AN INVESTIGATION OF HOW HUMAN RESOURCE MANAGEMENT PHILOSOPHY AND HUMAN RESOURCE MANAGEMENT STRENGTH INFLUENCE HIGH-PERFORMANCE WORK SYSTEMS OUTCOMES

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By

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Abstract

High-performance work systems (HPWSs) have been a topic of debate due to the complicated links transforming human resource management (HRM) practices into valuable outcomes for both organizations and their employees. However, the complexity of these links between HPWS practices and outcomes has resulted in many incremental theoretical steps, one of which is to shed further light on the “black-box” of HRM – outcomes links. The black-box refers to the inadequate knowledge of issues; for example, how and when certain bundles of HPWS practices result in particular outcomes and why HPWSs do not always produce positive results. Hence, engaging with the “rhetoric” versus “reality” debate in HPWS literature, the current research comprises two studies, utilizing both qualitative and quantitative studies in an attempt to explore the HPWS black-box and contribute to the understanding of HPWS theory and literature.

Equally as important and not adequately understood is the concept of HRM philosophy as an important component to understand what drives the HPWS infrastructure in an organization. HRM philosophy has been considered the driving force behind the implementation of HRM policies, signaling management’s intentions to employees. A well-defined HRM philosophy guides policymakers to craft successful HR goals; however, there have been few explicit studies of HRM philosophy in the HPWS context. This research begins with a qualitative study within three Pakistani telecommunication organizations to understand the way different HRM philosophies may drive different forms of HPWS, and consequently, different outcomes. Furthermore, this research draws on the theoretical notion of HRM system strength to further illuminate questions relating to the black-box. HRM strength is referred to as the consistent, distinct, and consensual implementation of HRM practices.
Employees’ understanding of HRM processes and HPWS initiatives undertaken by managers is critical to the successful implementation of HPWS. Employees are the ultimate recipients of HPWS practices, and their perceptions of these practices have received substantial scholarly attention. Thus, this research incorporates employee awareness of and satisfaction with these HPWS policies as important variables of the HPWS black-box phenomenon. Employee attribution of HPWS policies is another important component of the HPWS model of this research, motivated by the fact that employee ratings of HPWS policies add to the success or failure of a HPWS. It is important to recognize that previous literature has demonstrated that HPWSs can have positive outcomes for organizations while having a negative effect on employees. Hence, this research was designed to ensure that the outcomes for multiple stakeholders were considered. The outcome variables of this research therefore include employee emotional exhaustion as an indicator of employee wellbeing at work, organizational citizenship behaviors (OCB) as a measure for organizational benefit; and employee customer service measured as a proxy for customer service outcomes.

Furthermore, the current research investigates HPWS implementation among three telecommunication organizations from Pakistan. Contextual factors and unique organizational HRM approaches cannot be overlooked in management studies. Pakistan is a developing economy with an organizational history of directive management styles, and HRM researchers have observed that these organizations have begun to implement sophisticated HPWS policies. Pakistan is a context embedded with strong national culture and Islamic values. However, transitions have been observed in the management styles of Pakistani organizations. Thus, Pakistani organizations, being exposed to simultaneous forces of convergence and divergence, propose Pakistan as an under-researched and possible avenue to explore HPWS.
This research was driven by two overarching research questions: *How does HRM philosophy influence the adoption and implementation of HPWSs in telecommunication organizations in Pakistan?* and *How do the HPWS practices influence employee outcomes through the black-box in telecommunication organizations in Pakistan?* To further guide this research, these research questions were divided between two studies. The first research question was explored as a part of qualitative Study 1, where HRM philosophy was examined through interviews with participating organizations; while the second research question was explored as a part of quantitative Study 2, where elements of the HPWS black-box were hypothesized and statistically analyzed. Overall, an inductive-deductive exploratory research technique was applied with 55 interviews and 537 questionnaires from senior managers, HR managers, and employees.

The key findings of the thesis revolve around the role of HRM philosophy, HRM system strength, and employees’ understanding of HPWS practices in the HPWS process. Findings indicate that HRM philosophy ensures vision and clarity for HPWS purpose not only for managers, but also allow them to share a salient HPWS purpose throughout the organizational levels. Additionally, following the HRM process approach, HPWS implementation with strong philosophical foundations are likely to enhance the employees’ awareness and satisfaction with HPWS and these improved employees’ perceptions generate positive employees’ reactions such as reduced emotional exhaustion, OCB, and customer service. The findings also support the conditional effects of HRM strength and employees’ attributions of HPWS practices. The findings suggest that HPWS can result into promising outcomes if they are supported by an HRM philosophy and their purpose is equally communicated with the employees. Not the presence of HPWS practices, but their right implementation and acknowledgment by the employees can make a difference to generate desired outcomes.
This research contributes to the theories presented by P. Wright and Nishii (2007) and Kepes and Delery (2007) on shared HRM perceptions and employees HRM experiences, because in this research, employee awareness and satisfaction with the HPWS policies were found to actively enhance the effect of HPWS on employee wellbeing, OCB, and customer service. Moreover, the results also support Bowen and Ostroff’s (2004) theoretical proposition that consistency, distinctiveness, and consensus in HRM practices is critical to creating strong HRM structures. The study’s implications are for both managers and theory. As the findings observed a positive role of HRM philosophy in managers’ decisions to choose and implement a more purposeful and salient HPWS, it is important for managers to invest in the formulating a well-guided HRM philosophy and purpose to orient their HPWS decision at the workplace. Moreover, employee-centred HRM philosophies and HPWS processes considering employees as organizational assets can generate desired outcomes at greater lengths. Employees’ acknowledgement of managers’ efforts of HPWS practices increase chances for managers to build string employment relationships with employees. In theory, insights are for researchers and reviewers to conduct more research by linking HRM philosophy with the use of HPWS practices because philosophies represented the knowledge, assumptions, and expectations about the HR systems; thus, providing a better understanding of HPWS implementation. Additionally, it is also important to study the employees’ acknowledgement of actual HPWS practices as a part of ‘HRM process theory’ to investigate the impact of HPWS practices on the outcomes.
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<td>CFI</td>
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<td>EFA</td>
<td>Exploratory Factor Analysis</td>
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<td>GFI</td>
<td>Goodness-of-fit Index</td>
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<td>HPWSs</td>
<td>High-Performance Work Systems</td>
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<td>HRM</td>
<td>Human Resource Management</td>
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<td>NNFI</td>
<td>Non-normative Fit Index</td>
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<td>OCB</td>
<td>Organizational Citizenship Behaviors</td>
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<td>OLS</td>
<td>Ordinary Least Square</td>
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<td>PM</td>
<td>Performance Management</td>
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<tr>
<td>RMSEA</td>
<td>Root Mean Square Error of Approximation</td>
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<td>T&amp;D</td>
<td>Training and Development</td>
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Statement of Originality

This work has not previously been submitted for a degree or diploma in any university. To the best of my knowledge and belief, the thesis contains no material previously published or written by another person except where due reference is made in the thesis itself.

---------------------------------------------
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1.1 INTRODUCTION

Linking strategic decisions in human resource management (HRM) with performance outcomes has remained a “holy grail” for HRM researchers for decades. From the 1990s, management research began to not only focus on hiring employees, but also on building cooperative employment relationships with them (Osterman, 1995). HR initiatives were found to have improved and enhanced practices such as employee recruitment and selection procedures, compensation, and performance management, employee involvement and training, to name a few. The transition of employers’ interest from just “production” to “the people responsible for this production” was not an immediate or an overnight process; rather, management developed progressively. In the early 1900s, Frederick Taylor proposed principles of scientific management as an attempt to improve the people management techniques in organizations. Taylor (1911) expected organizations to deal with both the managers’ profit and gains, as well as employees’ prosperity within an organization. However, the gap between the
management of human capital and business planning resulted in the failure of many organizations. For instance, Golden and Ramanujam (1985) argued that managers devise strategic plans based on financial and marketing factors but ignore the human resource requirements to implement their plans, which has led to implementation failures in organizations. Butler (1988) discussed that an appropriate strategy and effective workforce are the ingredients of successful management, the greater the integration between strategy and human resources, the greater the chances for organizational success.

Taylor’s ideas and methods have long been criticized by other HRM researchers as dehumanizing and too focused on the economics of the employment relationships at the expense of the social elements. A few criticisms have been made of Taylorism, and some of them, as reviewed by Locke (1982), include over-simplifying the concept of human motivation and treating employees as machines or being driven solely by economic incentives. However, some studies justify Taylor’s scientific management. For instance, Locke (1982) explained that Taylor’s association of human motivation with money is not wrong because employees want money from their work as per expectancy theory (Vroom, 1964). Locke (1982) also argued that Taylor’s point of view was not against employees making suggestions, getting involved, and treated as machines; rather Taylor encouraged workers to first obtain proper knowledge of their jobs. In Locke’s (1982) words “It might be more accurate to say that Taylor, rather than treating men as machines, helped to develop the science of integrating men with machines” (p. 20).

In addition to Taylorism, the Hawthorne experiments by Mayo and Fritz (Franke and Kaul, 1978) also led to research studies in management science, where a shift occurred from individual management to group management. Conducted during 1927-33, the Hawthorne experiments provided a new perspective to humane approaches in organizations where considerate treatment of workers results in better economic performance (Frankie & Kaul, 1978). As Taylor’s work (1911) and Hawthorne's experiments (1920s) were criticized for
overlooking factors such as work environment, workplace relationships, and employees’ rights; the work of Elton Mayo (1880–949) focused on social factors to improve employee productivity and reduce work errors. Bruce (2006) explains while supporting Elton Mayo’s (1880 - 1949) view “that humans are not merely the egoistic, utilitarian animal of neoclassical economics and scientific management, but they have other (high-level) psychosocial needs, and their social relationships at work play an important role in their productivity” (p. 177). The experiments at the Hawthorne plant brought more sophistication to people management, with a focus on group management rather than individual management. While the Hawthorne experiments have been somewhat discredited, they did lead to an increase in the consideration of employees as a critical factor for the success and failure of any organization (Copeland, 1994). Meanwhile, researchers in the fields of personnel psychology, industrial-organizational psychology, and organizational behavior developed more theoretical frameworks for management, and progressively, a new discipline evolved as strategic HRM (Schuler, 1992). While Kaufman (2015) argued that HRM has existed as long as people have been managed, HRM evolved as a modern or strategic discipline in the 1980s, “A good case can be made, however, that strategic HRM’s birth year is 1984” (p. 389).

1.1.1 The Embracing of Human Resource Management (HRM)

Managers began to demonstrate a strategic perspective for their employment relationships, while HRM as a field of practice and study started to focus on interests of both managers and the employees. Sophisticated HRM techniques gradually evolved to balance organizational as well as employee needs (A. Williams, Dobson, & Walters, 1993). In the early 80s, HR managers were more likely to work as personnel specialists, with a narrow list of personnel responsibilities (Beer, Spector, Lawrence, Mills, & Walton, 1984). However, various research studies proposing employees as “competitive assets” and calling for effective investment in these assets transformed personnel management into “HR management”, and
HRM managers and practitioners replaced traditional personnel specialists in organizations (Rothwell, Prescott, & Taylor, 1998).

Following the increased focus on employees as important organizational members, many theories and processes to manage the workforce began to emerge. From “seven practices of successful organizations” by Pfeffer (1998), to the contingency approach supporting bundles of consistent and related HR practices (Lepak, Bartol, & Erhardt, 2005), various theories were proposed supporting the impact of inter-connected HRM practices on employees, as well as organizational factors (Pfeffer & Jeffery, 1998). For example, employee performance appraisal connected to fairness in HR processes was found to increase levels of satisfaction among employees (Inderrieden, Keaveny, & Allen, 1988). Employee voice mechanisms began to grow in organizations, which allowed employees to take part in organizational processes, enhancing employees’ positive perceptions of procedural fairness at work (Bies & Shapiro, 1988). Such enhanced and improved HRM processes for employees motivated employees to exhibit positive citizenship behaviors towards their organizations as a reciprocation (Niehoff & Moorman, 1993). As an element of HRM, human capital was observed as a central frame of reference; critics observed HRM to exploit employees’ potential to meet the organizational goals. Such criticism was anchored around arguments based on concerns for power and politics in the workplace, which was believed to be working in a way opposite to that of mainstream functionalist HRM theory (Galang, 1999). Following the multiple theories and processes to explain HRM functionality in an organizational setting, further research was triggered that shifted the research focus to look for the strategic determinants of HRM practices providing foundations for strategic HRM (P. Wright & McMahan, 1992).

As debate continued about the positive and negative outcomes of HRM practices, Guest (1997) and other researchers argued to develop theories based on organizational context and strategies to draw theoretical conclusions for strategic HRM. The emergence of strategic HRM
in organizations, accompanied by the “rhetoric versus reality” debate (Legge, 1995), provided practitioners and policymakers with more sophisticated theoretical underpinnings for the growing HRM literature (Macky & Boxall, 2007).

1.1.2 Strategic HRM to High-Performance Work Systems (HPWSs)

A shift was observed in the literature from outward and market focused traditional management to a strategic, inward-looking, resource-based, and firm-based strategic HRM (Purcell, 1996). Different models and theories were put forward by research scholars to tackle the issues of theories and outcomes for HRM practices in HRM literature, such as the bundles of HR practices or seven best practices for organizational effectiveness (McGovern, Gratton, Hope-Hailey, Stiles, & Truss, 1997). Supporting the suggestions of scholars to focus on organizational strategy and context as important determinants in HRM, many studies were conducted to find a relationship between HRM practices and organizational strategy and a fit among them (Bae & Lawler, 2000). Employees’ positive perceptions towards their management and HR systems were also justified with leader-member exchange and associated theories (Erdogan & Liden, 2002).

The prominence of multiple theories, strategies, and models for HRM encouraged researchers to approach HRM through various perspectives. Previously, terms such as “soft or commitment-oriented” and “hard or control-oriented” HR systems were used to conceptualize HRM practices (Arthur, 1992a; 1994b). A commitment-oriented HR system focuses on the interests of employees, as well as managers’ organizational goals, and converges them together (Arthur, 1994). However, control HR systems are more “traditional” and focus on order and control of the workforce to achieve efficiency (Hauff, Alewell, & Hansen, 2014). Later, a more fashionable-but-elusive language of “high-commitment management” and “high-involvement management”, more often as a high-performance work system (HPWS), replaced the language of “soft and hard” HRM. In a high-performance work system, HRM defines itself as a much
broader system to manage the workforce and deals with employees, individually or collectively (Collings & Wood, 2009). A HPWS is defined as a system where different HRM practices, complementary to each other, are applied together in an organizational setting to produce synergetic effects; thus, differentiating a HPWS from a traditional HRM system (D. Guest, Conway, & Dewe, 2004).

HPWSs provide different sophisticated and updated ways for managers to manage their workforce and other organizational resources, to implement policies, and draw strategies for goal attainment (Becker & Huselid, 1998). These modernized HRM processes view employees as a “competitive advantage” for the organizations, which results in high managerial investments in employees’ growth and development (Chang & Chen, 2011). HPWSs involve coherent sets of HR practices and align HR functions with the broader strategies of the organization, thus facilitating the implementation process (L. Wei & Lau, 2010). A well-developed HPWS focuses on employee skill development and involves them in the organizational processes to enhance organizational effectiveness (Steigenberger, 2013).

Despite different documented positive outcomes as a result of adopting HPWSs in organizations, many studies have found that not all assessments of HPWSs are positive. The negative outcomes of HPWSs, such as increased work pressure, job stress, and turnover intentions, obstruct researchers from reaching a consensus regarding HPWSs (Topcic, Baum, & Kabst, 2016). Ongoing debates on HPWSs, such as “rhetoric versus reality”, the dark side of HPWSs, and the “black-box”, have presented HPWS researchers with challenges. The ongoing debate on the black-box of HPWS is focused on the links between HPWS HR practices and outcomes (Boxall, Ang, & Bartram, 2011; Boxall, 2012; Zhang, Zhu, Dowling, & Bartram, 2013). The concept of the black-box is based on the conclusion that HRM practices do not directly result in organizational and employee outcomes, but through certain mechanisms that remain poorly understood (Chowhan, 2016). These mechanisms are commonly referred to as
the black-box of the HRM-performance chain when examining how these practices lead to various forms of performance outcomes (Becker & Huselid, 2006). The main purpose of this thesis is to explore how the HPWS black-box builds on previous studies calling for research and nuanced investigation in this domain. Examples of such previous studies suggesting the exploration of links in HPWSs include Dyer and Reeves (1995), P. Wright and Nishii (2007), D. Guest (2011), and Cafferkey and Dundon (2015). Thus, this research is a contribution to the existing theory regarding HPWSs and the black-box.

1.1.3 HRM Philosophy for HPWS

A HPWS includes HRM practices applied collectively in an organizational setting; however, strategically, the selection of these practices is influenced by an organization’s HRM philosophy (Schuler, 1992). HRM philosophy is defined as managerial beliefs and intentions to develop HRM architecture in an organization and ensures the effective delivery of HRM initiatives throughout the organization (Monks & McMackin, 2001). As previously noted, the HPWS black-box has hindered HRM scholars from reaching a point of consensus and drawing a uniform theory; thus, this research is an attempt to explore HPWSs in organizations by first understanding the philosophical foundations for HPWS adoption. The HPWS black-box is related to the how, when, and why of HR practices (Boxall, 2012), which requires explanations as to why certain HR practices are adopted, for whom they are adopted, and who benefits from their adoption.

HRM philosophy plays an instrumental role in the choices related to managing employees and the type of practices to be used for such employee management (Lepak, Marrone, & Takeuchi, 2004). Thus, this thesis proposes that HRM philosophy is critical to determine answers about the HPWS black-box. Previous research has faced difficulty in drawing consistent conclusions about the relationship between HRM practices and outcomes (Chowhan, 2016; Gerhart, 2007). Thus, previous research has called for the investigation of
HRM philosophy to understand the relative importance and value of HPWS practices in different organizations and under different circumstances (Lepak et al., 2004). Substantial gaps in understanding how HR systems work in HPWSs is evident from the previous literature; thus, by focusing on the neglected HRM philosophy domain, this research aims to provide insights into HRM processes, the composition of HRM practices, and the values of these practices for managers (Monks et al., 2013).

The missing links in the HPWS black-box and mixed results of HPWSs can further be explained by examining the purpose of implementing these HPWS practices. Furthermore, exploring organizations’ HRM philosophies can help to understand HPWS implementation, because a HRM philosophy is typically believed to be associated with the “why questions of the HR function: the consideration of employees as a cost or as an investment” (Boada-Cuerva, Trullen, & Valverde, 2018, p. 28). Thus, this research can be regarded as a theoretical contribution to the significance of HRM philosophy and a response to research calls to explore HRM philosophy as an important research component (Kellner, Townsend, Wilkinson, Greenfield, & Lawrence, 2016).

1.2 RESEARCH STATEMENT AND SIGNIFICANCE OF THE STUDY

Previous research has provided mixed evidence that HPWS practices result in both positive and negative outcomes (Topcic et al., 2016). As a result, critics have frequently questioned the utility of HPWSs for employee outcomes (Pittino, Visintin, Lenger, & Sternad, 2016). Currently, HPWSs have become a more fragmented paradigm (Topcic et al., 2016). Researchers either support their positive impact or they suggest further probing into HPWS’s “rhetoric versus reality” discussion focusing on the negative outcomes of HPWSs (Pittino et al., 2016). Despite the considerable attention given to HPWSs, the strategic role of these systems is inconclusive (Van Esch, Wei, & Chiang, 2016).
It is apparent from the literature that HR practices themselves do not result in outcomes; instead, this is achieved through a pathway that includes variables related to employee attitudes and behaviors. This pathway is of great interest to researchers of HPWSs, and much empirical testing has been done to justify and theorize these underlying mechanisms. For instance, Fabi, Lacoursière, and Raymond (2015) suggested that HR practices enhance an employee’s job satisfaction and organizational commitment, thus providing organizations with a higher employee retention rate. There is also considerable research explaining that a system of high-performance practices works through a human resource development climate where employees are more productive and increase organizational performance (Muduli, 2015). Moreover, arguments questioning the reliability of HPWSs cannot be overlooked. The negative impact of these HR practices has been documented. Inconsistent results for pessimistic and optimistic streams of HPWS literature holds that more research is required for the so-called black-box of HPWSs (Van de Voorde & Beijer, 2015).

Studies in HRM have searched for answers to why HR practices are capable of generating a competitive advantage for organizations. Bowen and Ostroff (2004) suggested that strong HRM systems consisting of HR practices that are consistent, distinct, and consensual in their meanings are more likely to generate a productive organizational climate. This research therefore theorizes HRM practices as “HRM messages” and investigates how these strong HRM messages further shape the attitudes of employees. Hence, responding to Ostroff and Bowen’s (2016) suggestion of building a theory for how HRM systems mold employee attitudes into desirable outcomes.

In summary, the complexity of the HRM process has turned high-performance work systems into a fragmented field of research (Topicic et al., 2016). A HPWS is a system that uses a set of HR practices to achieve organizational goals (L. Wei & Lau, 2010). The literature calls for an elaborate analysis of research areas that integrate HPWSs with HRM strength. This
research focusses on the integration of HRM strength with HPWS practices as an important theoretical contribution.

1.2.1 Research Objectives

Considering the research statement of this study, the purpose of this research is to contribute to the following:

**HRM philosophy:** HRM philosophy is a phenomenon that has been noted as being under-researched (Kellner et al., 2016). Thus, the current research explores the understanding and role of HRM philosophy as an important component of HRM process and HPWS implementation.

**HPWS black-box:** The HPWS black-box refers to the why, how, and when of HPWS HR processes. One of the purposes of the current research is to explore the HPWS black-box, which has been challenging researchers to investigate the inter-linking mechanisms to transform HPWS practices into measurable outcomes (Zhang et al., 2013).

**HRM Strength:** Responding to the calls for research by Ostroff and Bowen (2016), the current research integrates the concept of HRM strength with HPWS practices to examine the influence of effective communication of HRM practices on employees by enhancing their awareness of and satisfaction with HPWS as a part of the HPWS black-box.

**Asian/Developing Context:** Boxall and Huo (2019) suggested that HRM processes and HPWS implementation differ throughout various international contexts. Research on Pakistani organizations is nascent and primarily limited to Western literature. Thus, another purpose of this research is a contextual contribution to HPWS literature by conducting the research with three telecommunication organizations working in Pakistan.
1.3 HPWS AND ISLAMIC MANAGEMENT IN PAKISTAN: THE RESEARCH CONTEXT

The current research was conducted with three telecommunication organizations operating in Pakistan. Pakistan was selected as a research context for several reasons. First, considerable research on the integration of HRM with organizational strategies and exploration of HPWS implementation in different organizational settings has been undertaken in the developed countries. An increased interest in research exploring the links between HR practices and performance has been observed, particularly over the last ten years, but with the focus mainly on the developed world (Tessema & Soeters, 2006). For decades now, researchers have mentioned the lack of supporting literature from developing countries because little relevant research has been conducted in such countries (for example, Budhwar & Sparrow, 2002 and Gao, Zuzul, Jones, & Khanna, 2017). Considering these calls for research, this research is an attempt to fill the contextual gap by analyzing HRM practices to outcomes links in a developing country, Pakistan. Such context focused studies also help to further develop theory and context-specific HRM practices (Budhwar, Periera, Mellahi, & Singh, 2018). A careful implementation of HRM practices is required in organizations from any context to smooth the organizational processes and manage employees (Storey, 2007). However, the significance of HRM practices and implementation of HPWSs has been under-researched compared with developed and Western organizations (Ahmad & Allen, 2015). Research studies on HPWS practices from developing countries can potentially offer different insights into HPWS literature useful for generating further theoretical conclusions.

Rapidly growing HRM functions and managerial efforts to adopt and implement sophisticated HRM practices in Pakistan is evident from previous studies. Sophisticated HPWS practices inspired by developed economies have been implemented in Pakistani organizations (Hunjra, Chani, Irfan, Aslam, Azam, & Rehman, 2010). Previous research has demonstrated that Pakistani organizations are moving away from traditional and controlled management
styles to more collaborative and participatory management (Khilji, 2002). The presence of sophisticated HPWS practices suggests Pakistan as a potential research context to be explored, where profound explanation and theory building is required to understand the HRM transition occurring in Pakistan. Thus, this research focuses on a yet to be explored context with many possible potentials to provide adequate evidence of the functionality of HPWS practices.

Another reason for choosing Pakistan as a context is a possible avenue to explore and develop HPWS practice theory in a context with the not-very-old transition from the directive and traditional management to participative and modern management, as mentioned in the previous paragraph. The evidence of growth in HRM functions and increasing interest in HPWS practices within Pakistani organizations suggests that the nature of management has changed in Pakistan. Such a transition of HRM practices from traditional to HPWS has offered many challenges to organizations (S. Bashir, Khatak, Hanif, & Chohan, 2011). With a change in managerial approaches to HRM, employees’ expectations about their organizations have also changed. Employees expect more from their HR managers, and if they perceive that these practices do not enhance their wellbeing at work, they are less likely to positively attribute their HR practices (Irfan, Mohsin, & Yousaf, 2009). Thus, it is worth investigating how HR managers in these organizations tackle employee perceptions of HPWS practices.

Previous literature suggests that the presence of HPWS practices is not only functional but also provides effective communication to other organizational members at large (Bos-Nehles & Meijerink, 2018; Nishii & Lepak, 2007), such as employees. HPWSs are considered less effective in organizations until and unless these practices are identified and acknowledged by employees (Pare & Tremblay, 2007). The culture in Pakistani organizations is characterized as power distant and bureaucratic (Hofstede, 1980a; 2010b), where an organizational flow of information might be a problem to efficiently communicate HPWS practices to employees. Although Pakistani organizations are adopting HPWS practices and involving employees in
HRM processes, the presence of organizational and cultural issues such as corruption and nepotism thwart the “maturity” of the HR function by obstructing the flow of information from HR managers to employees (Asadullah, Marie, & Bourgain, 2015). Khilji (2002) stated that “core local cultural characteristics such as less employee autonomy, hierarchy, and large power distance also tend to have a divergent impact by hindering successful implementation of many of the new HRM policies. Organizations, therefore, are simultaneously exposed to forces of both convergence and divergence.” (p. 247). Hence, research on the adoption and implementation of HPWS practices in such a context might produce interesting results for further theory building.

1.3.1 Islamic Management in Pakistan

Pakistan is a religious society embedded with both strong Islamic and cultural values (Branine & Pollard, 2010). Neither Islamic views of HRM nor cultural values can be discounted for their contribution towards management styles in the workplace. The scope of this research is to observe the implementation of HPWS practices at the workplace level; however, an introductory discussion on Islamic management principles in addition to cultural values and HPWS principles may further explain the research context. As in other emerging economies with Muslim majorities, the role of religion in management is also important in Pakistan (Khilji, 2002). The Islamic principles of management and work ethics broadly match the principles of modern management or HPWSs. For example, Islamic prescriptions of management consider the interests of both employees and employers, as well as offering a philosophy to create a framework to safeguard every individual’s concerns through Ehsan (benevolence and compassion) mentioned in Al-Quran (Book of God) (Ali, 2010). It has been argued that the national culture might affect the implementation of HPWS practices more than the Islamic principles of management (Ahmed & Allen, 2015).
The Islamic concept of management converges with the principles of HPWS (Budhwar & Mellahi, 2007); however, the prominent national culture in Pakistan diverges from both the Islamic and HPWS management (Islam, 2004). For instance, Islamic management and HPWS principles focus on employment security, equality, and empowerment (Ali, 2010; Hashim, 2010; Boxall & Macky, 2007); however, cultural indicators such as nepotism and high-power distance in Pakistan might force managers to adopt a more nepotistic approach promoting favoritism and centralization in Pakistani organizations (Ahmad & Allen, 2015; Mangi, Jhatial, Shah, & Ghumro, 2012). Employees’ high involvement and participatory roles are also the essence of HPWS management (Marchington & Wilkinson, 2008) as well the foundation of Islamic management (Branine & Pollard, 2010). However, the divergent paternalistic and directive management culture leads to less employee autonomy in Pakistan (Iqbal, 2008). Previous studies have revealed that a gap exists between the Islamic principles of management and actual practice of management in Muslim or Arab countries, where management is more strongly influenced by the cultural norms and values, rather than Islamic values (Branine & Pollard, 2010). Thus, the forces of divergence and convergence exist in Pakistani organizations and cannot be disentangled.

Table 1.1 presents some similarities between these Islamic principles of HRM and HPWS practices. However, actual management practices in Pakistan are more likely to be influenced by strong national cultural dimensions, such as the high-power distance, collectivism, strong uncertainty avoidance, and bureaucratic or controlled management presented by Hofstede (1985). The basic HPWS principles focus on giving fair rewards and equal treatment to employees, egalitarianism at the workplace, employee involvement in organizational processes, employee learning and development, as well as sharing information with employees (Snell & Bolander, 2010). Egalitarianism promotes equal treatment of employees as their managers and rejects inequalities towards individuals (Scheffler, 2003). HPWS practices tend
to create a diverse workforce by providing equal opportunities to the employees (Armstrong, Flood, Guthrie, Liu, Maccurtain, & Mkamwa, 2010). Furthermore, the organizational decisions of being more egalitarian in its processes have potential to positively influence the employees and motivate them to stay with the organizations (Gupta & Shaw, 2014).

Guest (2017) mentioned four basic principles of employee-oriented HPWS practices, namely: (a) acceptance of both employer and employees’ interests, (b) high level of trust in the employment relationship, (c) equal and fair treatment of employees, and (d) equal employment and voice opportunities promoting employee emancipation. The principles of Islamic management or work ethic also revolve around creating organizational frameworks to positively benefit both employer and employees. “Islam is more than just a belief – it is a complete way of life” (Branine & Pollard, p. 717) and its followers, Muslims, believe in Al-Quran (Word of God) and Hadith (Word of Prophet). The Al-Quran is a comprehensive book concerned with all the aspects of human life and managerial themes in Islam are taken from the Al-Quran (Abuznaid, 2006).

Islamic management is primarily founded on the concept of consultation and consensus, called Shura in the Quran, among the parties involved in the organizational relationships (Branine & Pollard, 2010), similar to the participative notion of HPWS (Y. Huang, Ma, & Meng, 2018; Turner & Cross, 2018). Shura, or consultation, is the backbone of an Islamic management system that allows all individuals to participate in decision making. Abuznaid (2006) mentioned seven managerial themes following the Islamic conceptualization of human relations and interactions. The themes are consultation (Al-Shura), honesty (Sidk), firmness in responsibilities (Al-Hazm), mercy (Al-Rehma), teamwork (Al-Amal Al-Jamae’a), planning (Al-takhteet), and supervision and follow-up (Al-Ishraf and Al-Mutaaba). Similarly, seven Islamic principles of ethics in HRM mentioned by Khan, Farooq, and Hussain (2010) are brotherhood and benevolence (Al-Ukhuwwah and Al-Ihsan), justice and fairness (Al-’Adl), fulfilling the
contract (Ifa al-‘Aqd), people’s rights (Haquq al-‘Ibad), fair compensation (Al-‘Ujrah), cooperation (Al-Ta’waan), and trust and honesty (Al-Amanah and Al-Ikhlas).

In a culture with societal values of high-power distance, employees expect and tolerate their managers acting strongly and being more directive (Hofstede, 1991). Although religion is argued to have a significant impact on an individual’s social interactions and relations (Abuznaid, 2006), management styles in Pakistan are shaped more by its distinct national cultural values. These cultural indicators, such as high-power distance and bureaucratic styles of management in Pakistan contrast with the HPWS principles (S. Nadeem, & Luque, 2018). According to HPWS models, high-performing organizations focus on crucial factors such as equality and diversity at the workplace, employee involvement, and participation (Flood et al., 2008). In contrast, in Pakistani organizations with high-power distance and strong status distinction, employees face inequality at work, the group interests override their individual interests, and employees are generally observed as less innovative and risk-taking due to high uncertainty avoidance (Khan & Panarina, 2017).

