

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME

THE EFFECT OF HRM PRACTICES ON
ORGANIZATIONAL COMMITMENT AND JOB
PERFORMANCE IN VERANO CO., LTD

YI MON AYE

EMBA II – 9

EMBA 18TH BATCH

OCTOBER, 2022

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME

THE EFFECT OF HRM PRACTICES ON
ORGANIZATIONAL COMMITMENT AND JOB
PERFORMANCE IN VERANO CO., LTD

ACADEMIC YEAR (2019 - 2022)

Supervised By:

Dr. Nu Nu Lwin

Pro-Rector

Yangon University of Economics

Submitted By:

Yi Mon Aye

EMBA II – 9

EMBA 18th Batch

2019 - 2022

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME

THE EFFECT OF HRM PRACTICES ON
ORGANIZATIONAL COMMITMENT AND JOB
PERFORMANCE IN VERANO CO., LTD

A thesis submitted to the Board of Examiners in partial fulfillment of the requirements for
the degree of Master of Business Administration (MBA)

Supervised By:

Dr. Nu Nu Lwin

Pro-Rector

Yangon University of Economics

Submitted By:

Yi Mon Aye

EMBA II – 9

EMBA 18th Batch

2019 – 2022

ACCEPTANCE

This is to certify that the thesis entitled “**The Effect of HRM Practices on Organizational Commitment and Job Performance in Verano Co., Ltd**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

Board of Examiners

(Chairman)

Dr. Tin Tin Htwe

Rector

Yangon University of Economics

(Supervisor)

(Examiner)

(Examiner)

(Examiner)

October, 2022

ABSTRACT

This study intends to investigate how HRM practices affect employees' organizational commitment and analyze how organizational commitment affects employees' job performance at Verano Co., Ltd. This study employs both descriptive and analytical research approaches. Using simple random sampling, 120 employees were chosen among 172 employees to serve as sample respondents. Using a standardized questionnaire with a 5-point Likert scale, the primary data were gathered. A multiple regression analysis is used to examine the goals. While all five HRM practices training and development, compensation, rewards and recognition, and health and safety have a significant impact on affective commitment, reward and recognition practice is the most determining factor, while three HRM practices training and development, compensation, rewards and recognitions, and training and development practice have a significant impact on normative commitment. Four HRM practices compensation, rewards and recognitions, health and safety, and training and development also have an impact on ongoing commitment, with remuneration being the most important one. According to the study, all types of employee commitments including affective, normative, and continuance have a beneficial impact on how well they perform at work, with affective commitment being the most important element. Verano Co., Ltd. should make sure that all employees receive prompt rewards and recognition for their exceptional efforts in order to foster emotional dedication. Verano Co., Ltd. should offer ongoing, suitable trainings for the health and safety of employees during a pandemic as part of its normative commitment. Concerning continued commitment, the company should constantly keep an eye on the pay in the sector so that it can provide employees with enticing compensation.

ACKNOWLEDGEMENTS

First and foremost, I would respectfully express my thanks and gratitude to Prof. Dr. Tin Tin Htwe, Rector of Yangon University of Economics for her kind permission for the opportunity to undertake the study as a partial fulfillment towards the Master Degree of Business Administration.

I would like to express my special gratitude and thanks to my supervisor, Pro Rector Dr. Nu Nu Lwin for her valuable guidance, advice, constant supervision and encouragement in preparing to complete the thesis successfully. Without her kind support and encouragement, it will impossible to finish the thesis.

My deepest thanks to Professor Dr. Myint Myint Kyi, Head of Department of Management Studies for her extensive and constructive suggestions, her supporting excellence lectures and comments to complete the thesis.

I am highly indebted to Professor Dr. Thin Nwe Oo, Professor Dr. Hla Hla Mon, and Professor Than Thu Zar, Department of Management Studies of the Yangon University of Economics, for their guidance and providing necessary information regarding the thesis.

In addition, I would like to express my sincere appreciation to all the professors, associate professor, lecturers, my family members and friends for their kind supports and encouragement.

Yi Mon Aye
EMBA II-9
EMBA 18th Batch

TABLE OF CONTENTS

	Page
ABSTRACT	i
ACKNOWLEDGEMENTS	ii
TABLE OF CONTENTS	iii
LIST OF TABLES	v
LIST OF FIGURES	vi
LIST OF ABBREVIATIONS	vii
CHAPTER 1 INTRODUCTION	1
1.1 Rationale of the Study	3
1.2 Objectives of the Study	4
1.3 Scope and Method of the Study	4
1.4 Organization of the Study	5
CHAPTER 2 THEORETICAL BACKGROUND	6
2.1 HRM Practices	6
2.2 Organizational Commitment	13
2.3 Job Performance	17
2.4 Previous Studies	18
2.5 Conceptual Framework of the Study	20
CHAPTER 3 PROFILE AND HUMAN RESOURCE PRACTICES OF VERANO COMPANY LIMITED	22
3.1 Profile of Verano Co., Ltd.	22
3.2 HRM Practices of Verano Co., Ltd.	26
3.3 Reliability Test	29
3.4 Profile of the Respondents	30

CHAPTER 4	ANALYSIS ON THE EFFECT OF HRM PRACTICES ON ORGANIZATIONAL COMMITMENT AND JOB PERFORMANCE	32
4.1	Employee Perception of HRM Practices	32
4.2	Organizational Commitment	35
4.3	Job Performance	37
4.4	Analysis on the Effect of HRM Practices on Organizational Commitment	38
4.5	Analysis on the Effect of Organizational Commitment on Job Performance	45
CHAPTER 5	CONCLUSION	48
5.1	Finding and Discussions	48
5.2	Suggestions and Recommendations	49
5.3	Needs of Further Research	51
REFERENCES		
APPENDIX A		
APPENDIX B		
APPENDIX C		
APPENDIX D		

LIST OF TABLES

Table		Page
Table 3.1	Number of Employees at Each Department	23
Table 3.2	Types of Trainings with Duration	27
Table 3.3	Salary Range of Employees	27
Table 3.4	Reliability Test	29
Table 3.5	Profile of the Respondents	30
Table 4.1	HRM Practices	32
Table 4.2	Organizational Commitment	35
Table 4.3	Job Performance	37
Table 4.4	The Effect of HRM Practices on Affective Commitment	38
Table 4.5	The Effect of HRM Practices on Normative Commitment	40
Table 4.6	The Effect of HRM Practices on Continuance Commitment	42
Table 4.7	The Effect of HRM Practices on Organizational Commitment	44
Table 4.8	The Effect of Organizational Commitment on Job Performance	46

LIST OF FIGURES

Figure		Page
Figure 2.1	Conceptual Framework of Reza	18
Figure 2.2	Conceptual Framework of Reddy and Suresh	19
Figure 2.3	Conceptual Framework of Parveen	20
Figure 2.4	Conceptual Framework of the Study	21
Figure 3.1	Organizational Structure of Verano Co., Ltd.	23

LIST OF ABBREVIATIONS

- AC – Affective Commitment
- CC – Continuance Commitment
- HRM – Human Resource Management
- NC – Normative Commitment
- OHS – Occupational Health and Safety
- T&D – Training and Development

CHAPTER (1)

INTRODUCTION

Human resources are considered the most important asset of an organization. Employees are the heart and soul of an organization and are important resource in an organization as they positively contribute to the execution of organizational objective and mission. Effective human resource practices provide a supportive work environment that affords opportunities to grow and develop.

Economic environment is changing rapidly, and this change is characterized by such phenomena as the globalization, changing customer and investor demands, ever-increasing product-market competition. To compete successfully in this environment, organizations continually need to improve their performance by reducing costs, innovating products and processes, and improving quality, productivity, and speed to market (Tiwari, 2012).

According to Armstrong (2006), Human Resources Management (HRM) is a set of practices that businesses use to ensure that they have an effective workforce in place to meet operational needs. Successful organizations are those which value, develop and nurture their human capital to achieve their organizational goals and objectives. Human resource management needs to implement the HRM practices effectively in order to align the employee's objectives with organizational objectives. Scholars identified several practices applied in human resources management including personnel and staff selection, performance appraisal system, incentive system, compensation system, job design, empower of decision, information sharing, attitude assessment, labor management relationship and participation, recruitment and selection efforts, employee training and development and promotion criteria. Human resources management practices are a prominent element in meeting the expectations of employees and fostering high levels of organizational commitment. HRM practices played an important role in increasing the organizational commitment of employees (Ogilvie, 1986).

Human resource management practices have the ability to create organizations that are more intelligent, flexible, and competent than their rivals through the application of policies and practices that concentrate on recruiting, selecting, training skilled employees

and directing their best efforts to cooperate within the resource bundle of the organization. The central role HRM practices play in creating and maintaining commitment. Organizational commitment is more strongly influenced by employee perceptions of the HRM practices such as fairness of promotion practices and the accuracy of the merit system, than by task, role or supervisory behaviour (Ogilvie, 1986). Wright et al. (1994) indicated that effective management of HRM practices bring a positive change in the attitude of employees that in turn enhance their commitment towards organization.

Organizational commitment is the bond employees experience with the organization. Allen and Meyer (1984) stated that there are 3 types of commitments, which include affective commitment (AC), normative commitment (NC) and continuance commitment (CC). Affective commitment refers to a commitment to an organization that is driven only by emotional attachment and identification with the organization. Normative commitment is the feeling of perceived or moral obligation to stay with one's organization. Continuance commitment is an attachment based on a perceived lack of alternative employment opportunities, and the investments made by an employee who will be sacrificed by leaving the organization (Cho & Huang, 2012). Committed employees identify themselves with the organization and demonstrate more willingness to work for its achievement and higher interest in remaining with the organization (Arrowsmith, 2002).

Job performance is the assessment of whether employees have done their job well. This can potentially consolidate organization performance and create competitive advantage as a result of the historical sensitivity of human resources and the social complex of policies and practices that rivals may not be able to imitate or replicate their diversity and depth (Gong et al., 2013).

Organizations are focused on achieving superior performance through the best use of talented human resources as a strategic asset. HRM policies must now be aligned to business strategies for organizational success. No matter the amount of technology and mechanization developed, human resource remains the singular most important resource of any success-oriented organization. After all, successful businesses are built on the strengths of exceptional people. Organization commitment and job performance of employees are becoming essential in order to get more competitive advantage in a given industry.

1.1 Rationale of the Study

In today's fast changing business environment and tough global competition, organizations are finding it difficult to function at optimum level. Employee commitment is now considered a natural process for effective performance of individuals and organizations. Producing employee commitment has also been seen as a leading issue that many managers face in running their organizations and it has been viewed as an essential element in measuring employee behaviour in organizations, which also tends to vary on organization's type.

Although organizational commitment can improve the performance of an organization some time it is not delivering the benefit in many cases when organizations do not give employees the incentives and support them in their jobs. Without the commitments of the employees, it will become difficult for an organization to achieve strategic goals. Lack of organization commitment results in negative effects on employee productivity which to a large extent contribute immensely to failure of organization not achieving their goals. Organizational Commitment is vital to the productivity, quality and good performance of an organization. Employees will be more committed if there is a good match between what the people is looking for in a job, and what the job provides. When employees are committed to their employer, they deliver higher levels of performance. Highly committed employees can help an organization achieve much more each year than employees with average or low commitment. Organizations invest a lot in their employees in terms of induction and training, developing, maintaining and retaining them in their organizations. Therefore, job performance of employee could greatly improve from time to time.

Today's organizations endeavour to realize competitive advantage through the effective utilization of their human resources. Palmer (2006) highlighted the fact that the practices of the human resources management do influence organizational commitment. The human resources management is supposed to be of more strategic importance than other managements, simply because the production and creation of a service in its different stages basically depend on human resources. Therefore, organizations need to leverage on their workforce as a competitive weapon to develop a competitive advantage. The major problem in trading industry in Myanmar facing today is the shortage of skilled labours. Trading companies periodically have difficulty in delivering the products or arranging cargo on time due to shortage of skilled labours and staff in order to carry out the work

efficiently. In addition, the commitments of labours are vital to accomplish the tasks on time since the schedules of the ships are tight. Thus, commitment and high performance of the employees are vital to achieve the strategic goals of the trading companies.

Verano Co., Ltd. is a trading company, established in 2000, that exports beans and imports medical and chemical products. As one of the trading companies, Verano Co., Ltd. needs to improve the commitment and job performance of the employees to survive and grow in the industry. The company needs to analyse the HRM practices of the organization to get better insight on how HRM practices affect organizational commitments and job performance of its employees. Therefore, this study aims to analyse the effect HRM practices on organization commitment and job performance of employees and to find the ways to improve organizational commitment and job performance of employees in Verano Company Limited.

1.2 Objectives of the Study

There are two main objectives in this study.

1. To examine the effect of HRM practices on organizational commitment of employees at Verano Co., Ltd.
2. To analyse the effect of organizational commitment on job performance of employees at Verano Co., Ltd.

1.3 Scope and Method of the Study

This study only focuses on HRM practices that affect on organizational commitment and job performance at Verano Co., Ltd. Both descriptive and analytical research methods are used in this study. Regarding data, both primary and secondary data are used in this study.

Primary data is collected from selected respondents with structured questionnaire designed with 5-point Likert scale. Sample size is calculated by Yamane formula that gives 120 as sample respondents from 172 employees currently working at the company. Secondary data are gathered from previous research papers, relevant textbooks, and reports of Verano Company Limited. Data collection period is from June to July 2022.

1.4 Organization of the Study

This study consists of five chapters. Chapter (1) is introduction in which rationale of the study, objectives of the study, scope and method of the study, literature review and organization of the study are included. Chapter (2) describes the theoretical background related to human resources management, organizational commitment and job performance and reviews on previous studies. Chapter (3) presents the profile and human resource practices of Verano Company Limited. Chapter (4) contains the analysis on the effect of HRM practices on organizational commitment and job performance of employee in Verano Company Limited. Chapter (5) is concluded with findings and discussion, recommendation and suggestions, and need for further suggestions study.

CHAPTER (2)

THEORETICAL BACKGROUND

This chapter presents the theoretical background of human resource management (HRM) practices, organizational commitment and job performance. In addition, it discusses previous studies about the relationship among HRM practices, organizational commitment and job performance. Finally, it presents the construct of conceptual framework of this study based on relevant theories and the results of empirical studies.

