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Abstract

This study investigated the effect of human resource management practice on employee’s productivity in selected deposit money banks in Nigeria. The data for this study was sourced through the use of structured question distributed to the selected deposit money banks in Yola Metropolis. A total of 193 questionnaires were distributed but 166 were successfully retrieved and analyzed. The study employed descriptive statistics, multiple regression technique in estimating the effects of human resource management practice on employee productivity in the selected organization, correlation coefficient was also used to test the extent to which human resource management relate to employee productivity. The study revealed that human resource planning (HRP), recruitment and selection (RS), staff training and development (TRD) and performance appraisal (PA) were positively affecting employee productivity in the selected deposit money banks in Nigeria and were rightly signed, implying that they were consistent with the theoretical expectation of this study. The F-statistics 5.242014, which measured the joint significance of the parameter estimates, was found statistically significant at 5 per cent level as indicated by the corresponding probability value of 0.025272. This implies that all the variables of the model were jointly and statistically significant in affecting employee productivity in the selected deposit money banks in Nigeria. Finally, this result revealed that human resource management practice was positively and significantly affecting employee productivity in the selected deposit money banks in Nigeria. The study concluded that human resource management practice affected employee productivity positively in selected deposit money banks in Nigeria. The study therefore, recommended that concerted effort need to be taken in the banking industries in Nigeria to improve their human resource practice in order to achieve the objective of increasing the productivity of their employees.

Keywords: Human Resource, Management, Practices, Employee’s Productivity.

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INTRODUCTION

In today’s competitive world of business, human resources management (HRM) is considered vital for efficient and effective utilization of resources. Human resource (HR) managers have to organize and manage human resources in order to add value and enhance productivity. One of the ways for an organization to succeed in a turbulent business environment is not just to adjust to customer needs, but to have intelligent, educated and creative employee. Human resource knowledge and skills become the basis for development of organizational competitive advantages on modern business landscape. Efficient human resource (HR) managers hire individuals that will help an organization achieve its strategic goals. A
firm's employees can provide a unique source of competitive advantage that is difficult for its competitors to replicate.

According to Ahmed and Schroeder [1], human resources are considered the most important assets of an organization, but very few organizations are able to fully understand its potentials.

Employees’ productivity in an organizational context is usually defined as the extent to which an organization’s member contributes to the achievement of the goals of his organization. Employees are the primary source of competitive advantage in service oriented organizations [2]. Currently, organizations are competing through implementation of unique and exceptional human resource management practices and as a result of globalization, many organizations are adopting up-to-date human resource practices in order to achieve their organizational objectives. Excellent human resource management practices are advantageous for both employees and employers. These practices according to Guest [3] consist of selection, training, appraisal, rewards, motivation, job design, involvement, status and security. According to Sari [4], training and development is seen as one of the key practices of human resource management (HRM) and refers to the programs designed to teach the employees about a company’s specifics and general rules as well as to provide them technical knowledge which is considered significant to complete the job tasks effectively and to eradicate the likely imperfections at work. Meanwhile [5] considers motivation as another component of HRM practice and defines it as individual desire to demonstrate the behaviour and reflect willingness to expand efforts. Performance appraisal as HRM practice in the words of Shahzad et al. [6] represents a formalized process for monitoring workers and is intended to be a management tool to improve the performance as well as productivity of workers.

It spurs the researcher to conduct a study of this nature to assess the human resource management (HRM) practices of selected Deposit Money Banks in Yola Metropolis.

With the increasing significance of the human factor in contemporary organizations, Human Resource-issues have become paramount to organizations that deem people as their most essential advantage in achieving organizational goals. The search to achieve sustainable competitive advantage in this turbulent business environment means that organizations need to improve their human resources management practices to be competitive. Such improvement requires an estimation of the individual significance of the HRM practices in terms of their impacts on employee productivity and the overall banking performance.

Human resource (HR) means having the right number of people possessing the right skills at the right time doing the right thing to ensure that goals of an organization are achieved. But today most HRM practices end up in getting wrong people with wrong skills at the wrong time doing the wrong thing as a result of poor practices; recruitment based on background, lack of promotion and recruitment on contract basis. Although studies have been conducted on the banking industry most have concentrated on their poor service rather than human resource management practices [7]. Thus, this provided the basis for the researcher to carry out this study on effect of human resource management practice on employee productivity. This study then focuses on the examination of the human resource management practices and its effect on employee’s productivity in selected Deposit Money Banks in Yola Metropolis, with the hope to alleviate some of the challenges Deposit Money Banks face in serving its esteem customers.

