

The effect of HR Practices on Employee Performance of NIFS

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Abstract— Performance of researchers in a science research institution is recognised as one of the most critical indices for evaluation of a research institute. However, very few prior scientific studies have concentrated on how HR practices effect employees' performance at Sri Lankan science research institutes. Consequently, identifying the HR practices including Recruitment and Selection, Training and Development, Compensation, Performance Appraisal and Promotion practices that influence the NIFS's employee performance is potentially of great value. The study focusses to identify whether the employee performance of NIFS is affected by the above mentioned 5 HR practices.

Purpose

The study is to identify the effect of HR Practices on Employee Performance of NIFS

Design/Methodology/Approach

Primary and secondary data have mostly been used to achieve the study's objectives. The study is conducted by perusing recent, significant journals and papers on the subject that have been published in recognized, top-notch journals. The data on academics' performance has been extracted from NASTEC reports, the NIFS Research Repository, annual reports, and the questionnaire. This quantitative study uses a positivist ontology, utilizing a deductive approach and a slightly modified version of a previously validated and reliability-checked questionnaire

Findings

The results have shown that Recruitment and Selection, Training and Development, Compensation, Performance Appraisal and Promotion practices were significantly correlated with the employee performance ($r=0.382$, $r=0.474$, $r=0.493$, $r=0.359$ and $r=0.704$ respectively). Of all variables, Promotion practices had the strongest positive correlation where it could be used as a significant predictor ($R^2AD=0.394$) for the employee performance of NIFS.

Keywords: Recruitment and Selection, Training and Development, Compensation, Performance Appraisal and Promotion practices, Employee Performance

I. INTRODUCTION

During this era, the science & technology (S&T) sector plays an important role in socio-economic development in a country. In particular, the NIFS plays a vital role in contributing to national development goals by participating in demand-driven research, inventions and innovations, etc.

The modern business environment is undergoing fast change, which forced the business units to implement human resource (HR) practices in order to succeed and compete in their respective industries. Employee performance in a research institute is based on the performance in a certain period and it can be determined by the Key Performance Indicators (KPI), including the Journal Publications, No of Research Supervision, Research Grants

Received, Science Dissemination and so on (Dundar and Lewis, 1998).

Any corporate organization, regardless of size, needs people to function. Any firm may gain a competitive edge by investing in its employees. Employees are valued resources for the company, and their performance determines whether the company succeeds or fails (Jehanzeb and Bashir, 2013). The success of every firm depends largely on its employees in every sector (Jehanzeb and Bashir, 2013). Employee success is intrinsically linked to performance at work, which determines their financial or non-financial consequence (Anitha, 2014). According to McConnell (2003) employee performance, is a person's accomplishments and contributions in concrete, measurable terms. Additionally, employee performance is a complicated idea that can be influenced by a wide range of factors (Brizius *et al.*, 1998). Age, gender, employee recognition, work happiness and performance evaluation methods, are some examples of these factors (Swiercz *et al.*, 2012; Sarmiento *et al.*, 2007). Human resources practices are seen as a crucial corporate resource for maintaining effectiveness.

In recent years, there has been a lot of study on the effect of HR practices on employee performance, and several studies have been done to support this correlation. This research discovered a favorable correlation between almost every practice of human resource management and employee performance (Rasheed *et al.*, 2011; Shahzad *et al.*, 2008; Qureshi *et al.*, 2007). Carlson *et al.* 2006 investigated five HR practices and found that attractive compensation schemes, recruiting, appraisals, training and development, and sustaining employee morale all had an impact on performance. Teseema and Soeters (2006) investigated eight HRM practices, including pension, training, grievance procedures, placement, promotions, recruitment and selection, compensation, and performance evaluation, which have a significant and positive impact on perceived performance. The culture of a business affects how effective HRM policies are implemented, thus companies should be more decentralized and expert-focused (Katou and Budhwar, 2010).

Effective management practices are a key component in employee performance. This research pays special attention towards the five most important of HR aspect that influence the academic staffs' performances of NIFS which are Recruitment and Selection, Training and Development, Compensation, Performance Appraisal and Promotion practices.

