

IMPACT OF COMMON HR PRACTICES ON THE JOB PERFORMANCE OF EMPLOYEES IN PAKISTAN'S BANKING SECTOR

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ABSTRACT

This study examines the impact of HRM practices (training & development and employee engagement) on employee performance in the banking industry of Pakistan. This study determines the role of some dimensions of job satisfaction and organizational citizenship behavior as mediators in the connection between HRM and employee performance. The study focused on quantitative data collection methods from 99 active employees working with different banks in Pakistan. The results show that firms with good HRM practices will have higher levels of OCB and JS and thus will have higher levels of employee performance. To test the concepts and test for association, some procedures like Confirmatory Factor Analysis (CFA) and Structural Equation Modelling (SEM) were used. In fact, OCB performance outcomes are context dependent which is why only low performance levels were exhibited. The study seeks to improve organizational performance by discovering how systematic HRM processes can lead to high employees' engagement and satisfaction which in exchange of motivates employees to be more committed to their organizations. The research bridges the gap in literature regarding HRM practices in banking sector of Pakistan.

Keyword: Training and development, Employee Engagement, Organizational Citizenship Behavior, Job Satisfaction, Employee Performance, Banking Sector.

INTRODUCTION

1.1 BACKGROUND

Employees of a firm are essential to its overall success, especially within the banking sector, where client satisfaction, innovation, and operational efficiency are critical factors. HR Practices like Training and Development and Employee Engagement have shown to assist employees reach their targets with the correct skills and motivation to work towards the companies' goals. A lot of research has been done in showing that HRM Practices impact employee performance where OCB and JS are the mediating elements. On the contrary, In (2021) Alsafadi and Altahat, Human resource management practices and

employee performance: The role of job satisfaction in the banking sector of Jordan were able to affirm that HR practices enhance employee performance while the same time mediating with job satisfaction and effect of moderation with employee engagement to the relationship. In (2023) Hussein. et al, HR practices on employee satisfaction, service quality and service behavior in Jordan's hotel industry, As the influence HR practices on employee's job satisfaction, thus performance, training and development were HRM to be among the much to positively impact on them. In (2020) Chughtai, et al, A Parallel Mediation Model of Employee Affective

Commitment and HR Outcomes: Empirical Evidence from the Judiciary of Pakistan, were able to establish the HRM practices significantly influenced job performance in the judiciary of Pakistan through job satisfaction as a mediator along with commitment to the organization as an intervening variable. In (2022) Giancaspro, M. L., De Simone, S., & Manuti, A. Employees' perceptions of HRM practices relate to (OCB), with the Work-Family Interface as a mediator. pointed out that the understanding of HRM practices is able to promote OCB and subsequently results in enhancement of the employee's performance by promoting behaviors beyond the prescribed level of the job. The presence of mediators like OCB and job satisfaction complements the general contentment level of individuals and motivates them to exhibit behaviors beyond the prescribed level of the performance leading to improvement in the general performance. There is substantial research in this regard, but the greatest number of the research has been limited to developed economies and thus contribute to a poor understanding of such constructs in more developing contexts.

1.2 PROBLEM STATEMENT

In Pakistan and other developing countries, the banking industry is struggling to increase its staff output due to the ineffective employee training and involvement strategies that are being implemented. The effect of the aforementioned strategies is further exacerbated because of the lack of understanding on how OCB and Job Satisfaction play a role in these practices. These factors further contribute to the problem of dealing with mediating factors which leads to poor employee morale, high turnover rates and low productivity. In light of these gaps and shortcomings, this research intends to evaluate the influence Organizational Citizenship Behavior, Job Satisfaction has on the banking sectors in Pakistan while also considering the part of Development, Training and Employee engagement.

1.3 GAP ANALYSIS

Even though relation between HR practices and employee performance is thorough and extensively supported, there is a gap for the banking industry in developing countries, like Pakistan. Most of the research papers target HRM in manufacturing or

service industries but fail to address banking sector needs. In addition, the existing literature rarely addresses the concurrent mediating relationships of OCB and Job Satisfaction in this context. Most of the studies review these moderating factors separately which makes it difficult to understand how these factors combine to affect employee performance. This is an important knowledge gap which should encourage further study on the effects of HRM initiatives particularly Training and Development, Employee Engagement, towards employee performance with the mediation of OCB and Job Satisfaction in this sense of developing countries' banking industry.

1.4 RESEARCH OBJECTIVE

1. Analyze how HR practices like training and development and employee engagement influence the employee performance within banking sector.
2. Assess the potential mediating influences of OCB and job satisfaction on the influence of HR practices on performance of employee.
3. Evaluate the relative effect of training and development and employee engagement on enhancing employee performance in the banking sector.

1.5 RESEARCH QUESTIONS

1. How does employee performance in the banking sector in particular get affected through Training & Development, Employee Engagement?
2. How does OCB impact employee performance in the banking sector, and how does it compare to other HR practices?
3. How does Job Satisfaction work as a mediator connection HR practices and the performance of employees in banking sector in particular?
4. How do OCB and Job Satisfaction combine influence the employee's performance in banking sector?
5. Do training & Development practices remain more important than Employee Engagement in regard of employees' performance in the banking industry?

1.6 RESEARCH SIGNIFICANCE

This study gives to the existing literature on HR through addressing an important void in understanding of the effects HR practices have on performance in developing countries. This is practical knowledge for leaders since it underlines the need to encourage OCB and job satisfaction for better performance. Moreover, the findings will help organizations revise their HR plans, thus aiding the successful execution of Training & Development and Employee Engagement programs for better employee results.

LITERATURE REVIEW

2.1.1 TRAINING AND DEVELOPMENT

Training and development policies are crucial in provide workers with the compulsory skills, ability expertise to be able to meet the present as well as the future challenges. Such programs can be formalized courses, on-the-job training, mentorship, or even online courses. The chief purpose is to develop the skills concerning a specific job and also provide more promising career options such as management roles. High quality training increases expectations in regard to performance, engagement, and job satisfaction while demonstrating the company's dedication to their employees' advancement. Continuously refining their employees' abilities allows companies to ensure that their employees continue to be adaptable to new technologies, processes, and changes in the market. Employee development translates into better retention of employees. When people are shown that there is an emphasis on their development, they tend to be more loyal to the company, and as a result, this is good for the company in the long run. In (2017) Ahmed, A., Zaman, Y. and Khattak, A. Impact of HR Practices on Employee's Job Satisfaction: The Study from pakistan's fertilizer industry. The focus is on recruitment selection, training and development, and compensation and benefits of up to 200 sampled respondents. The positive correlation of HR practices with job satisfaction can be confirmed as recruitment based on merit, training the workforce appropriately and remuneration on the higher side tend to enhance employee satisfaction in the fertilizer sector. In (2021) Al Wali, J., Muthuveloo, R., Ping, T. A., & Bataineh, M. The Impact of HR Practices and Innovative Work Behavior on Job

Performance in Physicians in Iraqi public hospitals. This research investigates whether innovative work Behavior (IWB) acts mediator linking HR practices and performance on job. The results suggest that training and supervisory support enhance IWB while remuneration and sharing of information are shown to have a negative impact on it. Where training and support were significant for the performance of the job, remuneration and information sharing offered no support. In (2023) Dagne Gebrehiwot, G., & Elantheraiyan, P. The Effect of Training on Employee Performance in Mekelle City, Tigray, Ethiopia. determine the connection between training and employees' performance. Such factors are: the identification of the need for training, the availability of training, and how the employees see their performance. Training needs and resources are important factors influencing the performance of employees while perceptions of the training program by employees have seemingly minimal influences. The findings suggest that there is a need by the HRM department of Tigray regional education bureau to enhance training and streamline resources management to enhance the performance of the employees. In (2023) Hussein, A. M. A., Mohammad, A. M., Alheet, A., Joma, M. H. A., & Lehyeh, S. A. conducted a study on the effects of HR practices on employee satisfaction, service quality, and service behavior in the hotel industry in Jordan. The research concentrated on 5 HR practices; recruitment, capability development, compensation, performance appraisal and training & development (T&D). The study which involved 290 employees and 290 customers found out that HR practices highly influence the employee satisfaction, quality of service and service behavior. In (2017) Krishnan, T. R., Liew, S. A., & Koon, V.-Y. Addressed the issue of HR practices which include training and development, job security, and support from supervisor's influence on service-oriented OCB in the telecommunications and internet services sector of Malaysia. The research highlights the importance of having sound and balanced HRM policies in order to increase the types of behaviors that go beyond what is expected, thus improving the level of service delivery. In (2019) Rasool, S. F., Samma, M., Wang, M., Zhao, Y., & Zhang, Y. Describe inspect the connection between (HRM) practices and sustainable organizational performance (SOP), with

organizational innovation (OI) acting as a mediator. It was established through the survey conducted in 20 branches of assorted 5 Chinese banks operating in Shanghai. It is evident from the outcome that practices like performance management and compensation of staff have a constructive impact on SOP. In addition, HR practices have a positively impact on product, process, and knowledge Innovation encourages better SOP by accentuating the mediating role of the organization's innovation on HRM practices, thus aiding the sustainable performance of the firm.

