

# Impact Of Administrative Practices On Job Performance With Reference To Public Banks In Sri Lanka

S.M.D.Y Jayarathna, W.A.S Weerakkody

**Abstract :** To attain a competitive advantage and remain in the competitive market, organizations should focus on the employee job performance significantly. Achieving the Job performance of the employees has been a critical issue in both private and public sector organizations. Hence it is needed to investigate how the practices of the public banks in Sri Lanka, affect the job performance of their employees. Thus the objective of this research was to investigate the impact of administrative practices on job performance of the public banks in Sri Lanka. The independent variable was administrative practices, with two sub variables named Reward Management and Decision Making and the dependent variable was job performance. The reliability of the instruments were tested against the survey data. This study was engaged in hypothesis testing and it was correlational. This research was conducted in the natural environment where work proceeds normally, with less interference of the researchers (noncontrived). Data was collected from each individual: employees of the public banks, and the study was cross sectional. The analysis was based on the information collected using a self administered questionnaire from 92 Managerial, Executive and Non Executive employees doing a variety of jobs in the Public Banks in Colombo District. Data used for analysis were totally based on primary data which was collected using a questionnaire developed by the researcher. The analysis was done by simple regression models using the software SPSS 15.0. According to the results, there is an impact on administrative practices on job performance, but it is not significant. Based on that it can be concluded employee's job performance have been impacted by administrative practices, and the job performance can be improved by developing the administrative practices.

**Key words:** Administrative Practices, Job Performance, Reward Management, Decision Making

## 1 INTRODUCTION

Banking and financial services industry plays a pivotal and responsible role in channeling public deposits to investment and consumption lending that ultimately assists in improving the standard of living and quality of life of the citizens of this country. The employee's performance is really curtailed in achieving this vision. Many organizations have used performance measurement as a primary tool for communicating direction, establishing accountability, defining roles, allocating resources, monitoring and evaluating activities, linking organizational processes, establishing goals and benchmarks, and initiating changes to ensure continuous improvement. Job performance of the employees' plays a vital role in the public banks of Sri Lanka since it affects the organizational performance. When an employee performs their job well, that will visibly improve the performance of the organizations. Amos & Ristow (2004) studied that effective management of job performance was critical if the goals and objectives of the organization were to be achieved. Organizations were in existence to succeed and the achievement of the strategy through individual output places the attention directly on performance.

According to Storey & Sisson (1993) concept of performance management appeared relatively self-explanatory as it related to managing employee job performance. Formally it was defined as "an interlocking set of policies and practices which have their focus on enhancing achievement of organizational objectives through a concentration on individual performance." It is noted that there are several practices which affects the job performance of the employees. There are several practice of an organization which uses to administer the organization. Thus the administration practices play a vital role in the organization. These practices focus on planning, organizing, directing and controlling the activities and drives the organization for its success. HR practitioners are struggling to meet the emerging challenges of new values of knowledge workers who have necessitated a new paradigm of practices for attraction and retention of talent for organizational sustainability (Saleem & Khurshid, 2014). There are several numbers of administrative practices in an organization as Staffing, Pay Management, Employee Movements, Decision Making, Employment Planning, Human Resource Development, Legal Compliance and Employment Planning. In here, will be reviewed only two practices as Decision Making and Reward Management. The effective implementation of a strategic decision requires the active cooperation of the team members. To effectively usher a decision through this complex web of operational details, team members must do much more than simply agree to or comply with the decision. They must both understand and commit to the decision if it is to be implemented effectively and that will enhance organizational performance through the individual/employee performance. Wagner (1994) reanalyzed data using meta-analysis and found that the overall effect of employee participative decision making on job performance was positive. Since the employees are satisfied when they are involved in decision making and that leads to increase the job performance of the employees. The extant

- S.M.D.Y Jayarathna, Lecturer, Department of Human Resource Management, Faculty of Commerce and Management Studies, University of Kelaniya, [dinethiyasodara@kln.ac.lk](mailto:dinethiyasodara@kln.ac.lk)
- W.A.S Weerakkody, Senior Lecturer, Department of Human Resource Management, Faculty of Commerce and Management Studies, University of Kelaniya, [Was@kln.ac.lk](mailto:Was@kln.ac.lk)

compensation research literature provides evidence that pay, in its various forms, affects employee organization relationships. (Gardner et al., 2004). That means, when the employees are satisfied with the pay, they tend to enhance their job performance subsequently. Employee performance is the intermediate outcome or the path through which compensation strategies affect organizational performance. (Shaw et al., 2002). Adams et al. (1977) suggested that high pay levels represent high outcomes that should motivate and satisfied employees to adjust their inputs (performance) upward.

