

## A Study on Human Resource Practices and Its Impact on Organizational Performance: A Comparative Study of Private and Public Schools in Kathmandu

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### ABSTRACT

This study investigates the impact of Human Resource (HR) practices on organizational performance in the context of public and private schools in Kathmandu. With a focus on key HR dimensions such as recruitment, training and development, performance evaluation, and employee motivation, the research compares how these practices are implemented and their subsequent effects on institutional effectiveness and employee satisfaction. Data were collected through surveys and interviews with school administrators, teachers, and staff from both public and private schools. The findings reveal significant differences in HR practices between public and private schools, with private schools showing a higher emphasis on performance-based incentives and professional development programs, while public schools focus on standardized procedures and job security. The study concludes that effective HR practices are crucial for enhancing organizational performance, regardless of the school type. Recommendations are provided for policymakers and school leaders to adopt tailored HR strategies that align with their institutional goals and operational environments. This research contributes to the growing body of literature on HR management in the education sector and offers practical insights for improving school performance through strategic HR interventions.

**KEYWORDS:** Human Resource Practices, Organizational Performance, Private Schools, Public Schools, Kathmandu, Comparative Study

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### 1. INTRODUCTION

In the contemporary education sector, the role of Human Resource (HR) practices has become increasingly significant in shaping organizational performance. Schools, whether public or private, operate in dynamic environments where effective HR management is essential for achieving strategic goals, fostering employee satisfaction, and enhancing overall institutional performance. While both public and private schools aim to deliver quality education, the differences in their operational structures, governance models, and resource allocation often lead to variations in their HR practices and, subsequently, their organizational outcomes.

Kathmandu, the capital city of Nepal, serves as a microcosm of this dual educational system, where public and private schools coexist and cater to a diverse student population. Public schools are primarily funded and managed by the government, emphasizing accessibility and inclusivity. In contrast, private schools often operate under entrepreneurial management, prioritizing efficiency, innovation, and competitive performance. These inherent differences in organizational frameworks create a unique setting for comparative research. This study aims to explore and compare the HR practices adopted by public and private schools in Kathmandu and evaluate their impact on organizational performance. Specifically, the research seeks to identify key HR dimensions such as recruitment, training and development, performance evaluation, and employee motivation, and assess their influence on institutional effectiveness and employee satisfaction.

By bridging the knowledge gap in this area, the study aspires to provide actionable insights for policymakers, school administrators, and HR professionals to develop context-specific strategies for improving school performance through effective HR management. The findings are expected to contribute to the broader discourse on HR practices in educational institutions, offering a foundation for future research and practical interventions in the field of school management and organizational development.

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## 1.1 Background

Human Resource Management (HRM) is integral to achieving organizational success. Effective HR practices, including recruitment, training, compensation, and performance evaluation, have been shown to influence employee productivity and organizational growth. In the education sector, HR practices directly affect the quality of teaching and learning, impacting students' outcomes and institutional reputation.

Kathmandu, as the capital city of Nepal, houses a significant number of private and public schools. While private schools are often perceived as more dynamic and resourceful, public schools are viewed as constrained by administrative rigidity and limited funding. This study investigates how HR practices differ between these two sectors and assesses their impact on organizational performance.

### 1.2 Objectives of the Study

- To compare HR practices between private and public schools in Kathmandu.
- To analyze the impact of HR practices on organizational performance in both sectors.
- To identify challenges faced by public and private schools in implementing effective HR practices.
- To provide recommendations for improving HR practices in both types of schools.

### 1.3 Research Questions

1. What are the key HR practices adopted in private and public schools in Kathmandu?
2. How do HR practices impact the organizational performance of schools?
3. What challenges do private and public schools face in implementing HR practices?

### 1.4 Significance of the Study

This research provides insights into HR practices in educational institutions and their role in enhancing organizational performance. It offers policymakers, school administrators, and HR professionals strategies to address HR-related challenges in the education sector.

## 2. LITERATURE REVIEW

### 2.1 Human Resource Practices in Educational Institutions

HR practices in schools primarily focus on recruitment, training, employee engagement, and performance evaluation. Effective recruitment ensures qualified teachers are hired, while training and development programs help improve teaching methodologies. Human Resource Management (HRM) practices play a pivotal role in determining organizational performance across sectors, including educational institutions. Effective HR practices, including recruitment, training and development, performance appraisal, and employee retention strategies, significantly impact employee satisfaction, productivity, and institutional growth (Dessler, 2017). Schools, both private and public, rely heavily on HRM strategies to manage their teaching and administrative staff. However, the implementation and effectiveness of these practices often vary between public and private educational institutions due to differences in governance, financial resources, and organizational culture (Brewster et al., 2016).