Table 1.1 indicates that Islamic concept of management converges with principles of HPWS (Bhudwar & Mellahi, 2007); however, the prominent national culture in Pakistan diverges from both the Islamic and HPWS management (Islam, 2004), as also shown in the Figure 1.1. The following discussion relates to the finding of Khilji (2004) who also suggested a not-very-strong impact of Islam on Pakistani HRM systems. She suggested that Islamic practices are extended to a limited degree to organizations and “examples would include the allocation of prayer rooms where employees could say their prayers during office hours, extended lunch breaks for Friday prayers and shorter office hours during Ramadhan (the month of fasting)” (Khilji, 2004, p. 106). Here arises the question of why Islamic values have such little impact on HRM systems in Pakistan which is certainly an important research area but not a central focus of my study; however, a future research can be conducted to investigate this agenda.
### Table 1.1. HPWS Work Principles and Islamic Work Principles

<table>
<thead>
<tr>
<th>HPWS Principles</th>
<th>Islamic Work Principles</th>
<th>Distinct National Cultural and Management Indicators in Pakistan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Employees’ Wellbeing, Quality of Work-life.</td>
<td>Brotherhood and Benevolence (<em>Al-Ukhuwwah and Al-Ihsan</em>).</td>
<td>1. High Collectivism,</td>
</tr>
<tr>
<td>“From a human resource management perspective, wellbeing has been associated</td>
<td>“O ye who believe! Be steadfast witnesses for Allah* in equity and let not hatred of any</td>
<td>2. High Uncertainty Avoidance,</td>
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<tr>
<td>with a combination of structural factors (such as work organization and job</td>
<td>people seduce you that ye deal not justly. Observe your duty to Allah. Lo! Allah is</td>
<td>3. High-power Distance,</td>
</tr>
<tr>
<td>design) and social/environmental factors (such as supervisor/peer support</td>
<td>informed of what ye do.” (<em>Al-Quran</em>, 5:8**).</td>
<td>4. High Status Distinction,</td>
</tr>
<tr>
<td>and work relationships).” (Clark &amp; Hill, 2012, p. 704)</td>
<td></td>
<td>5. Bureaucratic and Authoritative Management Styles,</td>
</tr>
<tr>
<td>“HPWS are designed to increase employee influence through greater participation</td>
<td>“Allah commands justice, the doing of good to kith and kin. He forbids all shameful deeds,</td>
<td></td>
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<tr>
<td>in decision making, teamwork and information sharing. As a result, their</td>
<td>injustice and rebellion; he instructs you, that ye may receive administration.” (*Al-</td>
<td></td>
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<tr>
<td>procedural justice perceptions are enhanced, leading to more positive work</td>
<td>Quran*, 16:90).</td>
<td></td>
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<tr>
<td>attitudes.” (Heffernan &amp; Dundon, 2016, p. 214)</td>
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<tr>
<td>“greater use of high-commitment HR practices is associated with higher</td>
<td>“O you, who believe; fulfil your contracts.” (<em>Al-Quran</em>, 5:1)</td>
<td></td>
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<tr>
<td>levels of perceived fairness in how employees are treated, stronger beliefs</td>
<td>“Honor your pledges: you will be questioned about your pledges.” (<em>Al-Quran</em>, 17:34)</td>
<td></td>
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<tr>
<td>that management delivers on promises, stronger feelings of job security, and</td>
<td></td>
<td></td>
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<tr>
<td>higher levels of trust in management.” (Macky &amp; Boxall, p. 542)</td>
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<tr>
<td>“One of the characteristics of HPWS workplaces is the “diversity/equality,</td>
<td>“Men shall have the benefit of what they earn, and women shall have the benefit of what</td>
<td></td>
</tr>
<tr>
<td>where management’s commitment can be observed on “equality and a diverse</td>
<td>they earn.” (<em>Al-Quran</em>, 4:32)</td>
<td></td>
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<tr>
<td>workforce by promoting equal opportunities.” (Armstrong et al., 2010, p. 979)</td>
<td>“Do good to those whom your right hand possess (worker).” (<em>Al-Quran</em>, 4:37)</td>
<td></td>
</tr>
<tr>
<td>“HPWS are viewed as taking the “right” approach, such as providing equal</td>
<td>“Do not give them workload more than their ability. If workload is heavy help them.” (Hadith, Prophet Mohammed - Peace Be Upon Him)</td>
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<tr>
<td>access to HR services for all employees. In turn, employees are likely to</td>
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<tr>
<td>perceive that the work environment is inclusive—a place that accepts,</td>
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<tr>
<td>respects and values all employees. Thus, employees are more likely to perceive</td>
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<tr>
<td>that they are valued for uniqueness and encouraged to experience a sense of</td>
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<td>belongingness to the work community.” (Harrison, Boekhorst, &amp; Yu, 2018, p. 499)</td>
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<tr>
<td>5. <strong>Fair Compensation, Rewards, Fair Performance Appraisals.</strong></td>
<td>6. <strong>Participation, Employee Involvement, Coordination, Information Sharing.</strong></td>
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<tr>
<td>---------------------------------------------------------------</td>
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<tr>
<td>In a HPWS, “fair compensation system encourages the employees to adapt and show flexible behavior, because they recognize that the organization will perceive and recognize their ability in solving unexpected problems with innovative behavior.” (Hui, Su-ying, Yan-li, &amp; Jin, 2010) In a HPWS, “Based on the fair social exchange experience they have with their organizations, employees may infer that they are valued and trusted by their organizations and, thus, may be more willing to return the favor by displaying positive employee attitudes.” (Wu &amp; Chaturvedi, 2009, p. 1229)</td>
<td>“HPWS is a set of consistent practices designed to encourage employees to actively contribute to the fulfillment of organizational objectives.” (Chang, Wu, &amp; Liu, 2008, p. 03) “Comprehensive employee involvement and participation in employee relations policies and HR practices have the potential to make an important contribution to employee performance,” (Bartram, Stanton, Casimir, Leggat, Bonias, &amp; Cheng, 2009, p. 06)</td>
<td></td>
</tr>
<tr>
<td><strong>Fair Compensation (Al-Ujrah).</strong></td>
<td><strong>Cooperation (Al-Ta’waan).</strong></td>
<td></td>
</tr>
<tr>
<td>“Do not withhold from the people the things that are their due.” (Al-Quran, 7:85) “Give the employee or worker his wage before his sweat dries up.” (Hadith, Prophet Mohammed – Peace Be Upon Him) “Your servants/workers are your brothers whom God the most High has placed under your authority. Therefore, a person who has a brother under his authority, should feed him out of that which he eats himself and should dress him with the same kind of clothes which he wears himself; he should not assign work to him which is beyond his capacity, and if you do so, then help him in his work.” (Hadith, Prophet Mohammed – Peace Be Upon Him)</td>
<td>“And those who have responded to their lord and established prayer and whose affair is [determined by] consultation among themselves, and from what We have provided them, they spend.” (Al-Quran, 42:38) “Help you one another.” (Al-Quran, 5:2)</td>
<td></td>
</tr>
</tbody>
</table>

* Arabic word for God. ** 5 means chapter number, 8 means verse number in Quran
As Khilji (2002) mentioned that Pakistani organizations are exposed to both convergence and divergence forces of HRM in order to balance the tendency to implement modern HPWS practices and deal with the strong cultural values, a substantial evidence exists for the growth of HPWS practices in Pakistani organizations. For example, in a study of HRM in developing countries, which also included Pakistan, Khilji (2004) reported that “Pakistani firms are making a serious attempt to adopt the Western HRM philosophy” (p. 10). Raziq and Wiesner (2016) conducted a research on manufacturing and service-based SMEs in Pakistan and found that these organizations are actively using HPWS practices which are further significantly related to enhance their sustainability. Koser, Rasool, and Samma (2018) observed HPWS practices to accelerate the fit and integration between HRM practices to achieve productivity in Textile sector in Pakistan. Other studies to report a significant use of HPWS practices in Pakistani organizations include M. Bashir, Jianqiao, Jun, Ghazanfar, & Khan (2011); M. Bashir, Jianqiao, Zhang, Ghazanfar, Abrar, & Khan (2011); Hussain & Rehman, (2013); and Hassan, Nawaz, Abbas, & Sajid (2013);
Fareed, Isa, & Noor (2016). These studies suggest the presence and growth of HPWS practices in Pakistani HRM systems, thus, the selection of Pakistan as a context for HPWS research is justified.

Another purpose of this research is to investigate the transition of directive management styles to participative management approaches. To understand this transition, it is important to investigate the HRM approaches that these organizations have adopted, either through being more strategic about human resources and aligning their HR strategy with the business strategy (contingency), or through a universal or best practices approach. Understanding the “HRM philosophy” of senior managers can provide some insight into why such HR decisions are made (Monks & McMackin, 2001); thus, doing so in Pakistani firms will help to identify any adaption or transition from traditional to modern HPWS patterns in the Asian context.

1.4 RESEARCH QUESTIONS

As explained in the introduction, it is clear that more research is required to explore the HPWS black-box, and HRM philosophy can be another important HRM component to contribute to the ongoing debates in HPWS domain. It has become increasingly apparent that organizations are striving to safeguard their future through innovation and performance, and one of the critical success factors is the people and management systems to manage employees (Flood et al., 2008). A growing body of literature suggests that a set of HR practices through a HPWS can create a talented and motivated group of employees to improve organizational business performance (Datta, Guthrie, & Wright, 2005).

Consequently, many studies have been conducted to explore avenues to improve organizational progress through HRM and this has triggered many debates, for example, in relation to the HPWS black-box. Despite the many models presented to solve the
HPWS black-box mystery, researchers are still calling for investigation of the mechanisms that operate in the black-box. For instance, studies by Messersmith, Patel, Lepak, and Gould-Williams (2011), Raineri (2017), and Karadas and Karatepe (2019) have called for unraveling of the black-box.

In the process of exploring the HPWS mechanism, many variables, theories, factors, and components have been presented, and one is the HRM philosophy. Previous studies have highlighted a need to progress HPWS research by also focusing on the more objective organizational factors such as organization’s capability and flexibility to implement a HPWS (Úbeda-García, Claver-Cortés, Marco-Lajara, Zaragoza-Sáez, and García-Lillo, 2018).

In this study, this organizational factor is HRM philosophy, which has a critical role in shaping an organization’s HPWS infrastructure (Monks et al., 2013). Consequently, this research aims to not only investigate the impact of HPWS practices on employee performance indicators by exploring the HPWS black-box in Pakistani organizations, but also to investigate the important role of HRM philosophy as an important component of the HRM process. In doing so, the following research questions were developed for this thesis:

**RQ1:** How does HRM philosophy influence the adoption and implementation of HPWS practices in telecommunication organizations in Pakistan?

The following subsidiary research questions were also developed to answer this first central question of this research:

a) How does the HRM philosophy influence managers’ approaches to HPWSs in telecommunication organizations in Pakistan?

b) How do senior management and HR managers aim to strategically link HRM philosophies to HPWS practices in telecommunication organizations in Pakistan?
To what extent do managers and employees share the same HR perceptions as a result of a well-defined and communicated HRM philosophy?

The second research question for this thesis is:

**RQ2:** *How do HPWSs practices influence employee outcomes through the HPWS black-box in telecommunication organizations in Pakistan?*

1.5 STRUCTURE OF THE STUDY

This thesis comprises eight chapters. This chapter presented the background of the major areas of this research including HPWS, HRM philosophy, and the HPWS black-box. In addition, the chapter also outlined the significance of the study. As the current research was conducted in Pakistan, a brief introduction was also provided on the rationale for choosing Pakistan as a suitable context for this study. A brief summary of the remaining chapters is provided below.

*Chapter 2 (Literature Review)* reviews the literature supporting the implementation of HPWSs in organizational settings and the outcomes. The literature review begins with a review of HPWSs and their conceptualization, as well as HRM philosophy and its integration with HRM philosophy. The focus of the current research is investigating the role of HPWSs on different outcomes for multiple stakeholders. The two outcomes of this research are organizational citizenship behaviors (OCB) and employee customer service. Drawing from the recent scholarly suggestions for employee wellbeing as an important factor for HPWS success, employee emotional exhaustion (as an indicator of wellbeing) is the third outcome of this research. Thus, conceptualization of HPWS and its integration with HRM philosophy is followed by a literature review on the outcome variables of this study. Proceeding further, the later sections of the literature review provide the supporting literature on the role of mediating and moderating variables in the proposed link between HPWS practices and outcome variables. The mediating variables are employees’
awareness of and satisfaction with the HR system, whereas the moderating variables are HRM system strength and employees’ attribution to the HR system. The mediating and moderating variables are proposed as the important factors in the HPWS black-box for this research. The chapter concludes with the conceptual framework and hypotheses of the research, followed by a brief summary of the chapter.

Chapter 3 (Methodology) outlines the methodology of the research. This research incorporates both interviews and surveys, and this chapter discusses the methods adopted for both interviews and surveys in two separate sections: Study 1 and Study 2. The chapter describes the sampling procedures, measures, data collection, and analysis techniques for both Studies 1 and 2 in separate sections. The chapter also provides the rationale for selecting telecommunication organizations from Pakistan, followed by a brief summary of the chapter.

Chapter 4 (Qualitative Findings) presents the main results of qualitative Study 1, which focused on interviews with participants. The findings of this chapter cover the adoption of a HPWS approach and the implementation of HPWS practices in Pakistani organizations. The chapter also presents the findings on the significance of HRM philosophy for a HPWS paradigm, followed by a brief summary of the chapter.

Chapter 5 and 6 focus on the quantitative findings. The Chapter 5 presents the preliminary statistical analysis illustrating links between study 1 and 2 and stating results for descriptive statistics, exploratory factor analysis, confirmatory factor analysis, reliability and correlation, goodness of fit, and analysis of variance (ANOVA) test. The Chapter 6 presents the main regression analysis results for hypothesized direct paths. Both chapters 5 and 6 end with their brief summaries.

Chapter 7 (Discussion) discusses the findings of this research in detail. The focus of this chapter is on the hypotheses and research questions of the research. The discussion
in this chapter sheds light on both the qualitative and quantitative findings of this research, linking them with the research questions and hypotheses, and developing arguments with the support of the literature review.

Chapter 8 (Conclusion) concludes this research by presenting the findings in the light of the research aims. The chapter presents the main findings on HPWS implementation and the significance of HRM philosophy through the lens of research objectives, as well as providing insights into the HPWS black-box based on the investigation and results of this research. The chapter concludes by presenting the contributions, implications, and limitations of the research, and future research directions.
2.1 INTRODUCTION:

Following calls for research into the links between HPWS practices and outcomes (Gould-Williams, 2007; Macky & Boxall, 2007; P. Wright & Nishii, 2007), this research contributes to the literature on HPWS implementation and the black-box in organizational settings. Regarding the research questions and aims of this study, a supporting literature review is provided in the following sections of this chapter. First, this chapter reviews the literature on the conceptualization of HPWSs and their various definitions, followed by a concise and reflective discussion on what research has been done and what further investigation is required in HPWS research. The literature review also includes a discussion on HRM philosophy, including its definitions, significance in organizational HR infrastructures, and its integration with HPWSs. Previous literature suggests that HR systems can be described in more meaningful terms, such as HRM philosophy (Macky & Boxall, 2007), which has recently emerged as an important HRM component to understand the formulation and implementation of HPWSs.
In addition to HRM philosophy, HRM strength has also drawn researchers’ attention as being an important factor contributing to HRM processes. The HR infrastructure within any organizational settings is productive when it brings organizational members together to share the same vision and purpose of HR practices (D. Guest & Conway, 2011). The same vision of HR practices has been associated with the concept of HRM system strength, referred as distinct, consistent, and consensual provision of HR practices creating a shared understanding of HR policies among managers and their employees (Bowen & Ostroff, 2004). Thus, this literature review also sheds light on the integration of HRM strength with HPWS practices later in this chapter.

The structure of this chapter is organized to first review the direct links between HPWS practices and the outcome variables, followed by a literature review to support the indirect links between HPWS practices and outcome variables through mediators and moderators. As mentioned in Chapter 1, employee wellbeing, organizational citizenship behaviors (OCB), and customer service are the outcome variables for this research; thus, the literature review is presented accordingly. Employees’ awareness of and satisfaction with HR systems are the mediating variables in this research exploring the HPWS black-box; thus, this chapter also presents a review of previous studies to explain the mediating paths of this research. A more detailed discussion and review of previous literature is presented on HRM strength and the employees’ attribution of HR systems as moderators of this study. The current chapter concludes with the hypothesis development and theoretical framework for this study, as well as a brief summary of this chapter.

2.2 CONCEPTUALIZATION OF HPWS

An extensive body of previous literature exists on HPWS and presents HPWS as a strategic management system that deploys HR practices in the form of a bundle or a combination to produce desired outcomes (Huselid, 1995). Research on “HR practices-to-
outcome” transformation has resulted in different sophisticated theoretical perspectives of implementing HR practices and the conceptualization of HPWS. The following section provides a detailed discussion of HPWSs. Strongly advocated within high-performance systems is the sentiment that HPWSs enhance the skills, motivation, and productivity of employees (Datta et al., 2005). Amongst the theoretical assumptions of HPWSs, one is that the mutually coherent HR practices must have an observable interaction with each other while producing some variance on the dependent variables (Macky & Boxall, 2007). As an extended thread to strategic HRM, researchers and practitioners have conceptualized HPWSs as the bundling of HR practices with an internal and external fit to overall strategic goals. These bundled HR practices produce the synergetic effects and reinforce positive outcomes that managers have been seeking (Martín-Tapia, Aragón-Correa, & Guthrie, 2009).

2.2.1 HPWSs Defined

HPWSs were introduced as a “term of art” to reflect managers’ interest in employees as a source of competitive advantage for their organizations (Becker & Huselid, 1998). The said value of employees as human capital earned further interest when Pfeffer and Veiga (1999) found a strong connection between managing people and the profit earned. Conceptually, in HRM literature the people management has been associated with organizational investments in developing HRM structures with a strong focus on employees. This organizational investment in HR systems gradually flourished as a well-defined and more sophisticated school of thought, termed a “high-performance work system”, defined as a system deploying HR practices in a bundle to produce desired outcomes (Huselid, 1995). When bundled together to produce synergetic effects, HR systems are believed to be one of the features of contemporary HRM, which replaced traditional HRM with HPWSs (D. Guest et al., 2004). Following the notion of HPWSs as a bundle of HR practices, Pfeffer (1998) proposed a bundle of seven successful HR practices: employment security, selective hiring, self-managed teams and
decentralization of decision making, compensation, training, reduced status distinction, and information sharing. Since Pfeffer’s (1998) work, many researchers have debated the inclusion and exclusion of other HR practices and justified them with different theories. As a result, many HR practices can be bundled together as HPWS practices, with no general agreement on the configurations and composition of these bundles (Camps & Luna-Arocas, 2009; Datta et al., 2005; Lepak, & Baer, 2012; Zhang et al., 2013).

HPWSs facilitate HRM processes such that the HR practices are aligned with the firm’s goal attainment strategy (L. Wei & Lau, 2010). HPWSs have obtained considerable attention from researchers because they are believed to be a source to increase employees’ empowerment, skills, and motivation, ultimately increasing a firm’s productivity (Boxall & Macky, 2007). HPWSs can improve employees’ skills and organizational effectiveness by involving them in organizational processes (Steigenberger, 2013). Despite much research, no universally accepted definition for HPWSs exists (A. Glaister, Karacay, Demirbag & Tatoglu, 2018). However, there is a general agreement to classify HPWSs as a set of HR practices targeting employees in possession of exclusive knowledge (Laroche & Salesina, 2016). Researchers also agree that HPWSs should be identified as a coherent set of HR policies that significantly assist organizations to achieve their goal (Pittino et al., 2016). HPWSs also create a win-win situation for both organizations and employees (Kloutsiniotis & Mihail, 2018). Different labels have been identified in the previous research for HPWS practices which are more descriptive of how these HPWS are characterized. These labels for HPWS are important to consider as “they signal to us the dominant theme” of the managerial action to implement these HPWS practice (Boxall & Macky, 2009, p. 8). The next section briefly presents these different labels for HPWSs.
**HPWS Labels**

HPWSs can be labeled as: (a) high involvement work system (HIWS), (b) high-commitment work system (HCWS), (c) and high-performance human resource management (HP-HRM) (Torre, 2012). However, amongst these “high-road” HRM approaches, which focus on the HRM development relying on the quality and contribution of employees, the concept of a high-performance work system remains prominent (Ramsay, Scholarios, & Harley, 2000). HCWS includes a set of HR practices focusing on the high levels of commitment and motivation among employees. HCWS practices enhance employees’ willingness to identify and achieve organizational goals (Whitener, 2001). Despite having a common interest in productivity and performance like other work systems, a HIWS also focuses on employees’ training and development (Felstead & Gallie, 2004) to enhance their skills and abilities for better performance. As a label of HPWSs, HP-HRM, relates to a long-term investment in employees by enhancing their skills, participation, and motivation to put discretionary efforts into organizational endeavors (Sun, Aryee, & Law, 2007).

Table 2.1 illustrates the HPWS labels, providing the key aspects and most commonly used HR practices for each label. Table 2.1 was developed to enhance the understanding of HPWS labels and is based on previous studies such as Vandenberg, Richardson, and Eastman (1999); Whitener (2001); Preuss (2003); Berg, Kalleberg, and Appelbaum (2003); Felstead and Gallie (2004); Evans and Davis (2005); Xiao and Björkman (2006); Zheng, Morrison, and O’Neill (2006); X. Wang, Bruning, and Peng (2007); Sun et al. (2007); Butts et al. (2009); and Muduli, Verma, and Datta (2016). The implementation of these work systems depends on the management’s approach for the use of the HRM practices. Such as in the study of Xiao & Bjorkman (2006), HRM practices were bundled together which were expected to elicit the employees’ commitment to their organization. HPWS presents are more generic term for the collective use of HRM practices, however, the other labels are more descriptive of the approach.
to implement these practices. Such as, in HP-HRM system, an organizational pathway was chosen to justify the philosophy of creating long term relationships with employees as they have the critical knowledge and ability to perform organizational duties. The labels are more descriptive and are used interchangeably depending on the organizational standpoint or philosophy to implement them. Here, the role of HRM philosophy becomes eminent, which also presented in Table 2.1. Managers’ philosophy for HPWS is to use HR, practices to develop their workforce by empowering them as employees have the critical knowledge of their work, whereas, in a HP-HRM, managerial philosophy is also to create a shared perception of the organization while developing their workforce.

This research emphasizes HRM philosophy as an important component of HRM processes; thus, HRM philosophy is mentioned as a key aspect against each management system. To support the idea that HRM philosophy determines HRM structures in the organization (Lepak et al., 2004), further details on the integration of HRM philosophy with HPWS systems are presented in a later section of this chapter. HRM philosophy is shown in this table to indicate that HRM philosophy is considered an important part of HPWS implementation, as discussed in upcoming sections. Table 2.1 can be utilized in future research on HRM philosophy and HPWS practices.
### Table 2.1: HPWS Labels, HRM Philosophy and Commonly Used HR Practices

<table>
<thead>
<tr>
<th>Labels/Category</th>
<th>HRM Philosophy</th>
<th>Commonly Used HR Practices</th>
</tr>
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<tbody>
<tr>
<td><strong>High-Commitment Work System</strong></td>
<td>Increases employees’ commitment and encourages them to identify organizational goals, also enhances employees’ perception that the organization considers them. The primary focus is to reciprocate positive employment relations among managers and their employees.</td>
<td>Staffing, profit sharing, employment assurances and security, participation, promotion, training, appraisal, ownership, information sharing, overarching goals, egalitarianism, remuneration, flexible job assignments, encouragement of participation, job description</td>
</tr>
<tr>
<td><strong>High Involvement Work System</strong></td>
<td>Provision of HR processes that allocates power to allow employees to share necessary information, compensate them for their performance, and provide enough knowledge and skills development.</td>
<td>Authority, decision making, participation, communication, feedback, employee voice, performance evaluation, recognition, appraisal, promotion, education and training programs, extensive training, and development</td>
</tr>
<tr>
<td><strong>High-Performance HRM</strong></td>
<td>HRM processes are established to invest in long-term employment relations and create shared perceptions of an organizational climate with a focus on workforce development.</td>
<td>Performance-based payment, training, performance evaluation, provision of social benefits, career paths, hiring, decision making, self-managed teams, job description</td>
</tr>
<tr>
<td><strong>High-Performance Work System</strong></td>
<td>HRM processes with a focus on employee and organizational outcomes, including initiatives that grant responsibility and empowerment to employees in their work because they are believed to be in possession of critical knowledge.</td>
<td>Staffing, training, job security, autonomy, participation, information, career opportunities, team work, appraisal, mentoring, communication, employment security</td>
</tr>
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Chapter 2 – Literature Review
2.2.2 The HPWS Black-Box

When investigating the transformation of HRM practices into different outcomes, different questions about “how”, “where”, and “when” have emerged to investigate “inside” the mechanisms explaining the processes through which human resources provide a competitive advantage to organizations. The questions of how, where, and when address the black-box in HRM strategy (Priem & Butler, 2001). Preim and Butler (2001) explained that “we do not know, for example, how the resources generate sustainable rents, other than through their heterogeneity. Why is it that some heterogeneous resources generate value, whereas other heterogeneous resources do not? Third, some resources studied, such as tacit knowledge, are inherently difficult for practitioners to manipulate” (p. 33).

A number of studies been conducted to investigate the black-box of HRM strategies, and various theories have been presented, for instance, studies by Ramsay et al. (2000); Boselie, Dietz, and Boon (2005); Boxall and Macky (2007); Messersmith et al. (2011); Boxall, (2012); and Y. Huang et al. (2018). Previous literature has shown that HR practices do not produce positive results on their own; instead, certain other factors work with HR practices (Chowhan, 2016). The mysterious link between HRM practices and outcomes is known as the HPWS black-box phenomenon (Cafferkey & Dundon, 2015). Purcell (2003) stated “We do not know why or how HR policies transform into performance. This is known as the ‘black-box’ problem” (p. 3).

Despite the plethora of research conducted on the HPWS black-box, more research is required to explain the linkages of how, when, why, and for whom the HR practices result into workplace outcomes (Beltrán-Martin, Roca-Puig, Escrig-Tena, & Bou-Llusar, 2008; Boxall, 2012). A review of the existing literature on HPWS shows that much has been done to explore the black-box, multiple theories have been introduced to justify different moderating and mediating variables (Boselie et al., 2005). In addition to the mediating and moderating
variables, a list of productive outcomes variables that can be achieved as a result of HPWS implementation exists in HPWS literature (Boselie et al., 2005). Although extensive research has been carried out in the HPWS domain, there is no general agreement about the HPWS black-box and more research is therefore required (Úbeda-García et al., 2018). Banks and Kepes (2015) suggested that the dynamics of HRM outcome links can be fully understood by explaining how these HR practices create positive synergetic effects. Thus, one of the aims of this research is to integrate HRM strength with HPWS. Bowen and Ostroff (2004) suggested HRM strength as important for explaining the transformation of HR practices into outcomes through the incorporation of middle variables working in the black-box. Because HR practices are implemented for employees, these practices must be consistent and unambiguous enough to truly explain the purpose of their implementation in order to project a positive image towards employees (Bowen & Ostroff, 2004). The HR system then becomes capable of producing a domino effect of employees’ perceptions and performance results.

The following section provides a reflective discussion of the research that has been performed and what further research is required into HPWSs, this is followed by a brief discussion of the contribution of this research to existing HPWS research.

2.2.3 HPWS: What Has Been Done and What Needs to be Done?

An increasing body of literature, books, articles, analyses, and meta-reviews has unraveled multiple ways to explain the influence of HRM practices on some outcomes; however, the clarity of such processes remains elusive (Cafferkey, Heffernan, Harney, Dundon, & Townsend, 2018; D. Guest, 2011). HRM practices do not lead directly to outcomes, these are achieved through certain mechanisms (Chowhan, 2016), commonly referred to as the black-box of HPWSs (Becker & Huselid, 2006). Although an extensive body of literature has examined the concept and practices of the HPWSs, many challenges are still faced (Obeidat, Mitchell, & Bray, 2016). Some previous literature has promoted the positive influence of
HPWS HR practices on employee and organizational outcomes (Huselid, 1995; Ramsay et al., 2000). For example, K. Nadeem, Riaz, and Danish (2019) reported a positive association of HPWS practices with improved service performance and OCB among employees, and Fu, Bosak, and Ma (2019) found a constructive association between HPWS practices and firm performance through organizational coordination. However, complexities arise when studies also identify negative outcomes associated with these HPWS practices. For instance, X. Fan, Liu, and Zou (2018) reported that “high-performance work systems can be both beneficial and harmful by eliciting distinct perceptions in employees” (p. 1). Heffernan and Dundon (2012) also pointed out a “‘management by stress’ HPWS relationship, suggesting diminished employee wellbeing, less satisfaction and lower commitment” (p. 211). Thus, more research is required to understand the complex functionality of HPWS. A lack of consensus is also evident on the constitution of HPWS practices following a debate on “contingency” versus “universalistic” HRM perspectives. The contingency view is explained as:

An organization’s strategy necessitates behavioral requirements for success, and the use of HR practices in the organization can reward and control employee behavior. Therefore, an organization should implement HR practices that encourage the employee behaviors that are consistent with the organization’s strategy. This alignment of strategy and HR practices allows organizations to achieve superior performance.

( Delery & Doty, 1996, p. 808)

In contrast, a universalistic perspective believes that HR practices function irrespective of other aspects of an organization, such as market and context (Ahmad & Allen, 2015). The contingency view can provide possible justification for variations in the functionality of HPWSs (Macky & Boxall, 2007). This research follows the contingency approach to HRM to investigate HPWS implementation.
The notion of HPWSs focuses on the “how and for whom” of HR processes exploring questions such as how does any HRM model work, who benefits, and how it can be further improved (Boxall, Ang, & Bartram, 2011). Many theories and variables have been presented to explore different combinations of HR practices geared to improve outcomes. The majority of theories are based on a “contingency perspective” with a focus on HRM practices specific to a business context (A. Glaister et al., 2018). While, other theories focus on the “norm of reciprocity” between employer and employees through a social exchange lens (Ogbonayya & Valizade, 2018). Other theories include signaling theory (Heffernan & Dundon, 2016), AMO framework (Fu et al., 2016), workplace learning theory (Hallgren, 2009; Høyrup, 2010; Waite, Evans, & Kersh, 2012), attraction theory (H. Lee, Werner, & Kim, 2016), resource-based view theory (Kaufman, 2015), universalism (Snape & Redman, 2010; Y. Huang et al., 2018), and institutional theory (Harrison, Boekhorst, & Yu, 2018; Konard, Yang, & Maurer, 2016).

In addition to different theories, many intervening variables have also been introduced for the HPWS black-box (Table 2.2). For instance, organizational support (Whitener, 2001), competitive strategy (Guthrie, Spell, & Nyamori, 2001), management trust and safety climate (Zacharatos, Barling, & Iverson, 2005), OCB (Sun et al., 2007), job satisfaction (Boxall & Macky, 2007), HR flexibility (Beltrán-Martin et al., 2008), strategic fit (Rondeau & Wagar, 2010), social identification (S. Young, Bartram, Stanton, & Leggat, 2010), organizational justice (Farndale, Hope-Hailey, & Kellieher, 2011), empowerment (Messersmith et al., 2011), emotional exhaustion (Zhang et al., 2013), organizational ambidexterity (Patel, Messersmith, & Lepak, 2013), autonomy (Mao, Song, & Han, 2013), psychological contract (Gannikis & Nikandrou, 2013), employee perceptions (Choi, 2014), work behaviors (Fu et al., 2015), performance and wellbeing attribution (Van De Voorde & Beijer, 2015), knowledge sharing (Flinchbaugh, Li, Luth, & Chadwick, 2016), and employee engagement (Ogbonayya &
Valizade, 2018). These variables are related to both employees as well as organizational aspects of HRM.

Different supporting channels have been proposed in the previous literature to explain HPWS outcome links. For example, HPWSs have been reported to improve work-life balance for employees by providing employees with formal and informal support and flexible job demands (Berg et al., 2003). Datta et al. (2005) suggested that labor productivity can be enhanced when HPWS practices create product differentiation and dynamism. Similarly, HPWSs can cultivate a productive team-service climate by promoting perspective taking and knowledge sharing among the team members (Flinchbaugh et al., 2016). Research into HPWSs has received a great deal of criticism for focusing more on management standpoints and not on taking employees’ perspectives into account (Zhang et al., 2013). Bowen and Ostroff (2004) suggested investigating the links between HPWS practices and outcomes through the communication of these practices to employees. Effective management converts employee concerns by adequately communicating with them about organizational processes (M. Young & Post, 1993). Transparent HR processes ensure effective organizational coordination, which is increasingly becoming a concern for both scholars and policymakers in organizations facing continuous change, volatile demands, and uncertainties (Fu, Flood, Rousseau, & Morris, 2018). Thus, this research investigates the role of HRM strength in communicating HPWS policies and practices to employees as a part of the HPWS black-box to improve their understanding of HR systems and generate desired outcomes.

