
Nusrat Fatema

ABSTRACT

As the world is becoming more competitive and unstable than ever before; healthcare sector, especially in a developing country like Bangladesh, is seeking to gain competitive advantage through the performance of its employees and is turning to be more innovative in this perspective through human resource management (HRM) practices. Experts view HRM practices as a set of internally consistent policies and practices designed and implemented to ensure that the human capital of the organization contributes to the achievement of its objectives. This paper examined the effects of human resource management (HRM) practices on stimulating or enhancing efficient employee performance in the healthcare sector of Bangladesh. Ten dimensions and 43 item statements of human resource management (HRM) and efficient employee performance have been adopted to undertake this study. Data were gathered following a quantitative survey by a structured questionnaire conducted among a diverse group of employees (N = 240) working in 20 different healthcare service providing organizations of Bangladesh following simple random sampling method. Several statistical techniques consisting of descriptive analysis, Pearson correlations, ANOVA, Coefficient, and regression analysis have been applied using SPSS software to analyze the collected data for taking decisions regarding the hypotheses. The results of the statistical analysis revealed that human resource management (HRM) practices positively stimulates efficient employee performance. This study, therefore, recommends among others: enhancement of motivation among employees, improvement in the reward system, establishment of well-built organizational culture, training and re-training of employees, and employee’s participation in decision making.

Keywords: Compensation Management, Efficient Employee Performance, Employee Engagement, Employee Motivation, Healthcare Sector, Organizational Culture.

JEL Codes: C15, G14, O15.

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1. Introduction

Human Resource Management (HRM) is a system of activities and strategies that focus on successful management of employees and working for staff inside the organization to achieve the goals. (Bayars and Rue, 2006). Human Resource (HR), among other resources, is the critical one that makes a difference in an organization’s performance. When about healthcare, HR is defined as the different kinds of clinical and non-clinical employees responsible for public and individual health intervention. As arguably the most important of the health system inputs, the performance, and the benefits the system can deliver depend upon the knowledge, skills and motivation of those individuals responsible for health services.

Developing HRM practices in healthcare organizations for stimulating performance efficiency of the employees is a complex issue especially in the developing countries. This complexity is, among others, due to globalization and advance in medicine, HR crisis, political and economic factors, structural determinants including quality management and dynamic demands from patients or customers (Michael 2004; Donabedianm 2005; Kunkel et al. 2007). Here the workforce is large, diverse, and comprise separate occupations often represented by powerful professional associations or trade unions.

Most of the literatures have showed the importance of incentives, motivation, and bonuses by competencies on improving the quality of employee services in hospitals (Yu, 2007; Michael, 2009; Patrick, 2011; McKinnies, 2011). A sincere focus on these factors can make a significant difference among health organizations in terms of their quality and level of performance (Edgar and Geare, 2005).

One of the main goals of Human Resource Management (HRM) is to increase the performance of organizations (Paauwe et al. 2013). In this study, we narrowed down the focus from organizational to employee performance. We observed and analyzed the practices of HRM (Recruitment and selection, Training and development, compensation management, organizational culture, employee engagement, performance appraisal, employee motivation, employee empowerment, organizational justice) that can enhance the performance of the employees. This study focused on the healthcare sector in Bangladesh context. The reason behind that is, in Bangladesh the healthcare sector is mostly comprised of employees with sector-specific skills and qualifications (physicians, nurses, etc.) These employees tend to be loyal to their profession and their patients rather than to their employer. So, in order to maximize the contribution of the workforce; the healthcare sector needs to have workable HRM policies in practice.

Many researches were conducted to determine the relationship between Human Resource Management (HRM) practices and Employee Performance in developed countries, but few studies were carried out in developing countries like Bangladesh. Bangladesh is considered ‘under-researched’ in the HRM practices (Aycan et al., 2000). In Bangladesh, Researchers mainly focused telecom sector, banking sector, public sector but healthcare sector of Bangladesh required great attention to determine the relationship between HRM practices and employee’s performance.

Customers of the healthcare sector are facing challenges due to the quality of staff’s performance (Howard et al., 2006). The questions of whether and how HRM practices contribute to the employee performance are much debated. Moreover, the roles of organizational factors, structure and HR practices are also not evident on employee performance. As a result, the link between HRM practice and employee performance in healthcare sector remain a “black box.” Research from other industries (Automotives, Manufacturing, Textiles, Banking, Steel etc.) has increasingly focused on systems rather than individual practices, has yielded results that may benefit health service management (Michael 2004; Garman et al. 2011).

Most of the research work, especially relevant for healthcare organizations, focused on the financial outcomes of HRM practices. But financial outcomes are certainly not the only - or even primary - objective of such practices (Givan et al. 2010). Few studies have explicitly addressed the multidimensional character of employee performance and linked HR practices to stimulate the efficiency of their performance (Harris et al. 2007). In this article, we therefore add to the literature by examining several dimensions of HRM in healthcare sector to enhance the efficiency of employee performance. The research question we will address is as follows: “How do human resource management practices stimulate efficient employee performance in healthcare sector of Bangladesh?
First, we will provide a brief background on the link between HRM practices and employee performance with a specific focus on the health care sector. Next, we will develop several hypotheses. Thereafter, the methods and results of the data analysis will be provided. The article ends with a conclusion regarding the effects of HRM on performance efficiency of employees in the health care sector.

2. Literature review and hypothesis development

Various studies by different researches uncovered the role, effectiveness, and impact of HRM practices on the enhancement of efficient employee performance in the healthcare sector. In the following section, we demonstrate the main literature that discussed HRM in healthcare sector:

In the mid-1990s, different empirical studies were commenced in order to discover whether different practices of HRM can add value to the performance of the employees. The results revealed positive effects of HR practices on employee attraction, development, performance, satisfaction, and retention (Harmon et. al. 2006; Jiang et. al. 2012; McAlearney 2011).