The main objective of this study is to determine the effects of human resource management practices on employee productivity in selected Deposit Money Banks in Yola Metropolis, to examine the impact of effective recruitment and selection process on employee productivity in the banking industry and to determine the effect of human resource planning on employee productivity in the banking industry.

The research work on completion will be able to provide critical knowledge on the need for human resource management practices in Nigeria Banking Industry as a tool for employee productivity in an organization. This work will be of immense significance to the management of the selected deposit money banks in Yola metropolis, United Bank for Africa plc, Guarantee Trust Bank plc, First Bank Plc, and other organizations.

**LITERATURE REVIEW**

**Concept of Human Resource Management**

Human resource management is the function within an organization that focuses on recruitment of employees and providing direction for the people who work in an organization. Human Resource management can also be performed by line manager. Human resource management is the organizational function that deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration and training [8]. Human resource management is also a strategic and comprehensive approach to managing people and the work place, culture and environment. Effective Human resource management enables employees to contribute effectively and productively to the overall company direction and the accomplishment of the organization’s goals and objectives [8]. Human resource management is composed of the policies,
practices and system that influence employee behaviour, attitude and performance [9]. According to [10] Human resource is the division of a company that is focused on activities relating to employees. These activities include recruiting and hiring of new employees, orientation and training of current employees, employee benefit and retention formerly called personnel. Therefore human resources are the most important asset of an organization. It forms a greater and reasonable portion of an organizations resources. Human resource is directly connected to the success of any organization and therefore must be planned, the process by which management attempts to provide for its human resources to accomplish its task is called manpower planning [11].

Human Resource Management Practices

According to Khatri [12] people are one of the most important factors providing flexibility and adaptability to organizations. Rundle [13] argues that one needs to bear in mind that people managers, not the firm, are the adaptive mechanism in determining how the firm will respond to the competitive environment. Human resources; knowledge, skills and abilities are becoming the most important root for building competitive advantage of organizations in the markets [14].

HRM practices are a process of attracting, motivating, and retaining employees to ensure the survival of an organization [15]. HRM practices are designed and implemented in such a way that human capital plays a significant role in achieving the goals of the organization [16]. Appropriate use of HRM practices positively influence the level of employer and employee commitment [17]. HRM practices such as, training and development as well as performance appraisal encourage employees to work better in order to increase the organizational performance [18, 2].

Human Resource Planning

This is also called workforce planning or personnel planning and can be defined as the process of “getting the right number of qualified people into the right job at the right time” [19]. A major task for human resource planning HRP is to compare the present state of the organization with its goals for the future, then identify changes it must make in its human resources status to be able to meet those goals [20].

Human resource planning may be defined as a strategy for the acquisition, utilization, improvement and preservation of the human resources of an organization. It is the activity of the management which is aimed at coordinating the requirement for and the availability of different types of employees. This involves ensuring that the company has enough of the right kind of people at the right time and also adjusting the requirement to the available supply: Lazar [10].

Recruitment and Selection

Qureshi and Ramay [21], noted that HR practices are positively correlated with employee’s performance whereas selection and training have more effecting on performance than other practices Chand & Katou [22] demonstrated that recruitment and selection, strongly correlate with profitability and suggests that management of an organization must focus on these HRM practices (recruitment and selection) resulting in an improved organizational profit.

Marques [23], notes that involvement of HR department in the hiring process helps to enhance knowledge of the workforce as well as required skills. It is also helpful for the identification of upgrading skill requirement of the employees. By such involvement, good communication seems to have synergy effect and helps to unify the workforce. As a result of this communication, negotiations happen in more positive atmosphere which has an ultimate effect on the quality within the workforce.

Training and Development

Training and development are the formal activities undertaken by an organization to help employees acquire the skills and experience needed to perform current or future jobs [24]. In general, training and development activities are designed to help employees continue to make positive contributions in the form of good performance by obtaining new knowledge, skills and abilities [25, 26]. According to Sparrow [27], the ability, understanding and awareness in training and development are necessary in an organization in order to develop workers to undertake higher grades of tasks, provide the conventional training of new and young workers, raise efficiency and standards of performance, meet legislative requirements and inform people (induction training, prereirement courses).

Performance Appraisal

Performance appraisal is a process used to identify, measure, evaluate, improve, encourage and reward employees for their performance [24]. Specifically, performance appraisal is a formal system used by an organization to periodically review and evaluate employees’ performance. In other words, performance appraisal is the process of evaluating how well employees perform their tasks compared with a set of standards or organization’s expectations.