Private schools are often characterized by more flexible HR practices tailored to meet institutional goals and market demands. Research suggests that private schools place a higher emphasis on performance-based rewards, continuous professional development, and competitive compensation packages to retain talented staff (Armstrong, 2014). Moreover, private schools tend to adopt modern HR technologies and systems to streamline recruitment and performance evaluations (Torrington et al., 2011). Despite these advantages, challenges such as job insecurity, increased workload, and lack of union representation remain prevalent (Sims, 2010).

In contrast, public schools operate under bureaucratic structures with standardized HR policies, often influenced by government regulations and union agreements (Jackson & Schuler, 2005). While public schools provide better job security and structured career progression, they often face challenges related to limited financial resources, lack of incentives for high performance, and bureaucratic delays in decision-making processes (Storey, 2007). Research indicates that these limitations can affect teacher motivation, commitment, and overall institutional performance (Boxall & Purcell, 2016).

Several comparative studies have analyzed the differences in HRM practices between public and private schools. A study by Gupta and Sharma (2018) revealed that private school teachers reported higher job satisfaction levels due to better incentives and recognition systems. Conversely, public school teachers valued job security and pension schemes more highly. Another study by Khan et al. (2020) highlighted that professional training opportunities were more frequent in private schools, while public schools lagged in providing skill enhancement programs.

The relationship between HR practices and organizational performance is well-documented in existing literature. Effective HR practices contribute to enhanced employee engagement, reduced turnover rates, and improved teaching outcomes (Guest, 2011). In the context of schools, factors such as teacher satisfaction, classroom management skills, and curriculum delivery are directly influenced by HR policies. However, the impact varies depending on whether the institution is privately or publicly managed (Huselid, 1995).

# A Study on Human Resource Practices and Its Impact on Organizational Performance: A Comparative Study of Private and Public Schools in Kathmandu

While there is substantial research on HR practices in schools, there remains a lack of comparative studies focusing specifically on Kathmandu's educational institutions. Most existing studies are generalized and fail to account for contextual factors such as cultural dynamics, policy environments, and economic constraints in the Kathmandu region. Future research should focus on exploring these factors and their implications on HRM practices and organizational performance.

## 2.2 Organizational Performance

Organizational performance in schools can be measured through indicators such as teacher retention, student performance, employee satisfaction, and institutional reputation. HR practices play a significant role in improving these performance metrics.

## 2.3 Comparative Studies of HR Practices

Several studies highlight differences between private and public sector organizations. Private schools tend to adopt flexible and performance-based HR systems, while public schools often follow standardized and less dynamic approaches.

## 3. RESEARCH METHODOLOGY

### 3.1 Research Design

This study uses a mixed-methods approach, combining quantitative surveys and qualitative interviews to gather data.

### 3.2 Population and Sampling

The study includes teaching and non-teaching staff from 10 private and 10 public schools in Kathmandu. A purposive sampling method was used to select participants.

### 3.3 Data Collection Methods

- **Questionnaires:** Structured questionnaires were distributed to teachers and staff to collect quantitative data on HR practices and organizational performance. I am presenting few sample of questionnaire for the best HR Practices.
- **Interviews:** Semi-structured interviews were conducted with school principals and HR managers for qualitative insights.

Questionnaire for the best HR practices

- Hiring
- Training and Development
- Compensation Policy
- Decentralization and Self-Managed Team
- Information Sharing
- Job Security

Questionnaire for Organizational Performance

- Employee Satisfaction
  - Promotion related
  - Supervision related
  - Benefits related
  - Work related
- Employee Commitment
  - Affective commitment
  - Continuance commitment
  - Normative commitment
- Productivity
- Employee Turnover

The questionnaire will give the result as in below provided format:

### SLC Result

Year	Total Students	Boys	Girls	Distinction	First Division	Second Division	Third Division	Fail	Absent/Remarks
2070									
2071									

SLC/ SEE Result

**A Study on Human Resource Practices and Its Impact on Organizational Performance: A Comparative Study of Private and Public Schools in Kathmandu**