2.1 Recruitment and selection and efficient employee performance

Recruitment means searching for and obtaining a pool of potential candidates with the desired knowledge, skills and experience; whereas selection allows an organization to choose the most appropriate candidate to fill job vacancies against prescribed job descriptions and specifications. While carrying out these two processes, organizations not only focus on interviewing, reference checking, and testing but also ensure the fairness and equitability of the assessment activities. In his study, Al Kudhat Mohammed (2004) found the existence of a positive relationship between the personality traits of the candidates and technology employed to analyze, design, and classify the nature work in the healthcare sector. But, the contrasting views of the staffs about the availability of specialist personal attributes required was also considered for the selection purpose.

Recruitment and selection have the capacity to form a key part of employee managing and leading process. As organizations are increasingly regarding their workforce as a source of competitive advantage; the significance of recruitment and selection is becoming ever more visible (Ntiamoah et al. 2014). As a result, by the above evidence, the following hypothesis has been developed.

H0: Recruitment and Selection do not significantly and positively lead to efficient employee performance
H1: Recruitment and Selection significantly and positively lead to efficient employee performance.

2.2 Training and development and efficient employee performance

Training and development deals with activities aimed at bettering the job performance of individuals and groups in organizational settings. The activities involve sharpening of skills, concepts, changing of attitude, and gaining more knowledge to enhance the performance of employees. Despite the urgent need to develop managers in the healthcare sector, it is important to identify the competencies of managers as part of the overall management development process to make training relevant. In doing so, it is necessary to avoid ‘one size fits all’ approach and unnecessary deployment of scarce resources.

Determining and assessing competencies is a vital precursor to improving professional development and the alignment of individual development with the need for an organization or profession (Calhoun et al. 2004). The competency-based approach to professional development is well accepted in higher education (Westera 2001), and in human resource management literature where it is regarded as a critical part of the overall management development process, as it allows one to identify the gaps between current skills and the skills required (Jinabhai 2005).

Appropriate programs based on the personal needs and experiences of health managers can then be put in place to train managers to provide leadership and to ensure a sustainable improvement in the work context of health workers, and hence on the quality of care and health of the communities, their organizations serve (Price 2004).
All these contributions lead to achieving competitive advantage (Youndt et al., 1996) and to an enhancement in employee performance and organizational productivity (Bartel, 1994). Therefore, the following hypothesis is projected.

H<sub>0</sub>: Training and development do not significantly and positively lead to efficient employee performance

H<sub>2</sub>: Training and development significantly and positively lead to efficient employee performance.

2.3 Compensation management and efficient employee performance

Compensation is a process of providing monetary value to employees for the work they performed. It may include Basic Pay, Overtime, Bonuses, Travel/Accommodation Allowance, Stock Options, Medical Allowance, Commissions, and Profit Sharing. Employee retention and turnover have become a prominent aspect of organizational life. Compensation can be used to hire skilled employees, reward the performance, encourage company loyalty by reducing turnover. There exists a positive relationship between compensation and employee performance, as compensation strategies play an important role in recruiting and retaining skilled employees (Frye 2004). Most of the firms used Performance-based compensation to reward employees (Collins and Clark, 2003). Performance-based compensation positively influences employee’s performance (Brown et al., 2003)

A research study by Huselid (1995) showed a significant relationship between compensations and employee performance. An effective HRM strategy is to integrate performance and compensation system that enhance employee’s will to work (Wright, 2003). Teseema and Soeters (2006) indicate a correlation between compensation and employee’s performance. It is important for the employers to view compensation practices in a favorable light to win over employee recruitment, turnover, and productivity.

Teseema and Soeters (2006) indicate a significant correlation between compensation and employee’s performance. As compensation management influences recruitment, turnover, and productivity, the following hypothesis is developed.

H<sub>0</sub>: Compensation Management has no significant and positive relationship with efficient employee performance.

H<sub>3</sub>: Compensation Management has a significant and positive relationship with efficient employee performance.

2.4 Organizational culture and efficient employee performance

Organizational culture is interrelated to management. An integration of structural stability and standard of organizational culture can lead to effective culture management (Kotter and Heskett, 1992). Certain characteristics of organizational culture were established in association with a set of norms, values and beliefs (Schein, 1995).

The employee performance would be considered as backbone of an organization as it leads to organizational development. The loyalty of employee relies upon knowledge and awareness of culture that improves the organizational behavior (Brooks, 2006). Organizational culture was first identified by Administrative Science quarterly (Pettigrew, 1979). Identification of the values and norms of employee’s helps in improving their performance. The awareness of quality helps in organizational and employee development.

An organization can gain sustainable competitive advantage over its competitors through its culture (Saa-Pe’re and García-Falcon, 2002). As the culture of an organization can badly affect the performance of its employees; though interrelated; a negative correlation exists among them (Rousseau 1991, Lim 1995). Different practitioners and academics based the value of culture upon degree of performance (Denison, 1990).

Organizational culture helps the employees understand what the Organizational stands for, how it operates, and what is its area of focus and scope of practice (Ehteshamul, 2011). By the above evidence, the following hypothesis is formulated.

H<sub>0</sub>: Organizational Culture has no significant and positive relationship with efficient employee performance.
H4: Organizational Culture has a significant and positive relationship with efficient employee performance.

