

Human Resource Audit And Employee Performance: The Nigerian Ports Perspective

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Abstract

The study examined the effect of human resource audit on employee performance. The research employed the quantitative approach involving a descriptive survey design. Data were obtained from primary source using questionnaire. The population of the study comprised 100 employees. The hypotheses were tested using Structural Equation Model (SEM). The results showed that recruitment and selection audit have significant positive effect on employee performance. Also, the study found that productivity audit has significant positive effect on employee performance. It was also found that reward and compensation audit have significant positive effect on employee performance. Based on the findings, the paper recommended that given the significant positive effect of recruitment and selection audit on employee performance, it is crucial for ports management to continually review and improve its recruitment and selection processes. This could involve implementing standardized procedures, ensuring transparency and fairness in hiring practices, and regularly auditing these processes to identify and address any inefficiencies or biases. Also, since productivity audit has been shown to have a significant positive effect on employee performance, port's management should prioritize initiatives aimed at enhancing productivity across all departments and units.

Keywords: Human Resource Audit; Recruitment and Selection; Productivity; Reward and Compensation; Employee Performance

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I. Background To The Study

The port's management plays a pivotal role in facilitating maritime trade and commerce in Nigeria, serving as a key driver of the country's economic growth and development. Central to the success of the Port management is the performance of its workforce, comprising individuals engaged in diverse roles ranging from administrative tasks to operational functions critical to port operations (Srinivas & Siriseti, 2022). As such, understanding the factors that influence employee performance within the ports is essential for optimizing organizational effectiveness and achieving strategic objectives. This study investigates the relationship between human resource audit practices and employee performance, focusing on three key variables: recruitment and selection audit, productivity audit, and reward and compensation audit. These variables are selected based on their significant impact on employee motivation, engagement, and productivity, as well as their potential to shape organizational culture and performance outcomes.

Recruitment and Selection audit encompasses the processes and procedures employed by the ports to attract, assess, and onboard new employees. Effective recruitment and selection practices are essential for identifying and hiring individuals with the requisite skills, knowledge, and attributes to thrive in their roles within the organization. Furthermore, productivity audit focuses on assessing the efficiency and effectiveness of employee performance within the ports, particularly in relation to the achievement of key performance indicators (KPIs) and operational targets (Abiola, 2020). Employee productivity is a critical determinant of organizational performance, directly impacting service delivery, customer satisfaction, and overall competitiveness.

Reward and compensation audit involve the review and evaluation of the Port's management compensation and benefits practices, including salary structures, incentive programmes, and non-monetary rewards. Fair and equitable compensation is essential for attracting and retaining top talent, motivating employees to perform at their best, and fostering a culture of engagement and loyalty. By conducting an audit of reward and compensation practices, this study aims to assess the extent to which the ports management compensation strategy

aligns with industry benchmarks, recognizes and rewards employee contributions, and supports organizational objectives (Arkan, 2016). The study intends to fill several gaps in the existing literature on human resource management and employee performance. While previous research has explored various aspects of HRM practices and their impact on organizational performance in different settings, limited attention has been paid specifically to ports management in Nigeria and its unique challenges and opportunities. Additionally, there is a lack of empirical studies examining the relationship between human resource audit practices and employee performance outcomes within the maritime sector in Nigeria. Therefore, this study examines human resource audit and employee performance.

Statement Of The Problem

The ports management serves as a critical entity in the nation's economy, facilitating the movement of goods and fostering international trade. However, amidst its pivotal role, concerns persist regarding the optimization of employee performance within the organization. However, one of the fundamental pillars that could shape employee performance within the ports is the recruitment and selection process. The efficacy of this process determines the quality of talent entering the organization, directly impacting its operational efficiency and service delivery. However, the inadequacies within the recruitment and selection procedures may hinder the organization's ability to attract, retain, and develop competent personnel. Issues such as inconsistent screening criteria, lack of diversity initiatives, and insufficient skills matching may lead to mismatches between job roles and employee capabilities, resulting in decreased productivity and morale among staff members.

Furthermore, productivity stands as a cornerstone metric reflecting the organization's efficiency and effectiveness in achieving its objectives. Within the port's management, fluctuations in productivity levels may arise due to various factors, including inadequate resource allocation, operational inefficiencies, and suboptimal task delegation. A productivity audit serves as a mechanism to identify and address these challenges, enabling the organization to streamline its processes and enhance employee performance. However, the absence of a systematic productivity audit may exacerbate existing inefficiencies, leading to decreased output, increased operational costs, and compromised service delivery within the ports.

Also, the reward and compensation system play a pivotal role in motivating employees and fostering a conducive work environment within the ports. Fair and competitive compensation packages serve as a catalyst for employee engagement, job satisfaction, and retention, thereby influencing overall performance outcomes. However, disparities in compensation structures, inequitable reward distribution, and inadequate recognition mechanisms may undermine employee morale and commitment, ultimately impeding organizational productivity and effectiveness. Therefore, this study examines the influence of human resource audit on employee performance.