A plethora of research on HPWSs suggests that these processes are complex rather than simple and cannot be overlooked (Arthur & Boyles, 2007). There are many questions related to how effective HPWS HR practices can be when implemented with a “high degree of variability” or when employees perceive HR practices to be considerably different from each other (Dello Russo, Mascia, & Morandi, 2018). This “degree of variability” of HR practices is
referred as “HRM strength” (Ostroff & Bowen, 2016) and is considered critical to facilitate and explore the links between the HPWS practices and outcomes. Communicative HR processes are becoming an important and challenging element to understand managerial intentions, and employees’ sense-making of these intentions (Cafferkey et al., 2018). Thus, this thesis responds to the research suggestions to explore the HPWS black-box and systematic communication of HR practices through HRM strength and integrate HRM strength with other factors, such as employee awareness of and satisfaction with HR practices, as well as HR attributions to make further theoretical predictions.

2.3 CONCEPTUALIZATION OF THE HRM PHILOSOPHY

From the start of ‘humanistic’ era of personnel management (from 1940s), the management philosophies were increasingly recognized to explain the employment and labor relations. Managers’ investment in the HRM practices depends entirely on their philosophies and attitudes. Milton (1970) identified different philosophies in the American management literature and recognized patterns for personnel philosophy with managers as ‘trustees’ for their employees as well as a ‘do nothing’ philosophy with profit-only motive for much of the organizations. Milton (1970) proposed “an "ideal" model of personnel philosophy in which different managerial goals are assumed to be compatible and mutually functional: profits and efficiency, the economic, psychological, and social needs of the cooperative, self- controlled, participating employees (both as individuals and as union members), and the public interest” (Kocka, 1971, p. 122). Kaufman (2010) explained that each management’s philosophy can be significantly different from others, such as, some might have a distinct employee-oriented philosophy with a substantial input into their HRM while others might “hire” their HRM approach with little emphasis on HRM. Kaufman (2010), while reviewing case studies on early management practices, identified different management philosophies which were significantly different from each other. For example, Kaufman (2010) mentioned ‘traditionalist’
management philosophy with the HRM strategy of “treating labor like a commodity and buying it the cheapest rate possible, getting the most out of it possible, and then getting rid of it” (p. 31), a philosophy to “maximize share holders’ returns” by treating employees only as “hired hands” (p. 45), and ‘humanistic’ philosophy which recognized that one achieved greater productivity, less turnover, greater loyalty, and less union trouble by extending to workers a modicum of generosity, security, and fair dealing (p. 32). These HRM philosophies had a greater impact on management’s tendency to put into human resources and design labor management practices.

In this research, HRM philosophy is conceptualized through today’s management perspectives where progressive strategies and philosophies significantly influence the HRM processes and outcomes. A human resource management (HRM) philosophy is the driving force behind the implementation of HR practices, signaling management’s intentions to employees. In other words, HRM structures can be considered as consequences of embracing a certain HRM philosophy (Vokić, Klindžić, & Hernaus, 2018). A well-defined HRM philosophy guides policymakers to craft HR goals that are specific to their organizational needs and create successful HR structures (Kepes & Delery, 2007). An HRM philosophy explains management’s decisions to implement its HR function focusing on how management perceives and treats its workforce (Monks & McMackin, 2001). A strategic fit among HR practices can be achieved through a philosophy because this assists with an organization’s adoption and smooth delivery of HR practices. The underlying HRM philosophy is no less important than the choice of HR practices and the way they are deployed in an organizational setting (Collings, Wood, & Szamosi, 2018). HRM philosophy (and HR policies) are designed to manage the workforce. HRM practices are managers’ “messages” for employees, and their understanding depends on the clear communication of these messages (Den Hartog, Boon, Verburg, & Croon, 2013; Townsend, Wilkinson, Bamber & Allan, 2012). Consistent communication of these
HRM messages is known as HRM system strength (Bowen & Ostroff, 2004). A HPWS approach is a productive system for both the employees and the organization; however, evidence also suggests that outcomes may vary (Page, Bentley, Teo, & Ladkin, 2018). This research therefore focuses on HRM philosophy because the complexity of HPWS processes can be better understood through an examination of the philosophy that guides the adoption of these HRM processes.

HR system strength has primarily received a positive response from researchers in search of a “theory” to justify the contribution of HR practices to the different levels of outcomes at large (Farndale & Sanders, 2017). Bowen and Ostroff (2004) explained HRM strength as consensus, distinctiveness, and consistency in implementing and communicating HR practices, which ultimately effects employees’ attitudes at work. Distinctiveness refers to HR practices that are attractive, interesting, and standout in the organizational environment, while consensus refers to general agreement during the implementation of HR practices (Bowen & Ostroff, 2004). Consistency relates to the internal fit and complementarities among HR practices (Boselie et al., 2005) (for further detail on the dimensions of HRM strength, see Section 2.6.1).

Drawing attention to the contingency versus universalism approaches of management, Farndale and Sanders (2017) argued that the implementation of HRM processes depends on certain factors particular to any organization’s context. The current research proposes HRM philosophy as a contingency aspect of HRM that influences an organization’s HR decisions. As a contribution to the role of HRM philosophy to understand HR structures, this research focuses on senior management’s HRM philosophy as an important motivation to design HPWS structures in three organizations. The following section illustrates the connection of HRM philosophy and HPWS practices, as suggested in previous literature.
2.3.1 Integration of HPWS and HRM Philosophy

Any HRM structure ideally consists of philosophy, policies, practices, and processes (Ostroff & Bowen, 2016). Philosophy includes guiding principles to develop HR practices, while HR processes explain how a particular philosophy is implemented in an organization (Ostroff & Bowen, 2016). HRM philosophy defines management’s stance relating to treatment of its employees through HR practices (Kepes & Delery, 2007), whereas a HPWS is a set of HR practices strategically aligned to an organizational context, leading to high-performance (D. Guest et al., 2004; Huselid, 1995). This research supports that HR practices are focused around a well-defined philosophy because philosophy is an important aspect of HPWSs, which identify and determine employment modes or HRM structures (Lepak et al., 2004).

HRM practices are designed to implement a particular HR philosophy through certain HR processes (Kepes & Delery, 2007). Existing research links HPWSs with both employee and organizational level outcomes, such as employee wellbeing (D. Guest, 2002), organizational commitment and performance (Butts et al., 2009) employee retention, and firm productivity (Guthrie, 2001). However, these outcomes are more likely to be achieved when HR practices communicate a well-defined philosophy and allow employees to make sense of these practices and extract purposeful meaning (Farndale & Sanders, 2017; Nishii, Lepak, & Schneider, 2008. For instance, HR practices with a p of increasing employee wellbeing inspire a sense of supportive management among employees (Van De Voorde & Beijer, 2015).

An organization’s HRM philosophy is linked to its strategic values to demonstrate how management works and anticipates its future yet can also affect the way employees are treated and how their contribution is rewarded (Boxx, Odom, & Dunn, 1991). Some organizations develop a distinct HRM philosophy specific to the value of their human capital to them, whereas other might “buy” or “adopt” a philosophy to shape their HR practices (Lepak & Snell, 2002). For instance, an employee-centered HR philosophy is designed if an organization places
high value on its employees’ welfare and provides them with great workplace experiences (Lepak et al., 2004). The development of HRM philosophies and selection of HR practices varies among organizations (Lepak & Snell, 2002). Thus, attention is drawn to the debates over contingency versus universal HRM approaches. Universalism works with an ideal set of practices, whereas a contingency approach suggests that the choice of HR practices depends on the specific organizational context (Arshad, Azhar, & Khawaja, 2014). This research holds that an underlying philosophy for having a certain set of HR practices is also contextual (Kepes & Delery, 2007) and varies from organization to organization. Despite working in the same industry, organizations are likely to adopt some unique features for their HRM, often determined by their senior management’s HRM approach (Datta et al., 2005). Drawing on the contingency framework, this research proposes that the development of HRM practices is contingent on senior management’s perceptions of these practices. For example, when management believes that performance appraisal and reward systems improve employees’ skills and behaviors, they adopt highly developed performance practices with contingent rewards (Aycan, 2005).

Some organizations have a universalistic approach to selecting or structuring their HR practices, yet adopt a contingency perspective for the implementation of these practices (Clinton & Guest, 2013). Thus, different organizations may have different overarching philosophies for their HRM policies and practices. Pakistani establishments are the focus of this research because cultural factors, such as high-power distance and collectivism, are present, yet there have been repeated observations of preferences for modern and Western HR structures (Ahmad & Allen, 2015). The question is whether they adopt a whole set of HR practices “off-the-shelf” as best practices or prefer to align these HR practices strategically to their business context. To understand this, it is important to first understand the principal themes that underpin their HR practices, as well as the philosophies that drive them (Boxall &
Macky, 2009). This research therefore aims to explore these philosophical themes and contribute to understanding the development of a HPWS paradigm and the significance of HRM philosophy in the Asian context.

Nishii and Wright (2007) proposed a model in which actual HR practices, different from intended HR practices, influence employees’ perceptions and reactions to these practices (Figure 2.1). Employees’ reactions then further result in organizational performance. Figure 2.2 illustrates the contribution of the current research (indicated with shaded areas) to the model presented by Wright and Nishii (2007). Figure 2.2 illustrates that the HRM philosophy generates intended and actual HRM practices, which further shape employees’ perceptions and reactions as a part of the HPWS black-box. Here, the purpose is to extend to the suggestion of Kellner et al. (2016) to further explore HRM philosophy, because it is a less explored research domain, despite being an important component of the HRM process.
2.3.2 Employees’ Perceptions of HRM Philosophy and HPWS Practices – The Current Research Scenario

Managers’ HR decisions stimulate employees to form perceptions and respond through certain organizational behaviors (Hannah, Walumbwa, & Fry, 2011). In this research, HRM philosophy is presented as a tool to effectively communicate HR decisions to employees to allow constructive interpretations by employees (Den Hartog et al., 2013). Employees are the ultimate recipients of HR policies (Heffernan & Dundon, 2016), and their perceptions can help to understand their communication and translation as originally intended. The “translation” of HR policies is associated with the previously mentioned concept of HRM strength referred to as consistent, distinct, and consensual communication of HR practices (Bowen & Ostroff, 2004). Although HR managers may communicate policies equally to all employees, the policies might be understood idiosyncratically – two employees may interpret the same HR policy differently (Guzzo & Noonan, 1994), or different levels of management might be sending “mixed signals” (Townsend et al. 2012). Therefore, managers need to send clear HR messages to ensure shared understanding.

When employee perceptions of HR policies match management perceptions, constructive outcomes at the organizational, team, and individual levels are more likely to occur (Nishii & Wright, 2007). Shared perceptions of managers and employees indicate a clear and communicated philosophy to manage their human resources – in short, a strong HR system. Clear communication and matched perceptions of HR practices by employees also enable them to extract purposeful meanings (Nishii et al., 2008) and encourage them to contribute to the organization’s performance (Jo & Shim, 2005; Hart, Gilstrap, & Bolino, 2016).

2.4 DIRECT LINKS BETWEEN HPWS AND OUTCOME VARIABLES

HPWS has been studied as a source of many positive outcomes. Organizational outcomes include organizational change (Schumacher, Schreurs, Van Emmerik, & De Witte, 2015),
organizational ambidexterity (K. Glaister, Ahammad, & Junni, 2015), and reduced workforce turnover (Way, 2002), whereas employee level outcomes include affective commitment, OCB (Kehoe & Wright, 2013), and employee proactivity (Maden, 2015). Despite the presence of abundant literature on the positive consequences of HPWS, critics are of the view that gains obtained as a result of HPWS implementation are usually at the expense of employees’ potential and hard work, which leads to stress and work-life imbalance (Kumar, 2000).

Ramsay et al. (2000) discussed the “labor process theory” approach for HPWS, which can result in work intensification and strain due to increased responsibility. Others have argued that a high diffusion of HR practices can also lead to dissatisfaction and increased work pressure among employees (Heffernan & Dundon, 2016). Hence, previous studies have suggested two potentially contradictory views of HPWS, namely the optimistic and pessimistic views. It is reasonable to suggest that both aspects can be experienced at the same workplace at the same time. Therefore, this research investigates employee wellbeing as well as OCB as an employee outcome.

In addition to employee wellbeing and OCB, this research also investigates customer service as an employee performance indicator. Gyensare and Asare (2012) found that in a HPWS, successful implementation of performance evaluation, promotion, and compensation practices return greater contribution from employees and an increased propensity to exhibit extra-role behaviors (Karatepe, 2013). Managers build social exchange relationships with employees when they offer developmental and accommodative HR agreements to their employees and enjoy employee retention (Bal, Kooij, & Jong, 2013). Previous researchers in the HPWS domain have incorporated different employee outcomes to investigate the constructive role of HPWS for employees. These outcomes also include performance indicators for employees, which can be divided into task and contextual performance indicators (Borman & Motowidlo, 1997). Before explaining and reviewing the literature on the outcome variables
of this research, the following section briefly introduces the task and contextual performance indicators in the context of the current research.

### 2.4.1 Task and Contextual Employees’ Performance

Campbell (1990) explained three indicators of employee performance at work: (a) an employee’s “willingness” to join and stay at an organization for a noticeable period, (b) an employee’s “capability” of carrying out organizational roles by meeting or exceeding standards of performance already prescribed by the organization, and (c) an employee’s “spontaneous and innovative” concern to go beyond the core job or task roles as defined by the organization. Extending the work of Campbell (1990), Motowidlo and Scotter (1994) distinguished between task performance and contextual performance and explained that task performance indicators include activities related to core organizational and job requirements, whereas contextual performance is related to behaviors for broader organizational climate and explains employees’ discretion to serve an organization beyond their job roles. Motowidlo and Scotter (1994) further argued that researchers should distinguish between task and contextual performance dimensions, because both dimensions are defined by a different set of behaviors and add value to the organization differently.

Figure 2.3 illustrates a taxonomy of employee performance presented by J. Johnson (2001). Organizational citizenship behavior is included as a contextual performance indicator in Figure 2.3. Moreover, Judge, LePine, and Rich (2006) also measured task and contextual performance to measure employee performance. They focused on the general performance of employees in the work assigned to them for “task performance evaluation” and measured the dimensions of organizational citizenship behavior for “contextual performance evaluation”. From the previous literature on employee performance, it can be concluded that task performance explains employees’ in-role performance, whereas contextual performance is related to employees’ extra-role behaviors.
Figure 2.3: A Taxonomy of Employees' Contextual and Task Performance by Johnson (2001)

An employee’s “in-role” performance refers to the job roles mentioned as a part of the formal job description, whereas “extra-role” performance is a behavior that employees exhibit when they go beyond their formal job roles (Hui, Law, & Chen, 1999) Examples of in-role performance can be the customer service for which an employee is hired, and extra-role performance can be exemplified through discretionary behaviors such as organizational citizenship behaviors (OCB). The literature review in this section discusses the studies that have built the theoretical foundations for in-role and extra-role performance indicators as an outcome of the HRM processes in HPWSs.

Employee attitudes about management and other organizational factors have always been an important antecedent of employee performance at work (Brayfield & Crockett, 1955). Employee perceptions about management initiatives are integral to the success and failure of organizational HR programs, and ultimately, to employee performance (Rodwell, Kienzle, &
Shadur, 1998). Employee perceptions about management and the worthiness management feels for their employees is important to boost employee performance (McColl-Kennedy & Anderson, 2002). Supportive efforts from management can enhance employees’ willingness to improve in-role performance, as well as to go beyond extra-role performance indicators (Z. Chen, Tsui, & Farh, 2002).

HR practices such as training, job rotation, and skill development help employees to develop the necessary traits to cope with organizational challenges at hand. It can be inferred that improvement in an employee’s abilities and extra-role performance is a function of management’s effectiveness in implementing HRM practices (Carter, Armenakis, Feild, & Mossholder, 2013). HR practices such as effective training and development can increase employee performance because these practices are meant to enhance an employee’s capability to perform. It is a core responsibility of managers to provide employees with the necessary training and development to enable them to meet organizational challenges (Babagana, 2014). Many studies have supported the significance of HR practices such as performance appraisal, training, and development of employee performance (Kooij et al., 2013). This research argues that when HR practices are effectively bundled and clearly communicated as a strong HRM system they will positively influence employee performance levels.

The organizational climate in a HPWS makes employees more engaged and productive, increasing their performance (Salanova, Agut, & Peiró, 2005). For example, during performance appraisal practices, managers reveal employees with high-performance levels and use retention practices to keep these high-quality performers (Karatepe, 2013). As a result, these HR initiatives increase employee willingness to perform better in the future. Furthermore, Knies and Leisink (2014) explained that people management practices facilitate employees’ career development, significantly reshape employees’ perceptions, and positively affect employees’ extra-role performance. In this research, OCB is investigated as a contextual
employee performance indicator, customer service as a task employee performance indicator, and employee wellbeing is studied in response to previous research suggestions to consider both positive and negative aspects of HPWS implementation. As this research advocates the positive implications of HPWS practices for both managers and employees, supported by the ‘win-win’ theory of HPWS where both parties benefit from HPWS (Machin & Wood, 2005); hence, the outcomes of this are focused towards employees (emotional exhaustion) as well as towards organization (OCB and customer service).

2.4.2 Employee Wellbeing

Guest (2017) argued that HR practices with a focus on employee wellbeing could foster greater individual and organizational level outcomes. Employee wellbeing is one of the important aspects of employment, representing a “mutual gains” perspective of HPWSs. D. Guest (2017) suggested investigating employee wellbeing as an important outcome of HPWSs. Researchers have long aimed to improve employee wellbeing at work (T. Wright & Bonett, 2007), which is referred as employee satisfaction and happiness at their workplaces (Vakkayil, Torre, & Giangreco, 2016). Khan and Khurshid (2017) presented employee wellbeing at work more as a function of the health and wellness of employees. Grant, Christianson, and Price (2007) defined employee wellbeing as a combination of three factors: (a) psychological factors, including satisfaction, self-respect, and capabilities; (b) physical factors of wellbeing, including nourishment, healthcare, mobility, and shelter; and (c) social factors, referring to being accepted in the community and helping others.

Grant et al. (2007) explained that when management places little emphasis on employee wellbeing regarding their psychological, physical, and social concerns, employees experience negative perceptions that hinder the positive outcomes of HR practices. This research supports the notion of HPWSs that HR practices are claimed to be a source of decreasing employee wellbeing in the workplace (Oppenauer & Van De Voorde, 2018). Following Oppenauer and
Van De Voorde (2018), emotional exhaustion is used as an indicator of employee wellbeing in the current research and this responds to the critics of HPWS claiming adverse outcomes for HPWS practices.

**HPWS and Employee Wellbeing**

Beer, Boselie, and Brewster (2015) argued that while researchers are interested in measuring different organizational outcomes, they have neglected some human and societal factors equally crucial to organizational success, such as employee wellbeing. HPWS enhances an organization’s productivity (Macky & Boxall, 2007) while focusing on how employees’ skills can be improved and deployed for organizational effectiveness and involving them in organizational processes (Steigenberger, 2013).

A HPWS creates long-term productive employment relationships between employer and employee where an employee with a positive sense of wellbeing demonstrates a cognitive attachment to its organization (A. Jain, Giga, & Cooper, 2009). Employees experience positive wellbeing at work when the HR system provides them with a supportive work environment, effective voice systems, and ongoing managerial support (D. Guest, 2017). Based on the reported significance of wellbeing as an important employee outcome, one of the outcome variables of this research is employee wellbeing measured through emotional exhaustion experienced by employees at work.

Studies have confirmed that supervisory attitudes, supportive HR policies, and a healthy environment have a substantial contribution on employee wellbeing (Gilbreath & Benson, 2004). Employee wellbeing at work means that employees enjoy low negative emotions and high positive emotions at their workplace (T. Wright & Bonett, 2007). If employees believe that HR practices stem out of a managerial HRM philosophy with less focus on their employee
welfare and wellbeing, they are more likely to feel exploited by their management (Nishii et al., 2008). Godard (2004) also stated that the promise made by high-performing work practices is a false one. The majority of HPWS research has focused on the organizational or managerial factors, few studies have focused on employee outcomes treated as linking variables between HPWS and organizational outcomes (Boselie et al., 2005). Scholars have called for exploration of employee-centered outcomes with a central focus on the effects of HPWS practices on employee outcomes (Delbridge & Keenoy, 2010). Thus, this research adopts “a more balanced approach that pays equal attention both to the managerial, functionalist perspective and to the concerns, involvement, and wellbeing of employees” (Paauwe, 2009, p. 130). Moreover, “to avoid the marginalization of employee outcomes in HPWS research” (Zhang et al., 2013, p. 3197), this research focusses on employee wellbeing as an outcome of the research, rather than a linking variable as suggested in previous studies.

Previous literature suggests that HPWS practices improve employee perceptions of wellbeing at work. However, there has been criticism of the bilateral benefits of such HR systems (Oppenauer & Van De Voorde, 2018). Godard (2004) suggested that HR practices can also negatively affect employee outcomes. Sophisticated HR practices asking for employee involvement and participation can intensify work and challenges, which leaves employees feeling exhausted and exploited (Jensen et al., 2013).

**Emotional Exhaustion as an Indicator of Employee Wellbeing**

In employee attitudinal and behavioral studies, employee wellbeing is an important indicator for employee outcomes. “Despite extensive study on the topic, there is little available consensus in the literature on the range, contents, and differences between self-report measures of wellbeing” (Linton, Dieppe, & Medina-Lara, 2016, p. 1). Commonly used indicators to measure wellbeing include mental and physical health, job satisfaction, employee morale, stress, motivation, and employee commitment and climate (Grawitch, Gottschalk, & Munz,
2006). A HPWS can increase employees’ involvement in work through participatory roles and team work, resulting in high job demands, which can cause “emotional exhaustion” among employees (Bakker, Demerouti, & Verbeke, 2004). In this research, emotional exhaustion is measured to investigate the employees’ status of wellbeing at work.

Emotional exhaustion refers to a loss of energy, feeling of being worn out, and burnout resulting from long-term occupational stress (Jennett, Harris, & Mesibov, 2003; Pines & Aronson, 1988; Schwarzer, Schmitz, & Tang, 2000). However, employee-centered HPWS practices are found to increase employee wellbeing and positive organizational outcomes (Loon, Otaye-Ebede, & Stewart, 2019). HPWS practices such as “employee voice mechanisms may act as a resource in both enhancing engagement and in counterbalancing the demands presented by a performance management system, thus reducing the deleterious effects of emotional exhaustion” (E. Conway, Fu, Monks, Alfes, & Bailey, 2016, p. 901). In summary, the current research is a response to previous calls for research to focus on employee-related outcomes as a “central standpoint”, as well as to further investigate the bilateral effects of HRM practices on employee wellbeing.

### 2.4.3 Organizational Citizenship Behavior (OCB)

Organizational citizenship behavior (OCB) is an important category to measure employee performance in organizations (Smith, Organ, & Near, 1983). A commonly quoted definition of OCB, presented by Organ (1988), explains OCBs as employee behaviors adopted at their discretion but not formally recognized by an organization’s reward system. These behaviors contribute to boosting the overall effectiveness and efficiency of organizational outcomes (Organ, 1988). Discretionary behaviors are a prime example of employees’ extra-role performance (Podsakoff, MacKenzie, Paine, & Bachrach, 2000); thus, OCB is studied as an outcome variable of this research.

**Dimensions of OCB**
OCBs are believed to be non-traditional in organizations because they are not explained in the traditional job description or the formal organization’s reward system (Moorman, 1991). Most commonly, these non-traditional employee OCBs can be classified into five dimensions: altruism, sportsmanship, courtesy, conscientiousness, and civic virtue.

**Altruism** is a prosocial behavior where an employee illustrates an extroversion attitude and steps forward to help other employees at work (Smith et al., 1983). Individuals are altruistic when they try to help another person at work, either with a personal problem or any difficulty in performing core job tasks (Deluga, 1994). Such a person takes an interest in other employees’ problems and comes up with a solution and contributes indirectly to the organization’s effectiveness by keeping work going on smoothly. Helping other individuals at work is the essence of altruism (Yen & Niehoff, 2004).

**Sportsmanship** is an employee’s ability and willingness to cope with the challenges of less ideal situations at work without complaining (Koys, 2001; Podsakoff, MacKenzie, Moorman, & Fetter, 1990). This category of OCB describes employees who display strong willpower towards organizational hardships and unlikely happenings. Koys (2001) suggested that sportsmanship attitudes of employees help to create a smooth organizational climate. Employees with greater sportsmanship attitudes in their personality have more tolerance for less ideal situations at work (Rioux & Penner, 2001).

**Courtesy** is a citizenship behavior where employees contribute to building a strong organizational climate and improving their relationships with other workers. Courtesy is exhibited by employees when they help others and avoid problems with them at work (Podsakoff et al., 2000). Courtesy purely means respecting others and treating them with care (Koys, 2001). Employees with courtesy remain mindful of their behaviors, as well as respecting others at work (Vey & Campbell, 2004). The extra-role attitudes, such as helping and
respecting others with courtesy increase group cohesiveness and supportiveness (Pare & Tremblay, 2007).

Smith et al. (1983) presented conscientiousness as the general compliance of an employee towards the whole organization. Individuals with high levels of conscientiousness are more like a competitive asset to an organization, because they are highly organized, disciplined, diligent, and purposeful (Witt, Burke, Barrick, & Mount, 2002). Such individuals are honest with their organization above the norm by displaying behaviors such as taking no extra breaks, complete attendance as a must, and striving to work hard to receive fair pay and rewards (Bolino, Klotz, Turnley, & Harvey, 2013).

Civic virtue represents employees’ positive concerns for the organization’s image and active participation in organizational activities (S. Robinson & Morrison, 1995). Here, employees actively attend meetings and workgroups and share ideas and constructive suggestions (Podsakoff & MacKenzie, 1997). These meetings are not a job requirement but can help in building the corporate image (DiPaola & Tschannen-Moran, 2001). The involvement of these employees supports organizations in several ways, such as promoting new ideas to gain a competitive lead over other firms and constructing a productive environment prone to creativity and idea building.

**OCBs oriented towards individuals (OCB-I) and organization OCB-O**

OCBs can be divided into two categories, OCB-O and OCB-I (L. Williams & Anderson, 1991). OCB-O refers to “behaviors that benefit the organization in general (e.g., gives advance notice when unable to come to work, adheres to informal rules devised to maintain order)”, whereas OCB-I includes “behaviors that immediately benefit specific individuals… (e.g., helps others who have been absent, takes a personal interest in other employees)” (L. Williams & Anderson, 1991, p. 601-602). This research focusses on the OCB-O and OCB-I dimensions of OCB. HPWSs are designed to provide employees with a fair work environment and employee
friendly policies. Subsequently, when employees notice that their managers treat them with care, respect, and honesty, they are more likely to engage in citizenship behaviors directed towards both the organization (OCB-O) and fellow employees (OCB-I) (Bonner, Greenbaum, & Mayer, 2016).

**HPWS and OCBs**

HPWS HR practices enhance the citizenship behaviors of employees at work when management creates social exchange employment relationships, awareness, and identification of organizational goals among employees resulting in goal clarity and employee empowerment (Morrison, 1996). Peccei and Rosenthal (2001) explained that supportive management styles reduce the “them versus us” distinction between employer and the employees. In return, employees show flexible behaviors and contribute to building productive employment relationships. Employees experience a “sense of return on investment” when they have fair perceptions of reward and recognition for their work; thus, they become more enthusiastic in their job role than before (Saks, 2006). Pare and Tremblay (2007) found that HR practices such as recognition, empowerment, competence development, fair rewards, and information sharing enhance employees’ willingness to show citizenship behaviors. Employees’ perceptions of a supportive HPWS climate encourage them to exhibit discretionary behaviors (Sun et al., 2007), identified as organizational citizenship behaviors in the HRM literature.

Opportunistic training and development for employees, fair performance appraisal, and supervisory compassion towards employees improve employees’ perception of organizational support (Snape & Redman, 2010). These perceptions further influence employees to exhibit certain behaviors supportive of their organizations. In organizational settings where one party (management) treats the other party (employees) well and in a fair manner, the other party (employees) feels obliged to repay management in better ways and positively reciprocate the employment relationship (Tremblay, Cloutier, Simard, Chênevert, & Vandenberghe, 2010).
Management’s fair provision of managerial practices include policies such as top-down information, fair performance feedback, skill development, bottom-up information, and non-monetary rewards. Gong, Chang, and Cheung (2010) explained that the social exchange relationship between the employer and employees is a “top-down” and a “bottom-up” phenomenon. Gong et al. (2010) further explained that communication of HPWS practices to employees provides them with the stimulus that the organization values them and invests in them (top-down phenomenon). On the other hand, such interpretations make the employee want to reciprocate with their employers in the same way by engaging in OCBs (bottom-up phenomenon).

Bundles of HPWS practices such as employee empowerment, promotions, performance-based pay, competency development, information sharing, staffing, job designs, and grievance handling foster a sense of obligation among employees. As a result, employees often behave as good citizens of their organizations (Gupta & Singh, 2010). OCBs are considered important constructs with which to explore the HPWS black-box (Y. Wei, Han, & Hsu, 2010). Previous research has provided extensive evidence of the association between HPWS practices and OCBs. For example, Alfes, Shantz, and Truss (2012) and Ko and Smith-Walter (2013) reported a strong prediction of HPWS practices to increase employees’ willingness and engagement to exhibit citizenship behaviors. In conclusion, supportive HPWS practices can make employees “good citizens”, ready to go the extra mile for their organization’s success (S. Jain & Jain, 2014).

2.4.4 Customer Service

In service organizations, the customers are consumers of the organizational services and HRM practices are a tool that fosters an attractive service climate for customers (Bowen, 1986). An organization delivers tangible and intangible services to its customers through its employees; thus, the theoretical bond between the HRM practices formulated for employees
and the customer service offered is conceptually very significant and robust (Schneider, 1994). Morrison (1996) presented customer service as the actions and information that considerably enhance the ability of customers to realize the value associated with the consumption or usage of that service. He further explained that customer service is of strategic importance to the organizations and that research on service organizations must incorporate the element of customer service. As competition has grown among service organizations, the concept of increased customer service is adopted by organizations as a differentiation strategy to strive the competition among each other (Peccei & Rosenthal, 1997).

**HPWS and Customer Service**

Customer service is a crucial role of employees because they are directly involved in dealing with customers. Under the core assumptions of HRM, one is a focus on devising ways for organizations to manage human and other organizational resources to produce high-quality goods and services (Morrison, 1996). This assumption justifies the link of HRM practices to the organizational concern of service quality. This research aims to shed light on the value addition of HRM practices in a HPWS towards employees’ customer service.

Employees are important for the delivery of organizational services because they are the ultimate service providers. As the association between employees and customer service is closely tied, employees’ positive perceptions about their management influence employees’ service delivery (Bettencourt & Brown, 1997). It is evident from the previous literature that the quality of services provided to customers largely depends upon the attitudes and behaviors of employees. Customers rate the quality of services provided to them as satisfactory when they experience an employee’s dealings as attractive. However, an employee’s willingness to provide great customer service depends on how well they are managed internally by their organizations. Worsfold (1999) presented the same idea by arguing that customer satisfaction of any organization is influenced by the behavior of its service providers, which is influenced
by the HRM initiatives of that particular organization. Positive employee perceptions of the bundles of HR practices is a catalyst to improving the service culture concern for customers from the point of employees (Zerbe, Dobni, & Harel, 1998).

Providing greater customer service and quality is the primary concern of service organizations. Organizations are developing their management styles to train and encourage employees to enable them to approach customers through high-quality services (Redman & Mathews, 1998). To increase customer quality by employees, their managers must provide them with a “clear description and script” of the roles and responsibilities that the employees are supposed to perform. Peccei and Rosenthal (2001) conducted empirical research on how HRM assumptions can enhance service quality and found that initiatives such as supportive management styles, role modelling by managers, job redesign, and staff training initiate service excellence and customer-oriented behaviors.

Similarly, Tsaur and Lin (2004) found that employees’ perception of HRM practices, such as recruitment and selection, training and development, and compensation enhance employees’ willingness to pay back to their organization. In doing so, employees tend to be more helpful, supportive, and polite to their customers. HRM practices themselves do not always improve an employee’s attitude towards the customers; however, it is the sense of satisfaction attached to that knowledge of managerial initiatives that promises an employee’s excellence in customer services.

This research proposes that in addition to the HRM practices employed by management, the way an organization disseminates its HRM philosophy and the managerial intentions play a significant role in establishing a strong connection between the organization and its employees. In a HPWS, a supportive work environment and transparent HRM processes initiate desired customer-oriented behaviors among employees (Bell & Menguc, 2002). Moreover, service organizations such as the call centers or the telecommunication sector are
likely to deliver high-quality services through their employees, who are in direct contact with
the customers. Employees achieve higher customer satisfaction when they reciprocate their
manager’s positive attitude towards their customers (Gil, Iddo, & Dana, 2015). The literature
supports effective management as a dyadic relationship between customers and service
providers as a result of HRM techniques that foster the perceptions of fairness and wellbeing
in an employee’s mind (Moliner, Martínez-Tur, Ramos, Peiró, & Cropanzano, 2008).