2.5 Employee engagement and efficient employee performance

According to Perrin's Global Workforce Study (2003) employee engagement refers to employees' willingness and ability to help their company succeed by providing discretionary effort on a sustainable basis. Both emotional and rational factors relating to the overall work experience can affect employee engagement.

The outcome of employee engagement may result in employee retention, productivity, profitability, customer loyalty and safety. Several studies have found the interrelation of employee engagement with their performance and customer satisfaction. The more engaged employees are, the more likely their employer is to exceed the industry average in its revenue growth (Coffman, 2000; Ellis and Sorensen, 2007; Towers Perrin Talent Report, 2003; Hewitt Associates, 2004; Heintzman and Marson, 2005; Coffman and Gonzalez-Molina, 2002).

Employee engagement refers to the involvement with and enthusiasm for the work by the employees. Gallup, as cited by Dernovsek (2008), compared employee engagement to a positive employees' emotional attachment and employees' commitment.

By the above evidence, the following hypothesis is developed.

H0: Employee engagement has no significant and positive relationship with efficient employee performance.

H5: Employee engagement has a significant and positive relationship with efficient employee performance.

2.6 Performance appraisal and Efficient Employee Performance

Performance appraisal is a formal assessment and rating of individuals by their managers at and after a review meeting (Armstrong 2009). It identifies, measures and manages the performance of the employees. It provides individuals with useful feedback and coaches them to higher levels of performance (Nasiripour et al. 2012).

Generally physicians are reluctant to formally address difficult performance situations. Because this can increase tensions in relationships (Choudhary & Puranik 2014). Regular systems of feedback should be established to allow HWs to know how they are performing from those affected by the workers' performance (Ehiri 2009). Feedback should be availed annually while recognition of performance should occur regularly. Managers should encourage supervisors and all staff to recognize and appreciate coworkers for efforts and good job as this increases motivation and performance among staff (O'Neil and Reimann 2009).

Performance Appraisal enhances the employee's productivity; that in turn increases his/her professional growth and organizational performance (Sels et al. 2003). The key to organization’s success relates to the willingness of employees to play an extra role (Ahmad and Schroeder, 2003). Satisfied employees lead towards reduced turnover and absenteeism. Therefore, the following hypothesis is projected.

H0: Performance appraisal has no significant and positive relationship with efficient employee performance.

H6: Performance appraisal has a significant and positive relationship with efficient employee performance.

2.7 Employee motivation and efficient employee performance

Motivation is a force that enables an individual to act in the direction of a particular objective. It ensures productivity, performance, and persistence from the part of the employees (Grant 2008). Motivated employees are more oriented towards autonomy and freedom and are more self-driven as compared to less motivated employees which lead to availing developmental opportunities more correctly (Ryan and Deci, 2000, as cited in Grant, 2008). Similarly, employee commitment to their work is more if they are motivated as compared to less motivated employees (Vansteenkiste et al., 2006).
Employee performance is influenced by motivation because if employees are motivated, then they will perform with more effort and will ultimately improve (Azar and Shafighi, 2013). As a result, the following hypothesis is established for empirical assessment.

H0: Employee motivation has no significant and positive relationship with efficient employee performance.

H7: Employee motivation has a significant and positive relationship with efficient employee performance.

### 2.8 Employee empowerment and efficient employee performance

Employee empowerment involves providing tools to encourage and motivate the employees for ensuring sustainable performance. It benefits an organization by constructing a complete setting to produce quality products and services (Kahreh et al. 2011).

Saif and Saleh (2013) view employee empowerment as one of the rudiments for continuous improvement of the quality of performance of the employees. The study of Timothy and Abubaker (2013) endorse positive and significant impact of employee empowerment on their performance (Tsaur et al. 2004) and reveals employee empowerment improves the efficiency of the employee performance. Large enterprises like Federal Express and U.S. Air empowered their employees to satisfy customers by further their service quality (Zemke, Schaaf 1989). Thus, employee empowerment has a profound contribution to efficient employee performance (Yasothai et al. 2015). By the above evidence, the following hypothesis is developed.

H0: Employee Empowerment has no significant and positive relationship with efficient employee performance.

H8: Employee Empowerment has a significant and positive relationship with efficient employee performance.

### 2.9 Organizational justice and efficient employee performance

Organizational Justice is in fact how employees perceive fairness and equity and their reaction to the results while working in their organizations. Organizational justice can influence the performance of employees (Ansari et al. 2007). Employee's positive perception regarding different types of organizational justice may result into better citizenship behaviors. If employees perceive unfairness, then they balance it out by decreasing their outputs (Moorman and Niehoff, 1993).

Different researchers highlighted that the sense of justice directly affects employee’s displacement, job satisfaction and their trust/ distrust in their organizations and the superiors (Alexander and Ruderman 1987). Researchers have also studied the relationship between organizational justice perception and work attitudes of employees (Colquitt 2001). Thus, organizational justice has insightful involvement in the enhancement of efficient employee performance, and by the above evidence, the following hypothesis is developed.

H0: Organizational justice has no significant and positive relationship with efficient employee performance.

H9: Organizational justice has a significant and positive relationship with efficient employee performance.

### 3. Data and methodology

#### 3.1 Conceptual framework

This research consists of total ten variables, and nine are independent such as Recruitment and selection, Training and development, compensation management, organizational culture, employee engagement, performance appraisal, employee motivation, employee empowerment, organizational justice, they have influence or effect on dependent variable efficient employee performance (Figure 1).
3.2 Research design

The purpose of the research is to test the effects of human resource management practices on stimulating or enhancing the employee performance of the healthcare sector in Bangladesh. Two sources have been used to collect data for this research.

i) The primary source refers to the collection of quantitative data from the employees of the healthcare sector in Bangladesh. Structured questionnaire was used to get the sufficient data. ii) The secondary source refers to the collection of different publications of this field.

