EFFECT OF HRM PRACTICES ON ORGANIZATIONAL COMMITMENT IN YPA SECURITY SERVICE COMPANY

A Thesis Presented

by

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ABSTRACT

This study attempts to identify HRM practices in YPA Security Service Company and the effect of HRM practices on organizational commitment. The sample size is selected 120 employees (60%) of total population 200 employees from YPS Security Service Company in Yangon Region. The objectives of the study are to describe the HRM practices of YPA Security Service Company and to explore the effect of HRM practices on organizational commitment in YPA Security Service Company. Questionnaires are used to collect data by using simple random sampling method. This study uses the descriptive research method and regression analysis. Human Resource Management practices theory is applied in this study. This analysis expresses that compensation and benefit factor has a significant positive relationship on organizational commitment. Based on the result of the study, YPA Security Service Company should design compensation and benefit packages that fulfill the needs of employees and organization. The company should conduct a salary survey and establish an equitable pay scale in the security industry and consider the higher pay level in the industry. The company should also consider giving annual bonuses to all staff based on income generated in that financial year. The company should also encourage the use of non-monetary rewards, such as ‘employee of the month’ and ‘employee of the year’ in each job category, organize annual social events like end of year parties and Christmas gifts for all staff.

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CHAPTER I

INTRODUCTION

Employees are an organization's lifeblood and a valuable resource since they actively support the achievement of its goals and fulfill its vision. Human resources management has assumed a leading role in helping organizations gain a competitive advantage in the modern world. Human resources are now regarded as the most valuable asset of an organization. The sources of long-term competitive advantage include human resources, which are important strategic levers. As a result, (Barney, 1995) found that the organizational strategy should be centered on HRM practices. According to Lado and Wilson (1994), HRM practices can help maintain competitive advantage by promoting the development of firm-specific abilities that result in complex social relationships.

The most crucial element, by the research by (Obeidat et al., 2014), that aids a firm in gaining a competitive edge is thought to be human resource management (HRM). According to Othman (2009), by strategically utilizing their people resources, businesses can overcome the obstacles they confront. There may be variations in HRM practices between organizations and between nations. If the company uses good HRM procedures, relations between employees and employers can be enhanced (McLennan, 2009).

Alkalha et al. (2012) assert that human resource management procedures have a substantial impact on how committed employees are. Organizational commitment, by (Sinclair & Wright, 2005), is a key determinant of employee attitudes toward the company and a potent predictor of behavior such as turnover, withdrawal tendencies, and organizational citizenship. Affective, continuance, and normative commitment are the three components of Meyer and Allen's (1997) three-part model of organizational commitment. Employees who feel their organizations' values and goals fit with their own are said to have an affective commitment. The term "continuous commitment" describes a situation in which employees are forced to remain with their company since staying has more advantages than leaving will cost them personally. The commitment based on a moral obligation or belief that "it is the right and moral thing" to stay with the organization is referred to as the normative component. Each kind of commitment connects the person to the company in a unique way, (Meyer et al., 2002) proposed that it will have a varied impact on how the employee behaves at work.

Employees that are dedicated to their jobs take their responsibilities seriously and consistently aim for excellence and maximum productivity. (Motowidlo, 2003) noted that the organizational commitment has positive effects on employee performance, retention intentions, attendance, loyalty, turnover, creativity, cooperation (especially across discipline specialties), volunteerism, and the amount of time employees spend working on organization-related tasks. The ability of an organization's HRM procedures to build psychological ties between its aims and those of its employees is demonstrated by organizational commitment. This is an intangible result of an HRM system that is crucial for employee retention and fully realizing their potential over time. This study examines the effect of HRM practices on Organizational Commitment at YPS Security Service Company.

1.1 Rationale of the Study

People are the most important resources of an organization and the effective management on them is the key to get the success for an organization. Especially in current tight labour market, it could be said that the ability to attract and maintain quality employees is a powerful weapon.

From past few decades until now, there are many different types of factors that are believed to have impacted towards the organizational commitment. Security service companies are one of the most stressed-out sectors and this is the main factors that may cause employees to be lack of commitment to their organization. Thus, it is important to study on what factors that may affect and most related to employees‟ organizational commitment in security service industry.

Lack of organizational commitment can affect the performance of the employees that costs a lot to the organization. Individual job performance highly impacts the organization function to meet its goals and results in negative economic and social impact. Economic impact could be seen from the cost involved for training and orientation of new employees whereas social impact from destabilization of human resource supply that led to destabilization of work client relationship.

No organization can achieve its objectives without qualified and skilled personnel. The role of service sector is important for market economy. As a service industry, the success of the security service company is depending on the skilled and capabilities of its people. That is why HRM has been spot lighted and is important in developed and developing countries. Systematic human resource management practices make commitments to the job and it leads to the good performance and provides to achieve the organizational goals. To achieve employee retention and competitive advantage, YPA Security Service Company needs to pay more attention on high performance HRM practices. Therefore, it is essential to analyze the HRM practices of YPS Security Service Company in order to know better insight of perceptions of employees in order to get organizational commitments. This paper emphasizes the effect of HRM practices on organizational commitment of YPA Security Service Company. Based on the findings, the security service companies could greatly use these data in order to improve at the weak point of HRM practices towards in their organization. In additions, local security service companies could study these findings for motivating their employees in order to get commitment of the employees.

