

STRATEGIC HR AND INCLUSIVE CULTURE: DUAL DRIVERS OF EMPLOYEE PERFORMANCE

Dr. Salman Ahmed Khatani^{*1}, Dr. Ammad Zafar², Muhammad Ali Wasif³, Sofia Rehan⁴,
Sara Qamar⁵

^{*1} Associate Professor, Department of Business Administration Iqra University, Karachi, Pakistan

² Associate Professor Department of Management Sciences Dha Suffa University

³ Phd Scholar University of Karachi

^{4,5} Research Scholar

¹salman.ahmed@iqra.edu.pk, ²ammad.zafar@dsu.edu.pk, ³aliwasif786@gmail.com,
⁴sofiarehan9@gmail.com, ⁵sara.qamar@gmail.com

Corresponding Author: *

Dr. Salman Ahmed Khatani

Received	Revised	Accepted	Published
25 March, 2025	25 April, 2025	09 May, 2025	19 May, 2025

ABSTRACT

Organizations in the corporate sector face stiff international competition which drives them to constantly develop methods for better employee performance combined with productivity preservation. This study investigates perceived HR practices together with diversity management practices which contribute to performance enhancement by retaining employees through work engagement as the mediator. The research bases its hypothesis construction on Social Exchange Theory. The investigation includes perceived HR practices together with training and diversity management as independent variables that affect task performance and organizational citizenship behavior which constitute the dependent variables. A structured questionnaire obtained data from 325 employees who work in both private sector and public sector banks within Karachi Pakistan. The research analysis using SPSS and Smart-PLS demonstrates that employees who perceive favorable HR practices and receive proper training and experience diverse management show higher work engagement levels. Workers who display work engagement show superior performance both in assigned duties and civic duties related to organizational tasks. The results reveal partial mediation between employee practices and employee performance levels which proves that engaged workers demonstrate superior outcomes. Evidence demonstrates that work engagement functions as a partial intervening factor between the relationship between diversity management and employee performance. The research provides essential information for banking sector HR managers to demonstrate the significance of work engagement because it shows that effective HR policies and employee training together with diversity management improve both work engagement and employee performance.

Keywords: Perceived HR practices, Training, Diversity Management, Task Performance, Organizational Citizenship Behavior, Work engagement, Pakistani Banking sector.

INTRODUCTION

A globalised corporate world triggers intense business competition since operations expanded globally. An organisation that competes globally needs effective practices, management strategies, quality human capital, and active workers

(Verbeke et al., 2018). The modern competitive environment of Pakistan's banking sector brought about substantial expansion together with progressive technological innovations and extreme industries rivalry. Recent years have

seen a rapid expansion of private banking operations because the rising government deficit has led banks to hold major portions of Pakistani domestic debt instruments. Modern organisations focus on workforce performance improvement because this effort ensures both productive operations and market strength (Holbeche, 2018). A business's success depends significantly on employee performance levels within the organisation. Employee performance is separated into two areas: task performance and organisational citizenship behaviour (OCB). Employee activities about a company's technical operations make up task performance while OCB stands for extra-role behaviour which involves voluntary worker actions that boost organisational performance. Human resources stand as the essential organisational factor which determines an enterprise's success or decline since organisations understand various performance-contributing elements (Akalezi, 2024). The main purpose of implementing organisational human resource practices is to evaluate and improve employee work performance. HR practice success depends directly on their presentation together with execution methods. Organisations with competitive advantages excel at expert recruitment and HR management to improve learning processes and knowledge exchange which leads to better goal achievement when compared to rivals (Alfawaire & Atan 2021).

Organisations require training as a fundamental aspect of their development process. An organised educational procedure trains people to gain expertise while developing specialised capabilities for useful targets. Training serves as an essential human resources practice which improves employee knowledge alongside skills to generate better performance at work (Ozkeser, 2019). The training process leads to improved productivity along with enhanced quality performance. Research evidence demonstrates that training properly delivered will enhance employee knowledge alongside commitment which generates better work performance. The current world presents diversity management as an organisational challenge for companies to address effectively. Diversity refers to the inclusion of individuals from different cultural and racial backgrounds. An organization achieves effective diversity management when it

enables employees from different backgrounds to join its structure (Schachner, 2019). The job performance of employees improves when the diversity climate remains fair because this creates equal treatment and access to benefits while delivering opportunities to participate in management decisions. Companies that excel in diversity management produce better employee work engagement by establishing security feeling equal treatment and a sense of membership. Employee engagement serves as the essential determinant which shapes work performance for employees (Batmomin et al., 2022). Work engagement refers to an individual's active involvement in their work. High engagement levels among employees produce more energetic personnel who demonstrate higher dedication which results in better motivation toward organisational goals. Higher work engagement emerges from how employees perceive HR practices inside the organisation. Research indicates a substantial connection exists between how staff view HR practices and their performance at work through the employment of work engagement as a mediating factor (Guan & Frenkel 2018).

Multiple studies present evidence that HR practices support improved employee outcomes together with better organizational performance (Otoo, 2019; Anwar & Abdullah 2021). Organizations remain dedicated to finding ways to enhance performance through their workforce because employees directly contribute to organisational value. Strategic human resource management has transformed into an active framework which integrates different workplace activities that employees execute efficiently regarding organizational objectives. Governments support ongoing technological developments through policy changes which lead organisations to implement strategic HRM practices together with training sessions and diversity management techniques to boost employee performance levels. Workers who hold positive impressions of HR practices accumulate better job-related tools while also experiencing increased wrathfulness which positively affects their work engagement and performance outcomes (Sinha et al., 2022). Employee performance heavily relies on the training they receive. Workers who get adequate training from their organisations express stronger job

satisfaction and increased organisational commitment along with reduced odds of leaving the company. The implementation of diversity management helps employees feel included which produces enhanced commitment levels and work engagement and results in higher organisational performance outcomes. The HRM practices of Pakistan as a developing nation fail to receive the necessary research attention which other developed countries receive (Mujtaba et al., 2018). There is limited research available which examines how HR practices influence employee performance within Pakistan's banking sector. A significant contribution of the banking sector to Pakistan's economy and its role as a primary employer of fresh graduates makes this study explore the relationship between employee performance and how banking employees perceive HR practices along with training and diversity management in both private and public banking sectors (Saqib et al., 2022).

The research finds direct significance in Pakistan's banking sector since it includes 31 banks comprised of 5 public banks alongside 4 foreign operations and a localised private banking sector totalling 22 institutions. Findings from this study enable banking institutions to improve their market achievements by implementing effective human resources management practices. The research findings provide HR managers in banking organisations with tools to enhance employee task performance and OCB through optimised practice implementations. Advanced knowledge regarding training's effects on employee skills and job performance and workplace diversity management practices will benefit HR professionals. The findings from this research provide knowledge for private and public bank employees who seek to comprehend how their perceptions of HR practices in combination with training and diversity management affect their job performance job satisfaction and work engagement.

1.2 RESEARCH OBJECTIVES:

The purpose of this research is to observe and have a better insight into how perceived human resource practices; training and diversity management influence the in-role and extra-role

behaviour of employees with work engagement (mediator) effect in the Pakistani banking sector.

1.3 RESEARCH QUESTIONS:

To what extent do perceived HR practices; perception of training and diversity management influence task performance and employee citizenship behaviour performance in the organisation and to what extent does work engagement mediate this relationship?

2. Theoretical Framework and Hypothesis Development:

2.1 THEORETICAL FRAMEWORK:

The Social Exchange Theory represents the basic framework which explains how HR practices interact with diversity management approaches to affect employee performance. The Social Exchange Theory describes how workplace development exists through a system of exchange benefits between parties (Nachmias et al., 2022). Workers judge HR systems and training options together with diversity initiatives then show higher work dedication while performing tasks more effectively and discharging additional duties that exceed their job descriptions. Employees who experience fair organizational policies related to support and value feel obligated to provide increased work dedication and commitment. The predominant human resource practices within organizations define the way their workers perceive organizational elements and respond through their actions (Wang et al., 2020). When organizations implement structured HR practices to support employee growth workers will exhibit increased motivation together with high engagement levels. Organizational staff members who receive fair pay in addition to career growth possibilities and leadership backing will develop feelings of trust and psychological safety leading to performance improvements. The act of acknowledging employee contributions creates loyal and dedicated staff who provide additional voluntary work helping the organization succeed (Jalilianhasanpour et al., 2020).

Organizational training serves as a vital instrument to develop staff skills together with competencies. Organizations dedicated to workforce development build trust among employees while generating loyalty that leads

workers to deliver superior outcomes for organizational targets (Fadhila & Sulistiyani, 2021). Workforce training leads employees to become more dedicated to their work and achieve better performance because of proper education. The combination of development programs creates satisfied workers who achieve higher levels of role competence leading to higher workplace productivity. Continuous staff development programs from organizations make employees dedicate longer service to their jobs which minimises staff departures while boosting organisational team spirit. Organisational training enables workers to become adaptable so they can efficiently handle new difficulties and emerging technological developments (García et al., 2018). Diversity management plays a vital role because it guarantees fair treatment of workers from various backgrounds together with their sense of belonging in the workplace. Employees from inclusive workplaces with positive environments develop psychological comfort and belonging so they actively collaborate on activities outside their regular work duties. Workers who feel their workplace treats everyone equally will show greater dedication to their duties while remaining actively involved at work. Workplaces that value diversity become better able to develop cultural competence and increase creativity leading to performance improvements across the organization. Staff who work in organizations with diversity-friendly policies report enhanced job satisfaction because they receive proper respect from their colleagues which leads to superior workplace performance (Park & Martinez 2022).

