

EFFECT OF FIRST LINE EMPLOYEE PERFORMANCE ON ATTRACT FUNDS GILAN'S MELLAT BANK BRANCHES

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Abstract

In the new era, human resource of knowledge based is considered as Most important organization's capability in acquisition competitive advantage and most important intangible asset. Organizations believe it is must be considered employees the basis for quality improving and efficiency of organizational processes. Thus in this study, evaluated impact of human capital features on employees' performance and finally, impact of employees' performance on attract funds. To achieve this goal, defined two main hypotheses as existence a significant relationship between the main variables and based on conceptual model. Then this assumptions was analysis with sampling and data collection from the statistical population by Pearson correlation test. The results showed that there is a significant positive relationship between human capital features of (education, experience, track record) and employee performance and also between employees performance and attract funds.

Keywords : Human Capital, Performance, Employee's Performance, Attracting Sources

Introduction

Early the decade 1950, thought the main factor of backwardness in developing countries often lack the financial and physical capitals. In framework this attitude, these countries it deals to earn capital by different ways and appealing to friend and foe. This would cause intensification of dependence and destroy economic and political foundations in this countries. (Perez et al. 2003)

In new era, human resources of knowledge based putative as most important capabilities of the organization in gain a competitive advantage and most major intangible assets. Organizations

believe that it is must considered employees as foundation for the quality improving and efficiency of organizational processes. Therefore, leading organizations considered people as the most valuable asset and unlimited attempts to attract, education, development, maintenance and deployment of skilled human resources and they create your competitive advantage of today and tomorrow. (Seetharaman 2002)

The Issue Expression of Research

Performance refers to how perform tasks and activities and their results. Performance considered as measurable results of organization's decisions and actions that is indicates amount of success and achieved gains (Gates & Langevin 2010). In fact organizational performance is a indicator measuring how to achieve a successful investment to its objectives. This organizational performance can be evaluated through the organization's effectiveness and efficiency in achieving to its objectives. (Jacobsen 2005)

Organization through improved performance be able will satisfy wishes, needs and expectations of the stakeholders. Organization must in order to improve performance does improvement continuously its efficiency and effectiveness. This is require having the ability to design, implement, management and development of organizational processes based on organization's output product and its income. (Segal et al. 2010)

Human capital formed the foundation of intellectual capital and it is considered a key element in implementation functioning of intellectual capital. This investment is represents a continuing source of innovation renewal for organization that have the ability to understand and it is able to create benefit from the experience achieved. (Longo & Mura 2007)

Previous Research

1. Khazra (2006) in an article entitled " Effective factors on equip of financial resources " concluded factors such as information and communication technologies, skills of human force working in banks, the variety and quality of banking services, Customer satisfaction from employee and compliance of internal environment, and also location of branches in the new banking are important tools that used from them for attract of money resources optimal.
2. Yong and Jung (2006) it deals to study the long-term profitability of banks in Taiwan and concluded banking services is considered the most important factor in profitability and obtain benefits for banks and also bank's employees is considered the most important and essential factor to achieve increased profitability and obtain benefits.
3. Lorne Switzer and Yanfen Huang (2007) carried out research as " How human capital affects on the Performance of SMEs " in order to investigate the relationship between human capital and company performance. The results showed. there is a positive relationship between human capital and company performance. (Selim et al. 2007)

