The Mediating Effect of Career Success on HRM Practices and University Performance: A Study from Public Sector Universities of Pakistan

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Abstract

The main aspiration of the current study is to explore the determinants of university performance. The study also explored the mediating effect of career success between human resource management practices and university performance. Data were collected from 265 faculty members working in public sector universities of Punjab, Pakistan; by online survey, using Google docs through random sampling. The results demonstrate the partial mediation of career success between human resource management practices and university performance. Structural equation modelling-Partial least square (SEM-PLS) technique has been applied to acquire the results. The results will also be helpful for faculty members working in public sector universities of Pakistan to know about their career success. Perceived university performance and human resource management practices have been found associated positively with university performance and individuals' career success. In the study both motivation and skill enhancing practices are included to acquire accurate results.

Keywords: Career success; Human resource; Management practices; University performance; Public sector; Management universities

Introduction

The performance of university has always remained important for students, researchers, faculty members and administration [1]. As students assess the general reputation and ranking of the university prior to acquire admission in their desired universities. Whilst, it is deemed necessary in getting jobs and placement after graduating from their universities [2-4]. Although, the performance of the university is also necessary to be assessed for administration to implement the policies and monitor the results of educational strategies. However, the faculty members are concerned with university performance, as it increases the chances of their growth and professional satisfaction. However, in recent studies career success can easily be seen getting attraction of the academic researchers and professionals [5]. The current study intends to contribute in the field of career success; through its mediating effect between human resource management (HRM) practices and university performance. In Pakistan there are currently 173 universities; from which 100 are under public sector [6]. In Pakistan the performance of the public sector institutions is frail and the output from the institutions under governmental control cannot be claimed as significant and potential for the society [7,8]. In a recently published international universities ranking, only one university (Quaid Azam University, Islamabad) of Pakistan remained successful to make place in top 500 best universities of the world [5]. There were five Indian universities and many universities from Iran and China made the place in top five hundred best universities of the world [9]. In this recent current ranking, main focus was the research productivity and overall performance of the universities towards delivering potential graduates in the society and international collaborations [10]. In Pakistan, universities are deemed as degree mills because the employability of the fresh graduates is trifling and miserable [11]. A lot of measures are being taken by the Government of Pakistan to improve the performance of the higher educational institutions but the significant results has not been seen [12,13]. There can be a lot of reasons i.e. lack of training, overloading of work, less teaching exposure, strict evaluation, lack of communication, class room discipline, problems in assessing students’ work, miss behaviour, students counselling problems, deficiency of materials and supplies that are supportive in teaching and least expectations of career in teaching are being deemed the deterrents in the way of higher performance of public sector universities of Pakistan [14], (Table 1). There are five provinces in Pakistan along with one federal territory, in accordance to the provincial autonomy the chartered are granted to the universities in public and private sector. There are 50 universities chartered by the Government of Punjab, 48 chartered by Government of Sindh, 29 chartered by Government of Khyber Pakhtunkhwa, 17 chartered by the Government of Balochistan, 7 chartered by the Government of Azad and Jamu Kashmir and Gilgit Baltistan, While, 31 are chartered by the Federal Government of Pakistan. Nevertheless, having 173 universities in Pakistan while the performance is not satisfactory and up to the international standards [15]. Universities are the main sources for reducing the unemployment in the society by enhancing employability skills in their graduates [16-18]. However, in accordance to [19], there were 397 million people living extremely below poverty line and 472 million people can hardly afford to afford the basic necessities of life. However, globally there is 6% unemployment rate, while in Pakistan the trend is slightly lower, it is 5% but higher than neighbouring countries like China and India 4.6 and 3.6 percent respectively [20]. It has been observed that there are 139 million people are unemployed, from which the young people are 73.8% in the overall unemployment rate. They had not been rewarded in any sort of education, training and employment internationally. It can be inferred that the universities might have to improve their productivity to generate the employability in the professional studies, degree itself is

Source: Higher Education of Pakistan.

Table 1: Universities under public and private sector of Pakistan.

<table>
<thead>
<tr>
<th>Punjab</th>
<th>Sindh</th>
<th>Khyber PK</th>
<th>Balochistan</th>
<th>Kashmir and GB</th>
<th>Federal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pb</td>
<td>Pb</td>
<td>Pb</td>
<td>Pb</td>
<td>Pb</td>
<td>Pb</td>
</tr>
<tr>
<td>26</td>
<td>24</td>
<td>19</td>
<td>29</td>
<td>19</td>
<td>10</td>
</tr>
<tr>
<td>29</td>
<td>21</td>
<td>10</td>
<td>7</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>10</td>
<td>7</td>
<td>5</td>
<td>2</td>
<td>24</td>
<td>7</td>
</tr>
</tbody>
</table>

