

Human Resource Management Practices and its Impact on Job Satisfaction Among employees in Government and Self-financed Institutions: A Literature Review

Jyoti Soni

Research Scholar, Mangalayatan University, Aligarh

Abstract

In order to shape employee attitudes, motivation, and general job satisfaction, Human Resource Management (HRM) Practices must be effective. Examining how HRM practices—such as hiring and selection, training and development, performance appraisal, pay, and employee participation—affect job satisfaction among workers in government and Self-financed institutions is the goal of this review of the literature. Although HRM techniques are implemented in both sectors, there are notable distinctions in their efficacy, flexibility, and methodology, all of which have an impact on employee satisfaction levels. While self-financed institutions place more of an emphasis on flexibility and performance-based rewards, government institutions frequently place more emphasis on job

security and uniformity. This review highlights trends, gaps, and sector-specific results in HRM practices by synthesizing findings from multiple studies. Regardless of the industry, the data shows that purposeful, open, and employee-focused HRM policies are positively connected with increased job satisfaction. However, this link is heavily mediated by differences in leadership style, resource distribution, and institutional structure. In order to develop a comprehensive understanding of HRM's influence on work satisfaction, the review advocates for additional empirical research in a variety of institutional settings and offers recommendations for closing the gaps in HRM practice across sectors.

Key Words: Human Resource Management Practices, Performance appraisal, Employee participation, Job Satisfaction, Government institutions, Self-financed institutions

1. INTRODUCTION

It is widely acknowledged that an organization's ability to expand and succeed, whether it be public or private, is largely dependent on its human resources. Human Resource Management (HRM) is a planned method for all management operations that impact the relationship between the organization and its personnel, according to Beer et al. (1984). Good HRM practices must be implemented globally in order to keep professional and

trained workers and improve organizational performance. Indeed, one of the most valuable resources and a key contributor to an organization's production is its workforce. Every organization's ability to achieve its goals is largely dependent on how well its employees perform. Thus, in order to get a competitive edge, the firms need to implement best practices and stick to a strategy for enhancing HRM. In the age of globalization,

implementing distinctive and contemporary HR strategies has been seen as a practical instrument for achieving organizational goals.

In management, we looked at satisfaction from a variety of angles, including those related to customers, jobs, employees, and many more. Workers are regarded as one of the key pillars supporting an organization's construction. Organizations possess a multitude of resources, which can be classified as either human or physical. Without the efforts of the human resource, non-human resources cannot be utilized.

Thus, an organization's most valuable resource for obtaining advantages from external sources is its human resource base. Because human labour supports all activities, whether directly or indirectly, firms should choose the best candidates. When choosing candidates, special attention should be paid to happy employees. Contented workers bring enormous benefits to companies. The concept of employee satisfaction is crucial because contented workers are more productive and perform better, which benefits the firm. The field of employee satisfaction research got its start in the 1930s when scientists realized how crucial employee satisfaction was. Since then, significant progress has been done in applied contexts as well as in theory. substantial returns to organizations, some of the largest corporations started conducting employee satisfaction surveys as early as the mid-1950s. By the 1970s, many research suppliers had developed standardized employee satisfaction surveys, which were then frequently used. Employee satisfaction has been one of the primary research topics for industrial and organizational psychologists. Hundreds of papers about it have been published in scholarly and trade journals.

Employee job satisfaction is influenced by a number of factors, such as treating employees with respect, conducting periodic performance reviews, recognizing them on a regular basis, empowering them, fostering a positive working relationship with their immediate

supervisor, offering employee perks, positive management within a framework of goals, creating a safe work environment, providing opportunities for the application of skills and abilities, providing compensation and benefits, providing training, factors related to work tasks, relationships with coworkers, and relationships with supervisors. A few more factors are as follows: flexible work schedules, telecommuting, company-paid vacations, accident and health insurance benefits, retired benefits, asset-building loans, company transportation, and many more. Interesting work, appreciation of one's work, job security, job-specific training, good wages, promotion/growth, good working conditions, and personal loyalty are among the other factors. A high income, favorable working circumstances, possibilities for professional growth, training and education, positive working relationships with coworkers, and other perks may all be linked to higher employee happiness.