Labor-intensive and customer-oriented service organizations are found to have greater
customer and service quality concerns through the provision of HRM practices. HPWS HR
practices encourage employees to show greater responsiveness to customer’s needs, as a result
of which the service organization enjoys a greater market share in a competitive market
environment (Chand, 2010). Previous research on the service climate research within service
organizations has proved the significance of employees’ attitudes and behaviors as a mediating
catalyst between organizational HRM practices and customer service (Zerbe et al., 1998).
However, there has been a call for research to identify more proximal mediators (N. Conway
& Briner, 2015). The selection of employee outcome as “customer service” in this research
adds to the theoretical foundations supporting the reciprocal mechanism between supervisor
and subordinate exchange relationship, which will enhance the understanding of how
employees’ positive attitudes as a result of supportive HR policies improve customer service.
Based on the above literature review on the direct links between HPWS and outcome variables,
following hypotheses are developed:

**Hypothesis 1**: HPWS practices are significantly associated with (a) employees’
emotional exhaustion, (b) OCB, and (c) customer service.

**2.5 EXPLORATION OF THE BLACK-BOX THROUGH MEDIATOR VARIABLES
OF THE RESEARCH**

The interesting mechanisms from HPWSs to outcomes can explain the actual process
that works in the black-box of HPWSs (Wood, 1999). Previous studies have revealed that the
issue of the black-box is due to the lack of conceptual development of the underlying process that creates value out of HR practices (P. Wright, Gardner, & Moynihan, 2003). Thus, it can be concluded that further exploration of mechanisms that shape HPWSs into valuable outcomes can be a contribution to HPWS literature (Preuss, 2003). The same issue might explain the inconsistent results regarding HR-performance linkages (Takeuchi, Lepak, Wang, & Takeuchi, 2007).

Previous studies have demonstrated that the effect of HR practices on performance varies, with the variation in employees’ behaviors and reactions to the HPWS (L. Huang, Ahlstrom, Lee, Chen, & Hsieh, 2016). This might imply that HPWSs generate desired behaviors in employees to motivate them to perform better than before; thus, advocating the significance of employees’ attitudes and behaviors as an active element of the black-box mechanism. As this research focuses on employees’ attitudes as important linking variables of the study, HPWS practices are observed as “messages” that need to be effectively delivered to employees to generate desired outcomes. Before moving forward to the literature on the linking variables of this research, the next section provides a brief discussion of HPWS practices as HRM messages delivered to employees.

2.5.1 A Sense-making of HPWS Practices as “HRM Messages” Delivered to Employees

HPWS practices can be conceptualized as HRM messages communicated within the organizational hierarchies (Kellner et al., 2016). To establish strong employment relationships and bridge any weak ties, both employer and employees must have a shared mental model of their HRM function (Evans & Davis, 2005). Dasgupta, Suar, and Singh (2013) proposed that words are only superficial and to convey the intended meanings, a human function is necessary. The communication of HR practices to employees is an important management process that top management cannot overlook (M. Young & Post, 1993). HRM communication makes management’s intentions and policies clearer to employees, which can result in a stronger

Managers are not only responsible for organizing, coordinating, planning, and controlling, they also have an informational role where they are supposed to monitor and distribute information to other members of the unit and communicate the policies to influential people in the organization (Mintzberg, 1975). Managers are attributed as trustworthy by employees when they practice smooth sharing of HRM practices. Otherwise, uncertainty and distrust are experienced when communication channels are closed to employees, and they are kept in ignorance (Willemyns, Gallois, & Callan, 2003). Effective delivery of supportive HRM practices can improve employees’ perceptions and attribution towards management’s supportiveness (Jo & Shim, 2005). Such communication from management can not only result in employees’ commitment to organizational policies, but also create positive perceptions in employees related to psychological contracts and the HR climate (E. Conway & Monks, 2008). Nishii et al. (2008) suggested that the variation among employees about HR attribution can be minimized when communication of HR practices is unambiguous to them.

To manage the change process and implement HR conditions, management has a critical role in organizational communication, and it has to go beyond traditional communication strategies (Den Hertog, Iterson, & Mari, 2010). If the communication of HR policies is confusing and not smooth, it is not possible to project consistent HR messages across the organization (Stanton, Young, Bartram, & Leggat, 2010). Employees’ understanding of what is intended for them in the HR system depends on management’s ability to effectively communicate HR messages (Den Hartog et al., 2013).

A HPWS with its practices of information sharing can cultivate a culture of effective communication. As a result, employees are more likely to reciprocate their relationship to management with improved attitudes and behaviors (Boxall, Hutchison, & Wassenaar, 2015).
When employees are informed about managerial initiatives taken for them, employees attribute them positively because they are in a better position to make sense of those practices (Sanders & Yang, 2016). Similarly, practices in HPWS ensure upward and downward communication (Ollo-López, Bayo-Moriones, & Larraza-Kintana, 2016), which makes employees more aware of their obligations and satisfied when they are able to express their opinions. Moreover, HPWS initiatives such as employee voice (D. Fan et al., 2014), suggestion schemes (Wood & Ogbonnaya, 2018), information exchange (Chênevert, Jourdain, & Vandenberghe, 2016), and information sharing (E. Lee, Hong, & Avgar, 2015) foster smooth communication between managers and employees, ultimately resulting in employees who are more attached to their management.

Based on the previous literature on sharing HPWS practices as HRM messages, the current research focuses on employees’ understanding of these HRM messages. The next section presents employees’ awareness of and satisfaction with HPWS practices as critical success factors of HPWS implementation and mediators of this research.

2.5.2 Employees’ Awareness of the HR System

HRM literature supports the notion that employees’ attitudes and behaviors are improved through managers who consistently implement and communicate HR practices throughout the organization (Kehoe & Wright, 2013). The flow of HR practices generates certain perceptions in the mind of employees as a result of these implementations. This research contributes to the literature by proposing that employees are in a better position to report their perceptions when they are well aware of management’s efforts to improve their quality of work-life. The provision of HR practices creates certain perceptions in the mind of employees related to their managers’ intentions. For example, employees can perceive that they are working within a flexible work environment (Dex, McCulloch, & Smith, 2002) or their HR policies are designed to improve wellbeing at the workplace (Kooij et al., 2013). Employees must be well aware of
the HR processes to form the right perceptions (De Jong & Den Hartog, 2007). Jiang, Hu, Liu, and Lepak (2015) suggested that more research is required to understand how employees’ knowledge of their HR system and employee perceptions can be improved.

This research investigates employees’ perception as their “awareness” of HR practices. Employees’ awareness of the HR system helps to understand the differences between employees’ knowledge of HR practices and managerial communication of these practices. The motivation to include employees’ awareness as a mediator of the HPWS black-box in this research is because in order to establish a strong employment relationship and bridge the weak ties within, both employer and employees must have a shared mental model of their organizational human resource management function (Evans & Davis, 2005).

In a HPWS, the use of congruent HR practices bundled together sends certain HRM messages to the employees. Bowen and Ostroff (2004) proposed that if these messages are consistent and stable with an ability to create a consensus among the sender and receiver of the HR messages, they create a strong HRM system. Such clear and positive HR messages create awareness among employees related to management’s efforts for them; as a result, employees develop a sense of worthiness. Hence, based on previous literature and conclusions drawn about the awareness of employees regarding their HR practices, HR systems are defined in this research as:

*An employee’s understanding of HR policies as a result of the management’s efforts to enlighten its workforce with the presence and integrity of HR policies, to enhance employees’ perceptions, and to improve employees’ reactions to HPWS practices.*

Social exchange theory suggests that when employees are aware of management’s positive efforts for them, they feel an obligation to return the favor (Vanhala & Ritala, 2016). When employees believe that their managers value their opinions, they reciprocate through positive attitudes and behaviors, with increased loyalty and commitment to their organization.
HR managers should be careful about what employees believe their HR systems to be and what they expect from those HR systems, and then implement their HR policies so that both parties can benefit in a win-win situation (Zhang, Fan, & Zhu, 2014). In this research, the focus is on employees’ knowledge or understanding of HR policies implemented in their organization. This research aims to emphasize the concept of employee understanding of HRM policies so that “the focus should not only lay on ‘what employers want’, but also on ‘what employees want’” (De Prins, Stuer, & Gielens, 2018, p. 7). This research also investigates the influence of employees’ awareness of HR systems as a potential link in the HPWS black-box.

The extent to which employees are aware of HR policies can be measured when employees are directly asked about this awareness. Therefore, employees’ awareness of the HR system is measured in this research to theoretically establish that employees should know what their management is doing for them. The significance of the employees’ awareness of the HR policies is not only limited to improved employee perceptions, but also has significance to enhance employee performance. Work settings with information-intensive practices provide employees with much exposure to new opportunities and improve their performance (Cross & Cummings, 2004). Awareness and involvement of employees in HR processes can enhance workers’ motivation, ultimately improving performance (Salanova et al., 2005). Neves and Eisenberger (2012) found that management’s communication practices increase employee performance because they make employees aware that management cares for them and values them.

2.5.3 Employees’ Satisfaction of the HR System

HPWS practices result into employee satisfaction with HR practices, and this satisfaction is different from other facets of satisfaction, such as job satisfaction, which is defined as a person’s attitude towards the job specifically (Tsai, 2018). However, this research focuses on
employees’ satisfaction with HR policies. Researchers refer to HRM effectiveness as “satisfaction with HR” experienced by employees regarding the methods chosen by management to implement HR practices. Bos-Nehles, Van Riemsdijk, and Looise (2013) investigated how satisfied employees were with the HR implementation in their organizations as a successful accomplishment of formal HRM. Similarly, Vermeeren, Steijn, Tummers, Lankhaar, Poerstampers, and Beek (2014) also studied employee satisfaction with HRM treatment received by employees and found that HR practices were significantly associated with employee satisfaction of HRM policies. If employees possess less satisfaction with managerial initiatives, they have higher turnover intentions (Duarte & Gomes, 2015). Satisfaction with HR practices has also been used to measure managers’ performance regarding policy implementation (Bos-Nehles et al., 2013). Zhang et al. (2014) defined HR satisfaction as “A pleasurable or positive emotional state resulting from HPWS policies and practices and a general positive employee reaction towards HPWS in their organizations.”

Wright et al. (2001) explained that the contribution of HR practices to enhance employee satisfaction could be explained by probing the relationship between HR activities; employees’ attitudes, behaviors, and changes in their capabilities; and ultimate outcomes. This corresponds with the scope of the present research. Employees regard their HRM system as satisfactory when the system is capable of producing high morale among employees. HPWSs enhance an employee's loyalty to the organization by informing them that they are of the foremost concern for their organization. When employees are satisfied with their HR system, there is an expectation that their performance will improve.

Research on the satisfaction of employees with HR practices is gaining more and more attention. Employee perceptions are positively developed when these HR practices satisfy their needs and wants (Meijerink, Bondarouk, & Lepak, 2016). Consequently, even if all the employees are provided with the same set of HR practices, their perceptions may differ due to
the variability in the satisfaction levels employees hold of HR practices among these employees. Zhang et al. (2014) explored the missing links in the HPWS black-box by introducing employees’ HPWS satisfaction and differentiating it from the other facets of satisfaction, such as job satisfaction. HPWS literature seems to be saturated with research on employee perceptions of HPWSs; thus, a shift is required to specifically study the satisfaction of employees with HR practices that can better explain the employee role in the success of a HR function. Likewise, the significance of measuring employees’ awareness of and satisfaction with their HR system will also assist with developing a comparison among managerial and employee rated HRM strength.

An effective HRM-performance link results in positive employee experience with the HR system, and this experience can further improve employee performance (Kinnie, Hutchinson, Purcell, Rayton, & Swart, 2005). Research on employee satisfaction is important because employee perceptions depend on the extent to which these HR practices satisfy their needs and wants (Stumpf, Doh, & Tymon, 2010). Bos-Nehles et al. (2013) investigated employee satisfaction as a tool to measure the successful accomplishment of HPWSs. Vermeeren et al. (2014) found that HPWS HR practices can positively satisfy employees through supportive intentions towards employees. Marescaux, Winne, and Sels (2012) found that HR practices such as career development, participation, appraisal, training, and mentoring satisfy employees regarding HR functions and give them a sense of autonomy, relatedness, and competence. They further argued that employee satisfaction creates a social environment supporting employee performance and development. Managerial initiatives such as leadership style can result in employee satisfaction with HRM, including a sense of authority, which can further link to an employee’s in-role performance (X. Chen, Eberly, Chiang, Farh, & Cheng, 2014).
Based on the above literature review on employees’ awareness and satisfaction with HPWS practices, following hypotheses are developed.

**Hypothesis 2:** Employees’ HPWS awareness significantly mediates the relationship between HPWS practices and (a) employees’ emotional exhaustion, (b) OCB, and (c) customer service.

**Hypothesis 3:** Employees’ HPWS satisfaction significantly mediates the relationship between HPWS practices and (a) employees’ emotional exhaustion, (b) OCB, and (c) customer service.

### 2.6 EXPLORATION OF THE BLACK-BOX THROUGH MODERATORS OF THE RESEARCH

The mediators of this research, employees’ awareness of and satisfaction with the HRM system, explain “why” an association exists between HPWS and employees’ outcomes. To fully understand the functioning of HPWS black-box, questions such as “why” and “how” need to be thoroughly investigated (Boxall, 2012). The next section provides a literature review that identifies the “how” question for the HPWS black-box in this research. The moderators of this research, HRM strength and employees’ attribution of the HR system, are also discussed.

#### 2.6.1 HRM Strength

HRM strength relates to the HR content and how this content is communicated to employees. Here, decision making is mostly concerned with how HR practices should be presented to the organization’s internal stakeholders, that is, employees. HRM strength is achieved when practices are clear, visible, and equally understandable by management and employees (Ostroff & Bowen, 2015). The disparities among various levels of managers, such as senior managers, HR, middle managers, and frontline managers, and those of employees can be resolved if HR practices have the same meaning and visibility (García-Carbonell, Martín-Alcázar, & Sánchez-Gardey, 2016). The shared perception of HR functions among all units of the organization is communicated with the help of frontline managers (Stumpf et al., 2010), because they are the key players in ensuring distinctiveness, consensus, and consistency of HR practices (Pereira & Gomes, 2012).
HRM strength is related to the content and communication of HR practices to employees (Ostroff & Bowen, 2016). Ostroff and Bowen (2016) suggested that employees and management would regard the HR system as strong when HR practices are clear, visible and equally understandable. The three characteristics of HRM strength, that is, consistency, distinctiveness, and consensus, are called “meta-features” of HRM strength and are discussed below.

**Meta-features of HRM Strength**

Bowen and Ostroff (2004) proposed that HRM strength exists in an organization when the HR practices are: (a) distinct (visible, equal, understandable, legitimate), (b) consistent (instrumental, valid, stable) to all the levels of an organization, and (c) have the ability to create consensus (agreement) between management and employees. All of the features of HRM strength increase employees’ knowledge and understanding of HRM policies. In a HPWS, the real effect comes not only from the implemented HR practices, but also through employees’ perceptions. If these perceptions are similar to the manager’s purpose for the HR practices, better outcomes emerge at the group, organizational, and individual levels (Nishii & Wright, 2007). Distinctiveness refers to HR practices as visible, equally understandable, legitimate authority, and relevant; while consistency refers to HR practices as instrumental, valid, and stable; and consensus refers to an agreement on HR messages.

Katou, Budhwar, and Patel (2014) wrote that “An HRM system may be considered to be a strong one if it satisfies the features of distinctiveness, consistency, and consensus. A strong HRM system produces a shared meaning about HRM among the employees, thus shaping common attitudes and behavior, which influence organizational goals” (p. 531). In contrast, in weak HRM situations, employees find it hard to understand the situation, provide an appropriate response, and make expectations uniformly with their managers (González-Romá, Peiró, & Tordera, 2002, Schneider, Salvaggio, & Subrirats, 2002).
**Distinctiveness**

Distinctiveness is a feature of HRM strength that makes the HR policies attractive, interesting, and standout in the organizational environment (Bowen & Ostroff, 2004). HR practices are distinct if they are visible, understandable, and relevant. The managerial provision of HR practices must be visible to employees because this clarifies management’s contribution to the whole organization (P. Wright, McMahan, & McWilliams, 1994). Visibility is an extent to which HR practices are observable by employees and help to send equivocal messages to the employees (Zatzick & Iverson, 2006), thus reducing any barrier to understanding these HRM messages. Supervisors of team tasks are more likely to build strong organizational relationships with their employees when they are transparent in their actions (Purcell & Hutchinson, 2007). HR practices are understandable by employees when employees can easily comprehend those practices, and the practices seem relevant because there is an apparent goal associated with the formulation of the HR practices (Bowen & Ostroff, 2004).

**Consistency**

HPWS HR messages produce synergetic effects when HR practices are implemented consistently throughout the organization (Huselid, 1995). Similarly, when HR practices demonstrate internal consistency amongst each other, they are capable of producing much better results due to their overlapping synergetic effects (Macduffie, 1995). Consistency in HR messages ensures their stability and helps to avoid any chance of dissonance in the messages sent by management (Bowen & Ostroff, 2004). Consistency relates to the internal fit and complementarities among HR practices (Boselie et al., 2005).

**Consensus**

Consensus in the implementation of HR practices speaks to employees’ agreement in regard to desirable behaviors and consequences for these behaviors (Bowen & Ostroff, 2004). The gap between intended and actual implementation of HR practices can be due to a lack of
consensus among managers and employees regarding HR policies when they fail to send consistent and distinct signals to employees (Khilji & Wang, 2006). When consensual HRM messages flow down through the organizational hierarchies, a strong organizational commitment is more likely to be achieved (Dorenbosch, de Reuver, & Sanders, 2006). Furthermore, when employees observe agreement among managers regarding the HR messages and desired goals, they also exhibit consensus towards HR policies and contribute to organizational strategic goals (Sanders, Dorenbosch, & de Reuver, 2008). Consensus, or the shared vision among managers and employees, is strongly and significantly associated with higher productivity (D. Guest & Conway, 2011).

**Integration of HPWS with HRM Strength**

Previous research on HR practices has measured the content of HR practices, the frequency of their use, and coverage by these HR practices (Boselie et al., 2005). The clearer the HRM messages, the more observable the practices are to employees (Zatzick & Iverson, 2006), thus reducing any discrepancies in understanding the messages from management. Managers are expected to build strong connections with their subordinates when they are clear and visible in their actions (Purcell & Hutchinson, 2007). For employees to have ease of comprehension regarding the organization’s HR practices, the formulation of HR practices is most relevant when associated with a goal (Bowen & Ostroff, 2004).

The gap between intended and actual implementation of HR practices can be due to the lack of a consensus among managers about HRM messages. Studies have confirmed that communicating HR practices in the right way can change employees’ thinking about the HR system. Further empirical testing is required regarding how HR practices can be communicated in a consensual way to employees, as well as to explore the possible outcomes of creating such strong HR situations in workplaces (Ribeiro, Coelho, & Gomes, 2011).
HRM research is divided between HR content and HR processes. HR content research focuses on the impact of actual HR practices, such as the impact of performance appraisal practices on trust on management (Mayer & Davis, 1999), while the HR process focuses on how HR policies are communicated and perceived by all units, such as that performance appraisal practices will be effective when they are embedded in and consistent with the whole HRM system (Bednall, Sanders, & Runhaar, 2014). Recent studies have suggested investigating and providing theoretical designs, analytical techniques, and measurements to further validate the promising importance of HRM process approaches in the HRM field, as recommended by Sanders, Shipton, and Gomes (2014).

Considering HRM strength for the current research has some implications: (a) it is supported by Bowen and Ostroff’s (2014) description of HRM system strength as “a contextual property of higher or managerial level that helps management to send clear messages to broader organizational climate”, and (b) Bowen and Ostroff (2014) argued that HRM system strength needs to be less about an employee/individual’s perceptions about HRM strength resulting in employees’ attitudes and behaviors. Instead, measuring HRM strength as originally intended (as managerial context) and what employees think of this strength can explain how visible HR practices are to employees.

### 2.6.2 Employees’ Attribution of HR System

Any initiative taken by management results in reaction and attribution from employees. Kelley and Michela’s (1980) attribution theory stated that individuals make sense of their surroundings. This assessment of cause and effect depends on how the situation is presented to individuals, how they look at that particular situation, and how they react to the situation. Although employees infer the HRM process through which the HRM content is delivered to them, in order to make an accurate inference and attributions, the situation must be presented effectively to employees. For this purpose, they must be provided with adequate information.
(Bowen & Ostroff, 2004). As a result of the assessment of HR practices in HRM outcome links, employees make attributions and adjust their behaviors such as commitment and emotional attachment to their organization (Sanders & Yang, 2016). Sanders and Yang (2013) further explained that when employees perceive the HR situation as distinctive, consistent, and consensual they will attribute their management’s HR efforts as productive. This is because employees believe that any management initiatives are based on a desire to improve employees’ working conditions.

Positive attributions among employees of a supportive organizational climate can foster their performance (Luthans, Norman, Avolio, & Avey, 2008). Nishii et al. (2008) found that employees’ attribution of HR practices, that is, service quality, wellbeing, and employee exploitation, has a positive effect on employees’ extra-role performance. Similarly, Alfes, Truss, Soane, Rees, and Gatenby (2013) also found a positive association between attributed HRM practices and employee performance. Employees’ attribution of why the organization is implementing certain HR practices can affect their ability, motivation, and opportunities, thus improving their extra-role behaviors (Knies & Leisink, 2014).

The authentic behaviors or intentions of management cause employees to make perceptions in support of management and engage themselves in desirable behaviors (Hannah et al., 2011). These perceptions shape employees’ further intentions for attributing HR practices. The implemented HR practices affect employees’ perception by providing practical experience of what management has done for them. Kinnie et al. (2005) stated that an employee’s perceptions of performance appraisal practices largely depend upon how these HR practices are implemented. The involvement of frontline managers (FLMs), who are supposed to implement HR practices effectively, has significance in improving employee perceptions. For effective attribution, delivery of HR practices must be unambiguous to the employees (Kellner et al., 2016). Well-informed employees can rate their management more effectively
than employees who are less informed and involved in the process. Thus, a strong recommendation is found in the literature to study what employees think of the HR system and their attribution of HR practices.

Previous literature has implied that any HR function depends on the employees’ attributions for its success and failure. By employee attribution of the HR system, the literature refers to the meanings that employees attach to the HR practices and regard as supportive (Piening, Baluch, & Ridder, 2014). HR attribution is a source that helps employees understand the “why” of the HR activities and to justify management’s motivation behind implementing particular HR practices (Vermeul, 2014). When employees perceive and attribute management’s efforts positively, such as self-managed teams, flexible work hours, and empowerment, they reciprocate by showing positive work attitudes (Kundu & Gahlawat, 2016). Kundu and Gahlawat (2016) further wrote that “There is a probability that adopting the bundle of high-performance HR practices such as rigorous staffing, extensive training, self-managed teams, etc., may help them in perceiving their organization as a workplace who is no longer remain rigid and solely employer-oriented, but is focused on their performance and wellbeing” (p. 1591). On the other hand, if not properly understood, such HPWS practices can also result in increased responsibilities and work intensification, leading to negative outcomes such as stress or fatigue (Boxall & Macky, 2014). This implies the importance of employees’ HR attributions for HR practices. Employees’ correct attributions of their HR system are considered of great importance because they help employees to “develop an understanding of what is valued, expected, and rewarded” (Ostroff & Bowen, 2016, p. 196).

Suggestions have been given to examine any possible mechanism of how HR practices transform into outcomes; and as such, the present research investigates how employees’ attributions are improved when managerial implemented HR practices are delivered through frontline managers in a distinctive, consistent, and consensual way. Following the methodology
used by Delmotte, De Winne, and Sels (2012) and Sanders and Yang (2016) to measure employee attributions of HR, the present research also measures employee attributions by incorporating distinctiveness, consistency, and consensus features of HR practices. The rationale behind measuring employee attributions in such a way is that this can assist in building an argument for the effective delivery of HR messages to employees. Secondly, it would allow for a cross-check of any differences between line managers and employees’ perceptions of HR practices concerning the strong HRM suggested by Bowen and Ostroff (2004; 2014). Thus, this research helps to demonstrate how the attributions made by an employee in the HPWS black-box result in outcomes such as employee performance.

Following the literature review on HRM system strength and employees’ attribution of the HPWS practices, the hypotheses are developed as:

**Hypothesis 4:** HRM system strength moderates the relationship between HPWS practices and the mediators (a) employees’ HPWS awareness and (b) employees’ HPWS satisfaction.

**Hypothesis 5:** The mediation of employees’ HPWS awareness between HPWS practices and (a) employees’ emotional exhaustion, (b) OCB, and (c) customer service is further moderated by employees’ HPWS attribution.

**Hypothesis 6:** The mediation of employees’ HPWS satisfaction between HPWS practices and (a) employees’ emotional exhaustion, (b) OCB, and (c) customer service is further moderated by employees’ HPWS attribution.

**2.7 THEORETICAL FRAMEWORK OF THE STUDY:**

Based on the literature review on the impact of HPWS on employees’ outcomes through the black-box variables of this research, the theoretical framework for this research is illustrated in Figure 2.4. The theoretical framework also indicates the hypotheses of the study developed in the previous section and are aggregated in Table 2.2 for the ease of comprehension. The theoretical framework is also an extension of the HRM process model presented by Wright and Nishii (2007). The current theoretical framework adds HRM philosophy as an important HRM
component before the managerial intentions of HRM practices. The theoretical framework is divided into Study 1 and Study 2. Study 1 used qualitative methods through conducting interviews, and Study 2 used a quantitative survey to empirically test the impact of HPWS as a part of the black-box investigation. Further details on the methodology are provided in Chapter 3.

Table 2.2: Hypotheses of the Study

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Figure 2.4: Theoretical Framework of the Study
2.8 CHAPTER SUMMARY

This chapter provided a detailed discussion of previous studies in support of the current research. This chapter began with the conceptualization of HPWS and argued that despite the presence of substantial literature on HPWS, many theoretical contradictions have obstructed researchers’ attempts to explain the inconsistency in HPWS results. These inconsistencies are due to the black-box of HPWS explained by Boxall (2012). The literature supports that it is possible to explore the black-box further, because recent researchers have called for a more theoretical and empirical contribution to the underlying mechanisms in the black-box of HPWS.

Drawing on the significance of HRM philosophy, the importance of focusing on HRM philosophy to understand HPWSs was established. As not much consideration has been given to HRM philosophy while studying HPWSs, there is room to contribute to the literature by explicitly focusing on HRM philosophy. Supporting that HPWSs do not result in productive outcomes on their own, the literature illustrated the significance of delivering HRM messages to employees and their understanding of HRM messages as initially intended. Extending the research of Bowen and Ostroff (2004, 2014), this research provides a theoretical contribution by integrating HPWSs with HRM strength and by empirically testing this.

The literature shows that past studies have articulated the importance of employees’ attitudes and behaviors in the success or failure of a HPWS. The review of literature in this chapter suggests that full potential of HR practices could not be exploited until and unless these HR practices are efficiently disseminated to the employees. The literature supports that these intentions must be fully understood by employees in order for management’s intentions to be positively attributed Few studies on the employee awareness of and satisfaction with the HR system suggest rare research into this domain.
This chapter also reviewed studies supporting the transformation of HPWSs into in-role and extra-role performance indicators for employees, identified as customer service, OCB, and employees’ wellbeing, respectively. Considering the criticism regarding the positive functionality of HPWSs, the literature suggests conducting more research in this regard. Thus, this research investigates the significance of HPWSs for enhancing an employees’ wellbeing status at work.

Finally, based on the literature review, the theoretical framework of the study and hypotheses were provided. This chapter presented important literature to support the objectives and proposed paths of this research. Chapter 3 outlines the research methods adopted to test and analyze the research questions and hypotheses of this study.
3.1 INTRODUCTION

This chapter presents the overall research strategy for this research. A well-planned research methodology helps to guide the research in a coherent and logical way. This chapter begins with a brief discussion of the philosophical foundations for this research. Similar to the way HRM philosophy guides HR processes and practices, the philosophical foundations of research provide information about the ontological and epistemological research paradigms chosen for this research. This section also provides a discussion on the mixed methods approaches used in this research, while the philosophical foundations are followed by a discussion on the design and strategy used for the mixed methodology approach that was undertaken. The research context is then presented. A thorough discussion on the selection of Pakistan as the context was provided in Chapter 1. This chapter primarily focuses on the sector the organizations were chosen from for this research — telecommunications.
This research includes two sequential studies: Study 1 (qualitative) and Study 2 (quantitative). Thus, this chapter provides detailed information on preliminary qualitative Study 1, with a discussion on sampling, sample size, respondents, data analysis and collection techniques. This is followed by a discussion of quantitative Study 2, which also includes key details on sampling, sample size, respondents, data analysis and collection techniques.

Finally, the ethics for this research are explained, including the procedure adopted to obtain access from the university, as well as the organizations to conduct the research.

3.2 PHILOSOPHICAL FOUNDATIONS

This section of the methodology explains the philosophical underpinnings of the current research. Philosophical foundations include a discussion on the nature of the research problem as an “existent knowledge or reality” and the researcher’s understanding of how to approach the research problem. The philosophical foundations present the nature of the research and methodology adopted to conduct and further analyze this research including the research paradigms, research approach, design, and the strategy used for this research.

3.2.1 Research Paradigms

A research paradigm is a scientific approach (Husén, 1988) or theory used by a researcher to guide the research approach (Brewster, 1999). In other words, for every research inquiry, a philosophical foundation for the method being used exists, which is known as a “paradigm.” A research paradigm is important to provide insight into the researcher’s assumptions of knowledge and legitimacy of the chosen research methods (Creswell & Clark, 2007). Such paradigms guide the researcher’s understanding of reality and the methods adopted to test and analyze that reality. The research paradigms can be further categorized into the “ontology” and “epistemology” of the research and need to be identified during the research process (Creswell, 2009). The next section provides a brief introduction to these important terms and introduces them in the context of the current research scenario.
Ontology of this Research

Ontology explains the knowledge or research statement as a “reality”, with a focus on the nature of this reality, as well as how it is perceived or observed (Creswell & Clark, 2007). In philosophical terms of research, reality can be observed and presented through two ontological means: positivism or realism and interpretivism (M. Saunders, Lewis, & Thornhill, 2003). Positivism (realism) identifies reality as concrete knowledge, irrespective of the researcher’s perceptions of reality (M. Saunders et al., 2007). A positivist researcher applies scientific methods that objectively define, control, and manipulate variables, trying to create a universal truth, irrespective of changing context (Breen & Darlaston-Jones, 2010).

However, interpretivism is applied when knowledge or reality exists and is associated with subjective meanings given by the researcher. The interpretive researcher behaves as an active agent in the whole research process and can explain reality in multiple ways; thus, many realities can exist (O’Neil & Koekemoer, 2016). An interpretive approach was applied in this research to identify the research problem. Interpretivism is also known as constructivism, which allows a researcher to examine the research statement through all possible perspectives, thus generating a profound understanding of the research (M. Saunders et al., 2003). As this research incorporates a mixed methods approach, interpretivism was deemed the most suitable ontological approach.

Epistemology of this Research

Epistemology means that how a research problem, as a reality, is further tested and analyzed. Epistemology explains how the researcher develops knowledge and addresses the underlying issues during the whole research process (Creswell & Clark, 2007; O’Neil & Koekemoer, 2016). Epistemology refers to the researcher’s choice of context and the research methods used to conduct research (Rohlfer & Zhang, 2016). The epistemology of the research can be further categorized as post-positivism, social constructivism, advocacy, or participatory
view and pragmatism (Creswell, 2009). In a post-positivist perspective, the inquirer looks for causes that affect the outcomes through data, evidence, and rational considerations (Creswell, 2009). Social constructivism refers to individuals’ behaviors that are socially constructed, where individuals behave according to their expectations from their surroundings (Sutton & Austin, 2015).

Furthermore, a constructivist researcher examines all possible behaviors and meanings of a reality or situation to explore and establish a theory or conclusion. Such broadening of views through induction is often applied in qualitative research methods (Creswell, 2009). In an advocacy or participatory approach, the researcher looks at reality as an agenda to be explored and resolved. The researcher applies a collaborative approach to position respondents as participants. This approach can be both used in qualitative and quantitative research.

Pragmatism was chosen as the epistemological approach deemed suitable for this research because it involves dealing with the situation in any possible way that works (Creswell, 2009). Creswell (2009) further informed that under this approach, the researcher emphasizes all of the available approaches to a problem rather than focusing on one research philosophy. Pragmatism calls for mixed research methods, where both qualitative and quantitative sources are used to approach and understand a situation or phenomenon. A pragmatic epistemology provides the best possible ways to identify an issue, thus enhancing the validity of investigation (R. Johnson & Onweugbuzie, 2004). By adopting various techniques for data collection and analysis, pragmatism provides a more realistic image and distinct concept of the situation (Craig, 2007).