1.2 Objectives of the Study

There are two main objectives in this study. They are:

1. To describe the HRM practices and organizational commitment of YPA Security Service Company and,
2. To analyze the effect of HRM practices on organizational commitment in YPA Security Service Company

1.3 Research Questions of the Study

This study seeks to answer the following specific research questions:

1. What are HRM practices and organizational commitment of YPA Security Service Company?
2. Is there any significant effect of HRM practices on organizational commitment in YPA Security Service Company?

1.4 Scope and Method of the Study

This study only focuses on the effect of HRM practices on organizational commitment in YPA Security Service Company. Target group was employees working in YPA Security Service Company. A sample of 120 employees is collected from YPA Security Service Company. The employees were interviewed with structured questionnaires and face to face interview. In this study, descriptive research was conducted. For descriptive research, the primary data were collected by using structured questionnaire and face-to-face interview. Respondents are chosen by using simple random sampling method.The structured questionnaire is composed of five parts. All the questions in the survey are designed based on the demographic characteristics, HRM practice factors and organizational commitment. The first part asked about the background information of the respondents. The second part of the survey is based on HRM practices such as recruitment and selection, training and development, and compensation and benefit. The third part is organizational commitment. These questions are valuable for YPA management team to know more about the employees in order to growth the business. To analyze the collected data, the Statistical Package for Social Science (SPSS) was applied. Data analysis methods are Mean Value and Linear Regression.

1.5 Organization of the Study

There are totally five chapters in this study. Chapter 1 includes introduction, the rationale of study, objective of the study, scope and method of the study and organization of the study. Chapter 2 discusses theoretical background, the definition and practices of HRM, organizational commitment, its effect on organizational commitment and conceptual framework. Chapter 3 details research methodology of the study. Chapter 4 consists of the analysis on the effect of HRM practices on organizational commitment in YPA Security Company. Chapter 5 concludes the study with findings and discussions, suggestions and recommendations and need for further study.

CHAPTER II

LITERATURE REVIEW

In this chapter includes the concepts of Human Resource Management, Importance of Human Resource Management, Human Resource Management practices and Organizational Commitment. Human Resource Management practices include recruitment and selection, training and development, and compensation and benefits.

2.1 Concepts of Human Resource Management

Human Resource Management refers to the policies and practices involved in carrying out the human resource aspects of management position including human resource planning, job analysis, recruitment, selection, orientation compensation and benefits planning, training and development and performance appraisal (Dessler, 2007). According to (Rouse, 2017), human resource management is a usual procedure for person enrollment, hiring, expanding and organizing the company's employees. Hence, HRM involves a series of activities that help the well performance of organization. HRM is composed of the policies, practices, and systems that influence employees' behavior, attitude, and performance (Hollenbeck, Gerhart, and Wright, 2007). According to Gerhart, (2007) HRM is a combination of multiple factors and these factors are policies, practices, and system which influence the attitude, behavior, and performance of the employee towards an organization in a positive way. Human Resource Management is managing human resources, in a systematic way. In another word, it is managing the people in the organization who are contributing in achieving the objectives and goals set by the organization. HRM is responsible for performing practices which maximize the performance of employees.

HRM also comprises of front-line managers who actually implement the functions such as planning, staffing, developing, maintaining, monitoring, managing relationships, evaluating, managing change, etc. HR functions are for enabling the organization to achieve its objectives by taking initiatives and providing guidance and support on all matters relating to its employees. The primary aim is for organization to develop HR strategies, policies and practices which will cater in the processes concerning the employment and development of the people and the relationships which exist between management and the workforce. These HR functions can create an effective and desired environment in organization where employees can make the best use of their capabilities and to realize their potential to the benefit of both the organization and themselves. The main aim of human resource management is to ensure that the organization is able to achieve success through people.

Over the years, a number of models have been defined what HRM is and how it operates. Among those models, David Guest's (1989, 1997), Guest Model of HRM is considered to be most influential (Aswathappa, 2008). The present study is based on the HR practices such as HR planning, recruitment and selection, training and development, performance appraisal, compensation, and benefit which were incorporated by the Guest Model.

2.2 Human Resource Management 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. 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.

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.

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. 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.

2.2.1 *Recruitment and Selection*

Recruitment theory provides justifications for how businesses locate and pick candidates to fill open jobs inside their businesses. It is the process of locating and luring qualified candidates for the position. According to Rao (2009), the sources of recruitment can be divided into two distinctive groups: internal and external sources (including Walk-ins into external recruitment). The best candidates for open positions can be found within a company. Internal sources include the existing workforce of an organization, employee referrals, former employees and previous applicants. Someone within the company is upgraded, transferred, promoted, or occasionally demoted as the new position becomes available. This method of hiring looks for potential candidates for open positions among those who are already employed by the company (Sarma, 2008).