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Received June 10, 2016; Accepted June 21, 2016; Published June 22, 2016


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nothing until and unless have the ability to provide proper employment for the graduates [21]. According to [11], public sector universities of Pakistan are not performing well as compared to the international standards, because the faculty members working in such institutions are not performing well or efficiently. There might be a lot of reasons behind this such as weaker performance and lower contribution from faculty members towards the overall university performance. The service structure is hardly visible for the faculty members working in public sector universities of Pakistan [14,22,23]. Upon analysing the trends of faculty members' education and research publications that are shown in Table 2 below. It can be easily seen from the available data that there are currently 9253 faculty members having PhD degrees and 25191 faculty members have not doctoral degree in the year 2013; and could hardly published only 6507 research articles, (Table 2). According to the above mentioned table only 27% faculty members have PhD degrees to teach. While, 73% faculty members require to improve their qualification. So, in nutshell there are 25191 faculty members who are required to improve their qualification for their own growth and survival in the same field [24]. As in the contemporary situations in Pakistan survival in the profession is not easy, it has now become highly competitive, complicated and complex.

Review of Literature

University performance has been seen the most neglected area in the literature, especially in the context of Pakistan [1,25,26]. There is a strong dearth of assessing the potential predictor of university performance in Pakistan. As the societies cannot grow and progress without focusing on the educational system, research and innovation [27,28]. Previous studies have found the significant effect of HRM practices and job satisfaction on university performance [2,29-32]. According to Hofstede organizations internal human resource management practices are being affected from the national culture. As Pakistan is a developing country and the HR practices are different from the western countries [29,33,34]. In Asian context, the Western concept of HR management practices are being criticized because of difference among the cultures of the nation’s [34]. However, HR management practices can be vary ominously from nation to nation because of cultural differences meanwhile the set of specific practices might be beneficial for a nation and similar practices might be ineffective for the nations of another cultures [35]. The enforcement and impact of HRM practices upon the individuals to exert higher performance at work and organizational performance is vital while, the importance has been recognised in previous studies [36,37]. The positive perceptions of HRM practices, enables and enforcing the employees to realise the relationship of social exchange among the individuals and organizations [38]. The negligible attention was given to the area of psychological processes. Whereas, HRM practices have the potential to determine the attitude and behaviour of the employees’ working in the organization [34,39]. Globally the organizations have been found in the strict competitive environment. The opportunities for the work or employment are scarce as well, but for high performing worker the opportunities are abundant and countless to mention [5].

HRM practices in organizations are the most important competitive weapon or tool for progress of the organizations. Nevertheless, the HRM practices must be in order to accommodate and facilitate the employees at work as well as for driving motivation to work and satisfaction from work; to facilitate and boost organizational functioning in the dynamically competitive and complex environment [40]. According to [41] HRM practices are getting increased influence in the academia, due to the ability of managing the employees’ attitude at work or behaviour at work. Existing literature provided the guidance about the perceptions of HRM practices which are considered more important in enhancing organizational performance and retain the quality work force to produce better productivity [42,43]. How these HRM practices can impact positively towards the individual’s perspectives and how they respond to these practice [44]. According to [37] some HRM practices in the context of individuals’ particularly training and development is highly significant with the organizational context as individuals’ career success contributes better and enhances organizational performance [45]. Therefore, it is necessarily required to evaluate the areas of human aspects, that are helpful in enhancing performance at work, that enable the individuals to work for their own success, which ultimately contribute towards the organizational performance [46]. According to [34] HRM practices have been divided into two groups mainly. First group consists of such activities that enhance the motivation of the individuals at work, for instance job security, fairness in rewards, job autonomy and compensation. Whilst, the second group consists on skill-enhancing practices such as training and development, performance appraisal, supervisory support and promotion opportunities). However, the strong relationship has been observed between organizational performance and HRM practices, the higher degree of involvement towards human resources management or Personnel management in designing the set of HRM practices, proper implementation leads towards the higher performance [47]. Whilst, it might be deduced from the above discussion that personnel management might be effective if designed properly in accordance with the organizational vision [48,49]. In the literature the negligible focus have been found regarding the nature of the HRM practices in the developing countries such as Pakistan, India, Sri Lanka, Nepal, Bangladesh and Malaysia [22,50]. However, it is not easy to generalize HRM practices in the context of western countries in Asian context due to cultural differences and working environment. Although the universities under public sector are different from the corporate sector. The HRM practices in universities can be different from other organizations; as the motive of the public sector universities is to serve the society rather than earn profit.

For this study both set of motivation and skill enhancing practice are included to examine the impact HRM practices on university performance. These following hypothesis are being tested in the study.

H1: HRM practices have positive association with career success.
H2: Career success has positive significant association with university performance.
H3: HRM practices have positive relationship with university performance.
H4: Career success mediates between HRM practices and university performance.