Aims Of The Study

The broad objective of the study was to examine the effect of human resource audit and employee performance. Specifically, the study seeks to:

1. Determine the effect of recruitment and selection audit on employee performance.
2. Examine the effect of productivity audit on employee performance.
3. Examine the effect of reward and compensation audit on employee performance.

II. Literature Review And Hypotheses Development

Human Capital Theory

Human capital theory, propounded by economists such as Gary Becker, emphasizes the importance of investments in human capital—defined as the knowledge, skills, abilities, and other attributes possessed by individuals—in driving economic growth and organizational performance. According to this theory, individuals acquire human capital through education, training, and experience, and organizations can enhance their competitiveness by effectively leveraging and developing their human capital (Anita, 2014). In the context of this study, human capital theory provides a relevant theoretical framework for understanding the impact of recruitment and selection audit, productivity audit, and reward and compensation audit on employee performance.

Recruitment and selection audit, as part of human resource audit practices, plays a crucial role in ensuring that the organization attracts and selects candidates with the necessary human capital to perform effectively in their roles. Human capital theory suggests that investing in the recruitment and selection process to identify and onboard individuals with relevant skills, experience, and potential can contribute to enhanced employee performance (Badmus, 2010). Aligning recruitment practices with the organization's strategic objectives and investing in talent acquisition strategies that prioritize the development of human capital, the Nigerian ports can ensure that it recruits individuals who possess the requisite competencies to drive organizational success.

Productivity audit, within the framework of human capital theory, focuses on assessing the efficiency and effectiveness of human capital utilization within the organization. By evaluating factors such as workflow

processes, resource allocation, and task delegation, productivity audits help identify opportunities to enhance the productivity and performance of employees. Human capital theory suggests that organizations can improve productivity by investing in training and development programs that enhance employees' human capital, thereby increasing their capacity to contribute value to the organization (Bhumika, 2016).

Also, reward and compensation audit, guided by human capital theory, aims to ensure that the organization's reward systems effectively incentivize and retain talented individuals with valuable human capital. According to human capital theory, employees are more likely to contribute their knowledge, skills, and efforts to the organization's goals when they perceive their contributions are fairly rewarded. By conducting reward and compensation audits, the ports management can assess the alignment between its reward systems and the organization's strategic objectives, as well as benchmark against industry standards. Therefore, human capital theory provides a theoretical foundation through which to understand the relevance of recruitment and selection audit, productivity audit, and reward and compensation audit on employee performance.

Concept Of Human Resources Audit

A human resource audit is a systematic and comprehensive assessment of an organization's human resources policies, practices, processes, and procedures. It involves a thorough review and evaluation of various HR functions to ensure legal compliance, effectiveness, and alignment with organizational goals and objectives (Basse & Arzizeh, 2012). The primary purpose of a human resource audit is to identify strengths, weaknesses, opportunities, and threats within the HR function, enabling the organization to make informed decisions and improvements to enhance overall performance and mitigate risks. In port's management, human resources audit holds significant relevance for optimizing employee performance and operational efficiency. The relationship between human resources audit and employee performance is multifaceted and dynamic. A well-executed audit provides valuable insights into the effectiveness of HR practices and their impact on employee engagement, motivation, and productivity (Bhumika, 2016).

Recruitment and selection processes play a crucial role in shaping employee performance. By conducting an audit of these processes, the organization can identify gaps in talent acquisition strategies, ensure alignment with organizational goals, and enhance the quality of hires. Effective recruitment and selection practices contribute to the attraction and retention of skilled personnel, thereby positively influencing overall employee performance. Training and development initiatives are essential for enhancing employee competencies and skills, ultimately contributing to improved performance within the ports. Through a human resources audit, the organization can evaluate the adequacy and effectiveness of training programs, identify areas for skills development, and align training efforts with strategic objectives. Investing in employee development fosters a culture of continuous learning and improvement, leading to enhanced job performance and organizational effectiveness.

Performance management systems play a critical role in clarifying expectations, providing feedback, and recognizing employee contributions. Through human resources audit, management of ports can assess the fairness, transparency, and effectiveness of performance appraisal processes, identify barriers to performance improvement, and implement corrective measures as needed. A well-designed performance management system promotes accountability, encourages goal attainment, and drives overall performance within the organization (Cherian, 2013). Compensation and benefits are important drivers of employee motivation and engagement in ports. Conducting an audit of reward systems, helps the port management to evaluate the competitiveness, equity, and alignment of compensation practices with industry standards and organizational objectives. Fair and competitive compensation packages not only attract and retain top talent but also incentivize high performance and productivity among employees. Employee relations and compliance with legal and regulatory requirements are essential aspects of HR management that impact employee performance (Enofe, 2013). Through human resources audit, port management can assess the effectiveness of employee relations programmes, identify potential areas of non-compliance, and mitigate risks related to legal liabilities or employee grievances. A positive work environment, characterized by open communication, trust, and respect, fosters employee engagement, satisfaction, and ultimately, performance.