2.1.2 EMPLOYEE ENGAGEMENT

Employee engagement is that how deeply employees really care about their work and the company that employs them. The employees who are engaged are very passionate about their work, are willing to do more than what is stated in their job contracts, and tend to greatly support the organization's principles and objectives. Some organizational characteristics account significantly for high employee engagement, such as the level of engagement from leadership, recognition of efforts, opportunities for growth, or affiliation to the mission of the organization. Highly engaged employees are seen to be more effective, more active in creative activities, or the culture within the organization is enhanced. They are least likely to leave the firm resulting in reduced employee turnover and recruitment costs. Organizations that create an engagement and involvement context can create a workforce that is energetic, loyal, and willing to expend time and effort accomplish the company's objectives and this impacts the success and survival of the company. In their article, In (2021) Alsafadi, Y., & Altahat, S. examines the Human Resource Management Practices and Employee Performance: The Role of Job Satisfaction in the banking sector of Jordan. This research addresses the questions of how HR management practices impact employees' performance and how JS and EE interact with one another. An analysis of our survey data collected from 480 respondents comprising bank employees suggests that HRMP positively influences EP while job satisfaction (stability and enrichment factors) was play an important mediating role. The importance of employee engagement and its part like a moderator of the connection HRMP and EP has critical implications for HR performance goals. In (2023)

Khan, H. S. ud din, Guangsheng, Y., Chughtai, M. S., & Cristofaro, M. the study examined the impact of supervisor-subordinate guanxi on employee work behaviors like innovative work behavior and work engagement study conducted how manager subordinate guanxi affects employee work Behaviors including innovative work behavior and work engagement. They found out that supervisory trust strengthens the relationship of guanxi with psychological empowerment which in turn relates positively to work behaviors. However, psychological empowerment was not found to be a mediating factor in the connection between guanxi and inventive behavior. In (2020) Kloutsiniotis, P. V., & Mihail, D. M. Evaluated the effect of High Performance Work Systems (HPWS) on engagement of work and service-oriented organizational citizenship behavior of hotel employees in Greece. It has been established that the strategic introduction of HPWS has a desirable effect of raising standards of justice and service and in doing so, increases employee engagement as well as extends organizational citizenship behavior. In (2022) Stirpe, L., Profili, S., & Sammarra, A. The authors in this context analyze the connection between satisfaction with HR practices and performance of employee, focusing on engagement and health as mediating and moderating factors. The outcome suggest that employee satisfaction with HR practices enhances performance at both the in role and extra role levels, while the enhancement of extra-role performance is significantly stronger. The connection between HRM satisfaction and extra-role performance significantly mediated through engagement. Moreover, health of employee serves as a boundary condition in this situation, extending the influence of HR satisfaction on engagement and hence extra-role engagement.

2.1.3 ORGANIZATIONAL CITIZENSHIP BEHAVIOR

Organizational Citizenship Behavior (OCB) is a set of activity that employees perform in a voluntary and discretionary capacity that are not recognized in job design but are beneficial to the business. These activities include helping colleagues, assuming extra roles, going beyond core tasks and aiding in the accomplishment of the firm's objectives. OCB encourages a good and cooperative climate by enhancing cooperation, reducing unnecessary

disputes, and improving productivity in general. Even though it is more or less informal in nature, OCB is very important for developing a linking culture at the workplace. People who engage in OCB strengthen interconnections amongst workers, increase employee morale and improve the efficiency of the organization. OCB is often linked to higher level of job satisfaction which is the sign of an employee's engagement and loyalty to the organization which is reciprocally good for an organization performance. In (2023) Al-Shami, S. A., Al Mamun, A., Rashid, N., & Cheong, C. B. investigates the interrelationships of Happiness at Workplace, Innovative Work Behavior and Organization Citizenship Behavior showing innovative Behavior moderate effect in the academic sector of Malaysia. This study investigates the relationship of workplace happiness towards innovative work Behavior with organizational citizenship Behavior determining the causal connection and with organizational innovative culture moderating the relationship. You will need to take a few facts from the sources which are not admitted elsewhere. The first sentence of the conclusion has to be made at least twenty things shorter. The thing that needs to understand that knowledge is and always will be the basis of labor activity, thus the. The drastic changes in the political situation in the country, on the one hand, highlight the relevance of the topic of managing human capital in such industries as mergers and acquisitions. The competence model is based on work with knowledge and skills, and is an approach in which targets indicators are set for work and productivity. It should be noted that the self-filling competencies matrix was suggested independently. In (2021) Khan, N. U., Irshad, A. R., Ahmad Saufi, R., & Ahmed, A. sought to understand the causes of a certain Behavioral tendency, termed as the organizational citizenship environment (OCBE) producing businesses with ISO14001 certification in Malaysia. The Integrated Strategy for Managing Environmental Practices Towards Leadership in Governments has been explored, and its impact as it pertains to mediating the OCB of the manager—one that focuses on environmental issues—has been assessed. In (2019) Nikolett, V., & Christina Nawangsarit, L. explore the impact of Human Resource Management (HRM) practices on Organizational Citizenship Behavior

(OCB) in the leisure and entertainment sector, specifically at Kelapa Gading Mall in Indonesia. Results established that certain applications like staffing, training and development, compensation, and performance appraisal improved the OCB, with a peak emphasis on performance appraisal. In (2022) Qalati, S. A., Zafar, Z., Fan, M., Sánchez Limón, M. L., & Khaskheli, M.B. highlighted the part of transformational leadership in that it influences the levels of OCB as a mediator of performance in relation to the leadership of the employee in the SMEs context in Pakistan. This finding has a significant recommendation about leadership that it can enhance the voluntary work for the better results of the organization. In (2020) Nawaz, R., Sajjad, S., Shah, S. H. A., Kazmi, M., and Arshad, B. Examine contribution of HR practices on turnover intentions in the based on Malaysian Banking Industry, with special focus on mediation role of (OCB). Bulks of collect the data from 510 employees working with the major banks of Kuala Lumpur by use of Structural Equation Modelling (SEM). The investigations show that HR practices do have detrimental effects on turnover intentions of employees with a quite significant indirect effect due to organizational citizenship Behavior. Furthermore, the findings suggest that there is a possible role that can be played by the merging of HR practices alongside with OCB in turning down the level of employee turnover in the banking sector. In (2022) Vuong, B. N. Follow the logic that OCBs of a service nature can be facilitated by HRM practices and cite engagement of employee's mediator and positive psychological capital moderator. The research encompasses 457 frontline employees located in Vietnam and shows there is a constructive relation between OCBs and HRM practices and partly mediated through employee engagement. Strengthening of the connection between HR practices and OCBs is enhanced by positive psychological capital and these findings ought to be useful to managers in their application of HRM to improve employee Behavior. In (2020) Widodo, W., & Gustari, I. Focuses on the determinants of teachers' innovative practices within Indonesian educational institutions, including knowledge management, creativity and OCB. The investigation, involving a sample of 363 teachers, shows that knowledge management and creativity influence

innovative Behavior in a positive manner, and that organizational citizenship Behavior is an intervening factor in that influence. The results suggest ways how to enhance teachers' innovative practices, which include knowledge management, creativity and organizational citizenship and therefore offer a methodology of fostering innovation among educational teachers. In (2023) Wu, C. M., Chen, T. J. & Wang, Y. C. R. investigate the formation of hotel employees' service innovation performance through success at work and change-oriented organizational citizenship behavior (OCB). Excepting theories to explain causes and effects of types of Behavior, this study shows Leader-member exchange (LMX) shows a positive correlation with coworker support which subsequently has a positive impact on thriving at work and the change oriented OCB, boosting the service innovation performance. As for the LMX and coworker support relationship and the change process OCB, employee thriving at work is seen to partially mediate the two.