Current employees can be informed of an open position by internal advertisements, email or in person. Employee recommendations are one of the oldest sources of hiring, and Rashmi (2010) claims that they can reduce costs to the organization by up to 70% compared to other sources. Present employees are well aware of the skills, qualifications, behaviour and experience of their friends or acquaintances as well as of the work necessities; and thus make a match between the vacancy and a candidate. Therefore, most of the time applicants through employee referrals have a positive feel to an organization and are aware of the organizational culture; and would likely be a great asset for the company (Rao, 2009). Utilizing internal resources is a very wise decision for a business, it may be argued. Patel and Rana (2007) assert that it fosters loyalty and is more dependable than external hiring. It also takes less orientation and training and is quicker and cheaper than the external.

External recruitment means that candidates are brought from outside, hence, it supplies a suitable pool of applicants. There are much more external sources than internal; and it is important to identify them. External recruitment can be expensive and timeconsuming; however, it is possible to reduce these disadvantages to some extent with the help of good planning (Patel & Rana, 2007). Organizations utilize a variety of recruitment strategies to entice the top candidates. There are differences between each company's needs and each job's requirements. Finding the best candidate for the job, according to (Kanagavalli et al., 2019), would be made possible by using an appropriate methodology in the recruitment processes.

Eight steps typically make up the selection procedure: (1) initial screening interview, (2) application form completion, (3) employment tests, (4) comprehensive interview, (5) conditional job offer, (6) background check, (7) medical exam, and (8) offer of a permanent position. The selecting process is displayed in Figure (2.2). Following the hiring procedure is the selection phase (Ekwoaba & Ikeije, 2015). It is appropriate to develop a strong selection process once the correct applicants have been found, together with the appropriate skills and dexterities. The main objective of this procedure is to guarantee that qualified people are hired. The qualifications of the applicants might be matched with the organizations' objectives. Sultana (2014) exhorts businesses to make sure their hiring procedures are impartial and compliant with the law. Each step helps an employer to get better knowledge about a candidate, his or her abilities, motivation, background and additional information which is useful for making a decision. The steps in the selection process follow in nature, just like the recruitment process does. However, not every employer uses every step, omitting some of them due to high costs or unnecessary data (DeCenzo & Robbins, 2009). It will be proper for an organization to refrain from certain transgressions like prejudice. This implies that the decision to target a group of people should not be based on factors such as gender, ethnicity, religion, or culture (Nalla & Varalaxmi, 2014). Usually, diverse, successful businesses are linked to the idea of diversity. Additionally, it is appropriate for businesses to concentrate on a number of legal frameworks while conducting their hiring and recruitment processes.

2.2.2 *Training and Development*

Training and development refers to educational activities carried out by a business to improve the knowledge and abilities of its personnel while supplying information and training on how to better carry out particular jobs. The first step in the process is to determine T&D needs. Training and development needs may be determined by conducting analyses on several levels. It includes organizational analysis, task analysis and person analysis. Task analysis focuses on the activities necessary to fulfill the objectives of the company, whereas organizational analysis examines the strategic mission, goals, and corporate plans of the company along with the outcomes of human resources planning. For this level of study, job descriptions are crucial sources of information. The last step is person analysis, which establishes specific training requirements. The company must next decide which employee will receive the training and create the necessary training and development programs for their staff. The training approaches must be taken into consideration after the training and development programs' goals have been established.

One of the most popular types of training and development programs is on-the-job training (OJT), which involves learning by doing in the workplace. On-the-job training is important for the growth of organizations because it boosts efficiency while also improving performance, giving them the best chance to compete and maintain their place at the top

(Jagero, Komba, & Mlingi, 2012). This training method is conducted in a location specifically designed for training. It may be away from work or near the work place, at any training centre and resort. Training away from workplace will allow the trainers to get their full attention to the materials that been taught. Off-the-job coaching does not transmit skills to the workplace as effectively as onthe-job training. This type of training combines on and off job training. Apprenticeship training is a process by which people become skilled workers, through a combination of formal learning and long-term on-the-job training (Dessler, 2008).

With this kind of instruction, staff members will learn how to make choices in the context of actual organizational situations. They will make a study on the firm's financial condition and its environment. In this type of training, the people are compulsory to give their respond to the specific problems that they will face on the organization. Role playing is often used to teach skills as interviewing, conducting performance appraisal, and team problem solving and leadership style analysis. Vestibule training uses equipment that closely matches equipment that is really utilized on the job, away from the production area. The primary advantage of this training method is that it removes the employees from the pressure of having to produce while training. The emphasis is focused on learning the skills required by the job. Orientation is the first T&D effort for new hires and aims to educate them about the business, the position, and the workgroup. The orientation will provide the new employee the chance to familiarize themselves with work practices first. The new employee is also oriented on how to relate with other employees and finally it makes the new employee feel that he is part of the organization and that his/her job is important (Milkovich & Boudreau, 2004). For new hires, orientation is typically conducted to familiarize them with the organization as a whole in terms of structure, aims, policy, etc (Malaolu & Ogbuabor, 2013).

