



IMPACT OF HRM PRACTICES ON JOB SATISFACTION, EVIDENCE FROM PHARMACEUTICALS COMPANIES OF HYDERABAD, INDIA

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ABSTRACT

This study investigates the impact of Human Resources (HR) practices, recruitment and selection, training and development, performance appraisal, working environment, employee benefits, promotions and transfers on employee's job satisfaction in pharmaceuticals companies of Hyderabad. For this study simple random sampling is used and the limitations of our study are the pharmaceuticals companies. A questionnaire has been used to collect primary data based on structured questions. A pre-tested questionnaire was distributed and five hundred eighty respondents provided useable information. The result of the study shows, employee job satisfaction is influenced and good relationship by human practices such as "requirement and selection, training and development, performance appraisal, working environment, employee benefits, promotions and transfers are influencing employee's job satisfaction.

Keywords: HR practices, Employees Job Satisfaction, Recruitment and selection, Training and development, Performance appraisal, Working environment, Employee benefits, and Promotions and transfers.

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1. INTRODUCTION

Job satisfaction refers to an individual's contentment with their job. Historically, job opportunities were often predetermined by one's family occupation. However, with the evolution of human resources management practices, organizations must adapt to achieve their objectives. Effective human resource management practices foster employee knowledge, skills, and inspiration (Ahmed et al., 2017; Soujanya A et al., 2023). Various human resource management models have emerged, including the Harvard model (Beer et al., 1984) and the Michigan model (Fombrun et al., 1984). These models emphasize the importance of employee commitment, skills, and protection. Research highlights the significant impact of human resource management (HRM) practices on employee satisfaction (Katou & Budhwar, 2007; Soujanya A et al., 2023). Factors influencing employee satisfaction include job security, fairness, supervisors, efficiency, pay, promotion, benefits, working conditions, research support, colleague relationships, disappointments, and appraisal systems. This study investigates the relationship between HRM practices and employee job satisfaction in pharmaceutical companies in Hyderabad, focusing on the impact of HRM practices on employee satisfaction.

2. LITERATURE REVIEW

HRM refers to the policies and practices involved in managing human resources, including planning, recruitment, selection, training, and development (Dessler, 2007; Ahmed et al., 2017). The Harvard model emphasizes the importance of employee commitment and skills (Beer et al., 1984), while the Michigan model views employees as a valuable resource (Fombrun et al., 1984). Recruitment is the process of discovering manpower to meet staffing

requirements (Rao, 2000). Selection involves evaluating applicants' suitability for a job (Bratton & Gold, 2012). Effective recruitment and selection are crucial HRM functions that impact organizational performance. Training improves employees' performance on their current job, while development prepares them for future roles (Bernardin, 2003). Types of training include induction, job, programmed instruction, and apprenticeship (Cumming, 1985). Performance appraisal evaluates an employee's job performance, providing feedback for improvement (Dudeja, 2006). Regular appraisals help employees grow professionally and contribute to organizational success. A good working environment enhances employees' comfort and productivity (Abdul Raziq & Raheela Maulabakhsh, 2014; Soujanya A and Jahangir Y, 2023). Supportive environments encourage employees to remain in their professions and contribute to organizational objectives. Employee benefits, such as insurance, vacation pay, and retirement plans, are forms of value provided to employees beyond payment (Martin, 2012; Ahmed et al., 2017). Benefits impact job satisfaction, loyalty, and organizational performance. Promotions and transfers are essential for employee growth and development (Dessler, 2009). Fair and transparent promotion processes enhance employee satisfaction and organizational performance. Job satisfaction is a pleasing or positive emotional state resulting from job experiences (Robbins, 1999). Job satisfaction impacts organizational commitment, turnover, absenteeism, and performance. Research shows that HR practices, such as recruitment, training, and compensation, positively impact job satisfaction (Yu & Egri, 2005; Katou & Budhwar, 2007; Soujanya A et al., 2023). Effective HR practices enhance organizational performance and employee well-being.

3. RESEARCH OBJECTIVES AND METHODOLOGY

The study aims to investigate the impact of HR practices on employee job satisfaction. Data was collected through questionnaires, adapted from previous studies (Ahmed et al., 2017; Soujanya A et al., 2023), with 580 respondents providing working information.