3.3 Population and sample size

The target sector of this study is the healthcare sector of Bangladesh. The target population of the study is all the hospitals in Bangladesh. The total number of hospitals in Bangladesh are 1683. Of these 1683 hospitals, 678 are government hospitals and 1005 are non-governmental healthcare service providing organizations. For the purpose of this study, 20 different governmental and non-governmental healthcare service providing organizations of Bangladesh were selected as sample from the above stated list of the hospitals.

3.4 Sampling technique

Data was collected from 240 employees working in 20 different governmental and non-governmental healthcare service providing organizations of Bangladesh. The respondents were picked following simple random sampling method (Zikmund et al. 2013).

3.5 Nature of data

In this study, nature of data is quantitative which reflects the influence of human resource management practices on the feelings, behaviors, and performances of the employees of healthcare sector in Bangladesh. An exploratory analysis was conducted to achieve the desired outcome from this study.

3.6 Instrument

A structured questionnaire was used as the instrument of this study. The questionnaire was divided into two segments: First segment was devised for collecting demographic information of the

Figure 1: Conceptual framework

[Diagram of HRM Practices leading to Efficient Employee Performance with subcategories like Recruitment & Selection, Training & Development, Compensation Management, Organizational Culture, Employee Engagement, Performance Appraisal, Employee Motivation, Employee Empowerment, and Organizational Justice]
respondents and second one for measuring the perceptions of independent (Recruitment and selection, Training and development, compensation management, organizational culture, employee engagement, performance appraisal, employee motivation, employee empowerment, organizational justice) and dependent (efficient employee performance) variables under investigation. A total of 43 items were used in this study. A 5-point Likert scale was used with an interval scale ranging from 1 (strongly disagree) to 5 (strongly agree).

3.7 Data collection

For collecting the data, survey questionnaires were mostly distributed manually to the target people, and e-mail was also used to reach some of the respondents. Around 300 hundred questionnaires were distributed among the employees of 20 different healthcare service providing organizations. A total of 242 people returned their answers whereas 240 data were considered usable.

3.8 Data analysis technique

The primary data were analyzed employing SPSS (Statistical Package of Social Science) software. Frequencies, descriptive analysis, correlation coefficient, and regression analysis were applied to analyze the gathered data. The values of Cronbach’s alpha coefficient were also calculated to institute the reliability of measures.

3.9 Demographic profile

According to the Table 1, among the 240 randomly selected employees (sample) of 20 different healthcare service providing organizations, there are 195 male and 45 female. Regarding the age of respondents, 2.5 % was below 19 years old.20.4 % was between the ages of 20-29 years. 32.5 % was between the ages of 30-39 years. 27.9 % were between the ages of 40-49 years. 16.7 % was above 50 years old. 20% employees had less than five years work experience. 40% employees had experience of 5-10 years. 14.6 % employees had 11-15 years worked experience. 18.8 % employees had 16-20 years worked experience. 6.6 % employees had working experience of more than 20 years (Table 1).

Among the respondents 19.6% were higher level employees, 56.6% were senior-level employees, and 23.8% were junior level employees. The hierarchy of medical jobs is described below in an ascending order pattern (Figure 2).

Table 1: Demographic profile

<table>
<thead>
<tr>
<th>Variables</th>
<th>Frequencies</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>195</td>
<td>81.25</td>
</tr>
<tr>
<td>Female</td>
<td>45</td>
<td>18.75</td>
</tr>
<tr>
<td>Total</td>
<td>240</td>
<td>100</td>
</tr>
<tr>
<td>Below 19</td>
<td>66</td>
<td>20.25</td>
</tr>
<tr>
<td>20-29</td>
<td>49</td>
<td>20.4</td>
</tr>
<tr>
<td>Age (in years)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30-39</td>
<td>78</td>
<td>32.5</td>
</tr>
<tr>
<td>40-49</td>
<td>67</td>
<td>27.9</td>
</tr>
<tr>
<td>50 and above</td>
<td>40</td>
<td>16.7</td>
</tr>
<tr>
<td>Total</td>
<td>240</td>
<td>100</td>
</tr>
<tr>
<td>Less than five years</td>
<td>48</td>
<td>20</td>
</tr>
<tr>
<td>5-10 years</td>
<td>96</td>
<td>40</td>
</tr>
<tr>
<td>Experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11-15 years</td>
<td>35</td>
<td>14.6</td>
</tr>
<tr>
<td>16-20 years</td>
<td>45</td>
<td>18.8</td>
</tr>
<tr>
<td>More than 20 years</td>
<td>16</td>
<td>06.6</td>
</tr>
<tr>
<td>Total</td>
<td>240</td>
<td>100</td>
</tr>
<tr>
<td>Respondent's Position</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior level</td>
<td>136</td>
<td>56.6</td>
</tr>
<tr>
<td>Junior level</td>
<td>57</td>
<td>23.8</td>
</tr>
<tr>
<td>Total</td>
<td>240</td>
<td>100</td>
</tr>
</tbody>
</table>
4. Analysis and findings

4.1 Descriptive analysis and reliability analysis

The following table (Table 2) displays the scores of mean, standard deviation and Cronbach’s alpha, and number of items used for each dimensions. To check the reliability of the scale and internal consistency of the measure, we use the cronbach’s Alpha method. Internal consistency of the measure means that the suggested method gives the same results when we apply the same test under the same condition again. According to the Cronbach’s Alpha, value that is near α=1.0 or α >0.6 is considered more significant, and value that is less than α=0.6 is insignificant.