Internal communication enhances a number of important bottom line outcomes for an organization including increased employee productivity and organizational profitability [28]. Internal communication boosts productivity by streamlining employees’ roles and duties in organizations [29]. Employee commitment, productivity, and retention can be improved with performance appraisal system. Brown et al., [30] states that possibility of performance
appraisal is enhanced by complementary human resource management practices like formal training and incentive pay and performance appraisal leads to greater influence of employees’ productivity.

**METHODOLOGY**

**Research Design**

For the purpose of this study, the researcher adopts the survey research design. Survey research design is one in which relative elements of the population with a common attributes are chosen with a view to representing the entire population. Moreover, the outcome of the studied and selected group is normally adequate and sufficient, which is used as a basis for generalization [31].

**Population of the Study**

The target population for this study consists of all categories of workers both management and non-management staff at United Bank for Africa Plc, Guarantee Trust Bank Plc and First Bank Plc in Yola Metropolis as indicated thus: United Bank for Africa 74, Guarantee Trust Bank 100, First Bank 200, making the total of 374 as at 2018.

**Sample Size of the Study**

The sample size of this study will be determine using Yamane, since Yamane is to determine finite population. Yamane [32] states the formula for determining the sample of the study as follow:

\[ n = \frac{N}{1+N(e)^2} \]

Where, 
\( n \) = Sample size 
\( N \) = Total population 
\( e \) = Margin of error disturbance

Therefore;
Given that \( N = 374 \) (as stated above), and \( e \) is assumed 5% Then sample size:
\[ N = \frac{374}{1+374(0.05)^2} = 193 \]

**Sampling Techniques**

The researcher used probability and non-probability sampling techniques. The techniques are: Purposive and Random sampling. The purposive sampling is a non-probability sampling technique while random sampling is a probability sampling technique. The researcher purposively choose selected banking industry for convenience purpose and will satisfy the specific need of the study.

The researcher employed random sampling to ensure that each member of the population has an equal chance of being selected as subject.

**Method of Data Collection**

The method of data collection was questionnaire. The researcher administered structured and closed ended questionnaire to the respondents. The study used self-administered questionnaire. Mugenda [33] observed that, questionnaires are frequently used in quantitative social research.

**Method of Data Analysis**

The data gathered was analyzed by both descriptive and inferential statistics. The data for this study was organized using statistical package E-views 8.

From the literature reviewed the following model was developed

\[ EP = f(HRP, RS, TRD, PA) \]

\[ EP = \alpha + \beta_1 HRP + \beta_2 RS + \beta_3 TRD + \beta_4 PA + \mu \]

Where EP is employee productivity, HRP human resource planning, RS is recruitment and selection, TRD is training and development, PA is performance appraisal and \( \mu \) is the error term, \( \alpha, \beta_1, \beta_2, \beta_3, \beta_4 \) are the parameters.

Given the model above couple with the relationship between the variables of the model, It is expected that \( \alpha, \beta_1, \beta_2, \beta_3, \text{ and } \beta_4 > 0 \)

**Data Presentation and Analysis**

**DISCUSSION OF DESCRIPTIVE STATISTICS RESULTS**

Table one below is the descriptive statistic of the effects of human resource management practices on employee productivity in selected deposit money banks in Nigeria. The mean value of employee productivity (EP) is 4.552410 percent, while the minimum and the maximum values are 2.30000 and 37.00000 respectively. The standard deviation of 2.585758 indicates that the data deviates from the mean value from both sides by 2.585758 per cent, which implies data there is no wide dispersion of the data from the mean value because the standard deviation is less than the mean value. The skewness value of 11.98940 and jarque-bera probability value of 0.087002 shows that the data of EP is positively skewed and normally distributed. The mean value of HRP is 4.555422, this implies that on average 1 percent change in human resource planning (HRP) enhances the EP by 4.555422 per cent. The minimum and the maximum values of HRP are 3.000000 and 5.000000 the standard deviation of 0.412164 percent shows the extent to which the data deviate from the mean value. The skewness value of -1.149201 and the probability value of 0.065820 indicate that the data for HRP is negatively skewed and normally distributed. The mean value of RS is 3.925904 percent; this indicates that on average 1 percent change
in recruitment and selection RS by 3.925904 percent. The minimum and the maximum values are 2.000000 and 4.800000 respectively. The standard deviation of 0.570691 shows a little deviation of the data from the mean value. The skewness value of -1.323470 and the jarque-bera probability value of 0.000000 shows that the data of HRP is negatively skewed but not normally distributed. The mean value of TRD is 4.074699 this indicates that on average 1 percent change in training and development increases TRD by 4.074699 percent.