Work engagement functions as the essential binding force which establishes a relationship between HR practices and training as well as diversity management and employee performance outcomes. The involvement of employees at a high level makes them more driven and more devoted to their duties which produces better job outcomes. Engaged employees show strong enthusiasm and high levels of energy which drives them to perform their job duties with exceptional efficiency (Gupta & Jangra, 2024). Organizations, where employees feel engaged, will receive increased productivity together with enhanced voluntary work performance from their employees. The

workforce that feels personally engaged will start new projects independently while working together with their peers to develop fresh solutions to workplace issues. Organizations benefit from employee retention because when workers show engagement, they maintain higher satisfaction rates and remain at their current position instead of looking for new jobs. Workers who feel engaged tend to demonstrate organizational citizenship behaviour (OCB) through performing voluntary aid beyond their normal job scope for their organization (Harvey et al., 2018). Workers who experience value and engagement from their organization tend to take on supplementary duties including new employee mentorship and voluntary project work and assist their colleagues. Teams work better in organization settings and professional cohesion improves together with higher effectiveness levels. Organizations with supportive HR practices encourage employee engagement which generates an environment where staff members show their best work abilities thus leading to productivity enhancements (Abdelwahed & Dohan 2023). All HR-based improvements in employee motivation stem from fair practices and inclusive approaches and development opportunities enabled by the Social Exchange Theory. As per this theory, employees have a mutual bond with their employers which creates positive employee responses when organizations show good treatment. Organizations that demonstrate fairness and support to their employees will receive committed and loyal staff with superior work performance. HR policies need to make employee well-being along with professional growth and diversity management their core priorities due to this feedback loop (Järlström et al., 2018).

Organizations must invest in their human capital to achieve sustainable business advantage because the modern business environment continues to grow more competitive. Our companies which embrace HR best practices and maintain continuous training together with inclusive workplace policies will increase their ability to attract high-quality talent and keep these employees with them (Maliket al., 2020). The banking sector depends fully on human resources therefore effective human resource management serves as a vital element for

business achievement. Business tasks within banking require workers with advanced skills who need ongoing professional skill growth to fulfil their roles. The banking sector needs organizations to foster strategic human resource initiatives which support business goals and boost employee connection. Employing Social Exchange Theory in their HR strategies enables organizations to develop work environments that make employees feel appreciated and motivated (Ayanponle et al., 2024). The workplace becomes more satisfying for employees who feel valued at their jobs which leads to increased efficiency until it produces better organizational results. This theory points out that workers need more than money since they demand praise along with opportunities to advance their careers and ethical treatment at work. Organizations providing psychological and emotional needs fulfilment to their workforce retain a strongly engaged and efficient employee base. When companies prioritize fairness through transparency, they create relationships that develop into firms with trust-based long-term partnerships between workers and management (Aldalaty & Piranej 2024). A person's work engagement significantly helps in controlling job-related stress and preventing burnout. The workplace connection and meaningful professional relationships between employees reduce their risk of burnout together with job dissatisfaction. Through policies that strengthen engagement like adaptive work schedules employee acknowledgment approaches and career development programs organizations construct environments where staff members stay motivated about their work and feel dedicated to their roles. Such employee connection drives better performance results that produce sustained success for organisations. Organizations in service industries like banking must understand the connection between human resource practices and employee engagement because employee motivation strongly influences customer service quality (Ghlichlee & Bayat 2021). Agencies that support their personnel generate workers who offer superior customer experiences with better problem-solving abilities and heightened organizational goal dedication. The organisation together with its customers benefit from this approach. Organisations with competitive

markets connect the success of customers to the effectiveness of their employees through successful Human Resource management. Work engagement and HR practices achieve enhanced impact through diversity management in addition to developing an inclusive organizational environment. Organizations which accept diversity gain access to diverse perspectives as well as multiple problem-solving methods through unique ideas (Alshaabani et al., 2021). When workplaces include everyone, they create spaces where employees combine their talents for innovation while feeling a complete part of the organisation. Organisations that invest actively in diversity and inclusion create equitable environments where workers show respect toward each other while team performance improves alongside conflict reduction. When employees experience being valued because of their unique contributions they become more engaged and show higher commitment to their work roles (Young et al., 2018).

Through Social Exchange Theory organizations gain a significant understanding of how human resource methodologies and training and diversity strategies jointly determine employee work performance outcomes. Businesses that build balanced work interaction systems through employee development initiatives and welfare support reach superior performance results along with better organizational success. Organizational success over a long period becomes possible when companies implement fair HR policies and supportive practices while providing employee training and developing inclusive workplace environments.

2.2 Perceived HR Practices and Work Engagement:

Zhang et al., (2018) explored in what way empowerment HR practices perceived by employees affect work engagement in social business. Variables used in this study were empowerment practices of HR perceived by employees as the independent variable engagement with work as the dependent variable identification motivation as mediator and authority work value as the moderator variable. The data has been collected by conducting dual studies in Chinese social enterprises from two different samples. The Study 1 sample consisted

of 254 members of China's social firm. The techniques used were SPSS to test the data and correlation between independent and dependent variables. The results indicate that empowerment HR practices perceived by employees have a positive effect on work engagement and motivation. Furthermore, a positive correlation is found between identification motivation and work engagement. Also, the identification of motivation acts as the mediator between empowerment HR practices perceived by employees and work engagement. The second study attempts to repeat the mediator relationship observed in study 1 by using time-lag design to solve the challenges and extended study 1 by further exploration of the effects and by adding one moderator i.e. authority work value. The study 2 sample consisted of 171 members of social enterprises in China. The techniques used to analyse the data were SPSS to test the hypothesis. The results indicate that empowerment HR practices have a positive relationship with motivation and work engagement. Further, motivation and work engagement have a positive correlation with one another. Also, the findings showed that authority work value moderates the relationship between empowerment HR practice perceived by employees and employee motivation. The findings suggest managers of enterprises to increase their efforts towards the empowerment of employees. The efforts include: using practices at work by involving employees in decision-making processes; boosting information sharing and communication, and improving employees' complaint processes which will result in higher work engagement of employees.

Ababneh, (2021) examined the How do green HRM practices affect employees' green behaviours. The role of employee engagement and personality attributes. The research analysed how employees perceive Human Resource practices influence their levels of work engagement. The study uses work engagement as its dependent outcome whereas perceived HR practices and organizational training and diversity management represent independent elements. The research obtained information from employees functioning in different sectors of business. The relationship analysis used Statistical Equation Modelling (SEM) alongside regression analysis as analytical techniques. The

study demonstrates that perceived HR practices lead to better work engagement since employees view effective HR practices as supporting their work engagement. When employees experience better engagement after this improvement their commitment and motivation increase together with their workplace effectiveness. Organizations should develop HR practices which promote positive employee perceptions maintain fairness and create inclusive environments together with sufficient training programs. The analysis of these phenomena across distinct operational sectors and regional areas deserves further examination for understanding HR practice-employee engagement relationships.

2.3 Training and Work Engagement:

Knight et al., (2019) explored the Work engagement interventions can be effective: a systematic review. The investigation employed work engagement as its outcome variable together with training and organizational support and job resources as independent elements. Structured training programs served as the data collection source for employees across different organizational domains. The research utilized regression analysis and structural equation modeling (SEM) statistical techniques to conduct analysis of the relationships. Research findings showed that trained employees demonstrated higher work engagement levels since training creates positive connections between motivation and commitment at work. Training justifies its connection to workplace engagement because it provides workers with enhanced abilities which generate professional competence and active work participation. Professional organizations benefit from implementing specific training programs because they match both role responsibilities and employee professional advancement needs. Further research needs to study which specific training methods foster engaged staff members in multiple professional sectors.

Sitzmann & Weinhardt (2018) investigate Training engagement theory: A multilevel perspective on the effectiveness of work-related training. Work engagement was defined as the dependent variable and training-related goal setting together with motivation and persistence functioned as independent variables in this

study. Data collection occurred from employees located throughout different organizational levels and workgroups because training processes develop over time and across hierarchy. The research utilized multilevel modelling statistical approaches to study the relationship patterns. Work engagement experienced a significant positive influence due to training because employees view their training as beneficial and career-related. Training success depends both on what training delivers and how employees' career objectives relate to it combined with continued organizational backing. Organizations should implement goal-oriented training programs with reward systems to maintain high employee engagement according to recommendations. Future studies should study the extended effects of employee training on organisational engagement and investigate through which digital learning resources enhance training outcomes.