## 2 PROBLEM STATEMENT

There are some theoretical explanations in the respect relationships or the impact of Reward Management and Decision Making on Job Performance in the global context. Further the literature emphasize that most of the studies have investigate the relationship between the Reward management, decision making and job performance individually. Also these relationships have been examined in the western context. To fill this research gap, it is very important to conduct a research study to identify the impact of Reward Management and Decision Making together on Job Performance. Thus this research has conducted to investigate the impact of Administrative Practices on Job Performance in the Public Banks in Colombo District.

## 3 RESEARCH OBJECTIVE

This research study attempted to achieve the following objective.

- To identify the, impact of Administrative Practices on Job Performance of the employees of the public banks in Colombo District.

## 4 LITERATURE REVIEW

### 4.1 Administrative Practices

Administration of an organization means facilitates planning, organizing, directing and controlling the activities across the organization to achieve the organizational success. An organization pays key attention on these administrative practices, since it have a direct impact on the employee's job performance, hence the senior managers as well the middle managers ensure that certain information flows and resources are employs efficiently across the organization. Though there are several practices in an organization, the researcher has focused on two administrative practices. They are Reward Management and Decision Making.

#### 4.1.1 Decision Making

Decision making can be defined as choosing between alternatives (Moorhead & Griffin, 1999). It can be regarded as an outcome of mental processes (cognitive processes: memory, thinking, evaluation) leading to the selection of a course of action among several alternatives. Decision making involves mapping the likely consequences of decisions, working out the importance of individual factors, and choosing the best course of action to take. (Muindi, 2011) Decision Making is almost universally defined as choosing between alternatives. (Luthans, 2004). The classical theorists however, did not generally present decision making in this way. Pioneering Management

theorists such as Fayol and Urwick cited in (Luthans, 2004) were concerned with the decision making process only to the extent that it affects delegation authority, where as the father of scientific management, Fredrick W. Taylor cited in (Luthans, 2004) alluded to the scientific method only as an ideal approach to making decisions. Each decision process must build consensus among team members, because without understanding and commitment successful implementation of the decision will not take place. When there is consensus, the employees are satisfied with the organization and that finally improves their performance. To improve the organizational performance, teams must cultivate both quality and consensus on every decision. (Amason, 1996). Decision style is defined as how people make decisions in various situations. Rowe and Mason, (1987) cited in (Luthans, 2004) argue that different decision makers make different decisions because individuals use different methods to perceive information (cognitive complexity) and evaluate information (values orientation). Employee involvement in decision making, sometimes referred to as participative decision making (PDM) is concerned with shared decision making in the work situation (Mitchell, 1973) Locke and Schweiger (1979) cited in (Kuyea and Sulaimonb, 2011) define it as 'joint decision making' between managers and subordinates. According to Noah (2008) cited in (Kuyea and Sulaimonb, 2011) it is a special form of delegation in which the subordinate gain greater control, greater freedom of choice with respect to bridging the communication gap between the management and the workers. It refers to the degree of employee's involvement in a firm's strategic planning activities. In order to increase the workers commitment and humanize the workplace with the intention of improving work performance and good citizenship behavior, managers need to permit a high degree of employee involvement. Thus, the involvement of workers in decision making is considered as a tool for inducing motivation and satisfaction in the workers leading to positive work attitude and high productivity (Kuyea and Sulaimonb, 2011) Top management teams make strategic decisions, the quality of these decisions influences employee individual performance and organizational performance. Because consensus among team members facilitates the implementation of those decisions, consensus also influences employee performance and organizational performance. Further, to sustain their ability to produce and implement strategic decisions, top management teams must maintain positive affective relationships among their organizational members/employees. Thus, decision quality, consensus, and affective acceptance are, together, all necessary for sustainable high performance of the employees as well as the organization. (Schweiger et al., 1986)

#### 4.1.2 Reward Management

"Reward Management is concerned with the formulation and implementation of strategies and policies that aim to reward people fairly, equitably and consistently in accordance with their value to the organization" (Armstrong and Murlis, 1998). A much more comprehensive understanding is given by Armstrong as he suggests "Reward Management deals with the strategies, policies and processes required to ensure that the contribution of people to the organization is recognized by both financial

and non financial means. "Reward is the desired outcome of a task" as stated by Leopold (2002) cited in (Armstrong and Murlis, 1998). The overall objective is to reward people fairly, equitably and consistently in accordance with their value to the organization in order to further the achievement of the organizations strategic goals.