Following pragmatism, both qualitative interviews and quantitative surveys were used to explore the HPWS adoption and functioning in the sample organizations in this research. The interviews were conducted to explore the utility and significance of HRM philosophy to establish strong HPWSs, while the surveys were undertaken to empirically test the influence
of HPWS practices on different employee outcomes by exploring the HPWS black-box. Further details are provided later in this chapter.

3.2.2 Research Approach for this Research

The section presents a discussion on the mixed methodology adopted for this research, along with the strategy and design of the mixed method research. This section also provides information on the case study nature of this research.

Mixed Research Methodology

Three research approaches are commonly used in research: qualitative, quantitative, and mixed methods, which includes both qualitative and quantitative analysis. Creswell (2009) explained that quantitative research analysis incorporates a deductive approach and tests theories or hypotheses through questionnaires; whereas qualitative research is an inductive method to approach questions to reach a theory. He further explained that a mixed methods approach includes both inductive and deductive approaches to research. This research utilized mixed method research, where the researcher used an inductive-deductive approach to investigate the research problem of this study.

As this research focuses on the role of HPWS practices to enhance employee outcomes by exploring the HPWS black-box, a decision was made to conduct a preliminary qualitative interview session to identify the adoption and implementation of HPWS practices in the sample organizations. Based on the significance of HRM philosophy as an important HRM component, preliminary interviews were considered important by the research team to explore how HPWS practices were adopted in the sample organizations, the influence of HRM philosophy in the process, and the actual presence of HPWS practices in sample organizations. Moreover, interviews were observed as the best possible way to ask managers, including senior management, HR, and FLMs, how they perceived and observed HPWS adoption in their
organization and the philosophy guiding this HPWS adoption. Later, in the data collection phase, these interviews also helped to include the HPWS practices in the quantitative analysis.

This research used an “embedded design” for the mixed methods. The embedded design is suitable when researching certain questions that need to be answered before the selection of quantitative surveys, and when either qualitative or quantitative analysis supports the other type of analysis (Creswell & Clark, 2007). In this research, undertaking interview sessions prior to the quantitative analysis helped the researcher to frame and understand different issues (detailed in the previous paragraph) and this was complementary to the quantitative analysis. Thus, an embedded design best suited the nature of this research. The qualitative component provided a supportive role for the quantitative part by providing an understanding of the link between HRM philosophy and HPWS implementation. Consequently, the initial qualitative inquiry focused the research on general conceptualization, and this inductive logic was narrowed down to deductive hypotheses testing, ultimately approaching the conclusions (Bak, 2011).

Different advantages can be associated with conducting qualitative interviews before quantitative analysis. First, it is an answer to the research question called for exploration of the HRM philosophy as a HRM component before HPWS practices. Second, identifying the significance of HRM philosophy helped to guide and design HPWS infrastructure. Third, the organizations were confirmed as a suitable sample for the current research. Fourth, the selection of right HPWS practices implemented in the sample organizations; thus, adding to the methodological strength of the research. Finally, combining both inductive and deductive perspectives reduced the possibility of incorrect conclusions and theory building (M. Saunders et al., 2003).

Another important decision was made relating to the sequence or positioning of the qualitative and quantitative analyses. Creswell (2009) presented that, in a mixed methods
research, both data collections can be done at the same time, which is known as a “concurrent strategy”, or either the qualitative or quantitative data can be collected followed by another type of data collection, which is known as a “sequential strategy”. As the preliminary interview sessions were conducted before quantitative surveys, a sequential strategy was deemed to best suit this research. The qualitative interviews were therefore regarded as Study 1, followed by quantitative Study 2.

**Case Study Analysis**

In line with the exploratory nature of qualitative interviews, a case study analysis best suited this research. Data were collected from three telecom sector organizations operating in Pakistan, identified as the three cases. A case study analysis is defined as:

> An empirical inquiry that copes with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as another result benefits from the prior development of theoretical propositions to guide data collection and analysis. (Yin, 2003)

Theoretical propositions were made to guide the interview sessions for Study 1. The conclusions and theoretical development from Study 1 were further used to guide the data collection and analysis in quantitative Study 2. In Study 2, the influence of HPWS practices on employee outcomes was observed through different mediating and moderating variables. A case study analytical approach was chosen because such analysis enabled the researcher to manage and accommodate the complex linkages among multiple variables of research and reduce the ambiguity to make them manageable for further research analysis (Thorpe & Halt, 2008).

A “pattern matching technique” was applied to analyze the qualitative data collected. Pattern matching is a qualitative deductive approach in which propositions can be made before
any data gathering (Yin, 2003), while a supporting-theory is proposed to support the pattern among the variables of interest. These propositions are tested after data collection, and conclusions are then deduced to reach at a point of understanding (Hyde, 2000).

In Study 1, themes and patterns between points of interest, such as managerial HR approaches, the role of HRM philosophy to guide HPWS adoption, and the implementation of HPWS into actual HR systems were observed to obtain a predictive and explanatory understanding of the conceptual development for further analysis in Study 2 (Stuart, McCutcheon, Handfiled, McLachlin, & Samson, 2002). Patterns were then observed during the analysis (Yin, 2003), and a relationship was recognized in each case organization to develop theoretical conclusions to be used for further research analysis in Study 2 (Eisenhardt & Graebner, 2007). The next section of this chapter discusses the research context.

3.3 RESEARCH CONTEXT

The three organizations selected for this research were chosen from the telecommunication sector in Pakistan and each was given a pseudonym: Phone Link, My Phone, and Tel Pak, to ensure confidentiality. The first two organizations, Phone Link and My Phone, are private companies, while the third organization, Tel Pak, was initially established as a state-owned corporation and later privatized in 2006. The difference in the nature of ownership may have some effect on how an organization’s management is structured. HRM in public companies is often characterized as collective, traditional, and standardized compared with privately-owned entities (Boyne, Jenkins, & Poole, 1999).

Different rationales were observed for choosing the telecommunication organizations for this research. The telecom sector in Pakistan is considered one of the most important sectors, attracting a substantial amount of foreign direct investment, also as a result of more than 5.6 billion (in US dollars) investment in the telecom sector, which created the largest employment opportunities in Pakistan as of record in 2008 (Annual Report, Pakistan Telecommunication
Authority (2007-2008)). The telecommunication sector in Pakistan was chosen because it makes a significant contribution to the country’s gross domestic production. According to the Pakistan Economic Survey 2017-18, telecommunication sector revenues reached 488.7 billion Pakistani Rupee, showing 3.96% growth in one year (Economic Survey of Pakistan 2017-18; PTA Annual Report (2017-2018)). The total investment made was US$ 670 million as of 2017-18, of which foreign direct investment inflow was reported as US$ 247 million.

Pakistan’s telecom sector has observed tremendous growth in recent years; thus, encouraging telecom organizations to implement competitive and innovative HRM practices (Marwat, Qureshi, & Ramay, 2006). Organizations from the telecom sector were therefore chosen to understand the growth of HRM departments and managers’ orientation towards adopting and implementing HPWS HR practices as a part of their journey towards growth and profit maximization.

Competition among the telecom sector is observed as more rigorous and intense compared to other sectors (Shoaib, Noor, Tirmizi, & S. Bashir, 2009). Employees are considered “knowledge bearing assets”, and one of the many issues faced by these organizations is employee retention (Shoaib et al., 2009). Thus, human capital development and other HR practices are critical in managing their infrastructure (Agbebi, 2018). There is a high-level of competition among telecom organizations to remain in business. Because organizations are growing in size and the number of employees is increasing, management also has to invest in HR practices for employee development, management, and retention, such as through documentation and administrative processes (Kotey & Slade, 2005).

As this research aims to identify the role of HPWS practices in employment relations between employer and employee, obtaining a sample from large organizations with formally established, regularly revised, and updated HRM system was considered requisite to the current
research. The telecom sector, being a technology-oriented business, traditionally recruits people with high IT skills where HRM plays an important role in managing a diverse workforce (Panayotopoulou, Vakola, & Galanaki, 2007). Thus, the selection of telecom sector organizations is justified. The following sections provide details about the sampling, data collection techniques, and data analysis techniques used for Study 1 and Study 2, respectively.

3.4 QUALITATIVE STUDY 1

Qualitative interviews for this research focused on managers’ approaches to structuring HRM policies and the role played by the HRM philosophy in guiding these approaches. Interviews were undertaken with an inductive perspective to refine understanding of the HPWS paradigm in relation to the sample organizations and reach theoretical conclusions to guide quantitative Study 2. The interviews in Study 1 focused on the first primary research question:

“How does HRM philosophy influence the adoption and implementation of HPWS approaches in telecom sector organizations in Pakistan?”

Following this research question, the interviews articulated managements’ approaches to HRM and their stance for adopting and implementing HPWS in their organizations. Another fundamental motivation was to examine the practical significance of the HRM philosophy to guide and structure HPWSs.

3.4.1 Sampling for Study 1

Robinson (2014) suggested carefully considering sampling, sampling universe, strategy, and sample sourcing while conducting an interview-based qualitative research. Following suggestions by O. Robinson (2014), this section provides information on the sampling for qualitative Study 1.

Sample Universe

The participants for the current research included senior management, HR, FLMs, and employees from all the three sample organizations, Phone Link, My Phone, and Tel Pak. Each
participant was interviewed with the aim of obtaining appropriate information from the right person. Managers, including senior management, HR, and FLMs, were interviewed for the knowledge that they had about the HRM philosophy, formulation, and implementation of HPWS practices. However, employees were interviewed to observe their understanding of HRM practices and their underlying purpose. The inclusion of employees’ perceptions of HRM practices helped the researcher to better explore and investigate the links between intended as well as implemented HRM practices as an indicator of how successful the HRM systems were in formulation and communication (Sanders et al., 2008).

**Sampling Strategy**

In mixed methods research, the sampling strategies can be divided into two main categories: probability, and purposive sampling. In a probability sampling, randomization is used to select the sample where each participant, unit, or individual in the sample population has an equal opportunity to be selected; however, a nonprobability sampling calls for subjectively deciding elements to be added in the sample (Etikan, Musa, & Alkassim, 2016). Purposive sampling is where those individuals, cases, or settings are purposively selected, considered the most trustful informants depending on the kind of information required, and the information is not available from respondents other than selected respondents (Maxwell, 2008).

This research adopted a non-random purposive sampling, where only key informants were carefully chosen based on the information that they had, and that was required by the researcher. Senior management and HR managers were selected to obtain information on their approaches to HRM, motivation to adopt HPWS HR practices, and the role of HRM philosophy to guide their HR policymaking. As senior managers were involved in policy making and formulation, they were purposely selected in the sample. HR managers were chosen to provide information on the actual implementation and strategic linkage between policy and practices.
Similarly, employees were purposively chosen to respond to their perceptions of HR practices because they had actually experienced the HR practices implemented for them.

A purposive sampling strategy was deemed best suited to this mixed method research because such strategies assist in obtaining the correct information, generalizing the results, and sending the actual information about one sending context (qualitative for this research) to another receiving context (quantitative for this research) (Teddlie & Yu, 2007). Purposive sampling techniques in qualitative interviews are used to ensure that a sample is selected that can provide accurate information based on the relevant information held by that specific sample unit (O. Robinson, 2014). Study 1 focused on obtaining information on HRM philosophies, approaches to HPWS adoption, links between philosophy and practices, as well as employees’ perceptions of HPWS practices. Thus, different groups of respondents were selected from multiple levels, making purposive sampling suitable for qualitative Study 1.

**Sample Size**

One of the important theoretical and practical considerations before starting the actual research process is to decide on the sample size. Instead of a fixed sample size, a range of a minimum to maximum sample sizes can be indicated (O. Robinson, 2014). Selection of a sample size is important because it can reflect the strength and generalizability of results in the later stages of the research. Many research considerations have been suggested in previous studies on research methods to select the number of participants for qualitative research. However, the sample size for this research was decided based on the transparency of data enough to provide information on the research problem (Saunders & Townsend, 2016). Saunders and Townsend (2016) wrote that “justification for the number of participants therefore appears to be based on transparency, showing that data collected are of sufficient depth to provide salient information in relation to research purpose and of sufficient breadth to allow coverage within the responses” (p. 838).
The transparency of data can be obtained through a research technique known as “theoretical saturation” and is the most commonly used approach to select sample size for interviews (B. Saunders et al., 2018). A “theoretical saturation” is defined as a point where all possible variations in the research phenomenon have occurred, and the researcher becomes empirically confident about the phenomenon (G. Guest, Bunce, & Johnson, 2006). Fusch and Ness (2015) defined data saturation during interview-based qualitative research as “Data saturation is reached when there is enough information to replicate the study when the ability to obtain additional new information has been attained, and when further coding is no longer feasible” (p. 1408).

In this research, the theoretical saturation technique was adopted to conduct interviews, and 55 interviews were conducted in total. The exact sample size is not quantifiable for all interview studies in the same way because “no one size fits all” and a researcher can conduct interviews until a point of saturation is reached (Fusch & Ness, 2015).

Different numbers of interviews have been suggested by different methodologists (B. Marshall, Cardon, Poddar & Fontenot, 2013). However, evidence exists for substantial compliance for the number of interviews to be around 20–30 interviews (Morse, 2000; Creswell, 2007), or 30-50 interviews (Denzin & Lincoln, 2005). Creswell (2007) even suggested 3–5 interviews per case in a case study analysis. G. Guest et al. (2006) suggested 15 interviews as a minimum acceptable sample size during the theoretical saturation process. Saunders and Townsend (2016) investigated data from the studies in organization and workplace research and reported that “recognizing that these data are likely to represent a variety of research purposes and a plurality of philosophical traditions we consider they can be used only to induce a broad overall norm for practice likely to be considered sufficient of between approximately 15 and 60 participants” (p. 845). Mason (2010) reviewed different PhD
studies in management research and found that the sample size for interviews commonly ranges between 1–95 interviews with 30–40 interviews in most PhD dissertations.

A theoretical saturation technique was observed as more suitable for this research following the principle of qualitative research (Mason, 2010). For this research, 30–40 interviews were expected to be undertaken; however, the final sample size was 55 interviews combined across all three cases. The number of employees was 2,300 employees in Phone Link, 2,000 in My Phone, and 18,000 in Tel Pak. At the start of qualitative Study 1, the proportion of interviews from all respondents in each case organization was decided, as shown in Table 3.1. A total of 48 interviews was chosen, including three senior managers, nine HR managers, 12 FLMs, and 24 employees, combined from all the three cases. This proportion was decided as a minimum number of interviews; however, when actual interviews were performed, 55 interviews were completed to reach theoretical saturation. Further information about the proportion of planned and actual conducted interviews from each case is provided in Table 3.1.

Table 3.1: Details on Planned and Conducted Interviews in the Three Case Organizations

<table>
<thead>
<tr>
<th>Key Informants</th>
<th>No. of Employees</th>
<th>Planned Interviews</th>
<th>Actual Conducted Interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Phone Link</td>
<td>My Phone</td>
<td>Tel Pak</td>
</tr>
<tr>
<td>Senior Managers</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>HR Managers</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>FLMs</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Employees</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total = 48</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The key informants for the interviews represented different departments from the three cases, such as information management systems, accounts, invoicing, financial analysis and planning, product and services, facility management system, HR, outsourcing, business
analysis, media and communication, technology, talent and culture, audit, quality assurance, customer care center, and project management.

**Sample Sourcing**

Once the sample universe (key informants), sampling strategy, and sample size were confirmed, the next step was to source the key informants from the real world, which included approaching the respondents of research (O. Robinson, 2014). Sample sourcing for this research involved a procedure to contact and access respondents selected for the research. The respondents were provided with the necessary information about the nature and purpose of the research, as well as confirmation of the respondents’ confidentiality. Access to the organizations and their employees was obtained through a formal step-wise procedure. The procedure included formal documentation, such as providing participant information sheets and consent forms to the contact persons assisting with the research, as well as to the actual participants of this research.

**3.4.2 Ethical Clearance from The Griffith University and Case Organizations**

Griffith University (Australia) has strict terms and conditions for ethical approval that need to be complied with during research. Research ethics approval was therefore obtained from Griffith University before commencement of the research. As this research involved human subjects, a full human research ethics clearance was obtained from the Human Research Ethics Committee at Griffith University. The reference number for this research is GU 2017/157, as granted by Griffith University Research Information Management System (see Appendix A).

In addition to the approval from Griffith University, permission to commence this research was also obtained from the sample organizations. HR managers from each organization were approached as contact persons and provided with the relevant information about this research, such as the purpose of the research and participants required to take part in
the research. The contact persons were approached through emails and phone calls because the research team was in Australia and the sample organizations were located in Pakistan. Although the native language in Pakistan is Urdu, the medium of communication was English, because it is the official language in Pakistan.

The contact persons were assured that their staffs’ (possible respondents) participation in this research would be voluntary and anonymous. The contact persons were provided with a Participant’s Information Sheet (see Appendix B) clarifying the purpose of this research and questions to be asked of the respondents. They were further informed that this research would be anonymous, and respondents’ identities would never be disclosed. The participant information sheet mentioned that all data provided by respondents would be secured in Griffith University’s database and access to the data would be restricted to only the researchers involved in this research. The data would be stored in a password-protected computer owned by the researcher. The information sheet also mentioned that the data provided by the participants could also be used for research articles (with the purpose of publication) and conferences without disclosing informants’ identities. The information sheet also mentioned that the researcher would retain the data obtained from their organization for five years. As this research also included audio recording of interviews analysis and coding during data analysis, the information sheet indicated that these recordings would be erased once the research was completed.

3.4.3 Participants’ Recruitment – Study 1

Once the official research approval was granted by the organizations, the researcher arranged to meet the contact persons in Pakistan. As this research also included travel to Pakistan, travel approval was obtained from the Griffith University during the process of ethical clearance. After receiving approval from all three organizations to commence the research, access to the participants was granted. During the whole research process, the contact
persons (who were from the HR departments of the three organizations) remained the first points of contact. The potential participants were then allowed to meet with the researcher before the actual research started informally. During these informal meetings, the potential participants were provided with the same information sheet provided to the contact persons (see Appendix B). Respondents who agreed to participate in the research were provided with participants’ recruitment letters and consent forms. The recruitment letter included a written request to participate in this research as a formal research process at Griffith University. Consent forms were provided to the participants to obtain signed approval from them to participate as respondents of this research. On the consent forms, the participants were asked to acknowledge that they fully understood the nature and requirements of this research and agreed to participate in this research (see Appendix C).

3.4.4 Data Collection Technique – Study 1

Interviews were the primary source of data collection for qualitative Study 1. However, the researcher also took some observatory notes to use later in the data analysis and discussion part of this research. Once the researcher and participants fulfilled all formalities, the researcher then contacted the contact persons to arrange convenient times for face-to-face interviews. Following the planned number of interviews (Table 3.1), one senior manager, three HR managers, four FLMs, and eight employees were initially recruited for the interviews.

Semi-Structured Interviews

The interview questions were semi-structured. Semi-structured interviews are the most commonly used qualitative data collection method because they are flexible and allow reciprocity between interviewer and interviewee (Kallio, Pietila, Johnson, & Kangasniemi, 2016). The semi-structured interviews for this research included some already structured open-ended questions and an unstructured question as the interviews proceeded. In addition to the
open-ended questions, the researcher also kept a journal to record the observations and important points.

During the interviews, senior managers were asked about their intentions and approaches to the HRM system in their organization. More specifically, they were asked to indicate the motivation behind their selection of the HPWS. Senior managers provided information on the HRM philosophy and other organizational values as guidelines to design their HPWS structures. HR and FLMs were asked about the “implementation” part of the HPWS process. Additionally, HR and FLMs were asked to explain and indicate the strategic association between the HRM philosophy and actual HR practices implemented in their respective organizations.

As explained above, employees’ perceptions are an important factor to indicate the success or failure of an organization’s HR system. Hence, employees were interviewed to share their perceptions and understanding of the HRM system in their organization. Employees’ perspectives about the HPWS HR practices added a “triangulation” factor to the collected data. Triangulation in data is regarded as adopting more than one method or source of data collection to cross-check the findings (Bryman & Bell, 2011). The triangulation process in data collection adds authenticity and generalizability to the conclusions made at later stages of research. As stated earlier, the primary research question of the Study 1 was:

**RQ1:** How does HRM philosophy influence the adoption and implementation of HPWS approaches in telecom sector organizations in Pakistan?

The primary research question was divided into three sub-questions:

**RQ1 (a)** How does the HRM philosophy influence managers’ approaches to HPWS in telecommunication organizations in Pakistan?
**RQ1 (b)** How do senior and HR managers aim to strategically link the HRM philosophies to the HPWS practices in telecommunication organizations in Pakistan?

**RQ1 (c)** To what extent do managers and employees share the same HR perceptions as a result of a well-defined and communicated HRM philosophy?

The senior managers and HR managers were best placed to answer RQ1 (a), FLMs provided responses to RQ1(b), and employees were the key informants for RQ1(c). These categories were made following the purposive sampling technique for qualitative Study 1. As the data collection technique for interviews was to ask semi-structured open-ended questions, these three structured interview questions were further scripted into open-ended questions (see Appendix D). An overview of the primary research question and sub-questions is provided in Figure 3.1. Figure 3.1 also illustrates the allocation of research questions to each respondents’ category.

A pattern matching technique (Hyde, 2000) was adopted to investigate the answers for these research questions. Formal arrangements were made to collect the participants’ responses during the interviews. All interviews were conducted face-to-face with the participants. The minimum and maximum length for interviews ranged from 30–60 minutes. All interviews were audio recorded and completed throughout 2017. As previously noted, the native language in Pakistan is Urdu, but interviews were performed in English because it is the official language. However, some respondents were more comfortable responding in both English and Urdu.
Figure 3.1: Research Questions Protocol for Interviews

Primary Research Question
How does HRM philosophy influence the adoption and implementation of HPWS approaches in telecom sector organizations in Pakistan?

Sub-Question 1
How does the HRM philosophy influence managers’ approaches to HPWS in telecommunication organizations in Pakistan?

Sub-Question 2
How do senior and HR managers aim to strategically link the HRM philosophies to the HPWS practices in telecommunication organizations in Pakistan?

Sub-Question 3
To what extent do employees share the same HR perceptions with their managers as a result of a well-defined and communicated HRM philosophy?

Respondents’ Category
Senior and HR managers

Respondents’ Category
HR managers and FLMs

Respondents’ Category
Employees
The interviews were self-administered by the researcher, and because the researcher/interviewer is also bi-lingual and speaks both English (as the second language) and Urdu as (as a native speaker), the likelihood of interpretation errors was reduced. Forty-eight interviews were initially conducted as planned; however, the researcher added more respondents during interviews in the third organization, Tel Pak, because the researcher did not observe the theoretical saturation point after the planned number of interviews. Thus, a decision was made to conduct more interviews at Tel Pak. The contact person at Tel Pak was requested to recruit one senior manager, three HR managers, and three FLMs. The same process was adopted to recruit these additional participants. Thus, instead of 48 interviews as initially planned, 55 total interviews were completed for the qualitative Study 1.

3.4.5 Data Analysis Technique – Study 1

The recorded interviews and observatory notes were transcribed and transferred to NVivo for further analysis. The data analysis design framework for Nvivo analysis is summarized in Figure 3.2. The transcriptions were analyzed further to generate themes and codes. Following the pattern matching data analysis, these themes and codes were further interpreted to identify meaningful patterns in the collected data. The themes and codes during the NVivo analysis were analyzed in accordance with the research questions, as well as to address the already developed research proposition for qualitative Study 1.

The “thematic analysis” technique was adopted as the data analysis technique for the interviews, which also aligned with pattern matching. This process includes identification of patterns by reading and re-reading the transcribed data; thus, including “pattern recognition within the data, where emerging themes become the categories for analysis” (Fereday & Muir-Cochrane, 2006, p. 82). Additionally, grounded theory was used for the data analysis. Grounded theory in NVivo analysis closely aligns with the pragmatism and interpretivism research designs (Charmaz, 2006), which were also
adopted for this research. In grounded theory, coding is the primary analysis (Maher, Hadfield, Hutchings, Eyto, 2018 where patterns are carefully observed, and interpretations are made.

![Figure 3.2: Design Framework for NVivo Analysis of Interviews](image)

The unit of analysis for the interviews was “individual”, which means that the employees and managers were asked the interview questions. As the sampling for participants was “purposive”, the variable considered for selection of the participants was their “position at work”. Managers were selected to respond to the formulation and adoption of HPWS and the role of HRM philosophy in this process, and HR managers and FLMs were chosen to obtain information about the implementation of HR practices. The purpose of selecting employees as a unit of analysis was to obtain responses about
employees’ perceptions of HPWS in their organizations. The next section provides details on the sampling procedure, data collection, and analysis conducted during quantitative Study 2.

3.5 QUANTITATIVE STUDY 2

Once the interviews in Study 1 were complete, questionnaires were developed for quantitative Study 2. The questionnaires were distributed among the respondents to empirically test the influence of HPWS HR practices on employee outcomes through an exploration of the HPWS black-box. The mediating variables of this research were employees’ awareness of and satisfaction with the HR system, whereas the moderating variables were HRM strength and employees’ attribution of the HR system. The dependent variables were also discussed earlier (see Chapter 2): customer service as employees’ in-role performance indicators and employees’ wellbeing and OCB as extra-role performance indicators. Similar to qualitative Study 1, which focused on the first primary research question of this thesis, quantitative Study 2 focused on the second primary research question:

*RQ2: How do HPWS HR practices influence employee outcomes in telecommunication sector organizations in Pakistan?*

Further details on quantitative Study 2 are provided in the following sections.

3.5.1 Sampling for Study 2

Following Robinson (2014), this section provides details on the sampling for Study 2, including the sample population or universe, sampling strategy, sample size, data collection techniques, measurement variables, and data analysis.

*Sample Population*

The sample population, or universe, is the entire group of interest to the researcher from which a sample is drawn to conduct actual research (M. Marshall, 1996; Bartlett, Kotrlik, & Higgins, 2001). The sample population for Study 2 was all employees and
managers working in the three case organizations: Phone Link, My Phone, and Tel Pak. The managers were asked to respond about the implementation of their HPWS, HRM strength, and employee customer service. Employees were asked to respond to their awareness of and satisfaction with the HR system, their attributions of the HR system, as well as their perceptions of wellbeing and OCB.

**Sampling Strategy**

Random sampling was used as the sampling strategy to choose the sample representatives for quantitative Study 2. Random sampling gives all the members of a sample population a chance to be selected as a final sample (Harter, 2011). Following random sampling, the questionnaires were randomly distributed among the potential respondents. The fully completed questionnaires were added into the final sample.

**Sample Size**

To obtain an adequate sample size, the estimated sample size was calculated before distributing the surveys. Table 3.2 represents the estimated sample size. Sample size calculation is very important to get an estimate of the data that needs to be collected. Sample size calculation includes identifying a minimum number of participants who can answer the research question under study (Whitehead, Julious, Cooper, & Campbell, 2016). Calculating sample size and its statistical power is one of the issues that needs to be addressed during methodological selections (Scherbaum & Ferreter, 2009). There are different ways to calculate sample size; however, the most frequent sample sizes are calculated based on the confidence intervals (Pezeshk, 2011). Similarly, confidence interval, confidence level, and population were used to estimate the sample size. The confidence level was chosen as 95%, confidence level as 5%, and the population was chosen as 300. The reason for choosing 300 was that from the total number of employees

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1 In: SAGE Encyclopedia of Research Methods
2 In: SAGE Quantitative Research Methods
(managerial and non-managerial) in each organization, 300 was considered the potential respondents who could easily be approached to complete the questionnaires. Potential respondents refer to the individuals, among all the employees, who can actually take part in research. The estimated sample size turned out to be 169 forms from each organization as calculated in Table 3.2, making a sample size of 507. Therefore, 507 was estimated as the minimum sample size required to be obtained during quantitative Study 2.

Table 3.2. Estimated Sample Size for Quantitative Study 2

<table>
<thead>
<tr>
<th>Case 1: Phone Link</th>
<th>Confidence Level</th>
<th>Confidence Interval</th>
<th>Population</th>
<th>Estimated Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>95%</td>
<td>5%</td>
<td>300</td>
<td>169</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Case 2: My Phone</th>
<th>Confidence Level</th>
<th>Confidence Interval</th>
<th>Population</th>
<th>Estimated Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>95%</td>
<td>5%</td>
<td>300</td>
<td>169</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Case 3: Tel Pak</th>
<th>Confidence Level</th>
<th>Confidence Interval</th>
<th>Population</th>
<th>Estimated Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>95%</td>
<td>5%</td>
<td>300</td>
<td>169</td>
</tr>
</tbody>
</table>

**Total Estimated Sample Size: 507**

**Sample Source**

Once the sample population and sample size were decided, the next step was to contact the respondents for the study. A protocol similar to the one adopted in qualitative Study 1 was followed to obtain access to the respondents. Ethical clearance for research was obtained from the Griffith University, as discussed in Section 3.4.2. The contact persons from each organization who organized the qualitative interviews were approached to obtain access to the organization to conduct surveys. These contact persons (HR managers) were then provided with an information sheet that mentioned the nature
and purpose of the quantitative surveys. This information sheet was similar to the information sheet provided for qualitative interviews, though the purpose was relevant to the quantitative study. HR managers were informed that surveys were also anonymous because the respondents did not need to mention their names on questionnaires. They were further informed that the questionnaire would be destroyed once the research was finished.

Because the questionnaires needed to be self-administered, HR managers were requested to grant access to the organization to distribute and collect forms personally. Once the official access was granted at each organization, the researcher was given an identity card with multiple entries to the organizations for a limited number of days. However, the contact person from each organization guided the whole research process.

### 3.5.2 Participants’ Recruitment – Study 2

Once access to approach the potential respondents was granted, the next step was to meet the respondents personally. Respondents were provided with the research information sheet to introduce them to the research. They were also assured that they did not need to include their identity on any form because the research was anonymous. The respondents were also informed that their responses would remain confidential and the forms would be destroyed once the research was complete. The respondents who agreed to complete the questionnaire were given consent forms to obtain signed approval from them to participate in the research (see Appendix E).

### 3.5.3 Data Collection Techniques – Study 2

There are different methods to collect data for quantitative analysis and questionnaires are one of them (Leung & Shek, 2018). Questionnaires were used to collect data during quantitative Study 2, and these were distributed among managers through random sampling. After managers completed their questionnaires, they were asked to identify at least five employees working with them to obtain matched responses for
further statistical analysis. Each manager and their employees were also given a reference number as an ID (identity), so that their responses can be matched later. Respondents from different departments such as engineering, sales, customer care, HR, commercial, finance, audit, IT, marketing, supply chain, business operations, and business intelligence were approached for data collection.

3.5.4 Measurement Variables – Study 2

Two different questionnaires were prepared, one for managers and one for employees. The managers questionnaire included questions related to HPWS practices, HRM strength, and customer service. The employee questionnaire included survey items related to employees’ awareness of and satisfaction with the HR system, employees’ attribution of the HR system, employee wellbeing, and OCB. All of the questionnaires were in English, and no translation to native language was required. All of the items were responded to using a five-point Likert scale. A complete list of questionnaire variables and their items is given in Appendix F.

**HPWS HR Practices**

The selection of HR practices is a challenging task for researchers. While selecting the HR practices as a HPWS bundle, different methodological concerns were addressed. Scholarly concerns were evident from the previous literature regarding measuring HPWS as a single or collective measure (a single index of HR practices) or measuring individual effects of each HR practices considered in the HPWS bundle (Becker, Huselid, Pickus, & Spratt, 1997; Macky & Boxall, 2007). This research therefore measured HPWS HR practices as a HPWS index score with an overall impact of HPWS on employee outcomes. Becker and Huselid (1998) suggested a unitary measure of HPWS as appropriate tool for investigation because a HPWS is considered a “bundle” of HR practices, rather than individual HR practices. Furthermore, a HPWS is defined as a “system” of HR practices, different from traditional HR practices, where HR practices complement each other in a
bundle (Huselid, 1995). The decision to take HR practices as a single HPWS index in this research is consistent with previous HPWS research such as studies by Bamberger and Meshoulam (2000), Guthrie (2001), Evans and Davis (2005), and Chadwick et al. (2013).

Another methodological problem related to HPWS research is sourcing for HPWS practices. Responses from a single source (either from managers or employees) can pose a measurement error where a difference is possible between what is being said and what is being done (Ramsay et al., 2000). To avoid this possibility, both managers and employees’ responses were collected for HPWS practices. The managers and employees’ responses were further analyzed with an ANOVA test to identify any possible variation in both groups’ perceptions. No variation among the managers’ and employees’ groups was found.