Sendawula et al., (2018) explored training, engagement and employee performance. The variables used in this study were training as an independent variable, employee engagement as a mediator and employee performance as the dependent variable. This study is correlational and cross-sectional. The population of the study consisted of 268 health workers working in four hospitals in Uganda. The data has been collected by stratified sampling through questionnaires from a sample of 150 respondents from four Catholic hospitals in Uganda. The techniques used were multiple regression analysis using SPSS for analysis of data. The results of correlation analysis showed that training and employee performance have a significant positive relationship. However, the results of the correlation also showed a positive relationship between employee engagement with employee performance. Moreover, the results also showed that training given to employees and engagement were strong predictors of performance in the health sector. The results also showed that this engagement of employees mediates the relationship between training and employee performance. The findings suggest that when making decisions managers should encourage employees to participate which will make employees feel obliged and they will perform well and become dedicated to the organization. On-the-job training should be

given to employees as compared to off-job training as it is more associated with employee performance.

2.4 Diversity Management and Work Engagement

Panicker & Balu (2018) examined the impact of workforce diversity on employee engagement in the Manasco group. The variables used were workforce diversity as the independent variable and employee engagement as the dependent variable. The data has been collected from a sample of 78 employees of Manasco group located in Doha, Qatar through a questionnaire. The techniques used were statistical tests of correlation and regression to analyse the results. The findings proved that there is a relationship between workforce diversity and the engagement of employees. Furthermore, the results also showed that workforce diversity significantly impacts employee engagement. The findings suggest that organizations should provide a working environment to employees where there will be no discrimination among employees in terms of background or ethnicity so that employees will feel obliged to the organization and will give their best at work.

Luu et al., (2019) examined Addressing employee diversity to foster their work engagement. The research used work engagement as its outcome variable and included diversity-oriented HR practices together with diversity climate and diversity-oriented leadership as independent variables. The research gathered information from employees and their supervisors working in manufacturing establishments throughout Ho Chi Minh City Vietnam. SEM and regression analysis methods served to understand this relationship between the variables. The research established that diversity-oriented HR practices produce positive effects on work engagement because employees who experience supportive diversity-based work environments show elevated engagement levels. Funding between diversity-oriented HR practices and work engagement becomes stronger due to diversity climate mediation. Workplace institutions that maintain diversity and inclusivity through proactive HR policies should create equal work environments according to experts. Research needs to expand by investigating additional

leadership approaches that impact these relationships together with studying diversity management across multi-national workplace environments.

Cenkci et al., (2021). Inclusive leadership and work engagement: the mediating role of procedural justice. Work engagement served as the outcome variable in this study and both inclusive leaderships together with procedural justice operated as separate explanatory elements. The assessment of the data involved 201 IT professionals across Turkey who completed an online questionnaire on their own. Structural Equation Modeling enabled researchers to evaluate the proposed associational patterns. The study demonstrated that inclusive leadership promotes work engagement among employees whose motivation increased due to procedural justice practices. Research findings showed that employees strongly connect fair leadership practices of accessibility with openness with their higher workplace engagement. The research outcomes indicate organizations need to develop inclusive leadership through noticeable transparent decision processes and equitable workplace practices. Research should expand to explore the diverse industry effects of inclusive leadership along with identifying extra variables which reinforce the connection between leadership quality and employee involvement.

2.5 Work Engagement and Task Performance:

Dubbelt et al., (2019) explored the value of job crafting for work engagement, task performance, and career satisfaction: longitudinal and quasi-experimental evidence. Work engagement acted as the dependent measure and employees chose between three job crafting behaviors which included requesting resources and seeking challenging tasks and lowering demanding aspects of their work. The researcher gathered data from 111 workers in the longitudinal study and also conducted an intervention study that included 119 employees. The data analysis utilized Structural Equation Modeling (SEM) and regression analysis as statistical techniques for analysis. The research data revealed that workers who looked for more resources and obstacles experienced higher levels of work engagement together with superior task outcomes yet encountered lower performance

when decreasing their workload responsibilities. Research findings demonstrated that proactive changes made to job features by employees produce stronger engagement together with enhanced job performance. The evidence supports organizations to promote job crafting behaviors through employee task alteration opportunities. Future investigations must develop specific job crafting intervention approaches for various market sectors and workplace conditions.

Bakker & Albrecht (2018) examined Work engagement: current trends. The research study examined work engagement as its outcome variable whereas positive workplace practices together with team climate and social support formed the independent variables. A food service organization served as the setting where researchers obtained their data from its workforce. The researchers implemented both regression analysis combined with SEM as their evaluation methods. A strong positive link existed between positive workplace practices and work engagement and these factors improved task performance. Workers that receive supportive workplace environments tend to demonstrate increased engagement at work since they take on their work tasks more effectively. Organizations should enable positive workplace environments through leadership programs that include team exercises and employee recognition protocols. Research should explore how multiple workplace strategies for positive change create diverse engagement results within different organizational cultures.

Geue, (2018) investigate Positive practices in the workplace. Impact on team climate, work engagement, and task performance. The study utilized work engagement as its outcome measure together with job resources as well as leadership factors and human resource management practices as separate variables. A research survey obtained responses from various organizational employees. The research used SEM together with regression analysis to study the established connections. The research showed that job resources combined with leadership support created positive effects on work engagement thus improving task performance results. Organizations demonstrated productivity improvement through job resources combined with supportive

leadership which leads employees to show enhanced engagement. Organizations should establish HR policies to build job resources from within their operations and develop leadership development programs. Research must investigate how current and emerging human resources management techniques and leadership tactics structure the development of work engagement throughout time.

2.6 Work Engagement and Organizational Citizenship Behaviour:

Akinola, (2018) explored job characteristics, work engagement, organisational citizenship behaviour and job burnout among librarians in university libraries in southern Nigeria (doctoral dissertation). Work engagement operated as the primary outcome variable with job characteristics and leadership support and organizational commitment specified as the separate factors. The research data was obtained from Southern Nigeria-based university library professionals. The analysis used regression analysis alongside Structural Equation Modeling (SEM) as statistical methods. The study showed job characteristics generated positive relationships with work engagement thus influencing OCB. Workers committed at higher levels and displayed increased discretionary activities when they understand their environment's support for their job characteristics and receive active leadership engagement. Organizations need to improve workplace characteristics including autonomy and significant tasks and employee feedback systems to develop higher levels of engagement. Research investigations should investigate the impact of technological progress and hybrid work arrangements on work engagement together with OCB.

Thais, (2020) investigate leadership and organizational structure affecting employees' behaviours: a study on job satisfaction, work engagement, and organizational citizenship behaviour. To measure the outcome the study relied on work engagement and used job satisfaction together with leadership support as two distinct predictor variables. Questionnaires measured data from Y-generation employees located in Thailand. The study used multiple regression analysis together with correlation techniques for relationship assessment. This

research study found that work engagement developed from job satisfaction which led to the promotion of Organizational Citizenship Behaviour. Research findings confirmed that satisfied employees actively engage in their work while developing citizenship behaviours which include helping their colleagues together with going beyond their assigned duties. Organizational leaders should work on enhancing leadership support together with improving job satisfaction to boost work engagement according to researchers. Further research needs to analyse how cultural variations affect the engagement-OCB link in various geographical areas and business sectors.

2.7 Mediator Work Engagement Between Perceived HR Practices, training and Diversity Management and Task Performance:

Sousa et al., (2019) examined Age-diversity practices and retirement preferences among older workers: A moderated mediation model of work engagement and workability. Work engagement functions as the mediating element linking perceived HR practices to training along with diversity management toward the outcome of task performance. The research examined task performance as the outcome and evaluated perceived HR practices as well as training and diversity management as the main variables. Research data was obtained from 232 Portuguese workers who are part of various different industries. SEM served as the data analysis method to investigate these relationships. The research verified that work engagement acts as a complete mediator between HR practices and task performance results because employees who view HR practices supportively become more engaged and deliver superior results. The research suggests that organizations should create HR policies which meet changing employee requirements and develop continuous learning possibilities. Additional research must evaluate both present and future performance effects of human resource approaches on workers from various age brackets.

Navajas et al., (2022) investigate Sustainable human resource management and the mediating role between work engagement and teamwork performance. Sustainable human resource management and the mediating role of work

engagement between HR practices and teamwork performance. The study employed work engagement as its mediating variable between HR practices and training plus teamwork performance as the outcome measure. Research data came from 3042 healthcare workers working in European countries. Logistic regression models together with artificial neural networks operated as analytical tools. Studies showed HR practices create positive effects on work engagement because this increased performance in team collaboration. This analysis demonstrated that employee well-being support from HR practices leads to heightened work engagement which results in superior task performance and collaborative outcomes. Organizations need to incorporate sustainability-based human resource management practices which will boost employee engagement as well as enhance organizational performance. Additional studies must evaluate the effects of digital HR tools on work engagement between different types of business sectors.