2.2.3 *Compensation and Benefits*

Compensation is the payment an employee receives in exchange for their services to the company. By giving employees financial and non-financial advantages, (Shree, 2016) stated that it is an organized process that seeks to balance the relationship between employers and employees. The main goals of paying employees are to recruit, keep, and inspire workers. According to Simamora (2006), Compensation can be divided into 2 forms financial and nonfinancial compensation.

Financial compensation is having the form of both direct and indirect compensation. Direct compensation is usually limited to the direct cash benefits that the employees receive on monthly or weekly basis for the services they render as employees of a particular organization. Generally, there are two types of direct financial compensation. Those are base pay and incentive pay. Base Pay is the basic compensation that an employee receives. Many organizations use two base pay categories, hourly and salaried. Incentive pay is another type of direct pay is variable pay, which is compensation linked directly to performance accomplishments. The most common types of variable pay for most employees are bonuses, commissions, and stock options. Indirect financial compensation commonly consists of employee benefits is non wages compensation provided to staffs by adding to their normal wages or salaries. Indirect financial compensation is additional benefits that includes protection program, time off benefits, and facilities. Protection program is benefits paid to labors due to the danger in the work done in the workplace and outside the workplace. These programs of benefits may include: health insurance, retirement pensions, free medical treatment, and first aid services. Time off benefits. Although employees' does not work, he or she still get their rights as they work in full, for example: pregnancy leave, sick, paid holidays, and leave given by the company for another reason. Facilities. Benefit programs intended to improve employee welfare. The program includes: a house, a vehicle, a working space, and a parking space. Non-financial rewards include the fulfillment that comes from a person's work or the psychological and physical environment in which they work, such as: interesting tasks, demanding work, accountability, recognition, success, and company policies, competent management, amiable coworkers, a comfortable working environment.

2.3 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 behavior 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.

(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.

(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 loses which would appear if the employee stopped working for a specific organization. These loses 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 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).

2.4 Previous Study

There is increased interest among scholars on employee recruitment practices and employee or organizational outcomes. Fong et al. (2011), for example, attributed employee commitment to perceived fairness in the recruitment process, while a related study by Ombui, et al. (2012) finds a high positive significant relationship between employee attraction practices and employee commitment in Kenyan Research Institutes. In complement, Firend and Sofyan (2013) attribute high employee engagement in an oilfield service to the practices of empowering using the existing staff to attract new staff in their teams. Employee commitment to the company in Firend and Sofyan (2013) was attributed to staff feeling highly valued in helping shape the future of the organization by influencing the hiring of key talent. Secondly, use of existing staff to recruit new staff not only created enthusiasm in working with the company for new employees, but also ensured that core team values and job expectations are accurately communicated to applicants and ensured recruitment of new staff who will fit in the organizational culture there by fostering employee commitment. Obeidat et al. (2014) attributes employee affective, normative and calculative commitment to the company adoption of fair and just recruitment policies in Jordanian private companies. Furthermore, Karemu, Kahara and Josee (2015),in a Kenyan study of commercial banks, found that employee recruitment strategies had a significant predictive effect on employee commitment and intentions to stay with Equity Bank in Kenya.

On the contrary, other studies have found contradicting results on the relationship between recruitment practice and employee outcomes. Meyer and Maltin (2010) noted that with increasing demand for highly qualified personnel to beat competitors, poor employee recruitment decisions produce long-term negative effects arising from a high employee turnover. In the same line, Rana, Kumar, Goel and Rastogi (2013) study found no significant relationship between talent management and employee outcomes among staff of Bharat Heavy Electricals Limited, in India. Furthermore, Büte (2011) examines the effects of nepotism on employees' behaviors in public banks operating in Ankara, Turkey and found that nepotism had significant negative effects on intention to quit, job satisfaction, and organizational commitment.

The review of empirical studies offers no conclusive position on the influence of selection practices on employee outcomes, with some studies pointing to a positive relationship while others point to no significant relationship. Furthermore, study findings could not be generalized given the context in which and nature of company the studies were carried out in. It was therefore prudent to examine the effect of recruitment practice on employee commitment in the context of Security Plus to help fill on the literature divergences.

On how organizations could enhance employee commitment, the literature offers some hints. Srivastava and Bhatnagar (2010) recommend that organizations should make efforts to build effective, practical and holistic employee attraction strategies that address employee engagement and the retention of key skills. Firend and Sofyan (2013) contend that creating a cadre of engaged employees begins with selecting the best individuals for specific positions. These and many more options in enhancing the role of recruitment in fostering employee commitment will act as a basis for guiding the study recommendations on how best Security Plus can foster employee commitment through its recruitment practices.