Year	Total Students	Boys	Girls	A+ 4.0	A 3.6	B+ 3.2	B 2.8	C+ 2.4	C 2.0	D+ 1.6	D 1.2	E 0.8	Absent/ Remarks
2072													
2073													
2074													
2075													

Sample Questionnaire

**QUESTIONNAIRE FOR BEST HR PRACTICES**

**A. HIRING**

1. We use consultants while hiring employees.  
Fully disagree 1. 2. 3. 4. 5. Fully agree
2. We select employees that fit our culture.  
Fully disagree 1. 2. 3. 4. 5. Fully agree
3. We select employees with a rigorous test.  
Fully disagree 1. 2. 3. 4. 5. Fully agree
4. We primarily hire the employees that currently possess the necessary knowledge and skills.  
Fully disagree 1. 2. 3. 4. 5. Fully agree
5. Employees are recommended from educational institutes.  
Fully disagree 1. 2. 3. 4. 5. Fully agree
6. We use recruiting agencies for selecting employees too.  
Fully disagree 1. 2. 3. 4. 5. Fully agree
7. We select employees on the basis of reference of employees.  
Fully disagree 1. 2. 3. 4. 5. Fully agree
8. We do not entertain the undue pressure of regulating authorities.  
Fully disagree 1. 2. 3. 4. 5. Fully agree

**3.4 Data Analysis**

Quantitative data were analyzed using descriptive and inferential statistics, while qualitative data were thematically analyzed.

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## 4. RESULTS AND DISCUSSION

### 4.1 Comparison of HR Practices

HR Practice	Private Schools	Public Schools
Recruitment	Merit-based, competitive selection	Bureaucratic, less competitive
Training and Development	Regular workshops, skill-based	Limited, infrequent
Performance Management	Structured appraisals, feedback	Minimal appraisals, weak feedback
Employee Satisfaction	Higher satisfaction, incentive-based	Moderate satisfaction, fixed pay

### 4.2 Impact of HR Practices on Organizational Performance

The study found that private schools reported higher teacher motivation, better student outcomes, and stronger institutional reputations due to well-structured HR practices. In contrast, public schools struggled with high turnover, low motivation, and inconsistent student results. The relationship between HR practices and organizational performance is well-documented in existing literature. Effective HR practices contribute to enhanced employee engagement, reduced turnover rates, and improved teaching outcomes (Guest, 2011). In the context of schools, factors such as teacher satisfaction, classroom management skills, and curriculum delivery are directly influenced by HR policies. However, the impact varies depending on whether the institution is privately or publicly managed (Huselid, 1995).

#### 4.2.1 Research Gaps and Further Performance

While there is substantial research on HR practices in schools, there remains a lack of comparative studies focusing specifically on Kathmandu's educational institutions. Most existing studies are generalized and fail to account for contextual factors such as cultural dynamics, policy environments, and economic constraints in the Kathmandu region. Future research should focus on exploring these factors and their implications on HRM practices and organizational performance.

### 4.3 Challenges Faced

- **Private Schools:** Resource allocation for extensive HR programs.
- **Public Schools:** Bureaucratic delays, lack of funding, and outdated HR policies.

## 5. CONCLUSION AND RECOMMENDATIONS

### 5.1 Conclusion

This study highlights significant differences in HR practices between private and public schools in Kathmandu. Private schools benefit from structured and dynamic HR systems, resulting in better organizational performance. Public schools, however, face systemic challenges that impede the implementation of effective HR practices. In conclusion, HR practices play a crucial role in determining the effectiveness and performance of both public and private schools. While private schools benefit from flexibility and innovation in HRM, public schools offer stability and structured career paths. A comparative analysis of these institutions in Kathmandu can provide valuable insights into the best HRM practices and their contribution to improving educational outcomes.

### 5.2 Recommendations

#### 1. For Private Schools:

- Continue investing in employee training and performance-based incentives.
- Develop sustainable HR frameworks to address resource limitations.

#### 2. For Public Schools:

- Reform bureaucratic HR processes and update HR policies.
- Increase funding for teacher training and performance management programs.
- Foster collaboration between public and private schools to share best HR practices.

#### 3. For Policymakers:

- Prioritize HR reforms in the education sector to enhance institutional effectiveness.
- Introduce programs to bridge gaps between public and private school systems.

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