#### 4.1.2.1 Fair Wage Dimensions

**TABLE 1**  
FAIR WAGE DIMENSIONS

1. Payment of wages	A wage which is regularly and formally paid in full to the workers.
2. Living wage	A wage that ensures minimum acceptable living standards.
3. Minimum wage	A wage which respects the minimum wage regulations.
4. Prevailing wage	A wage which is comparable to wages in similar enterprises in the same sector.
5. Payment of working hours	A wage that does not generate excessive working hours and properly rewards normal working hours and overtime.
6. Pay systems	A wage that leads to a balanced wage structure/composition between the basic wage and additional bonuses and benefits. A wage that reflects different levels of education, skills and professional experience, as well as rewarding individual and collective performance. A wage that complies with regulations on social insurance payments and paid holidays and is not dominated by disciplinary wage sanctions.
7. Communication and social dialogue	A wage on which workers receive sufficient information in advance (through an individual work contract), in the course of the production process (through regular communication channels) and at the time of the wage payment (with a detailed pay slip). A wage that is negotiated individually (with individual employers) and collectively – notably through collective bargaining – between the employer and the workers' representatives who are freely accepted in the company.
8. Wage discrimination and wage disparity	A system of equal wages for equal work that does not lead to wage discrimination and does not generate unjustified, too high and too rapidly growing wage differentials within the company.
9. Real wages	A wage that progresses at least in proportion to price increases.
10. Wage share	A wage that progresses proportionally along with enterprise sales and profit growth and which does not lead to a

	fall in the wage share in enterprise performance growth.
11. Wage costs	A wage whose progression does not lead to a dramatic reduction in wage costs within total production costs and as a percentage of employment.
12. Work intensity, technology and up-skilling	A wage that progresses along with changes in intensity at work, technological contents and the evolving skills and tasks of the labour force.

Source: (<http://www.fair-wage.com/>)

Pay has been often mentioned as a motivator for performance and a determinant of job satisfaction. Internal variables (such as aptitude and motivation) influence performance, which influence intrinsic and extrinsic rewards, and subsequently satisfaction (Money and Graham, 1999) The extant compensation research literature provides evidence that pay, in its various forms, affects employee organization relationships. (Gardner et al., 2004). That means, when the employees are satisfied with the pay, they tend to enhance their job performance subsequently. As in Shaw et al (2002) Employee performance is the intermediate outcome or the path through which compensation strategies affect organizational performance. A single change in pay, in contrast, is often a function of many factors including overall health of the economy, financial ability of the firm to raise wages, union negotiations, the need to retain an important individual or class of employees, and relative performance of a particular employee. (Gneezy & Rustichini, 2000)

#### 4.2 Job Performance

Job performance is the way employees perform their work. An employee's performance is determined during job performance reviews, with an employer taking into account factors such as leadership skills, time management, organizational skills and productivity to analyze each employee on an individual basis. According to the Commerce Dictionary.com, job performance is the degree to which a job is done well or badly.

- Job performance may be defined as how glowing the job is being completed as per well-known standard operating procedures.
- Performance is defined as a function of individual ability and skill and effort in a given situation (Porter and Lawler, 1964) cited in (Prasanga & Gamage, 2012)

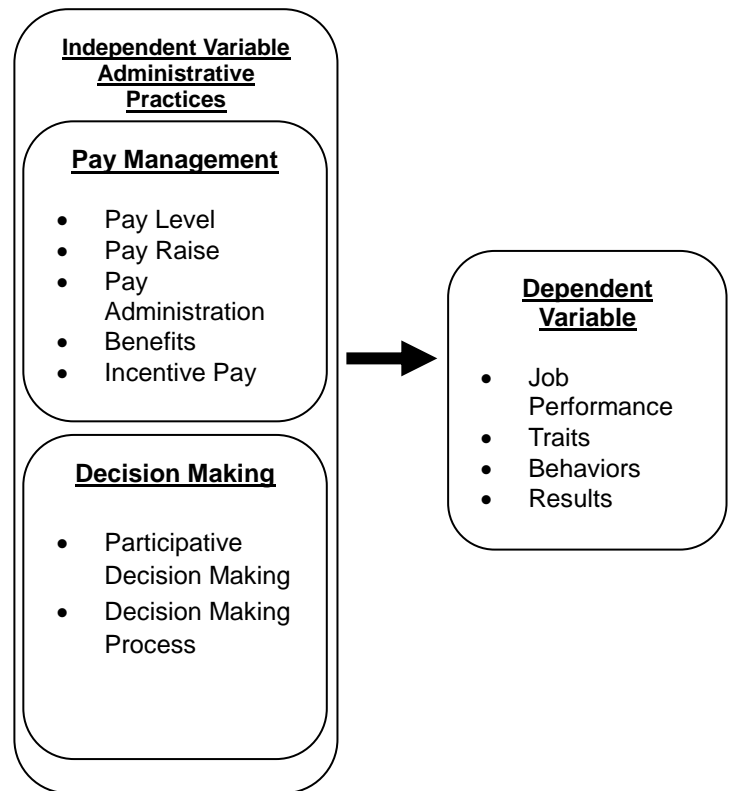
Great interest of organizational topics that related to attitude and behavior such as organizational Commitment, job satisfaction and job performance has been sparked by its potential benefits to Individuals and organizations. This is because according to Steinhaus & Perry (1996) cited in (Samad, 2011) committed and satisfied employees are unlikely to indicate low performance and are normally highly productive who identify with organizational goals and organizational values. The popularity of work attitudes concepts stem from its linkage with several employees' work behaviors. Although previous research emphasis has actually been on the behavioral work outcomes of turnover