2.1.4 JOB SATISFACTION

Job satisfaction encompasses the experiences of an employee concerning the job itself, the job context, the salary, the relationship the employee has with the employer, the working environment and even the chances for career progression. When workers are satisfied with the jobs they do, they are high motivated, engaged and remain loyal to the organization. These individuals are equally consistent in their level of performance and are able to deliver very desirable outcomes for the entity. Recognition, job security, freedom and work life balance are among core aspects needed to accomplish job satisfaction. The satisfaction of employees decreases the chances of burnout, improves the morale of the employees and increases the duration of their stay in the organizations thus decreasing the chances of turnover. There is also a powerful connection between satisfaction and engagement, satisfaction and performance and satisfaction and good practices endorsement. In (2020) Chughtai, M. S., Lenny Yusrini, & Ayesha Khanum. A parallel mediation model with the emphasis on employee HR affective commitment and results Empirical proof from the pakistan's Judiciary, suggesting that more research is needed. The goal of this article is to analyze the connection between HRM and job satisfaction with

regard to the mediating role played by HRM outcomes and employee affective commitment. A study carried out using 203 ministerial staff from the Lahore High Court found out that HR practices and JS were positively correlated. In (2021) Alsafadi, Y., & Altahat, S. examines the Human Resource Management Practices and Employee Performance: The Role of Job Satisfaction in the banking sector of Jordan. This study addresses the questions of how HR management practices impact employees' performance and how JS and EE interact with one another. An analysis of our survey data collected from 480 respondents comprising bank employees suggests that HRMP positively influences EP while job satisfaction (stability and enrichment factors) was found to play an important mediating part. The importance of employee engagement and its part like a moderator of the connection HRMP and EP has critical implications for HR performance goals. In (2021) W. Inayat, M. Jahanzeb Khan examined job satisfaction of employees working in private firms based in Peshawar, Pakistan, and its consequences on performance. For job satisfaction and employee performance measurement, the Minnesota Satisfaction Questionnaire (MSQ) and a self-designed Performance Review Form (PRF) respectively were employed showing that the two variables were positively related. In (2019) Jawaad M and associates assessed the impact of HRM practices and on organizational commitment, with job satisfaction as a mediator, in Pakistan's telecommunication sector. The research has indicated that human resources activities, such as employee recruitment, employee appraisal, incentive schemes and nature of work are strongly related to the level of affective internalization within an organization. In (2019) M. Al-Sabi, S., M. Al-Ababneh, M., & Masadeh, M. studied the impact of job satisfaction on innovation performance in the Jordanian hospitality industry. It was apparent that operational systems were linked with enhanced innovation performance. But, there was no sentiment towards rewarding systems as they were statistically insignificant. In (2021) Nasution et al., investigate the impact of job autonomy on employee innovation behavior, with job satisfaction as a potential mediator. It was clear that job control had a substantive influence of satisfaction and performance in innovation, with satisfaction being of

no significance as a mediatory in the nineteenth. Furthermore, in (2022) Pribadi et al. investigate the factors influencing the innovative behavior of government employees, which focuses on organizational structure, culture, leadership, job satisfaction, and ICT adoption. In this research the data used surveys and they use purposive sampling method and they analyse the data using SEM-PLS. Its findings show that organization structure, culture and leadership styles all contribute to a higher level of employee satisfaction and thus new Behavior. In addition, use of ICT has been shown to vastly increase innovation. And lastly, in (2019) Tang et al. examine the role of psychological capital (PsyCap) in promoting employees' innovative behavior. In what was noted above, it was noted that those factors still affect some employee's satisfaction that in turn affects their innovative Behaviors. The analysis has shown that the constructs of job satisfaction and organizational commitment act as mediators of the connection between PsyCap and innovative Behavior. Hence, it can be concluded that organizations need to working on their psycho capital in order to stimulate innovation and improve employees' satisfaction. In (2021) Tian, H., Fonjong, B. B., Kongkuah, M., & Barfi, R. study the impact of job stress, work environment, overall compensations, and leadership on employees of the telecommunications sector. The examination of the findings within these relationships suggested that there was an existence of some relationships among the significant variables identified in the study and job satisfaction but leadership was found to moderate these relationships. The results indicate that effective management of job stress, improvement of work environment and strong leadership are positively related to employee satisfaction.

2.1.5 EMPLOYEE PERFORMANCE

The Existence of one's ability towards emphasis on effectiveness dimensions completing the organizational goals is always an important exercise regarding performance appraisal. Under-performance is when one is not able to perform in the standards set forth by the superior management even once, it simply constitutes disappointing. The degree of performance in an organization is determined by the perception of several factors such as well- stated

expectations, adequate resources, sufficient training, constructive feedback, and radically effective leadership. Performance appraisal is crucial especially with regards to an organization's duty towards its employees allowing for the evaluation of the level of output achieved and provision of feedback as necessary. High performing employees are an asset of the company as they are an effective pool of resources for improved business performance through increased sales and creativity. Apart from individual gains, both the organization and the employee can be benefited as organizations which promote a mentally conducive environment or any type of environment are able to encourage employees to perform better. In (2022) Chen, S., Xu K., & Yao X. the study on Employee Loyalty and Satisfaction in the Mining Industry using Structural Equation Modelling. This paper aims to link loyalty and satisfaction to quality of work in relation to mining industry, particularly in China.

The results from the survey conducted on 500 miners indicate that satisfaction and the loyalty of the miners to the enterprise are closely related, there is also a direct relationship between the quality of the work done and the loyalty though in this case it is through the satisfaction. To be unimportant were the switching costs in respect to the customer loyalty. This analysis has significant relevance in the advancing of sustainable people management and safety management practices and procedures in the mining industry. In (2023) Dagne Gebrehiwot, G., & Elantheraiyan P. sought to establish the impact of Training on Employee Performance in Mekelle City, Tigray, Ethiopia. On the basis of findings, performance of employees is affected substantially by an evaluation of the training needs assessment and resource significantly influence on employee performance. In (2019) Eliyana, A., Ma'arif, S., & Muzakki. analyzed the role of JS and Organizational Commitment in the context of Transformational Leadership with regard to Employee Performance. This research examines the importance of transformational leadership style for job satisfaction, organizational commitment and employee work performance among Pelabuhan Indonesia III Inc. middle managers. According to Rasel et al, HRM occupies an important position in nurturing creativity and boosting performance of the organization. This paper tries to analyze the nexus

between HRM strategies and practices innovation orientation, and their influence on general performance of the organization as a whole. In (2019) Mira et al. examined the effects of HRM practices and JS on employee performance in Saudi Ports. However, it was found that the increase of HRM performance was not pleasing enough because job satisfaction did not lead to any important connection between HRM and performance. In (2022) Qalati, S. A., Zafar, Z., Fan, M., Sánchez Limón, M. L., & Khaskheli, M.B. highlighted the part of transformational leadership in that it influences the levels of OCB as a mediator of performance in relation to the leadership of the employee in the SMEs context in Pakistan. This finding has a significant recommendation about leadership that it can enhance the voluntary work for the better results of the organization. In (2023) Wijaya et al state that the influence of HRM practices, organizational innovation, and learning organizational culture on innovation performance in organizations. Assesses the effects of contemporary HRM practices, innovation on organizational performance, and the learning culture within the organization, focusing on innovation performance. In (2023) Wongsansukcharoen and Thaweepailoonwong examine the impact of innovations in human resource practices, innovation capabilities, and competitive advantage on the performance of small and medium enterprises (SMEs) in Thailand's wholesale and retail sectors. The findings indicate that enhancing HR practices is essential for improving the performance of SMEs, as it fosters innovation capabilities and establishes a stronger competitive advantage.

