

Majors: HRM
S.No. (23)

**EFFECT OF HR PRACTICES ON EMPLOYEE PERFORMANCE IN
TELECOMMUNICATION SECTOR OF ISLAMABAD**



By:

SHANZA GUL

01-121182-034

Supervisor:

DR. I RAMMY

Department of Business Studies
Bahria University Islamabad

Fall-2019

FINAL PROJECT/THESIS APPROVAL SHEET

Viva-Voce Examination

Viva Date 21/JAN/2020

Topic of Research: Effect of HR practices on employee performance in telecommunication sector of Islamabad.

SHANZA GUL

01-121182-034

MBA 1.5 YRS

Approved by:

DR. I RAMMY

Supervisor

AFTAB HAIDER

Examiner-I

FIRDOUS AHMED SHEHRI

Examiner-II

Dr. Syed Haider Ali Shah

Research Coordinator

Dr Muhammad Ali Saeed

Head of Department

Business Studies

ACKNOWLEDGEMENT

Above all else I want to say thanks to Allah Almighty who has led me through every intense time realizing that He is continually listening to my prayers to God. Alhamdulillah!

I owe my most profound and earnest appreciation to my parents, supervisor and my class fellows who remained close by amid the intense and challenging experience of project, exhibiting my work and settling on choice in regard to this all through the period of my Master program.

I am chosen to have had the supervision of expert in human resource management Sir Rammay, major thanks to you for your consolation and having confidence in my capabilities. Much appreciated you Mam for sharing your abundance of learning and using my abilities in a superior manner. Your commitment and responsibility in regulating this supposition is sincerely appreciable. This proposal would not have been conceivable without your backing.

Dear parents, your prayers to God, your support and your provision have made me accomplish one of the hardest objectives throughout my life. This is one of them!

Dear friends, you have a major part of this accomplishment and your support has shown me a ray of trust and encouragement.

A big thanks to all!!

ABSTRACT

This study has emphasized on exploring the impact of human resource practices on employee performance in telecommunication sector of Islamabad. This study has considered recruitment & selection, training & development, performance appraisal, and compensation, as independent variables. Whereas, employee performance has been considered as the dependent variable. Telecommunication sector of Islamabad has been the sector chosen for testing the relationship between human resource practices (recruitment & selection, training & development, performance appraisal, and compensation) and employee performance. Structured questionnaire based on 5 Likert scale has been the research instrument used within this study for collection of data from respondents (employee working in telecommunication sector of Islamabad). A sample size of 250 respondents to represent the entire population has been finalized. Questionnaires were distributed amongst the employees of telecommunication firms of Islamabad to gather the data. Collected data has then been analyzed through statistical instruments such as correlation and regression by using SPSS Software. Based on the findings, it has been concluded that human resource practices (recruitment & selection, training & development, performance appraisal, and compensation) have significant impact on employee performance in telecommunication sector of Islamabad.

Keywords: Human Resource Practices, Recruitment & Selection, Training & Development, Performance Appraisal, Compensation, Employee Performance, etc.

Table of Contents

ACKNOWLEDGEMENT	4
ABSTRACT	5
CHAPTER 1: INTRODUCTION	9
1.1 Background of the Study	9
1.2 Industry Analysis	10
1.3 Problem Statement.....	11
1.4 Research Gap	12
1.5 Research Objectives.....	12
1.6 Research Questions.....	13
1.7 Significance of the Study	13
1.8 Definition of Key Terms.....	14
Summary of the Chapter	14
CHAPTER 2: LITERATURE REVIEW	16
Introduction.....	16
2.1 Human Resource Practices	16
2.1.1 Recruitment and Selection	18
2.1.2 Training & Development	19
2.1.3 Performance Appraisal.....	21
2.1.4 Compensation.....	23
2.2 Employee Performance	25
2.3 Theoretical Background.....	29
2.4 Human Resource Practices and Employee Performance	30
2.5 Theoretical Framework.....	34
2.6 Hypothesis Development.....	34

Summary of the Chapter	35
CHAPTER 3: METHODOLOGY	36
Introduction.....	36
3.1 Research Design.....	36
3.2 Research Variables.....	36
3.3 Type of Investigation	36
3.4 Unit of Analysis	36
3.5 Population	37
3.6 Sample Size.....	37
3.7 Research Instrument.....	37
3.8 Sampling Technique	37
3.9 Data Collection	38
3.10 Data Analysis	38
3.11 Operationalization of Variables	38
3.12 Validity and Reliability.....	39
3.13 Face Validity.....	39
CHAPTER 4: ANALYSIS AND FINDINGS	40
4.1 Data Analysis	40
4.1.1 Reliability.....	40
4.1.2 Descriptive Analysis	41
4.1.3 Correlation.....	42
4.1.4 Regression Analysis	44
4.2 Findings.....	45
CHAPTER 5: CONCLUSION AND RECOMMENDATIONS	47
5.1 Discussion.....	47

5.2 Conclusion	47
5.3 Recommendations and Future Research.....	48
5.4 Research Limitations	49
5.5 Practical Implication.....	49
REFERENCES	50
APPENDIX	52