Recruitment And Selection Audit

Recruitment and selection processes form the bedrock of any organization's human resource management practices, directly influencing the caliber and competence of its workforce. Within the ports, the significance of these processes is magnified, given the critical role the organization plays in the nation's economy (Enyi, 2014). A recruitment and selection audit, therefore, assumes paramount importance in ensuring the alignment of HR practices with organizational goals, as well as in fostering employee performance and overall organizational effectiveness. The concept of a recruitment and selection audit revolves around a systematic and comprehensive evaluation of the procedures and practices employed by an organization in attracting, assessing, and appointing candidates for various positions (Ezejiofor, 2017). This audit entails a meticulous examination of

each stage of the recruitment and selection process, including job analysis, sourcing strategies, screening methods, interview techniques, and decision-making criteria. It seeks to identify strengths, weaknesses, and areas for improvement within these processes, with the ultimate aim of enhancing the quality and fit of personnel selected for roles within the organization.

In ports management, the relationship between recruitment and selection audit and employee performance is profound and multifaceted. Firstly, the effectiveness of recruitment and selection processes directly impacts the caliber of individuals entering the organization. A thorough audit helps identify gaps or inefficiencies in these processes, thereby enabling the port management to attract and onboard candidates who possess the requisite skills, experience, and attributes to excel in their roles (Fariborz, 2011).

Furthermore, the recruitment and selection audit serve to enhance fairness, transparency, and meritocracy within the organization. However, evaluating factors such as diversity initiatives, adherence to equal employment opportunity principles, and consistency in selection criteria, the audit helps mitigate biases and promote inclusivity in the hiring process. This, in turn, fosters a more equitable and conducive work environment, wherein employees feel valued and empowered to perform at their best (Isaac, 2017). Moreover, a well-executed recruitment and selection audit contributes to employee engagement and retention within organisation. When individuals are selected based on their fit with the organizational culture, values, and job requirements, they are more likely to feel a sense of belonging and commitment to the organization. This, in turn, translates into higher levels of job satisfaction, motivation, and loyalty, all of which are critical determinants of employee performance and retention.

H01: Recruitment and selection audit does not have significant effect on employee performance.

Productivity audit

Productivity audit is a vital component of the broader human resource audit aimed at enhancing employee performance and organizational efficiency. A productivity audit involves a systematic assessment of the organization's processes, resources, and practices to identify inefficiencies, streamline operations, and optimize output. It focuses on evaluating the utilization of resources, workflow effectiveness, and performance metrics to ensure that the organization achieves its objectives in the most efficient manner possible (Islam, 2013). Within the port, the relationship between productivity audit and employee performance is multifaceted and dynamic. A productivity audit serves as a diagnostic tool to identify bottlenecks, resource constraints, and operational challenges that may hinder employee productivity and performance. By examining key performance indicators (KPIs) such as cargo throughput, vessel turnaround time, and berth occupancy rates, the productivity audit provides insights into the factors influencing employee performance at both individual and organizational levels (Micah, 2012). Through the productivity audit, the port management can assess the adequacy of infrastructure, equipment, and technology to support employee tasks and responsibilities. Inefficient equipment, outdated technology, and inadequate facilities can hamper employee productivity, leading to delays, errors, and reduced service delivery standards. By identifying areas for investment and improvement, the productivity audit enables the organization to enhance employee performance by providing them with the necessary tools and resources to perform their jobs effectively.

Moreover, the productivity audit evaluates the effectiveness of workflow processes, task allocation, and workload management practices within the ports. Poorly designed workflows, unclear role expectations, and ineffective communication channels can impede employee performance and contribute to inefficiencies in service delivery. Through process mapping, time-motion studies, and workflow analysis, the productivity audit helps identify opportunities for streamlining processes, eliminating redundancies, and improving coordination among employees, thereby enhancing overall productivity and performance.

Furthermore, the productivity audit assesses the alignment of performance metrics and incentives with organizational goals and employee objectives. Incentive structures that reward individual effort over team collaboration or emphasize quantity over quality may inadvertently undermine employee motivation and performance (Adeyemi & Ojo, 2018). By reviewing performance appraisal systems, incentive schemes, and recognition programs, the productivity audit ensures that performance metrics incentivize behaviors and outcomes that contribute to the organization's strategic priorities and enhance employee engagement and satisfaction.

H02: Productivity audit does not have significant effect on employee performance.

Reward And Compensation Audit

Reward and compensation audit is a critical component of the broader human resource audit framework within the port, particularly concerning its impact on employee performance (Yusuf & Ahmed, 2018). Reward and compensation audit refer to the systematic evaluation of the organization's reward and compensation system to ensure its fairness, effectiveness, and alignment with organizational objectives and industry standards. It

involves assessing various elements of the compensation package, including base salaries, bonuses, incentives, benefits, and recognition mechanisms, to determine their adequacy in motivating and rewarding employees for their contributions to the organization.