II. LITERATURE REVIEW

Our society is directly impacted by education on many different levels, which promotes growth and progress. The developed nation's high literacy rate and productive HR base are a good indicator of this. Higher education institutions play an important role in society (World Economic Forum, 2017) by raising consciousness, creating knowledge, developing skills, and creating value, all of which are critical elements in

ensuring a prosperous future (Cortese, 2003). According to Zainab (1999), a researcher's success as an employee can be elaborated as publishing research findings in prestigious journals, patents, conference proceedings, impact factors, and reviews.

Employees are essential to every company's future success and play a crucial role in achieving company goals (Koshy and Suguna, 2014). Numerous studies have stressed the need of raising employee performance since doing so creates a competitive advantage (Chang and Huang, 2005). Therefore, it becomes crucial for businesses to develop plans that would improve employees' performance. Human resource is also a component of a number of resources that help firms maintain their competitive advantage, which improves organizational performance (Choi, 2014). In line with this several studies, like Delery and Doty (1996) and Husiled (1995), have shown a connection between HR practices and improved employee performance. Some studies have asserted the opposite (Wall and Wood, 2007). Therefore, it is crucial to carry out this kind of study in order to cement the current body of knowledge in the research field. As a result, the focus of this study is on reviewing literature on HR practices, including Recruitment and Selection, Training and Development (T&D), Compensation, Performance Appraisal, Promotion, and Employee Performance.

A. Employee Performance

Employee performance is intrinsically linked to their performance, which determines their financial or non-financial outcome (Anitha, 2014). Employee performance, according to McConnell (2003), is the accomplishment and contribution of a particular person in concrete and quantitative terms. It is a complicated idea that can be influenced by a wide range of factors including age, employee recognition, recruitment, and performance rating methods etc. (Jamil and Raji, 2011). Employees are a valued resource for the company, and their performance determines whether the company succeeds or fails. Thus, the success of every firm depends largely on its employees in every sector (Jehanzeb and Bashir, 2013). Research findings play a crucial role in producing and evaluating scientists' academic accomplishments, referred to as researchers' employee performance (Gu *et al.*, 2011). Thus, when it comes to research institutes the concept of employee performance explicitly refers to the act of publishing an article for publication in an academic journal, publishing or editing a book or monograph; publishing a book review; or presenting a paper at a meeting (Pellino *et al.*, 1984).

B. HR Practices

HR practices can be considered as a method of luring, inspiring, and retaining employees to ensure the longevity of the business (Schuler and Jackson, 1987). Human capital plays a key influence in attaining the organization's goals thanks to the way HR practices are planned and put into action. Delery and Doty (1996) described HR practices as a collection of internally consistent policies and processes in order to ensure that a company's human capital supports the achievement of its business objectives. According to Stavrou-Costea (2005), effective HR practices may be the key to a

company's success. In order to improve organizational performance, HR practices like T&D and performance evaluation motivate people to work harder (Pfeffer, 1998). A variety of HR strategies might be evaluated in relation to employee performance. Teseema and Soeters (2006) investigated the correlation between eight HR practices and perceived employee performance. The practices selected for this study are based on its importance in relation to the research industry. The practices used in this study are listed and defined as follows:

C. Recruitment and Selection

Creating a pool of qualified candidates to apply for jobs at an organization is the process of recruitment (French and Rumbles, 2010). The term "recruitment and selection" also refers to any procedure or action carried out inside a company with the primary objective of identifying and luring potential personnel (Jones, 2006). In a similar line, it has been established via empirical research that recruitment and selection are crucial organizational practices that can result in high productivity and performance (Michie and Sheehan, 2005). Additionally, Fiorito *et al.* 2007 asserts that recruitment and selection can increase the level of employee engagement. Takeuchi *et al.* (2007) further contend that it can improve the development of human capital, which would then lead to greater overall performance. Additionally, several empirical research linking hiring and selection practices to employee performance have been carried out (Babagana, 2014; Saleem and Khurshid, 2014). All of these research' outcomes show a strong correlation between Recruitment and selection practices and employee performance.