and absenteeism, it has however been recognized that employee's job performance is more important than turnover (Samad, 2011). According to Storey & Sisson (1993) concept of performance management appeared relatively self-explanatory as it related to managing employee job performance. Formally it was defined as "an interlocking set of policies and practices which have their focus on enhancing achievement of organizational objectives through a concentration on individual performance." Performance management encompasses cascading overall business goals and objectives into individual employee objectives. Amos et al (2004) discussed that it was an approach to the management of the people which deal with setting individual objectives that are related to organization objectives. Spangenberg and Theron (2001) highlighted that potentially the most important organization link for performance management is to drive the implementation and realization of strategy. Den Hartog et al (2004) studied that this alignment was required so that employee performance and development could be enhanced, with the aim of maximizing organizational performance. Campbell et al (1993) explain that performance is not the consequence of behaviors, but rather the behaviors themselves. In other words, performance consists of the behaviors that employees actually engage in which can be observed. Although Motowidlo and Scotter (1994) emphasize this evaluative idea in defining the performance domain, they still maintain that job performance is behaviors and not results. Kane and Lawler (1978) cited in (Prasanga and Gamage, 2012) argued that organizational characteristics (like high formalization, high centralization, and big size are believed to have different effects on employees' attitudes and behavior than low formalization and loosely coupled organizations) and structures influence employees' performance.

## 5 CONCEPTUAL FRAMEWORK

The conceptual framework of the study is the conceptual model how the theories make logical sense of the relationships among the factors that had been identified. According to the model, Independent Variable is Administrative Practices and the Dependent Variable is Job Performance.

**FIGURE 1**  
CONCEPTUAL FRAMEWORK



### 5.1 Conceptualization of Administrative Practices

#### 5.1.1 Reward Management

"Reward Management deals with the strategies, policies and processes required to ensure that the contribution of people to the organization is recognized by both financial and non financial means. (Armstrong and Murlis, 1998). The Working Definition for Reward Management will be "formulating and implementing strategies and policies that aim of paying employees fairly to increase the outcome/ job performance of the employees." To measure the Pay Management, many researchers have used different dimensions as, Pay Level, Pay Raise, Pay Structure and Administration (Williams et al., 2007), Salary and Bonus, Stock Options, Incentive Compensation, Stock Ownership (Jensen and Murphy, 1990). Pay Level, Pay Raise, Pay Structure, Administration and Benefits (Morgeson et al., 2001) As for the purpose of this study in order to measure the Reward Management, the following dimensions were used namely; Pay Level, Pay Raise, Pay Administration (Williams et al., 2007), Incentive Pay (Dessler, 2007), Benefits (Morgeson et al., 2001).

#### 5.1.2 Decision Making

Leonard et al (1999) argue that the decision-making is a fundamental function in organizations and the quality of the decisions that managers make influences their effectiveness as managers, and the effectiveness of managers, in turn, affects the success or failure of the organization and also these decisions very much affect employee and the organizational performance and also the decision making has been a most important administrative

function, as is affects both the employee and the employer. Decision Making can be defined as choosing between alternatives (Moorhead and Griffin, 1999). Each strategic decision represents a unique combination of the diverse skills, knowledge, abilities, and perspectives and decision quality also "depends heavily upon the process that the group actually employs" Working Definition of Decision Making for this study is, choosing between alternatives (Luthens, 2004) To measure the decision making variable, scholars have used different dimension as, Participative decision making opportunity Siegel and Ruh (1973) cited in (Lam et al., 2002), Participation efficacy Riggs et al (1994) cited in (Lam et al., 2002), shared decision making (Mitchell, 1973), participation in decision making (Graham and Bennet, 1998; Cole, 1997) cited in (Muindi, 2011), Ethical Decision Making (Ford and Richardson, 1994), Decision Making Process (Papadakis et al., 1998) For this research study, to measure decision making the dimensions are Participative Decision Making (Lam et al., 2002) and the Decision Making Process (Papadakis et al., 1998)