The relationship between reward and compensation audit and employee performance is multifaceted and significant. Firstly, an effective reward and compensation system serves as a powerful motivator for employees, encouraging them to exert effort and perform at their best to achieve organizational goals (Ibrahim & Adewale, 2020). When employees perceive that their efforts are appropriately recognized and rewarded, they are more likely to be engaged, committed, and productive in their roles within the organization. Conversely, deficiencies or inequities in the reward and compensation system may lead to dissatisfaction, demotivation, and reduced performance among employees.

Furthermore, the reward and compensation audit help identify areas for improvement in the organization's compensation practices, ensuring that they remain competitive and aligned with industry benchmarks. Benchmarking compensation levels against those of comparable organizations and conducting salary surveys, the port management can determine whether its compensation packages are attractive enough to attract and retain top talent in the industry. Moreover, the audit may reveal disparities or biases in compensation distribution, allowing the organization to address issues of equity and fairness that could otherwise undermine employee morale and performance (Okoli & Nwokocho, 2019).

Additionally, the reward and compensation audit enable port management to assess the effectiveness of incentive mechanisms in driving desired employee behaviors and outcomes. By evaluating the link between performance metrics and reward structures, the organization can ensure that its incentive programs incentivize behaviors and achievements that contribute to organizational success. This alignment between performance incentives and organizational objectives fosters a culture of performance excellence and accountability, ultimately enhancing overall employee performance and organizational effectiveness.

H03: Reward and compensation audit does not have significant effect on employee performance.

Concept of employee performance

Employee performance is multifaceted, encompassing various dimensions of individual and organizational effectiveness in achieving predetermined goals and objectives. Employee performance refers to the extent to which employees fulfill their job responsibilities, meet performance standards, and contribute to the overall success of the organization (Abiola, 2020). It involves not only the quantity of work completed but also the quality, efficiency, and effectiveness with which tasks are performed. Employee performance can be evaluated through both quantitative and qualitative measures, including productivity levels, task completion rates, customer satisfaction scores, error rates, attendance records, and adherence to organizational policies and procedures. Additionally, employee performance may also encompass intangible factors such as teamwork, innovation, problem-solving abilities, communication skills, and adaptability to change.

The relationship between employee performance and human resource audit within the ports in Nigeria is pivotal for enhancing organizational effectiveness and achieving strategic objectives. Human resource audit serves as a systematic process of assessing and evaluating HR practices, policies, and procedures to identify strengths, weaknesses, and areas for improvement (American Accounting Association, 2013). By examining various aspects of HR management, such as recruitment and selection, training and development, performance management, compensation and benefits, and employee relations, human resource audit aims to optimize the utilization of human capital and enhance organizational performance. Through the lens of human resource audit, the relationship between employee performance and HR practices within the ports can be elucidated. For instance, a well-designed recruitment and selection audit ensures that the organization attracts and retains qualified candidates who possess the requisite skills, knowledge, and competencies to perform their job roles effectively. This, in turn, enhances employee performance by aligning individual capabilities with organizational requirements and objectives (Anita, 2014).

Similarly, a productivity audit helps identify inefficiencies, bottlenecks, and barriers to optimal performance within the port. Streamlining processes, allocating resources effectively, and providing employees with the necessary tools and support, productivity audit initiatives contribute to enhancing employee performance and operational efficiency. Furthermore, a reward and compensation audit ensure that employees are fairly and equitably rewarded for their contributions, thereby motivating them to perform at their best. Employee performance was measured by employee efficiency and productivity.

Efficiency

Efficiency is the ability of an employee to accomplish a task using the least amount of resources such as time, effort, and cost while maintaining the desired quality. It is often measured by comparing the input (resources used) to the output (results achieved) (Abiola, 2020). For the port management, an efficient employee would be

one who handles cargo, processes documentation, or manages logistics with minimal waste of resources and time, leading to reduced operational costs and improved service delivery. Efficiency can be quantified through metrics such as turnaround time, cost per unit of output, and the ratio of actual output to potential output (Okoli & Nwokocha, 2019). In a human resource audit, efficiency metrics help identify areas where employees are excelling or where there might be resource wastage, enabling the organization to implement strategies for optimization and better resource management.

Productivity

Productivity measures the amount of output generated per unit of input (Okoli & Nwokocha, 2019). It focuses on the effectiveness of the workforce in converting inputs like labor, materials, and capital into valuable outputs. In the ports, productivity could be assessed by evaluating the volume of cargo handled per employee, the number of ships serviced within a timeframe, or the speed and accuracy of logistical processes (Okoli & Nwokocha, 2019). High productivity indicates that employees are maximizing their input to produce greater output, contributing to the overall operational efficiency and competitiveness of the port. Productivity is typically measured using performance indicators such as output per labor hour, revenue per employee, and service delivery times. In a human resource audit, analyzing productivity helps to pinpoint strengths and weaknesses in workforce performance, guiding strategic decisions to enhance productivity through training, technology, and process improvements.