Methodology and Measurement

The nature of HRM practices that are being applied in the public sector universities of Pakistan are quite different from the other

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher Educational Institutions</td>
<td>146</td>
<td>153</td>
</tr>
<tr>
<td>Research Output (Journal Articles)</td>
<td>6400</td>
<td>6507</td>
</tr>
<tr>
<td>Faculty (PhD Qualified)</td>
<td>7625</td>
<td>9253</td>
</tr>
<tr>
<td>Faculty (Without PhD Qualification)</td>
<td>24715</td>
<td>25191</td>
</tr>
</tbody>
</table>

Source: Higher Education Commission of Pakistan.

Table 2: Facts and Figures about Faculty Members in Universities of Pakistan.
Results and Findings

In this section all the basic and advanced tests has been applied to find the exact results of this study (Table 3) examines the reliability and validity of the construct in the particular context of Pakistan. Table 4 evaluates the multi-collinearity before the hypothesis testing. The following tables (Table 5H1-5H4) represents the non-availability of multi collinearity issues in the data, so further analysis can be performed smoothly (Table 5H5 and 5H6).

Discussion

As suggested by [57] the t-value >1.645 illustrate that the relationship is significant and the hypothesis can be accepted. The study further used one-tailed test to confirm the earlier stated hypothesis and evaluate relationship among variables using t-value estimation for significant level as suggested by previous literature, where t-value is greater than 1.645 it means the hypothesis might be accepted and hence significant relationship is established. H1, H2 and H3 has been found significant and t-value remained above 1.96, but only for H4 the t-value has been found 1.7796, still acceptable as suggested by [57]. The mediated effect of career success has been found partially between HRM practices and university performance. As the results show the direct relationship (C-path) among HRM practices and university performance is significantly positive, that determines the partial or full mediation. The total effect C-Prime (c’) has also remained positively significant. Here all four hypotheses are accepted. The results are in line with previous relevant studies on HRM practices and organizational performance such as [25,31,36,58,59]. The mediating influence of career success is infancy but the results are also in line with the mediating effect of job satisfaction in relevant context of the study such as [60,61].

Table 3: Reliability and Validity of the variables.

<table>
<thead>
<tr>
<th>Sr.</th>
<th>Particulars</th>
<th>Cronbach’s Alpha</th>
<th>AVE</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>University Performance</td>
<td>0.929</td>
<td>0.589</td>
<td>0.940</td>
</tr>
<tr>
<td>2</td>
<td>Career Success</td>
<td>0.877</td>
<td>0.702</td>
<td>0.911</td>
</tr>
<tr>
<td>3</td>
<td>HRM Practices</td>
<td>0.934</td>
<td>0.672</td>
<td>0.942</td>
</tr>
</tbody>
</table>

Table 4: Multi-Collinearity. University Performance used as DV. Threshold value <10, while <03 is ideal.

### Table 5: Hypothesis testing.

<table>
<thead>
<tr>
<th>Effect</th>
<th>SE</th>
<th>Z-Statistics</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>0.0463</td>
<td>0.0269</td>
<td>1.7226</td>
</tr>
<tr>
<td>Career Success</td>
<td>0.0463</td>
<td>0.0269</td>
<td>1.7226</td>
</tr>
</tbody>
</table>

**Conclusion**

The current study fulfilled all basic assumptions as hypothesized in section 2. All the hypotheses are being accepted on the basis of t-statics and P-Values. The measurement scale confirmed the strong reliability. Hence, the instrument can be further tested in similar studies. Cronbach alpha (a) of university performance remained 0.292, for career success 0.877 and HRM practices 0.934. The results are in line with the previous studies in this context such are [31,36]. In the study multicollinearity has not been found over and above the threshold value. This study is an exploratory study consequently that’s the reason we use p-value <10%. The study has a lot of constraints such as time and scarce financial sources. The current study has also some limitations, such as limited respondents, which are 265, valid for analysis. The sample size for analysis can be in between 30 to 500 to generalize the results [57,62-64]. For the motive of generalizing the results respondents might be increased. As the $r^2$ for the model remained 0.397, that means there are about 60% other variables that explain university performance. The results are acceptable and can be generalized as all the public sector universities follow the same pattern.

**Future Recommendations**

There might be a need to include some moderating variable and other predictors to generalize the results in Pakistan’s context; such as organizational justice, environmental turbulence, personality traits and culture etc. These variables have not been tested in previous studies. The future researchers are advised to explore new variable for enhancing the reliability and generalizability of results. As the $r^2$ remained 0.3978 and adjusted $r^2$ has been found 0.39831 still acceptable but shows the weaker relationship. This study focused only the public sector organization in Punjab. Future researchers may conduct the study in other provinces of Pakistan.

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