Table 2: Scores of mean, standard deviation, and Cronbach's alpha

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Mean</th>
<th>Standard deviation</th>
<th>Alpha</th>
<th>No. of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.Recruitment and selection</td>
<td>3.461</td>
<td>0.736</td>
<td>0.789</td>
<td>4</td>
</tr>
<tr>
<td>2.Training and development</td>
<td>3.843</td>
<td>0.687</td>
<td>0.767</td>
<td>6</td>
</tr>
<tr>
<td>3.Compensation management</td>
<td>3.789</td>
<td>0.752</td>
<td>0.805</td>
<td>5</td>
</tr>
<tr>
<td>4.Organizational culture</td>
<td>3.747</td>
<td>0.841</td>
<td>0.824</td>
<td>4</td>
</tr>
<tr>
<td>5.Employee engagement</td>
<td>3.951</td>
<td>0.766</td>
<td>0.846</td>
<td>3</td>
</tr>
<tr>
<td>6.Performance appraisal</td>
<td>3.449</td>
<td>0.473</td>
<td>0.668</td>
<td>3</td>
</tr>
<tr>
<td>7.Employee motivation</td>
<td>3.289</td>
<td>0.478</td>
<td>0.787</td>
<td>3</td>
</tr>
<tr>
<td>8.Employee empowerment</td>
<td>3.196</td>
<td>0.352</td>
<td>0.618</td>
<td>4</td>
</tr>
<tr>
<td>9.Organizational justice</td>
<td>3.598</td>
<td>0.458</td>
<td>0.743</td>
<td>5</td>
</tr>
<tr>
<td>10.Employee Performance</td>
<td>3.530</td>
<td>0.335</td>
<td>0.601</td>
<td>6</td>
</tr>
</tbody>
</table>

According to Table 2, The Cronbach's alpha for Employee engagement (0.846) has the highest, and employee performance (0.601) has the lowest score in the entire data set. The internal consistency of the measure is good, and reliable because the Cronbach’s alpha value is >0.6. We measured the employee performance through six items and the value of Cronbach’s alpha is α=0.601. This value is near to α=1.0. We measured recruitment and selection through four items and the cronbach’s alpha value is α=0.789, training and development was measured through six items and the Cronbach’s alpha value is 0.767 which is significant. Compensation management was measured through five items, and the Cronbach’s alpha value is 0.805, organizational culture was measured through 4 items, and the Cronbach’s alpha value is 0.824 which is significant and reliable. Employee engagement was measured through three items and the Cronbach’s alpha value is 0.846 and performance appraisal was measured through three items and the Cronbach’s alpha value is 0.668 which is significant and reliable. Employee motivation was measured through three items and the Cronbach’s alpha value is 0.767 and Employee empowerment was measured through four items and the Cronbach’s alpha value is 0.618 which is significant and reliable. We also measured the organizational justice and employee performance with five and six items respectively and value of Cronbach’s alpha is α=0.743 and 0.601 respectively, which is reliable.

The statistics in Table 2 further show that the mean scores of all ten dimensions are almost in between 3 to 4. Employee Engagement (Mean: 3.951, SD: 0.766) has the highest mean score, and Employee Empowerment has the lowest mean score (Mean: 3.196, SD: 0.352) among all the dimensions.

The findings also demonstrate a high level of employee engagement and training and development among the employees, as the mean scores of employee engagement (3.951) and training and development (3.843) are reportedly high. Apart from these, the job is meaningful to the respondents, and they are quite happy with the Organizational culture since the mean scores of organizational culture (Mean: 3.747, SD: 0.841) and employee engagement (Mean: 3.951, SD: 0.766) dimensions are relatively high.

4.2 Correlation

Pearson correlations were tested to determine the typical relationships among variables under investigation. If the value of the correlation is near 1.0 or above 0.5 or nearly 0.5, then we can interpret...
that there are strong correlations. The results of Pearson correlations on each of the dimensions are displayed in the table below (Table 3).

Table 3: Correlations statement

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Recruitment &amp; Selection</td>
<td>0.364**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Training &amp; Development</td>
<td>0.364**</td>
<td>0.254**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Compensation Management</td>
<td>0.284**</td>
<td>0.255**</td>
<td>0.573**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Organizational Culture</td>
<td>0.326**</td>
<td>0.295**</td>
<td>0.377**</td>
<td>0.283**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Employee engagement</td>
<td>0.348*</td>
<td>0.259**</td>
<td>0.249**</td>
<td>0.326**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Performance Appraisal</td>
<td>0.373**</td>
<td>0.248**</td>
<td>0.204**</td>
<td>0.340**</td>
<td>0.210**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Employee Motivation</td>
<td>0.378**</td>
<td>0.257**</td>
<td>0.348**</td>
<td>0.204**</td>
<td>0.340**</td>
<td>0.210**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Employee Empowerment</td>
<td>0.383**</td>
<td>0.257**</td>
<td>0.348**</td>
<td>0.204**</td>
<td>0.340**</td>
<td>0.210**</td>
<td>0.425**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Organizational Justice</td>
<td>0.489**</td>
<td>0.427**</td>
<td>0.549**</td>
<td>0.586**</td>
<td>0.532**</td>
<td>0.394**</td>
<td>0.895**</td>
<td>0.489**</td>
<td>0.333*</td>
</tr>
<tr>
<td>10. Employee Performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Correlation is significant at the 0.05 level (2-tailed). ** Correlation is significant at the 0.01 level (2-tailed).