D. Training and Development

Each employee can acquire the knowledge, skills, and compliance required for successful job performance through training, which is the planned and coordinated adjustment of behavior through learning activities, programs, and teaching (Armstrong, 2006). Additionally, development entails improving a worker's KSAs (Truss *et al.*, 2012). The academic staff's high degree of work performance may be impacted by the internal training they receive from the company. The training could help them develop their administrative and teaching abilities. As a result, there is a link between academic staff employees' performance and their level of training. It can be substantiated by the study conducted by Johansson *et al.*, 2007, where it was shown that the academic staff's T&D would improve both their abilities and performance.

E. Compensation

John (2003) claims that the term "compensation" simply refers to an HR practice that deals with all benefits given to employees in exchange for their contributions to the achievement of corporate goals. Additionally, compensation has long been seen as a major concern for employees and a potent tool for helping them perform better. Different types of compensation packages, including salaries, bonuses, and incentives, are created for various levels of workers, based on the employees' educational backgrounds, work experience, and types of trainings that they have undergone (Pedro and Vicente, 2007). The compensation package that academic

staff members got while providing services to the company is thought to have a direct impact on how well they accomplish their jobs. According to Shahzad *et al.* 2008 an effective compensation plan will encourage employees to put in extra effort and demonstrate high levels of competence in order to meet organizational goals. Due to the fact that compensation involves both a monetary and nonmonetary incentive system, it has also been claimed that compensation is the major factor that might influence academic staff promotions.

F. Performance Appraisal

Any organization's frameworks for its employees should be measured with the use of an appraisal system. By evaluating each person's contribution to and performance against organizational goals, as well as chances for future improvement, it is used to determine whether organizational goals are accomplished or act as the basis for the business's future planning and development (Daoanis, 2012). Grote *et al.* 2010 argue that performance reviews have more of an influence on employees' careers and work-based lifestyles than other management processes. Additionally, by providing feedback on performance, businesses may improve productivity and employee motivation. According to several empirical research performance appraisal and employee performance in organizations are positively correlated (Poursafar *et al.*, 2014). Similarly, Teseema and Soeters (2006) found that performance evaluation procedures and employees' perceived performance are closely related.

G. Promotion

Another crucial aspect in an organization's ongoing productivity improvement is employee promotion. According to Sikula (2000), promotion is the transition from one job to another within an organization that entails either a pay raise or a rise in prestige. Promotion, attracts skilled and qualified employees to a company, motivating them to maintain their motivation and loyalty and boosting performance (Saharuddin, 2016). Teseema and Soeters (2006) discovered a favorable association between employee performance and promotion procedures.

Similar to this, Shahzad *et al.* 2008 revealed a favorable correlation between promotion procedures and university professors' performance. Rinny (2020) has shown that the promotion has a favorable and considerable impact on the academic staff at Mercuri Buana University. According

to the findings of the research Rahayu (2017), the performance of the workforce was positively and significantly impacted by job promotions. In contrast to the findings of Ardi *et al.* 2016 who found that the promotion had little to no effect on performance.

H. The effect of HR practices on Employee Performance

In recent years, demonstrating the value of efficiently managing an organization's human resources has dominated HRM literature (Ahmad and Schroeder, 2003). It basically goes without saying that there are a variety of theoretical considerations (such as resource-based theory, and human capital theory) in favor of the notion that HR practices have an impact on employee performance (Guest, 1997; Pauwe and Boselie, 2003). For instance, Delery and Doty (1996) emphasized seven HR-related behaviors, while Pfeffer (1994) suggested utilizing 16 HR-related practices to improve performance. Recent research has shown that systems or collections of HR practices have a bigger impact on performance than discrete, individual practices (Huselid, 1995).

Tasks that are assigned and successfully completed by academics at academic institutions will result in good performance. It has been suggested that work performance of the academic staff will be positively correlated with various HR practices. When academic staff members are confident in their work status, it will be easier for them to perform effectively on the job.

III. METHODOLOGY

A. Design

There are 365 research staff employed at NIFS, and a sample of 186 has been taken according to the Morgan table (Krejcie & Morgan, 1970). Simple random sampling has been used for the focus group with every other academic in the given research listing of the organization. A slightly adopted version of an already validated and reliability checked questionnaire was used for the data collection. The structured survey questionnaire with both open-ended and closed-ended questions has been pilot tested to assure the clarity and ease of competition. The items will be rated on a five-point Likert scale with 1 = "strongly disagree" and 5 = "Strongly agree". The conceptual framework was designed accordingly as per the Figure 1.