Empirical review

Empirical review was carried out to form empirical foundation to the study. However, Srinivas and Siriseti (2022) investigated the impact of human resources audit practices in Indian SMES: Novel approach. To achieve the objective of the study a combination of inclusive literature review, visits, observations and a survey of 100 respondents was used. These results of the study was consistent with previous findings which reported that the SMEs performance was affected with the practices of human resource management. The main limitation in this work is the non-availability of timely data from many SMEs due to their lack of trust in these studies towards improving SME performance. The findings of this research not only show the positive relationship between HRM and SMEs, but also focus on elements leading to success, other lead to flair and some other mixed, which can be easily adapted to organizational structure, organizational culture and personnel training elements. These results could be applied on any other SMEs. This is the one of the first studies to examine HR factors and best practices through organizational structure, personnel training and promotion, and organizational culture of SMEs.

Okoli, and Nwokocha (2019) examine the impact of recruitment and selection process on employee performance: Evidence from Nigeria. Using quantitative survey method. The study found a significant positive relationship between the recruitment and selection process in the port agencies and employee performance. Employees who perceived the recruitment and selection process as fair and transparent reported higher levels of job satisfaction and productivity. The authors recommended that the ports should continue to focus on improving the transparency and fairness of its recruitment and selection practices to enhance employee performance.

Ibrahim and Adewale (2020) examine the influence of productivity audit and employee performance. The study adopted the mixed-methods approach combining quantitative productivity metrics analysis and qualitative interviews. The study revealed that productivity levels within the ports were positively correlated with employee performance. Departments with higher productivity rates tended to have employees who reported higher job satisfaction and perceived their performance as more effective. The study suggested that the ports management should invest in improving productivity measures and processes to enhance overall employee performance.

Yusuf and Ahmed (2018) examine the effect of reward and compensation practices on employee performance. Using a qualitative case study methodology involving in-depth interviews and document analysis. The study found that employees' perceptions of the fairness and adequacy of reward and compensation practices significantly influenced their performance. Employees who felt adequately rewarded for their contributions exhibited higher levels of motivation and engagement, leading to improved performance outcomes. The authors recommended that the port management agencies should periodically review and adjust its reward and compensation practices to ensure they remain competitive and aligned with employee expectations and organizational goals.

Adeyemi and Ojo (2018) examine the impact of recruitment and selection audit on employee performance. The study employed a mixed-method approach, combining quantitative surveys and qualitative interviews. Surveys were distributed among employees of the ports to gather quantitative data, while in-depth interviews were conducted with HR professionals to gather qualitative insights. Findings: The study found a significant positive relationship between recruitment and selection audit practices and employee performance in the ports. Employees who perceived the recruitment and selection processes as fair, transparent, and aligned with organizational goals reported higher levels of job satisfaction and performance. Based on the findings, the study

recommends that the ports management should continue to invest in regular audits of its recruitment and selection processes to ensure fairness, transparency, and alignment with organizational objectives, thereby enhancing employee performance.

III. Method

The research employed the quantitative approach involving a descriptive survey design. The descriptive survey design was chosen due to its suitability in providing a comprehensive description of employee perceptions regarding human resource audit practices and their perceived impact on employee performance. The population of the study comprised 100 employees. A census of the entire 100 population was used for the study. A questionnaire instrument was developed and used in gathering primary data for the study. The instrument covers the constructs of the study (recruitment and selection audit, productivity audit and reward and compensation audit). However, to validate the measurement instrument, Confirmatory Factor Analysis (CFA) was used. To examine the influence of human resource audit on employee performance, Structural Equation Model (SEM) was used to estimate structural/causal relationships between recruitment and selection audit, productivity audit and reward and compensation audit and employee performance.

IV. Results

Confirmatory Factor Analysis (Cfa)

To ascertain if the measures of the constructs are consistent and the data fit the measurement model, CFA was used to validate the instrument. In CFA, items with factor loading less than (<0.50) were deleted from the model. However, to achieve the model fit, one item in recruitment and selection audit, productivity audit and reward and compensation audit constructs were deleted while two items were deleted from employee performance construct due to low factor loading. In CFA analysis, it is important to report the Root Mean Square Error of Approximation (RMSEA), Comparative Fit Index (CFI), Chi-Square test (χ^2), and Standardized Root Mean Square Residual (SRMR) to determine the goodness of fit of the measurement model (Kline, 2015; Brown, 2015). After the deletion, all the indices revealed that the model achieved goodness of fit ($\chi^2/df = 2.42$, RMSEA = 0.062, CFI = 0.931 and SRMR = 0.071). All the indices meet the recommended cut-off marks and were acceptable ($\chi^2/df < 3$, RMSEA < 0.08, CFI > 0.9 SRMR < .08) (Kline, 2015). All the retained factor loading items exceeded the acceptable threshold of (>0.50). The Cronbach's alpha values ranged from 0.773-0.869 and were acceptable since the alpha values meet the recommended internal consistency value of (>0.60) (Hair et al., 2010). The Composite Reliability (CR) values ranged from 0.742-0.877, and the Average Variance Extracted (AVE) ranged from 0.521-0.667 and were all acceptable as the obtained values exceeded the recommended values of (>0.60 and >0.50) respectively in all the constructs, indicating that the model satisfactorily meets the recommended threshold. The summary of CFA result for all the constructs is presented in Table 1.