- To examine the association between HR practices and job satisfaction.
- To identify the impact of HR practices on job satisfaction.
- To suggest measures to enhance HR practices in selected industrial enterprises.

3.1. Hypotheses

- **H01:** Recruitment and selection related HR practices have no significant impact on the employee job satisfaction.

- **H02:** Training and development related HR practices have no significant impact on the employee job satisfaction.
- **H03:** Performance appraisal related HR practices have no significant impact on the employee job satisfaction.
- **H04:** Working environment related HR practices have no significant impact on the employee job satisfaction.
- **H05:** Employee benefits related HR practices have no significant impact on the employee job satisfaction.
- **H06:** Promotions and transfers related HR practices have no significant impact on the employee job satisfaction.

4. DATA ANALYSIS AND RESULTS

4.1. Descriptive analysis

The study surveyed 580 sample employees are pharmaceutical company in Hyderabad, analysing their demographic characteristics. The respondents were predominantly male (74%) and fell into four age categories, with the majority (37.1%) between 36-45 years old. In terms of education, post-graduation holders comprised the largest group (45%). The respondents' designations were also recorded, with 52.8% being middle-level employees, followed by lower-level (32.1%) and top-level (15.2%) employees (Table 1). The questionnaire's reliability was tested, and the results are presented in Table 2. Cronbach's alpha values exceeded 0.70, indicating high consistency across all sections. The overall Cronbach's alpha score was 0.871, confirming the reliability and fitness of the 58-item questionnaire.

Table .1. Distribution of the sample respondent's demographic profile.

Demographic Profile		Frequency	Percent
Gender	Male	429	74.0
	Female	151	26.0
	Total	580	100.0
Age	20-25 years	111	19.1
	26-35 years	209	36.0
	36-45 years	215	37.1
	46-55 years	45	7.8
	Total	580	100.0

Qualification	Diploma	77	13.3
	Graduation	183	31.6
	Post-Graduation	261	45.0
	Ph.D.	32	5.5
	Others	27	4.7
	Total	580	100.0
Designation level of management	Top Level	88	15.2
	Middle Level	306	52.8
	Junior Level	186	32.1
	Total	580	100.0

Table.2. Reliability Statistics	
Cronbach's Alpha	N. of Items
.871	58

5. ANALYSIS OF VARIANCE (ANOVA)

The ANOVA compares the means between the groups; you are interested in and determine whether any of those means are statistically significant difference from each other. Specially, this ANOVA test the null hypothesis:

$$H_0: \mu_1 = \mu_2 = \mu_3 \dots \dots \dots = \mu_k$$

Where, μ = group mean, and k = number of groups. However, the one-way ANOVA gives statistically significant results; then, we receive the alternative hypothesis (AH), which is that, there are at least two group means are statistically significantly different from the each other. Hence, at this point, this is significant to realize that; the one-way ANOVA test is a compilation test statistic and cannot tell that, which specific groups have been statistically significant different from the each other, there are only which at least two groups. To determine, which specific groups differed from each other.

5.1 Hypothesis (H01)

In order to identify the mean difference between groups, for that Analysis of variance statistics is conducted between recruitment and selection related HR practices and employee job satisfaction; The results of the analysis have been explained below:

H01: Recruitment and selection related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies.

Table 3. One-Way ANOVA Test (Hypothesis-01)						
Job Satisfaction						
		Sum of Squares	df	Mean Square	F	Sig.
Recruitment and selection related HR practices	Between Groups	8.450	22	.384	2.080	.003
	Within Groups	102.865	557	.185		
	Total	111.315	579			

The Table 3, shows the performance of the ANOVA study on Recruitment and selection (HR Practices) and Employee Job Satisfaction. Recruitment and selection, 8.450 is the between-group variation and 102.865 is the within-group variation. It also reveals that F-distribution 2.080. The level of significance is 0.003, which is less than 0.05, after that. Therefore, “there is a significant impact of Recruitment and selection on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the first null hypothesis is rejected.

5.2 Hypothesis (H02)

In order to identify the mean difference between groups, for that Analysis of variance statistics is conducted between training and development related HR practices and employee job satisfaction; The results of the analysis have been explained below:

H02: Training and development related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies.