According to Table 3, Employee Motivation and efficient employee performance are highly and significantly correlated with value of 0.895. It means that an increase in employee motivation leads to enhanced performance by them. So it rejects the null hypothesis that, there is no relationship between employee motivation and employee performance. So, a positive relationship exists between employee motivation and employee performance. If employees are motivated then they will work with more effort and by which performance will ultimately improve (Asim, 2013; Azar and Shafiqi, 2013).

Compensation management, organizational culture, and employee engagement are also highly correlated with efficient employee performance with value of 0.549, 0.586 and 0.532 respectively. So, the null hypotheses of compensation management, organizational culture, and employee engagement have no relation to employee performance are rejected. Thus, it is interpreted that there are affirmative relationships among compensation management, organizational culture, employee engagement, and employee performance. An effective HRM strategy integrates performance and compensation system to enhance employee’s willingness to work effectively and efficiently (Wright, 2003). In an organization, the employees’ behavior is not only guided by rules but over time values and beliefs develop and are internalized by the employees as a code of conduct. Hence it can take time to enshrine these values and beliefs in the organization. Hence Contiu, Gabor, and Oltean (2012) contends that employees are conscious of Organizational culture, and they learn it in their life at the workplace, then align their professional goals with the Organization’s goals. These values, rules, beliefs, and principles also govern the management practices and systems used by an Organization (Sokro 2012). An engaged employee consistently advocates for the organization to co-workers, potential employees, and customers; desires to remain as a member despite opportunities to work elsewhere, and exerts extra time, effort and initiative to contribute to the success of the business (Baumruk and Gorman, 2006). Thus, Compensation management, organizational culture, and employee engagement have a profound contribution to efficient employee performance.

It is often claimed that selection of workers occurs not just to replace departing employees or add to a workforce but to put in place workers who can perform at a high level and demonstrate...
commitment (Dessler 2000, in Ntiamoah et al. 2014). Employee training and development is beneficial for any type of organizations in a variety of ways, such as it plays a vital role in building and maintaining capabilities, both on the individual and organizational level, and thus participates in the process of organizational change (Valle et al. 2000). Moreover, it enhances the retention capacity of talented workforce, hence decreasing the unintentional job rotation of the workers (Shaw et al. 1998). Furthermore, it indicates the organization’s long-term commitment towards its workers and increases the employee’s motivational level (Pfeffer, 1994). Transparent and merit-based performance appraisal increases employee’s motivation, self-esteem, and commitment (Singh, 2004; Wan et al. 2002). Employee empowerment is one of the most effective techniques to improve satisfaction, morale, motivation, and the performance of the employees (Ugboro, Obeng 2000; Bailey 2009; Ganjia et al. 2013). Consequently the organization experiences fewer job switching, enhanced employee retention rates, and reduced employee turnover expenses (Wagner, Herter 2006). Various studies have shown that employee’s actions and behaviors are affected too much by how they perceive the fairness of treatment by their organizations. Based on such perception they decide whether to trust their senior management concerning decision making (Rupp et al. 2006), which may directly or indirectly influence their performance. The null hypotheses of recruitment and selection, training and development, performance appraisal, employee empowerment and organizational justice have no relation with employee performance are also rejected because those variables are also correlated with employee performance with the value of 0.350, 0.427, 0.394, 0.489 and 0.333 respectively. They are not highly correlated but there are medium correlations. So, there are constructive relationships among recruitment and selection, training and development, performance appraisal, employee empowerment, organizational justice, and employee performance.

4.3 Regression

The results of multiple regressions presented in Table 4 indicate highly significant impact of employee motivation (β = 0.125, Sig = 0.000, p < 0.001) on efficient employee performance. The analysis also shows significant impact on employee performance of other independent variables such as compensation management (β = 0.308, Sig = 0.005, p < 0.001), organizational culture (β =0.308, Sig = 0.002, p < 0.001), and employee engagement (β =0.109, Sig = 0.007, p<0.001).

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>R²</th>
<th>Beta</th>
<th>Sig.</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Recruitment and selection</td>
<td>Employee Performance</td>
<td>0.222</td>
<td>0.015</td>
<td></td>
<td>Accepted with moderately significant impact</td>
</tr>
<tr>
<td>H2</td>
<td>Training and Development</td>
<td>Employee Performance</td>
<td>0.120</td>
<td>0.021</td>
<td></td>
<td>Accepted with moderately significant impact</td>
</tr>
<tr>
<td>H3</td>
<td>Compensation Management</td>
<td>Employee Performance</td>
<td>0.308</td>
<td>0.005</td>
<td></td>
<td>Accepted with significant impact</td>
</tr>
<tr>
<td>H4</td>
<td>Organizational Culture</td>
<td>Employee Performance</td>
<td>0.308</td>
<td>0.002</td>
<td></td>
<td>Accepted with significant impact</td>
</tr>
<tr>
<td>H5</td>
<td>Employee Engagement</td>
<td>Employee Performance</td>
<td>0.109</td>
<td>0.007</td>
<td></td>
<td>Accepted with significant impact</td>
</tr>
<tr>
<td>H6</td>
<td>Performance Appraisal</td>
<td>Employee Performance</td>
<td>0.372</td>
<td>0.014</td>
<td></td>
<td>Accepted with moderately significant impact</td>
</tr>
<tr>
<td>H7</td>
<td>Employee Motivation</td>
<td>Employee Performance</td>
<td>0.125</td>
<td>0.000</td>
<td></td>
<td>Accepted with highly significant impact</td>
</tr>
<tr>
<td>H8</td>
<td>Employee Empowerment</td>
<td>Employee Performance</td>
<td>0.205</td>
<td>0.017</td>
<td></td>
<td>Accepted with moderately significant impact</td>
</tr>
<tr>
<td>H9</td>
<td>Organizational Justice</td>
<td>Employee Performance</td>
<td>0.109</td>
<td>0.025</td>
<td></td>
<td>Accepted with moderately significant impact</td>
</tr>
</tbody>
</table>
According to the analysis, recruitment and selection ($\beta = 0.222$, Sig = 0.015, $p < 0.05$), training and development ($\beta = 0.120$, Sig = 0.021, $p < 0.05$), performance appraisal ($\beta = 0.120$, Sig = 0.014, $p < 0.05$), employee empowerment ($\beta = 0.205$, Sig = 0.017, $p < 0.05$) and organizational justice ($\beta = 0.109$, Sig = 0.025, $p < 0.05$) show moderately significant impact on employee performance.