2.1 HRM Practices

Dessler (2013) defined Human Resource Management as the process of acquiring, training, appraising, and compensating employees, and of attending to their labour relations, health and safety, and fairness concerns. According to Batti (2014), HRM is deemed a major management function in any organization regardless of its activity. It creates the most crucial condition for organizational performance. HRM can be recognized as a process that assists organizations recruit, select and develop staff within the organization. HRM is also a comprehensive and coherent approach to the employment and development of people. HRM can be regarded as a philosophy about how people should be managed, which is underpinned by a number of theories relating to the behaviour of people and organizations (Armstrong & Taylor, 2014).

Human Resource Management is much more difficult than technology management and effective management of HRM practices lead to the development of organizational commitment. Therefore, the key to sustaining a profitable company or a healthy economy is the productivity of the workforce which can be achieved through improved HRM practices (Mahmood, 2016).

According to Vincent and Joseph (2013), managing human resources is accountable for the attraction, selection, training, assessment, and rewarding of employees, while also supervising organizational leadership and culture and ensuring compliance with employment and labour laws. While and Ling (2012) indicated that human resources management practices can be grouped into many categories such as: training and

development, compensation, performance appraisal, rewards and recognitions, and health and safety etc.

(a) Training and Development

Training and Development (T&D) is any attempt to improve current or future employee performance by increasing an employee's ability to perform through learning, usually by changing the employee's attitude or increasing his or her skills and knowledge. Training and development is the organizational investment to develop the appropriate skills and abilities of employees so that they can perform better to achieve organizational goal. (Yang & Sanders, 2012).

Training and development focus on identifying, assuring, and helping to develop, through planned learning, the key competencies that enable individuals to perform their current jobs (Schlesinger & Heskett, 1991). An effective training program can facilitate the development of a more conducive learning environment for the workforce and train them to cope with upcoming challenges more easily and timely. Training generally leads to higher levels of employees' job performances, which in turn, can have a positive effect on their productivity. Therefore, training is essential for the expansion of personnel's knowledge and skills in order to contribute more efficiently to a team. For these reasons, organization conducts extensive training for their employees in order to improve their current level of job performance. Development programs are meant to improve employees' future performance (Patel et al., 2013).

According to Yang and Fu (2009), training and development programs are designed by the organization to enhance employees' job-related skills and abilities, which may help employees to handle different, complicated organizational situations. Kahn (1990) stated that organizations can provide resources to their employees through training and development program to make them feel that they have the capability to perform in a better way which, in turn, helps to enhance the level of engagement. In addition, training and development program may help to build employees confident toward their work that ultimately helps to increase the feelings of availability (Presbitero, 2017).

Gruman and Saks (2011) stated that employees with proper training and development will feel that their organizations are investing lot for their development and reciprocate by showing a high level of engagement at their work role (Suan & Nasuridin,

2014). Employee development does not only help organizations by reinforcing labour flexibility, improving performance, and building competitive advantage, but it is also helpful for employees who may have to look for job advancement opportunities (Nelissen, 2017).

(i) On-the-job Training

On-the-job training is a practical way of introducing new employees to the workplace by providing them hands-on learning opportunities and instruction. Typically, employees are briefed and then paired with a seasoned colleague who shows them the ropes. The employee can then transition into completing tasks by own efforts while under supervision (Lisa, 2014). According to Noe (2005), on-the-job training refers to new or inexperienced employees learning through observing peers or managers performing the job and trying to imitate their behaviour. On-the-job training can be useful for training newly hired employees, upgrading experienced employees' skills when technology is introduced, cross-training employees within a department or work unit, and orienting transferred or promoted employees to their new jobs. On-the-job training takes various forms, including apprenticeship and self-directed learning programmes. It is an attractive training method because, compared to the other methods, it needs less investment in time or money for materials, trainer's salary, or instructional design. The aims of conducting a training can be to change the knowledge, attitude, skills and behaviour patterns of the workers in relation to the performance of a given task or organizational goals (Bocodol, 2008).

(ii) Off-the-job Training

Off-the-job training refers to an education method where employees learn more about their job or the latest advancements in their field at a location away from their workplace. This type of training essentially helps employees perform their job more efficiently. Unlike on-the-job training, off-the-job training can take place near the workplace or somewhere further away, such as at a resort or at a training centre. When employers hold training away from the workplace, it helps minimize distractions so employees can fully focus on the material they're learning. During this type of training, employees express their views and opinions and explore new ideas to bring to the workplace (Smith, 2002).

(iii) Career Development Training

Career development training is designed to give professionals the opportunity to evaluate and plan their employment futures, as well as expand their job-related skills and knowledge. Many state and federal government agencies provide employees with career development training opportunities. Private industries also sometimes include training as part of comprehensive benefits packages (Appiah, 2010).

(b) Compensation

Compensation refers to the remuneration that an employee receives in return for his/her services to the organization. Compensation management is an integral part of human resource management and helps in motivating the employees and improving organizational effectiveness (Heywood & Wei, 2006). Compensation, variously called variable pay and incentive pay has become increasingly important for employees' satisfaction to perform productively at work (Curran & Walsworth, 2014). It refers to all forms of financial return, tangible services and benefits employees receive as part of an employment relationship, which includes topics in regard to wages or salary programs; for example, salary ranges for job descriptions, merit-based programs, bonus-based programs, commission-based programs, long term or short terms incentives programs, and etc. Besides, employee's benefit includes the allowances, income protection, life insurances, life balance, vacation, and etc. Benefits are forms of value, other than payment, that are provided to the employee in return for their contribution to the organization, that is, for doing their job (Conrad, 2009).

Compensation represents one of the key elements of any HRM practices aimed at achieving sustainable competitive advantage for any organization. Various types of compensation, including performance-compensation, profit-related compensation and employee share-ownership, are identified as strategic tools for shaping positive employee attitudes such as job satisfaction, organizational commitment and trust in management (Moriones, 2009). Compensation programs provide important incentives that reinforce employees' satisfaction to spread discretionary effort, leading to higher levels of achievement and meaningful work-related goals. Offering employees performance-based compensation is one shared approach, and it usually takes one of two forms: compensations are offered to individuals based on assessments of their performance, or compensations are

offered as organization-wide incentives, such as profit-related pay or share ownership. (Ogbonnaya, 2017).

Green (2004) stated that compensation includes all financial payments, bonuses and non-financial benefits the organization provides to employees to attract qualified human resources and to maintain what is available in the organization. Compensations are one of the most important factors affecting motivation Individuals to grow, develop and sustain learning, stimulate productivity and strive to improve the overall performance of the Organization (Casio, 2013). Strategically, compensation is a key element of the organization's ability to attract and retain its most valuable source of sustainable competitive advantage. (Kang & Yanadori, 2011).

(c) Performance Appraisal

Performance Appraisal can be defined as a system that involves setting employee standards, looking at employees' actual job performance, assessing that performance against the standards, giving feedback to the employee on the performance, how to improve it in the future and setting new goals and expectations for another period (Dessler, 2008). Performance Appraisal is the systematic evaluation of the performance of employees and to understand the abilities of a person for further growth and development. It helps supervisors to assess the work performance of their subordinates. Performance appraisal helps to assess the training and development needs of employees. Performance appraisal provides grounds for employees to correct their mistakes, and it also provides proper guidance and criticism for employee's development (Shahnawaz & Juyal, 2006).

According to Heyel (1973), performance appraisal is the process of evaluating the performance and qualifications of the employees in terms of the requirements of the job for which they are employed. For the purpose of administration, including selection for promotions, placement, providing financial rewards and other actions which necessitate differential treatment amongst the members of a group as distinguished from actions affecting all members equally. Performance appraisal reveals career-growth plans; helps in identifying the training needs and helps in bringing employee goals and organizational goals together (Armstrong, 2006).

In an organization, the supervisors of any organisation have a major role in transforming the behaviour of the employees which may improve it or decrease it. As per

the equity theory, a feeling of uneven treatment decreases the performance and commitment among the workers. Hence fair performance appraisals should be conducted with utmost care (Fulk, 1985). Organisations use this performance appraisal for varied reasons like for increasing the productivity of the employee, training and development of the employees. This is documented in a study of why companies use performance appraisals (Fombrun & Laud, 1983). Dulewicz (1989) saw performance appraisal as a planned and intermittent interaction between an employee and supervisors. Lawrence (2014), on the other hand, mentioned performance appraisal as a means of assessing the productivity of workers in an organization, geared towards the identification of strong and weak points to boost efficiency. According to these experts, regardless of the model used, performance appraisal is critical for institutional performance.

(d) Reward and Recognitions

The concept of reward and recognition has gained much importance in the current times and has captured the attention of organizational managers and researchers equally (Mandal & Dalal, 2006). Resultantly, around the world in different organizations, reward and recognition are used as motivational techniques for employee's better performance. These reward and recognition are provided in the form of monetary and non-monetary benefits for certain desirable behaviours (Mark, 2006).

Bowen (2002) described that reward is something which is given or received in return for a success or achievement. In other word, reward is used as an appreciation of certain behaviour in the shape of monetary or non-monetary incentives after certain accomplishment or a success. Recognition is the sense which is given to an individual for being a valued person of an organization. In more simple words recognition is monetary and non-monetary rewards offered in the public place or communicated in the work place regarding the success or accomplishment of an individual (Hellman, 1997).

Reward and recognition can be differentiated that reward is tangible or intangible incentives offered to employees for some accomplishment or success such as Monetary bonuses, promotions, gift certificates, flowers, whereas, recognition is the public acknowledgment of an employee's contribution to the organization such as positive feedback, appreciations and encouragement from superiors (Higgins, 1994). According to Karatepe (2013), adequate reward can motivate employees to provide outstanding services

to customers. In addition, employees often place their view about employer via the reward and recognition system that they receive from that company (Hayes & Ninemeier, 2009), and lack of reward may lead to an unpleasant environment that will reduce work efforts caused by withdrawal of job (Lytle, 1997). Sharma and Sharma (2010) reported that reward and recognition had limited capacity to explain the adequate variance related to employee behaviour, i.e. engagement. Moreover, employees with appropriate socio-emotional resources, i.e. reward and recognition, feel obliged to repay their organization and show higher level of engagement (Cropanzano & Mitchell, 2005).

(e) Health and Safety

Improving employee productivity and Occupational Health and Safety (OHS) have been an important field of interest of industry especially in developing countries. Some common characteristics of such industries include inappropriate workplace design, ill-structured jobs, mismatch between job demands and worker's abilities, adverse environments, poor human-machine system design, and inappropriate management programs. These factors lead to workplace hazards, poor employee health, mechanical hardware injuries, and disabilities, which reduce the worker productivity and work/product quality and increase the cost (Shikdar & Sawaqed, 2003).

The importance of healthy workplaces is increasingly being recognized as a broad concept influencing quality of life at the individual level to substantial impacts on public health at the societal level (Helliwell & Putnam, 2004). Occupational health and safety is a multidisciplinary concept that concentrates on the promotion of safety, health, and welfare of people engaged in work or employment (Bhagawati, 2015).

Employee health and safety programs need to be a major priority for management because they save lives, increase productivity, and reduce costs. These health and safety programs should stress employee involvement, continued monitoring, and an overall wellness component (Anthony, 2007). Work safety requires that safe working conditions should not create significant risk of people being rendered unfit to perform their work. Health and safety at work is therefore aimed at creating conditions, capabilities, and habits that enable the worker and his/her organization to carry out their work efficiently and in a way that avoids events which could cause them harm (Garcia, 2012). It is clear that safe working conditions have an effect on the habits of workers, which in turn impacts on

efficiency. This implies that employees working in a safe condition are likely to perform in a way that will not cause them harm.

By comparing two types of models on safety, Robens (1972) offers a challenge to the traditional approach to safety in the workplace, known as the 'careless worker' model. In this model, employers assumed that most of the accidents were due to the employee's failure to take safety seriously, or failing to protect themselves. Author recognized that the 'careless worker' model does not explain occupational ill-health caused by toxic substances, noise and badly designed and unsafe systems of work. A new approach to occupational health and safety, the 'shared responsibility' model assumes that the best way to reduce levels of occupational accidents and disease relies on the cooperation of both employers and employees. In order to maintain a safe and healthy work place, workers and supervisors must be taught to keep a health and safety mind set (Bratton & Gold, 1999). Additionally, supervisors are normally seen as one of the key elements in health and safety management at the workplace in ensuring safety compliance and safety participation. Employees have a responsibility to take all reasonable and necessary precautions to ensure their health and safety, and that of anyone else who may be affected by their work or activities. They are required to use all materials, equipment, devices and clothing that are provided by the employer (Canadian Labour Code, 2015).

2.2 Organizational Commitment

Organizational commitment has been identified as an important variable in understanding the work behaviour of employees in organizations (Mowday, 1979). Organizational commitment means as the level of individual association to an organization, because individual is willing to dedicate significant time and effort to the organization without monetary purposes (Bang, 2013). Organizational commitment is the circumstance in which an employee sides with an organization and aims to maintain the membership within the organization. Suma and Lesha (2013) defined organizational commitment as link between organization member and organization that unification of employee and organization lead employee to actively participate to organizational problem. Second for positive perspective and trust of organization, Organizational commitment, which involves a desire of the employee to remain its membership in the organization, is key in determining employee turnover. Porter (1974) defined organizational commitment with concept of

recognition and trust of organization goal and value, voluntary give effort accomplishes organization goal and strong desire to continue organizational membership. Increasing organizational commitment is one of the important issues in managing sustainable HR. A definition of organizational commitment is the degree to which an employee identifies with the organization and is willing to put forth effort on its behalf (Noe, 2007). It is the employee's attitude toward organization which shows quantity element of organization effectiveness (Suma & Lesha, 2013). An additional definition of organizational commitment is the degree to which an employee believes in the goals of the organizations and wants to see the organization succeed (Mowday, 1979).

Committed persons are more likely to want to remain with an organization and work towards its goals. Meyer and Allen (1997) pointed out that committed employees are more valuable than those employees who are not committed. In early studies of employee loyalty, loyalty was seen as a form of socially acceptable behaviour on the part of employees. Organization commitment shares some characteristics of organizational loyalty, commitment to working groups, job, career, supervisor, and union (Bartlett, 2001).

In order to successfully adapt to change, companies must have committed employees that cope with the demands of this fast changes. These employees are the source of competitive advantage (Dessler, 1993). Meyer and Allen (1987) proposed a three-dimensional attitudinal construct of organizational commitment namely, affective, normative, and continuance commitment.

(a) Affective Commitment

Affective commitment is referred to the employee's emotional link and involvement with the organization. Employees with a high level of affective commitment to their company continue working in it because they want to do so. Affective commitment is said to be driven by vision, mission and values of a company. This kind of commitment refers to the employees' motivation driven more by the vision, mission and values of the company rather than by other factors.