2.2 RELATIONSHIP WITH VARIABLES

The research focuses on employee performance as the dependent variable, assuming JS and OCB as the mediating variables. On the other hand, the independent variables in this research are HR practices, (training & development as well as employee engagement).

2.2.1 HR PRACTICES → JOB SATISFACTION

HR practices like training and development and employee engagement enhance employee satisfaction

through improving skills, career progression and give a good environment of work.

2.2.2 HR PRACTICES → OCB

Management helps employees in voluntarily performing activities such as cooperation, being proactive and getting involved which encourage them to go beyond the duties related to their job.

2.2.3 EMPLOYEE SATISFACTION → EMPLOYEE PERFORMANCE

Enhanced employee satisfaction contributes towards employee performance improvement example increasing their job motivation, commitment and productivity levels.

2.2.4 (OCB) → EMPLOYEE PERFORMANCE

Employees possessing high level organizational citizenship behavior constructive influence performance of other employees who engage in behaviors that exceed their job expectations and thus increase organizational productivity and cooperation.

2.2.5 HR PRACTICES → EMPLOYEE PERFORMANCE

Employees are affected directly by HR practices because these enable them to develop, engage and learn new skills which leads to higher output and quality of work done.

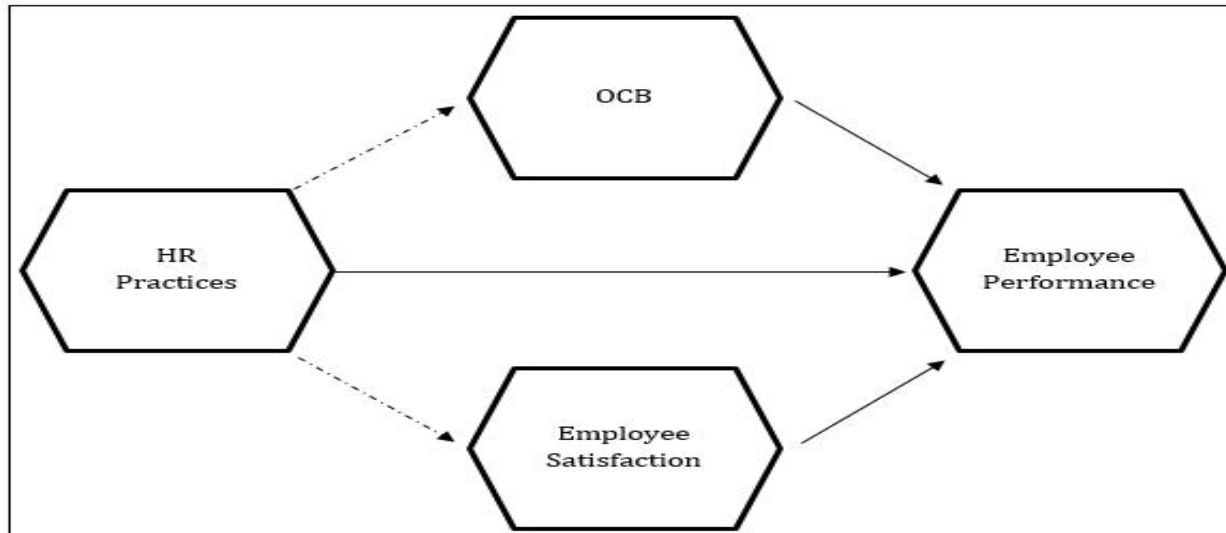
2.2.6 MEDIATING EFFECT OF EMPLOYEE SATISFACTION AND OCB

HR Practices and Employee Performance are connected through Employee Satisfaction and OCB, which nicely complements the other moderated relations in which HR Practices impact on performance but through higher levels of employee satisfaction and citizenship behaviors.

CONCEPTUAL MODEL DEVELOPMENT AND HYPOTHESES

3.1 CONCEPTUAL FRAMEWORK

This particular section provides a model for analyzing the connection between HR practices of an organization and employee performance. The four elements, HR Practices, (OCB), job satisfaction and employee performance, are the core of model being presented.



3.2 RELATIONSHIP BETWEEN VARIABLES AND HYPOTHESES

3.2.1 TRAINING & DEVELOPMENT (T&D) → EMPLOYEE PERFORMANCE (EP)

Employee performance hinges on effective training and development programs. Such programs are defined in terms of the knowledge and skills required to execute a task successfully. Fully trained employees are expected to fulfill their responsibilities and work with enhanced effectiveness and quality. Additionally, the T&D program serves to enhance an employee's perception towards attachment for their goals which influences the level of engagement positively. This in return boosts the performance metrics of an organization.

Hypothesis H1: Employee Performance (EP) has a proportional direct relation with Spending on Training and Development (T&D)

3.2.2 EMPLOYEE ENGAGEMENT (EE) → EMPLOYEE PERFORMANCE (EP)

Participation with the organization and the workforce contributes positively to the individual performance of an employee. This is so due to the emotional bond that they form with the organization. Engaged employees tend to be more than willing to go beyond the productivity levels anticipated for them, act as champions, and offer their efforts to the company. This degree of engagement causes higher levels of motivation which in turn results in high level of performance since workers will always want to go beyond what is required to reach the goals of the organization.

Hypothesis H2: Employment engagement (EE) has considerable effect on Employee Performance (EP) in the organization.

3.2.3 ORGANIZATIONAL CITIZENSHIP BEHAVIOR (OCB) → EMPLOYEE PERFORMANCE (EP)

Since OCB facilitates voluntary self-started behavior that improves team working and organizational outcomes, it must be considered as part of Employee Performance (EP). In relation to OCB, people usually help their peers, get involved with others in the team, and take up certain activities that exceed expectations hence increasing output.

Hypothesis H3: Exists a constructive connection between OCB and employee performance.

3.2.4 JOB SATISFACTION (JS) → EMPLOYEE PERFORMANCE (EP)

On the basis of arguments advanced previously, the optimization of performance is connected to upholding ethical obligations and safeguarding the interests of the employer. This demonstrates how employee engagement influences the employee's performance, by improving motivation, commitment and level of determination. A person satisfied with their job ideally expends reasonable energy to market the role in order to improve results. Lower stress and absenteeism in the workplace are indicators of high levels of job satisfaction which promotes output.

Hypothesis H4: Investigates the relationship between job performance and satisfaction, which

shows that the two are positively correlated and that both factors are causatively significant.

3.2.5 TRAINING AND DEVELOPMENT (T&D) → ORGANIZATIONAL CITIZENSHIP BEHAVIOR (OCB)

Many materials are appropriate for inclusion into T&D, such as self-directed learning and self-help groups. Self-esteem enhances organizational citizenship Behavior as it fosters individuals' belief in their abilities and skills, irrespective of the demands of their roles. This undoubtedly contributes both in role perception and defining his or her role in the organization at a more constructive level of interdependence among members within a team.

Hypothesis H5: Enhanced Training and Development (T&D) has a positive impact on (OCB).

3.2.6 EMPLOYEE ENGAGEMENT (EE) → ORGANIZATIONAL CITIZENSHIP BEHAVIOR (OCB)

An employee's OCB, if proven, assists employers with their retention rates. Furthermore, such Behaviors are not confined to OCB's departmental functions. In genuine terms, those who have an interest are more willing to offer assistance to others which correlates with the notion that all organizations consider teamwork in achieving goals as important.

Hypothesis H6: It is suggested that an employee's OCB accommodates for his or her level of involvement within an organization.

3.2.7 TRAINING AND DEVELOPMENT (T&D) → JOB SATISFACTION (JS)

T&D focuses on employee learning and development also which helps improve job satisfaction employee training by employers increases the employee's retention and commitment to the firm hence leading to JS. This is an example of how training and development enhances the value of the labor force in terms of both motivation as well as satisfaction.