### 5.2 Conceptualization of Job Performance

Great interest of organizational topics that related to attitude and behavior such as organizational Commitment, job satisfaction and job performance has been sparked by its potential benefits to Individuals and organizations. This is because, according to Steinhaus & Perry (1996) cited in (Samad, 2011) committed and satisfied employees are unlikely to indicate low performance and are normally highly productive who identify with organizational goals and organizational values (Samad, 2011). According to the Commerce Dictionary.com, Job Performance is the degree to which a job is done well or badly. Job Performance is defined as a function of individual ability and skill and effort in a given situation (Porter and Lawler, 1964) cited in (Prasanga & Gamage, 2012). Considering with the purpose of this study the Working Definition of the Job Performance is the way employee perform their job/work. Many of the researchers have identified several dimensions to measure job performance such as, Traits, Behaviors, and Results (Opatha, 2009), Accident frequent ratio, Out of service percentage, Perceptual performance (Shaw et al., 2002) Accuracy, Responsiveness, Innovation, Cost attainment (Jackson, 2002), Quality, Efficiency (Cheng et al., 2003), Commitment to supervisor, Trust in management, Cooperation, Effort and Involvement, Turnover intensions (Collins et al., 2005). For this research study the dimensions of Job Performance will be Traits, Behaviors and Results which are identified by Opatha (2009).

### 5.3 Hypotheses

Based on the conceptual model the following hypotheses were developed for testing; Hypothesis 1 – There is an Impact of Administrative Practices on Job Performance of the employees of the public banks in Colombo district.

## 6 METHODOLOGY OF THE STUDY

Purpose of this study is to engage in hypothesis testing as the study was done to establish and explain the relationship between administrative practices and job performance. In the view of Sekaran and Bougie (2010), Studies that engage in hypothesis testing usually explain the nature of

relationships, or establish the differences among groups, or the independence of two or more factors in a situation. Hypothesis testing is undertaken to explain the variance in the dependent variable or to predict the employee job performance. The type of the investigation was correlational. This research has done in the natural environment where work proceeds normally (that is, in noncontrived settings). Correlational studies are invariably conducted in noncontrived settings, whereas most rigorous casual studies are done in contrived lab settings (Sekaran and Bougie, 2010). No any artificial or contrived setting was created. That means, none of the variables were controlled or manipulated by the researcher in this study. Unit of analysis for this study was individual; hence the data was gathered from each individual: employees of the public banks. The data was collected within one week, and just once, which is a cross sectional/ one shot study where the time horizon of this study is one-shot or cross-sectional. The objective of this study is to identify the impact of Administrative Practices on Job Performance of the public banks. For that, the day was collected from 92 Managerial, Executive and Non Executive employees in the public banks in Colombo district. The study was conducted during the period on a one week (Seven days) in the month of April 2013. The sampling method used is stratified sampling, as the population divided in to grades and identified the sample from those grades. The study is done with the help of questionnaires which prepared according to the measures of dimensions. Five point scale was used to weight from strongly disagree to strongly agree. The questionnaire was distributed to every Managerial, Executive and Non Executive employees in the sample. The questionnaire was originally developed in English, then it was translated it in to Sinhala for a better response from the sample. The questionnaire has given to 92 employees and the entire questionnaires were returned. So the response rate was 100%. The collected data was analyzed by statistical data analysis package, SPSS version 15.0. The data analysis includes the univariate and bivariate analysis.

### 6.1 Reliability

The inter item consistency reliability was examined with Cronbach's Alpha test. The results of the Cronbach's Alpha test are given in the table 02, where it suggests that the internal reliability of each instrument is satisfactory.

**TABLE 2**  
CRONBACH'S ALPHA COEFFICIENTS

Variable	Cronbatch's Alpha
Administrative Practices	0.896
Job Performance	0.703

## 7 ANALYSIS

### 7.1 Univariate Analysis

The frequency distribution analysis was made for the main variable of Administrative Practices. As indicated in table 03, the mean value of the distribution is 3.7935 and the standard deviation is 0.58438. Then the Administrative Practices of the Bank is "High/Good". The skewness is 0.060 of the distribution and kurtosis is -0.307 of the distribution indicated that the data recorded for the Administrative Practices are approximately normally distributed.