Affective commitment is also called attitudinal commitment. Khan et al. (2019) believed that commitment exceeds utilitarian values, which is consistent with organizational values as an affective orientation. However, Haider et al. (2019) believed that affective commitment is the employees' dependence on the organization under the

emotional belonging, which is the same as the organizational goals and values. Therefore, it is more lasting than the material transaction relationship.

Kurtessis et al., (2017) pointed out that it is an effort between employees and organizations to maintain mutual relations and shared values and emotional belonging. Employees' affective commitment is based on the social relationship between employees and organizations, which connects the two parties and describes the emotional motivation of the employees to maintain the current relationship (Kaur & Paruthi, 2019).

Affective commitment basically denotes the passionate link between employees of organization and organization itself, and it also denotes the association of employees with accomplishments of organization. Affective commitment is an affirmative approach towards the organization (Singh & Gupta, 2015). The employees having high affective commitment will stay with firm because they want to work with that organization.

(b) Normative Commitment

Normative commitment is about a sense of 'ought to' where one has a feeling of obligation or responsibility to give one's backing and adherence to change (Herscovitch & Meyer, 2002). Normative commitment is referred to the employee's feeling of obligation to remain working for an organization. Employees with a high level of normative commitment continue working in it because they feel that they ought to do so. Normative commitment refers to employees' commitment to remain with the organization driven more by social reason, for instance the reason why an employee works for a company is due to his or her close relationship with the owners, or due to his or her parents' emotional bond with the company (Mansor, 2017).

As founded by Abdullah and Ramay (2012) it is a kind of an obligation on part of an employee that makes him/her to stay with the organization. Normative commitment defined the sense of workable attachment with business. Persons keep on committed towards an organization after a perceived commitment to pay back the organization for enhancing their capabilities by investing in them, such as, through training, research and development (Singh & Gupta, 2015). Employees having great normative commitment will want to work with organization.

Normative commitment occurs when an employee feels a sense of obligation and a desire to benefit the organization for the resources utilized and received from the

organization, even though the employee may feel unhappy on the job (Meyer & Allen, 1997). Rather than compelling the individuals to avoid the negative outcomes, normative commitment happens when the individual is self-motivated to stay and satisfy the expectations and norms set by the organization (Meyer & Allen, 1997). Normative commitment refers to the sense of willingly benefiting and meeting the organizational expectations. Individuals who are highly engaged in their work tend to have an inner belief can meet the expectations and demands of their jobs (Schaufeli et al., 2002). This engagement and high inclusion in their work will also increase their normative commitment (Peplińska et al., 2020). In view of intrinsic motivation theory, the work itself can create an internal sense of motivation which leads to actions that are for the organizational benefit (Miller et al., 1988).

(c) Continuance Commitment

Continuance commitment is referred to the employee's awareness of the costs associated with leaving the organization. Employees with a high level of continuance commitment to their company continue working in it because they need to do so. Continuance commitment involves losses which would appear if the employee stopped working for a specific organization. These losses can be both work and non-work related. Examples are the threat of losing benefits, seniority-based privileges, the feeling of having wasted time and other potential costs of quitting an organization (Jaros, 2007). Continuance commitment is described as an individual's need to continue working for the organization based on the perceived costs associated with leaving, and normative commitment is the feeling of obligation to remain with an organization. (Meyer et al., 2002).

Continuance commitment denotes the consciousness of employees to leave the organization when the organization is gone astray. Continuance commitment refers to employees' commitment driven by financial factors. Employees calculate thoroughly the financial gain whether to remain or leave the company they are working for. They will remain to work for the company if they think that it is more beneficial to work there rather than to work for another company (Meyer & Allen, 1991).

2.3 Job Performance

Afsar and Umrani (2020) proposed a performance model, including proficiency in specific and non-specific job tasks, written and verbal communication skills, degree of effort, personal self-discipline, promotion of team performance, supervision, leadership, and administrative management. Kalia and Bhardwaj (2019) categorized job performance into the task and contextual performance based on organizational citizenship behaviour.

Task performance refers to behaviours directly or indirectly related to work, such as workability and experience, and the performance of employees' ability and proficiency in completing tasks. Meanwhile, it is related to the technical level of the organization, so production quality and profit productivity are used to measure employees' task completion and goal achievement (Kleszczewska et al., 2019). Contextual performance includes interpersonal and will motivational factors. Gaye and Cavide (2019) believed that it includes five aspects: The employees should (1) take the initiative to complete off-duty work; (2) be enthusiasm for work; (3) cooperate with others; (4) implement organizational regulations; and (5) support organizational goals. Therefore, according to job performance literature, this work studied job performance from the task and contextual performance.

According to Byars and Rue (2000), job performance is a kind of outcomes after a job is finished. It represents the levels of achievement of each job and the fulfilment of organizational regulations, expectations, or requirements for an official role. Parvin et al., (2011) asserted that job performance is the attained outcome of actions with the skills of employees who perform in some situation. According to Chen and Francesco (2003), job performance is productivity that expresses the quantity, quality and contribution of a job. Schermerhorn (1992) argued that job performance is the results of quality and quantity after completion of a mission by an individual or a group. According to Cole (2003), overall performance encompasses all behaviours, task or otherwise, necessary for the successful performance of a job.

Job performance is a means to reach a goal or set of goals within a job, role, or organization Campbell (1990), but not the accrual consequences of the acts performed within a job. Job performance can be defined as all employees' activities are engaged at work. Individual work performance is a relevant outcome measure of studies in the occupational setting; it refers to how well someone performs at the work. Aspects such as job-specific task proficiency, behaviour related to core tasks of the job, the level of

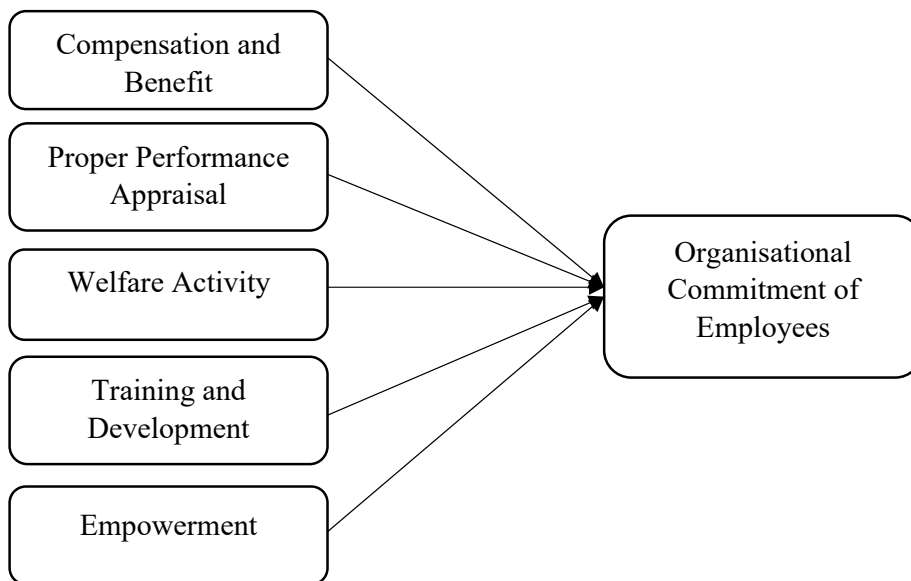
commitment to core tasks, and general work behaviour are becoming important factors related to job performance. Performance is an important variable in work organization and has become a significant indicator in measuring organizational performance in many studies.

2.4 Previous Studies

There are many international papers that studied the effect of HRM practices on organizational commitments of the employees. This study is mainly based on the conceptual frameworks from two previous studies.

Reza (2019) studied the impact of human resource management practices on organizational commitment of employees. The conceptual framework of Reza (2019) is shown in Figure (2.1).

Figure (2.1) Conceptual Framework of Reza



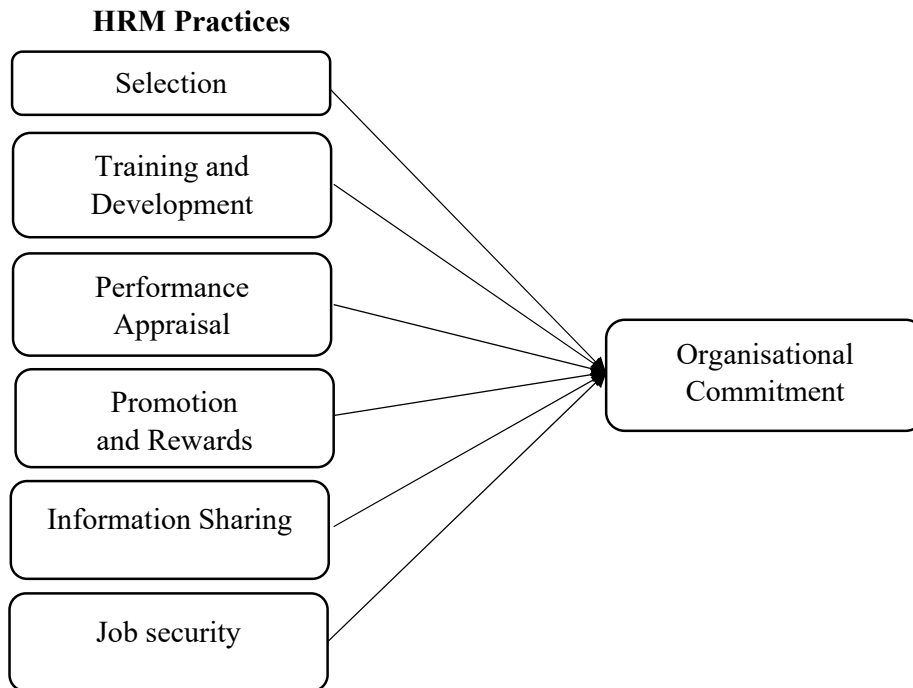
Source: Reza (2019)

The aim of the study was to identify the role of human resource management practices on employees' commitment of organizations with the review of existing literature and theory. Data were collected from 137 employees who are currently working at the selected companies by using convenience sampling. Reza (2019) found that to earn employee commitment, organizations must offer a workplace with effective performance feedback and opportunities for participation and overall employee satisfaction. To achieve

the high commitment of employees' organizations must offer a workplace with effective HRD strategies like performance feedback, competitive salary, world-class training and opportunities for participation and career growth for retention etc.

Reddy and Suresh (2017) studied the effect of HRM practices on organizational commitment: a review on banking sector. The conceptual framework of Reddy and Suresh (2017) is shown in Figure (2.2).

Figure (2.2) Conceptual Framework of Reddy and Suresh

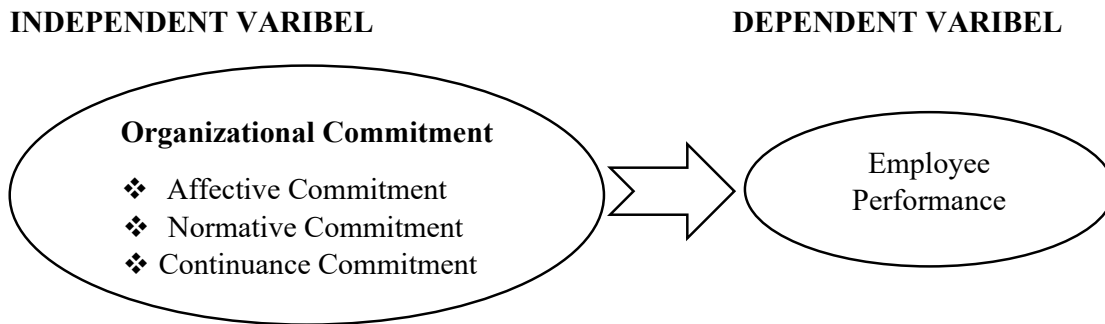


Source: Reddy & Suresh (2017)

The primary objective of the study is to find out the impact of the HRM practices on organizational commitment. This study is purely based on secondary data, reviewing the literatures related to HRM Practices, job satisfaction, organization climate, organization commitment in banks. It was observed that all the HRM practices are positively correlated with the organizational commitment.

Parveen (2019) explored the impact of organizational commitment on employee's performance. The conceptual framework of Parveen (2019) is shown in Figure (2.3).

Figure (2.3) Conceptual Framework of Parveen



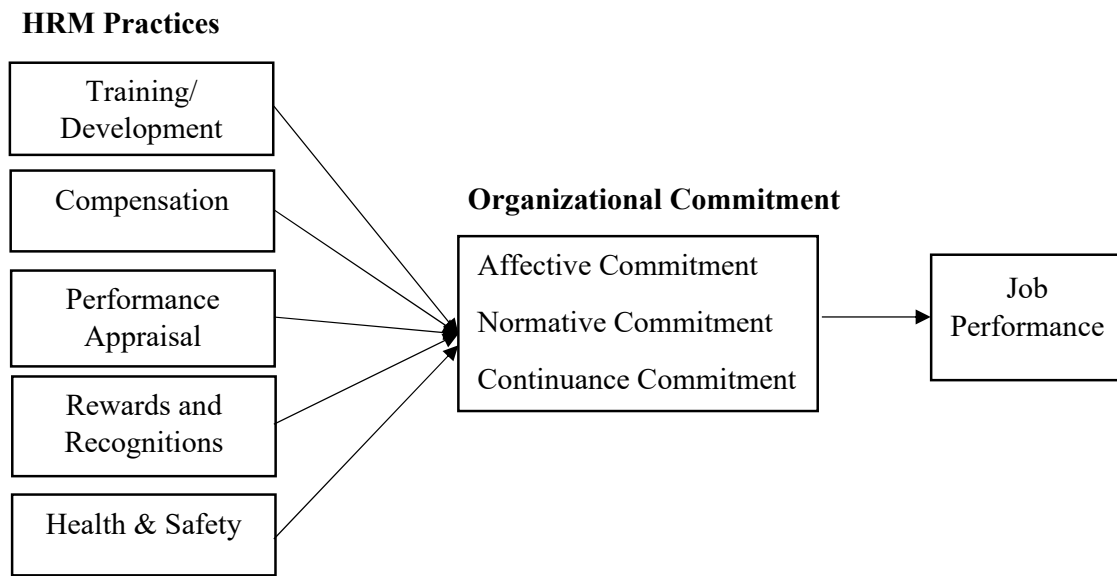
Source: Parveen (2019)

The study tested the relationship between organizational commitment and employee performance in textile sector of Faisalabad in Pakistan. The results of the study indicated that there was a momentous and affirmative relationship among employees' performance and organization commitment. The study found that affective and normative commitment had positive impact on employee performance although continuance commitment has no significant impact on employee performance.

