*.
 - [15] Liu, G., Ko, W. W., & Chapleo, C. (2017). Managing employee attention and internal branding. *Journal of Business Research*, 79, 1-11.
 - [16] Mahmood, F., Iqbal, N., & Sahu, S. R. (2014). The impact of human resource management practices on employee performance in banking industry of Pakistan. *Euro-Asian Journal of Economics and Finance*, 2(1), 86-99.
 - [17] Marwat, Z. A., Qureshi, T. M., & Ramay, M. I. (2006). Impact of human resource management (HRM) practices on employees' performance. *International Journal*, 5(1), 1-5.
 - [18] Miles, S. J., & Mangold, G. (2004). A conceptualization of the employee branding process. *Journal of relationship marketing*, 3(2-3), 65-87.
 - [19] Muchhal, D. S. (2014). HR practices and Job Performance. *IOSR journal of humanities and social science (IOSR-JHSS)*, 19(4), 55-61.
 - [20] Sattar, T., Ahmad, K., & Hassan, S. M. (2015). Role of human resource practices in employee performance and job satisfaction with mediating effect of employee engagement. *Pakistan Economic and Social Review*, 81-96.
 - [21] Shahzad, K., Bashir, S., & Ramay, M. I. (2008). Impact of HR practices on perceived performance of university teachers in Pakistan. *International review of business research papers*, 4(2), 302-315.
 - [22] Singh, A. K., & Singh, A. P. (2010). Role of stress and organizational support in predicting organizational citizenship behavior. *IUP Journal of Organizational Behavior*, 9(4).

- [23] Spyropoulou, S., Skarmas, D., & Katsikeas, C. S. (2011). An examination of branding advantage in export ventures. *European Journal of Marketing*.