Hypothesis H7: Training and Development (T&D) is hypothesized to have a positive impact on Job Satisfaction (JS).

3.2.8 EMPLOYEE ENGAGEMENT (EE) → JOB SATISFACTION (JS)

The role of the employees significantly determines the measurable engagement of the employee satisfaction spectrum which acts quite beneficial because it fosters a constructive environment that encourages individuals to pursue organizational objectives as well as feel appreciated in their positions. Affective employees often have higher level job performance and less likely to look for other jobs.

Hypothesis H8: A positive relationship is expected to exist between employee engagement (EE) and job satisfaction (JS).

3.2.9 MEDIATING ROLE OF JOB SATISFACTION (JS) AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR (OCB)

Training & Development and Employee Engagement directly increases organizational performance but would also affect job satisfaction and OCB, which would have an even stronger positive impact. The employees' organizations that are satisfied and practice organizational citizenship behavior greatly contribute to the overall performance of the firm.

Hypothesis H9: Individuals sometimes even consider the interdependence of T&D and employee performance to be a definitional issue in terms of the level of job satisfaction existing.

Hypothesis H10: Comprehensive description of the employees' performance can be provided by the relationship of JS and EE.

Hypothesis H11: The connection between training and development and performance can be explained in relation to OC behavior.

Hypothesis H12: OCB and EE's interactions provide a more detailed explanation of employee performance.

RESEARCH METHODOLOGY

4.1 RESEARCH PARADIGM

The study uses a positivist approach in examining the relationships between HR practices like Training & Development, Employee Engagement and some mediators like OCB, Job Satisfaction and the outcome Employee Performance in the banking industry. The positivist approach is quite suitable since it relies on measurement which is empirical, collection of data as well as statistical analysis to

understand cause-and-effect connections between the variables. The study aims at testing the above propositions through the analysis of quantitative data which would help in establishing trends geared towards improving HR practices in banking sector.

4.2 RESEARCH DESIGN

4.2.1 RESEARCH METHODOLOGY

In studies a quantitative explanatory studies can be used try and degree the purpose and impact relationship among the given variables. Employees of the banking area can be focused in this research wherein a move sectional survey method can be used

for the collection relevant facts. The quantitative approach is appreciated in this study as it permits for the established verification of proposed hypotheses and affords evidence in regards to the extol of HR practices on employee performance intervening variables inclusive of OCB and job satisfaction.

4.2.2 CONFIRMATORY FACTOR ANALYSIS

Using confirmatory factor analysis, the factor structure of a cluster of measured variables was confirmed.

The findings from the study are described in detail in the table which is provided below.

	Employee Performance	HR Practices	Job Satisfaction	Organizational citizenship behavior
EE1		0.794		
EE2		0.777		
EP 1	0.879			
EP 2	0.902			
EP 3	0.921			
JS1			0.751	
JS3			0.817	
JS4			0.728	
JS5			0.813	
JS6			0.797	
OCB1				0.757
OCB2				0.842
OCB3				0.832
OCB6				0.761
TD1		0.794		
TD3		0.823		

The facts suggest that all of the indicator variables have a factor loading greater than 0.70. This implies a strong theoretical linkage between the constructs and indicator variables. The values of the Employee Engagement EE coefficients based on the provided scores are as follow: EE1 = 0.794 and EE2= 0.777. The coefficients for employee performance are outlined in the table below: EP1= 0.879, EP2= 0.902, and EP3= 0.921. The indices of job satisfaction are as follows: JS1= 0.751; JS3= 0.817; JS4= 0.728; JS5= 0.813; and JS6= 0.797. The classification of HR Practices TD includes two: TD1= 0.794 and TD3= 0.823. The determinants of Organizational Citizenship Behavior OCB are: OCB1= 0.757, OCB2= 0.842, OCB= 0.832, and OCB6= 0.761.

4.3 PILOT TESTING

As part of the pilot evaluation, I filled out questionnaires by three qualified professionals in banking field that completed a survey. Then, we inquired about the desirability, and all three of the respondents deemed the survey as meeting social expectations.

4.4 QUESTIONNAIRE

The study questionnaire was derived from instruments which had been previously approved in other studies. These tools do seem to possess an appreciable degree of reliability for documented constructions. It is very crucial to note that in developing countries, such tools which are adapted

from developed studies may face challenges such as social desirability bias. In an attempt to address this challenge, the questionnaire was adapted in the local context and a pilot test conducting to the cultural perspective of the items to the respondents.

4.5 ITEMS AND CONSTRUCT CODING

4.5.1 TD (TRAINING AND DEVELOPMENT)

Training and development has 2 items which focusing on the availability and relevance of training opportunities and the initiation of employees aiming to enhance their skills again.

4.5.2 EMPLOYEE ENGAGEMENT

Employee Engagement has 2 items which captures employee engagement aiming both to measure how deeply employees understand their roles in achieving the overall objectives of the organization, their level of endorsement for the tasks they perform, their significance to the general scheme, their role in decision making, and so forth.

4.5.3 OCB (ORGANIZATIONAL CITIZENSHIP BEHAVIOR)

Organizational Citizenship behavior has 4 items which captures employee willingness to help other

staff members, extra role behavior in performance of routine tasks, and other indicators such as individual's conscientiousness and feelings of civic duty.

4.5.4 JS (JOB SATISFACTION)

Job satisfaction has 5 items which capture employees' level of contentment with their salaries and earnings, physical working conditions, chances for professional advancement, and working relations with superiors and co-workers.

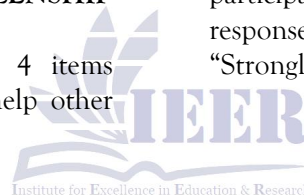
4.5.5 EP (EMPLOYEE PERFORMANCE)

Employee performance has 3 items which focuses on productivity and quality of work grading, job knowledge and cooperation, problem-solving capacities and meeting the expectations of the organization efficiently and effectively.

4.6 LIKERT SCALE

The surveys aimed to enable the evaluators to assign participants an average score of five points, with responses varying from scale 1 to 5 ranging from "Strongly Disagree to Strongly Agree".

4.7 MEASUREMENT UTILIZATION



CONSTRUCT	CODING	ITEM NO.	SCHOLAR'S NAME
Training and Development	TD	2	Tahir et al. (2014); Waheed et al. (2019)
Employee Engagement	EE	2	Dajani (2015); Alfes et al. (2013)
Organizational citizenship behavior	OCB	4	Podsakoff et al. (2000)
Job Satisfaction	JB	5	Ahmed et al. (2017); Inayat & Khan (2021)
Employee Performance	EP	3	Iqbal et al. (2015); Chen et al. (2014)

4.8 SAMPLE SIZE AND DATA COLLECTION

The connections among training and development and employee engagement and employee performance were studied in this research while paying special attention to the Job Satisfaction and OCB as mediators. It ensured a representative sample through a meticulous random sampling method which enabled all the staff members to randomly participate in the study. Alongside methods to overcome bias, this was the best way to

fully understand the organizational Behavior that greatly influenced the banking sector. This investigation was seeking a minimum of 100 and a maximum of 150 participants in order to assure appropriate power in analysis to allow correct and important findings to be made. As such, it aimed to complement the existing evidence on the determinants of Employee Performance and Satisfaction in the Pakistan banking sector by

providing useful insights generated by data collection from this diverse group.