Models of Research

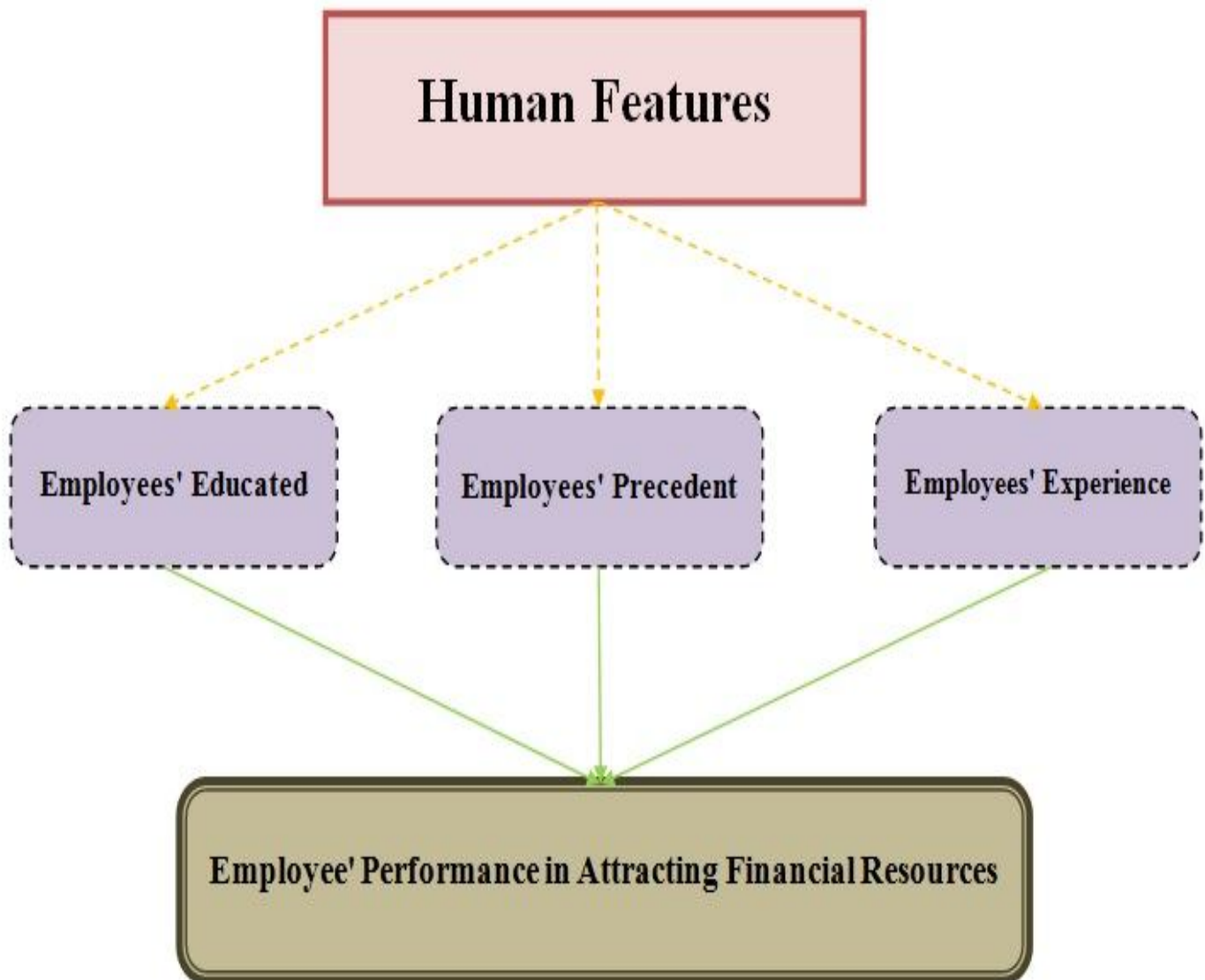


Figure 1 : Conceptual Model of Research

The Research Hypotheses

The main hypothesis : Features of human capital has effect on first line employee performance in branches of Gilan Mellat Bank

The first Sub-hypothesis : First line employees educated has effect on their performance in branches of Gilan Mellat Bank

The second Sub-hypothesis : First line employees experience has effect on their performance in branches of Gilan Mellat Bank

The third Sub-hypothesis : First line employees precedent has effect on their performance in branches of Gilan Mellat Bank

The fourth Sub-hypothesis : First line employees performance has effect on attract funds in branches of Gilan Mellat Bank

Theoretical Research

Human Capital : Human capital is defined as individual knowledge, skills, abilities and experiences in employees of the an organization for create value and solve business problems (Juma & McGee 2006). Bontis called essence of human capital as pure Intelligence of organization's members. (Bontis 1998)

Performance : Organizations for maintain own life and advance in today's competitive world have need to improve performance (Motevaseli & Ahanchian 2002). Performance refers to how perform tasks, activities and results of them (Fatemi Noosh Abadi 2008). Performance implies to quality and amount of individual work or teamwork successes (Switzer & Huang 2007)

