

The Impact of Human Resource Management Practices on Impersonal Organizational Trust (With special reference to financial institutions in Sri Lanka)

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Abstract

The main purpose of this study was to identify whether there is a significant impact of identified strategic human resource management practices (learning and development, communications, performance evaluations and rewards, career opportunities, participation, job design) on impersonal organizational trust with the backing of Social Exchange Theory. This was a cross sectional field study of quantitative nature. Primary data were collected using a well-structured questionnaire. Sample consisted of 100 executive and above employees in the financial institutions in Western Province of Sri Lanka. Descriptive statistics, Pearson correlations and regression analysis were used to analyze data and make conclusions. Findings of the study revealed that there is a significant positive impact of HRM practices on impersonal organizational trust. It revealed that employee trust on the functioning of the entire organization depends on the perceptions of fairness and well-execution of the HRM practices.

Keywords: Human resource management practices , Impersonal organizational trust

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