**TABLE 03**

STATISTICAL DISTRIBUTION OF ADMINISTRATIVE PRACTICES OF THE SAMPLE

N	Valid	92
	Missing	0
Mean		3.7935
Median		4.0000
Mode		4.00
Std. Deviation		.58438
Variance		.341
Skewness		.060
Kurtosis		-.307

According to the table 04, the mean value of the distribution is 4.1196 with the standard deviation of 0.32623. Then the Job Performance of the employees (respondents) is "High". The skewness is 2.384 of the distribution and kurtosis is 3.766 of the distribution indicated that the data recorded for the Job Performance is rightly skewed.

**TABLE 4**

STATISTICAL DISTRIBUTION OF JOB PERFORMANCE OF THE SAMPLE

N	Valid	92
	Missing	0
Mean		4.1196
Median		4.0000
Mode		4.00
Std. Deviation		.32623
Variance		.106
Skewness		2.384
Kurtosis		3.766

### 7.2 Bivariate Analysis

The bivariate analysis includes regression analysis which was used to investigate the impact of Administrative Practices on Job Performance. According to the Table 05, The R is 0.073 and R<sup>2</sup> of the regression model is 0.005, indicating that 0.5% of variance in Job Performance is accounted by Administrative Practices with the standardized beta of 0.073. The F value is 0.486 which is not significant at 1% (P=0.487), which suggests that

Administrative Practices have 0.5% of the variance of Job Performance. But it is not a significant variance.

**TABLE 5**

RESULTS OF SIMPLE LINEAR REGRESSION ANALYSIS (IMPACT OF ADMINISTRATIVE PRACTICES ON JOB PERFORMANCE)

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.964	.225		17.602	.000
	Administrative Practices Scale	.041	.059	.073	.697	.487

a. Dependent Variable: Job Performance Scale

Model	R	R Square	Std. Error of the Estimate	F	Sig.
1	.073 <sup>a</sup>	.005	.32716	.486	.487

a. Predictors: (Constant), Administrative Practices Scale

## 8 CONCLUSION AND DISCUSSION

According to the frequency distribution of Administrative practices of the sample was found that mean value is 3.7935 and standard deviation is 0.58438 accordingly it was found that Administrative Practices carried out in a good approach. The results represent that 62% of the respondents agree that the administrative practices of the Public Banks practices in a good manner, while 8.7% of the respondents highly agrees on that. Also 29.3% of the respondents agree on an average level. When considering the frequency distribution analysis results for job performance of the respondents is high with the mean value of 4.1196 and with the standard deviation of 0.32623. The results of the respondents show that all the employees have high job performance as they have agreed and highly agreed with the statements. The simple regression analysis describes that Administrative Practices have an impact on Job Performance with the strength of b value of 0.073 (F=0.486, P=0.487) which shows that the impact is not significant. The R<sup>2</sup> of the regression model is 0.005, indicating that 0.5% of variance in Job Performance is accounted by Administrative Practices. Findings of correlation and regression analysis empirically confirm the arguments given by, Amason (1996), stated that Decision quality, consensus, and affective acceptance are by products of those decisions and together are all equally necessary for sustainable high individual/employee and organizational performance. Also David et al (1970) suggested that the type of reward strongly influence the performance of the employee. Findings of the previous researches have done the studies separately for pay and decision making. Leonard et al (1999) argued that the decision-making is a fundamental function in organizations

and the quality of the decisions that managers make influences their effectiveness as managers, and the effectiveness of managers, in turn, affects the success or failure of the organization and also these decisions very much affect employee and the organizational performance. The decision quality, consensus, and affective acceptance are, together, all necessary for sustainable high performance of the employees as well as the organization. (Schweiger et al., 1986). A single change in pay, in contrast, is often a function of many factors including overall health of the economy, financial ability of the firm to raise wages, union negotiations, the need to retain an important individual or class of employees, and relative performance of a particular employee. There is empirical evidence that pay has direct effects on performance (Gneezy & Rustichini, 2000). Also, in order to increase the workers commitment and humanize the workplace with the intention of improving work performance and good citizenship behavior, managers need to permit a high degree of employee involvement. Thus, the involvement of workers in decision making is considered as a tool for inducing motivation and satisfaction in the workers leading to positive work attitude and high productivity ( Kuyea and Sulaimonb, 2011). But there is no research studies found that done to identify the impact of administrative practices on job performance. All these research studies have done separately to identify the impact of pay and decision making on job performance, but there are no research studies done to identify the impact of Administrative Practices have an impact on Job Performance. This study can be concluded that there is an impact of Administrative Practices on Job Performance of the employees of the public banks in Colombo district. But it is not a significant variance, and a strong impact. So according to the findings, the managers should pay much attention on reward management and decision making, and make those practices very effective. Also it can be concluded that there are other practices, other than Reward Management and Decision Making which affects the Job Performance of the employees.