Attracting Sources : In activities of an organization attract funds has very important. Success in this field could be a factor for success in other fields. Attract funds for any organization is concerned both outside the organization Factors and within the enterprise factors. (Gilaninia 2011)

Research Methodology

This Research is the descriptive analytical research. In terms of purpose is application. Applied research is research that take use from theories, laws, principles and also techniques will be codification in basic research for solving issues implementation and real (Khaki 1999). Population is largest collection of organisms that will be considered in a given time and have at

least one characteristic trait (Azar 2006). Population should be determined terms of content, scope and time (Iran Nejad Parizi 2004). Statistical population of this research are consists of all employees of Gilan Mellat Bank. Statistical population size was equal to 510. Sampling in this study was conducted method of sample random. Using Cochran's sampling formula sample size was estimated 219. The data gathering tool In this study was questionnaire. The questionnaire is a set of written questions and frequently based on specified options. (Best 1992)

Validated of Questionnaire

Validated of tools is defined as if a measuring tool made for measure of variable and attribute and used in similar terms, at the time or location another were obtained similar results from it (Hafez Nia 2005). For determine the reliability in this research is used the Cronbach's alpha.

Table 1 : Cronbach's alpha coefficient

Variable	Number of Questions	Cronbach's Alpha
First Line Employee Performance	7	0.866

Methods of data analysis

Data analysis is provided in two methods, descriptive statistics included indices and abundance percentages, tables and graphs and also inferential statistics included tests such as Pearson correlation coefficients and hierarchical regression by SPSS software.

Test Results

The main hypothesis test: Features of human capital has effect on first line employee performance in branches of Gilan Mellat Bank

To examine the above hypothesis was used regression analysis. The results can be seen In table below :

Table 2 : Anova

	Sum of Second Squares	d.f	Mean of Second Squares	F	Sig.
Regression Equation	57.099	3	19.033	92.464	.000*
Amount of Error	44.462	216	.206		
Sum	101.561	219			

Given that significant level is lower than 0/01, the linearity of the relationship between variables in regression was significant in level of %99 (Sig. = 0.000)

Table 3 : Regression coefficients

R	R²	Adjusted R²	Durbin-Watson
.750 ^a	.562	.556	2.400

Given that amount of Durbin-Watson has been in range between 1/5 to 2/5, can be concluded that observations are independent from each other. Multiple correlation coefficient (R) is between 0 and 1. The coefficient of determination (R²) shows that about 56 percent of the dependent variable changes is result of independent variables means employee performance varies and the remaining 44 percent depend on other factors.

Table 4 : The Regression Equation

	Non-Standardized Coefficients		Standardized Coefficients	T	Sig.
	B	Standard Error	Beta		
Constant Value	.986	.132		7.475	.000

Employee Experienced (x_1)	.329	.040	.468	8.200	.000
Employee Precedent (x_2)	.065	.038	.099	1.705	.090
Employee Educated (x_3)	.258	.040	.335	6.431	.000

$$Y = 0.329X_1 + 0.065X_2 + 0.258X_3 + 0.986$$

Given the significant level, two independent variables, employees experience and educated have significant effect in predicted the dependent variable, and variable employee precedent is not significant.

According to the obtained coefficients Beta, amount of this coefficients for independent variables employees experience and educated were significant and amount of coefficient for variable of employees experience is greater than the rest.

The first Sub-hypothesis test: First line employees educated has effect on their performance in branches of Gilan Mellat Bank

Given that significant level is lower than 0/01, the linearity of the relationship between variables in regression was significant in level of %99 (Sig. = 0.000)

Given that amount of Durbin-Watson has been in range between 1/5 to 2/5, can be concluded that observations are independent from each other. Multiple correlation coefficient (R) is between 0 and 1. The coefficient of determination (R^2) shows that about 34 percent of the dependent variable changes is result of independent variables.

Table 5 : The Regression Equation

	Non-Standardized Coefficients		Standardized Coefficients	T	Sig.
	B	Standard Error	Beta		
Constant Value	1.771	.131		13.541	.000
Employee Educated	.449	.042	.584	10.613	.000

According to the obtained coefficients **Beta, B**, amount of **t** and Sig. level of this coefficients for independent variables employees educated were significant.