Table 4. One-Way ANOVA Test (Hypothesis-02)						
Job Satisfaction						
		Sum of Squares	df	Mean Square	F	Sig.
Training and Development related HR practices	Between Groups	6.550	20	.327	1.747	.023
	Within Groups	104.765	559	.187		
	Total	111.315	579			

From the above Table 4, shows the performance of the ANOVA study on Training and Development (HR Practices) and Employee Job Satisfaction. Recruitment and selection, 6.550 is the between-group variation and 104.765 is the within-group variation. It also reveals that F-distribution 1.747. Followed by, the level of substantial is 0.023, which is less than 0.05. Thus,

“there is a significant impact of Training and Development on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the second null hypothesis is rejected.

5.3 Hypothesis (H03)

In order to identify the mean difference between groups, for that Analysis of variance statistics is conducted between Performance appraisal related HR practices and employee job satisfaction; The results of the analysis have been explained below:

H03: Performance appraisal related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies.

Table 5. One-Way ANOVA Test (Hypothesis-03)						
Job Satisfaction						
		Sum of Squares	df	Mean Square	F	Sig.
Performance appraisal related HR practices	Between Groups	18.198	20	.910	5.462	.000
	Within Groups	93.117	559	.167		
	Total	111.315	579			

From the above Table 5, illustrations, the presentation of the ANOVA results on Performance appraisal (HR Practices) and Employee Job Satisfaction. Performance appraisal, 18.198 is the between-group variation and 93.117 is the within-group variation. It also reveals that F-distribution 5.462. The level of significance is 0.000, which is less than 0.05, after that. Accordingly, “there is a significant impact of Performance appraisal on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the third null hypothesis is rejected.

5.4 Hypothesis (H04)

In order to classify the mean difference between groups, for that Analysis of variance statistics is conducted between working environment related HR practices and employee job satisfaction; The outcomes of the analysis have been described below:

H04: Working environment related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies.

Table 6. One-Way ANOVA Test (Hypothesis-04)						
Job Satisfaction						
		Sum of Squares	df	Mean Square	F	Sig.
Working environment related HR practices	Between Groups	24.215	20	1.211	7.771	.000
	Within Groups	87.100	559	.156		
	Total	111.315	579			

From the above Table 6, illustrations, the presentation of the ANOVA results on Working environment (HR Practices) and Employee Job Satisfaction. Working environment, 24.215 is the between-group variation and 87.100 is the within-group variation. It also reveals that F-distribution 7.771. The level of noteworthy is 0.000, which is less than 0.05. Therefore, “there is a significant impact of Working environment on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the fourth null hypothesis is rejected.

5.5 Hypothesis (H05)

In order to classify the mean difference between groups, for that Analysis of variance statistics is conducted between Employee benefits related HR practices and employee job satisfaction; The outcomes of the analysis have been described below:

H05: Employee benefits related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies.

Table 7. One-Way ANOVA Test (Hypothesis-05)						
Job Satisfaction						
		Sum of Squares	df	Mean Square	F	Sig.
Employee benefits related HR practices	Between Groups	16.385	20	.819	4.824	.000
	Within Groups	94.930	559	.170		
	Total	111.315	579			

From the above table 7, illustrations, the performance of the ANOVA results on Employee benefits (HR Practices) and Employee Job Satisfaction. Employee benefits, 16.385 is the between-group variation and 94.930 is the within-group variation. It also reveals that F-distribution 4.824. The level of substantial is 0.000, which is less than 0.05. Therefore, “there

is a significant impact of Employee benefits on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the fifth null hypothesis is rejected.

5.6 Hypothesis (H06)

In order to classify the mean difference between groups, for that Analysis of variance statistics is conducted between Promotions and transfers related HR practices and employee job satisfaction; The outcomes of the analysis have been described below

H06: Promotions and transfers related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies.

Table 8. One-Way ANOVA Test (Hypothesis-06)						
Job Satisfaction						
		Sum of Squares	df	Mean Square	F	Sig.
Promotions and transfers related HR practices	Between Groups	51.788	22	2.354	22.026	.000
	Within Groups	59.527	557	.107		
	Total	111.315	579			

From the above Table 8, illustrations, the presentation of the ANOVA results on Promotions and transfers (HR Practices) and Employee Job Satisfaction. Promotions and transfers, 51.788 is the between-group variation and 59.527 is the within-group variation. It also reveals that F-distribution 22.026. The level of notable is 0.000, which is less than 0.05. Hence, “there is a significant impact of Promotions and transfers on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the sixth null hypothesis is rejected.