2.5 Conceptual Framework of the Study

The conceptual framework of the study is developed based on the theoretical concepts and previous studies. The conceptual framework of the study is presented in Figure (2.4). It focuses HRM practices which include five factors namely training and development, compensation, performance appraisal, rewards and recognition, health and safety. Organizational commitment of employees are measured with three dimensions: affective, normative, and continuance commitments.

Figure (2.4) Conceptual Framework of the Study



Source: Own Compilation Based on Previous Studies (2022)

As presented in Figure (2.4), this study is designed to find out the effect of HRM practices on organizational commitment and job performance of the employees at Verano Co., Ltd. Firstly, this study focuses whether HRM practices affect the organizational commitment of employees and then, continues to find out the effects of different types of organizational commitment on job performance of the employees.

CHAPTER (3)

PROFILE AND HUMAN RESOURCE PRACTICES OF VERANO COMPANY LIMITED

This chapter presents the profile and five human resource practices of Verano Co., Ltd. In addition, profile of the respondents is described according to the survey data by frequency and percentage.

3.1 Profile of Verano Co., Ltd.

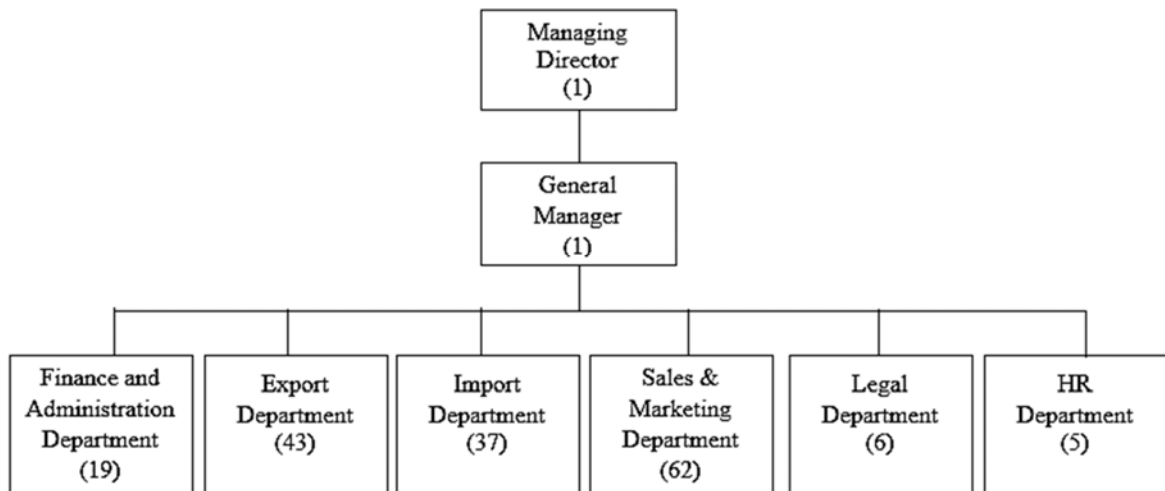
Verano Co., Ltd. is a trading company, established in 2000, that exports Myanmar agricultural products such as Black Matpe, Tur Whole, Chickpea, Green Mung Bean, Yellow Maize and Rice and imports medical and chemical products. The Company is located at 123-124, Myinn Wun U Aung Thu Street, Industry Zone (2), Hlaing Thar Yar Township.

The mission of Verano Co., Ltd. is to provide a superior quality, cost effective end to end export and import service, through strong customer focus, continuous improvement, reliability and trust. Its slogan is providing better life for the people" and thus, it tries to provide the better products for customer's better and healthier life.

As the trading company, Verano Co., Ltd. has set up the departments thoroughly in order to achieve the efficiency of the operations. Figure (3.1) presents the organizational structure of Verano Co., Ltd.

As presented in Figure (3.1), there are six main departments at Verano Co., Ltd. Verano Co., Ltd. clearly sets up the goals for each department. Company makes sure that there is an effective collaboration among departments.

Figure (3.1) Organizational Structure of Verano Co., Ltd.



Source: Verano Co., Ltd. (2022)

As shown in Figure (3.1), Under Managing Director, General Manager is appointed to manage the operations of the departments namely finance and administration, export, import, sales and marketing, legal, and HR.

Verano Co., Ltd. assign skilful people in order to have operation efficiency. By having enough workforce, the company could perform the goals efficiently and effectively. Table (3.1) presents the number of employees at each department of Verano Co., Ltd.

Table (3.1) Number of Employees at Each Department

Sr. No.	Department	No. of Employees
1.	Finance and Administration Department	19
2.	Export Department	43
3.	Import Department	37
4.	Sales and Marketing Department	62
5.	Legal Department	6
6.	HR Department	5
	Total	172

Source: Verano Co., Ltd. (2022)

As shown in Figure (3.1), there are 172 employees are currently working at six departments. The largest numbers of employees are in sale and marketing department which represent about 36% of total employees, followed by export department and import department with 25% and 22% of total employees, respectively.

Company policy provides guidelines to employees currently working at the Verano Co., Ltd. Normal office hours are usually from 9:00 am to 5:00 pm and 40 hours a week in

total. It is usually from Monday to Friday. This applies except for the legal holidays. The company develops a workplace where all employees are required to have clear communication, and mutual respect.

Under the current practices of the labour law, overtime pay is calculated as double the employee's basic hourly rate, and overtime is limited to a maximum of 12 hours per week (or 16 hours in cases where there is a special need for the overtime).

(a) Finance and Administration Department

The finance and Administration Department is responsible for the accounting, forecasting, budgeting, facilities management, and administration. This department is responsible for all aspects of financial management and control, and general administration duties. Finance and administration department is accountable for the integrity of accounting and financial reporting in the field. Moreover, it is responsible for providing the authority and the various administrative units with their requirements of the supplies and equipment needed to perform their tasks, in coordination with the relevant administrative units.

(b) Export Department

Export department is responsible for the logistics of getting the goods to the purchaser in another country and for ensuring the goods meet the required standards of the importing country. It also needs to make sure that all export documents are aligned with the requirements of the concerned countries. It is also responsible for monitoring the overseas markets and arranging items based on their orders. Furthermore, it analyses the order cycle of each buyer to maintain the stocks in the warehouse. This department also has to do procurement and logistic activities for export products. Finally, it has to maintain good relationships with farmers and suppliers.

(c) Import Department

Import department is mainly responsible for importing pharmaceutical products into Myanmar. India is the main supplier for Verano Co., Ltd. Also, it imports products from Bangladesh, China, Germany, Indonesia, Japan, Republic of Korea, Malaysia, the Philippines, Singapore, China (Taipei), Thailand, US and Vietnam. Imported products

include COVID-19 related medical devices such as surgical masks and pulse oximeter highly demanded in the country amid the COVID-19 surging cases. Its responsibilities include getting import license and drug certificates from Myanmar FDA in order to import the products into Myanmar. Moreover, this department has to maintain a good relationship with foreign suppliers and find new suppliers who offer better price, and quality. It is also responsible for logistic operation and distribution to wholesalers.

(d) Sales and Marketing Department

A sales and marketing department is responsible for selling products or services for a company. The department comprises a sales and marketing team that works together to make sales, increase profitability and build and maintain relationships with customers to encourage repeat purchases and brand loyalty. It is also responsible for determining whether any products in the current catalogue should experience a shift in price or should be dropped altogether and have new products introduced. The important decisions are made by inspecting past sales figures and through customer reviews, product research, trends etc.

(e) Legal Department

Legal department is responsible for ensuring a company's actions are legal and compliant. The legal department of a business handles legal issues that may come up in the course of business, ranging from drafting waiver forms for employees to handling lawsuits from angry customers. In addition, this department is responsible for checking contracts of international suppliers and buyers. One of the most important roles in this department is legal advisers. This department also offers training and assistance to employee to ensure that the company and employees follow the laws related to workplace and avoid the risk of potential suits.

(f) HR Department

HR Department manages all matters related to employees, who collectively represent one of the most valuable resources in any businesses or organization. It is responsible for managing the employee life cycle (i.e., recruiting, hiring, onboarding, training, and firing employees) and administering employee benefits. Moreover, this

department is also responsible for setting up and implementing policies that are compliant with labour laws and organizational goals while promoting a culture of diversity and equal opportunity. It focuses in developing competencies that enhance individual and organizational performance.

3.2 HRM Practices of Verano Co., Ltd.

Functions of HRM practices include enhancement of the employees' skills, commitment and effort, with a view to enhance, in turn, organizational performance. Any practice which deals with the enhancing of competencies, satisfaction, commitment, and culture building in the organization can be considered as HRM practice. Verano Company systematically performs HRM practices including training and development, compensation, performance appraisal, rewards and recognition, and health and safety.

(a) Training and Development

To ensure that both new and experienced employees have the knowledge and skills to perform their jobs successfully, Verano Co., Ltd. invests in training and development activities. It offers both on the job and off the job trainings. The company provides new employee training with orientation, which entails getting the new employee ready to perform on the job.

At Verano Co., Ltd. different trainings are given to employees at different levels. The training methods used for the training of skilled workers and operators are specific job training programs, technical training with live demos, internship training, and training via the process of rotation of job. Training given to people in a supervisory or managerial capacity includes coaching, lectures, group discussions, decision making skills, leadership skills, case studies, workshops, role-playing, and conferences etc. The company gives special import and export trainings suitable for employees who are working in import, export, logistics or across international supply chains. #Table (3.2) presents the types of trainings with methods.

Table (3.2) Types of Trainings with Duration

Sr. No.	Training Type	Method
1.	Orientation/ Onboarding	Internal
2.	Technical (Software Training)	Internal
3.	Compliance Training	Internal
4.	Products/ Sales Training	Internal/External
5.	Complaint Handling Training	Internal/ External
6.	Import/ Export Training	Internal/ External
7.	Leadership Skill Training	Internal/ External

Source: Verano Co., Ltd. (2022)

Knowing which type of employee training to use and when is important to creating a culture of growth and positive morale. But the right learning platform is also important. Verano Co., Ltd. systematically plans types of trainings and methods for all employee based on their job requirements. It also measures Training Effectiveness with Employee Surveys.

#

(b) Compensation

In Verano Company, compensation, which includes both pay and benefits, is closely connected to performance appraisals. Employees who perform better tend to get bigger pay raises at the company. It pays employee bonuses as performance incentives and give them out at the end of the year in a single lump sum. Overtime is usually given to permanent employees who work more than 40 hours in a week. During Covid-19 pandemic, Verano Company arranges health insurance for permanent employees by providing 50 percent of the insurance premium. Table (3.3) presents the salary range of employees at Verano Company.

Table (3.3) Salary Range of Employees

Position	From (Kyats)	To (Kyats)
Entry Level	200,000	250,000
Operational Level	250,000	400,000
Executive	350,000	550,000
Senior Executive	400,000	600,000
Assistant Manager/Manager	900,000	1,500,000
General Manager	1,600,000	2,000,000

Source: Verano Co., Ltd. (2022)

As shown in Table (3.3), Verano Company sets the payroll based on the position levels. There are six levels categorized in the company with reasonable pay. Verano

Company has arranged competitive compensation system by monitoring wage rates in the market. Base on the job title and performance level, the company sets up the clear compensation system so that all employees can have a clear understanding of their compensation and benefits for their efforts.

(c) Performance Appraisal

At Verano Company, the appraiser, often a supervisor or manager, provides the employee with constructive, actionable feedback based on the assessment. This in turn provides the employee with the direction needed to improve and develop in their job. The purpose of a performance appraisal at Verano is two-fold: It helps the organization to determine the value and productivity that employees contribute, and it also helps employees to perform the jobs in their own roles. Company regularly conducts the performance appraisal every month so that both company and employees could improve the efficiency and effectiveness over time. Moreover, the company explains and gives feedbacks to employees who have questions about performance appraisal result.

(d) Rewards and Recognitions

Verano Company provides rewards and recognition to motivate employees and demonstrate that they are appreciated. Top management or manager recognizes high performers in monthly meetings. Managers shows recognition for top performers at the start of a staff meeting. At annual staff party, company arranges VIP table where top 10 performers could have dinner and chat with MD. At the annual staff part, the company provides bonus of 3 months if the employees have been working at the company at least 10 years while others get bonus of 1 month if employees take no leave and finish tasks on time. For the top 10 performers, company provides 20 percent pay raises. Among those top performers, top 3 employees will have career advancement opportunities such as promotion.

(e) Health and Safety

Verano Company provides the right workplace facilities for everyone at each department by good ventilation, enough room space and suitable workstations and seating

according to the Covid-19 guidelines. Moreover, the company arranges first-aid box at each department and provides trainings how to use for emergencies. The company provides necessary hand spray, masks, gloves, face shields and all the employees at the office are required to put masks at the working areas. Moreover, the company checks the body temperature at the entrance. To prevent disease transmission, company provides ferries for employees so that employees do not need to take public transportation. Verano Company usually uses internal mails to share update health and safety issues and guidelines.

3.3 Reliability Test

Reliability is a measure of the stability or consistency of test scores. In the survey, questions are made with 5-point likert scale. The result of the reliability test by Cronbach's Alpha is presented in Table (3.4).

Table (3.4) Reliability Test

Sr. No.	Variable	No. of Items	Cronbach's Alpha	Reliability Level
1	Training & Development	5	.957	Reliable
2	Compensation	5	.965	Reliable
3	Performance Appraisal	5	.954	Reliable
4	Rewards & Recognitions	5	.953	Reliable
5	Health & Safety	5	.963	Reliable
6	Affective Commitment	5	.957	Reliable
7	Normative Commitment	5	.959	Reliable
8	Continuance Commitment	5	.975	Reliable
9	Job Performance	7	.974	Reliable

Source: Survey Data (2022)

Cronbach's alpha values for all variables are shown in Table (3.4). There is a good reliability because all the Cronbach's alpha values are greater than (0.70). Hence, all findings in this study are reliable.

3.4 Profile of the Respondents

To collect the primary data, 120 employees currently working at Verano Company are selected as sample population by simple random sampling method. Table (3.5) presents the profile of the respondents.