The second Sub-hypothesis test: First line employees experience has effect on their performance in branches of Gilan Mellat Bank

Given that significant level is lower than 0/01, the linearity of the relationship between variables in regression was significant in level of %99 (Sig. = 0.000)

Given that amount of Durbin-Watson has been in range between 1/5 to 2/5, can be concluded that observations are independent from each other. Multiple correlation coefficient (R) is between 0 and 1. The coefficient of determination (R²) shows that about 45 percent of the dependent variable changes is result of independent variables.

Table 6 : The Regression Equation

	Non-Standardized Coefficients		Standardized Coefficients	T	Sig.
	B	Standard Error	Beta		
Constant Value	1.482	.126		11.781	.000
Employee Experience	.471	.035	.671	13.376	.000

According to the obtained coefficients **Beta, B**, amount of **t** and Sig. level of this coefficients for independent variables employees experience were significant.

The third Sub-hypothesis test: First line employees precedent has effect on their performance in branches of Gilan Mellat Bank

Given that significant level is lower than 0/01, the linearity of the relationship between variables in regression was significant in level of %99 (Sig. = 0.000)

Given that amount of Durbin-Watson has been in range between 1/5 to 2/5, can be concluded that observations are independent from each other. Multiple correlation coefficient (R) is between 0 and 1. The coefficient of determination (R²) shows that about 28 percent of the dependent variable changes is result of independent variables.

Table 7 : The Regression Equation

	Non-Standardized Coefficients		Standardized Coefficients	T	Sig.
	B	Standard Error	Beta		
Constant Value	1.915	.135		14.204	.000
Employee Precedent	.345	.038	.529	9.199	.000

According to the obtained coefficients **Beta**, **B**, amount of **t** and Sig. level of this coefficients for independent variables employees precedent were significant.

The fourth Sub-hypothesis test : First line employees performance has effect on attract funds in branches of Gilan Mellat Bank

Given that significant level is lower than 0/01, the linearity of the relationship between variables in regression was significant in level of %99 (Sig. = 0.000)

Given that amount of Durbin-Watson has been in range between 1/5 to 2/5, can be concluded that observations are independent from each other. Multiple correlation coefficient (R) is between 0 and 1. The coefficient of determination (R²) shows that about 31 percent of the dependent variable changes is result of independent variables.

Table 8 : The Regression Equation

	Non-Standardized Coefficients		Standardized Coefficients	T	Sig.
	B	Standard Error	Beta		
Constant Value	1.836	.132		13.941	.000
Employee Educated	.443	.044	.562	10.041	.000

According to the obtained coefficients **Beta**, **B**, amount of **t** and Sig. level of this coefficients for independent variables employees performance were significant.

Conclusions

Given that level of significance in all hypotheses is less than 0/01, the linearity of the relationship between the variables in the regression in level of %99 was significant. Also according to amount of Durbin-Watson test in all hypotheses has been in the range between 1/5 to 2/5 can be concluded that observations are independent from each other. Finally, according to obtained coefficients **B**, **Beta**, amount of **t** and significance levels of this coefficients are significant for all independent variables.

Suggestions of Research

1. It is expected that organization with effective use of human capital strengthen motivating in the employees and increase creativity and innovation field in them
2. It is expected that take steps to enhance own employee knowledge and have the necessary cooperation in the field of education own labor with them
3. It is suggested that in order to benefit from valuable experiences of this investment and provide job creation context for young force, experienced force at the end of its service to the organization responsible for education a young force replaced itself.
4. Given that employee precedent has a direct relationship with employee performance, should provide conditions that increase years of working in organization does not cause uniformity of work conditions

Suggestions for Future Research

1. This study was performed on employees' human capital. Researchers can conduct study for evaluation of managers' human capital.
2. It is suggested that a research be conducted in a larger statistical population.
3. It is suggested that perform this study in the case of other banks

Limitations of Research

1. According to the large number of Mellat bank branches data collected through the questionnaire has been needy much time
2. Lack of cooperation of some of Mellat Bank branches with researcher to distribute of questionnaires
3. Lack of respondents attention to complete questionnaire and importance of research, in result non-use a number of received questionnaires by researcher

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