4.4 Model summary

The model summary of regression analysis consists of the values of R, R square, adjusted R square, standard error of the estimates. R called the Pearson R. Pearson R is equal to the $R^2$. $R^2$ is used to determine the model fitness. The Coefficient of determination is also called R square. R square is used to determine the variation in dependent variable that is explained by independent variables. The standard error of the estimate is a measure of the accuracy of predictions.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.610&lt;sup&gt;a&lt;/sup&gt;</td>
<td>0.372</td>
<td>0.362</td>
<td>2.20710</td>
<td>2.283</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Recruitment and selection, Training and development, compensation management, organizational culture, employee engagement, performance appraisal, employee motivation, employee empowerment, organizational justice.

<sup>b</sup> Dependent Variable: Employee Performance.

According to the above table (Table 5), 37% variation in the employee performance is due to the predictors (Recruitment and selection, Training and development, compensation management, organizational culture, employee engagement, performance appraisal, employee motivation, employee empowerment, organizational justice). The rest of the 62.8% variation in the employee performance is explained by other factors that are not the part of our study. Model summary table also includes Durbin Watson value it should range from 1 to 4 here value is 2.283 it means there is an auto-correlation between the independent variables. If its value is exactly 2 it means there is no auto-correlation. But here, we can see an auto correlation.

4.5 ANOVA

The results of ANOVA test (Table 6) reveal that the model, which analyzed the HRM practices to stimulate efficient employee performance, is statistically significant. According to the table, the level of significance of the model is less than 0.05. This is a sign of approval that there exists a relationship between employee performance and independent variables of the study.

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>565.104</td>
<td>3</td>
<td>188.368</td>
<td>38.669</td>
<td>0.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Residual</td>
<td>954.771</td>
<td>196</td>
<td>4.871</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1519.875</td>
<td>199</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Employee Performance

<sup>b</sup> Predictors: (Constant), Recruitment and selection, Training and development, compensation management, organizational culture, employee engagement, performance appraisal, employee motivation, employee empowerment, organizational justice.

4.6 Coefficients

The coefficient table (Table 7) includes unstandardized coefficient (beta and std. error) and also include standardized coefficient (beta), t-value and significance. According to table 7, the Beta value is the value of Y. It means when there is one unit change in the independent variables (Recruitment and selection, Training and development, compensation management, organizational culture, employee engagement, performance appraisal, employee motivation, employee empowerment, organizational justice), how much change it would bring to the value of the dependent variable (Employee performance). T-Value is significant at 95 % confidence level that we are confident Employee
performance is affected by these independent variables. Employee motivation, compensation management, employee engagement and organizational culture are positively significant at 95% confidence level with t value 9.821, 8.877, 6.175 and 5.311 respectively. Recruitment and selection, Performance appraisal, Employee empowerment and Organizational justice have moderate but positive significance at 95% confidence level with t value 5.175, 3.667, 2.667 and 2.205 respectively but training and development are positively insignificant with t-value of 0.598.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.755</td>
<td>0.530</td>
<td>13.311</td>
<td>0.000</td>
</tr>
<tr>
<td>Recruitment and selection</td>
<td>0.261</td>
<td>0.069</td>
<td>0.417</td>
<td>5.175</td>
</tr>
<tr>
<td>Training and development</td>
<td>0.027</td>
<td>0.046</td>
<td>0.041</td>
<td>0.598</td>
</tr>
<tr>
<td>Compensation management</td>
<td>0.312</td>
<td>0.090</td>
<td>0.213</td>
<td>8.877</td>
</tr>
<tr>
<td>Organizational culture</td>
<td>0.308</td>
<td>0.110</td>
<td>0.176</td>
<td>5.311</td>
</tr>
<tr>
<td>Employee engagement</td>
<td>0.309</td>
<td>0.049</td>
<td>0.577</td>
<td>6.175</td>
</tr>
<tr>
<td>Performance appraisal</td>
<td>0.222</td>
<td>0.060</td>
<td>0.252</td>
<td>3.667</td>
</tr>
<tr>
<td>Employee motivation</td>
<td>0.359</td>
<td>0.016</td>
<td>0.748</td>
<td>9.821</td>
</tr>
<tr>
<td>Employee empowerment</td>
<td>0.252</td>
<td>0.165</td>
<td>0.014</td>
<td>2.667</td>
</tr>
<tr>
<td>Organizational justice</td>
<td>0.158</td>
<td>0.118</td>
<td>0.232</td>
<td>2.205</td>
</tr>
</tbody>
</table>

5. Discussion

The Reviewing of previous literature and the analysis of the collected primary data more or less covered the nature of HRM practices in the healthcare sector of Bangladesh and consequently its influence on stimulating efficient employee performance. However, this study sets the following recommendations for further improvement of the employee performance in the healthcare sector of Bangladesh:

Before starting the development process of the employees in the healthcare service providing organizations of Bangladesh, the performances of the managers of human resources department in the hospitals need to be measured. These measures may include leadership ability, self-qualification, risk management, strategic thinking, decision-making, innovation, management experience, and communication.