| Source: Computer output from E-views 8 |

<table>
<thead>
<tr>
<th>Table-1: Descriptive Statistic</th>
</tr>
</thead>
<tbody>
<tr>
<td>EP</td>
</tr>
<tr>
<td>Mean</td>
</tr>
<tr>
<td>Median</td>
</tr>
<tr>
<td>Maximum</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
<tr>
<td>Std. Dev.</td>
</tr>
<tr>
<td>Skewness</td>
</tr>
<tr>
<td>Kurtosis</td>
</tr>
<tr>
<td>Jarque-Bera</td>
</tr>
<tr>
<td>Probability</td>
</tr>
<tr>
<td>Sum</td>
</tr>
<tr>
<td>Sum Sq. Dev.</td>
</tr>
<tr>
<td>Observations</td>
</tr>
</tbody>
</table>

DISCUSSION OF REGRESSION RESULTS

Table two contains multiple regression results for the effects of human resource management practices proxy by human resource planning, recruitment and selection, training and development and performance appraisal on employee productivity in selected deposit money banks in Nigeria. The constant, coefficients of recruitment and selection (RS) and performance appraisal (PA) were found statistically insignificant at 5 per cent significance level as indicated by their high probability values of 0.9819, 0.3306 and 0.3306 respectively. The coefficients of human resource planning and staff training and development were found statistically significant at 5 per cent significance level as indicated by their probability values of 0.0220 and 0.0195 respectively. The coefficients of human resource planning (HRP), recruitment and selection (RS), staff training and development (TRD), and performance appraisal (PA) were all found to be positive implying that one unit increase in human resource planning, recruitment and selection, staff training and development, and performance appraisal will result to an increase of 0.846559, 0.615030, 0.951357 and 0.398573 unit in employee productivity respectively. This is consistent with the apriori expectation of this study. The F-statistics 5.242014, which measured the joint significance of the parameter estimates, was also found statistically significant at 5 per cent level as indicated by the corresponding probability value of 0.025272. This implies that all the parameters of the model were statistically and significant affected employee productivity in selected deposit money banks in Nigeria.
Table 2: Regression Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>0.059453</td>
<td>2.616530</td>
<td>0.022722</td>
<td>0.9819</td>
</tr>
<tr>
<td>HRP</td>
<td>0.846559</td>
<td>0.314131</td>
<td>2.694923</td>
<td>0.0220</td>
</tr>
<tr>
<td>RS</td>
<td>0.615030</td>
<td>0.630295</td>
<td>0.975781</td>
<td>0.3306</td>
</tr>
<tr>
<td>TRD</td>
<td>0.951357</td>
<td>0.462322</td>
<td>2.057780</td>
<td>0.0195</td>
</tr>
<tr>
<td>PA</td>
<td>0.398573</td>
<td>0.408415</td>
<td>0.975903</td>
<td>0.3306</td>
</tr>
<tr>
<td>R-squared</td>
<td>0.529934</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted R-squared</td>
<td>0.505833</td>
<td>S.D. dependent var 2.585758</td>
<td></td>
<td></td>
</tr>
<tr>
<td>S.E. of regression</td>
<td>2.578206</td>
<td>Akaike info criterion 4.761722</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sum squared resid</td>
<td>1070.191</td>
<td>Schwarz criterion 4.855457</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Log likelihood</td>
<td>-390.2230</td>
<td>Hannan-Quinn criter. 4.799770</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F-statistic</td>
<td>5.242014</td>
<td>Durbin-Watson stat 1.994555</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prob(F-statistic)</td>
<td>0.025272</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Computer output from E-views 8

The $R^2$ value of 0.529934 (52.99%) implied that 52.99 per cent total variation in employee productivity was explained by human resource planning (HRP), recruitment and selection (RS), staff training and development (TRD), and performance appraisal (PA) while the remaining 47.01 per cent was explained by those variables that affect employee productivity but were not captured in this study. This further indicated that employee productivity was significantly explained by human resource planning (HRP), recruitment and selection (RS), staff training and development (TRD), and performance appraisal (PA). Coincidently, the goodness of fit of the regression remained high after adjusting for the degree of freedom as indicated by the adjusted $R^2$ ($R^2 = 0.505833$ or 50.58%). The Durbin-Watson statistic 1.994555 in Table 2 was observed to be higher than $R^2$ 0.5299 indicating that the model is non-spurious (meaningful). The Durbin-Watson statistics 1.994555 shows that there was some serial correlation among the successive error value though negligible thus making it possible to conduct a serial correlation test.