Table (3.5) Profile of the Respondents

Sr. No.	Particular	Frequency	Percentage
Total		120	100.00
1.	Gender		
	Male	78	65.00
	Female	42	35.00
2.	Age (Years)		
	Less than 20 years old	4	3.33
	20-30 years old	72	60.00
	41-50 years old	23	19.17
	Above 50 years old	21	17.50
3.	Marital Status		
	Single	74	61.67
	Married	46	38.33
4.	Education Background		
	High School	6	5.00
	Bachelor degree	97	80.83
	Master degree	17	14.17
5.	Position		
	Staff	51	42.50
	Supervisor	35	29.17
	Executive	28	23.33
	Assistant Manager	3	2.50
	Manager	2	1.67
	General Manager	1	0.83

Source: Survey Data (2022)

Among 120 respondents, majority of the employees are males. Verano Company is a trading company and it appoints more males for outdoor work. Most of the respondents are from 20 to 30 years old. The second largest group contains people who are 41-50 years old while the minority group has young people who are less than 20 years old. Company has appointed more single workers as their job needs to travel a lot. Most of the respondents

have bachelor degree while second largest group include master degree holders. Majority of the respondents are staff followed by supervisors and executives. According to the demographic data, it can be concluded that single male staff and supervisors represent as the majority groups at Verano Company.

CHAPTER (4)

ANALYSIS ON THE EFFECT OF HRM PRACTICES ON ORGANIZATIONAL COMMITMENT AND JOB PERFORMANCE

In this chapter, perceptions of employees on HRM practices their commitment and job performance are presented. It also analyses the effect of HRM practices on organizational commitment and job performance of employees. Multi-linear regression analysis is used in order to find out the effect of HRM practices on organizational commitment and the effect of organizational commitment on job performance in Verano Co., Ltd. in Myanmar.

4.1 Employee Perception of HRM Practices

This section presents the perceptions of employees on the HRM practices currently offered by Verano Co., Ltd. in Myanmar. Structured questionnaire with 5-point likert scale (1: strongly disagree, 2: disagree, 3: neutral, 4: agree, 5: strongly agree) is used to collect the primary data. The overall mean scores of five HRM practices in the perceptions of the employees are presented in Table (4.1).

Table (4.1) HRM Practices

Sr. No.	HRM Practices	Mean Score
1.	Training and Development	3.65
2.	Compensation	3.62
3.	Performance Appraisal	3.56
4.	Rewards and Recognitions	3.84
5.	Health and Safety	3.63

Source: Survey Data (2022)

According to Table (4.1), rewards and recognitions gets the highest mean score among five HRM practices. It shows that employees have the positive perception towards rewards and recognitions of the Verano Co., Ltd. since top management or manager recognizes high performers in monthly meetings. Generally, benefits and promotion opportunities are mainly based on the result of performance appraisal. Moreover, top 10

performers could have the chance to have a dinner and chat with MD at annual dinner. Hence, employees view that they are valued and well praised. The overall mean scores are greater than 3.0 (neutral value), it can be said employees have some degree of positive view on all HRM practices of Verano Co., Ltd. in Myanmar.

(a) Training and Development

Through training an organization can help new and current employees to acquire the knowledge and skills they need to perform their jobs and employees who enhance their skills through training are more likely to engage fully in their work. Perceptions of employees on training and development of Verano Co., Ltd. are presented in Appendix-B.

According to the survey data, most employees state that they get adequate training for their jobs because the company carefully selects the trainees then provides relevant trainings according to their job descriptions. They acknowledge that trainings are supportive to understand departmental goals and perform assigned tasks. Hence, employees can perform well at their job. According to the overall mean score, most of the employees have a positive perception towards the training and development programs of Verano Co., Ltd. as the company provides suitable trainings that can be applied at their jobs.

(b) Compensation

The provision of fair and equitable compensation is important in order to create a conducive and productive working environment for the company. Perceptions of employees on training and development of Verano Co., Ltd. are presented in Appendix-B.

According to the survey data, most employees agree that they receive salaries, wages or incentives on time since the company sets high priority to pay compensation on time. They state that there is a good pay rise in the company. Verano Co., Ltd. provides pay rise closely connected to performance appraisals. Employees who perform better tend to get bigger pay raises at the company. Moreover, employees perceive that they get better pay than those who are working in the same industry as Verano Company has arranged competitive compensation system by monitoring wage rate in the market. According to the overall mean score, the majority of employees have a positive perception towards the compensation system of Verano Co., Ltd.

(c) Performance Appraisal

Performance appraisals are essential for the growth of a company and the employee. It helps the company to find out whether the employee is being productive or is a liability. Perceptions of employees on performance appraisal of Verano Co., Ltd. are presented in Appendix-B.

According to the survey data, most employees get sufficient feedback about their performance result since Verano Company gives employees open and honest feedback about their performance. They think that the performance appraisal system of Verano company is reliable as the appraiser, often a supervisor or manager, provides the employee with constructive, actionable feedback based on the assessment. Employees also admit that performance Appraisals help to recognize current ability and encourage high performance since the company provides the employees with the direction needed to improve and develop in their job. According to the overall mean score, the majority of employees have a positive perception towards the performance appraisal system of Verano Co., Ltd.

(d) Rewards and Recognitions

Rewards and recognition can improve organizational values, encourage friendly competition, and improve employee happiness and commitment. Perceptions of employees on rewards and recognitions of Verano Co., Ltd. are presented in Appendix-B.

According to the survey data, most employees state that monetary and non-monetary rewards are provided for high performers at Verano Co., Ltd. because top management or manager always recognizes high performers in monthly meetings. In addition, for the top 10 performers, company provides 20 percent pay rise. Company offers career advancement opportunities to top 3 employees among those top performers. Thus, majority of employees feel that they are valued and recognized for the work they do. According to the overall mean score, the majority of employees have a positive perception towards the rewards and recognition of Verano Co., Ltd.

(e) Health and Safety

A workplace health and safety management system can minimise the risk of injury and illness from workplace operations. Workers can be more productive and committed

in workplaces that are focused to health and safety. Perceptions of employees on health and safety arrangements of Verano Co., Ltd. are presented in Appendix-B.

According to the survey data, most employees state that Verano Co., Ltd. arranges for favourable temperature, ventilation, space and welfare facilities as appropriate. The company arranges each department by good ventilation, enough room space and suitable workstations and seating according to the Covid-19 guidelines. It also provides necessary hand spray, masks, gloves, face shields and all the employees at the office are required to put masks at the working areas. In addition, employees state that Verano Co., Ltd. places first-aid box at each department and provides trainings how to use for emergencies. According to the overall mean score, the majority of employees have a positive perception towards health and safety management system of Verano Co., Ltd.

4.2 Organizational Commitment

Generally, committed employees bring added value to the organisation, including through their determination, proactive support, relatively high productivity and an awareness of quality. Commitment of employee in Verano Co., Ltd. is analysed and Table (4.2) presents the overall mean scores of three types commitments.

Table (4.2) Organizational Commitment

Sr. No.	Organizational Commitment	Mean
1.	Affective Commitment	3.54
2.	Normative Commitment	3.70
3.	Continuance Commitment	3.59

Source: Survey Data (2022)

According to the overall mean score at Table (4.2), most employees have normative commitment because Verano company develops them by providing appropriate trainings. Thus, they feel moral obligation to the company and do not have intention to leave the company. It is also found that many employees have continuance commitment that shows those employees do not have many alternatives at the moment and they have to stay at the company because they are afraid of personal sacrifices. Some employees have affective commitment as they get recognitions and career development suggestions from their

superiors. Therefore, they are strongly attached to the organization and consider the problems of organization as their own.

(a) Affective Commitment

Affective commitment measures the level of attachment and affection that an individual has with the company. Appendix-C presents the degree of affective commitment of employees towards Verano Co., Ltd.

As shown in Appendix-C, many employees state that they are deeply attached to Verano Company. Verano Company used to provides monetary and non-monetary rewards are provided for high performers. Hence, employees feel that they are valued and recognized for the work they do. They consider the problems of the company as their own and provide their best efforts because employees get recognitions and acknowledgements from their superiors. According to the overall mean score, many employees feel a strong sense of belonging to this organization and they do not intend to leave the organization.

(b) Normative Commitment

Normative commitment occurs when an employee feels a sense of obligation and a desire to benefit the organization. Appendix-C presents the degree of normative commitment of employees towards Verano Co., Ltd.

As shown in Appendix-C, many employees feel that it is not right to leave organization for better offers as Verano Co., Ltd. has developed them by providing relevant training and development programs. They also acknowledge that company provided carrier advancement opportunities according to their performance. Thus, many employees think that they owe a great deal to Verano Co., Ltd. According to the overall mean score, many employees feel a sense of moral obligation to remain at the company since they remember what the company invested for them.

(c) Continuance Commitment

Continuance commitment is the employees assessment of whether the costs of leaving there greater than the costs of staying. Appendix-C presents the degree of continuance commitment of employees towards Verano Co., Ltd.

As shown in Appendix-C, many employees believe that they have no better alternatives at other companies because Verano Company always gives salaries, wages or incentives on time even in pandemic and economic down turn. Employees agree that their benefit package is good when compared to that of other people working similar jobs in other companies because Verano Company has arranged competitive compensation system by monitoring wage rate in the market. Therefore, many employees believe that remaining in this company is as a matter of necessity.

4.3 Job Performance

Generally, job performance relates to how individuals perform in their job duties. The accomplishment of a given task measured against the standards of accuracy, completeness, cost, and allocated time. Table (4.3) presents the job performance of the employees working at Verano Company.

Table (4.3) Job Performance

Sr. No.	Job Performance	Mean Score	Std. Dev
1.	Always finishing work on time	3.55	0.59
2.	Able to utilize the company resource more efficiency.	3.70	0.68
3.	Getting praise from Teammates for work efficiency	3.74	0.67
4.	Fulfilling responsibilities as required by job	3.76	0.70
5.	Using time effectively	4.06	0.74
6.	Setting appropriate priorities for tasks	3.65	0.66
7.	Helping others with heavy workload in the department	3.93	0.77
	Overall Mean	3.77	

Source: Survey Data (2022)

As shown in Table (4.3), most employees can use time effectively. As they get enough trainings from the company, they have capacity and can prioritise the tasks to finish on time. Employees help other officemates who are under heavy workload because they finish assigned tasks before deadlines. They perform their responsibilities that are required for the job. Hence, they used to get praise from their superiors for their work done.

According to the overall mean score, majority of employees achieve the intended performance and they are satisfied with their performance.

4.4 Analysis on the Effect of HRM Practices on Organizational Commitment

In this section, the effects of HRM practices on organizational commitment are examined by using multi-linear regression in SPSS. Five HRM practices are analysed in order to find out the significant relationship with each organizational commitment.

4.4.1 The Effect of HRM Practices on Affective Commitment

The effects of HRM practices on affective commitment are examined by using multi-linear regression in SPSS. Dependent variable is affective commitment while independent variable are five HRM practices (training/development, compensation, performance appraisal, rewards and recognitions, and health and safety). Table (4.4) presents the result of regression analysis.

Table (4.4) The Effect of HRM Practices on Affective Commitment

Variable	Unstandardized Coefficients		B	t	Sig
	B	Std Error			
(Constant)	.086	.065		1.322	.189
Training & Development	.388***	.117	.389	3.299	.001
Compensation	.034	.061	.038	.561	.576
Performance Appraisal	.437***	.072	.420	6.085	.000
Rewards & Recognitions	.580***	.106	.559	5.468	.000
Health & Safety	.344***	.099	.340	3.466	.001
R Square	.975				
Adjusted R Square	.974				
F Value	895.648***				

Source: Survey Data (2022)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

According to Table (4.4), since the value of adjusted R square is 0.974, it can be concluded that this specified model can explain 97.4 % of variation of affective commitment which is predicted by HRM practices. As overall significance of the model, F

value is highly significant at 1 percent level, this model can be said valid. According to the regression result, among five variables, four variables have strongly significant effect on affective commitment while compensation is not significant. Employees feel part of the organization and always consider the issues of the company as their own. Therefore, compensation is not important factor for employees who have affective commitment.

The coefficient of training and development has the expected positive sign and is strongly significant with affective commitment at 1 percent level. It indicates that the increase in training and development leads to more affective commitment of the employees in Verano Company. As employees get adequate training for their jobs because the company carefully selects the trainees and provides relevant trainings according to their job descriptions. As employees have capacity and carrier development opportunities by trainings and developments, they are personally attached to the organization.

The coefficient of performance appraisal has the expected positive sign and is strongly significant with affective commitment at 1 percent level. It indicates that the increase in performance appraisal leads to more affective commitment of the employees in Verano Company. As company applies performance appraisal as a mean of developing employees according to their result, employees view performance appraisal as an opportunity for their skills and carrier improvement. Employees perceive that the company regularly does fair performance appraisal for their benefits, and they consider organization problems as their own.

The coefficient of rewards and recognitions has the expected positive sign and is strongly significant with affective commitment at 1 percent level. It indicates that the increase in performance appraisal leads to more affective commitment of the employees in Verano Company. As company applies performance appraisal as a mean of developing employees according to their result, employees view performance appraisal as an opportunity for their skills and carrier improvement. Employees perceive that the company regularly gives rewards and recognitions based on their performance. Hence, they are motivated and consider the problems of company as their own.

The coefficient of health and safety has the expected positive sign and is strongly significant with affective commitment at 1 percent level. It indicates that the increase in health and safety leads to more affective commitment of the employees in Verano Company. The company arranges for favourable temperature, ventilation, space and

welfare facilities as appropriate. It also provides necessary hand spray, masks, gloves, face shields and all the employees at the office are required to put masks at the working areas. Employees perceive that the company cares them by providing good and safe working conditions, and they feel a strong sense of belonging to this organization.

Since the standardized coefficient (Beta) of rewards and recognitions has the largest value (0.559) among five explanatory variables, the rewards and recognitions can be recognized as the most influencing factor to increase affective commitment. It can be concluded that due to the rewards and recognitions for their efforts, employees feel part of the organization.

4.4.2 The Effect of HRM Practices on Normative Commitment

The effects of HRM practices on normative commitment are examined by using multi-linear regression in SPSS. Dependent variable is normative commitment while independent variable are five HRM practices (training/development, compensation, performance appraisal, rewards and recognitions, and health and safety). Table (4.5) presents the result of regression analysis.

Table (4.5) The Effect of HRM Practices on Normative Commitment

Variable	Unstandardized Coefficients		B	t	Sig
	B	Std Error			
(Constant)	.102	.072		1.416	.159
Training & Development	.380***	.129	.372	2.932	.004
Compensation	.241***	.068	.260	3.559	.001
Performance Appraisal	.208**	.079	.195	2.623	.010
Rewards & Recognitions	.170	.117	.159	1.450	.150
Health & Safety	.011	.109	.011	.102	.919
R Square	.971				
Adjusted R Square	.970				
F Value	773.401***				

Source: Survey Data (2022)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

According to Table (4.5), since the value of adjusted R square is 0.970, it can be concluded that this specified model can explain 97.0 % of variation of normative

commitment which is predicted by HRM practices. As overall significance of the model, F value is highly significant at 1 percent level, this model can be said valid. According to the regression result, among five variables, three variables have significant positive effect on normative commitment. They are training & development, compensation and performance appraisal while rewards and recognitions, and health and safety are not significant. Since employees are developed by company, they thank to the organization and feel morale obligation. Therefore, they work hard for the company without considering other factors such as rewards and recognitions, and health and safety.