Sekhar et al., (2018) explored Linking work engagement to job performance through flexible human resource management. Work engagement and job performance through flexible human resource management (FHRM). The study examined work engagement and FHRM as independent variables which impacted task performance as the dependent variable. The research obtained information from IT professionals working in India. The study revealed work engagement produces positive effects on job performance while FHRM acts as an additional strength in performance improvement according to SEM and regression analysis. Employees demonstrate higher mental commitment and deliver better performance when they see flexibility in human resource management policies. Organizations should practice FHRM policies to build employee engagement which will lead to improved productivity. Research should study how technological solutions for human resource management affect remote work productivity together with employee engagement.

2.8 Mediator Work Engagement Between Perceived HR Practices, Training and Diversity Management and Organizational Citizenship Behaviour:

Mousa et al., (2020) examined Gender, diversity management perceptions, workplace happiness and organisational citizenship behaviour. Employee Relations. The study established OCB as its main outcome variable together with workplace happiness and diversity management perceptions serving as independent measures. The researcher gathered information from 260 physicians in the hospital system of Egypt. The researchers used both t-tests together with SEM for their statistical analysis of the data. There is a positive impact of workplace happiness on OCB where perceptions of fair diversity management act as a mediator between these variables according to research results. Managers should work to create a happy workplace environment by providing equal treatment while encouraging open communication between staff members and launching community-based initiatives. Further investigation should expand knowledge about diversity management perceptions across private healthcare institutions in the private sector.

Liu et al., (2022) explored the impact of developmental hr practices on career self-management and organizational citizenship behavior: a moderated mediation model. The study evaluated OCB as the outcome factor along with developmental HR practices and career self-management and transformational leadership as initial elements. The research sample included 571 employees from various Southwest China business organizations. The research utilized hierarchical regression and bootstrapping analysis that implemented Hayes' PROCESS through SPSS 23 for analysis. Research results show that receipt of developmental human resource practices leads to increased work engagement which in turn causes employees to show higher levels of organizational citizenship behavior. Studies recommend organizations to focus on enhancing both transformational leadership approaches and Human Resources practices which will boost employee commitment through better engagement. Research should analyze how different leadership approaches influence the development of OCB in various industries

Sousa et al., (2021). Retaining an age-diverse workforce through HRM: The mediation of work engagement and affective commitment. The study examined OCB as the outcome variable through assessment of HRM practices together with age-diversity policies and work centrality as factors. The research obtained information from 802 Portuguese workers spread across distinct sectors prior to conducting Structural Equation Modeling (SEM) analysis. The study showed that both HRM practices and age-diversity policies led to increased OCB by engaging workers through work commitment at the same time stimulating affective commitment. Consequently organizations implementing inclusive HRM practices generate better employee commitment and engagement which leads to improved OCB. Organizations should develop individualized Human Resource strategies to fulfill employees' needs at different career stages and with different expectations. Researchers need to explore how innovative HRM technologies shape OCB and engagement levels among employees.

2.9 Hypothesis Development:

H1: There is a significant relationship between perceived HR practice and work engagement.

H2: There is a significant relationship between training and work engagement.

H3: There is a significant relationship between diversity management and work engagement.

H4: Work engagement has a significant impact on the task performance (in-role performance) of employees.

H5: Work engagement has a significant impact on OCB (extra-role performance).

H6: There is a mediation effect of work engagement between perceived human resource practice and in-role employee performance.

H7: There is a mediation effect of work engagement between perceived human resource practice and extra-role performance.

H8: There is a mediation effect of work engagement between training and in-role performance of employees.

H9: There is a mediation effect of work engagement between training and extra-role performance.

H10: There is a mediation effect of work engagement between diversity management and in-role employee performance.

H11: There is a mediation effect of work engagement between diversity management and extra-role employee performance.

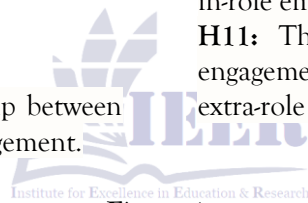
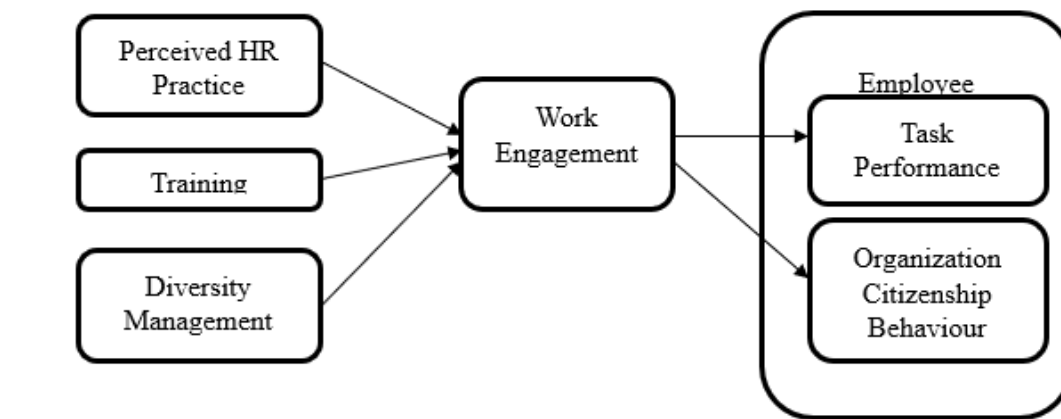


Figure 1:
 Research Framework



Source:
 (Author's Development)

2.11 Operational Definitions

- **Perceived HR practices:**
 It refers to the practices perceived by employees as distinctive and consistent and implemented in a consensual manner.

- **Training**
 A planned and systematic activity resulting in enhancing the knowledge and abilities needed to complete work efficiently.

- **Diversity Management**

The practice by management that organizes diversity through the effective change of organisation climate in a way that promotes the achievement of organisation goals.

- **Work engagement**

A vigorous, optimistic, achieving, state of mind is associated with work outcome.

- **Task Performance**

The in-role performance of employees contributes to the results and responses which directly contribute to the objectives of the organisation.

- **Organisational Citizenship Behaviour (OCB)**

The behaviours of employees i.e. working with workers, arriving early and going late from the workplace, serving others, using job resources with care, and advancing positivity in the organisation are called the organisational behaviour of employees or extra-role behaviour.

2. Methodology:

The investigative methodology follows explanatory research to establish connections between variables and their underlying causal drivers. The goal of explanatory research is to explain the nature of connections that exist between different variables through description and understanding (Grace & Irvine 2020). The research determines how workers' perceptions of HR practices trigger both task performance along OCB while work engagement acts as an intermediary factor. The analysis utilises quantitative methods even though these methods are often linked to deductive research practices when examining theory via data assessment. A structured questionnaire was administered for data collection through a primary data survey across different participant groups (Mazhar et al., 2021). The research problem received a suitable definition by applying pragmatic methods. This study implements a project design that combines description and correlation in its methodology. This research method describes current conditions by conducting surveys for data collection and carrying out fact-based analysis. A correlational research design enables the assessment of variable relationships as it predicts upcoming events and evaluates statistical

relationships. This research analyses the relationship between perceived HR practices and task performance and OCB of bank employees in Karachi Pakistan by exploring with and without work engagement as a linkage element (Zahra & Kee 2022).

A self-administered questionnaire with close-ended questions served to collect the study data. All the questions originated from existing research. All the items used for measuring HR practices perception along with work engagement and task performance originated from existing studies (Connor & Reimers 2019). There are five items in the HR practices section while work engagement consists of five items and task performance includes three items. A total of five diversity management questions were used which originated from a single study together with five training-related questions taken from two previous studies. The study defines its sample group to include at least 325 banking sector employees in Pakistan who do not need to be gender-specific. A 95% confidence interval along with a 0.05% margin of error determined the sample size through universal formula calculation. A non-probabilistic convenient sampling design was used as the survey method (Das et al., 2020). The selected workforce for this research consists of both private and public banking employees operating in Karachi Pakistan. The researchers obtained National Bank of Pakistan public bank data and collected information from Faysal Bank Habib Metropolitan Bank Limited United Bank Limited (UBL) and Meezan Bank in their private bank data collection (Kanwal, 2020). The demographic data was analysed using descriptive statistics through IBM SPSS 22 to obtain Frequencies. The path model analysis with reliability and discriminant along with convergent validity assessment employed the Smart PLS 3.0 software (Mohd & Lay 2020). The predictions of the model were confirmed using blindfolding assessment and the hypotheses were tested through the bootstrapping approach.