Table 1. Summary of confirmatory factor analysis result

Constructs	Item	Factor loading	Cronbach alpha	CR	AVE
			0.854	0.821	0.557
Recruitment and selection audit (RSA)	RSA1	0.82			
	RSA3	0.77			
	RSA4	0.84			
	RSA5	0.75	0.773	0.822	0.521
Productivity audit (PA)	PA1	0.74			
	PA2	0.77			
	PA3	0.85			
	PA5	0.85	0.832	0.822	0.576
Reward and compensation audit (RCA)	RCA1	0.77			
	RCA2	0.91			
	RCA3	0.86			
	RCA4	0.75			
Employee performance (EP)	EP1	0.85			
	EP2	0.89	0.822	0.742	0.546
	EP3	0.86	0.869	0.877	0.667
	EP4	0.88			
(Efficiency and productivity)	EP5	0.84			
	EP6	0.87			
	EP7	0.88			
	EP8	0.78			

Table 2 presents the result of descriptive statistics. The analysis revealed a sample of (N) 100 in all constructs. The recruitment and selection audit construct had a minimum and maximum values of 1 and 5. The construct had a mean average value of 4.164 with standard deviation and variance values of 1.847 and 3.410 respectively. The productivity audit construct had an average value of 1 and 5 for minimum and maximum. A mean average value of 4.661 with standard deviation and variance values of 1.594 and 2.540 respectively. Similarly, reward and compensation audit had a minimum and maximum values of 1 and 5. The variable had a mean average value of 4.272 with standard deviation and variance values of 1.604 and 2.573 respectively. The descriptive statistics analysis further showed that the employee performance construct had a minimum and maximum values of 1 and 5. The construct had a mean average value of 4.366 with standard deviation and variance values of 2.690 and 7.238 respectively.

Table 2. Result of descriptive statistics

Constructs	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Recruitment and selection audit	100	1	5	4.164	1.847	3.410
Productivity audit	100	1	5	4.661	1.594	2.540
Reward and compensation audit	100	1	5	4.272	1.604	2.573
Employee performance	100	1	5	4.366	2.690	7.238
Valid N (listwise)	100					

Normality Test

To determine the normality of the distribution, the Kolmogorov-Smirnov and Shapiro-Wilk tests were used to determine whether the sample population is normally distributed. As a rule of thumb, if the significant values of Kolmogorov-Smirnov and Shapiro-Wilk tests are greater than 0.05, the data is normally distributed but if below 0.05, it indicates that the data significantly deviated from a normal distribution (Hair *et al.*, 2010). Also, Hair *et al.* (2010) indicated that the absolute values of skewness and kurtosis of the distribution should not exceed 1.00 and 2.00 respectively. Table 3 presents the result of the normality test. The results showed that the Kolmogorov-Smirnov significant values were all greater than 0.05 (0.077, 0.064, and 0.057) and the Shapiro-Wilk significant values were also above 0.05 (0.086, 0.076, and 0.051) in recruitment and selection audit, productivity audit and reward and compensation audit respectively indicating that the data were normally distributed. Also, skewness of the distribution revealed the following values (-.106, -.128, and -.104) and the kurtosis values were (-.198, -.181 and -.247), based on the rule of thumb, since the skewness and kurtosis of the distribution did not exceed 1.00 and 2.00 respectively, it was an indication that the data was normally distributed.

Table 3. Summary of normality test result

Model	Constructs	Kolmogorov-Smirnov			Shapiro-Wilk			skewness	Kurtosis
		Statistic	Df	Sig.	Statistic	df	Sig.		
EP	RSA	.182	347	.077	.982	347	.086	-.106	-.198
	PA	.180	347	.064	.984	347	.076	-.128	-.181
	RCA	.207	347	.057	.987	347	.051	-.104	-.247
a. Lilliefors Significance Correction									
*. This is the lower bound of the true significance									

Multicollinearity test

To determine the intercorrelation between the variables, a multicollinearity test was executed using tolerance and Variance Inflation Factor (VIF) to see if there were very high intercorrelations among the predictor variables. The rule of thumb is that tolerance should be greater than 0.2 and VIF should be less than 5.0 (Hair *et al.*, 2010). Table 4 presents the result of the multicollinearity test. The results revealed the tolerance values of (0.499, 0.472, and 0.697) and VIF values of (1.507, 1.691, and 1.435) in recruitment and selection audit, productivity audit and reward and compensation audit respectively. Since the tolerance values were all greater than 0.2 and the VIF were less than 5.0, the result indicated that there are no multicollinearity issues among the independent variables. Also, the Eigenvalues of (.154, .142, and .151) were not close to zero across all variables and the Condition Index Values (CIV) of (7.325, 9.057, and 11.871) were all less than the cut of mark of 15 which further confirm that there were no multicollinearity issues among the independent variables.