Although the object of employee training is to inculcate employees with new skills necessary for performance, Armstrong (2009) opines that initial training is vital, not only for employee performance, but also for getting absorbed in the organization’s culture. Alvenfors (2010) contends that a good induction practice is supposed to increase productivity by helping new employees adapt quickly to the production role and also reduce staff turnover. Brum (2010) study found employee commitment was more in training forms that seek to improve employee investment, increase reciprocity, help the employee identify with the organization, and serve to limit alternative employment options.

Furthermore, Fong et al. (2011) equally attributes employee increased productivity and commitment to the initial training offered during inductions. Kuvaas and Dysvik (2010) in their study found that the employee level of affective commitment was more prominent from coaching and mentoring employee development programs. Tymon, Stumpf, and Smith (2011) in their study attribute reduced employee turnover to the efforts by the HR professionals to provide better manager support training, hold managers accountable for retention, enhance the career management and HR systems by developing more non-monetary rewards, and learn from those that leave. Turkyilmaz, Akman, Ozkan and Pastuszak (2011) attribute the organizational benefits of decreased turnover to the training offered by the employer and observes that for training to be effective, it should be tailored to identified individual, unit and departmental performance training needs.

In line with the above, Owoyemi et al. (2011) in their study found that the different levels of training had a statistically significant impact on employee affective, normative and calculative commitment. The study concluded that higher levels of employee emotional attachment to the organization depended on the employee's perceived organizational support where employee had to reciprocate accordingly.Björck (2011) attributes employee commitment to reciprocal actions arising from employee appreciation of the training offered by Nynas. The study concluded that the training offered by the company was instrumental in fostering employee commitment. Firend and Sofyan (2013) in their study observed that employee commitment was stronger when the organization provided career paths, and the opportunity for career advancement, but more importantly training and development programs.

However, Costache (2011) study on impact of induction programs on employee outcomes found no relationship between induction and organizational commitment and also that it does not matter what induction practice is used, overall the outcome will not differ significantly. Brum (2010) also contends that although training can positively impact commitment, simply providing training to employees is not enough and to achieve its intended objectives, an organization needs to seriously determine what it is looking to achieve within the training program as well as the impact it will have on employee commitment.

Although the above literature is suggestive of a direct relationship between employee training and commitment outcome, other studies have it otherwise. This study therefore sought to build on the existing debate by establishing the effect of employee training on employee commitment in Security Plus.

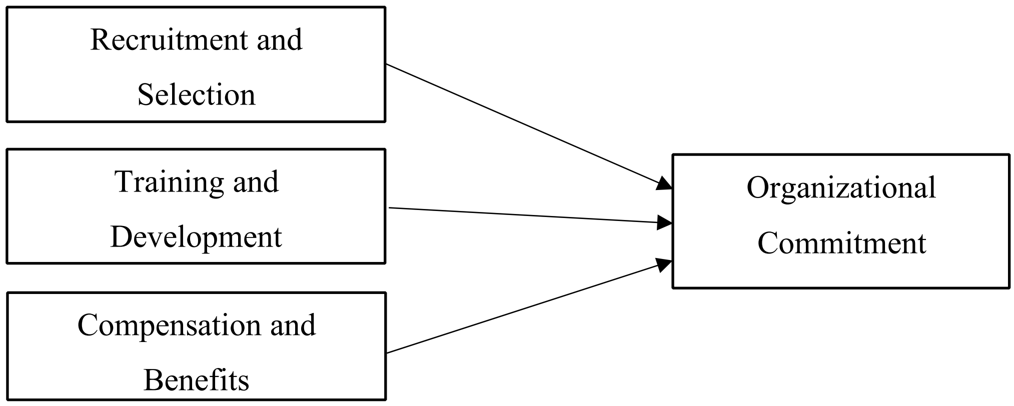
The influence of rewards on employee outcomes is one of the most researched area in management science and the commonly held view is that the employee contributions made to an organization by its employees and their achievements should be recognized and reciprocated by some form of reward (Armstrong, 2000; Rudge, 2011; Lim & Ling, 2012). The effectiveness of a reward practice is manifested in the extent to which it enables the organization to attract, motivate and retain employees (Zhou et al., 2011).

Empirical studies lend support to the role of compensation in eliciting positive employee outcomes. For example, Yap et al. (2009) found that reward systems have a positive impact on employee performance. Zaitouni et al. (2011) in their study attribute employee engagement to use of a multiplicity of reward factors, notably experience, qualification and seniority, and performance, where employees' performance is linked to expected rewards. Doyle (2010) study attributed employee commitment to management use of diversified pay plans, such as hazard pay, health care, maternity, paternity and adoption leave, paid holidays, pay raise, severance pay, sick leave, termination, vacation leave, work breaks and meal breaks. Kucherov and Zavyalova (2012) in their study attributed employee commitment to the relationship between supervisors and supervisee. Ajmal et al. (2015) equally found that intrinsic and extrinsic rewards were significant predictors of employee attitudes, job satisfaction and organizational commitment. More recent studies seem to concur with the above studies on the positive relationship between rewards and employee behavioral outcomes. For example, Shahnawaz et al. (2015) point to a significant relationship between the tangible and intangible rewards and organizational commitment among employees in the textile sector of Pakistan. Korir and Kipkebut (2016) examine the effect of financial and non-financial rewards on organizational commitment of employees in universities in Nakuru County and found that financial reward management practices collectively have significant effect on organizational commitment. The study calls for management review of salaries in reward management structure that is externally competitive, internally fair and consistent with the current acceptable international rates. Although the above literature is indicative of a positive significant effect of rewarding employee commitment, their findings could not be generalized to the private security sector context. It was therefore necessary to examine the influence of reward practice on employee commitment in a private security firm to help add on the existing body of literature.