An institution takes all necessary steps to ensure both its own and others' growth. For the same, they make an effort to continue efficient resource management. Numerous elements, both internal and external, must be taken into account when managing human resources.

2. LITERATURE REVIEW

Ashraf *et al.*, (2014) was determined that there is a significant correlation between HRM practices and university rankings, the current study compares HRM practices in AJKU and MIU of Azad Kashmir. These practices include job definition, training and development, compensation, teamwork, employee participation, performance appraisal, and promotion practices. The questionnaire used to gather the data contained 38 questions regarding job definition, training, remuneration, teamwork, employee participation, promotion procedures, and performance reviews. The sample consisted of 44 executives (directors or heads of departments) who were randomly selected from the

AJKU and MIU of Azad Jammu and Kashmir. Utilizing statistical methods for both descriptive and inferential analysis, the gathered data was examined.

Singh, (2015) analyzed various models for Human Resource Management (HRM) and Development (HRD) and evaluated in this research. This analysis goals to determine whether the models are applicable to HRD practices in the sphere of higher education, particularly in Chhattisgarh. The study determines which model components apply to HRM/HRD in higher education. Additionally, the article creates a conceptual HRD model that is appropriate for faculty members at Chhattisgarh's Higher Education Institutions (HEI).

O. A. Ilesanmi *et al.*, (2015) was given an emphasis on Osun State, the study's objective is to evaluate the role that human resource management plays in the administration of Nigerian institutions. To guide the investigation, study researchers developed hypotheses and asked research questions. Six universities in Osun State, Nigeria—a mix of eight public and private establishments—were selected as the sample. The findings show how drastically varied HRM practises are used by public and private organisations. Research indicates that effective HRM also improves worker and student achievement. It is determined that the operating environment has a significant impact on how much and why this potential is used.

U. I. Charles (2016) studied the effectiveness of HR development at Nigerian private institutions in light of the nation's goal to enhance its human capital for higher economic output. The argument presented in this essay was that proactive and focused HR development initiatives may ensure sustained business growth, especially in the education sector. Human resources in Nigeria need to be extremely creative and dynamic in order to satisfy the demands of modern education and make the country's pupils competitive worldwide.

Qazi & Vikram Jeet. (2017) Used a questionnaire approach, 526 faculty members from government and private higher education institutions in India were randomly selected for the study. The findings show that faculty members at government-run postsecondary educational institutions are generally satisfied with HRM procedures to a reasonable extent. Workers expressed greater satisfaction with teamwork, training, and employee participation, and only moderate satisfaction with pay and performance reviews. The survey also showed that faculty ratings on all HRM practices do not significantly differ between government and private educational institutions.

Anwar *et. al.*, (2017) studied the impact of HRM procedures on employee job satisfaction. Even with HRM policies in place, workers at universities in the private sector are dissatisfied with their positions. Primary data has been gathered via a questionnaire with structured questions. The findings indicate that, when compared to working environments, HRM practices—recruitment and selection, compensation and pay package, training and development, rewards and motivation—have a greater impact on workers' job satisfaction. In order to reach a high degree of job satisfaction, more research may be conducted.

Tepayakul *et. al.*, (2018) aims was to investigate the correlation between employee engagement and work satisfaction among human resources (HR) personnel at private higher education institutions (PHEIs) located in Thailand. A sample of 220 HR employees from 58 PHEIs in Thailand were given a questionnaire that was created based on a review of the literature. Confirmatory factor analysis was used to examine the answers. According to this study, work satisfaction positively influences employee engagement. The results of this study may be useful in promoting more initiatives aimed at raising employee engagement and work satisfaction levels among HR personnel at Thailand's PHEIs.

N. K. Mashaqbah (2019) aims was to assess the opinions of administrative leaders regarding the effectiveness of human resource management in Jordanian institutions in light of societal developments. The researcher decided on the descriptive analytical methodology since it is the most effective approach for achieving the goals of the current study. The information was gathered using a questionnaire. The study sample consisted of 115 administrators from private institutions and 210 administrators from public universities. The study's showed that, from the viewpoint of administrative leaders, human resources management performance in Jordanian institutions was only moderately successful. It also demonstrated that the quality of human resources management was statistically significantly impacted by changes in society.