The coefficient of training and development has the expected positive sign and is strongly significant with normative commitment at 1 percent level. It indicates that the increase in training and development leads to more normative commitment of the employees in Verano Company. As the company carefully selects the trainees and provides relevant trainings according to their job descriptions, employees are develop and capable of doing assigned tasks well. As employees have capacity and carrier development opportunities by trainings and developments, they owe a great deal to Verano Co., Ltd. and do not intend to leave the company.

The coefficient of compensation has the expected positive sign and is strongly significant with normative commitment at 1 percent level. It indicates that the increase in compensation leads to more normative commitment of the employees in Verano Company. Since the company provides attractive salary on time even in economic down turn, employees feel obligated to stay in an organization.

The coefficient of performance appraisal has the expected positive sign and is strongly significant with normative commitment at 5 percent level. It indicates that the increase in performance appraisal leads to more normative commitment of the employees in Verano Company. Performance appraisals help employees work efficiently as the company provides necessary trainings and rewards according to the employee performance. Company usually makes performance appraisal to improve the capacity of the employees. Thus, employees feel that it is unethical to leave the organization right now.

Since the standardized coefficient (Beta) of training and development has the largest value (0.372) among five explanatory variables. The training and development can be regards as the most influencing factor to increase normative commitment. It can be concluded that due to the trainings and developments for their carrier advancement,

employees feel moral obligation to conduct themselves ethically in regard to their employer.

4.4.3 The Effect of HRM Practices on Continuance Commitment

The effects of HRM practices on continuance commitment are examined by using multi-linear regression in SPSS. Dependent variable is continuance commitment while independent variable are five HRM practices (training/development, compensation, performance appraisal, rewards and recognitions, and health and safety). Table (4.6) presents the result of regression analysis.

Table (4.6) The Effect of HRM Practices on Continuance Commitment

Variable	Unstandardized Coefficients		B	t	Sig
	B	Std Error			
(Constant)	.302	.080		3.754	.000
Training & Development	.341**	.145	.297	2.360	.020
Compensation	.674***	.076	.648	8.923	.000
Performance Appraisal	.082	.088	.069	.930	.354
Rewards & Recognitions	.491***	.131	.410	3.762	.000
Health & Safety	.349***	.122	.299	2.857	.005
R Square	.972				
Adjusted R Square	.971				
F Value	784.626***				

Source: Survey Data (2022)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

According to Table (4.6), since the value of adjusted R square is 0.971, it can be concluded that this specified model can explain 97.1 % of variation of continuance commitment which is predicted by HRM practices. This means that there is no correlation among independent variables. According to the regression result, among five variables, four variables have significant positive effect on continuance commitment while performance appraisal is not significant because employees just stay at the company because they are afraid of losing current benefits and no better alternatives. Therefore, they do not have much attention to performance.

The coefficient of training and development has the expected positive sign and is strongly significant with continuance commitment at 5 percent level. It indicates that the increase in training and development leads to more continuance commitment of the employees in Verano Company. Because the company provides all necessary trainings and developments based on the job positions, employees do not need to cost for the trainings. Employees may not get that kind of opportunity at other companies. Hence, they do not want to take personal sacrifices by leaving the company.

The coefficient of compensation has the expected positive sign and is strongly significant with continuance commitment at 1 percent level. It indicates that the increase in compensation leads to more continuance commitment of the employees in Verano Company. Employees get better pay than those who are working in the same industry as Verano Company has arranged competitive compensation system. Therefore, many employees believe that they have no better alternatives at other companies.

The coefficient of rewards and recognitions has the expected positive sign and is strongly significant with continuance commitment at 1 percent level. It indicates that the increase in rewards and recognitions leads to more continuance commitment of the employees in Verano Company. Employees get monetary and non-monetary rewards for high performance. Hence, employees do not want to lose those incentives and they decide to stay at Verano Company.

The coefficient of health and safety has the expected positive sign and is strongly significant with continuance commitment at 1 percent level. It indicates that the increase in health and safety leads to more continuance commitment of the employees in Verano Company. Employees get good working environment and enough supplies such as hand wash, mask, etc. As employees do not need to buy any medical supplies during Covid-19 pandemic, they remain in this company as a matter of necessity.

Since the standardized coefficient (Beta) of compensation has the largest value (0.648) among five explanatory variables. The compensation can be referred as the most influencing factor to increase continuance commitment. It can be concluded that due to attractive compensation, employees are afraid of losing those when they leave the company.

4.4.4 The Effect of HRM Practices on Organizational Commitment

The effects of HRM practices on organizational commitment are examined by using multi-linear regression in SPSS. Dependent variable is organizational commitment while independent variable are five HRM practices (training/development, compensation, performance appraisal, rewards and recognitions, and health and safety). Table (4.7) presents the result of regression analysis.

According to Table (4.7), since the value of adjusted R square is 0.986, it can be concluded that this specified model can explain 98.6 % of variation of organizational commitment which is predicted by HRM practices. According to the regression result, all five variables have the strongly significant effect on organizational commitment.

Table (4.7) The Effect of HRM Practices on Organizational Commitment

Variable	Unstandardized Coefficients		B	t	Sig
	B	Std Error			
(Constant)	.163	.050		3.250	.002
Training & Development	.369***	.090	.354	4.087	.000
Compensation	.293***	.047	.311	6.213	.000
Performance Appraisal	.188***	.055	.172	3.392	.001
Rewards & Recognitions	.414***	.082	.380	5.066	.000
Health & Safety	.227***	.076	.214	2.975	.004
R Square	.987				
Adjusted R Square	.986				
F Value	1682.674***				

Source: Survey Data (2022)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

The coefficient of training and development has the expected positive sign and is strongly significant with organizational commitment at 1 percent level. It indicates that the increase in training and development leads to more commitment of the employees in Verano Company. Because the company carefully selects the trainees and provides all necessary trainings and developments based on the job positions, employees do not need to cost for the trainings. Hence, employees are committed to the organization.

The coefficient of compensation has the expected positive sign and is strongly significant with organizational commitment at 1 percent level. It indicates that the increase

in compensation leads to more commitment of the employees in Verano Company. Employees get better pay than those who are working in the similar industry as Verano Company always monitors the industry and update salary. Therefore, employees give their commitments to the organization.

The coefficient of performance appraisal has the expected positive sign and is strongly significant with organizational commitment at 1 percent level. It indicates that the increase in performance appraisal leads to more commitment of the employees in Verano Company. Company usually makes performance appraisal to improve the capacity of the employees. Thus, employees has an enthusiasm towards their tasks at a workplace.

The coefficient of rewards and recognitions has the expected positive sign and is strongly significant with organizational commitment at 1 percent level. It indicates that the increase in rewards and recognitions leads to more commitment of the employees in Verano Company. Employees get rewards and recognitions from their superiors who announces top performance at monthly meeting. Hence, employees consider the problems of the company as their own.

The coefficient of health and safety has the expected positive sign and is strongly significant with commitment at 1 percent level. It indicates that the increase in health and safety leads to more commitment of the employees in Verano Company. As the company arranges good working environment and supports necessary items such as hand wash, mask, etc. As employees do not need to worry about health and safety of their working environment, they are committed to the assigned tasks.

Since the standardized coefficient (Beta) of rewards and recognitions has the largest value (0.380) among five explanatory variables, the rewards and recognitions are the most influencing factors to increase organizational commitment. It can be recognized that due to attractive rewards and recognitions, employees feel that it is unethical if they leave the organization.

4.5 Analysis on the Effect of Organizational Commitment on Job Performance

The effects of organizational commitment on job performance are examined by using multi-linear regression in SPSS. Dependent variable is job performance while independent variable is organizational commitment. Table (4.8) presents the result of regression analysis.

According to Table (4.8), since the value of adjusted R square is 0.978, it can be concluded that this specified model can explain 97.8 % of variation of job performance which is predicted by employee commitment. As overall significance of the model, F value is highly significant at 1 percent level, this model can be said valid. According to the regression result, all types of organizational commitment have strongly significant effect on their job performance.

Table (4.8) The Effect of Organizational Commitment on Job Performance

Variable	Unstandardized Coefficients		B	t	Sig
	B	Std Error			
(Constant)	.138	.056		2.482	.015
Affective Commitment	.833***	.055	.861	15.261	.000
Normative Commitment	.421***	.078	.447	5.424	.000
Continuance Commitment	.270***	.057	.322	4.779	.000
R Square	.978				
Adjusted R Square	.978				
F Value	1745.207***				

Source: Survey Data (2022)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

The coefficient of affective commitment has the expected positive sign and is strongly significant with job performance at 1 percent level. It indicates that the increase in affective commitment leads to more job performance of the employees in Verano Company. Because employees feel part of the organization, they perceive the problems of organization as their own. Hence, a high level of affective commitment results in excellent job performance.

The coefficient of normative commitment has the expected positive sign and is strongly significant with job performance at 1 percent level. It indicates that the increase in normative commitment leads to more job performance of the employees in Verano Company. As Verano Company develops employees by providing relevant trainings according to the job descriptions of the employees. Employees acknowledge that they are improved by Verano Company. Therefore, they feel obligation to the company and are more willing to work above and beyond contract agreed by employees and employer.

The coefficient of continuance commitment has the expected positive sign and is strongly significant with job performance at 1 percent level. It indicates that the increase in continuance commitment leads to more job performance of the employees in Verano Company. Since Verano Company provides good compensations to all employees, employees are afraid of losing those compensations. Employees believe that they have to stay with an organization and try hard to get performance-based compensations. As the result, the performance of the employees has been improved.

Since the standardized coefficient (Beta) of affective commitment has the largest value (0.861) among three explanatory variables, affective commitment can be regarded as the most influencing factor to increase job performance of employees. It can be concluded that due to strongly attach to the organization, employees work hard for their organization and thereby enhance the performance of employees in the organization.

CHAPTER (5)

CONCLUSION

This chapter presents the findings and discussions, suggestions and recommendations and need for further research. Based on the findings, this study suggests and makes recommendations to improve organizational commitments and job performance of the employees in Verano Company Co., Ltd.

5.1 Finding and Discussions

This study aims to examine the effect of HRM practices on organizational commitment of employees and analyse the effect of organizational commitment on job performance of employees at Verano Co., Ltd. Both descriptive and analytical research methods are used in this study. Primary data are collected from 120 respondents who are selected among 172 employees by using simple random sampling method with structured questionnaire designed with 5-point likert scale. Multiple regression method is applied to reach the research objectives.

It is found that majority of the respondents are males who are 20 to 30 years old. Most of them are single and have a bachelor degree. Most of the respondents are at staff level followed by supervisor and executive levels.

For the first objective, the effect of HRM practices on organizational commitment is examined by using regression analysis. It is found that four HRM practices (trainings, performance appraisal, rewards and recognitions, and health and safety) have a significant effect on affective commitment whereas compensation does not have a significant effect. Among those significant practices, reward and recognition practice is the most influencing factor for affective commitment. Verano Co., Ltd. provides monetary and non-monetary rewards for high performers. As top performers get the salary rise and career advancement opportunities, employees feel that they are valued and appraised. Thus, employees are emotional attachment to their organization and feel part of the organization.

Concerning normative commitment, among five HRM practices, only three practices (training and development, compensation, and performance appraisal) have a significant effect on normative commitment whereas rewards and recognitions, and health

and safety do not show the significant effect. Among significant variables, training and development is the most influencing practice on normative commitment. As Verano Co., Ltd. provides trainings and developments for carrier advancement of employees, employees feel a sense of obligation and a desire to benefit the organization.

Regarding continuance commitment, among five HRM practices, four HRM practices (training and development, compensation, rewards and recognitions, and health and safety) have a significant effect on continuance commitment. Among significant practices, compensation is the most influencing factor on continuance commitment. Since employees receive salaries, wages or incentives on time, they do not intend to leave Verano Co., Ltd. because of consideration of sacrifices and losses.

For the overall organizational commitment, all five HRM practices have a strong positive effect on organizational commitment. It is found that reward and recognition practice is the most influencing factor on organizational commitment. As Verano Co., Ltd. provides attractive rewards and recognitions based on performance levels, employees are committed to the organization.

For the second objective, the study reveals that all organizational commitments (affective, normative, and continuance) have the positive significant effects on the job performance of the employees. Among them, affective commitment is the most influencing factor on job performance. Because employees feel themselves as the part of the organization, their sense of ownership lead to perceive the problems of organization as their own and thereby, work hard for the improving performance of the organization.

5.2 Suggestions and Recommendations

The findings of this study highlight the importance of HRM practices for improving performance of the employees. It is imperative for Verano Co., Ltd. to focus on the HRM practices in order to raise organizational commitments and to pay more attention to improving organizational commitment for enhancement of the job performance of employees.

Firstly, Verano Co., Ltd. should focus affective commitment because it is the most determinant of job performance. Reward and recognition practice has the significant effect on both affective and continuance commitment. It is the determinant factor of affective commitment. Hence, Verano Co., Ltd. makes sure that all employees receive immediate

rewards and recognitions for their outstanding performances. Company should also define reward system by considering what rewards employees will actually appreciate, and which could actually benefit them. It should provide both financial rewards and non-financial rewards such as career enhancement and lifestyle rewards. Company should use internal promotion system for the top performers so that employees will work hard for the rewards. As employees get relevant rewards, they will give commitments to the company.

Among five HRM practices, training and development practice has a strong positive affect on all three commitment types and it is the most influencing factor on normative commitments. Verano Co., Ltd. should provide ongoing adequate trainings for health and safety of employees during pandemic. Company should thoroughly select the trainees from every department for the trainings and development programs based on their duties and responsibilities. To provide trainings for new hires, company should consult existing employees on what should include in training. Besides, it should make training flexible, task-oriented and continuous. By doing so, the skills and expertise of employees will be developed and thus, they feel moral obligation and work hard for the company.

Among five HRM practices, compensation practice also has a strong positive affect on affective and continuance commitments. It is the most influencing factor on continuance commitments. Verano Co., Ltd. should have a clear and easy payment system. In addition, it should share basic knowledge of how salary is calculated so that there will be no misunderstanding. It should always monitor the average pay of the industry so that company can offer attractive compensations to employees. If employees get attractive compensations, they will not leave the company as they are afraid of sacrifices.