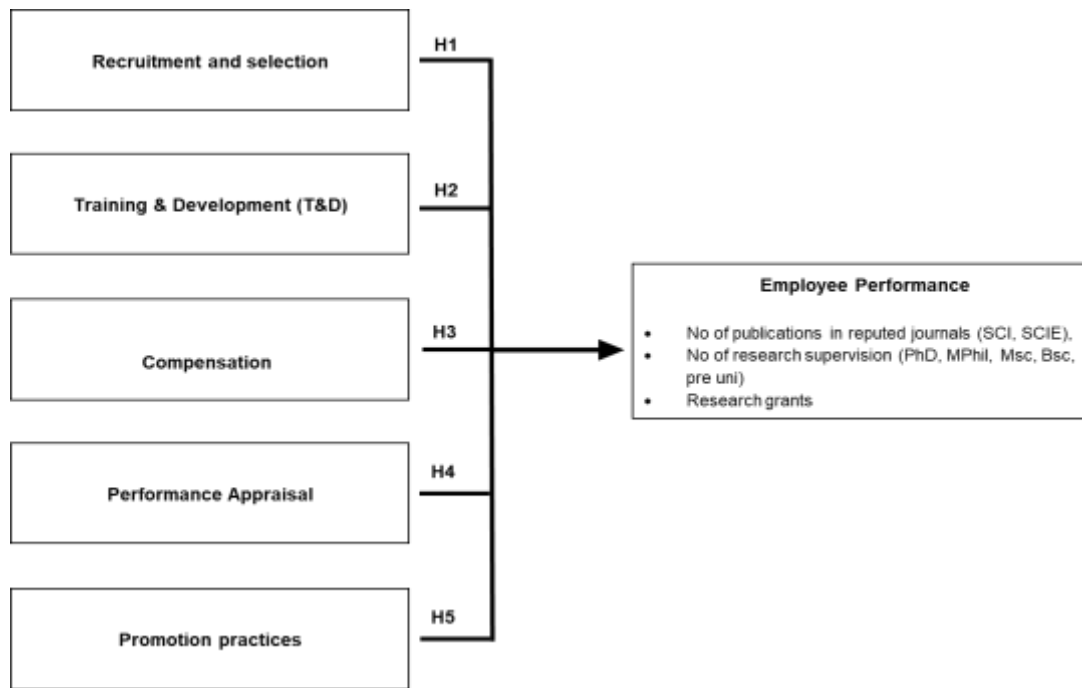


Fig. 1: The structural Model
Source: Researcher Developed, 2022

B. Hypothesis development

The hypotheses are developed to determine the relationship HR practices (Recruitment and Selection, Training and Development, Compensation, Performance Appraisal and Promotion practices) are having on employee performance in NIFS.

Lushiku (2014) studied the effect of selection process to the performance of public institutions in Tanzania and revealed that there is direct correlation between selection process and the performance of employees in public institutions. Sunday *et al.*, (2015) also opined that employees should all be treated fairly in the recruitment and selection process and be appraised constantly to ensure that they improve upon their performance. According to Ekwoaba *et al.* 2015 recruitment practices and employee selection have a significant impact on employee performance. The study also found that the more objective the recruitment practices and employee selection, the better the organization's performance. According to Kepha *et al.* 2014, there was a strong correlation between According and selection practices and employee performance in Kenyan research institutes. Therefore, the relationships could be stated as follows,

H₁: Recruitment and selection practices have a significant impact on employee performance of NIFS

The findings of Issahaku *et al.* in 2014 showed a substantial correlation between T&D and employee performance. Furthermore, Falola *et al.* 2014 investigated how well T&D might improve employee performance. The organization's investment in the academic staff's training will eventually boost staff morale, motivation, and devotion, which will directly affect how well the employees execute their jobs (Pfeffer, 1998).

Therefore, the relationships could be stated as follows,

H₂: T&D practices have a significant impact on employee performance of NIFS

As per the research conducted by Tahir *et al.* 2011 extrinsic and intrinsic compensation utilized by the National Bank of Pakistan in 2011 showed a positive correlation with employee performance. According to empirical research, there is a positive relationship between compensation and employee performance in the banking sector (Ahmed *et al.*, 2014). According to Zafar *et al.* 2020, compensation has a positive and significant impact on employee performance at public institutions, implying that if compensation rises, employee performance would follow in a weak to moderately positive relationship.