Dr. C. Swaminathan (2019) was used a sample of one hundred faculty members from different private educational institutions. Faculty members were given questionnaires to complete in order to gather data. This study was conducted using a descriptive research approach, and the samples were chosen at random. To interpret the findings, this study used linear multiple regression analysis, factor analysis, and simple percentage analysis. The results showed that private educational institution's performance management strategies have the greatest impact on faculty members' job satisfaction.

Khan *et. al.*, (2019) aims to investigate how HR procedures affect workers' job performance through the mediating role of job satisfaction. The self-administered questionnaire received responses from 300 academic members at six public colleges. According to this study, HR procedures such as hiring and selection, training and development, performance reviews, and pay have a direct and substantial impact on how well university faculty members perform on the job.

Dr. Anshu Rupainwar (2020) was investigated how India's low educational standards in higher education affect human resource management. It was found, using only secondary data, that the Indian Constitution and the National Policy on Education both place a strong focus on the value of investing in human resources through education in order to promote social, political, and economic growth. Nonetheless, research indicates that the nation's current underdevelopment and undertrained workforce rate is a direct result of the country's failing system of high-quality, functional education. Thus, the research argues that good educational planning method, monitoring, and assessment, better learning environment, and adequate finance are necessary for a reversal of the trend. It is imperative to address corruption and indiscipline within the educational sector.

Maira Jam *et. al.*, (2020) was determine how green HRM practices affect the organizational sustainability and employee retention of South Punjab, Pakistan's educational institutions. The purpose of this study was to determine whether educational institutions in South Punjab, Pakistan, incorporate green human resource management into their regular operations. For this reason, information was gathered from educational establishments in South Punjab, including colleges, universities, and schools. The heads of the educational institutions, HR managers, and data gathered from a comparison of 150 randomly selected educational institutions in south Punjab comprise the respondents. According to the overall results, South Punjab's educational institutions' organizational sustainability and staff retention are greatly impacted by green HRM methods.

Zhandos Kudaibergenov and Ainur Abilkassym (2021) The main goals of this article was the development of an HRM mechanism and recommendations for efficient HRM in higher education institutions. The difficulties and problems with human

resource management at Kazakh universities were discussed in the essay. From the perspective of HRM practices, the case of two other Kazakh universities for comparison and Akhmet Yassawi University as the university of reference is given and examined. The study enabled the conclusion that employee and lecturer satisfaction in Kazakh universities is mediocre due to a lack of thoughtful, strategically aligned HRM strategies.

Inayat *et. al.*, (2021) was investigated the impact of job satisfaction on worker's performance in Peshawar, Pakistan's private sector companies. One hundred and eighty workers were chosen as a sample for that aim from Peshawar's private organizations. Using a random selection technique, an equal number of employees were chosen from each of the three categories of organizations—banks, universities, and hospitals. The study's conclusions indicate that there is a strong relationship between job satisfaction and the type of occupation. Similarly, it was also established that employee performance and job happiness are positively correlated.

Noor *et. al.*, (2022) aims to examined the impact of HRM practices on academics' job satisfaction in a higher education institution in Malaysia. A pilot study was conducted in a higher education institution with 144 academics as the sample. A broad spectrum of participating university faculties, departments, and academic divisions were among the responses. Job satisfaction was found to be strongly and positively correlated with human resource management techniques, including recruiting, selection, training and development, performance appraisal, reward, recognition, and promotion chances.

Olasehinde *et. al.*, (2023) was to determine how human resources management may improve employee productivity. The three main indicators of organizational management that will be examined in this study are practices related to staff recruitment and selection,

training and development, and compensation and rewards. A structured questionnaire survey study design was used, and it was given to a subset of the academic and non-academic staff members of Ekiti State University, Ado Ekiti. The study used correlation analysis in addition to ordinary least square regression analysis. The findings of the empirical study indicate that employee performance is significantly impacted by staff recruiting and selection, training, and development practices, but not much by remuneration and reward practices.