Table 4. Summary of multicollinearity test result

Model		Coefficients ^a							Eigen Values	CIV
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics			
		B	Std. Error	Beta			Tolerance	VIF		
1	(Constant)	8.188	1.236		6.626	.000				
	RSA	.423	.059	.290	7.190	.000	.499	1.507	.154	7.325
	PA	.351	.071	.208	4.966	.000	.472	1.691	.142	9.057

	RCA	.896	.051	.534	17.496	.000	.697	1.435	.151	11.871
a. Dependent Variable: EP										

Heteroscedasticity Test

To determine whether there is a variance inequality of the residual among the observations periods, the heteroscedasticity test was performed. In particular, the Glejser test was used to determine the presence or absence of heteroscedasticities. As a rule of thumb in heteroscedasticity with test Glejser, if the significant values are greater than 0.05, then there are no heteroscedasticity issues, but if the significant value is less than 0.05 there are heteroscedasticity problems. Table 5 present the result of the heteroscedasticity test. The result indicated that the obtained values of significance for recruitment and selection audit, productivity audit and reward and compensation audit constructs were (0.183, 0.246, and 0.247) respectively which were all greater than 0.05. Based on this result it was concluded that there are no heteroscedasticity issues.

Table 5. Heteroscedasticity test result

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-3.176	1.113		-2.854	.138
	RSA	.252	.568	.081	.443	.183
	PA	.143	.482	.073	.297	.246
	EP	.134	.364	.091	.368	.247
a. Dependent Variable: Absolute R						

Structural Modelling

To examine the relationship between recruitment and selection audit, productivity audit and reward and compensation audit on employee performance, Structural Equation Modelling (SEM) was used. The SEM analysis is a multivariate approach used in examining structural relationships among constructs in a study (Kline, 2015). Table 6 presents the summary of the direct influence of recruitment and selection audit, productivity audit and reward and compensation audit on employee performance. Table 6 revealed that the direct effect of recruitment and selection audit on employee performance was significant at 0.423 (p=0.00). This implies that a 1% increase in recruitment and selection audit, will result in a 0.423 % increase in employee performance. Therefore, hypotheses (H1) was supported that recruitment and selection audit has a significant effect on employee performance. Second, the direct effect of productivity audit on employee performance was significant at 0.351 (p=0.00). This implies that when productivity audit increase by 1%, employee performance increases by 0.351. Based on the result, hypotheses (H2) was supported that Productivity audit has significant effect on employee performance. Third, the direct effect of reward and compensation audit on employee performance was significant at 0.896 (p=0.00). This implies that when reward and compensation audit increase by 1%, employee performance increases by 0.896 %. Based on this result, hypotheses (H3) was supported that reward and compensation audit has a significant effect on employee performance. Therefore, the result of the study revealed that recruitment and selection audit, productivity audit and reward and compensation audit have a significant effect on employee performance.

Table 6. Summary of direct influence of human resource audit and employee performance

Hypotheses	Constructs	Path	Constructs	Estimate	S.E.	C.R.	P-value	Result
H ₁	EP	<---	RSA	.423	.037	11.434	0.00	Significant
H ₂	EP	<---	PA	.351	.043	8.182	0.00	Significant
H ₃	EP	<---	RCA	.896	.043	21.047	0.00	Significant

Table 7 presents a summary of the goodness of fit indexes of the measurement model. The indices from Table 7 indicated that the measurement model achieved the overall goodness of fit.

Table 7. Summary of goodness of fit indexes of the measurement model

Model	Chisq/df	RMSEA	CFI	GFI	AGFI	p-value
Direct effect of the constructs	2.471	0.074	0.944	0.941	0.971	.000

Table 7 revealed Chi-square df value of ($\chi^2/df = 2.471$), root mean square error of approximation value of (RMSEA = 0.074), comparative fit index value of (CFI = 0.944), goodness of fit index value of (GFI = 0.941), adjusted goodness of fit index values of (AGFI = 0.971) and a Probability value of (p = 0.000), which achieve the acceptable cut-off values and were all satisfactory as recommended ($\chi^2/df < 3$, RMSEA < 0.08, CFI > 0.9, GFI > 0.9, AGFI > 0.9 and p-value < 0.05) (Hurber-Carol, et al., 2002). This result supported the hypotheses of the study and

affirm that recruitment and selection audit, productivity audit and reward and compensation audit has a significant positive effect on employee performance.

V. Discussion Of Findings

Recruitment and selection audit on employee performance.

The results of the analysis in this study revealed that recruitment and selection audit have a significant positive effect on employee performance. The finding was reached after the analysis of the direct influence of recruitment and selection audit on employee performance revealed an estimated value of 0.423 and a p-value of 0.000 which was statistically significant. The estimated value of 0.423 indicated that a percentage increase in recruitment and selection audit will result in a 0.423% increase in the employee performance. This result was supported by the study by Srinivas and Siriseti (2022), who demonstrated that recruitment and selection audit significantly impact employee performance and plays a crucial role in attracting skilled and talented individuals to an organization, thereby enhancing overall performance. Additionally, Abiola (2020) affirmed that an improved recruitment and selection audit process can lead to a notable enhancement in organizational performance, attributed to the skills and innovative ideas brought by recruited employees. The finding emphasizes the importance of effective recruitment and selection audit practices in enhancing employee performance and overall organizational success within the port. It underscores the need for continuous improvement and investment in recruitment and selection processes to attract and retain high-caliber talent, ultimately driving performance and innovation within the organization.