The research employed PLS-algorithm through a sequence of vector weight regressions. The solution fulfils the set fixed-point equations which emerge when convergence occurs. The algorithm exists in three stages from latent variable score evaluation through outer

weights/loading and path coefficient measurement and location parameter assessment (Ortu et al., 2024). Blindfolding served to measure the predictive relevance by calculating the Q-square value in this path model analysis. The bootstrapping method served as the non-parametric approach to validate statistical significance for Cronbach's alpha along with R-square and HTMT as well as path coefficients. The study conducted validity tests through assessment of both convergent and discriminant validity approaches. The research checked that similar constructs were connected through convergent validity while discriminant validity established that separate measures truly remained unrelated. The reliability assessment relied on Cronbach's alpha to determine survey item consistency and researchers followed a threshold value above 0.7 (Shrestha, 2021). The research assessed work engagement as the mediator of perceived human resource practices, training, diversity management, and task performance and organizational citizenship behaviours for banking employees in Karachi by applying a straightforward mediation model. Mediation analysis included three types of findings according to the significance of direct and indirect effects between variables. Partial mediation existed when direct and indirect effects emerged as significant. Full mediation happened when an indirect path remained significant without a direct path effect. Normal mediation appeared with an insignificant indirect effect but available direct path (Rasoolimanesh et al., 2021).

A Likert scale questionnaire was adopted for data measurement which provided respondents various response options (Jebb et al., 2021). The survey consisted of 30 items rated using a five-point Likert scale which ranged from 1 = strongly disagree through 2 = disagree to 3 = neutral and ended with 4 = agree and 5 = strongly agree. The survey obtained its questions from past research to assess both dependent and independent variables and their mediators through different sections (Johnston et al., 2018). Ethical considerations were strictly followed. Research information existed only for academic use and essential research requirements while protecting respondents from

decreases in self-esteem (Yu et al., 2022). All research data regarding personal information remained undisclosed to anyone and it was not disseminated.

4: Data Analysis

This section discusses the respondent's descriptive profile, construct reliability and validity, hypothesis testing and interpretation and the discussion about the results. In this research PLS-SEM (Partial Least Squares-Structural Equation Modelling) software: Smart PLS 3.0 by Ringle et al. (2015) has been utilized for the determination of measurement and structural model recommended by (Hair et al. 2017).

4.1 Measurement Model:

The measurement model investigates the relation between latent variables and their measures. As defined by McNeish et al. (2018) various tests for validity and reliability have been done in this study for measurement model. The measurement model consists of two segments the convergent validity (as construct reliability and validity) and the discriminant validity which are evaluated through Smart-PLS 3.

4.1.1 Convergent Reliability and Validity:

A table shows the reliability statistics and validity measures for diversity management together with organizational citizenship behaviour and perceived HR practices and task performance and training and work engagement. The constructs contain numerous items that demonstrate their capacity to properly represent each construct through outer loading scores. The convergence validity of constructs is measured by Average Variance Extracted which shows sufficient variance explanation when the value reaches 0.5 or higher. The assessment instrument for internal consistency uses CR to measure reliability in which scores need to exceed the threshold of 0.7. Internal consistency reliability is confirmed by Cronbach's alpha tests that demonstrate reliable consistency when results exceed 0.7. The measurement model displays robust validity and reliability according to the high values recorded on each construct.

Table 1:

Measurement Model

Construct	Items	Outer loading	AVE	Composite Reliability	Cronbach's
Diversity Management	DM1	0.818	0.735	0.933	0.91
	DM2	0.862			
	DM3	0.884			
	DM4	0.874			
	DM5	0.849			
Organizational Citizenship behaviour	OCB1	0.809	0.695	0.919	0.89
	OCB2	0.876			
	OCB3	0.817			
	OCB4	0.849			
	OCB5	0.817			
Perceived HR Practices	HRP1	0.881	0.715	0.925	0.898
	HRP2	0.681			
	HRP3	0.872			
	HRP4	0.886			
	HRP5	0.888			
Task Performance	TP1	0.876	0.72	0.928	0.902
	TP2	0.86			
	TP3	0.856			
	TP4	0.815			
	TP5	0.832			
Training	T1	0.841	0.728	0.93	0.907
	T2	0.839			
	T3	0.859			
	T4	0.884			
	T5	0.842			
Work Engagement	WE1	0.808	0.68	0.914	0.882
	WE2	0.831			
	WE3	0.852			
	WE4	0.807			
	WE5	0.824			

4.2 Discriminant Validity:

According to Rönkkö & Cho (2022) the extent to which a latent variable differentiates from other variables in the model, is called discriminant validity.

4.2.1 Fornell and Larcker

The discriminant validity is examined by a test suggested by Fornell and Larcker (1981). The first value of every construct will be bold. The diagonal value of the discriminant validity

matrix represents the square root of “average variance extracted” and is considered valid if diagonal elements or values are greater than the non-diagonal values in the related columns and rows. Therefore, in this study, we have observed that the construct’s discriminant validity has obtained their acceptable criteria which means that the diagonal values of all independent, dependent and mediating variables are greater than the non-diagonal values of their related columns and rows. Hence for discriminant validity, the constructs of this study are valid.

Table 2:
Fornell-Larcker Criterion

	Diversity Management	Organizational Citizenship Behavior	Perceived HR Practice	Task Performance	Training	Work Engagement
Diversity Management	0.858					
Organizational Citizenship Behavior	0.578	0.834				
Perceived HR Practice	0.723	0.494	0.845			
Task Performance	0.541	0.745	0.458	0.848		
Training	0.633	0.514	0.660	0.477	0.853	
Work Engagement	0.694	0.680	0.620	0.662	0.614	0.825

4.2.2 Cross Loadings:

Arriving at the discriminant validity by taking into account the cross loadings of the indicators is considered to be a liberal method. The criterion for cross-loading is at minimum, the indicating variables should have higher correlation with their respective latent variable

rather than other latent variables. Therefore, table 3 observed that all the indicating variables possessed a higher loading in their respective latent variable and approved that all indicating variables have strong relevance to their corresponding latent variable.

Table 3:
Cross-loading

	Diversity Management	Organisational Citizenship Behaviour	Perceived HR Practice	Task Performance	Training	Work Engagement
DM1	0.818	0.478	0.535	0.450	0.446	0.505
DM2	0.862	0.449	0.688	0.420	0.593	0.587
DM3	0.884	0.495	0.634	0.482	0.569	0.572
DM4	0.874	0.544	0.613	0.506	0.572	0.675
DM5	0.849	0.503	0.623	0.458	0.522	0.613
OCB1	0.454	0.809	0.392	0.603	0.420	0.593
OCB2	0.478	0.876	0.399	0.638	0.455	0.605
OCB3	0.464	0.817	0.446	0.573	0.387	0.541
OCB4	0.524	0.849	0.422	0.627	0.455	0.563
OCB5	0.492	0.817	0.402	0.666	0.422	0.528
HRP1	0.647	0.503	0.881	0.458	0.573	0.558
HRP2	0.494	0.321	0.681	0.192	0.461	0.366
HRP3	0.602	0.416	0.872	0.401	0.566	0.536
HRP4	0.661	0.443	0.886	0.458	0.601	0.580
HRP5	0.637	0.387	0.888	0.374	0.579	0.546
TP1	0.501	0.666	0.443	0.876	0.453	0.606
TP2	0.441	0.649	0.381	0.860	0.400	0.567
TP3	0.457	0.588	0.341	0.856	0.391	0.542
TP4	0.414	0.579	0.388	0.815	0.369	0.504

TP5	0.476	0.668	0.384	0.832	0.403	0.582
T1	0.580	0.426	0.595	0.394	0.841	0.491
T2	0.487	0.431	0.551	0.358	0.839	0.537
T3	0.540	0.449	0.537	0.442	0.859	0.549
T4	0.545	0.454	0.575	0.424	0.884	0.521
T5	0.554	0.430	0.562	0.414	0.842	0.518
WE1	0.631	0.528	0.501	0.559	0.510	0.808
WE2	0.565	0.609	0.502	0.628	0.484	0.831
WE3	0.563	0.529	0.520	0.481	0.528	0.852
WE4	0.530	0.564	0.528	0.500	0.512	0.807
WE5	0.569	0.570	0.504	0.551	0.498	0.824

Note: DM=Diversity Management, OCB=Organizational citizenship behaviour, HRP= Perceived HR Practices, TP=Task Performance, T=Training, WE=Work engagement