Sudhakar *et. al.*, (2023) Examined the impacts and influences of reward practices—which were a magic bullet for employee work satisfaction—was the primary goal of this study. In order to show the cause and effect link between incentive methods and employees' job satisfaction, a causal research methodology was adopted in this study. The method of stratified random sampling was employed to ascertain the proportion of workers from private educational establishments. A sample size of 140 people was used for this investigation. A 5-point Likert scale questionnaire with researcher assistance was employed under the principal sources of the data. The study found that employee job satisfaction at Hyderabad's private educational institutions is more positively impacted by extrinsic reward policies.

Sujata Kakri (2024) studied the effect of HR procedures on workers' job satisfaction. Despite HR procedures, workers at Kathmandu's private institutions were dissatisfied with their positions. Sampling technique was employed for the ease of this study, and the private colleges in Kathmandu are our study's limitations. Primary data has been gathered via a questionnaire with structured questions. Regression analysis and correlation were used to test the study's premise and assess employee happiness. Results look at a strong connection between job happiness and HR practices. Additionally, factors that contribute to job satisfaction include pay,

recognition and rewards, career advancement, promotions, new employment prospects, involvement in decision-making, and a nice work atmosphere. The findings indicate that, when compared to the working environment, HR practices—such as hiring and selection, compensation, training and development, and possibilities for new employment—have a greater impact on workers' job satisfaction. The empirical results showed that employee work satisfaction is significantly and favorably impacted by excellent HR practices.

Tamirat Tafese Keltu (2024) was investigated how HRD practices affected worker performance, using job satisfaction among Mizan Tepi University academic staff as a mediating variable. Academic staff members from eight colleges at Mizan Tepi University who were chosen by stratified random sampling were given a standardized Likert-scale questionnaire. For data analysis, t-tests and a structural equation model were among the descriptive and inferential statistics that were employed. The study discovered a strong favorable relationship between employee performance and HRD procedures.

Dawit udessa Gede (2024) was to look into how employee engagement was affected by HRM procedures. A particular focus was placed on establishing a connection between employee engagement and human resource management techniques. Data were gathered by surveys, and the study was cross-sectional. For data analysis, structural equation modeling was used. The hypothesis was tested using route analysis and confirmatory factor analysis. A total of 365 workers from three Ethiopian universities provided information. The study's conclusions demonstrate that employee engagement is significantly impacted by human resource management practices. The outcome also shows that a high degree of employee engagement exists in an organization whose HRM implementation strategies are viewed favorably.

Daniel et. al., (2024) looked at how certain HRM strategies affect the organizational effectiveness of public colleges in the state of Abia. Recruitment and selection as well as compensation are the chosen HRMPs used in this study. For this study, a survey research design was chosen. Through copies of a standardized questionnaire, data was gathered. Regression analysis utilizing ordinary least squares was used to analyze the collected data. The outcome shows that organizational performance in public institutions in the state of Abia is significantly impacted by recruiting, selection, and compensation.

Mamaki et. al., (2025) was conducted to examine the impact of human resource management (HRM) techniques on the job satisfaction of Greek public sector workers. More precisely, all employees of the Regional Administration of Crete (Region of Crete), who were chosen as study samples, received a structured questionnaire as part of the survey. The survey's findings indicated a modest level of satisfaction with the company's HRM procedures but an excellent level of work satisfaction. Nonetheless, it was statistically demonstrated that there was a considerable relationship between HRM practices and job satisfaction.

3. RESEARCH METHOD

Using data from earlier studies, the research used an empirical analysis approach to assess the relationship between HRM practices and work satisfaction. There is a statistically demonstrated correlation between HRM practices and job happiness.

4. RESULTS

According to the examined literature, job satisfaction and Human Resource Management (HRM) practices are strongly and consistently correlated in both government and privately funded institutions. The key findings are categorized below:

1. Recruitment and Selection

Research shows that open, merit-based hiring practices greatly increase worker satisfaction. While job stability is a factor in employee happiness in government agencies, bureaucratic hiring delays can sap motivation. When hiring practices are in line with organizational requirements and employee goals, self-financed organizations with more flexible hiring practices report better levels of satisfaction.

2. Training and Development

Increased job satisfaction is directly correlated with effective training initiatives. When offered opportunities for professional development, workers in both industries reported higher levels of motivation and engagement. While self-financed institutions are observed to invest more in continuous learning due to competitive pressures, government institutions frequently lack regular training updates.