5.7 Summary of the Analysis of Variance

Table 9. Summary of the hypothesis results from ANOVA

Hypothesis		F	Sig.	Inference
H01	Recruitment and selection related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies	2.080	0.003	Rejected

H02	Training and development related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies	1.747	0.023	Rejected
H03	Performance appraisal related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies	5.462	0.000	Rejected
H04	Working environment related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies	7.771	0.000	Rejected
H05	Employee benefits related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies	4.824	0.000	Rejected
H06	Promotions and transfers related HR practices have no significant impact on the employee job satisfaction in select pharmaceutical companies.	22.026	0.000	Rejected

6. Discussion of Analysis of Variance

Analysis of Variance (ANOVA) was used to examine the impact of HRM practices on job satisfaction. The results revealed significant differences in job satisfaction levels among employees based on selected HRM practices.

- From the ANOVA study on Recruitment and selection (HR Practices) and Employee Job Satisfaction. Recruitment and selection, 8.450 is the between-group variation and 102.865 is the within-group variation. The level of significance is 0.003, which is less than 0.05, after that. Thus, “there is a significant impact of Recruitment and selection on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the first null hypothesis is rejected.
- It is found from, the ANOVA study on Training and Development (HR Practices) and Employee Job Satisfaction. Recruitment and selection, 6.550 is the between-group variation and 104.765 is the within-group variation. The level of significance is then 0.023, which is lower than 0.05. Thus, “there is a significant impact of Training and Development on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the second null hypothesis is rejected.

- It is observed from, the ANOVA results on Performance appraisal (HR Practices) and Employee Job Satisfaction. Performance appraisal, 18.198 is the between-group variation and 93.117 is the within-group variation. The level of significance is 0.000, which is less than 0.05, after that. Thus, “there is a significant impact of Performance appraisal on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the third null hypothesis is rejected.
- It is found from, the ANOVA results on Working environment (HR Practices) and Employee Job Satisfaction. Working environment, 24.215 is the between-group variation and 87.100 is the within-group variation. The significance level is 0.000, which is less than 0.05, after that. Thus, “there is a significant impact of Working environment on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the fourth null hypothesis is rejected.
- From the ANOVA results on Employee benefits (HR Practices) and Employee Job Satisfaction. Employee benefits, 16.385 is the between-group variation and 94.930 is the within-group variation. The level of substantial is 0.000, which is less than 0.05. Thus, “there is a significant impact of Employee benefits on the Employee Job Satisfaction of selected pharmaceutical companies”. The fifth null hypothesis has been rejected.
- It has been observed, the ANOVA results on Promotions and transfers (HR Practices) and Employee Job Satisfaction. Promotions and transfers, 51.788 is the between-group variation and 59.527 is the within-group variation. The level of significance is 0.000, which is less than 0.05, after that. Thus, “there is a significant impact of Promotions and transfers on the Employee Job Satisfaction of selected pharmaceutical companies”. So, the sixth null hypothesis is rejected.

7. CONCLUSIONS

The purpose of the study is to ascertain "Impact of human resource practices on employees job satisfaction in select pharmaceutical companies in Hyderabad, Telangana State". This investigational study examines how different HRM practices impact employees' job satisfaction in the pharmaceutical industry. The objectives of the study's variables are to determine how human resource practices in pharmaceutical companies impact employees' job satisfaction. It is determined that “there is a direct relationship between employee job

satisfaction and human resource practices based on the hypothesis investigated and the findings”. It is concluded that the outcomes of the Anova analyses deal with the issue that is under study. The achievement of the employee's job satisfaction can be made possible through good human resource management. According to the study's findings, employee job satisfaction is influenced by human resource practices such as “requirement and selection, training and development, performance appraisal, working environment, employee benefits, promotions and transfers are influencing employee’s job satisfaction”. Therefore, the study clearly shows that, in some pharmaceutical companies, human resource practices have a considerable impact on employee job satisfaction.

Finally, it is strongly proposed that, companies should effort more on the implementation of effective human resource practices in order to increase employee’s job satisfaction in pharmaceuticals. When a person is happy with his employment condition, he wants to put more effort into his work, which in turn increases the output, therefore the output automatically increases the job satisfaction.

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