Therefore, the relationships could be stated as follows,

H₃: Compensation practices have a significant impact on employee performance of NIFS

Rasch (2004) asserts that performance appraisal has both positive and negative effects on employee performance. Employees that earn a good rating on their performance appraisal are often encouraged to continue performing well. Positive appraisal feedback, especially when coupled with pay raises, offers employees a sense of value and worth. An individual may experience a lack of motivation at work if a supervisor gives him or her a low rating on their appraisal. As a result, this may have an effect on the employee's performance (Cook and Crossman, 2004). The principles of performance appraisal may alter in terms of the metrics, traits, and criteria for evaluation, but they always remain the same. However, using performance appraisal as a method of monitoring employee performance is more effective (Anderson, 2002). Rudman (2003) asserts that an organizations performance appraisal policy is essential for improving an employee's performance.

Therefore, the relationships could be stated as follows,

H₄: Performance Appraisal practices have a significant impact on employee performance of NIFS

Christina (2014) evaluated the impact of job promotions on Tanzania's City Council employees' performance. The study found that the performance of City

Council employees is highly impacted by job promotion. Tadesse (2017) investigated how employee promotion practices and employee performance in Dashen Bank S.C. related using an explanatory study methodology. The findings showed that employee performance and work satisfaction were significantly impacted by job promotion methods and expectations. Noor and Silitonga (2018) used a descriptive research approach to investigate the link between employee promotion and performance. The findings showed that job promotion had a substantial impact on organizational commitment and performance.

Therefore, the relationships could be stated as follows,

H₅: Promotion practices have a significant impact on employee performance of NIFS

IV. DISCUSSION

To determine whether the data follows a normal distribution, a normality test was performed. Two tests were run to check the normality, and the test statistics are shown in Table 1.

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
EP	0.107	186	0.000	0.984	186	0.034

^a. Lilliefors Significance Correction

Table 1: Tests of normality

Since the data set is smaller than 2000 elements Shapiro-Wilk test was used to analyze the data. Accordingly, the P-value is 0.034, which is less than the significance level of 0.05 (P < 0.05). Therefore, it can be concluded that the data is not normally distributed. Since the data set is not normally distributed, non-parametric tests were conducted to achieve the objectives of the study.

A. Correlation of the dependent and independent variables

Spearman's correlation was done to see the association between the dependent variable and the independent variables and the independent variables themselves. Spearman's

C. Analysis of variance (ANOVA)

The Table of ANOVA shows if the regression models are statistically significant.

Model		Sum of Squares	df	Mean Square	F	P value
Model 1 RS	Regression	3.47	1	3.47	12.90	P < 0.05 ^b
	Residual	49.45	184	0.27		
	Total	52.91	185			
Model 2 TD	Regression	7.63	1	7.63	30.99	P < 0.05 ^b
	Residual	45.9	184	0.25		
	Total	52.91	185			
Model 3 CP	Regression	9.11	1	9.11	38.25	P < 0.05 ^b
	Residual	43.81	184	0.24		
	Total	52.91	185			
Model 4 PA	Regression	4.64	1	4.64	17.69	P < 0.05 ^b
	Residual	48.27	184	0.262		
	Total	52.91	185			
Model 5 PM	Regression	21.05	1	21.05	121.51	P < 0.05 ^b
	Residual	31.87	184	0.173		
	Total	52.91	185			

Dependent variable: EP

^b Predictors: (Constant), RS, TD, CP, PA, PM

Table 3: Analysis of variance (ANOVA) in the dependent variable

correlation coefficient was determined to examine the strength and the direction of the linear relationship between two continuous variables. The larger the absolute value of the coefficient, the stronger the relationship between the variables.