2.5 Conceptual Framework of the Study

Based on the above concepts, and theories concerning human resource management (HRM) and organizational commitment, the study develops the conceptual framework that is presented in Figure (2.1).

Figure 2.1: Conceptual Framework of the study



Sources: Own Compilation

According to Figure (2.1), there are independent variables and dependent variable. Dependent variable is organizational commitment and Human Resource Management practices are independent variables including recruitment and selection, training and development, and compensation and benefits.

CHAPTER III

RESEARCH DESIGN AND METHODOLOGY

The purpose of this chapter was to show how data would be obtained in the field and analyzed for interpretation and conclusion in this study. It comprises an overview, research philosophy, survey population and area of the research, sampling design and procedures, variables and measurement procedures, method of data collection, data processing and analysis.

3.1 Research Philosophy, approach and design

The research philosophy of this study was positivism as the study intended to collect data about the reality and establish causal relationships between HRM practices and organizational commitment. The research approach of this study was deductive research approach. Also, quantitative research method adopted. The research design of this study was cross-sectional survey research strategy. The reasons for choosing this strategy included its economic viability since survey strategy allows using of questionnaires to collect data from large population, and these with which it is administered.

3.2 Survey Population

The survey population of this study was employees of YPA Security Service Company. These were surveyed because they are ones who are affected by HRM practices in organization. The surveyed population was found all over YPA Security Service Company and was identified by using the data obtained from the HR department.

3.3 Area of the Research

This study covered YPA Security Service Company located in Yangon Region.

3.4 Sampling Design and Procedures

In this study, employees of YPA Security Service Company were study units. The sample size is selected 120 employees of total population 200 from YPA Security Company by using simple random sampling method.

3.5 Method of Data Collection

This study used primary data. Hence, this study used questionnaire to collect data from the respondents. The questionnaires were structured questionnaires and closed ended questionnaires, self- administration strategy adopted that was delivery and collection technique preferred whereby researcher dropped and picked up later the questionnaires. The questionnaire contained three parts, whereby part one contained demographic question such as age, gender, educational level, marital status, position, salary range and working experience of the respondents. The second part contained HRM practices – recruitment and selection practices with 5 items, training and development practice with 5 items, compensation practices with 5 items.Lastly, employee commitment was with 5 items. Responses were based on five- point scale where: 1 = 'strongly disagree', 5 = 'strongly agree'. Questionnaire was chosen due to its advantages such as low cost, free from biasness, large samples can be involved and respondents have adequate time to give well thought answers to questions given.

3.6 Data Processing and Analysis

Data processing involved examination of the questionnaires collected to detect errors and omissions. Data were then coded and inputted into SPSS. Manipulation was carried out to compute the variables of interest from the multi-item scales. Descriptive statistics analysis used to describe the level of employees' satisfaction the rate of organizational commitment, and of the HRM practices. Researcher transformed the multiitem scales into one score for each of the three independent variables and one dependent variable by computing the total scores. Multiple regression was used to analyze the relationship of selected HRM practices with organizational commitment whereby independent variables were recruitment and selection, training and development, and compensation and benefits while dependent variable was organizational commitment. Cronbach's alpha used to test reliability of measurement scales.

3.7 Reliability Analysis

In this research, reliability test is analyzed.

Table (3.1) Reliability Analysis

No	Items	N	Cronbach's Alpha
1.	Recruitment and Selection	5	0.735
2.	Training and Development	5	0.720
3.	Compensation and Benefits	5	0.745
4.	Organizational Commitment	5	0.761

Source: Survey data, 2023

The Cronbach's Alpha values for recruitment and selection, training and development, and compensation and benefits, organizational commitment are more than 0.7.

CHAPTER IV
ANALYSIS ON THE EFFECT OF HUMAN RESOURCE MANAGEMENT PRACTIES ON ORGANIZATIONAL COMMITMENT

4.1 Demographic Factors of Respondents

Data collection and analysis were based on 120 employees in YPA Security Service Company. Profile of respondents are characterized by gender, age, educational level, position and working experience.