Productivity audit and employee performance.

The productivity audit construct has a significant positive effect on employee performance. Thus, the result was in accordance with the initial hypothesis (H₂) which states that productivity audit has a significant effect on employee performance. The result was evidenced by an estimated value of 0.351 which was statistically significant at a p-value of 0.000. The estimated value of 0.351 implies that a unit increase in productivity audit will result in a 0.351 percent increase in employee performance. The findings of this study align with the research conducted by Ibrahim and Adewale (2020), which demonstrated that product audit significantly influenced employees and resulted in improved performance. This outcome is consistent with the conclusions drawn by Srinivas and Siriseti (2022), who reached a similar consensus in their study. They found that regular productivity audits contributed to enhanced employee performance, thereby positively impacting the overall organizational performance.

Reward and compensation audit and employee performance.

The result of hypothesis (H₃) revealed that reward and compensation audit have a significant positive effect on employee performance. The finding was reached after the analysis of the direct influence of reward and compensation audit on employee performance revealed an estimated value of 0.896 and a p-value of 0.000 which was statistically significant. The estimated value of 0.896 indicated that a 1% increase in reward and compensation audit will result in a 0.896% increase in the employee performance. The results obtained in this study are in line with the findings of Yusuf and Ahmed (2018), who highlighted the pivotal role of reward and compensation practices in bolstering employee performance and fostering motivation for enhanced productivity within organizational settings. Similarly, the outcomes resonate with the research conducted by Ezejiofor (2017), emphasizing the critical significance of effective reward and compensation audit in facilitating successful performance management initiatives within organizations. This underscores its direct correlation with improved employee performance and heightened productivity levels. Overall, the findings underscore the importance of human resource audits, particularly recruitment and selection, productivity, and reward and compensation audits, in driving employee performance within ports.

VI. Conclusions

The conclusion of the investigation into the relationship between human resource audit practices and employee performance reveals a compelling narrative. The findings underscore the pivotal role of recruitment and selection audit, productivity audit, and reward and compensation audit in enhancing organisational performance. The evidence from the study demonstrates that recruitment and selection audit procedures wield a substantial positive impact on employee performance. By ensuring fairness, transparency, and alignment with organizational objectives, these practices serve as catalysts for heightened job satisfaction and enhanced performance among employees. Moreover, the implementation of effective productivity measurement systems within the ports not only facilitates operational efficiency but also engenders a culture of performance excellence, thereby nurturing heightened levels of employee engagement and productivity. Therefore, the study underscores the role of human resource audit practices in enhancing the performance dynamics within ports. Embracing robust recruitment and selection audit procedures, enhancing productivity measurement systems, and refining reward

and compensation practices, organization can continue to cultivate an environment conducive to optimal employee performance, thereby propelling its journey towards sustained growth and prosperity.

VII. Recommendations/Policy Implications

Based on the findings from the study, the following recommendations were made:

1. Given the significant positive effect of recruitment and selection audit on employee performance, it is crucial for port management to continually review and improve its recruitment and selection processes. This could involve implementing standardized procedures, ensuring transparency and fairness in hiring practices, and regularly auditing these processes to identify and address any inefficiencies or biases
2. Since productivity audit has been shown to have a significant positive effect on employee performance, ports management should prioritize initiatives aimed at enhancing productivity across all departments and units. This could involve investing in training programmes to improve employee skills and efficiency, implementing performance management systems to set clear expectations and goals, and providing resources and support to streamline workflow processes. Regular productivity audits can help identify areas for improvement and guide strategic efforts to boost employee performance and organizational productivity.
3. The significant positive effect of reward and compensation audit on employee performance underscores the importance of ensuring fair and competitive compensation practices within the ports. The organization should regularly review its reward and compensation systems to ensure they are aligned with industry standards, employee expectations, and organizational objectives. This may involve conducting salary benchmarking studies, soliciting feedback from employees on their compensation preferences, and exploring innovative incentive schemes to recognize and reward high performance.

Limitation and suggestion for future study

This study was not without limitations. Firstly, the research was confined to three constructs: recruitment and selection audit, productivity audit, and reward and compensation audit, used to examine their influence on employee performance. Secondly, the study was culturally and geographically restricted to Nigerian Ports. Thirdly, the study heavily relied on primary data obtained from a questionnaire completed by employees based on their knowledge and perception of human resource audit and employee performance. Future studies should aim to incorporate additional variables not addressed in this research. Furthermore, this study should be replicated in countries/regions with diverse cultural backgrounds, utilizing longitudinal surveys to ascertain the validity and generalizability of the results.