## 9 RECOMMENDATIONS, LIMITATIONS

### 9.1 Recommendations

Managers should use more attractive pay packages, incentive, welfare packages which will have a significant impact on employee performance. Also provide monetary or non monetary rewards for the best performers, which will obviously enhance the performance as well the satisfaction of the employees. Also Management/ Supervisor should appreciate when an employee has achieved a target/goal, or has completed a job successfully. The top management should pay a keen attention on making decisions, since to make decisions which towards enhancing employee performance. There should be a way of proper evaluation of making decisions and also the implementing the decisions, whether decision has been implemented properly. Quality of the decision making should be ensured without having any biases as the bias free decision making helps to enhance the performance of the employees.

### 9.2 Limitations

This study was to identify the impact of administrative practice on job performance. Only two sub variables under

administrative practices were identified as, pay management and decision making. But there are many other administrative practices are practicing in the organizational context, so selecting only two administrative practices is a limitation. Another limitation of the study was that, this study was a cross sectional study, the data was collected only one time. Data was collected only using a standard questionnaire. Other methods as Secondary data, Interviews, Observations have not been used to collect data.

## REFERENCES

- [1] Adams, E. F., Laker, D. R., & Hulin, C. L. (1977), an Investigation of the Influence of Job Level and Functional Specialty on Job Attitudes and Perceptions, *Journal of Applied Psychology*, 62, 335-343.
- [2] Amason, A.C. (1996), Distinguishing the Effects of Functional and Dysfunctional Conflict on Strategic Decision Making: Resolving a Paradox for Top Management Teams, *Academy of Management Journal*, Vol. 39, No. 1., 123-148.+
- [3] Amos, T.L., Ristow, A. and Ristow, L. (2004), *Human Resource Management (2nd Edition)*. Lansdowne: Juta And Co Ltd
- [4] Armstrong, M., and Murlis, H. (1998), *Reward Management: Handbook Of Remuneration Strategy And Practice.*, London: Kogan Page
- [5] Campbell, J. P., McCloy, R. A., Oppler, S. H., and Sager, C. E. (1993), a Theory of Performance. In N. Schmitt & W. C. Borman (Eds.), *Personnel Selection in Organizations* (Pp. 35-70). San Francisco: Jossey-Bass.
- [6] Cheng, B.S., Jiang, D.Y., and Riley, J.H. (2003), Organizational Commitment, Supervisory Commitment, and Employee Outcomes in the Chinese Context: Proximal Hypothesis or Global Hypothesis? *Journal Of Organizational Behavior* , 313-334.
- [7] Collins, C.J., Ericksen, J., and Allen, M. (2005), Employee Outcomes: Human Resource Management Practices and Firm Performance In Small Businesses. Retrieved From <http://Digitalcommons.llr.Cornell.Edu/>.
- [8] Den Hartog, D. N., Boselie, P., and Paauwe, J. (2004). Performance Management: A Model and Research Agenda. *Applied Psychology: An International Review*, 53(4), 556-569
- [9] David, F, Joseph and William, K. (1970) *Job Satisfaction Commitment*, Irwin : Illions.
- [10] Dessler, G. (Oct 2, 2007), *Human Resource Management*. Prentice Hall.
- [11] Ford, R.C., and Richardson, W.D. (March, 1994), Ethical Decision Making: A Review of The Empirical Literature. *Journal of Business Ethics*, 205-221.