Regarding performance appraisal, to avoid performance appraisals being based on the subjective opinion of one manager, Verano Co., Ltd. should conduct 360-degree assessment prior to the appraisal meeting. By using 360-degree assessment method, the feedbacks on performance of an employee can be collected quickly and easily from their managers, colleagues, team members and customers. Employees can then compare the results with their own perception on their work performance. The company should provide appropriate trainings and developments based on performance results. In addition, it need to conduct performance appraisal periodically. Hence, employees will be upgraded from time to time and they will become capable and committed employees.

Regarding health and safety, Verano Co., Ltd. should always have effective health and safety policy according to the announcements of Ministry of Health and Sports (Myanmar). In addition, at the office entrance, company should place medical equipment such as temperature scanner, oximeter, masks, and disinfection spray etc. Moreover, the company should set the office layout and make regular inspections according to the update instructions from health authority. It should also partner with good hospital for emergencies cases. By doing so, employees feel that they are cared and valued, and thus, they will be more committed to the organizational performance.

Finally, Verano Co., Ltd. should always evaluate the commitments and performance of the employees based on their performance appraisal results. Moreover, company should monitor the HRM practices of other companies in the same industry in order to retain its valuable workforce.

5.3 Needs for Further Research

In this study, only five HRM practices of Verano Co., Ltd. are focused. Further studies should include other HRM practices and conduct comparative studies with those of other trading companies so as to cover effect of HRM practices on organizational commitment and organizational performance of the whole trading industry in Myanmar. It is worthwhile to study moderating effect of Covid-19 between commitment and job performance. Future studies which address these issues would provide further insights to gain a better understanding of human resource management practices and their effects on commitments and performance of employees.

REFERENCES

- Abdullah, A., & Ramay, M. I. (2012). Antecedents of organizational commitment of Banking sectoremployees in Pakistan. *Serbain Journal of Management*, 7(1), 89-102.
- Afsar, B., & Umrani, W. A. (2020). Transformational leadership and innovative work behavior the role of motivation to learn, task complexity and innovation climate. *European Journal of Innovation Management*, 23, 402–428.
- Allen, N. J., & Meyer, J. P. (1984). Testing the "side-bet theory" of organizational commitment: Some methodological considerations. *Journal of Applied Psychology*, 69(3), 372–378.
- Anthony, V. (2007). A data-based evaluation of the relationship between occupational safety and operating performance. *The Journal of Safety, Health and Environmental Research*, 4(1), 1-22.
- Appiah, B. (2010). *The Impact of Training on Employee Performance*. (Unpublished Thesis). Ghana: Ashesi University College.
- Armstrong, M. (2006). *A Handbook of Human Resource Management Practice* (10th ed.). London: Kogan Page Publishing.
- Armstrong, M., & Taylor, S. (2014). *Armstrong's Handbook of Human Resource Management Practice*. London: Kogan Page.
- Arrowsmith, J. (2002). The Implications of Decentralisation for Pay, Working Time and Human Resource Management: The Case of NHS Trusts. *Relations Industrielles*, 57(2), 354-380.
- Bang, H. (2013). From motivation to organizational commitment of volunteers in non-profit sport organizations: The role of job satisfaction. *Journal of Management Development*, 32, 96-112.
- Bartlett, K. R. (2001). The Relationship between Training and Organizational Commitment: A Study in the Health Care Field. *Human Resource Development Quarterly*, 12(4), 335 - 352.

- Batti, R. (2014). Human Resource Management Challenges Facing Local NGOs. *Humanities and Social Sciences*, 2(4), 87-95.
- Bhagawati, B. (2015). Basics of occupational safety and health. *IOSR Journal of Environmental Science, Toxicology and Food Technology*, 9(15), 91-94.
- Bocodol, L. (2008). *Human Resources Development*. Gaborone: BOCODOL and ICGCargan.
- Bowen, S. A. (2002). Elite executives in issues management: The role of ethical paradigms in decision making. *Journal of Public Affairs*, 2(4), 270-283.
- Bratton, J., & Gold, J. (1999). *Human resource management theory and practice*. Macmillan Press: London.
- Byars, L. L., & Rue, L. W. (2000). *Human resource management*. New York: McGraw-Hill, Inc.
- Campbell, J. P. (1990). Modeling the Performance Prediction Problem in Industrial and Organizational Psychology. In M. D. Dunnette, & L. M. Hough, *Handbook of Industrial and Organizational Psychology* (pp. 687-732). PaloAlto: Consulting Psychologists Press.
- Casio, W. F. (2013). *Managing Human Resources: Productivity, Quality of Work Life, Profits*. New York, USA: McGraw-Hill Irwin.
- Chen, Z. X., & Francesco, A. M. (2003). The Relationship between the Three Components of Commitment and Employee Performance in China. *Journal of Vocational Behavior*, 62, 490-510.
- Cho, V., & Huang, X. (2012) Professional Commitment, Organizational Commitment, and the Intention to Leave for Professional Advancement. *Information Technology and People*, 25, 31-54.
- Cole, G. (2003). *Strategic Management*. London: Cengage Learning EMEA.
- Conrad, S. (2009). *Register, Genre and Style*. Cambridge: Cambridge University Press.
- Cropanzano, R., & Mitchell, M. S. (2005). Social exchange theory: An interdisciplinary review. *Journal of Management*, 31(6), 874–900.

- Curran, B., & Walsworth, S. (2014). Can you pay employees to innovate? Evidence from the Canadian private sector. *Human Resource Management Journal*, 24(3), 290-306.
- Dessler, G. (1993). *Winning Commitment - How to Build and Keep a Competitive Workforce*. New York: McGraw-Hill, Inc.
- Dessler, G. (2013). *Human Resource Management*. London: Pearson Education, Inc.
- Dulewicz, V. (1989). Performance Appraisal and Counselling. In P. Herriot, *Assessment and Selection in Organisations: Methods and Practices for Recruitment and appraisal* (pp. 645-649). New York: John Wiley and Sons.
- Fombrun, C. J. (1983). Strategic issues in performance appraisal: theory and practice. *Journal of Personnel*, 60(6), 21-23.
- Fulk, J. (1985). Trust-in-supervisor and perceived fairness and accuracy of performance evaluations. *Journal of Business Research*, 13, 301-313.
- Garcie, H. S. (2012). Working conditions, Psychological, physical symptoms and occupational accidents. *Bayesian network models, safety science*, 50(9), 1760-1774.
- Gaye, U., & Cavide, B. (2019). Performance management systems: task-contextual dilemma owing to the involvement of the psychological contract and organizational citizenship behavior. *European Management Review*, 16, 347-362.
- Gong, Y., Kim, T., & Lee, D. (2013). A Multilevel Model of Team Goal Orientation, Information Exchange, and Creativity. *Academy of Management Journal*, 56, 827-851.
- Green, F. (2004). Why has work effort become more intense? *Industrial Relations A Journal of Economy and Society*, 43(4), 709-741.
- Gruman, J., & Saks, A. M. (2011). Manage Employee Engagement to Manage Performance. *Industrial and Organizational Psychology*, 4(2), 13-28.
- Haider, S., Heredero, C. D., & Ahmed, M. (2019). A three-wave time-lagged study of mediation between positive feedback and organizational citizenship behavior: the role of organization-based self-esteem. *Psychology Research and Behavior Management*, 12, 241-253.

- Hayes, D. K., & Ninemeier, J. D. (2009). *Human resources management in the hospitality industry*. New Jersey: John Wiley & Sons.
- Helliwell, J. F., & Putnam, R. D. (2004). The social context of wellbeing. *Journals of Philosophical Transactions of the Royal Society B*, 35, 1435-1446.
- Hellman, C. M. (1997). Job satisfaction and intent to leave. *The Journal of Social Psychology*, 137(6), 677-689.
- Herscovitch, L., & Meyer, J. P. (2002). Commitment to organizational change: Extension of a three-component model. *Journal of Applied Psychology*, 87, 474-487.
- Heyel, C. (1973). *Encyclopedia of management* (2nd ed.). New York: Van Nostrand Reinhold Company.
- Heywood, J., & Wei, X. (2006). Performance Pay and Job Satisfaction. *Journal of Industrial Relations*, 48(4), 523-540.
- Higgins, J. M. (1994). *The management challenge* (2nd ed.). New York: Macmillan.
- Huselid, M. A. (1995). The significance of human resource management implementation effectiveness for corporate financial performance. *Academy of Management Journal*, 6-9.
- Jaros, S. (2007). Meyer and Allen Model of Organizational Commitment: Measurement Issues. *The Icfai Journal of Organizational Behavior*, 6(4), 1-25.
- Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at. *Academy of Management Journal*, 3(3), 692-724.
- Kalia, N., & Bhardwaj, B. (2019). Contextual and task performance: do demographic and organizational variables matter? *Rajagiri Management Journal*, 13, 30-42.
- Kang, S., & Yanadori, Y. (2011). Adoption and coverage of performance related-pay during institutional change: An integration of institutional and agency theories. *Journal of Management Studies*, 48(8), 1837-1865.
- Karatepe, O. M. (2013). High-performance work practices and hotel employee performance: The mediation of work engagement. *International Journal of Hospitality Management*, 32, 132-140.

- Kaur, H., & Paruthi, M. (2019). Antecedents and consequences of online engagement: measurement and assessment of reliability. *Journal of Destination Marketing & Management, 18*, 54–73.
- Khan, M., Du, J., Mann, A., Saleem, S., & Boamah, K. (2019). Rejuvenating the concept of work alienation through job demands-resources model and examining its relationship with emotional exhaustion and explorative and exploitative learning. *Psychology Research and Behavior Management, 12*, 931–941.
- Kleszczewska, D., Mazur, L., & Siedlecka, J. (2019). Family, school and neighborhood factors moderating the relationship between physical activity and some aspects of mental health in adolescents. *The International Journal of Occupational Medicine and Environmental Health, 32*, 423–439.
- Kurtessis, J. S., Eisenberger, R., Ford, M. T., Buffardi, L. C., Stewart, K. A., & Adis, C. S. (2017). Perceived organizational support: A meta-analytic evaluation of organizational support theory. *Journal of Management, 43*(6), 1854–1884.
- Lawrence, J. (2004). *What are the Different Types of Performance Appraisal Systems?* Bristol, UK: Sift Media.
- Lisa, M. (2014). *Chron*. Retrieved from Participatory Management Styles: <https://smallbusiness.chron.com/participatory-management-styles-50412.html>
- Lytle, R. S. (1997). *Service orientation, market orientation, and performance: An Organizational Culture Perspective*. United State : University Microfilms.
- Mahmood, A. (2013). *Evaluation of the Degree to which Employee Satisfaction is related to Internal Marketing within Pakistani Universities. (Unpublished doctoral thesis)*. Salford, United Kingdom: University of Salford.
- Mandal, K., & Dalal, R. S. (2006). Job satisfaction of faculty members of veterinary sciences: an analysis. *Livestock Research for Rural Development, 18*(6), 157–166.
- Mansour, J. B. (2017). The Relationship between Training Satisfaction and the Readiness to Transfer Learning: The Mediating Role of Normative Commitment. *Journal of Sustainability, 9*(5), 834.
- Marks, N. (2006). Merrily on high. *Journal of People Management, 28*(12), 30.

- Meyer, J. P., & Allen, N. J. (1987). *Organizational commitment: Toward a three-component model*. London: The University of Western Ontario, Department of Psychology.
- Meyer, J. P., & Allen, N. J. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review*, 1, 61-89.
- Meyer, J. P., & Allen, N. J. (1997). *Commitment in the workplace: Theory, research, and application*. Thousand Oaks: Sage.
- Meyer, J. P., Stanley, D. J., Herscovitch, L., & Topolnytsky, L. (2002). Affective, Continuance, and Normative Commitment to the Organization: A Meta-analysis of Antecedents, Correlates, and Consequences. *Journal of Vocational Behavior*, 61(1), 20-52.
- Miller, S., Dykes, D. D., & Polesky, H. F. (1988). A simple salting out procedure for extracting DNA from human nucleated cells. *Nucleic Acids Research*, 16, 12-15.
- Moriones, B. A. (2009). Profit-sharing plans and affective commitment: does the context matter? *Human Resource Management*, 48(2), 207–226.
- Mowday, R. T. (1979). The Measurement of Organizational Commitment. *Journal of Vocational Behavior*, 14, 224-247.
- Nelissen, J. (2017). Employee development and voluntary turnover: Testing the employability paradox. *Human Resource Management Journal*, 2(7), 152–168.
- Noe, R. (2007). *Human Resource Management*. New York: McGraw-Hill Higher Education.
- Noe, R. A. (2003). *Employee Training and Development*. New York: MC Grow-Hill International.
- Ogbonnaya, C. (2017). Does contingent pay encourage positive employee attitudes and intensify work? *Human Resource Management Journal*, 27(1), 94-112.
- Ogilvie, J. R. (1986). The role of human resource management practices in predicting organizational commitment. *Group & Organization Studies*, 11, 335-359.

- Palmer, L. (2006). *The Impact of Human Resource Management Practices on Employee's Commitment in The Banking Sector in Kingston, Jamaica*. United State: School of Business and Entrepreneurship, University of Nova South-Eastern.
- Parveen, S. (2019). Exploring the Impact of Organizational Commitment on Employees Performance. *IOSR Journal of Business and Management*, 21(12), 47-56.
- Parvin, M. M., & Kabir, M. N. (2011). Factors affecting employee job satisfaction of pharmaceutical sector. *Australian Journal of Business and Management Research*, 11(9), 113-123.
- Patel, P. C., Jensen, J. M., & Messersmith, J. G. (2013). High-Performance Work Systems and Job Control: Consequences for Anxiety, Role Overload, and Turnover Intentions. *Journal of Management*, 39(6), 1699-1724.
- Peplińska, A., Kawalec, K., Werner, D. G., & Połomski, P. (2020). Work Engagement, Organizational Commitment and the Work Satisfaction of Tax Administration Employees: The Intermediary Role of Organizational Climate and Silence in the Organizations. *Zarządzanie Zasobami Ludzkimi*, 3(4), 127-144.
- Porter, L. W. (1974). Organizational commitment, job satisfaction and turnover among psychiatric technicians. *Journal of Applied Psychology*, 5(9), 603-609.
- Presbitero, A. (2017). Employee proactivity in hotels undergoing organizational change and development. *Journal of Human Resources in Hospitality & Tourism*, 16(4), 401-421.
- Reddy, T. N., & Suresh, P. (2017). Impact of HRM Practices on Employee Satisfaction in Banking Sector in Chittoor District. *International Journal of Engineering Technologies and Management Research*, 4(12), 43-48.
- Reza, M. H. (2019). Impact of Human Resource Management Practices on Organizational Commitment of Employee. *International Journal of Technical Research & Science*, 4(9), 28-33.
- Robens, L. (1972). *Safety and Health at Work: Report of the Committee*. London: HMSO.
- Schaufeli, W. B., Salanova, M., Gon, V. A., & Bakker, A. B. (2002). The measurement of engagement and burnout: A two sample confirmatory factor analytic approach. *Journal of Happiness Studies*, 3, 71-92.