Table (4.1) Demographic Factors of Employees in YPS Security Service Company

Particular		Respondents	Percentage
Total		**120**	**100.00**
Gender	Male	92	76.67
	Female	28	23.33
Age	20-29 years	65	54.17
Years	30-40 years	48	40.00
	41-50 years	4	3.33
	51 and above	3	2.50
Education Level	Secondary	98	81.67
	Degree	18	15.00
	Postgraduate	4	3.33
Position	Manager	3	2.5
	Supervisor	9	7.5
	Security Guard	95	79.17
	Support Staff	13	10.83
Working experience	Less than one year	48	40
	1 to 4 years	69	57.5
	Over 5 years	3	2.5

Source: Survey data, 2023

According to Table (4.1), among 120 respondents, the majority of the respondents are male. Most respondents are between 20 and 29 years old followed by people who are between 30 and 40 years old. Regard the education level, most respondents finished secondary level education. It is found out that most of the respondents are security guard while other respondents are support staff, supervisor and manager.

4.2 Analyzing the Human Resource Management Practices on Job Satisfaction

In this study, the relationship between the human resource management practices and organizational commitment of YPA Security Service Company are presented. Human resource management practices are divided into three functions such as recruitment and selection, training and development, and compensation and benefits. The results of survey are described with the range from one to five (1- strongly disagree, 2- disagree, 3-neutral, 4- agree, 5- strongly agree).

Recruitment and Selection

For analysis in YPA Security Service Company, five questions are prepared in accordance to make a survey for recruitment and selection and which are shown in Table (4.2) as below.

Table (4.2) Employee Opinion towards Recruitment and Selection

Sr. No	Recruitment and Selection	Mean Score
1.	The company undertakes to use print media to advertise available job opportunities in the company	3.96
2.	The company undertakes to use website to publicize available job opportunities	3.90
3.	The shortlisting criteria is transparent	3.94
4.	The company has a scoring scale used to evaluate candidates in interviews	3.80
5.	Necessary tests (such as fitness) are always carried out on successful candidates	3.83
	Overall mean	**3.89**

Source: Survey data, 2023

According to Table (4.2), the majority of respondents describe that YPS Security Service Company use print media to advertise available job opportunities in the compnay. Moreover, the research indicates that the criteria of shortlisting is transparent. Besides, the company use website to publicize available job opportunities and scoring scale to evaluate candidates in interview. Additionally, the lowest mean shows that the respondents need to carry out necessary test such as fitness when they passed the interview stage. According to the overall mean, the respondents agree with current recruitment and selection practices of YPS Security Service Company.

Training and Development

For analysis in YPA Security Service Company, five questions are prepared in accordance to make a survey for training and development and which are shown in Table (4.3) as below.

Table (4.3) Employee Opinion towards Training and Development

Sr. No	**Training and Development**	**Mean Score**
1.	I received appropriate training necessary to perform my job when I was entering the company.	3.78
2.	Effort is undertaken to regularly identify my training needs while on the job.	2.96
3.	I regularly attend refresher trainings to enhance my performance.	3.38
4.	I have undergone coaching with my supervisor as part of the in-service training	3.93
5.	I was given a written job description of my roles in the company	4.08
	Overall mean	**3.63**

Source: Survey data, 2023

According to Table (4.3), the largest mean score indicates the respondents were given a written details job description of their roles in the company. Besides, the respondents have undergone coaching with their supervisor as part of the in-service training. The respondents also received appropriate training necessary to perform their jobs when entering to the company. It is also found that the respondents regularly attend refresher trainings to enhance their performance. The lowest mean indicates that the company regularly undertake effort to identify the training needs of the respondents. According to the overall mean, the respondents agree with the training and development programs provided by YPS Security Service Company.

Compensation and Benefits

For analysis in YPA Security Service Company, five questions are prepared in accordance to make a survey for compensation and benefits and which are shown in Table (4.4) as below.

Table (4.4) Employee Opinion towards Compensation and Benefits

Sr. No	Compensation & Benefits	Mean Score
1.	My pay adequately rewards me for my contribution to this security company.	3.77
2.	My pay in this company is calculated based on market comparisons.	4.07
3.	I always receive annual bonuses from this company.	4.07
4.	I am always given awards in recognition of my good performance.	3.66
5.	I get reasonable allowances for extra duties and task assigned.	3.46
	Overall mean	**3.81**

Source: Survey data, 2023

According to Table (4.4), regarding the compensation and benefits, the largest mean indicates that the respondents always receive annual bonuses from the company. Besides, the pay of YPA Security Company is calculated based on marketing comparisons. Moreover, the respondents are adequately awarded for their contribution to the company. Additionally, the respondents are given awards in recognition of their good performance. The respondents also get reasonable allowances for extra duties and task assigned. According to the overall mean, the respondents agree with the compensation and benefits system of YPA Security Service Compnay.

Organizational Commitment

For analysis in YPA Security Service Company, five questions are prepared in accordance to make a survey for organizational commitment and which are shown in Table (4.5) as below.