- [12] Gardner, D.G, Dyne, L.V., and Pierce, J.L. (2004). The Effects of Pay Level on Organization-Based Self-Esteem and Performance, *Journal of Occupational and Organizational Psychology*, 307–322.
- [13] Gneezy, U., & Rustichini, A. (2000), Pay Enough or Don't Pay at all, *Quarterly Journal of Economics*, 115, 791–810.
- [14] Jackson, S. (2002), Managing Individual Performance: A Strategic Perspective, *Psychological Management Of Individual Performance* (Pp. 372-388).
- [15] Jensen, M.C., and Murphy, K.J. (April, 1990), Performance Pay and Top-Management Incentives. *Journal of Political Economy*, 1-53
- [16] Kuyea, Q.L., and Sulaimonb, A.H.A. (2011), Employee Involvement in Decision Making and Firms Performance in the Manufacturing Sector in Nigeria, *Serbian Journal of Management*, 1-15.
- [17] Lam, S.S.K., Chen, X.P., and Schaubroeck, J. (2002), Participative Decision Making and Employee Performance in Different Cultures: The Moderating Effects of Allocentrism/Idiocentrism and Efficacy. *Academy Of Management Journal*, 905-914.
- [18] Leonard, N. H., Scholl, R. W., and Kowalski, K. B. (1999), Information Processing Style And Decision Making, *Journal of Organizational Behavior*, 20, 407-420.
- [19] Luthans, F. (2004), *Organizational Behaviour*, Singapore: Mcgraw – Hill Book Co.
- [20] Mitchell, T. R. (1973), Motivation and Participation: An Integration, *Academy of Management Journal*, 16: 670-679.
- [21] Money, R.B., and Graham, J.L. (1999), Salesperson Performance, Pay, and Job Satisfaction, *Journal of International Business Studies*, 149-172.
- [22] Moorhead, G., and Griffin, R.W. (1999), *Organizational Behaviour: Managing People and Organization*, 3rd Ed, Mumbai: Jaico Publishing House.
- [23] Morgeson, F.P., Campion, M.A., and Maertz, C.P. (Sep, 2001), Understanding Pay Satisfaction: The Limits of a Compensation System Implementation, *Journal of Business and Psychology*, 133-149.
- [24] Motowidlo, S. J., and Van Scotter, J. R. (1994), Evidence that Task Performance Should be distinguished from Contextual Performance, *Journal of Applied Psychology*, 79, 475-480.
- [25] Muindi, F.K. (2011), The Relationship between Participation in Decision Making and Job Satisfaction among Academic Staff in the School of Business, University of Nairobi, *Journal of Human Resources Management Research*, 34 Pages.
- [26] Opatha, H.H.D.N.P. (2009), *Human Resource Management*.
- [27] Papadakis, V.M., Lioukas, S., and Chambers, D. (Feb., 1998), Strategic Decision-Making Processes: The Role of Management and Context, *Strategic Management Journal*, 115-147.
- [28] Prasanga, A.P.A., and Gamage, A.S. (2012), Job Satisfaction and Job Performance of The Sailors in Rapid Action Boat Squadron of Sri Lanka Navy, *Sri Lankan Journal of Human Resource Management*, 49-57.
- [29] Saleem, I. & Khurshid, A. (2014). Do Human Resource Practices affect Employee Performance? *Pakistan business review*, 15(4): 669-688
- [30] Samad, S. (2011), The Effects of Job Satisfaction on Organizational Commitment and Job Performance Relationship: a Case of Managers in Malaysia's Manufacturing Companies, *European Journal of Social Sciences*, 602-611.
- [31] Schweiger, D.M., Sandberg, W.R., and Ragan, J.W. (1986), Group Approaches for Improving Strategic Decision Making: a Comparative Analysis Dialectical Inquiry, Devil's Advocacy and Consensus, *Academy of Management Journal*, 51-57.
- [32] Sekaran, U., & Bougie, R. (2010, Fifth Edition). *Research Methods for Business, A Skill Building Approach*.
- [33] Shaw, D., Gupta, N., and Delery, J.E. (2002), Pay Dispersion and Workforce Performance: Moderating Effects of Incentives and Interdependence, *Strategic Management Journal*, 491-512.
- [34] Spangenberg, H.H. and Theron, C.C. (2001), Adapting the Systems Model of Performance Management to Major Changes in the External and Internal Organisational Environments, *South African Journal of Business Management*, 32 (1), Pp. 35- 47.
- [35] Storey J. and Sisson K., (1993), *Managing Human Resource and Industrial Relations*, Open Univeristy Pree.Stewart V, 1990, *The David Solution*, Gower Aldershot
- [36] Wagner, A. J. (1994), "Participation's Effects on Performance and Satisfaction: a Reconsideration of Research Evidence, *Academy Of Management Review*, Vol.19, Pp. 312–30.
- [37] Williams, M.L., Mcdaniel, M.A., and Ford, L.R. March, (2007), Understanding Multiple Dimensions of Compensation Satisfaction, *Journal of Business and Psychology*, 429-459.