The methodological concern associated with the content of HPWS bundle is also an issue. Disagreement over which HR practices need to be included in a HPWS bundle is evident from literature (D. Guest et al., 2004; Ramsay et al., 2000). A normative way to include the HR practices most commonly used in the previous literature can be adopted to avoid this methodological problem (Macky & Boxall, 2007). Critics have questioned the reliability of HPWS measurement because researchers do not agree on the list of HR practices to be added in the HPWS scale (Godard, 2004). Many methodological issues have been raised by researchers, for example, Boxall and Macky (2009) identified a flaw in HPWS literature where the focus on one set of best HR practices ignores the context particular to different organizations.

The previous literature was referred to as a guideline to include HR practices; however, the context of this research was not ignored. For this research, preliminary interviews were conducted to understand the HPWS formulation and implementation where the HPWS HR practices practically implemented in the three cases were identified. However, literary support was also drawn from the literature to add these HR practices in
the current research. Because this research focuses on employee outcomes, HR practices were added into the research with a focus on employee learning and development. Consequently, the context of the current research and previous literature support were considered to select the HPWS practices for this research. Initially, this research incorporated HR practices based on the suggestion made by Guest (2017), who proposed five sets of HRM practices that can be investigated in HPWS research, as presented in Table 3.3. These five sets include HR practices related to (a) investing in employees, (b) providing engaging work, (c) positive social and physical environment, (d) voice, and (e) organizational support.

Table 3.3. HRM Practices Proposed by Guest (2017)

<table>
<thead>
<tr>
<th>Sets of HR Practices</th>
<th>HR Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investing in Employees</td>
<td>Recruitment and selection</td>
</tr>
<tr>
<td></td>
<td>Training and development</td>
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<tr>
<td></td>
<td>Mentoring and career support</td>
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<td></td>
<td>Job designed to provide autonomy and challenge</td>
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<tr>
<td></td>
<td>Information provision and feedback</td>
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<td></td>
<td>Skill utilization</td>
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<tr>
<td>Providing Engaging Work</td>
<td>Jobs designed to provide autonomy and challenge</td>
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<td></td>
<td>Information provision and feedback</td>
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<tr>
<td></td>
<td>Skill utilization</td>
</tr>
<tr>
<td>Positive social and physical environment</td>
<td>Health and safety a priority</td>
</tr>
<tr>
<td></td>
<td>Equal opportunities/diversity management</td>
</tr>
<tr>
<td></td>
<td>Zero tolerance for bullying and harassment</td>
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<tr>
<td></td>
<td>Required and optional social interaction</td>
</tr>
<tr>
<td></td>
<td>Fair collective rewards/high basic pay</td>
</tr>
<tr>
<td></td>
<td>Employment security/employability</td>
</tr>
<tr>
<td>Voice</td>
<td>Extensive two-way communication</td>
</tr>
<tr>
<td></td>
<td>Employee surveys</td>
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<tr>
<td></td>
<td>Collective representation</td>
</tr>
<tr>
<td>Organizational support</td>
<td>Participative/supportive management</td>
</tr>
<tr>
<td></td>
<td>Involvement climate and practices</td>
</tr>
<tr>
<td></td>
<td>Flexible and family-friendly work arrangements</td>
</tr>
<tr>
<td></td>
<td>Developmental performance management</td>
</tr>
</tbody>
</table>

As the variation in selecting HRM practices in organizations depends on the strategic importance of these practices for the individual organizations (Delery & Shaw, 2001), the preliminary interviews from Study 1 helped to identify the presence of HPWS
in the sample organizations. After reviewing the suitability of the HR practices for these organizations and the current research, the final bundle of HR practices was comprised of selective hiring, training and development, performance management, contingent rewards, team working and participation, and information sharing. Twenty-four items for these HPWS practices were adapted from Hong, Jiang, Liao, & Sturman (2016). Hong et al.’s (2016) study was also suitable for the current research because both studies focus on service-oriented organizations, that is, telecommunication sector organizations.

The sample items were: “An extensive procedure is used to select employees with interpersonal skills essential for working with colleagues and supervisors” (for selective hiring), “Extensive orientation programs are used to inform employees about rules and provide information” (for training and development), “Employee appraisals emphasize error-free performance and other objective outputs” (for performance management), “Employees are extensively rewarded for their individual performance” (for rewards), “Management places a great deal of importance on developing formal work teams within each department” (for team and participation), and “Employees have instant and relevant information sharing” (for information sharing).

**HRM Strength**

As previously mentioned in Chapter 2, HRM strength is comprised of three important sub-categories: distinctiveness, consensus, and consistency of HR practices, a concept identified by Bowen and Ostroff (2004). To measure the HRM strength of HPWS practices, a 13-items scale was adopted from the study of García-Carbonell et al. (2016). Sub-category distinctiveness was measured using six items, such as “Employees clearly know the HR practices and HR programs undertaken by the HR department”. Sub-category consensus was measured using three items, such as “Organizational members clearly share the same vision”. The third sub-category of consistency was measured using
four items, such as “There is complete coherence between intended and actual effects of HR initiatives”. Responses about HRM strength were obtained from the managers.

**Employees’ Satisfaction with the HR System**

Zhang et al. (2014) measured employees’ satisfaction with HPWS by asking respondents to indicate their levels of satisfaction with each HPWS practice included in their research. The responses were recorded on a five-point Likert scale ranging from “very dissatisfied” to “very satisfied”. The same methodology was adopted to measure the employees’ satisfaction with the HR system in the current research. Sample items were, “In this organization, my satisfaction level with selection hiring practices is…” and “In this organization, my satisfaction level with performance management practices is…”. All the items were measured on a scale ranging from “very dissatisfied” to “very satisfied”. Responses on employees’ satisfaction with HR system were collected from employees.

**Employee Awareness of the HR System**

The same method which was used to measure employees’ satisfaction with their HPWS practices in this research was also adopted to measure employees’ awareness of their HR systems. Zhang et al. (2014) measured employee satisfaction on a scale with a range from “very dissatisfied” to “very satisfied”, employees’ awareness in the current research was also measured for each HPWS practice on a five-point Likert scale ranging from “strongly disagree” to “strongly agree”, with sample items such as, “In this organization, I am aware of training and development practices” and “In this organization, I am aware of team and participation practices is”. Responses on employees’ awareness of HR system were collected from employees.

**Employees Attribution of HR System**

Sanders and Yang (2016) measured employees’ attribution to high-commitment HRM system (HC-HRM). Their measure of HC-HRM focused on HRM strength
(distinctiveness, consistency, and consensus) and was based on the combination of distinctiveness, consistency, and consensus, Sanders and Yang (2016) manipulated three types of attributions: (a) high distinctiveness, high consistency, high consensus, (b) low distinctiveness, high consistency, low consensus, and (c) high distinctiveness, low consistency, low consensus.

For this research, one of the underlying purposes was to integrate HPWS with HRM strength; thus, a manipulation for attribution was adopted from Sanders and Yang (2016). All three attribution conditions were not adopted, because unlike Sanders and Yang (2016), this research is not focused on high and low high-commitment HRM patterns. Instead, this research proposes that implementation of HPWS creates transparent HRM processes with distinctive, consistent, and consensual HRM practices; thus, the attribution manipulation adopted for this research was high distinctiveness, high consistency, and high consensus. In Sanders and Yang (2016) the statement used for attribution (high distinctiveness, high consistency, and high consensus) was written as:

You notice in your company that HRM in comparison to other companies provides better employment conditions, that the different HR practices like recruitment and selection, reward and training are aligned to each other, and that rules and policies from the HR department are comprehended in the same way among your colleagues. (Sanders and Yang, 2016, p. 207)

For this research, the above HRM attribution statement was customized and divided into three questions for ease of comprehension, such as, “I notice in my organization that HRM, in comparison to other companies, provides better employment conditions”. Employees’ attribution of the HR system was also measured using a five-point Likert scale and ranged from “strongly disagree” to “strongly agree”. Responses on employees’ attribution of the HR system were collected from employees.
Emotional Exhaustion

In telecommunication sector organizations, employees deal with customer service-oriented work, which poses a significant risk of exhaustion, anxiety, and aggression if the work job does not go well (Hu, Zhan, Garden, Wang, & Shi, 2018). Employees engaged in customer service can also experience aggressive reactions if they are unable to meet their managers’ expectations (Yagil, 2008). Such negative experiences can affect employee wellbeing (Malik, Schat, Shahzad, Raziq, & Faiz, 2018). Oppenauer and Van De Voorde (2018) also measured emotional exhaustion as an indicator of employee wellbeing at work. This research adopted the scale used by Oppenauer and Van De Voorde (2018), which was initially developed by Maslach and Jackson (1981). It is a five-point Likert scale with nine items ranging from “strongly disagree” to “strongly agree” (see Appendix J). Sample items included, “Working with people all day is really a strain for me”, “I feel frustrated by my job”, and “I feel fatigued when I get up in the morning and have to face another day”. Responses to wellbeing at work were collected from employees.

Organizational Citizenship Behavior

Organizational citizenship behavior (OCB) is measured as an extra-role or contextual employee performance indicator. To avoid the risk of common method bias and increase the validity of the findings, a peer-rated OCB scale from Lau, McLean, Lien, and Hsu (2016) was adopted. Employees rated each other’s citizenship behaviors. This method may pose some methodological risks, but it is a suggested method to avoid biases for OCB (Ang, Van Dyne, & Begley, 2003). This scale was measured using 13 items, with sub-dimensions of conscientiousness, civic virtue, courtesy, altruism, and sportsmanship. All items were measured using a five-point Likert scale ranging from “strongly disagree” to “strongly agree”, with sample items including “My colleague is always punctual” (for conscientiousness), “My colleague keeps abreast of changes in the
organization” (for civic virtue), “My colleague takes steps to try to prevent problems with other workers” (for courtesy), “My colleague helps others who have heavy workloads” (for altruism), and “My colleague consumes a lot of time complaining about trivial matters” (for sportsmanship). Responses about OCB were collected from employees.

**Customer Service**

In addition to OCB and wellbeing, customer service was measured as an in-role (task) performance indicator for employees. To avoid common method variance and biases in responses, managers were asked to rate the customer service of their employees. As mentioned earlier, managers were asked to identify at least five employees working for them, managers rated the customer service of those identified employees who filled the other variables of this study. The scale for customer service was adapted from Karatepe (2013), which was initially used by Bettencourt and Brown (1997). All items were measured using a five-point Likert scale and ranged from “strongly disagree” to “strongly agree”, with sample items including “This employee often goes above and beyond the call of duty when serving customers” and “This employee frequently goes out the way to help a customer”.

**3.5.5 Data Analysis Techniques – Study 2**

Data collected from managers and employees through the questionnaires was entered into SPSS for further analysis. Different analytical techniques were applied to empirically test the hypothesized paths for quantitative Study 2. The following analysis techniques were used:

- dealing with missing values;
- exploratory factor analysis;
- confirmatory factor analysis;
- goodness-of-fit test;
● reliability and correlation;

● analysis of variance (ANOVA) test;

● regression analysis using Hayes’s (2013; 2015; 2018) PROCESS.

These analytical techniques are illustrated in detail in later chapters for statistical analysis.

3.6 CHAPTER SUMMARY

This methodology chapter provided detailed information on the methods chosen to collect the data and the analysis for both qualitative Study 1 and quantitative Study 2. The chapter began with the philosophical foundations and a brief introduction, before providing a discussion on interpretivism and pragmatism as suitable research paradigms for this research. The chapter also explained the nature of this research as mixed methods and case study analysis, with a justification for selecting these research approaches.

Following the research approaches, details were provided on the research context. Here, the focus remained on the rationale behind the selection of telecommunication sector organizations from Pakistan, as discussion and justification for selecting Pakistan as the sample country were presented in Chapter 1.

The chapter was then divided into two sections: preliminary qualitative Study 1 and quantitative Study 2. Details on the sampling strategies, size, and the populations were discussed for both Study 1 and Study 2. Data collection and analysis techniques for both studies were also mentioned. Chapters 4, 5, and 6 present the findings and results for qualitative interviews of Study 1 (Chapter 4) as well as preliminary analysis and statistical analysis for quantitative surveys of Study 2 (Chapters 5 and 6).
4.1 INTRODUCTION

HRM philosophy has become increasingly important in the HRM literature because it explains multiple variants of HRM that inspire the organization’s employment policy and workforce management. Before analyzing the role of high-performance work practices, an in-depth understanding of why these HR practices are employed in any particular organization is worth investigating. The process of formulation and implementation of HR practices and employees’ reactions to these HR practices is not as simple as it seems. Thus, this research contributes to the HPWS literature through two lines of analysis. Study 1 sheds light on the philosophical backgrounds of formulating a high-performance policy at a workplace, which will assist in discussing the adoption and
applicability of HPWS in the local context of Pakistan. Study 2 is an empirical test of the utility of HPWS practices in Pakistani organizations where HPWS practices are proposed to influence employees’ wellbeing, organizational citizenship behaviors, and customer service in a complex mechanism of intervening variables.

Drawing on the significance of HRM philosophy as an important strategic decision to understand the purpose of an organization’s HR system, this chapter focuses on the first line of analysis, which is “HRM philosophy” for HPWS practices. This chapter provides insights into the HRM philosophies adopted and communicated in the sample organizations. Such investigation provides evidence of how HRM philosophies shape HRM structures and assist managers in delivering a shared vision of these HRM structures. As this research is a contribution to the understanding of HRM philosophy, something that has been noted as under-researched (Kellner et al., 2016; Monks et al., 2013), the key actors in HR policy development and implementation (including senior, HR, and FLMs) were interviewed to share their knowledge about their organization’s HRM philosophy and its enactment to HPWS practices. The literature review chapter established that HRM strength refers to clear and transparent communication of the HR vision from top management to employees. Consequently, the purpose of this research is to integrate the concept of HPWSs with HRM strength. Thus, employees’ perceptions were also considered to investigate the extent to which these case organizations have been able to communicate their HR policies with consistency and stability.

This chapter begins with a brief introduction of the themes that emerged as a result of NVivo analysis. A brief introduction to these themes is then followed by detailed analysis and findings as the result of interviews. As this research incorporates an “embedded and deductive” qualitative approach, a summary is provided at the end of the findings, which are further utilized to underpin the quantitative analysis in the next chapter.
4.2 RESEARCH QUESTIONS FOR STUDY 1

It is already argued in the literature section that HPWS practices within an organizational HR infrastructure are an extension of the HRM philosophy of that particular organization. Furthermore, when communicated efficiently throughout the organizational levels, the HPWS practices integrated with the concept of HRM strength can influence employees’ attitudes and behaviors. The changes in employees’ attitudinal and behavioral indicators through HRM strength are not adequately understood in the HPWS black-box. The previous chapter explained that the interviews in Study 1 were designed to answer the primary research question: How does HRM philosophy influence the adoption and implementation of HPWS approaches in telecom sector organizations in Pakistan? The primary research question was further divided into three sub-questions:

a) How does the HRM philosophy influence managers’ approaches to HPWS practices in telecommunication organizations in Pakistan?

b) How do senior and HR managers aim to strategically link HRM philosophies to the HPWS practices in telecommunication organizations in Pakistan?

c) To what extent do managers and employees share the same HR perceptions as a result of a well-defined and communicated HRM philosophy?

4.3 NVIVO ANALYSIS AND FINDINGS

The three sub-research questions mentioned in the previous section were further divided into different open-ended sub-questions to ask the interviewees. The qualitative analysis technique used for the current research was deductive qualitative and pattern matching analysis, where a proposition is made for certain patterns among the variables and tested after the data collection (Hyde, 2000).
The broader themes that emerged during the analysis were: (a) HRM philosophy of HPWS practices, (b) strategic link between the HRM philosophy, and (c) HPWS practices and employees’ perceptions of the HPWS HR practices in their organization (see Appendix G). However, the specific emerged codes or themes were: employee-centered philosophy, organizational values, internal/external fit, contingency and universalism, transparent HRM processes, and shared perceptions (see Figure 3.2). This chapter provides a discussion of each theme and the findings of its related research question within each case organization.

4.3.1 HRM Philosophy of the HPWS Practices

The first research question for qualitative Study 1 was How does HRM philosophy influence managers’ approaches to HPWS practices in telecommunication organizations in Pakistan”? Interviews indicate that case organizations of this study with the principles of HPWS as identified in the previous literature on HPWSs. The HRM systems which are identified in these case organizations align with the previous literature which talks about the practices and processes involved in the HPWSs. However, the approaches to the HRM systems or adoption of HPWS practices varied among the cases, which is also discussed for each organization in detail. Sections 4.3.1 to 4.3.3 discuss the interview findings on HRM philosophy and HPWS practices for each case, separately.

HRM Philosophy: Case 1 – Phone Link

The senior management and HR managers at Phone Link suggested that a well-defined HR philosophy guided their approach to HRM. The senior manager explained that their HRM philosophy stemmed from a goal to ensure that the “organizational culture and HRM system is based on the … values which are clearly articulated in their policies” with an overall goal of business success. This organization’s operating goal was to be a leading mobile company in the country, while the HR philosophy was to create a workplace supporting innovation, collaboration, and entrepreneurship. This philosophy
was further linked with a HR strategy of involving employees to achieve the organizational goals, as quoted by the senior manager:

This strategic direction makes us one of the top employers of choice in the country, and we epitomize the philosophy that each one of our employees is passionately living a [sic] better every day, inspired and enabled by a visionary leadership, experiencing a unique professional and ethical culture, and continuous learning and development. *(Senior Manager, Phone Link)*

Management at Phone Link articulated an employee-centered HR philosophy where employees were provided with professional experience and career development. This philosophy was inspired by an intention to develop a collaborative and participatory culture for employees. Managers indicated that this inspiration was taken from their overall organizational values, such as to be collaborative and truthful. One of the HR managers shared that:

The underpinning philosophy to create an innovative culture for employees motivates their learning and development (L&D) team to promote activities such as extensive participation and teamwork. Such initiatives encourage employees to share and design new innovative ideas, which enables our company to cope with the ever-changing market challenges *(HR Manager 1, Phone Link)*

It can be observed that Phone Link does not only expects their employees to show certain desired attitudes at work, such as being innovative and collaborative, but also provides them opportunities to do so. For example, employees are given chances to work in teams and enough autonomy to enjoy their participative roles. Such participatory roles in team working enables Phone Link to achieve the desired organizational values.

Moreover, Phone Link’s management had adopted a contingency approach to strategically align its HR policies with the overall organizational goals. This contingent
HRM structure, with HR policies linked to the organizational goals, was influenced by an employee-centered HRM philosophy focusing on their development and participation. This employee-centered philosophy is a practical display of management’s faith in its workforce, where employees are considered a “value” rather than a “cost.” To achieve its organizational goal of becoming a leading telecom company, management at Phone Link had designed policies to promote innovation and collaboration with a strong focus on employee development and participation. The HR manager explained that they preferred participation instead of a traditional command and control system because:

employees’ professional L&D requires them to work closely with their managers in teams and groups with maximum participation possible. This matches the employees’ attitudes with the organizational values of being collaborative and innovative. (HR Manager 2, Phone Link)

This HRM philosophy complemented senior managers’ intention “to make everyday life for employees better and inspired through ethical and professional experience” (HR Manager 3, Phone Link). Furthermore, HR practices such as employee voice mechanisms, feedback, and open information sharing were utilized to implement this philosophy.

The employee-centered HRM philosophy at Phone Link encouraged managers to design a contingent approach to manage the workforce in such a way that employees were empowered with maximum participation and learning. This philosophy was strategically linked to the organizational goal to achieve success through innovation and collaboration. As this philosophy was deeply rooted in the HR strategy at Phone Link, the management team worked hard to improve this through interactions and cooperation with team members. Phone Link considered each employee an important organizational member. Another justification for the participatory HRM approach at Phone Link could be a management’s belief in its employees’ ability to achieve success over their competitors.
through innovation. This philosophy led managers to design their HRM approach with a focus on employee innovation and development.

Even when HR managers and senior managers share the same vision of HR policies, it is the implementation of HR practices that makes a difference in the success of HR systems (P. Wright, Gardner, Moynihan, & Allen, 2005). Implementation of HR policies and practices is a complex process that involves different managers; thus, making it more complicated (Hasson, Villaume, & Schwarz, 2014). People involved in HR processes, such as senior management, HR managers, and FLMs need to share the ideas and objectives of the HR system before the implementation process starts. Not only is sharing the philosophy and HR purpose required to make HR implementation smooth and successful, support from senior managers in terms of connecting with actual “implementers” such as HR managers and FLMs and providing them with enough resources is a critical factor (Saksvik, Nytrø, Dahl-Jørgensen, & Mikkelsen, 2002).

At Phone Link, it appeared from the senior and HR managers’ responses that they worked together to design and practically implement the HR policies. The culture of working together and support from top management made it possible for Phone Link to enjoy a smooth design and implementation of its HRM philosophy. Structuring and implementing HRM philosophy might involve day-to-day efforts by managers to put the HR strategy into place (Khilji & Wang, 2006). Thus, it cannot be assumed that the HR managers accept what they are told to do. It might take more than just guidance from HR managers to design complex HR infrastructure. HR implementation involves presenting HR project or policies in an inspirational way that motivates HR representatives to take part in its positive implementation (Hasson et al., 2014). HRM philosophy can therefore provide clarity and motivation to assist senior managers to present organizational goals to HR managers and FLMs.
**HRM Philosophy: Case 2 “My Phone”**

While the HR philosophy at Phone Link reflected an approach that sought HPWS for innovation, a similar philosophy was seen at My Phone, though with a subtle difference. Although the HR philosophy was developed based on innovation, management were of the view that their HR goals would be achieved through equality and respect for employees. Here, by equality the management was interested to create a workforce with less status differences, promote communication channels to get feedback from employees and allow them to have their say in the organizational processes, and implement policies which can best serve their employees’ interests. My Phone’s HR philosophy was one where a senior manager believed that, “Any organization can successfully achieve its goals when its employees work in a team. Thus, we appreciate extensive teamwork and brainstorming activities in this organization” (Senior Manager 1, My Phone).

Instead of “buying” a universal HRM approach, management designed their HR structure guided by a philosophy specific to their organization, which is largely influenced by its organizational values.

Another senior manager stated that they had:

> strong faith [in] our employees as they deliver our business services. To make them productive, we create a work climate guided by key behavioral values which expect employees to explore, create together, keep promises, and most importantly, to be respectful. *(Senior Manager 2, My Phone)*

One of the HR managers added that:

> We have feedback surveys to understand employees’ perceptions about us … [to] locate where we stand regarding fulfilling their employment rights and creating a respectful work environment for them… [to] listen to their point of views… [to]
understand what matters to them, and… [to] show that we care. \textbf{(HR Manager 1, My Phone)}

In this organization, senior and HR managers seemed to believe that if they involved their employees and received quality feedback from them, the benefits of their HR objectives would flow to all of the organizational actors. At My Phone, a strategic connection was observed from designing an overarching philosophy to the implementation of HR practices. A senior manager stated that their organization’s HR system:

Fabricates a culture of productive employment relations where employees are respected and treated fairly so that no employee may feel underprivileged. This is achieved through policies such as equal career growth opportunities and promotion plans. \textbf{(Senior Manager 1, My Phone)}

Because the HR philosophy at My Phone was developed with an intention to create an equally empowered workforce, related HR practices focused on employee wellbeing, team work, information sharing, and employees’ participatory roles. Furthermore, flexible work hours and employees’ ability to work from home demonstrated management’s unusual modern flexible approach towards their employees. This HRM approach and the policies rationally linked with My Phone’s HR philosophy to respect and value employees’ rights. A HR manager explained that:

We emphasize on [the] quality of our employees’ work-life through platforms such as [a] compliance system, ethics team, grievance handling mechanism, participatory roles, a privilege to work from home, onsite counselor, and job satisfaction surveys. \textbf{(HR Manager 2, My Phone)}

No doubt, the supporting philosophy behind this HRM approach was to introduce a work culture institutionalized by the principles of HPWS to create a workforce satisfied
with their contribution to the organization (Mazzetti et al., 2016). As one HR manager explained:

We work to make My Phone a happy place to work at by organizing recreational activities to give our employees refreshing breaks from their normal work routines. In this way, we contribute to support the mental health and satisfaction for [sic] every individual who works with us. (HR Manager 3, My Phone)

My Phone took this a step further by practically manifesting its HR philosophy of care and respect for employees by arranging different training programs for employees to teach them to work closely with employees and focus on their development and career progression. A HR manager shared that:

‘Employee care and growth’ is a recent training initiative taken in this organization to enhance managers’ leadership skills by teaching them how to bring employees together, make them work in teams, and care for their growth and development. (HR Manager 4, My Phone)

Senior managers at both Phone Link and My Phone seemed confident of having a clear HRM philosophy and policies communicated throughout their organizations, and the vast majority of other managers agreed that this was the case. However, a minor deviation from such consensus occurred at My Phone, where two HR managers indicated that they were aware of their senior managers’ HRM approach, but they also believed that it was not important for them to understand and communicate this further because this philosophy was a part of written policy documents and employees should know it. One of these two HR managers stated that:

The underlying HRM philosophy is not explicitly documented, which I can quote in words, but I believe that this is something already looked after by our senior
and top management. We follow the guidelines from our managers and implement the HR processes accordingly. *(HR Manager 5, My Phone)*

Thus, the HRM philosophy at My Phone was not perceived equally by all managers, potentially posing a risk to the HRM infrastructure at My Phone. HR policies can construct positive outcomes when the organizational members equally share the nature, focus, and purpose of their HR processes (Ostroff & Bowen, 2016). However, mixed HRM messages or signals can disrupt HRM strength (Townsend et al., 2012).

Even though the shared meaning and understanding of the HRM philosophy among employees is considered critical in HPWS literature (Ostroff & Bowen, 2016), Phone Link management communicated their philosophy slightly more successfully than management at My Phone. Nevertheless, both organizations were successful in developing their HRM approaches guided by a defined HRM philosophy and communicating this clearly to the vast majority of managers and employees.

In summary, HRM philosophy strongly influenced the managers at My Phone to choose a HRM approach where their organizational goals could be achieved through respecting and empowering employees. Here, the philosophy reflected the managers’ priority to treat employees equally and to comply with the key organizational values to create and explore together while being respectful towards each other. The HR initiatives at My Phone were well-guided by a philosophy focused on employees’ wellbeing and development as a means of achieving the organization’s goals.

**HRM Philosophy: Case 3 – Tel Pak**

The third organization, Tel Pak, was privatized in 2006, after two decades operating as a government-owned entity. Consequently, while management detailed a sophisticated HPWS with new initiatives taken since privatization, traces of a more traditional and standardized management style remained evident. Senior management and HR managers
indicated that a philosophical foundation underpinning the HR system was absent. Organizational values such as integrity and teamwork were outlined; however, management did not explicitly mention the utility of these values or a clear philosophy guiding the formulation of their HR policies. Since privatization, the HR system had faced a difficult period of change with a workforce made up of “old” (former government) and “new” employees (hired since privatization). A senior manager claimed that their HR practices were continuously evolving because:

We are in a continuous process to renovate our HR function where we have adopted HR practices highlighted by successful businesses, usually from developed countries. Our HR department has to struggle a lot to manage its HR activities, as we have to deal with different groups of employees. (Senior Manager 1, Tel Pak)

Instead of an HRM approach contingent with its context (as in the case of Phone Link and My Phone), Tel Pak had adopted a universalistic HRM approach where HRM practices are taken off-the-shelf. Responses did not indicate enough consideration of Pakistan or telecommunication as a specific context behind adopting these HRM structures. However, management had put effort into becoming more modernized in their HRM by adopting sophisticated HPWS practices.

Once this company was privatized, its HRM policies were either changed or updated. Such as we have upgraded our pay plans, as well as introduced more growth and promotional policies. To ensure employees’ equality and fair treatment, we have linked our promotion plans to employees’ performances rather than [the] unfair processes which were followed before. We try to focus more on our employees’ competencies and professional development while formulating our HR policies. (HR Manager 1, Tel Pak)
The HR manager’s response indicates management’s willingness and initiatives to move from traditional HRM styles to modern HRM practices. The updated HRM styles focus more on fair organizational processes for employees, their competencies and development, and professional growth at work. However, this transition is not explicitly linked to any philosophical backgrounds but is more related to a ‘universal’ HRM perspective. The transition towards HPWS practices was evident, but, more complexed with a hybrid workforce, as one HR manager explained:

We have two groups of employees hired before and after the time of privatization. The former group of employees is traditional and resistant to change; however, the latter group has a modern approach to HRM. We are planning to transform our processes to transparency, as it can help us with communication. Still, information is controlled. Unionization is quite strong and taking new HR initiatives is not always as easy, as resistance is usually faced. (HR Manager 2, Tel Pak)

The introduction of new HR practices was evident in Tel Pak; however, these practices were adopted ad hoc rather than contextualized and did not include a well-established and communicated HRM philosophy. Instead of developing a contingency-based HRM approach guided by a philosophy, Tel Pak adopted a universal or “best-practice” approach (see Youndt, Snell, Dean, & Lepak, 1996). One could argue that this is a philosophy based on the assumption that universal approaches to HPWS will succeed rather than a contingency approach, but HR managers’ perspectives indicated a lack of understanding about their HR system uniformly throughout the organization:

I am not sure that [our] HR policies communicate their purpose. Training programs are updated and scheduled, but they are not planned as what employees need. Thus, they turn out to be less productive, with least [sic] attendance by
employees. Some policies are there without a clear purpose; thus, [they are] not supportive [sic] positively by our employees. (HR Manager 3, Tel Pak)

There might not be a well-developed and explicit HRM philosophy at Tel Pak; however, managers believed that their HRM processes focus on employee involvement and development. The different managerial perspectives about the HR policies reflect weak synchronization between the senior and HR managers. The senior management strongly commented about the presence of an open environment, for example:

We, as management, believe in the organizational communication and openness of HR processes; thus, we support employees’ involvement and contribution through feedback and new ideas. We are working to make our organization “open” to reduce any barriers within the organizational levels. (Senior Manager 2, Tel Pak)

However, a HR manager had a different opinion:

As compared to our competitors, our communication is much [more] controlled and directive. Confusion can be observed among employees [in] understanding different policies. They also face difficulty in reaching out [to] the management. Even the HR managers often face disagreements with senior management. (HR Manager 3, Tel Pak)

The difference in the senior management and HR managers’ perceptions about the HRM philosophy at Tel Pak explicates the absence of a well-crafted HR philosophy. Management expected employees to behave in ways that would contribute to the organization’s market growth and profitability, while management placed less concern on employee wellbeing and development. As opposed to the first two case organizations, this management team was unable to clearly articulate the purpose of different HR policies to the workforce. The HR managers confirmed that it was not only the employees
who faced difficulty in extracting the purpose of their HR policies, they also experienced this. Tel Pak had adopted a universal HRM approach to support its HRM processes, and while adopting the “best practices”, the lack of clear guidelines indicates that HRM was not a strategic process contributing to this organization.

Overall, HRM processes were influenced by the HRM philosophy, though to a differing degree in the three cases. At Phone Link and My Phone, a well-established employee-focused HRM philosophy drove management’s approaches to the HRM processes. However, a strategic link between the organizational objectives, HRM processes and philosophy was missing at Tel Pak. The presence of philosophical guidelines at Phone Link and My Phone allowed their managers to craft purposeful meaning for their HR activities and communicate this to other employees, who had equal rights to receive and share this meaning. The level of involvement by the managers at Phone Link and My Phone in carefully devising the HR policies and communicating them to the majority of their employees with transparency provides evidence of participative management styles.

The significance of philosophical guidelines to effectively drive HRM approaches and procedures was also observed. Thus, these findings suggest a strategic link between the HRM philosophy and processes in their design and implementation because “HRM seeks to strategically integrate the interests of an organization and its employees, it is much more than a set of activities relating to the coordination of an organization’s human resources” (Stone, 2013, p. 4). Having a HRM philosophy does not indicate a HPWS and vice versa; instead, it is expected that a well-developed HRM philosophy would suggest a more successfully implemented HPWS. Thus, the next section describes a strategic link between the HRM philosophy and HPWS practices implemented in the three case organizations.

4.3.2 A Strategic Link Between HPWS Practices and HRM Philosophy
As established in the literature review, this research was constructed to investigate the contribution of HPWS practices towards employees’ in-role (customer service), extra-role (OCB), and employee wellbeing outcomes. Hence, HPWS practices with concern for employees’ investment and development were examined in this research. HPWS practices focusing on employee development are important for employees, because such practices contribute to employees’ learning and development, and increase their sense of achievement when they work in teams through participation (D. Guest, 2017). Following this same logic, the six HR practices included in the research were: selective hiring, training and development, information sharing, performance management, employee wellbeing, and team work and participation. These HR practices correspond with the work of Hong et al. (2016), who investigated the role of HR practices for service organizations, similar to case organizations for this research.