4.2.3 Heterotrait-Monotrait Ratio (HTMT):

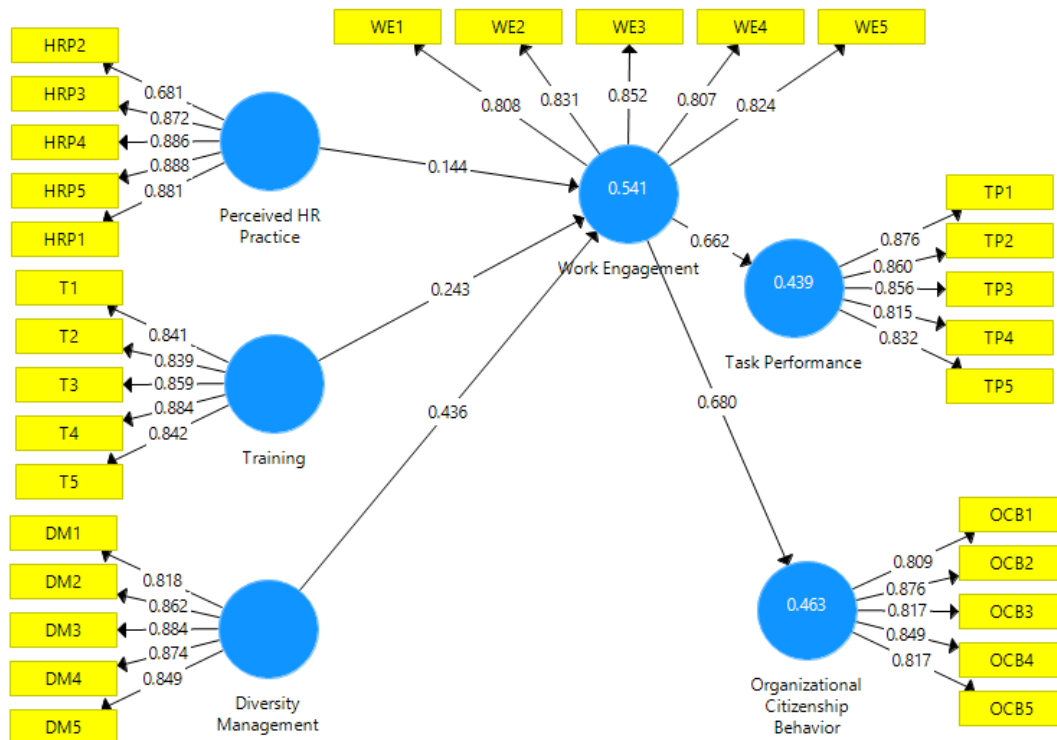
Another method of ascertaining the discriminant validity of the constructs/variables is through Heterotrait-Monotrait Ratio of correlations (HTMT) established by Henseler, Ringle & Sarstedt (2015). The HTMT method also calculates the correlation between the

constructs. The value of the HTMT ratio should be less than 0.9. Table 4 shows that all constructs of this study have achieved the acceptable criteria as they all are less than 0.9 and hence obtained discriminant validity concerning the HTMT ratio.

Table 4:
 Heterotrait-monotrait Ratio

	Diversity Management	Organizational Citizenship Behaviour	Perceived HR Practice	Task Performance	Training	Work Engagement
Diversity Management						
Organizational Citizenship Behaviour	0.641					
Perceived HR Practice	0.796	0.550				
Task Performance	0.594	0.830	0.495			
Training	0.695	0.571	0.732	0.525		
Work Engagement	0.768	0.765	0.690	0.737	0.686	

Figure 1
 Path Mode



The above figure 1 represents the model of latent variables on PLS software.

4.3 BLINDFOLDING

For the fitness of the model of this study, the Q-square and R-square of endogenous latent variables were computed. As suggested by Geisser (1975) and Stone (1974) the value of Q-square acceptable should be greater than “zero” (i.e. > 0). If the value of the Q-square is greater than 0 then the model has prophetic significance (Garson, 2016) whereas a Q-square less than 0 means that the model lacks prophetic

relevance (Fornell and Cha, 1994). Table 5 shows that the values of the Q-square of Organizational citizenship behaviour, Task performance and Work engagement are 0.296, 0.287 and 0.339. The values of this study are above the threshold value of zero and provide evidence for the fitness of the model calculated through the Blindfolding technique of PLS-SEM.

Table 5:
 Blindfolding/R-Square

	SSO	SSE	Q ² (=1-SSE/SSO)
Diversity Management	1,625.000	1,625.000	
Organizational Citizenship Behavior	1,625.000	1,144.558	0.296
Perceived HR Practice	1,625.000	1,625.000	
Task Performance	1,625.000	1,158.770	0.287
Training	1,625.000	1,625.000	
Work Engagement	1,625.000	1,074.183	0.339

Note: DM=Diversity Management, OCB=Organizational citizenship behaviour, HRP= Perceived HR Practices, TP=Task Performance, T=Training, WE=Work engagement

4.4 STRUCTURAL MODEL

4.4.1 Total Effects

Another part of SEM is a structural model (also called inner model, Tenenhaus et al. 2005) that relates latent variables to each other. The pattern of the relationships among the constructs can be specified by the structural model (Leohlin, 1998). Table 6 shows the relationship between the variables in terms of β -coefficient along with t -value at the significance level of 0.05 and 0.1 as proposed by Hair et al. (2011). The bootstrap method of PLS-SEM provides the outcome for the structural model. All the independent variables such as Diversity management ($\beta=0.297$; $p<0.05$), Perceived HR practice ($\beta=0.098$; $p<0.05$) and Training ($\beta=0.165$; $p<0.05$) have significant and positive

relations with Organizational citizenship behaviour (OCB). As well as Diversity management ($\beta=0.289$; $p<0.05$), Perceived HR practice ($\beta=0.096$; $p<0.05$) and Training ($\beta=0.161$; $p<0.05$) have significant and positive relations with Task performance of employees. Moreover, Diversity management ($\beta=0.436$; $p<0.05$), Perceived HR practice ($\beta=0.144$; $p<0.05$) and Training ($\beta=0.243$; $p<0.05$) have significant and positive relation with Work engagement. Also, Work engagement has a significant and positive relation with OCB ($\beta=0.680$; $p<0.05$) and Task performance ($\beta=0.662$; $p<0.05$). Hence it has been concluded that all the above result supports the indirect hypotheses.

Table 6:
Total effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
DM -> OCB	0.297	0.291	0.062	4.768	0.000
DM -> TP	0.289	0.286	0.063	4.605	0.000
DM -> WE	0.436	0.431	0.078	5.614	0.000
HRP -> OCB	0.098	0.100	0.046	2.130	0.034
HRP -> TP	0.096	0.098	0.045	2.125	0.034
HRP -> WE	0.144	0.148	0.066	2.187	0.029
T -> OCB	0.165	0.163	0.051	3.211	0.001
T -> TP	0.161	0.160	0.050	3.220	0.001
T -> WE	0.243	0.243	0.072	3.362	0.001
WE -> OCB	0.680	0.673	0.067	10.082	0.000
WE -> TP	0.662	0.660	0.065	10.119	0.000

Note: DM=Diversity Management, OCB=Organizational citizenship behaviour, HRP= Perceived HR Practices, TP=Task Performance, T=Training, WE=Work engagement

4.4.2. Path Coefficients or Direct Effects

In Partial Least Squares (PLS), the path coefficient tests the structural model and hypothesis as it is a standardized regression coefficient (beta) and highlights the direct effect of an independent variable on a dependent variable. Table 7 of the path coefficient indicates the direct relationship of HR practices with Work engagement such that Diversity

management ($\beta=0.436$; $p<0.05$), Perceived HR practice ($\beta=0.144$; $p<0.05$) and Training ($\beta=0.243$; $p<0.05$) have positive and significant relation with Work engagement (Mediator). Moreover, Work engagement also has a significant and positive relationship with OCB ($\beta=0.680$; $p<0.05$). Hence the results support hypotheses from H1a to H1e.

Table 7:
Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Decision Accept/Reject
DM -> WE	0.436	0.431	0.078	5.614	0.000	Supported
HRP -> WE	0.144	0.148	0.066	2.187	0.029	Supported
T -> WE	0.243	0.243	0.072	3.362	0.001	Supported
WE -> OCB	0.680	0.673	0.067	10.082	0.000	Supported
WE -> TP	0.662	0.660	0.065	10.119	0.000	Supported

Note: DM=Diversity Management, OCB=Organizational citizenship behaviour, HRP= Perceived HR Practices, TP=Task Performance, T=Training, WE=Work engagement

4.4.3. Mediation (Indirect Effect)

In Table 8 indirect effect of all practices of HR on OCB and Task performance have been tested and we found that Diversity management ($\beta=0.297$; $p<0.05$), Perceived HR practice ($\beta=0.098$; $p<0.05$) and Training ($\beta=0.165$; $p<0.05$) do have the indirect effect on Employee's Organizational Citizenship behaviour through Work engagement

(mediator). As well as Diversity management ($\beta=0.289$; $p<0.05$), Perceived HR practice ($\beta=0.096$; $p<0.05$) and Training ($\beta=0.161$; $p<0.05$) do have an indirect effect on Employee Task performance through Work engagement (mediator) which means that work engagement has partial mediation effect in this study. Hence it has been concluded that all the above result supports the hypotheses from H1f to H1k.

Table 8:
Specific Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Decision
DM -> WE -> OCB	0.297	0.291	0.062	4.768	0.000	Partial Med.
HRP -> WE -> OCB	0.098	0.100	0.046	2.130	0.034	Partial Med.
T -> WE -> OCB	0.165	0.163	0.051	3.211	0.001	Partial Med.
DM -> WE -> TP	0.289	0.286	0.063	4.605	0.000	Partial Med.
HRP -> WE -> TP	0.096	0.098	0.045	2.125	0.034	Partial Med.
T -> WE -> TP	0.161	0.160	0.050	3.220	0.001	Partial Med.

Note: DM=Diversity Management, OCB=Organizational citizenship behaviour, HRP= Perceived HR Practices, TP=Task Performance, T=Training, WE=Work engagement

4.5 HYPOTHESES ASSESSMENT SUMMARY AND DISCUSSION

Table 9 highlights that all hypotheses that are H1a to H1q of this study are significant and accepted as they are above the criterion level of P-value (i.e. $p<0.05$).