Getting a right HR policy and management should be at the core of any sustainable solution to health system performance. There are inadequate information on the HRM dimension or its impact on employee performance compared to the evidence; based on healthcare reform-related issues. There must be sufficient employees with the necessary ability and adequate motivation to do the job and apply their abilities, and there must be the opportunity for them to engage in discretionary behavior.

The management of the healthcare service providing organizations of Bangladesh should help the employees update themselves by increasing their knowledge and skills through appropriate training. Generally, when employees get to know more about their job; their confidence amplifies. They become able to work without much supervision from their immediate managers. Consequently, it builds their self-efficacy and commitment.

In the healthcare sector of Bangladesh, managers should be careful in pooling out the potential talent of the new employee through effectual recruitment. The newly hired employee should be properly oriented to the organization’s mission, vision, values, policies, procedures, job-specific orientation, and current priorities of the department to which the employee belongs. This will enable him/her to develop realistic job expectations and reduce role conflict that might arise in the future. During placing an employee in a certain position, the manager must ensure role-talent fit and exert all managerial efforts to retain that talent in the organization.

Employee engagement in the healthcare sector needs dedicated heart and action-oriented service from top management. It requires “Leading by Being example.” The top level management
should believe in it, own it, pass it down to managers and employees, and enhance their leadership. Clear and consistent communication often paves the way for an engaged workforce.

Human resource managers should try to manage the employees through results, rather than through the processes by which that result is achieved. They should ensure the availability of physical or material, financial, and information resources to the employees and encourage independent thinking through giving more job autonomy. Thereby, employees will enjoy freedom of choice by doing their job on their own best way.

Several management theories indicated that the more pay, recognition, and praise employees get, the more effort they tend to exert into their job. There should be a clear link between performance and incentives given to the employees of the healthcare sector irrespective of the hierarchical level. Human resource department should focus on the practice of both financial and non-financial benefits for employees who show more dedication to their jobs.

Last but not the least, healthcare service providing organizations of Bangladesh should build a culture of mutual respect by keeping success stories of the employees' performance alive. This practice will not only keep their existing employees focused on their performance but also baptize the new incoming employees with this transmittable spirit of work culture. Conducting a regular survey of employees' performance level helps to make out the factors and to develop action-oriented plans that are specific, measurable, and accountable and time-bound which may lead to efficient employee performance. A strong work culture arises when the performance, goals, and values of employees aligns across all work sections.

6. Conclusion

The practices of human resource management are vital in the healthcare sector of Bangladesh, and modern hospitals should have alternative approaches for practicing HRM successfully. The main contributions of this study to the literature on HRM and employee performance in the health care sector concerns the use of managerial or human resource management practices to stimulate efficient employee performance. In this respect, we examined nine independent variables: Recruitment and selection, Training and development, compensation management, organizational culture, employee engagement, performance appraisal, employee motivation, employee empowerment, organizational justice and one dependent variable: efficient employee performance.

This study showed that motivation of hospital staffs could stimulate efficient and effective performance by them. In this study, we found that there is a significant and great positive influence of motivation on employee's performance in the healthcare sector of Bangladesh. It means that the management of the organization should value its employee's needs. Individual needs are dynamic and volatile, relying on traditional motivational practices such as money and promotion are no longer adequate. Managers need to identify innovative motivational measures, which may lead to an efficient performance by the employees in the healthcare sector as this was examined through this study.

Compensation management, employee engagement, and organizational culture also have significant influence on the enhancement of efficient employee performance in the healthcare sector of Bangladesh. According to the study, the compensation and the pay structure directly impact the performance of the employees. For achievement of the employee as well as organizational performance; either it is financial or non-financial; compensation in the form of pay, rewards or incentives are the most important factor to the employees. As culture supports the successful transfer of information, knowledge, processes, programs, resources, and people; according to the study having the same perception of values and beliefs can make employees to have a well-built connection with each other and with the organization through a strong group feeling. As a result, they become confident about their performance. The study also revealed that employee engagement facilitates sharing of power with the employees through participative decision making. As a result, employees feel a sense of belongingness which leads to increased efficiency in their performance.

Apart from these, the study identified that recruitment and selection, performance appraisal, employee empowerment, and organizational justice exert reasonable, positively and significant impact; and Training and development exert a positive but less noteworthy impact on efficient employee performance in the healthcare sector of Bangladesh.
We conclude this article by presenting some limitations. An important limitation of this research is the veiled assumption that the same mix of HR practices will work for all organizations. Therefore, the inclusion of HR strategy in research designs will be an important addition. The scales used for measuring various data sources are not based on previous academic literature. In further research, validated scales should therefore be employed. Moreover, a disadvantage of using secondary data is that not all the desired research concepts were covered in the data. Another limitation of this study is the sample size. Although the underlying dataset is large, the data were aggregated at the level of 20 health care organizations. This could be considered quite low. Nevertheless, future studies might attempt to replicate the findings using larger sample sizes. Furthermore, the results of this study should be interpreted in light of the study’s context and sample. The study was conducted in Bangladesh, which features a mix of public and private provider organizations in health care provision. It would be interesting to replicate our study to test the proposed conceptual framework in other countries using different kinds of health care systems.

Therefore, the healthcare sector of Bangladesh should have a clear strategic direction and clear objectives to identify and improve the human resource management practices that will stimulate efficient employee performance in this segment which is consequently critical to the success of the national healthcare reform. In conclusion, further analyzing HRM in the health care sector will be a productive attempt for both researchers and practitioners.

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Stimulation of efficient employee performance ... 