The interviews with HR managers indicated an active adoption of these HR practices within the three case organizations; however, the implementation and communication of these HPWS practices varied somewhat in the third case, Tel Pak. The overall evidence suggests the case organizations were operating with HPWS approaches to HRM. The following sub-sections provide evidence of the strategic links of these HPWS structures with their HRM philosophies.

**Selective Hiring**

Selective hiring is defined as a process that requires diligence in hiring individuals against a vacant position in an organization and to match candidates with that particular organization’s job requirements, culture, development strategy, and to offer reasonable compensation (Fiorito et al., 2007). Among the list of potential HPWS practices, selective hiring is of great importance because it is a process that determines the people best suited to act as a source of competitive advantage for any organization. Furthermore, an organization achieves such an advantage when the hiring system is consistent with its
organizational strategy (Huselid & Becker, 2011). Meuer (2017) suggested that hiring employees is one of the core HPWS initiatives within the potential HPWS bundles that organizations can employ. Senior management, HR, and FLMs from all the three cases were asked for the adoption of selection practices and links with the HRM philosophy discussed in the previous phase.

All three organizations had adopted sophisticated selection procedures; however, the focus of this research is more on their philosophical backgrounds. Selection in all of the three organizations began with an announcement for a vacant position, made both internally and externally. This was followed by the selection of candidates where each organization appeared to serve its purpose, and these are discussed individually for each case organization.

Formal procedures were developed to advertise the available position in both internal and external platforms. The hiring of new employees was highly selective because their selection criteria also included a person-to-job and person-to-organization fit. Person-to-job and person-to-organization fits were observed as most common factors in selection and hiring function of HRM. Person-to-job fit refers to the employee’s match with the specific job requirements, and person-to-organization fit is known as the employee’s match with the broader organizational attributes (Carless, 2005). Organizational attributes might include factors such as an organization’s culture, values, and business strategies. Following a person-to-organization fit, managers not only look for specific skills required to perform a job but also the right attitude to match the organization’s culture and values. The compatibility of employees with their organization and jobs indicates the distinct complementary fit characteristic of HPWS practices.

We have a formally established hiring procedure where a job is properly advertised on our internal and external platforms to provide our employees with career growth opportunities and to bring diverse intelligence into our organization.
as well. But this process is not easy, because we try to hire people who can also comply with our already established organizational values, such as to be collaborative and bring innovation. *(Senior Manager, Phone Link)*

At Phone Link, the selection policies were found to comply with the purpose of finding the best employees who matched their organizational culture. In other words, employees were hired who could comply with the HR values at Phone Link, which were extracted from its overall organizational goals. “Our hiring strategy involves bringing those people into this organization who are not only competitive in their jobs but can also get along with our diverse and collaborative organizational culture” *(Senior Manager, Phone Link)*. HR managers looked for an individual with the potential to work, collaborate, present innovative ideas and commit to serving the organizational goal to be a leading mobile company. A HR manager shared that:

> While we look for new hires, we consider both competency and value perspectives. Our workplace values to be collaborative and innovative are our guideline lines to evaluate behavioral attitudes and hire employees, whereas their competency is evaluated through their experience and qualifications to identify their potential to meet organizational goals. *(HR Manager 2, Phone Link)*

The implementation of HR practices is complex and involves people such as senior managers, HR managers, and FLMs (Hasson et al., 2014), who need to work together to implement the HR policies successfully. Although senior management and HR managers make the major decisions in HR processes, FLMs are the people who work closely with the employees at the frontline, and they are the right people to communicate HRM messages to the employees (Townsend et al., 2012). For FLMs to be able to send HRM messages to employees, they also need to be informed of the top management’s HR vision as equally as any other HR manager. Thus, FLMs were interviewed to identify their
understanding of the purpose behind the selection practices. Similar to the views of senior and HR managers, FLMs also observed a “match” of employees and organizational culture as a guideline for hiring and selection policies. FLMs’ responses advocated the cultural fit as a primary criterion for selection.

[The] ability to have a “best cultural fit” with this organization is observed during candidates’ assessment. This does not mean that this organization opposes diversity; rather, it takes different personalities which can contribute to a collaborative culture which this organization supports. (FLM 3, Phone Link)

Managements’ great focus on the organizational fit of their potential employees is worth noting because strategic HRM considers such match and fit to be effective for organizations as well as for employees. Hiring employees who matched the organizational values or culture helps employees to adjust in their workplace and increase their job efficiency. Employees are also more likely to be a part of those organizations that match their personalities (Chiang & Suen, 2015). Thus, using organizational match as a method to hire employees could be a well-conceived strategy of Phone Link to attract people towards their organization (Byrne’s 1971).

Phone Link previously indicated working and creating together as their HRM philosophy to support their organizational values of being collaborative and innovative. When asked about the motivation to design selective hiring practices at Phone Link, respondents explained that they hired employees with the best match to their organizational values. Managers at Phone Link not only had a well-defined philosophy, but this philosophy was also seen in their practices, such as selective hiring. A shared vision among the respondents for organizational values as a selection criterion indicates a strong organizational culture at Phone Link. Organizational culture has a strong association with HRM policies, such that having a strong organizational culture helps
employees to understand the organization as well as their managers’ expectation of them; thus, improving their attitudes and behaviors at work (Den Hartog & Verburg, 2004).

The clarity of the philosophy and purpose of hiring practices is not only limited to senior management but is practically communicated to HR managers as well as FLMs. It can be implied from the above interview findings that Phone Link not only adopted selective hiring processes but was successful in maintaining a strategic link between their HR philosophy, organizational values, and hiring practices.

Similarly, My Phone also involved senior management, HR, and FLMs in the hiring process equally, and they worked collectively to bring the best into their organization. Selective hiring is observed as a formal and well-established HR process. The hiring process involved locating the vacant position, preparing job description, interviews, screening, and formal selection.

A position is indicated by the frontline manager or supervisor of a particular department who further communicates it to the “Talent Acquisition and People Management” unit, who work with departmental managers to prepare a job description. After the approval is granted by senior management, a job post is advertised calling for job applications. (HR Manager 2, My Phone)

In the previous section about HRM philosophy, it was established that the HRM philosophy at My Phone revolved around supporting employees, respecting them, and ensuring equality. When interviewed about the hiring policies, managers mentioned that they saw their hiring processes as an opportunity to support employees who were already working with them through the internal labor market. To support their philosophy to ensure equality in the workplace, managers also gave an opportunity to candidates who were physically challenged but had the necessary skills and potential. That employees respected and cared for management indicates the adoption of a sustainable HRM
approach. In the core of employee-centered philosophy an element of respect for employees also indicates a successful and sustainable organization as well as HRM system (De Prins, Van Beirendonck, De Vos, & Segers, 2014). For My Phone, it appears that its management was interested in developing organizational HRM processes that not only facilitated the organization through employee performance, but also developed a culture to treat employees with respect (Koys, 1988).

We support equality at our workplace, which means not only the existing employees are given empowerment, but we have special positions for candidates with [a] disability, our ex-employees who want to resume their professional life compromised due to certain circumstances, and new graduates which are hired through [the] “My Phone Excel Program” (Senior Manager, My Phone)

It can be observed from the responses at My Phone that management placed a significant focus on equality for disabled employees as a part of the HPWS (Woodhams & Corby, 2007). A HPWS that also relates to bringing diversity into the HRM processes and hiring employees with disabilities is considered as a strategic policy to bring diversity into the organization (Nafukho, Roessler, & Kacirek, 2010). Thus, respecting employees and hiring disabled employees as a part of HPWS implementation seems to be justified in the case of My Phone. Employment of disabled workers and designing HRM policies to manage them has been associated with the adoption and implementation of “best-practice” (Smits, 2004). Creating equal employment opportunities and respecting employees in heterogenous groups such as women and ethnic minorities also occurred in addition to the hiring of disabled employees (Woodhams & Danieli, 2000) at My Phone.

Similar to senior management and HR managers at Phone Link, FLMs at My Phone also mentioned person-to-organization fit as a critical selection criterion. Following the philosophy of respect and equality for employees, management at My Phone not only
implemented such HR processes but also brought those employees with the right attitude into their organization. One frontline manager stated that:

Personality tests are conducted to confirm that the individuals we are shortlisting have the right and positive approach towards [the] organization and [our] employees. We implement policies which are employee supportive, but we also expect employees to respect and consider other employees’ rights. The reason for strictly following this criterion is our purpose of providing a supportive workplace for our employees. *(FLM 1, My Phone)*

Thus, a clear strategic link between hiring policies and employee-focused HR philosophy was observed at My Phone, where the hiring procedure was followed by extensive training to enhance employees’ skills. Internal job applications were also provided with the goal of providing career growth opportunities. The philosophy of selecting people can be justified from the HRM and HPWS literature as the recruitment and selection include the choice among individuals based on skills and attitude. Job-related attitudes in the candidate’s personality are salient links to ensure their suitability to both the organization and the job, such as in a person-to-organization fit *(Resick, Baltes, & Shantz, 2007)*. Management at My Phone had a clear understanding of the importance that the literature has placed on the significance of having the right people into the organization. Such observation indicates that management employed high-performing selective hiring practices in their organizations, with a definite philosophy of getting the right person into the organization with the right attitude and personality that would fit with the organizational culture. In strategic HRM, bringing the right person into the organization has been frequently reported as associated with organizational variables such as employee commitment, satisfaction, and low intention to quit *(Nicol, Rounding, MacIntyre, 2011)*.
Interviews from the third organization indicated that Tel Pak also had sophisticated hiring procedures where employees were hired with experience and high capabilities to best perform their jobs. The policy was to hire individuals with high potential to match human skills with the job requirements, “We have acquired competency-based hiring, and we assess personality fit, and candidates’ potential to check their ability and aspirations to excel in their jobs” (HR Manager 5, Tel Pak).

In developmental human resource strategy, competency-based HRM practices have been a foremost concern for practitioners and policymakers. Competency is referred to as “A descriptive tool that identifies the skills, knowledge, personal characteristics, and behaviors needed to effectively perform a role in the organization and help the business meet its strategic objectives” (Lucia & Lespinger, 1999, p.5).

At Tel Pak, the HR manager explained that functional competency was observed while hiring employees, which is a significant indicator that this organization used a systematic framework to identify its strategic imperatives and align with its HR function (Gangani, McLean, & Braden, 2006). It can therefore be concluded that Tel Pak carefully assessed certain features such as skills, knowledge, and personal characteristics to hire the right person. Competency-based HR practices not only help to assess employees, but also to improve its HR functions, such as talent acquisition and performance management HR practices (Gangani et al., 2006).

In the previous section about the HRM philosophy for Tel Pak, the conclusion was made that management lacked an explicit philosophical foundation of a HRM philosophy to guide their HR decisions. However, when asked for the philosophy that influenced HR policies, the managers mentioned that they followed organizational values to select and hire their human resources. This argument suggests that organizational values were deemed a strategic base for selection and hiring at Tel Pak and managers ensured that their selection policies followed this strategic orientation. The senior manager explained
that selective hiring was a comprehensive and established process, where both the behavioral and functional aspects of a job were considered.

To hire people [at Tel Pak], our selection team looks for a candidate who is the best fit for our organization. [By best fit] I mean a person with a learning and growing aptitude, capability to get along with the organizational culture and values by demonstrating professional integrity, teamwork, customer satisfaction, and loyalty. (Senior Manager 3, Tel Pak)

It is worth noting that employees also confirmed the influence of organizational values, apart from qualifications and experience, was considered central to the hiring and selection policies at Tel Pak. This reflects the sharing of the same HR meanings and understanding among employees. For example, an employee shared his personal experience:

During my selection, [the] hiring panel not only considered my qualification but also did a personality assessment to match my aptitude with this organization’s culture. So, [I can say] they [management] look for both job-fit and culture-fit.

(Employee 6, Tel Pak)

In summary, sophisticated hiring procedures were established in all three cases where a strategic fit of policies with the HRM philosophy and organizational values was observed through a person-to-organization and job fit. In a HPWS, employees are hired based not only their functional skills but also their behavioral attitudes, which indicate their ability to get along with their organizational culture (Batch, 2005). Such employee-to-organization alignment promotes the organizational functioning by bringing the right person into the organization with attitudes that match managerial expectations (Resick et al., 2007).
Training and Development

Training and development (T&D) is one of the key high-performing HR practices because it enables employees to deal with their job demands (Albrecht, 2015). T&D is critical for employees’ career development as they transform their skills into professional practice (Kelton, Robertson, & Julian, 2017). From the interviews obtained from all three case organizations, similar T&D patterns were observed at Phone Link and My Phone, with formal and rigorous training activities focusing on employees’ development and growth. However, the training system at Tel Pak was not always effective, certainly when compared to Phone Link and My Phone. The employees’ development and growth at Phone Link and My Phone focused on shaping employees’ attitudes to participate and work in teams, innovate and create together, and serve employees’ job demands and needs. However, at Tel Pak, the utility and purpose of T&D was questioned by most of the respondents.

The strong emphasis on employee training by management at Phone Link was influenced by its HR philosophy of creating an innovative and participative workforce. Employees were not only trained for their jobs, but also provided with training to introduce them to the organizational culture. Training employees on an organizational level, such as providing employees with an orientation to understand the organization’s culture, workplace environment, and become familiar with the organization’s history, goals, as well as people, helped them to adapt to the organization easily (Fisher, 1989). Literature supports that employees who are provided with an organizational orientation are more social and have a higher level of organizational commitment (Klein & Weaver, 2000).

Our training activities are divided into different areas, such as “behavioral training” to make employees aware of the organizational values, “functional training” to the job demands, and “professional training” for employees’
leadership development, which further assists them in their career growth. (HR Manager 3, Phone Link)

Here, a question arises regarding whether employees might be “brainwashed” to behave in certain ways and conform to their organization’s strict work rules. When the senior manager was asked about this, he stated that they do not see training as a strategic tool to confront employees but present it as an opportunity for the employees to learn and grow. Training practices not only improve employees’ knowledge and skills required to perform tasks which benefit their organization, but also facilitate management to implement initiatives such as teamwork, self-determination, and participation (J. Lee & Bang, 2012). Such initiatives provide great opportunities where employees can learn, perform, and achieve greater career growth. The senior manager also stated that:

Training is provided to groom employees’ behaviors to work in our diverse environment and teams. Employees learn to present their ideas and difference of opinions in a constructive way. As our employee-centered HR approach, we work hard to create a culture which is best suitable for our employees and provide development programs catering to employees’ needs, care, and growth. (Senior Manager, Phone Link)

In addition to the real training sessions, employees were also offered online courses that did not impact on their work hours and they did not have to leave their offices. This made training programs less of a hassle and much handier for employees. A clear strategic link was observed between the training policies and an employee-centered HRM philosophy at Phone Link, which was to provide platforms for employees to refine their team work and participatory skills.

T&D programs at My Phone were also shaped by its employee-centered philosophy to explore and innovate together. This philosophy called for employees’ participatory
role. Thus, training was carried out both individually and in groups to provide employees with a diverse set of skills. The senior manager at My Phone mentioned that:

As a result of fast-changing telecommunication challenges and competition, the nature of our business is to produce novel and innovative ideas. Our employees are our resources and competitive advantage; thus, we invest in their training so that they can groom their expertise for their career growth, as well as to make our business successful. (Senior Manager, My Phone)

The participatory activities of employees fit with the HPWS principle where employees are engaged in the HRM processes equally with supervisors (Kepes & Delery, 2007). One of the employees stated that:

Our managers believe in synergy and promote group tasks and training so that we can produce new ideas and refine those ideas. Also, these trainings are usually the results of our demands and feedback that we provide them regularly. Thus, I see training [at My Phone as] much [sic] realistic. We can [make a] request for an online course as well through a portal, without going through difficult and time-consuming request procedures. (Employee 6, My Phone)

Such online HR self-services allow employees to take part in activities such as training and development that can have many productive outcomes, such as understanding the HR processes and improving employment relationships (Meijerink, Bondarouk, & Lepak, 2016). Employees at My Phone could plan training for themselves through an online portal where they could lodge their need for training. Such a participatory attitude of employees fits well with the HPWS principle where employees are engaged in the HRM processes (Kepes & Delery, 2007).

We have an “employee development” online portal available for employees where they can lodge applications for individual or group training. This portal was recently developed to engage employees in the organizational processes to
match with our values to create and explore together. (HR Manager 3, My Phone)

In addition, the training processes were linked with employees’ performance appraisals to design training courses based on the appraisals of the strength and weaknesses of individual employees. Training was not limited to formal sessions, employees also had informal and frequent one-on-one interactions with their managers. Observations made from the interviews at My Phone indicated a strategic orientation of its management to link HRM philosophy and adaption of sophisticated HR practices.

A mismatch in the perceptions of the respondents related to the training practices was observed at Tel Pak. Tel Pak’s senior managers spoke confidently about the number of training sessions provided to employees after their induction, but this was contradicted by responses from HR managers who implied that management had delivered less than was claimed. Not only was a lack of shared perceptions identified, but also a missing link of these policies with any philosophical background or strategic orientation. The senior manager explained that:

We have made a well-established and active training and development department which looks after the training centers in all the major cities where we serve. Employees are obliged to attend not less than two training programs a year. I can confidently say that Tel Pak has established an extensive set up for training and development. Some training opportunities are provided to the employees, especially at the beginner and managerial level. (Senior Manager 2, Tel Pak)

HR managers’ responses confirmed the presence of the training and development practices, but they were also concerned with the “quality” rather than the “number” of training sessions. They raised the point that training was not aligned with an employee’s
development philosophy; instead, these T&D programs were conducted only to tick the box:

We have many training programs provided at Tel Pak, but they all are not up to the mark. We should focus more on the quality of the training programs, not the quantity. The training assessment is not done regularly, so the training, as a result, is not effective. (HR Manager 6, Tel Pak)

When designing training programs for employees, there can be a right way and a wrong way to design the training, which has an overall effect on designing, delivering, and implementing training (Salas, Tannenbaum, Kraiger, & Smith-Jentsch, 2012). The HR managers mentioned that the training programs did not align with the employees’ development, which can be a wrong way to design training and development. Training and development ultimately require a thorough analysis of who is to be trained and what needs to be trained, not only guiding the design and delivery of training, but also facilitating higher training effectiveness (Salas et al., 2012). Employees also responded in a similar manner to their HR managers. They confirmed the presence of general training programs; however, the purpose and strategic orientation of these programs seemed unaccounted for. For training to be effective for employees, trainers need to deliver what employees need to be trained for. The literature suggests that employees show higher motivation to attend training when the training content is related to their needs or job demands (Knowles, Holton, & Swanson, 2005). An employee stated that:

Training and development are carried through certain training sessions, but these sessions are very basic. They do not properly cater to employees’ needs. Employees circulate their training needs through multiple forums, but managers seldom pay attention. I do not see the purpose of some training sessions and [am] unlikely to attend those sessions. (Employee 8, Tel Pak)
Employee T&D programs at Phone Link and My Phone were developed to enhance employees’ skills and offer them career growth opportunities. The philosophy was to focus on employees’ development and provide them with sound skills. However, interview responses also indicated that the quantity and quality of training at Tel Pak was insufficient. Demand and the HRM resource model assume that management’s efforts to train and assist employees will serve employees’ competency needs at work, which will ultimately increase their motivation (Huo, Boxall, & Cheung, 2018). It is clear from management’s involvement at Phone Link and My Phone to enhance their employees’ intellectual capital that the more that managers invest in their employees’ careers, the more employees perceive management as supportive (Mayes, Finney, Johnson, Shen, & Li, 2017).

**Information Sharing**

Information sharing has evolved as an important HR practice that indicates an organization’s openness and participative management towards its employees. In each of the three cases, information sharing was observed as an important HR initiative carefully chosen and employed through multiple channels. However, Phone Link and My Phone were more participative and open in their communication compared with Tel Pak, who maintained a more controlled and limited flow of information. The presence of upward and downward communication channels, such as interactive sessions, regular meetings, focus groups, and feedback surveys indicates that these organizations had worked to make their work environment more sharing and cooperative between employees and managers.

Phone Link, with a HRM philosophy of being truthful and collaborative, focused on being more open and cooperative with its employees. To ensure a two-way exchange of managerial and employees’ voices, Phone Link applied a “no door policy” where barriers in communication channels were reduced. Managers and employees shared the same work area to ensure collaboration and innovation. The information sharing policies
at Phone Link provide a clear picture of its employee-focused HRM philosophy with employees considered as “first”.

We encourage a participative culture in this organization where employees feel equal and empowered. We work to promote a workplace environment where all the employees work as teams and achieve our goals. We see our employees more as a team member rather than a subordinate. For this purpose, our CEO has promoted a “no door” policy to ensure a free and productive flow of information. (HR Manager 1, Phone Link)

Phone Link seemed to have successfully implemented its employee-centered philosophy because management had clarity in their information policies, where the primary motivation to build such a transparent work culture was to earn the trust of their employees.

We do not work as employer and employees, but as a team where everyone has to offer something. To maintain a strong association and win our employees’ trust, I believe in involving employees equally in the HR processes and communicate with them with as minimum barriers as possible. (Senior Manager, Phone Link)

The presence of information sharing HR practices supported by strong philosophical motivation was not only acknowledged by management at Phone Link but also by the employees. The efficient provision and utility of information sharing practices indicate this organization was working according to the principles of a high-performance work system. This consistency among the perceptions of managers and employees for the information sharing mechanism also supports the concept of strong HRM at Phone Link, where all of the organizational members had clarity and the same vision for the managerial initiatives (Ostroff & Bowen, 2016). It can also be inferred that the
management valued employees and sought to promote an interactive and transparent environment.

The HRM philosophy to create and explore together also appeared to be translated into the information sharing policy at My Phone. As a result of an employee-centered philosophy with an intention to provide respect and equality for employees, the communication policies were a practical example of management’s higher concerns entirely for their employees. Management at My Phone understood that information dissemination is one of the ways to build productive social capital in a HPWS organization (Aklamanu, Degbey, & Tarba, 2016).

We believe that we can earn [our] employees’ trust by being more connected to them. That’s why this is an open organization with an empowered culture where employees can set their goals aligned with the organizational goals. Also, employees can design how to achieve these goals. This is an example of the extent to which we involve our employees with us. (HR Manager 2, My Phone)

Management’s strategy to promote transparent communication channels appeared to be an indication of its responsibility to build constructive employment relationships. A senior manager stated that:

We operate as a service organization, which is entirely based on the efforts put [forth] by our employees. We do not value our employees as an obligation but as a responsibility that we must reciprocate in return for the input given by our employees. (Senior Manager, My Phone)

Respondents also mentioned examples of strategic tools to implement this policy. Communication channels such as policy documents that were also regularly updated and newsletters, emails, town-hall meetings, informal interaction of managers and employees, and focus groups were used regularly.
Similar to Phone Link and My Phone, Tel Pak employed different communication channels such as emails, meetings, working sessions, online portal, and documents, yet HR managers regarded their communication as controlled and the HR processes as complicated and vague. It was previously noted that this organization was established as a government organization with controlled and directive management approaches. After privatization, the HRM structure was revamped at Tel Pak, but was still going through certain changes and issues.

We have updated our information sharing policies and are working to be more collaborative, but we might not be regarded as an “open” organization. This organization has a legacy of over 20 years, and in 2006 it was privatized. We have two groups of employees, that is, one from the time when it was a government entity and others who were hired after its privatization. We have to filter and control information to avoid chaos. However, I would say that our HR department is continuously working to improve information sharing processes.

(HR Manager 4, Tel Pak)

Tel Pak had a contract with Facebook for a program named “Facebook at work”, as a new initiative to share information with a broader audience and get maximum feedback from their employees. The “Facebook at work” portal helped employees to keep track of the regular happenings in their organization, and they could connect to the top managers if they had any queries. As a part of the change process mentioned by the HR manager, in the quote above, Tel Pak had also initiated a program called the “Idea Olympiad” in 2016, where employees could register for a competition that allowed employees to share their ideas through projects and proposals. The winner of the competition received the opportunity and sponsorship to work on the project.

When talking about the transition in HRM processes, the HR manager also mentioned that it was a challenge for them to manage the two groups of employees. One
group were employed before the privatization, and the other group were employed after the privatization. HPWS implementation involves sophisticated and updated HRM processes different from traditional HRM. For a successful implementation new HR initiatives, employees’ attitudes and approaches towards them also need to be changed. Thus, managing old and new employees at Tel Pak may have been challenging because the former employees may be resistant to the new ways of doing things. The reallocation of organizational resources and successful implementation of an organizational change requires employees to alter their old ways and adopt new ways (Bakari, Hunjra, & Niazi, 2017).

Another reason for challenges in the HRM change process at Tel Pak may have related to its legacy and transition from public to a private organization. It could be said that this organization had a long history with strong and deeply structured ways of doing things, and as such, when a change was introduced into this organization, employees were not ready and resisted the whole change process. Employees’ readiness and understanding of any organizational change depends on the information provided to them (Oreg, 2006). However, because this organization had a history as a highly bureaucratic and controlled organization, the management at Tel Pak were not as successful as other two organizations in providing adequate information sharing from the beginning.

On one hand, managers mentioned that they were going through a change process, but at the same time they mentioned their organizational communication was controlled. Here, such a situation might pose a risk to the successful implementation of new HR initiatives. The literature suggests that organizational changes, such as processes, policies, structures, and techniques can create uncertainty among employees if they are not adequately involved; thus, they need to be actively engaged in the collective learning (Jeong & Shin, 2019). Employees’ involvement in organizations under the concept of “employees’ voice” has been studied as an important factor for increasing organizational
productivity. However, involving employees in organizational processes appeared to be “ignored” at Tel Pak.

Our organization has a legacy as a government organization. After its privatization, management still has a tradition to control organizational processes where employees need to contribute and give feedback. Organizational policies are hard to understand. Our management claims they are moving to a more modern organization, but still works on old democratic ways. (Employee 3, Tel Pak)

At Tel Pak, it appeared that management did not adequately involve employees through communication and information sharing. The literature also suggests that the effects of a HPWS can be elevated through collective learning of any organizational change, where employees can also engage themselves in sense-making and learning (P. Wright & Snell, 1998).

Overall, extensive information sharing practices were incorporated as a part of the HPWSs in these cases. However, information was somehow controlled in one of the cases. At Phone Link and My Phone, the HRM philosophy to consider employees as important and equal was translated into the policies as well. Sharing information equally with employees can assist in building productive social capital (Aklamanu et al., 2016) and strengthen employees’ belief that their management values them.

**Performance Management**

When implemented effectively, employee performance management (PM) is a high-performing HR practice that allows managers to define, measure, and stimulate employee performance (Den Hartog, Boselie, & Paauwe, 2004). PM practices deal with how employees feel at work about the efforts that they put in and how they are appraised in regard to those efforts (Franco-Santos & Doherty, 2017). The interviews suggested that all of the case organizations had formally established performance appraisal systems,
undertaken three times a year. These appraisals included an organized step-wise procedure, and key performance indicators (KPIs) were used to manage employees’ performances.

At Phone Link, PM was considered a formal task to be performed by the FLMs. Employees were assessed on value and competence perspectives. A value assessment was related to the employee’s fit with their organizational values. However, a competency appraisal focused on the employee’s performance at his/her work.

We consider performance management as a task of FLMs primarily. First, FLMs get employee assessments from their immediate managers, followed by a panel assessment, which includes employees’ supervisors, FLMs, HR group, and senior manager. Based on the KPIs, an employee is assessed. These KPIs focus on an employee’s competency and his/her compliance with the values. (Senior Manager, Phone Link)

Performance management to develop employee performance standards can be recognized as both formal and informal (London & Smither, 2002). Phone Link incorporated both formal and informal methods to seek and provide feedback for employee assessment. Apart from the formal twice a year performance appraisal, managers would sit and chat with their subordinate groups to appraise their performance and keep track of the goals. As a response to the motivation and philosophical support for having such extensive PM mechanisms, managers acknowledged their employee care and growth policy.

Creating a positive work environment and to prepare them to perform better in their tasks is our agenda, which links back to our care and growth policy for employees. We not only provide them with opportunities to innovate and present their capabilities, but also assess their performance, provide critical feedback, and polish them so that they can grow in their careers. (HR Manager 1, Phone Link)
PM policies at Phone Link were further associated with promotions, pay raise and honorary titles such as “Employee of the Year”. These gestures indicate the value that employees had for their managers. Such supportive managerial attitudes not only motivated employees but improved their work-life experiences.

To enhance employees’ learning at My Phone, sophisticated procedures were followed for goal setting and performance management, with a motivation to develop employees’ skills. My Phone’s management not only conducted performance appraisals but also reviewed and discussed them with their employees. Employees were involved in setting the objectives, designing KPIs specific to their department, and after an appraisal was finished, both the manager and employee discussed the results. Such involvement of employees in performance management is an indication of how well My Phone was performing its HRM philosophy to work together. Appraisals were considered a formal procedure that was conducted twice a year to track employee performance.

PM is an ongoing process [at My Phone]. At the start of the year, employees, along with their managers, set their targets and KPIs [varying from department to department]. Twice a year, these targets are assessed. The mid-year performance evaluation helps managers to keep track of how their subordinates are going. Employees have to sit with their managers to review what they are doing and how they are approaching their targets. In case, if they lack behind their targets, timely decisions can be made. (Senior Manager, My Phone)

At My Phone, the performance management is result-oriented where employee performance is strategically linked with the sessions and training to improve the skills that require further improvement. These performance outcomes provide My Phone’s employees with further growth opportunities within the organizations. The result-oriented PM at My Phone exhibits its management’s philosophy to put employees first and belief in employees’ development associated with organizational success. The HR initiatives
through a high-performing management system only have relevance to the organizational social exchange when they generate positive employees’ consideration, such as perceptions of fairness (Shaw, Dineen, Fang, & Vellella, 2009).

Fair employee assessment is a culture in this organization. I see PM in this organization as a management strategy to promote employees and reward them because of their contribution to our organization’s success. While employees are given critical feedback, it helps employees to identify their weaknesses truly and are offered more developmental trainings. (Employee 7, My Phone)

Employees at Tel Pak were also appraised three times a year with formal procedures based on already set objectives and goals. The monthly and quarterly evaluations involved informal meetings of employees with their managers to keep track of how the work was progressing. However, the annual performance evaluation was a formal process, and the final grades were given based on this evaluation. This indicates that management had incorporated both formal and informal modes of PM at Tel Pak. This informal appraisal related discussion of the employees with their management might be helpful for informal learning processes as well as leading to higher employee engagement and communication (Cardy, 2015).

We conduct PM three times a year. However, final reviews are based on the annual appraisals. These appraisals are followed by getting feedback from our employees to ensure that [the] appraisal was fair, and employees are satisfied. We have involved FLMs in appraising employees as we are a large organization and FLMs can assist to interact with managers and their employees effectively. (HR Manager 5, Tel Pak)

Overall, all three case organizations provided evidence that they had sophisticated PM practices strategically linked with their HR philosophies. These organizations had advanced PM practices and attempted to use effective feedback mechanisms to ensure
that the PM process was fair. Management’s efforts to provide fair PM processes were connected to the notion of HPWSs, where employee outcomes are largely influenced by fair appraisal and evaluation processes (Budworth, Latham, & Manroop, 2015; Ishizaka & Pereira, 2016).

**Employee Wellbeing**

Employee wellbeing at work is related to the quality of the employees’ performance regarding their functioning and productivity (Ogbonnaya, Daniels, Connolly, & Van Veldhoven, 2017). HR practices focusing extensively on employee wellbeing can foster greater individual and organizational level outcomes. According to the interviews with the HR manager at Phone Link, the HR team was actively involved in managing a healthy work environment for employees. Active involvement of managers towards their employees’ wellbeing was supported by their “care and growth” philosophy. As such, workloads and extensive task engagement can lead to emotional exhaustion. However, management’s support can reduce the consequences (Zhang et al., 2013), Phone Link provided a “flex hours” system. Employees enjoyed flexible working hours and could work from home if they wanted to. Flexible work hours are of great significance in HRM, because they indicate that the management takes care of employees (Kelliher & Anderson, 2008). The HR Manager stated that they conducted sessions on employees’ health and growth to create awareness about their wellbeing. A strong system of job satisfaction surveys and feedback also existed to create regular contact with the employees.

We work with our FLMs to regularly interact with employees on our behalf to maintain healthy employment relationships. We ask them to focus on employees’ needs and wellbeing status. We get feedback from our employees to understand their concerns. My HR team has [under]taken initiatives such as “flexible hours,” fuel policy, recreational activities, and regular informal meetings of employees.
with their managers to discuss matters more openly and informally. (Senior Manager, Phone Link)

Both Phone Link and My Phone appeared alike in their involvement to improve employees’ status of wellbeing at work. The HR manager at My Phone stated that providing employees with positive work experiences and enhancing their quality of work-life was one of their major concerns for employees. Onsite counselors were appointed to provide employees with health and psychological services. My Phone had also established other channels, such as the employees’ voice mechanisms, grievance handling, and compliance systems to respond to and resolve employee issues. Thus, My Phone could be seen as working as a high-performing organization where supportive initiatives could assist employees in maintaining their work and life balance (Kelliher & Anderson, 2010).