Table 9:
Hypotheses assessment

Hypothesis	P-Values	Accept/Reject
H1a-Perceived HR Practice -> Work Engagement	0.029	Accept
H1b-Training -> Work Engagement	0.001	Accept
H1c-Diversity Management -> Work Engagement	0.000	Accept
H1d-Work Engagement -> Task Performance	0.000	Accept
H1e-Work Engagement -> Organizational Citizenship Behavior	0.000	Accept
H1f-Perceived HR Practice -> Work Engagement -> Task Performance	0.034	Accept

H1g-Perceived HR Practice -> Work Engagement -> Organizational Citizenship Behavior	0.034	Accept
H1h-Training -> Work Engagement -> Task Performance	0.001	Accept
H1i-Training -> Work Engagement -> Organizational Citizenship Behavior	0.001	Accept
H1j-Diversity Management -> Work Engagement -> Task Performance	0.000	Accept
H1k-Diversity Management -> Work Engagement -> Organizational Citizenship Behavior	0.000	Accept

4.5.1 Discussion

Research in this study sheds light on the correlation between HR practices and diversity management with employee work performance and organizational citizenship behavior (OCB) while identifying the work engagement mediation levels. The researcher applied statistical techniques both to validate the gathered data and evaluate how well the established model fit with reality. A strong positive outcome exists between HR practices consisting of diversity management and perceived HR practices and training together with both OCB and task performance. Work engagement served as a partial pathway that linked different aspects of the study. The research data shows that employee assessment of HR practices shows direct influence on work engagement. Employees acquire better understanding of HR practices which produces organizational goal clarity that leads to enhanced work engagement. Research findings confirmed that training established an influential connection to work engagement. Employee delivery of essential competencies together with necessary resources enables better engagement with their job responsibilities which leads to a better adaptation of new technologies and better work involvement.

The implementation of diversity management techniques produced positive effects on work engagement among the participants. Organizations that stand for diversity through guaranteed equal employee opportunities help workers feel more appreciated and supported at work. A workplace culture of inclusivity produces better employee collaboration as well as a stronger work environment that drives role performance from workers. The research demonstrated that work engagement directly boosts task performance outcomes. High workplace engagement drives employees to display enhanced focus alongside energetic commitment together with dedication which

results in better overall performance. Work engagement drives the performance of OCB because dedicated employees exceed their job tasks yet create excellent professional relationships which generate positive workplace enhancement.

Work engagement acts as a partial mediator that explains the connection between employees' perceived HR practices and their task performance. Workers who positively evaluate HR policies demonstrate higher engagement since this improves their work efficiency. Work engagement serves as a partial mediator between perceived HR practices and OCB thus confirming how engaged employees provide extra proactive behavior beyond regular job responsibilities. Work engagement functions as a partial mediator which links training to both task performance and OCB based on the study results. More competent employees develop after training since they perform their tasks proficiently and exceed their basic job obligations.

Both task performance and OCB receive direct influence from diversity management through the work engagement connection. Employees experience safety and motivation in diverse workplaces and this generates enhanced effectiveness at work and additional assistance for their peers to accomplish organizational objectives. Businesses should use the information to establish superior HR policies combined with employee training and inclusive environments that produce stronger worker engagement together with higher productivity.

5. Conclusion:

5.1 Conclusion:

A research study evaluated the ways perceived HR practices, training, and diversity management influence employees' execution of tasks and their performance of Organizational Citizenship Behavior (OCB) in banking institutions. Data gathered from 325 banking

employees established that HR practices together with training and diversity management programs yielded substantial improvement to standard work performance as well as additional performance activities. The study revealed that work engagement serves as a partial mediator between perceived fair HR practices and proper training and diverse inclusive workplace environments because these factors increase employee engagement resulting in better performance and lower turnover.

5.2 Managerial Implications:

Managers need to establish HR practices which both promote work engagement as well as employee performance improvements. Effective HR policy clarity along with trained staff and diverse management equality creates employee loyalty that fosters workplace commitment. Organizations should create training programs that develop employee skills because these will lead to better engagement levels. Organizations must develop fair guidelines which improve workplace integration for their diverse workforce. The integration between appropriate HR system structure and training benefit alignment to engagement strategies leads to better productivity and stronger employee commitment as well as lower turnover rates within the banking sector.

5.3 Limitations and Future Recommendations

This study has some limitations. The small number of 325 banking professionals sampled in Karachi hinders broad applicability of the study findings. Research should extend its sample collection beyond Karachi banks to include multiple industries and regions. Research analyzed how employees perceived human resources practices in addition to training and diversity management but future examinations should include different HR practices. Attention to human resource practices as complete sets yields more strategic insights when comparing them to conventional individual examinations. This study applied a basic mediation design but future academic research would benefit from multiple mediators linked to dependent variables to better understand these connections.

REFERENCES:

- Ababneh, O. M. A. (2021). How do green HRM practices affect employees' green behaviors? The role of employee engagement and personality attributes. *Journal of Environmental Planning and Management*, 64(7), 1204-1226.
- Abdelwahed, N. A. A., & Doghan, M. A. A. (2023). Developing employee productivity and performance through work engagement and organizational factors in an educational society. *Societies*, 13(3), 65.
- Akalezi, C. U. (2024). Impact of human resource management practices on the financial and operational performance of commercial banks listed on the Nigerian stock exchange.
- Akinola, A. A. (2018). JOB CHARACTERISTICS, WORK ENGAGEMENT, ORGANISATIONAL CITIZENSHIP BEHAVIOUR AND JOB BURNOUT AMONG LIBRARIANS IN UNIVERSITY LIBRARIES IN SOUTHERN NIGERIA (Doctoral dissertation).
- Aldalaty, M., & Piranej, T. (2024). How does Corporate Social Responsibility (CSR) contribute to trust building-through effective social contribution to the society?.
- Alfawaire, F., & Atan, T. (2021). The effect of strategic human resource and knowledge management on sustainable competitive advantages at Jordanian universities: The mediating role of organizational innovation. *Sustainability*, 13(15), 8445.
- Alshaabani, A., Hamza, K. A., & Rudnák, I. (2021). Impact of diversity management on employees' engagement: the role of organizational trust and job insecurity. *Sustainability*, 14(1), 420.
- Anwar, G., & Abdullah, N. N. (2021). The impact of Human resource management practice on Organizational performance. *International journal of Engineering, Business and Management (IJEBM)*, 5.

- Ayanponle, L. O., Awonuga, K. F., Asuzu, O. F., Daraojimba, R. E., Elufioye, O. A., & Daraojimba, O. D. (2024). A review of innovative HR strategies in enhancing workforce efficiency in the US. *International Journal of Science and Research Archive*, 11(1), 817-827.
- Bakker, A. B., & Albrecht, S. (2018). Work engagement: current trends. *Career development international*, 23(1), 4-11.
- Batmomolin, A. M. D., Sadikin, M., Hadi, J., Andreas, G. P., & Sadana, S. M. (2022). Effect of diversity management on organizational trust, employee innovative behavior, and employee engagement: evidence from Indonesia. *Scientific Papers of the University of Pardubice. Series D. Faculty of Economics and Administration*, 30(2).
- Cenkci, A. T., Bircan, T., & Zimmerman, J. (2021). Inclusive leadership and work engagement: the mediating role of procedural justice. *Management Research Review*, 44(1), 158-180.
- Connor Desai, S., & Reimers, S. (2019). Comparing the use of open and closed questions for Web-based measures of the continued-influence effect. *Behavior research methods*, 51, 1426-1440.
- Das, S., Dongare, P. A., Goneppanavar, U., Garg, R., & Bhaskar, S. B. (2020). Study design, errors and sample size calculation in medical research. *Airway*, 3(2), 76-84.
- Dubbelt, L., Demerouti, E., & Rispens, S. (2019). The value of job crafting for work engagement, task performance, and career satisfaction: longitudinal and quasi-experimental evidence. *European Journal of Work and Organizational Psychology*, 28(3), 300-314.
- Fadhila, N., & Sulistiyani, E. (2021). The influence of motivation, working environment and career development toward employees' loyalty. *AFEBI Management and Business Review*, 6(2), 140-148.
- García-Sánchez, E., García-Morales, V. J., & Martín-Rojas, R. (2018). Influence of technological assets on organizational performance through absorptive capacity, organizational innovation and internal labour flexibility. *Sustainability*, 10(3), 770.
- Geue, P. E. (2018). Positive practices in the workplace: Impact on team climate, work engagement, and task performance. *The Journal of Applied Behavioral Science*, 54(3), 272-301.
- Ghlichlee, B., & Bayat, F. (2021). Frontline employees' engagement and business performance: the mediating role of customer-oriented behaviors. *Management Research Review*, 44(2), 290-317.
- Grace, J. B., & Irvine, K. M. (2020). Scientist's guide to developing explanatory statistical models using causal analysis principles. *Ecology*, 101(4), e02962.
- Guan, X., & Frenkel, S. (2018). How HR practice, work engagement and job crafting influence employee performance. *Chinese Management Studies*, 12(3), 591-607.
- Gupta, A., & Jangra, S. (2024). Green human resource management and work engagement: Linking HRM performance attributions. *Sustainable Futures*, 7, 100174.
- Harvey, J., Bolino, M. C., & Kelemen, T. K. (2018). Organizational citizenship behavior in the 21st century: how might going the extra mile look different at the start of the new millennium?. In *Research in personnel and human resources management* (pp. 51-110). Emerald Publishing Limited.
- Holbeche, L. S. (2018). Organisational effectiveness and agility. *Journal of Organizational Effectiveness: People and Performance*, 5(4), 302-313.
- Jalilianhasanpour, R., Asadollahi, S., & Yousem, D. M. (2021). Creating joy in the workplace. *European Journal of Radiology*, 145, 110019.