4.9 COLLECTION OF DATA

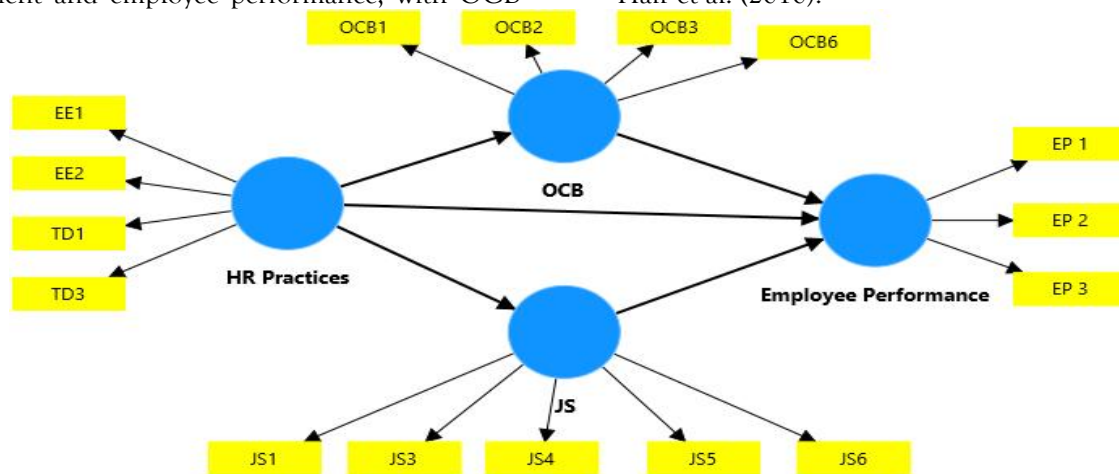
Data was collected through an online questionnaire that was accessed through a secure online platform. The survey responses collected more than a month was facilitated with robust measures to guarantee anonymity and confidentiality. 103 responses were fully recorded, while 4 were discarded due to incomplete or invalid data. The remaining 99 valid responses were considered adequate for studying the linkages among training and development, employee engagement and employee performance, with OCB

and job satisfaction as mediators in the Pakistan's banking industry.

4.10 DESCRIPTIVE HEAD

4.10.1 MEASUREMENT MODEL ASSESSMENT

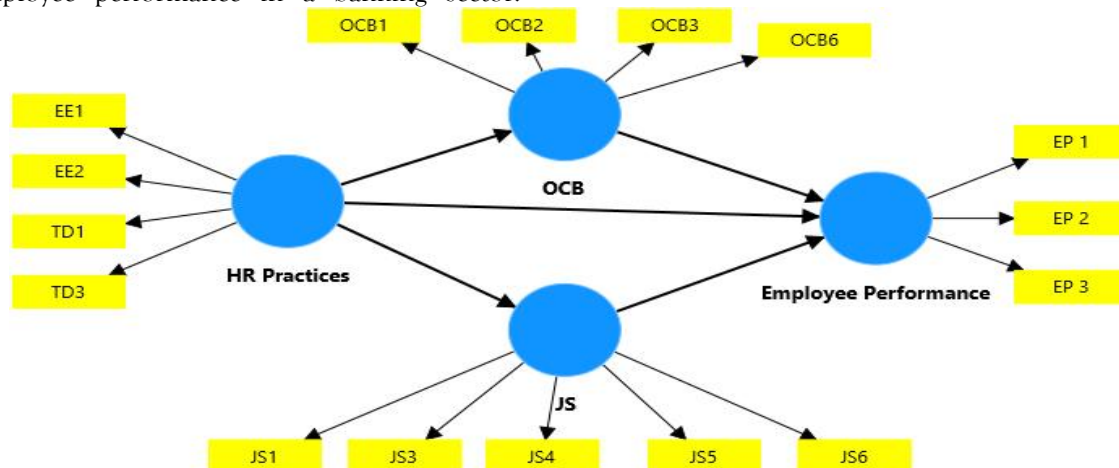
The factor structure of the constructs was deemed to have been validated and the measurement model confirmed by confirmatory factor analysis. The factors were subjected to analysis in the three areas of convergent and discriminant validity, composite reliability (CR) and average variance extracted (AVE), Hair et al. (2010).



4.10.2 STRUCTURAL MODEL ASSESSMENT

The proposed and the evaluated structural model were assessed judiciously. the implied links of HR (training and development, employee engagement) OCB and job satisfaction mentioned as mediators and employee performance in a banking sector.

Using structural equation modeling SEM. The relationships, both direct and indirect, among these variables were examined through SEM, with fit indices employed to assess the model's validity and fit (Kline, 2015).



DATA ANALYSIS AND RESULT

5.1 RESEARCH THEME

This research, using quantitative regression analysis, investigates which of its two components, Employee Engagement and Training and Development, have the strongest direct impact on employee performance in the Pakistan banking industry. To strengthen these relationships, the study examine employees' OCB and Job Satisfaction as mediators. The study

similarly stresses the importance of HRM practices such as training and development, engaging employees in optimizing banks' employee performance. In addressing the present inadequacies in the literature, this research seeks to answer the problem within the context as to how HRM practices can be enhanced the employee performance which will consequently foster the success of organizations in the Pakistan's banking sector.

5.2 RESPONDENT'S DEMOGRAPHIC PROFILE

5.2.1 GENDER OF RESPONDENTS

Case Processing Summary

	Cases		Missing		Total	
	Valid	Percent	N	Percent	N	Percent
Gender of Respendent	99	100.0%	0	0.0%	99	100.0%

Descriptives

				Statistic	Std. Error
Gender of Respendent	Mean			1.42	.050
	95% Confidence Interval for Mean	Lower Bound		1.33	
		Upper Bound		1.52	
	5% Trimmed Mean			1.42	
	Median			1.00	
	Variance			.247	
	Std. Deviation			.497	
	Minimum			1	
	Maximum			2	
	Range			1	
	Interquartile Range			1	
	Skewness			.311	.243
	Kurtosis			-1.943	.481

5.2.2 AGE OF RESPONDENTS

Case Processing Summary

	Cases		Missing		Total	
	Valid	Percent	N	Percent	N	Percent
Age of Respondent	99	100.0%	0	0.0%	99	100.0%

Descriptives

				Statistic	Std. Error
Age of Respondent	Mean			1.64	.071
	95% Confidence Interval for Mean	Lower Bound		1.50	
		Upper Bound		1.78	
	5% Trimmed Mean			1.58	
	Median			2.00	
	Variance			.499	

Std. Deviation	.706	
Minimum	1	
Maximum	4	
Range	3	
Interquartile Range	1	
Skewness	.831	.243
Kurtosis	.145	.481

5.2.3 QUALIFICATION OF REpondENTS

Case Processing Summary

		Cases		Missing		Total	
		Valid					
		N	Percent	N	Percent	N	Percent
Qualification	of	99	100.0%	0	0.0%	99	100.0%

Descriptives

				Statistic	Std. Error
Qualification of Respondent	Mean			3.29	.052
	95% Confidence Interval for Mean	Lower Bound		3.19	
		Upper Bound		3.40	
	5% Trimmed Mean			3.30	
	Median			3.00	
	Variance			.270	
	Std. Deviation			.520	
	Minimum			2	
	Maximum			4	
	Range			2	
	Interquartile Range			1	
	Skewness			.238	.243
	Kurtosis			-.595	.481

5.2.4 EXPERIENCE OF RESPONDENTS

Case Processing Summary

		Cases		Missing		Total	
		Valid					
		N	Percent	N	Percent	N	Percent
Experience of Respondent		99	100.0%	0	0.0%	99	100.0%

Descriptives

				Statistic	Std. Error
Experience of Respondent	Mean			1.37	.083
	95% Confidence Interval for Mean	Lower Bound		1.21	
		Upper Bound		1.54	
	5% Trimmed Mean			1.26	
	Median			1.00	
	Variance			.685	
	Std. Deviation			.828	

Minimum	1	
Maximum	5	
Range	4	
Interquartile Range	0	
Skewness	2.285	.243
Kurtosis	4.771	.481

5.2.5 POSITION OF RESPONDENTS

Case Processing Summary

	Cases		Missing		Total	
	Valid	Percent	N	Percent	N	Percent
Position of Respondent	99	100.0%	0	0.0%	99	100.0%

Descriptives

			Statistic	Std. Error
Position of Resppondent	Mean		1.62	.070
	95% Confidence Interval for Mean	Lower Bound	1.48	
		Upper Bound	1.75	
	5% Trimmed Mean		1.57	
	Median		1.00	
	Variance		.484	
	Std. Deviation		.696	
	Minimum		1	
	Maximum		3	
	Range		2	
	Interquartile Range		1	
	Skewness		.687	.243
	Kurtosis		-.683	.481

5.3 DESCRIPTIVE ANALYSIS

The initial step undertaken in this area is to assess the statistics that have been formulated concerning Employee Performance, HR Practices, Job Satisfaction (JS) and Organizational Citizenship Behavior (OCB) with respect to their distribution characteristics. These variables can be useful in exploring how hr practices, job satisfaction and OCB are related to employee performance. An overview of the mean, standard deviation, skewness and kurtosis of each of the individual central tendencies in the table is crucial for subsequent analyses.