**DISCUSSION OF SERIAL CORRELATION RESULTS**

The Serial Correlation LM test results contain in Table three shows that there is no serial correlation between the error terms as indicated by the F-probability value of 0.9994 and the Chi-square probability value of 0.9994 implying the acceptance of the null hypothesis of no serial correlation at 5 per cent significant level.

Table 3: Breusch-godfrey Serial Correlation LM Test

<table>
<thead>
<tr>
<th>F-statistic</th>
<th>Obs*R-squared</th>
<th>Prob. F(2,159)</th>
<th>Prob. Chi-Square(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.000600</td>
<td>0.001252</td>
<td>0.9994</td>
<td>0.9994</td>
</tr>
</tbody>
</table>

Source: Computer output from E-views 8

**DISCUSSION OF CORRELATION RESULTS**

Table four contains the correlation coefficients which show the extent or degree of relationship between employee productivity in selected deposit money bank in Nigeria (EP), human resource planning (HRP) recruitment and selection (RS), staff training and development (TRD) and performance appraisal (PA). The simple correlation between employee performance (EP) and human resource planning (HRP), recruitment and selection (RS), staff training and development (TRD) and performance appraisal (PA) was positive as indicated by their correlation values of 0.5624, 0.6505, 0.6190 and 0.5307 respectively. This implies that as human resource planning (HRP) recruitment and selection (RS), staff training and development (TRD) and performance appraisal (PA), employee productivity (EP) increases. This also confirmed the regression results in Table 3 and corroborated theoretical expectation.

Table 4: Correlation Results

<table>
<thead>
<tr>
<th></th>
<th>EP</th>
<th>HRP</th>
<th>RS</th>
<th>TRD</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>EP</td>
<td>1.0000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HRP</td>
<td>0.56294</td>
<td>1.0000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RS</td>
<td>0.65046</td>
<td>0.18478</td>
<td>1.0000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRD</td>
<td>0.61903</td>
<td>0.30174</td>
<td>0.81645</td>
<td>1.0000</td>
<td></td>
</tr>
<tr>
<td>PA</td>
<td>0.53072</td>
<td>0.49863</td>
<td>0.40407</td>
<td>0.34056</td>
<td>1.0000</td>
</tr>
</tbody>
</table>

Source: Computer output from E-views

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Cronbachalpha Reliability Test Discussions

Table five represents the estimate of the reliability of the psychometric test of the relationship between employee productivity in selected deposit money banks in Nigeria and Yola metropolis in particular. The coefficients of HRP, RS, TRD and PA were obtained as 0.846559, 0.615030, 0.951357, and 0.398573 respectively. This result therefore, implied that as HRP, RS, TRD and PA increase by 1 unit EP increase by 0.846559, 0.615030, 0.951357, and 0.398573 units respectively. The coefficients of HRP and TRD were found to be statistically significant at 5 per cent while the coefficients of RS and PA were found statistically insignificant at 5 per cent significance level. The F-statistics 5.242014, which measured the joint significance of the parameter estimates, was also found statistically significant at 5 per cent level as indicated by the corresponding probability value of 0.025272. This implies that all the variables of the model were jointly and statistically significant in affecting employee productivity in the selected deposit money banks in Nigeria and Yola metropolis in particular.

Finally, this result revealed that human resource management practice was positively and significantly affecting employee productivity in the selected deposit money banks in Nigeria and Yola metropolis in particular.

Based on the findings of this study it is concluded that human resource management practice affected employee productivity positively in deposit money banks in Yola metropolis. The study recommended that human resource planning should be encouraged and improved upon. If this is effectively and efficiently done, productivity of employees in the banking sector will increase and that recruitment and selection should be effectively done in order that the objective of maximizing the productivity of the employees in the selected deposit money banks in Nigeria and Yola metropolis in particular. The study also recommended that staff training and development should strengthen and encourage. This can be done through the organization of workshops, seminars to enable the employees to have knowledge of their work and take advantage of it to boost their productivity. Finally, this study, recommended the need for the banking industry to focus their attention on increasing human resource management practice especially human resource planning and staff training and development.

REFERENCES