- Schermerhorn, J. R. (1992). *Managing organizational behavior* (2nd ed.). New York: John Wiley & Sons.
- Schlesinger, L. A., & Heskett, L. A. (1991). Breaking the Cycle of Failure in Services. *Sloan Management Review*, 32(3), 1-17.
- Shahnawaz, G., & Juyal, R. C. (2006). Human resource management practices and organizational commitment in different organizations. *Journal of the Indian Academy of Applied Psychology*, 32(3), 171-178#.
- Sharma, Y., & Sharma, B. R. (2010). Search for the Drivers of Employee Engagement among Executives of a Manufacturing Organisation. *Management and Labour Studies*, 35(2), 189-207.
- Shikdar, A. A., & Sawaqed, N. M. (2003). Worker productivity, and occupational health and safety issues in selected industries. *Computers & Industrial Engineering*, 45, 563-572.
- Singh, A., & Gupta, B. (2015). Job Involvement, Organizational Commitment, Professional Commitment, and Team Commitment: A Study of Generational Diversity. *Benchmarking: An International Journal*, 22, 1192-1211.
- Smith, E. (2002). Theory and practice: The contribution of off-the-job training to the development of apprentices and trainees. *Journal of Vocational Education and Training*, 54(3), 431-456.
- Suan, C. L., & Nasurdin, A. M. (2014). An empirical investigation into the influence of human resource management practices on work engagement: The case of customer-contact employees in Malaysia. *International Journal of Culture, Tourism and Hospitality Research*, 8, 345-360.
- Suma, S., & Lesha, J. (2013). Job satisfaction and organizational commitment: the case of Shkodra municipality. *European Scientific Journal*, 9(17), 41-51.
- Tiwari, A. K. (2012). Fiscal Deficit and Inflation: What Causes What? The Case of India. *Journal of International Business and Economy*, 13, 57-81.
- Vincent, S., & Joseph, A. (2013). Challenges for human resource experts in Global scenerio. *International Journal of advancement in Research and Technology*, 2(4), 209-214.

- While, J. L., & Ling, F. Y. (2012). Human resource practices of contractors that lead to job satisfaction of professional staff. *Engineering, Construction and Architectural Management*, 19(1), 101–118.
- Wright, P. M. (1994). Human resources and sustained competitive advantage: a resource-based perspective. *International journal of human resource management*, 5(2), 515-535.
- Yang, H., & Sanders, K. K. (2012). The HRM Process Approach: The Influence of Employees' Attribution to Explain the HRM-Performance Relationship. *Human Resource Management*, 55(2), 21-60.

APPENDIX A

QUESTIONNAIRE

Section (A) Demographic Factors

1. Gender:

- Male
- Female

2. Age:

- <20 years old
- 20-30 years old
- 31-40 years old
- 41-50 years old
- >50 years old

3. Marital Status:

- Single
- Married

4. Education Background:

- High school
- Bachelor degree
- Master degree
- Ph.D. degree

5. Position:

- Staff
- Supervisor
- Executive
- Assistant Manager
- Manager
- Others.....

Section (B): HRM Practices

Please state level of your agreement on each statement by providing the most relevant number. 1 = Strongly Disagree, 2 = Disagree, 3 = Unsure 4 = Agree, 5= Strongly Agree.

Sr. No.	Training and Development	1	2	3	4	5
6.	All new hires are given induction to socialize with the job, culture and the company policies					
7.	The company has provided appropriate training program for career advancement.					
8.	Trainings are very supportive to understand the goals of the department.					
9.	Employees are provided with adequate training to understand health and safety issues.					
10.	Trainees are selected based on identified skills and competencies required for the work.					
	Compensation	1	2	3	4	5
11.	The pay system is clear and easy to understand.					
12.	My benefits package is good when compared to similar jobs in other companies.					
13.	The salary in my firm is adjusted for cost-of-living increases.					
14.	Pay rises are satisfactory at the company.					
15.	Company always gives salaries, wages or incentives on time.					
	Performance Appraisal	1	2	3	4	5
16.	Verano company provides clear evaluation procedure.					
17.	The performance appraisal system of Verano company is reliable.					
18.	Verano company gives employees open and honest feedback about their performance.					
19.	Performance Appraisals help to recognize current ability and encourage high performance.					
20.	Verano company takes performance appraisal regularly.					
	Rewards and Recognitions	1	2	3	4	5
21.	I feel valued and recognized for the work I do.					
22.	My superior recognizes and acknowledgements when I have done my job well.					
23.	Company pays rewards based on the performance appraisal.					
24.	Reward system is very attractive at my work.					
25.	Monetary and non-monetary rewards are provided for high performers.					

Sr. No.	Health and Safety	1	2	3	4	5
26.	Verano company has an up-to-date health and safety policy					
27.	First aiders and first aid facility are available at the company.					
28.	The company arranges for favourable temperature, ventilation, space and welfare facilities as appropriate.					
29.	There are enough health and safety devices in my workplace.					
30.	The company conducts regular inspections at the workplace.					

Section (C): Organizational Commitment

Sr. No.	Affective Commitment	1	2	3	4	5
31.	I really feel as if this company's problems are my own.					
32.	I am deeply attached to this company.					
33.	This company has a great deal of personal meaning for me.					
34.	I feel a strong sense of "belonging" to this organization.					
35.	I intend to spend the rest of my career with this organization.					
	Normative Commitment	1	2	3	4	5
36.	Jumping from this company to another seems unethical to me.					
37.	I would feel it was not right to leave my organization even I got better offers.					
38.	I owe a great deal to my organization.					
39.	I feel a sense of moral obligation to remain at the company.					
40.	This organization really inspires me in the best way to perform my job.					
	Continuance Commitment	1	2	3	4	5
41.	I am afraid of what might happen if I quit my job in this company without having another one lined up.					
42.	I have no other alternatives other than this organization.					
43.	Leaving this company will lead to personal sacrifice.					
44.	It would be too costly for me to leave this company now.					
45.	Right now, staying on my job in this company is a matter of necessity.					

Section (D): Job Performance

Sr. No.	Job Performance	1	2	3	4	5
46.	I always finish my work on time.					
47.	I can utilize the company resource more efficiency.					
48.	Teammates are praised for my work efficiency.					
49.	I fulfill my responsibilities as required by my job.					
50.	I use time effectively.					
51.	I set appropriate priorities for tasks.					
52.	I used to help others who have heavy workload in the department.					

APPENDIX B

HRM Practices

Sr. No.	Particular	Mean Score	Std. Dev
Training and Development		3.65	
1.	Induction trainings for all new hires	3.66	0.68
2.	Verano providing appropriate training program to perform the tasks effectively.	3.79	0.73
3.	Very supportive trainings to understand the goals of the department.	3.68	0.67
4.	Adequate training for health and safety issues	3.48	0.76
5.	Selecting trainees based on identified skills and competencies required for the work	3.63	0.77
Compensation		3.62	
1.	Clear and easy pay system	3.47	0.76
2.	Good benefits package when compared to similar jobs in other companies	3.53	0.67
3.	The salary adjusted for cost-of-living increases	3.49	0.80
4.	Satisfactory pay rises at the company	3.59	0.78
5.	On time salaries, wages or incentives	4.01	0.90
Performance Appraisal		3.56	
1.	Clear evaluation procedure	3.19	0.74
2.	Reliable performance appraisal system	3.74	0.62
3.	Receiving open and honest feedback about performance.	3.76	0.70
4.	Performance Appraisals used for current ability and to improve high performance.	3.48	0.69
5.	Verano company doing performance appraisal regularly	3.61	0.74
Rewards and Recognitions		3.84	
1.	Feeling valued and recognized for the work done	3.94	0.60
2.	Receiving recognitions and acknowledgements of superior for good performance	3.65	0.69

3.	Rewards based on the performance appraisal	3.81	0.73
4.	Very attractive Reward system at my work.	3.67	0.65
5.	Monetary and non-monetary rewards for high performers.	4.13	0.78
Health and Safety		3.63	
1.	Up-to-date health and safety policy	3.54	0.56
2.	First aiders and first aid facility available at the company	3.71	0.74
3.	Favourable temperature, ventilation, space and welfare facilities as appropriate	3.78	0.80
4.	Enough health and safety devices at workplace	3.48	0.69
5.	Regular inspections at the workplace	3.64	0.71

Source: Survey Data (2022)

APPENDIX C

Organizational Commitment

Sr. No.	Particular	Mean Score	Std. Dev
Affective Commitment		3.54	
1.	Considering problems of the company as own problems	3.63	0.79
2.	Deeply attached to this company	3.72	0.82
3.	Feeling a great deal of personal meaning to the company	3.41	0.82
4.	Feeling a strong sense of “belonging” to this organization	3.43	0.77
5.	Intending to spend the rest of career at this organization	3.53	0.81
Normative Commitment		3.70	
1.	Feeling unethical of switching to another company	3.65	0.66
2.	Feeling not right to leave organization for better offers.	3.93	0.77
3.	Owing a great deal to my organization	3.85	0.68
4.	Feeling a sense of moral obligation to remain at the company	3.69	0.65
5.	Inspiring the best way to perform the job	3.35	0.82
Continuance Commitment		3.59	
1.	Having few options for leaving current job	3.47	0.62
2.	No better alternatives at other companies	3.74	0.69
3.	Leaving this company leading to personal sacrifice	3.45	0.82
4.	Too costly to leave this company now	3.66	0.72
5.	Remaining in this company as a matter of necessity	3.65	0.81

Source: Survey Data (2022)

APPENDIX D

The Effect of HRM Practices on Affective Commitment

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.988 ^a	.975	.974	.10682

a. Predictors: (Constant), Health & Safety Mean, Performance Appraisal Mean, Compensation Mean, Rewards and Recognitions Mean, Training/ Development Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51.096	5	10.219	895.648	.000 ^b
	Residual	1.301	114	.011		
	Total	52.397	119			

a. Dependent Variable: Affective Commitment Mean

b. Predictors: (Constant), Health & Safety Mean, Performance Appraisal Mean, Compensation Mean, Rewards and Recognitions Mean, Training/ Development Mean

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.086	.065		1.322	.189
	Training/ Development Mean	.388	.117	.389	3.299	.001
	Compensation Mean	.034	.061	.038	.561	.576
	Performance Appraisal Mean	.437	.072	.420	6.085	.000
	Rewards and Recognitions Mean	.580	.106	.559	5.468	.000
	Health & Safety Mean	.344	.099	.340	3.466	.001

The Effect of HRM Practices on Normative Commitment

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.986 ^a	.971	.970	.11775

a. Predictors: (Constant), Health & Safety Mean, Performance Appraisal Mean, Compensation Mean, Rewards and Recognitions Mean, Training/ Development Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	53.614	5	10.723	773.401	.000 ^b
	Residual	1.581	114	.014		
	Total	55.195	119			

a. Dependent Variable: Normative Commitment Mean

b. Predictors: (Constant), Health & Safety Mean, Performance Appraisal Mean, Compensation Mean, Rewards and Recognitions Mean, Training/ Development Mean

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.102	.072		1.416	.159
	Training/ Development Mean	.380	.129	.372	2.932	.004
	Compensation Mean	.241	.068	.260	3.559	.001
	Performance Appraisal Mean	.208	.079	.195	2.623	.010
	Rewards and Recognitions Mean	.170	.117	.159	1.450	.150
	Health & Safety Mean	.011	.109	.011	.102	.919

The Effect of HRM Practices on Continuance Commitment

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.986 ^a	.972	.971	.13147

a. Predictors: (Constant), Health & Safety Mean, Performance Appraisal Mean, Compensation Mean, Rewards and Recognitions Mean, Training/ Development Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	67.804	5	13.561	784.626	.000 ^b
	Residual	1.970	114	.017		
	Total	69.775	119			

a. Dependent Variable: Continuance Commitment Mean

b. Predictors: (Constant), Health & Safety Mean, Performance Appraisal Mean, Compensation Mean, Rewards and Recognitions Mean, Training/ Development Mean

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.302	.080		3.754	.000
	Training/ Development Mean	.341	.145	.297	2.360	.020
	Compensation Mean	.674	.076	.648	8.923	.000
	Performance Appraisal Mean	.082	.088	.069	.930	.354
	Rewards and Recognitions Mean	.491	.131	.410	3.762	.000
	Health & Safety Mean	.349	.122	.299	2.857	.005

The Effect of HRM Practices on Organizational Commitment

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.993 ^a	.987	.986	.08221

a. Predictors: (Constant), Health & Safety Mean, Performance Appraisal Mean, Compensation Mean, Rewards and Recognitions Mean, Training/ Development Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	56.856	5	11.371	1682.674	.000 ^b
	Residual	.770	114	.007		
	Total	57.627	119			

a. Dependent Variable: OCM

b. Predictors: (Constant), Health & Safety Mean, Performance Appraisal Mean, Compensation Mean, Rewards and Recognitions Mean, Training/ Development Mean

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.163	.050		3.250	.002
	Training/ Development Mean	.369	.090	.354	4.087	.000
	Compensation Mean	.293	.047	.311	6.213	.000
	Performance Appraisal Mean	.188	.055	.172	3.392	.001
	Rewards and Recognitions Mean	.414	.082	.380	5.066	.000
	Health & Safety Mean	.227	.076	.214	2.975	.004

The Effect of Organizational Commitment on Job Performance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.989 ^a	.978	.978	.09573

a. Predictors: (Constant), Continuance Commitment Mean, Affective Commitment Mean, Normative Commitment Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	47.981	3	15.994	1745.207	.000 ^b
	Residual	1.063	116	.009		
	Total	49.044	119			

a. Dependent Variable: Job Performance Mean

b. Predictors: (Constant), Continuance Commitment Mean, Affective Commitment Mean, Normative Commitment Mean

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.138	.056		2.482	.015
	Affective Commitment Mean	.833	.055	.861	15.261	.000
	Normative Commitment Mean	.421	.078	.447	5.424	.000
	Continuance Commitment Mean	.270	.057	.322	4.779	.000