- Järlström, M., Saru, E., & Vanhala, S. (2018). Sustainable human resource management with salience of stakeholders: A top management perspective. *Journal of Business Ethics*, 152, 703-724.
- Jebb, A. T., Ng, V., & Tay, L. (2021). A review of key Likert scale development advances: 1995–2019. *Frontiers in psychology*, 12, 637547.
- Johnston, R., Jones, K., & Manley, D. (2018). Confounding and collinearity in regression analysis: a cautionary tale and an alternative procedure, illustrated by studies of British voting behaviour. *Quality & quantity*, 52, 1957-1976.
- Kanwal, A. (2020). THE EFFECTIVENESS OF MACROPRUDENTIAL POLICY ON BANK RISK: CASE STUDY OF PAKISTAN (Doctoral dissertation, Pakistan Institute of Development Economics).
- Knight, C., Patterson, M., & Dawson, J. (2019). Work engagement interventions can be effective: a systematic review. *European Journal of Work and Organizational Psychology*, 28(3), 348-372.
- Liu, X., Sha, Y., & Yu, X. (2022). The impact of developmental hr practices on career self-management and organizational citizenship behavior: a moderated mediation model. *Psychology Research and Behavior Management*, 1193-1208.
- Luu, T. T., Rowley, C., & Vo, T. T. (2019). Addressing employee diversity to foster their work engagement. *Journal of Business Research*, 95, 303-315.
- Malik, S. Y., Cao, Y., Mughal, Y. H., Kundi, G. M., Mughal, M. H., & Ramayah, T. (2020). Pathways towards sustainability in organizations: Empirical evidence on the role of green human resource management practices and green intellectual capital. *Sustainability*, 12(8), 3228.
- Mazhar, S. A., Anjum, R., Anwar, A. I., & Khan, A. A. (2021). Methods of data collection: A fundamental tool of research. *Journal of Integrated Community Health*, 10(1), 6-10.
- McNeish, D., An, J., & Hancock, G. R. (2018). The thorny relation between measurement quality and fit index cutoffs in latent variable models. *Journal of personality assessment*, 100(1), 43-52.
- Mohd Dzin, N. H., & Lay, Y. F. (2021). Validity and reliability of adapted self-efficacy scales in Malaysian context using PLS-SEM approach. *Education Sciences*, 11(11), 676.
- Mousa, M., Massoud, H. K., & Ayoubi, R. M. (2020). Gender, diversity management perceptions, workplace happiness and organisational citizenship behaviour. *Employee Relations: The International Journal*, 42(6), 1249-1269.
- Mujtaba, M., Jamal, S., & Shaikh, Y. (2018). Development without human resource development (HRD): Analysis of HRD policy of pakistan. *Asian Themes in Social Sciences Research*, 2(1), 9-15.
- Nachmias, S., Mitsakis, F., Aravopoulou, E., Rees, C. J., & Kouki, A. (2022). Line managers' perceptions of diversity management: insights from a social exchange theory perspective. *Employee Relations: The International Journal*, 44(2), 294-318.
- Navajas-Romero, V., Ceular-Villamandos, N., Pérez-Priego, M. A., & Caridad-López del Río, L. (2022). Sustainable human resource management the mediating role between work engagement and teamwork performance. *Plos one*, 17(8), e0271134.
- Ortu, M., Frigau, L., & Contu, G. (2024). Topic based quality indexes assessment through sentiment. *Computational Statistics*, 39(1), 289-311.
- Otoo, F. N. K. (2019). Human resource management (HRM) practices and organizational performance: The mediating role of employee competencies. *Employee Relations: The International Journal*, 41(5), 949-970.
- Ozkeser, B. (2019). Impact of training on employee motivation in human resources management. *Procedia Computer Science*, 158, 802-810.

- Panicker, T., & Balu, L. (2018). The impact of workforce diversity on employee engagement in Manasco group. *Int. J. Eng. Technol. Sci. Res*, 5(3), 103-111.
- Park, L. S., & Martinez, L. R. (2022). Fifty shades of pray: Faith diversity management approaches impact employee satisfaction, support perceptions, and turnover. *Journal of Organizational Behavior*, 43(6), 1103-1120.
- Rasoolimanesh, S. M., Wang, M., Roldan, J. L., & Kunasekaran, P. (2021). Are we in right path for mediation analysis? Reviewing the literature and proposing robust guidelines. *Journal of Hospitality and Tourism Management*, 48, 395-405.
- Rönkkö, M., & Cho, E. (2022). An updated guideline for assessing discriminant validity. *Organizational research methods*, 25(1), 6-14.
- Saqib, S. I., Allen, M. M., & Wood, G. (2022). Lordly management and its discontents: 'human resource management' in Pakistan. *Work, Employment and Society*, 36(3), 465-484.
- Schachner, M. K. (2019). From equality and inclusion to cultural pluralism—Evolution and effects of cultural diversity perspectives in schools. *European Journal of Developmental Psychology*, 16(1), 1-17.
- Sekhar, C., Patwardhan, M., & Vyas, V. (2018). Linking work engagement to job performance through flexible human resource management. *Advances in Developing Human Resources*, 20(1), 72-87.
- Sendawula, K., Nakyejwe Kimuli, S., Bananuka, J., & Najjemba Muganga, G. (2018). Training, employee engagement and employee performance: Evidence from Uganda's health sector. *Cogent Business & Management*, 5(1), 1470891.
- Shrestha, N. (2021). Factor analysis as a tool for survey analysis. *American journal of Applied Mathematics and statistics*, 9(1), 4-11.
- Sinha, E., Jannah, Y. N., Rahadi, R. A., Aprianingsih, A., Wu, J., Wan, L., & Phillips, R. A. (2022). Managerial Intrapreneurship: Effect of Individual level Competencies and Mediating Role of Trait Emotional Intelligence. *Journal of Asia Entrepreneurship and Sustainability*, 18(2), 3-51.
- Sitzmann, T., & Weinhardt, J. M. (2018). Training engagement theory: A multilevel perspective on the effectiveness of work-related training. *Journal of Management*, 44(2), 732-756.
- Sousa, I. C., Ramos, S., & Carvalho, H. (2019). Age-diversity practices and retirement preferences among older workers: A moderated mediation model of work engagement and work ability. *Frontiers in psychology*, 10, 1937.
- Sousa, I. C., Ramos, S., & Carvalho, H. (2021). Retaining an age-diverse workforce through HRM: The mediation of work engagement and affective commitment. *German Journal of Human Resource Management*, 35(4), 409-435.
- THAIS, O. Y. G. (2020). LEADERSHIP AND ORGANIZATIONAL STRUCTURE AFFECTING EMPLOYEES' BEHAVIORS: A STUDY ON JOB SATISFACTION, WORK ENGAGEMENT, AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR. *International Journal of Management (IJM)*, 11(4).
- Verbeke, A., Coeurderoy, R., & Matt, T. (2018). The future of international business research on corporate globalization that never was.... *Journal of International Business Studies*, 49(9), 1101-1112.
- Wang, Y., Kim, S., Rafferty, A., & Sanders, K. (2020). Employee perceptions of HR practices: A critical review and future directions. *The International Journal of Human Resource Management*, 31(1), 128-173.

- Young, H. R., Glerum, D. R., Wang, W., & Joseph, D. L. (2018). Who are the most engaged at work? A meta-analysis of personality and employee engagement. *Journal of Organizational Behavior*, 39(10), 1330-1346.
- Yu, W., Qian, Y., Abbey, C., Wang, H., Rozelle, S., Stoffel, L. A., & Dai, C. (2022). The role of self-esteem in the academic performance of rural students in China. *International Journal of Environmental Research and Public Health*, 19(20), 13317.
- Zahra, M., & Kee, D. M. H. (2022). Influence of proactive personality on job performance of bank employees in Pakistan: Work engagement as a mediator. *International Journal of Management Studies*, 29(1), 83-108.
- Zhang, L., Zhang, Y., Dallas, M., Xu, S., & Hu, J. (2018). How perceived empowerment HR practices influence work engagement in social enterprises—a moderated mediation model. *The International Journal of Human Resource Management*, 29(20), 2971-2999.