	RS	TD	CP	PA	PM	EP
RS	1					
TD	.575**	1				
CP	.558**	.749	1			
PA	.605**	.657**	.553**	1		
PM	.683**	.634**	.661**	.620**	1	
EP	.382**	.474**	.493**	.359**	.704**	1

** Correlation is significant at the 0.01 level (2-tailed)
RS= Recruitment and Selection, TD= Training and Development, CP= Compensation, PA= Performance Appraisal, PM= Promotion, EP= Employee Performance

Table 2: Correlation between the variables tested

All the tested predictor variables were significantly correlated (P < 0.05) with the EP. Correlations among the predictor variables were positive, ranging between 0.553 (CP and PA) and 0.749 (TD and CP). The correlations between predictor variables and employee performance were also positive ranging from 0.359 (PA and EP) and 0.704 (PM and EP). PM was the most tightly correlated predictor variables with the EP (r = 0.704). TD and CP were the second most correlated variables with the EP (r = 0.474 and 0.493 respectively). The weakest correlated predictor variable was the PA (r = 0.359).

B. Linear Regression Analysis

Finally, stepwise linear regression analysis was performed to help determine which of the five predictor variables (RS, TD, CP, PA and PM) could be used to predict the EP. Five models were tested, which provides the data regarding which model could statistically significantly predict the dependent variable.

Results have shown that the five regression models are statistically significant ($P < 0.05$), $F(1, 184) = 12.90$, $P = 0.000$; $F(1, 184) = 30.99$, $P = 0.000$; $F(1, 184) = 38.25$, $P = 0.000$; $F(1, 184) = 17.69$, $P = 0.000$; $F(1, 184) = 121.51$, $P = 0.000$ and $F(1, 184) = 40.91$, $P = 0.000$.

D. Goodness of fit

The summaries of the five models have revealed the R and R² values, which indicate how much of the total variation in the dependent variable can be explained by the independent variable, and the results are shown in Table 4.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.256 ^a	0.066	0.060	0.52

E. The Coefficient values

The coefficient table also determines if the predictor variables statistically significantly contribute to the model.

Model	Unstandardized Coefficients			Standardized Coefficients		
		B	Std. Error	Beta	t	P value
1	Constant	2.332	0.189		12.320	P < 0.05
	RS	0.210	0.059	0.256	3.592	
2	Constant	1.691	0.238		7.120	P < 0.05
	TD	0.415	0.074	0.380	5.567	
3	Constant	1.622	0.225		7.197	P < 0.05
	CP	0.445	0.072	0.415	6.185	
4	Constant	2.131	0.209		10.17	P < 0.05
	PA	0.266	0.063	0.296	4.21	
5	Constant	0.744	0.207		3.600	P < 0.05
	PM	0.730	0.066	0.631	11.023	

Table 5: Coefficient values of the Dependent variable

The results of Table 5 show statistically significant unstandardized coefficients for all five models.

The predictor with non-significant regression coefficient (RS, TD, PA and CP) were removed and the final regression analysis conducted had an adjusted R square of 0.39 { $F(1, 184) = 121.51$, $P = 0.000$ }, with one significant predictor of EP (PM).

	Regression equation	R Square	Adjusted R Square	P value
Model 5	EP = 0.744 + (0.73 PM)	39.8%	39.4 %	P < 0.05
RS= Recruitment and Selection - TD= Training and Development, CP= Compensation, PA= Performance Appraisal, PM= Promotion, EP= Employee Performance				

Table 6: Linear Regression Analysis for the estimation of RP

- H₁: Recruitment and selection practices have a significant impact on employee performance of NIFS
- H₂: T&D practices have a significant impact on employee performance of NIFS
- H₃: Compensation practices have a significant impact on employee performance of NIFS
- H₄: Performance Appraisal practices have a significant impact on employee performance of NIFS
- H₅: Promotion practices have a significant impact on employee performance of NIFS

As per tables 2, 3, 4, 5 and 6, all predictor variables (RS, TD, CP, PA and PM) have a positive significant impact on employee performance in NIFS. Therefore, all five hypotheses were treated as strongly supported and the

2	0.380 ^a	0.144	0.140	0.50
3	0.415 ^a	0.172	0.168	0.50
4	0.296 ^a	0.088	0.083	0.51
5	0.631 ^a	0.398	0.394	0.42

^aPredictors: (Constant), RS, TD, CP, PA, PM

Table 4: Model Summary

According to the results, the adjusted R² values obtained for the five models are 0.060, 0.140, 0.168, 0.083, and 0.394 respectively for the five models. This indicates that the independent variables, including RS, TD, CP, PA, and PM, explain 6%, 14%, 16.8%, 8.3%, and 39.4% of the variability of the dependent variable, respectively.

alternative hypotheses are accepted. However, PM was the most tightly correlated predictor variable with the Employee Performance.