Construct	Mean	Standard Deviation	Excess Kurtosis	Skewness
Employee Performance	0.000	1.000	3.371	-1.474
HR Practices	0.000	1.000	2.917	-1.228

Construct	Mean	Standard Deviation	Excess Kurtosis	Skewness
JS	0.000	1.000	5.476	-1.573
OCB	0.000	1.000	2.313	-1.027

5.3.1 MEAN

The mean indicates some form of aggregation of a particular function. In terms of all the variables taken in this study which include HRM practice (training and development employee engagement), OCB, job satisfaction, and employee performance, the mean value came to be 0.000, suggest that data has standardized. This implies that all the constructs have resulted in a cumulative net effect of 0. However, there is a position that can be taken which posit that the means of the data in this domain has been leveled out.

5.3.2 STANDARD DEVIATION

The standard deviation measures the degree of spread of figures from the average. In this case, every construct records a standard deviation of 1.000 which demonstrate that there was standardization of the data, and the attributes are evenly distributed around the mean value of the constructs.

5.3.3 SKEWNESS

Skewness illustrates the extent to which values are distributed unevenly. An equal distribution of values will have a skewness value of 0, while any distribution that is not equal will have negative or positive skewness; however, this is further elaborated as positive skewness denotes the value distribution to be skewed to the right, and negative skewness denotes the value distribution to be skewed to the left.

- Employee Performance: The skewness has a small value of -1.474, signifying a rather left skewed distribution of the data.
- HR Practices: The skewness of -1.228 indicates a leftward tail, with most responses clustering on the higher end.
- Job Satisfaction (JS) has been found to have a skewness of -1.573. This means that the distribution of this factor should have moved significantly towards the left.
- Organizational Citizenship Behavior (OCB) but not the least. According to this study

this attitude shows mean skewness of -1.027 which leads to a negative skew.

5.3.4 KURTOSIS

Kurtosis measures the degree of deviation in a distribution's tails from the normal distribution. A distribution exhibiting kurtosis of 0 is termed a normal distribution, whereas negative value kurtosis signifies flatter distributions with low-usage tails and positive values indicate distributions that are peaked with heavy-usage tails.

- Employee Performance: The kurtosis for employee performance tells that the distribution, with a kurtosis is somewhat positive(3.371)
- HR Practices: The kurtosis (2.917) for HR practices shows that it is very close to normal distribution.
- Job Satisfaction: The kurtosis (5.476) for JS tells that it is far from normal distribution.
- OCB: The kurtosis for OCB reveals that the distribution, with a kurtosis is somewhat moderate (2.313).

5.3.5 INTERPRETATION

Standardized constructs are indicated in the descriptive analysis of Employee Performance, HR Practices, Job Satisfaction, and Organizational Citizenship Behavior. The distribution of Job Satisfaction shows the highest kurtosis, meaning most responses are clustered near the average, but with occasional extreme values, while OCB is closest to normal. Some concentration around the mean can be seen in Employee Performance and HR Practices due to their moderate kurtosis. Negative skewness is displayed by all variables, with the least skewed being OCB, making it the most balanced. The distributions of Employee Performance and HR Practices suggest favorable employee perception. There is a positive workplace environment, where HR practices and organizational support contribute to enhanced employee satisfaction and performance.

5.4 RESULT

5.4.1 MEASUREMENT MODEL ANALYSIS

To analyze the Dimensional Validity and the reliability of constructs pertaining in my research, the construct included Employee Performance, HR Practices, Job satisfaction (JS) and OCB construction were the ones under consideration also.

This appraisal ensures that the evidence collected during the course of this study is surmised and pertinent. Details provided later on set out temperature and reliability measurement for each construct.

Construct	Cronbach's Alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	Average Variance Extracted (AVE)
Employee Performance	0.884	0.885	0.928	0.812
HR Practices	0.809	0.811	0.875	0.636
Job Satisfaction (JS)	0.841	0.847	0.887	0.611
Organizational Citizenship Behavior (OCB)	0.811	0.822	0.876	0.638

5.4.1.1 CRONBACH'S ALPHA

The metric evaluates the degree of interrelationship between various components of a specific construct and thus evaluates their internal consistency. A level of over 0.7 is seen as having an advantage:

- Employee Performance: The internal consistency is remarkably high with Cronbach's alpha of 0.884.
- HR Practices: The internal consistency is found to be quite strong with the Cronbach's alpha value of 0.809.
- Job Satisfaction (JS): Rating of JS at 0.841 highlights the fact that JS is quite substantial in its reliability.
- OCB: Value of Cronbach's alpha is put at 0.811 which suggests a reasonable strong level of internal consistency.

5.4.1.2 RELIABILITY COMPOSITE (RHO_A AND RHO_C)

An even more sophisticated indicator for internal consistency is composite dependability which is the same as composite reliability. Adequately 0.70 is achieved if the value is at least 0.70, Composite reliability indicators above 0.70 are seen to be satisfactory. Composite indicators by themselves assume a final value more than or equal to 0.70.

- Employee Performance: The data reflects an excellent reliability with respect to rho_a (0.885) and rho_c (0.928).
- HR Practices: Rho_a (0.811) and Rho_c (0.875) are good examples of the consistency indicators.
- Job Satisfaction: High consistency is indicated by Rho_a (0.847) and also by Rho_c (0.887) for every dimension on Job Satisfaction (JS).
- OCB: Indicators of consistency Rho_a (0.822) of OCB and Rho_c (0.876) are consistent indicators of strong consistency.

5.4.1.3 AVERAGE VARIANCE EXTRACTED (AVE)

The purpose is to evaluate the relative bias resulting from the measurement error in proportion to the variation attributed by the construct as stated by the average extracted variance. A score of 0.5 and above is considered to be acceptable.

- Employee Performance: The strong evidence of validity was shown with an AVE estimate of 0.812.
- HR Practices: The evidence of validity is provided with an AVE having an estimate of 0.636.
- Job satisfaction (JS): The AVE implies a good validity score of 0.611.
- OCBC: The AVE of 0.638 is valid as it confirms the data.

STRUCTURE MODEL ANALYSIS

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
HR Practices → Employee Performance	0.164	0.154	0.094	1.747	0.081
HR Practices → JS	0.656	0.663	0.072	9.096	0.000
HR Practices → OCB	0.727	0.727	0.063	11.516	0.000
JS → Employee Performance	0.810	0.804	0.069	11.716	0.000
OCB → Employee Performance	-0.099	-0.081	0.121	0.818	0.413

For this study, the relationships among the various variables were functions of the path coefficients, T statistics, and P values.

Reasons for these results are thoroughly discussed in the subsequent sections:

5.4.2.1 HR PRACTICES → EMPLOYEE PERFORMANCE

Original Sample (O): 0.164

Sample Mean (M): 0.154

Standard Deviation (STDEV): 0.094

T Statistics (|O/STDEV|): 1.747

P Value: 0.081

Interpretation: The association among HR practices and employee performance has a favorable coefficient but it is not statistically significant ($p > 0.05$). In other words, HR practices have no apparent direct influence on employee performance.

5.4.2.2 HR PRACTICES → JOB SATISFACTION (JS)

Original Sample (O): 0.656

Sample Mean (M): 0.663

Standard Deviation (STDEV): 0.072

T Statistics (|O/STDEV|): 9.096

P Value: 0.000

Interpretation: The connection between HR Practices and Job Satisfaction is notably significant ($p < 0.001$), indicating that effective HR Practices greatly improve Job Satisfaction.