3. Performance Appraisal

Regular and equitable performance review processes have a favorable impact on employee work satisfaction. In many government agencies, discontent stems from antiquated or arbitrary evaluation techniques. Self-financed institutions, on the other hand, frequently use performance-based assessments, which staff members find to be more fair and inspiring.

4. Compensation and Benefits

Job happiness is greatly impacted by both monetary and non-monetary rewards. Employees at self-financed institutions prioritize performance-linked incentives, while government employees frequently value pensions and employment stability. However, when pay is thought to be out of line with workload or industry norms, discontent develops in both areas.

5. Work Environment and Organizational Culture

Major factors influencing satisfaction in all industries were open communication, a supportive work environment, and participative management. Self-financed institutions had more adaptable and dynamic cultures, which had a favorable impact on satisfaction levels, whereas government institutions were frequently perceived as inflexible and hierarchical.

6. Employee Participation and Involvement

When workers believe their opinions are valued, they are more satisfied with their jobs. Research indicates that self-funded organizations typically have more open lines of communication and involve more people in decision-making than do government organizations, which boosts morale and involvement.

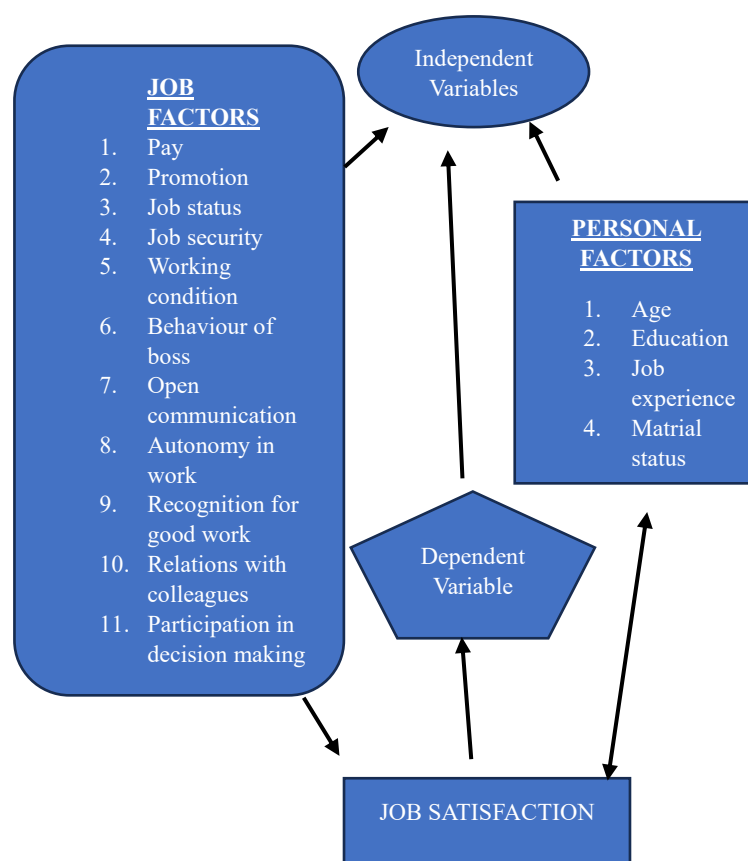


Fig. 1: Factors Affecting Job Satisfaction

5. CONCLUSION

Employee work satisfaction in both government and privately funded organizations is significantly influenced by Human Resource Management (HRM) practices, according to the examined research. Employee job satisfaction is greatly influenced by key HRM elements such hiring and selection, training and development, performance reviews, pay, work environment, and employee involvement.

Even though government organizations provide stability and long-term advantages, they frequently struggle with antiquated systems, little flexibility, and sluggish decision-making.

Self-financed institutions, on the other hand, are typically more flexible and dynamic, providing chances for professional growth, performance-based rewards, and collaborative work environments—all of which enhance job satisfaction. Overall, the results indicate that in order to increase job satisfaction, lower turnover, and boost organizational effectiveness, organizations—regardless of their governance structure—must implement strategic, employee-centered HRM strategies. To satisfy the changing demands of the workforce in both industries, a well-rounded strategy that blends security and innovation in HR procedures is necessary.

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