V. CONCLUSION AND MANAGERIAL IMPLICATIONS

The scientific research of a country influences all aspects of a country's future by helping its development, economic growth, and greater social well-being. Researchers' employee performance is recognized as one of the most critical indices for the evaluation of a research institute. Very few previous scientific studies have focused on the HR practices effecting a Science research institutes' employee performance in Sri Lanka. The present study provides a systematic analysis of the influential factors on the EP of the NIFS in the Sri Lankan context. All independent variables were significantly related to EP as originally expected. According to the results, Recruitment and Selection practices, T&D practices, Compensation, Performance Appraisal practices and Promotion practices variables have a significant positive correlation with EP. The current findings are consistent with previous research findings (Abomeh and Blessing, 2013; Falola *et al.*, 2014; Shahzad *et al.*, 2008; Teseema and Soeters, 2006; Rinny, 2020).

Out of that five variables TD, CP and PM were the most tightly correlated predictor variables with the EP ($r = 0.474$, $r = 0.493$, and $r = 0.704$, respectively) and promotion practices had the strongest positive correlation where it could be used as a significant predictor ($R^2_{AD} = 0.394$) for the employee performance NIFS. Based on the current study results, it can be concluded that HR practices can play a

significant and essential role in employee performance in the institute. Taken together, these separate analyses strengthen the perception that a highly research performed institution is indeed a function of the combination and interaction of all these HR practices.

The human workforce is considered one of the most important organizational assets in this era of technological advancements and ongoing successful expansion of technology. The following suggestions will be made in order to improve the human capital of NIFS.

In order to choose the finest candidates from a pool of applications, organizations must have a defined recruiting and selection policy. It can be recommended that, NIFS should change the existing policy to have a strong recruiting policy, which calls for an effective hiring procedure. The policy must have unwavering standards to be adhered to in terms of recruiting, selection, and induction. A strong employer brand is also advised for NIFS in order to draw in more qualified candidates. Having a good reputation helps to attract more talent. Therefore, developing a strong employer reputation strategy is essential. The institute can expand its website as a platform for launching fascinating and enticing marketing and showcasing its culture to draw candidates who share their ideals. It is recommended that a competitive, comprehensive, structured training program for researchers be developed, including an entry-level orientation program to teach the basics of research planning, procedures, implementation, and ethics. It is also recommended that the institute leadership should enable young researchers to attend conferences, which will expand opportunities for young people to conduct research and write and publish their findings.

The findings of the study indicate that creating a compensation strategy will be challenging. The institute leadership is recommended to keep the compensation up to date on a regular basis and should be competitive with the market. Institute should maintain transparent remuneration practices, and staff members should be aware of them. Implementing innovative performance appraisal methods, such as 360-degree feedback, will enable NIFS to gather data on an employee's performance from a number of sources. It is advised to alter the review cycle for each employee such that assessments take place apart from pay reviews at the very least on the anniversary of first recruitment. The majority of institutions honor good research publications. When evaluating a paper's merit, point out that how the papers are cited in terms of technique and conclusion is also relevant. As a result, it is recommended the researchers to be compensated for their publications in high-impact journals, encouraging them to write more high-quality articles.

VI. LIMITATIONS OF THE STUDY

Due to the challenge of collecting data from all the other research institutes in a timely manner, the collection of data was limited to the NIFS. However, because the study's conclusions are consistent with those of prior research, they may be generalized to any institution or industry. Future research might concentrate on this issue and carry out a large-scale, representative study involving all Sri Lankan research institutions. This could alter some of the relevance

of the variables or give the model more predictive ability. This would make it possible to validate or replicate the results. During the COVID-19 pandemic, it was not feasible to collect data from some of the senior researchers who are not accustomed to the online questionnaire format due to time constraints and other factors. It would have been easier to get data from the sample if it had been able to utilize a paper survey.

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