5.4.2.3 HR PRACTICES → ORGANIZATIONAL CITIZENSHIP BEHAVIOR (OCB)

Original Sample (O): 0.727

Sample Mean (M): 0.727

Standard Deviation (STDEV): 0.063

T Statistics (|O/STDEV|): 11.516

P Value: 0.000

Interpretation: The results suggest that HR Practices have a strong and direct relationship with OCB ($p < 0.001$), suggesting that an effective design of HR Practices encourages employees to demonstrate increased citizenship Behavior.

5.4.2.4 JOB SATISFACTION (JS) → EMPLOYEE PERFORMANCE

Original Sample (O): 0.810

Sample Mean (M): 0.804

Standard Deviation (STDEV): 0.069

T Statistics ($|O/STDEV|$): 11.716

P Value: 0.000

Interpretation: The findings support the view that employee performance is a positive function of their job satisfaction (p-value < 0.001). Thus it is evident that job satisfaction is associated with employee performance.

5.4.2.5 ORGANIZATIONAL CITIZENSHIP BEHAVIOR (OCB) → EMPLOYEE PERFORMANCE

Original Sample (O): -0.099

Sample Mean (M): -0.081

Standard Deviation (STDEV): 0.121

T Statistics ($|O/STDEV|$): 0.818

P Value: 0.413

Interpretation: As such, the model behind the equation illustrates that OCB exerts no influence on employee performance, given that the link between employee performance and OCB is negative and not statistically significant ($p > 0.05$)

5.5 SUMMARY OF SIGNIFICANT RELATIONSHIP

5.5.1 POSITIVE RELATIONSHIPS

- HR practices contribute greatly to either the enhancement of job satisfaction and OCB.
- Job satisfaction notably enhance employee's performance.

5.5.2 INSIGNIFICANT RELATIONSHIPS:

- HR practices don't directly affect employee performance.
- The impact of OCB on performance of employees is also very low.

DISCUSSION

The banking sector of Pakistan will benefit from the insights given in this study pertaining to the intricate existing links between HR practices like (Training and Development, Employee Engagement) Activity, on Employee Performance as they pertain to the banking industry in Pakistan. This study provides empirical data pertaining to the relationships between HR Practices (Training and Development, Employee Engagement) as independent variable, Job Satisfaction and Organisational Citizenship Behaviour as mediator and Employee performance as dependent variable. Research has shown satisfaction with training programs is strongly correlated with job satisfaction. This indicates that an employee's morale and productivity can be increased with effective training and clearly defined development activities. (Ahmed et al., 2017; Alfes et al., 2013)

The importance of skills development and training opportunities in increasing workforce engagement and satisfaction has been documented (Bailey et al., 2015; Hussein et al., 2023). Similarly, engagement, which refers to the emotional and psychological attachment an individual has toward his or her work, has an affirmative relationship with job satisfaction. Engaged employees are more connected to organization goals and are more motivated to perform. (Alsafadi & Altahtat, 2021; Dajani, 2015)

The correlation between OCB and EP in this study differs from prior findings. Other studies suggest that OCB has a positive impact on cooperation, performance, and productivity (Podsakoff et al., 2000; Qalati et al., 2022). Nonetheless, this investigation's result indicates the relationship between OCB and EP in the structured banking industry is very weak and has no significance. The discrepancy noted above might be due to some sectoral features such as highly defined job descriptors that limit discretionary and voluntary actions (Chughtai et al., 2020; Rasool et al., 2019).

HR practices with the notable exception of training and development as well as employee engagement were shown to have an indirect impact on employee performance by factors like satisfaction and

organisational citizenship behavior. The impact of human resources practices on EP was found to be negligible, suggesting that the most important factors in dealing with HR measures are mediators. It is common for organizations most seeking to increase productivity to augment the job satisfaction levels of employees through strategic human resource interventions (Chen et al., 2022; Widodo & Gustari, 2020).

On the contrary, while direct effects of OCB on performance may be limited, it is still valued as an important organizational asset. OCB contributes to maintenance of workplace culture and employee morale by cultivating a cooperative and collaborative environment (Qalati et al., 2022). The discerning patterns demonstrate the need for specific HR strategies and policies that would be suitable for the industry as well as the culture.

COMPARISON WITH PREVIOUS STUDIES

With respect to the past research undertaken on the connections among HR practices, Job Satisfaction (JS), OCB and Employee Performance (EP), this analysis stand out sharply and offers notable differences. Earlier studies, especially those related to the manufacturing and service sectors, have underscored the organizational citizenship behavior in the workplace as a valuable contributor towards performance results. For instance, in the manufacturing industry where collaboration and teamwork are necessary, organizational citizenship behavior is widely recognized as beneficial for productivity in employee performance (Nikolett & Nawangsarit, 2019; Stirpe et al., 2022). Service industries research suggests that OCB supports enhanced performance of job responsibilities and improves organizational culture with extra role behavior contributing to the overall functioning of the firm and teamwork.

The outcomes from this examination of the banking industry, however, do not support this generalisation. The banking industry has defined job boundaries, repetitively-structured work processes, and high levels of personal responsibility that restrict the opportunity for the discretionary, extra-role behaviors often described as organizational citizenship behavior (OCB). Thus, while OCB may have some indirect influence on employee sentiment and organizational unity, its direct consequences on employee productivity, in this case and context, is relatively lower than in the rest of the industries where collaborative efforts are integral to

achieving goals. This makes one question the widely accepted notion that OCB affects all employees' performance uniformly, elevating the justification for more sector-specific, in this case, banking, human resource policies. This paper corroborates previous studies on the primary role of training and development and employee engagement in increasing job satisfaction and, transversely, employee output. The relationships observed point to the need for global diversity of HRM in different sectors of the economy.

IMPLICATION FOR FUTURE DIRECTIONS

The outcome of this research study are crucial for managers in HR and policymakers in the banking sector. Job engagement and satisfaction can be considerably enhanced through targeted training and development interventions. While the impact of OCB might be limited on Employee Performance in this context, it is still important for organizational culture and unity.

Future research should include other potential mediating factors such as organizational culture, leadership, and technology acceptance in order to get a better understanding of the phenomenon under research. Utilizing longitudinal approaches in combination with inter-industry examinations would greatly enrich the findings of the presented study and further the understanding of strategic HRM.

This research is particularly significant due to scant attention paid in human resource literature regarding the banking sector in developing countries like Pakistan. This analysis seeks to examine the relationships that exists among training and development, employee engagement, employee performance, job satisfaction, and organizational citizenship behavior in order to enhance organizational effectiveness.

CONCLUSION

This research shows that HR practices, particularly Training and Development (T&D) and Employee Engagement (EE), are vital for enhancing employee performance in Pakistan's banking industry. It has been found that these HRM practices are important to improve employees' Job Satisfaction (JS) which in turn is an important booster of performance. T&D enables employees to acquire the relevant skills and knowledge which facilitates them to contribute successfully and feel valued in the organization. Likewise, EE cultivates a high degree of feeling and commitment that motivates

staff members to align their activities with the interests of the firm. The practices collectively create an environment where employees thrive and grow which increases performance measures both in numerous and single ways.

OCB has no significance in terms of enhancing performance in the context of this study which has been observed as a critical concern also. This claim is most probably because of the structure and formalization of the banking industry where job boundaries and tasks often limit the scope of such forms of Behavior. However, OCB still aids the development of an organizational culture and climate that is friendly and collaborative in nature even though performance has a low reach in relation to it. The reason for this finding creates a clear case for the industry-specific focus emphasized HRM policies and practices.

According to the analysis, HRM practices are strongly related to employee performance, although their route of influence is indirect, through job satisfaction and organizational citizenship.

Organizations should take a well-rounded approach to HRM, focusing on employee satisfaction and engagement to boost overall performance. By fulfilling these factors, banking institutions are able to promote a motivated and capable workforce which enhances both individual and organizational outcomes. Additional investigations could expand on these findings by exploring potential mediators, deploying longitudinal research designs, and considering industry differences in order to ameliorate HR practices.

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