Table (4.5) Employee Opinion towards Organizational Commitment

Sr. No	Organizational Commitment	Mean Score
1.	I would be very happy to spend the rest of my career in this company.	4.50
2.	I feel emotionally attached to my company.	3.13
3.	I feel a sense of belonging to this company.	3.83
4.	I feel a sense of moral obligation to remain with this company.	4.40
5.	I believe in the norm of remaining loyal to my current company	4.23
	Overall mean	**4.02**

Source: Survey data, 2023

According to the Table (4.6), the respondents are happy to spend the rest of their career in YPA Security Service Company. Moreover, the respondents feel a sense of moral obligation to remain with the company. They also believe in the norm of remaining loyal to their current company and. The respondents feel a sense of belonging to the company and feel emotionally attached to the company. According to the overall mean, the respondents have high organizational commitment towards the company.

4.3 Analyzing the Effect of Human Resource Management Practices on Organizational Commitment

In this study, the three types of the human resource management practices are used to measure the organizational commitment of YPA Security Service Company. To analyze the effect, multiple regression analysis is applied.

Table (4.6) Regression Result of Level of Organizational Commitment on HRM Practices

Independent Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	17.120	6.247		2.741	.007
Recruitment and Selection	.197	.229	.076	.861	.391
Training and Development	-.372	.388	-.113	-.960	.339

Compensation and Benefits	1.509***	.351	.488	4.295	.000
R Square	.187				
Adjusted R Square	.166				
F value	[illegible].882***				

Source: Survey data, 2023

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

According to Table (4.7), the value of R^2 is 18.7 percent thus this specified model could explain about the variation of marketing mix on customer satisfaction. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain almost 16.6 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.166.

Among three independent variables, compensation and benefit has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in compensation and benefits leads to more organizational commitment. If there is an increase in compensation and benefits by 1 unit, this will also raise the organizational commitment by 1.509 unit.

CHAPTER V

CONCLUSION

This chapter presents the findings and discussions, suggestions and recommendations, and need for further research.

5.1 Findings and Discussions

In this study, HRM practices include Recruitment and Selection, Training and Development, and Compensation and Benefits. Regarding recruitment and selection, it can be seen that YPA Security Service Company uses print media and website to advertise available job opportunities in the company. Besides, the shortlisting criteria of YPA Security Service company is transparent and the company uses scoring scale to evaluate candidates in interviews.

Concerning with training and development, YPA Security Service Company gives a written detail job description to employees. The supervisor of YPA Security Service Company coach employees as part of in-service training. The company gives appropriate training to the incomers to perform their jobs effectively and efficiently. Moreover, the company takes effort to identify the training needs of employees.

Regarding compensation and benefits, YPA Security Service Company gives annal bonuses to the employees. The pay rates of the company are calculated based on market comparisons. The company also adequately rewards the employees for their contribution to the company. Besides, the company gives reasonable allowances to employees for extra duties and task assigned.

Relating to organizational commitment it is found that the employees of YPA Security Service Company are happy to spend the rest of their career in the company. The employees feel a sense of moral obligation to remain with the company and believe in the norm of remaining loyal to the current company. The employees also feel a sense of belonging and emotionally attached to the company.

According to the correlation between organizational commitment and HRM practices, the result show that they are positive and significantly correlated with organizational commitment. Based on the regression and correlation, compensation and benefit factor is mainly related to organizational commitment than other factors in HRM practices. Therefore, it can be concluded that the most significant factor is compensation and benefit provided by YPA Security Service Company.

5.2 Suggestions and Recommendations

In concern with recruitment and selection, YPA Security Service Company should use a scoring sale to evaluate candidate in interview and the selection criteria should be transparent. The company should also carry out necessary tests such as fitness test for successful candidates in the interview stage.

With regard to training and development, YPA Security Service Company should take effort to identify the training needs of employees and provide refresher trainings to improve the performance of employees. The company should also offer induction trainings to new incomers to the company. The supervisors should also provide coaching to employees as part of in-service training.

Regarding compensation and benefits, the company should provide employees with reasonable allowances to the employees for their extra duties and responsibilities assigned to them. The company should also give awards to employees in recognition of their good performance and contribution to the company. Moreover, the company should give annual bonuses to the employees.

This study has manifested that employees believe that compensation and benefit factor and supervision factor highly influence the degree to which they commit to the organization confirmed by the results of the regression. Therefore, to enhance employee commitment, YPA Security Service Company should design compensation and benefit packages that fulfill the needs of employees and organization. The company should conduct a salary survey and establish an equitable pay scale in the security industry and consider the higher pay level in the industry. The company should also consider giving annual bonuses to all staff based on income generated in that financial year. The company should also encourage the use of non-monetary rewards, such as ‘employee of the month’ and ‘employee of the year’ in each job category, organize annual social events like end of year parties and Christmas gifts for all staff.

5.3 Needs for Further Research

The study found that recruitment, training and reward human resource policies predicted 80% of the variance in employee commitment, while other variables predicted the remaining 20% of the variance in employee commitment in the company. In recognition that there is a multiplicity of human resource management policies that cannot be examined in one single study, and in this study scope, only three practices areas were considered. Other studies need to examine the impact of dispute resolution policy, talent management policy, exit and pension practices on employee commitment using selected security firms to enable generalization of the study results.

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