We put great emphasis on employees’ quality of work-life and are working actively to improve our ways of doing it. Apart from the initiatives taken at the management levels, we also share policies and documents with our employees to inform them of their employment rights and what they can do while facing any issue. (HR Manager 3, My Phone)

Unlike Phone Link and My Phone, who had formally established employee wellbeing mechanisms, Tel Pak had only recently initiated different supportive HR policies. These policies were also part of the change process. HR team as “people managers” served to get feedback from employees, listen to their issues, and report them to the HR department to solve them. Although HR practices to support employee wellbeing were new at Tel Pak, different mechanisms were already established, such as a compliance system, grievance handling, insurance policies, and medical facilities.
We have established a team to deal with employees’ issues related to their care and support at work. Other initiatives in support of our employees include improved insurance policies, enhanced medical facilities, and programmed sessions on employees’ psychological awareness and mental health. (HR Manager 4, Tel Pak)

The interviews showed that employee wellbeing was new and part of the change process occurring at Tel Pak, which placed Tel Pak in the list of organizations putting some effort into changing for the better, for both employees and organization. Overall, the active involvement of these organizations to improve their employees’ work-life is evidence of supportive management. Considering the wellbeing and psychological satisfaction of the employees at their workplaces is of importance because such initiatives can help an organization to flourish and be successful (Mazzetti et al., 2016). Through their HR initiatives, managers signal to their employees that they want to improve their employees’ wellbeing and life experience at work (Heffernan & Dundon, 2016). Table 4.1 presents a representation of the strategic links of HRM philosophies and HPWS practices in each organization. These HPWS practices existed in all the three organizations; however, Table 4.1 is an illustration of the strategic links between the HPWS practices and their philosophical themes. A ✓ indicates that implemented HPWS practices were strategically linked to their HRM philosophies and a X indicates that these HPWS practices lacked a well-defined philosophy.

**Table 4.1: Strategic Link between HPWS practices and HRM Philosophy**

<table>
<thead>
<tr>
<th>HRM Philosophy</th>
<th>Selective Hiring</th>
<th>Training and Development</th>
<th>Information Sharing</th>
<th>Performance Management</th>
<th>Employee Wellbeing</th>
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</tr>
</tbody>
</table>

Chapter 4 – Qualitative Findings (Study 1) - HRM Philosophy for a HPWS Paradigm

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4.3.3 Perceptions of the HRM Philosophy and HPWS Practices

Employees’ perceptions of HRM practices have many methodological significances, and one is to acquire a meaningful understanding of HRM outcome relationships. Khilji and Wang (2006) argued that the inconclusive findings of HRM practices and their outcomes might also result from a methodological failure to identify the intended HR practices from those implemented in organizations. P. Wright and Nishii (2007) proposed a framework where managerial intended HR practices were differentiated from actually implemented HR practices, ultimately resulting in employees’ subjective perceptions of these practices. Thus, keeping in view the previous suggestions, employees were also asked about their perceptions of the HR philosophy and practices in the interviews.

In the first two organizations, Phone Link and My Phone, the majority of the employees subjectively reported satisfaction with their HR systems. Employees believed that their HR practices were well-structured and derived from a philosophy to create strong systems to supportive employees. Managers from Phone Link and My Phone also reported that they created HR policies to support their employees and maintained trustworthy employment relationships with their employees. The similarity between the managers’ objectives for the HRM system and subjective perceptions of employees of these HRM systems indicates strong HRM with shared vision and perceptions among both parties.

Likewise, employees at Phone Link and My Phone also believed that they were well-informed of their management’s purpose for the HR function. This indicates that managers not only invested in employees-centered HRM policies but also communicated their purpose to their employees to ensure a consistent HR purpose. Employees’ positive attributions towards their management were arguably due to the clarity of HR processes and understanding of what management was doing for them, as well as what was expected
from them. At Phone Link, managers believed that employees felt more empowered and responsible for their job when they worked in less-controlled work environments.

Following [the] CEO’s philosophy of openness to gain employees’ trust, policies were adopted, such as open communication through focus groups, one-to-one interactions, and feedback channels. We work with a philosophy to achieve our strategic goals, where both employees and their managers share the same vision.

(FLM 4, Phone Link)

The above quote by the FLM illustrates that managers believed that openness and interaction between managers and employees helped to build trustful connections with employees and followed the same HR vision. When asked about the clarity in HR messages, one employee responded that:

Management seems very responsible in their HR decisions. I see clarity and the good intentions of my managers to develop HR processes in this organization.
Considering the overall effort of my managers to initiate supportive policies for us employees, I would positively attribute [the] HR department in my organization. (Employee 7, Phone Link)

The congruent perceptions of managers and employees about their HRM processes indicate that managers had developed and communicated HRM practices quite successfully. The more similar the managerial and employees’ perceptions of HR system are, the higher the quality of managers’ communication with its employees (Den Hartog et al., 2013). Employees also stated that their HR managers expected them to be collaborative and innovative at work. They further reported that their managers not only communicated the HR values to them but also provided opportunities and a proper work climate where employees could comply with the HR values. Employees stated that they were provided with enough autonomy to design their work and set goals, which enabled
them to complete their work projects efficiently. Employees also mentioned working in teams and working together.

Team working is an important element of the work environment in my organization. We have certain values such as to be collaborative, innovative, and work together which are acknowledged by every employee. We make teams, divide our work, share the ideas, and put collective efforts for a project. This is how employees work in this organization. *(Employee 5, Phone Link)*

Employees have also mentioned working in teams, sharing ideas, and collaborate to finish their projects. The values at Phone Link are complementary to each other because employees are provided greater opportunities and autonomy to participate and design their work, which is further associated with bringing new ideas at work with their teams or managers and excitement to successfully implement these ideas (innovation, collaboration and entrepreneurship).

Consistent acknowledgment of HR philosophical values and policies by employees and their managers indicates that management had communicated their HR policies with consistency and consensus. Consistent, distinct, and consensual HR practices are referred to as “strong HRM”. Bowen and Ostroff (2004) argued that strong HR systems help employees to understand and share the HR purpose equally with their managers. It can be concluded that Phone Link management was successful in adopting and implementing strong HPWS structure in its organization because strong HRM means a successful and effective implementation of a HR system (Piening et al., 2014).

HRM philosophy at My Phone was identified as creating productive HRM processes through employees’ respect and truthfulness. To work and create together in a participative work environment was another motivation of the employee-centered HRM philosophy at My Phone. One of the FLMs reported that:
participatory roles are given to employees where they are encouraged to get involved, share their ideas, and take challenges to create innovative projects. For this purpose, employees are also offered with training and orientation to enhance their team working and participatory capabilities. *(FLM 4, My Phone)*

Managers’ HR policies and values can be considered as “meaning-creating” devices, which result in employees observing them and attaching subjective meanings to them *(Alvesson & Karreman, 2007)*. In response to the HRM messages to respect, create, and explore together at My Phone, its employees also attached positive meanings to these messages. An employee stated that:

*[The] HR department keeps its promises when it comes to caring for employees. Interacting with managers and working on new ideas is even more exciting than before because of the major focus placed on the team working, where we are also given participatory roles. We are well aware of the company’s policy of “bonding and creating” and contribute as required. *(Employee 6, My Phone)*

Transparency in the HR processes was identified where the HR purpose was to create a respectful and connected work environment. Shared agreement between managers and employees to set and follow boundaries for their HR structure was also observed. Employees responded to the optimal levels of satisfaction with their managers’ efforts to improve employees’ work experiences. An employee reported that, “in terms of improving the work-life experiences and wellbeing for employees, [the] HR department [at Phone Link] has done a lot” *(Employee 5, My Phone)*.

Another employee stated that:

*The nature of our organization and work is that we have to work in teams to finish our projects. Thus, participatory roles are a common thing and employees work very closely with each other, as well as with their managers. I would rate the
overall working climate at this organization as friendly, cooperative, and connected. (Employee 6, My Phone)

Despite the majority of employees being satisfied with and sharing the same HR purpose, a minority of employees disagreed with the participatory and empowered nature of work at My Phone. HRM theory suggests that perceptions and reactions to HRM policies can vary from one employee to another employee (Nishii & Wright, 2008). Employees might differ in what they expect, observe, and experience during their evaluations of HRM practices (Boon, Belschak, Den Hartog, & Pijnenburg, 2014). Such differences in the employees’ interpretation of similar HRM practices also encourages them to react differently, because employees react to the “subjective” experiences of HRM practices instead of “objective” or actual HRM practices (D. Guest, 1999).

Employees believed that employees were treated with respect and equality in this organization, but not all employees were empowered and given equal participatory opportunities. According to a few employees, the extent of team work and participatory HR practices varied among departments. For instance, employees working in units such as product branding and marketing were found to enjoy very interactive work roles compared to employees from the finance and accounting department. An employee stated:

We have rigid goals and deadlines to meet in this [accounting and audit] department. We are divided into different groups and take orders from our immediate supervisor or person in charge. I cannot say much about participation. We usually have guidelines given, take orders, and meet deadlines. But I have some friends from other departments, such as HR and marketing, who work in teams and are required to present ideas and participate in group projects

(Employee 8, My Phone)
Thus, a difference in opinions was observed between managers and a few employees. Empowerment and participatory work roles for employees are one of the significant indicators of high-performance management (Ma, Long, Zhang, Zhang, & Lam, 2017). An organization is believed to have a HPWS where it allows its employees to work in teams and with maximum autonomy and under less hierarchical structures (Tamkin, 2004). It can be concluded that management at My Phone had implemented the HRM philosophy and practices by involving their employees; however, Phone Link had been more successful in creating a strong HRM and shared HR vision.

HRM philosophy represents organizational members’ understanding of HRM implementation in their organization (Bondarouk, Trullen, & Valverde, 2016), which also includes employees; thus, employees in Tel Pak were also interviewed to share their experience of HRM philosophy. Previously, in interviews with top management, it was observed that Tel Pak lacked a strong philosophical foundation, and its senior and HR managers faced certain confusion when attaching meanings to their HR policies. When employees were interviewed about their HR systems, disagreement and ambiguity were also identified at the employee level. Management were confident that “We see no differences among our employees; thus, we believe in open information sharing from managers to employees and from employees to managers through efficient voice channels and feedback surveys.” (FLM 7, Tel Pak)

However, employees did not identify clear goals and directions for their HR processes. Employees acknowledged new HR initiatives, but also mentioned a lack of clarity in their purpose. In other words, employees appeared to be confused over the agenda behind certain HR policies. They reported difficulties because information was controlled and targeted, with less guidance from their HR managers.

They (managers) care more about completing our job goals rather than for employees’ life at work. The HR department is [the] least interactive with
employees and rarely responds to our feedback. All they care about is the company’s growth, and this is what we are also supposed to do. (Employee 8, Tel Pak)

[The] HR policies which are mentioned on the company’s official documents and websites are not in practice, because all I see is employees struggling with the HR processes and looking for their employment rights. (Employee 2, Tel Pak)

Although employees admitted the provision of HR policies in their organization, they were not satisfied with managements’ intention for and utility of these policies, such as:

Performance management policies are redesigned for us, but I seldom see its utility. Employees’ promotions are not linked to these appraisals, but with all on the connections and biases. The feedback surveys are conducted twice a year, but I cannot remember if the HR department has ever responded to them. (Employee 1, Tel Pak)

These responses indicate that because there were no philosophical foundations to the HR system, management was unable to justify and disseminate the importance of their HR structures. Such a weak system also left employees struggling to understand the purpose of HR policies within Tel Pak. HR systems are functional when they are designed with guidelines and a purpose. However, Tel Pak had HR systems with weak ties with the organizational values and their philosophy created a less satisfied workforce with negative attribution rather than positive.

4.4 QUALITATIVE ANALYSIS DISCUSSION

This chapter provided insights into the significance of HRM philosophy to understand how the three case study organizations structured and approached their HR processes. Another purpose was to investigate a strategic link between HRM philosophies
and practices in organizations where management view themselves working with the principles of HPWSs. HRM philosophy significantly influenced HR decision making, where clear guidelines that matched organizational goals shaped HR structures. Two of these Pakistani telecommunication organizations supported their transition from directive to participatory management through a contingent HRM structure backed by an employee-centered HRM philosophy. Effective HPWS were observed in Phone Link and My Phone, where all the aspects of HRM were linked together with purposeful meanings. The presence of a defined philosophy gave a broad statement about how the organizations valued their employees and the role that employees were playing in the overall success of these organizations. Employee-centered approaches were adopted, underpinned by a philosophy to involve, empower, and respect employees, contingent on the organizational goals. However, the absence of a well-developed HRM philosophy was evident at Tel Pak, with management and employees unable to explain or justify the purpose of their HR function. These findings support the notion that when organizational HR systems are placed on the pillars of a well-founded HR philosophy, they are more likely to create productive HR processes. A clear HR philosophy devised at the top management level provides a framework for managers to articulate their concerns to employees, such that their managers’ intentions positively motivate employees (Nishii et al., 2008).

A smooth link was observed from HRM philosophy to HR processes to implemented HR practices, which demonstrates a developed HPWS. In two of the cases, Phone Link and My Phone, senior management communicated their philosophy around developing core organizational values aimed at increasing market share and profitability, but through an employee-focused philosophy. The HR processes reinforced particular HRM philosophies such that these philosophies were well-blended with their contexts (Monks et al., 2013). The management in the third case organization, with a history of directive management and diverse groups of employees as a result of a shift from
bureaucratic to modern management, claimed to be working with the principles of a HPWS. However, the evidence suggests that any progress towards a high-performance paradigm had become stagnant at Tel Pak.

A shared vision among management and employees at Phone Link and My Phone was observed through decentralized strategic thinking and close interaction among the levels of the organizations. On the other hand, with a lack of philosophical foundations, Tel Pak employees struggled to understand the organizational processes. Hence, despite great consideration of the formulation of HR policies and practices, organizations might fail to develop and embed a clear HRM philosophy to the HR system (Monks et al., 2013), ultimately resulting in employees being unable to extract productive and practical meaning. The clear and shared vision of the HR policies is associated with “HRM strength”, which features the delivery of consistent and distinct HR messages with consensus among organizational members (Bowen & Ostroff, 2004). The organizations achieved HRM strength in their HR function with a clear purpose of HR practices communicated to employees (Khilji & Wang, 2006).

Overall, the presence of HRM practices with characteristics of HPWS was observed in the sample organizations. Phone Link and My Phone were more successful in the adoption of HRM philosophy and implementation of HR practices as compared to Tel Pak. Tel Pak also confirmed the presence of HRM practices with key characteristics of HPWS management; however, there was some variation from the other two organizations. The lack of purpose and shared perceptions at Tel Pak indicates the significance of having well-framed philosophical guidelines, that is, the HRM philosophy, which is one of the contributions of this study.

4.5 CHAPTER SUMMARY

This chapter investigated the role of HRM philosophy to understand the case organizations’ HPWSs, as well as to identify the presence of HPWS practices in the
sample organizations for further investigation. The chapter discussed the three major themes or broader categories that emerged as the result of NVivo analysis of the qualitative interviews: the HRM philosophy of HPWS practices, a strategic link between the HRM philosophy and HPWS practices, and employees’ perceptions of the HRM philosophy and HPWS.

The three themes were then discussed in detail, with interview quotes from the respondents. The discussion on the findings of the research questions was followed by a brief discussion on the qualitative findings. However, a detailed discussion is provided in the discussion chapter of this thesis. The next chapter provides the findings of the quantitative surveys, investigating the empirical impact of HPWS practices on employee outcomes in the HPWS black-box.

The findings from the qualitative study 1 has identified managerial assumptions and knowledge of HPWS policies and employees’ expectations from implementation of these practices. Informs from the study 1 link to the study 2 as they have (a) identified the presence of HPWS practices in the case organizations, (b) HPWS practices are added in the list which exist in these organizations, and (c) information from the interviews would be used to discuss the outcomes of statistical analysis in the study 2.
5.1 INTRODUCTION

As a contribution to the understanding of HR processes, the current research focuses on the neglected HRM domain of HRM philosophy (Monks et al., 2013). Boxall and Macky (2009) suggested that HR systems become more meaningful when their underpinning “principle themes” are identified; in other words, the “HRM philosophy” of management. The previous chapter helped to identify the major philosophies pursued by management in the three case organizations. The qualitative analysis revealed that the case organizations had implemented sophisticated HPWS practices; however, two of the organizations, Phone Link and My Phone, were more successful in supporting their HPWS practices with employee-centered HRM philosophies compared to Tel Pak, where HPWS was less successful. In the current research, all three sample organizations are classified as high-performance systems,
because they demonstrate key characteristics of a HPWS, and their management regards these systems to be a HPWS. However, when compared to the other two organization, Phone Link and My Phone, the third organization, Tel Pak, was less successful in formulating a HRM philosophy and executing HR practices. A HRM philosophy not only serves as a guiding principle for HRM processes, but also demonstrates the “value” of human capital to its organization (Monks et al., 2013).

The previous chapter identified different employment modes in the sample organizations with an underlying philosophy of focusing on employee development and growth. In this chapter, further details are provided about the empirical investigation of the impact of these employee-oriented HRM structures on employee outcomes. The empirical analysis is an exploration of the HPWS black-box through certain mediating and moderating variables that have been challenging researchers to investigate the process of transforming HPWS practices into outcomes (Zhang et al., 2013). The current chapter illustrates a preliminary analysis for Study 2; however, regression analysis for the hypotheses of the research is presented in the next chapter. This chapter begins by presenting the theoretical framework of this research, where the links between Study 1 and Study 2 are identified. Study 1 was conducted as a preliminary analysis to support the analysis and theory building in Study 2. The theoretical framework with hypothesized paths is also included in this chapter. This chapters then proceeds with initial statistical analyses, such as dealing with missing values, demographic statistics, goodness-of-fit test, reliability, correlation, analysis of variance (ANOVA) test, exploratory factor analysis, and confirmatory factor analysis. The next section discusses the link between Study 1 and Study 2 and presents the hypothesized model for Study 2.
HRM Philosophy
Organizational HR practices supported by well-defined HRM philosophy. HR practices are implemented with the principles of HPWS, with a strategic link observed between HPWS practices, organizational strategy, and HRM philosophy, confirmed by managers and their employees equally.

Qualitative Study 1
Quantitative Study 2

Figure 5.1: Link between Study 1 and Study 2
Figure 5.2: Hypothesized Conceptual Model – Study 2
5.2 LINK BETWEEN STUDY 1 AND STUDY 2

The link between Study 1 and Study 2 is illustrated in the Figure 5.1. Study 1 was conducted to identify the HPWS patterns in the sample organizations and the role of the HRM philosophy to formulate and implement these HPWS patterns in the case organizations. Study 1 helped to identify the actual HPWS practices to be investigated in Study 2; however, it also helped to identify the different HRM approaches of managers in the three organizations. The findings from Study 1 show that sophisticated HPWS HR practices were implemented in the organizations. The formulation of HPWS policies was guided by HRM philosophy with a strategic fit between HPWS practices, philosophy, and organizational business goals. However, two organizations, Phone Link and My Phone, appeared to be more successful compared to Tel Pak. The three organizations were found to implement their HR practices with the principles of HPWS and were therefore further empirically tested for the impact of these HR practices on employee outcomes. Figure 5.2. represents the hypothesized theoretical framework of this study. The hypotheses of this research were presented in Table 2.3.

5.3 PRELIMINARY DATA ANALYSIS

As mentioned in the methods chapter, a minimum sample size of 507 was required for this study. The final sample size comprised 537 questionnaires. These questionnaires were obtained both from managers and their employees. Among these 537 questionnaires, 380 were completed by employees and 157 were completed by managers. The following section presents the results for the initial data analysis, such as data cleaning for missing values, descriptive statistics, exploratory and confirmatory analyses, correlation and reliability analyses, and ANOVA test.

5.3.1 Dealing with Missing Values

Initially, 547 responses were collected. The raw data was initially tested for missing values to clean the data. Missing values in a data, when not avoided, can result in a distorted
statistical power (either reduced or exaggerated), invalid analysis outcomes, and biased estimates (Acock, 2005). In SPSS, respondents are considered individual cases, and missing values were found in 10 cases, classified as “missing completely at random”, which means that missing values were distributed randomly among the 10 cases (Little & Rubin, 1987). Missing completely at random is a methodological concern commonly faced by researchers when dealing with multivariate data (Little, 1988).

Many methods are known to deal with missing values and can be divided into three categories: case/pairwise deletion, parameter estimation, and imputation techniques (Acuna & Rodriguez, 2004). Case deletion is the easiest and most commonly used method, where complete cases with missing values are detected and deleted (Scheffer, 2002). This study also used the case deletion method to deal with missing values. In total, 10 cases were detected as having missing values with random distribution and deleted. Thus, out of 547 questionnaires, 10 cases were removed resulting in a final sample size of 537. The estimated sample size for this study was calculated as 507; thus, making 537 an adequate sample size. These 537 responses included 157 managers and 380 employees.

5.3.2 Descriptive Statistics

Respondents were asked to indicate their age, gender, qualification. Summaries of demographic statistics are provided in Tables 5.1 to 5.4. Table 5.1 indicates the gender proportion for both managers and employees. Table 5.1 shows that majority of respondents were female at 63.1%, whereas male respondents accounted for 36.8%. Table 5.2 presents the age statistics for managers and employees. Twelve percent of the respondents were younger than 25 years of age. The majority of the respondents were from 25 to 34 years old and constituted 39% of total sample size. Twenty-two percent of respondents were aged between 35 and 45 years old, while 13% of respondents were over 55 years old.
Table 5.1: Gender Statistics for Managers and Employees

<table>
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<th>Gender</th>
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<th>Percentage (%)</th>
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<td>36.8</td>
</tr>
<tr>
<td>Female</td>
<td>339</td>
<td>63.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>537</strong></td>
<td></td>
</tr>
</tbody>
</table>
The final demographic statistics related to respondents’ qualifications, as shown in Table 5.4, which shows that the majority of the respondents held a master’s degree, at 51.8% of the total sample size. Respondents with a bachelor’s degree accounted for 20.5%, a postgraduate degree accounted for 5%, and other diploma holders comprised 18.6% of the total respondents.

Table 5.4: Qualification Statistics for Managers and Employees

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Frequency (N)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>College</td>
<td>22</td>
<td>4.1</td>
</tr>
<tr>
<td>Bachelors</td>
<td>110</td>
<td>20.5</td>
</tr>
<tr>
<td>Masters</td>
<td>278</td>
<td>51.8</td>
</tr>
<tr>
<td>Postgraduate</td>
<td>27</td>
<td>5.0</td>
</tr>
<tr>
<td>Other Diploma Holders</td>
<td>100</td>
<td>18.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>537</strong></td>
<td></td>
</tr>
</tbody>
</table>

5.3.3 Exploratory Factor Analysis (EFA)

Exploratory factor analysis (EFA), using varimax rotation, was conducted to explore the latent constructs and factor structure of the six HPWS practices. The results are illustrated in Figure 5.3. Kaiser-Meyer-Olkin (KMO) sampling adequacy was 0.527 and acceptable. The KMO values ranged from 0 to 1, with values greater than 0.5 as acceptable (Kaiser, 1974). Bartlett’s test of sphericity was highly significant at p < 0.001, which was acceptable and indicates that there was a relationship between the factors to be included in the study (Field, 2005).

![KMO and Bartlett's Test](image)

**Figure 5.3: KMO and Bartlett's Test for Six HPWS Practices**

All of the items for the six HPWS practices were further loaded against their respective factors, except one item for performance management (PerformanceManagement_6), which
was cross-loaded on two factors (Figure 5.4), and therefore excluded. Because HPWS is conceptualized as a system and index, another EFA was conducted to check whether all six HPWS practices loaded on the HPWS index. As illustrated in Figure 5.5, the six HPWS practices were loaded together as one HPWS index measure, suitable for this study.

### Rotated Factor Matrix

| Selection_1 | 700  |  |  |  |  |
| Selection_2 | 694  |  |  |  |  |
| Selection_3 | 466  |  |  |  |  |
| Selection_4 | 423  |  |  |  |  |
| Training&Development_1 |  |  |  |  | .473 |
| Training&Development_2 |  |  |  |  | .462 |
| Training&Development_3 |  |  |  |  | .441 |
| PerformanceMgt_1 |  |  | .694 |  |  |
| PerformanceMgt_2 |  |  | .688 |  |  |
| PerformanceMgt_3 |  |  | .693 |  |  |
| PerformanceMgt_4 |  |  | .613 |  |  |
| PerformanceMgt_5 |  |  | .445 |  |  |
| Rewards_1 |  |  |  | .695 |  |
| Rewards_2 |  |  |  | .475 |  |
| Rewards_3 |  |  |  | .708 |  |
| Rewards_4 |  |  |  | .221 |  |
| Team&Participation_1 |  |  |  |  | .914 |
| Team&Participation_2 |  |  |  |  | .860 |
| Team&Participation_3 |  |  |  |  | .704 |
| Team&Participation_4 |  |  |  |  | .514 |
| InformationSharing_1 |  |  |  |  |  |
| InformationSharing_2 |  |  |  |  |  |
| InformationSharing_3 |  |  |  |  |  |

* Rotation converged in 11 iterations.

### Factor Matrix

<table>
<thead>
<tr>
<th>Factor</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection</td>
<td>.683</td>
</tr>
<tr>
<td>Training</td>
<td>.606</td>
</tr>
<tr>
<td>PerformanceMgt</td>
<td>.631</td>
</tr>
<tr>
<td>Rewards</td>
<td>.659</td>
</tr>
<tr>
<td>Participation</td>
<td>.641</td>
</tr>
<tr>
<td>InformationSharing</td>
<td>.621</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Axis Factoring.

---

**Figure 5.4: Exploratory Factor Analysis for Six HPWS Practices**

**Figure 5.5: Exploratory Factor Analysis for HPWS Index**
5.3.4 Confirmatory Factor Analysis

Following the EFA, confirmatory factor analysis (CFA) was conducted to confirm the six dimensions of HR practices for a single HPWS index. The factor loadings were acceptable and within the limit of ≥ 0.3 (Anderson & Gerbing, 1988). The goodness-of-fit index (GFI) was also acceptable with a root mean square error of approximation (RMSEA) = .046; \( x^2 = 256.180 \); \( p \leq 0.01 \); \( df = 250 \); incremental fit index = 0.959; and \( x^2/df \) \( [256.180/250 = 1.02] \).

5.3.5 Goodness-of-Fit Test

Before any further testing for hypothesized paths for regression analysis, CFA was conducted to check the model fitness for the conceptual model of this study. Statistically, a conceptual model can be adequate on one fit index, can also be loaded onto other indices as well (Bollen, 1990). Chi-square statistical indicators such as comparative fit index (CFI), a RMSEA, the GFI, normative fit index (NFI), and non-normative fit index (NNFI), suggested by Hu and Bentler (1995). A rule of thumb suggested by Cuskelly, Taylor, Hoye and Darcy, (2006) was followed with \( x^2/df \) ratio to be less than three, and RMSEA to be less than 0.08, CFI to be greater than 0.00.

Table 5.5: Goodness-of-fit Statistics for the Conceptual Model of the Study

<table>
<thead>
<tr>
<th>Measurement Model</th>
<th>No. of Factors</th>
<th>( x^2 )</th>
<th>( df )</th>
<th>RMSEA</th>
<th>NFI</th>
<th>NNFI</th>
<th>CFI</th>
<th>GFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline Model</td>
<td>8 Factors:</td>
<td>869.58</td>
<td>568</td>
<td>0.001</td>
<td>0.91</td>
<td>0.99</td>
<td>0.92</td>
<td>0.95</td>
</tr>
<tr>
<td></td>
<td>HPWS, HRM strength, awareness of HR, satisfaction with HR, attribution of HR, emotional exhaustion, OCB, customer service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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Table 5.5 summarizes the results for goodness-of-fit through the CFA model comparisons. The conceptual model for Study 2 comprised eight variables. The result showed good model fitness, with $\chi^2/df$ [869.58/568 = 1.5] less than 3 (acceptable), RMSEA as 0.001 less than 0.08 (acceptable), CFI as 0.92 greater than 0.00 (acceptable), NFI as 0.91, and NNFI as 0.99, with a significant level of $p < 0.000$.

### 5.3.6 Reliability and Correlation

Before any mediation and moderation analysis, reliability and correlation analysis were conducted. Table 5.6 illustrates the results for the reliability and correlation analysis. The reliability values are indicated as Cronbach’s alpha values shown in parentheses for each variable. The Cronbach’s alpha values for all variables were above 0.7, and considered acceptable (George & Mallery, 2003). Cronbach’s alpha values range from 0 to 1, and the closer the value is to 1.0, the higher is the internal consistency (Gliem & Gliem, 2003). The Pearson correlation analysis from Table 5.6 indicates the nature and direction for relationships among the variables. The predictor variable of HPWS was significantly and positively associated with employees’ awareness and satisfaction with the HR system, with coefficients correlation of 0.441 and 0.443 highly significant at $p \leq 0.000$, respectively. HPWS was also positively correlated with the moderator variables of HRM strength and employees’ attribution of HR, with correlation coefficients of 0.032 significant at $p \leq 0.05$ and .299 at $p \leq 0.000$ for both, respectively. A significant correlation was also found for HPWS to outcome links. HPWS had a positive significant coefficient value of 0.230 ($p \leq 0.01$) with OCB and 0.067 ($p \leq 0.01$) with customer service. HPWS had a negative and significant correlation of -0.251 with emotional exhaustion.
Table 5.6: Correlations and Cronbach's Alpha Values for the Variables of Study

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach's Alpha</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Age</td>
<td>2.70</td>
<td>1.26</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Gender</td>
<td>1.33</td>
<td>0.47</td>
<td>.110*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Qualification</td>
<td>3.26</td>
<td>1.02</td>
<td>-.134**</td>
<td>.061</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Tenure</td>
<td>3.43</td>
<td>0.46</td>
<td>.130*</td>
<td>.630</td>
<td>.081</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. HPWS (.811)</td>
<td>0.27</td>
<td>0.27</td>
<td>.011</td>
<td>.027*</td>
<td>.077*</td>
<td>.012*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. HRM Strength (.777)</td>
<td>0.51</td>
<td>0.51</td>
<td>.121</td>
<td>.089*</td>
<td>.121*</td>
<td>.013*</td>
<td>.032**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. HRM Awareness (.715)</td>
<td>0.62</td>
<td>0.62</td>
<td>.012*</td>
<td>.139*</td>
<td>.022*</td>
<td>.070*</td>
<td>.441**</td>
<td>.026*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. HRM Satisfaction (.704)</td>
<td>1.22</td>
<td>1.25</td>
<td>.036</td>
<td>.099</td>
<td>.028</td>
<td>.032</td>
<td>.443**</td>
<td>.026</td>
<td>.515**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. HRM Attribution (.761)</td>
<td>3.64</td>
<td>1.10</td>
<td>.181*</td>
<td>.043*</td>
<td>.031**</td>
<td>.033*</td>
<td>.299**</td>
<td>.039</td>
<td>.192**</td>
<td>.269**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Emotional Exhaustion</td>
<td>(.833)</td>
<td>2.27</td>
<td>0.76</td>
<td>.052</td>
<td>.051</td>
<td>.016*</td>
<td>.040*</td>
<td>-.251*</td>
<td>.018</td>
<td>-.209**</td>
<td>-.300**</td>
<td>-.149**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. OCB (.737)</td>
<td>2.54</td>
<td>2.82</td>
<td>.120*</td>
<td>.251</td>
<td>.3228</td>
<td>.921</td>
<td>.230**</td>
<td>.080</td>
<td>.230**</td>
<td>.268**</td>
<td>.177**</td>
<td>.166*</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Customer Service</td>
<td>(.720)</td>
<td>3.59</td>
<td>3.1</td>
<td>.221</td>
<td>.961*</td>
<td>.053</td>
<td>.553</td>
<td>.067**</td>
<td>.364**</td>
<td>.088*</td>
<td>.001</td>
<td>.153**</td>
<td>.016</td>
<td>.206*</td>
<td>1</td>
</tr>
</tbody>
</table>

*** Correlation was significant at p ≤ 0.001, **Correlation was significant at p ≤ 0.01, * Correlation was significant at p ≤ 0.05.
The positive and significant correlations among the variables of Study 2 indicate that HPWS in these organizations had a correlation to enhance emotional exhaustion (negative), OCB (positive), and customer service (positive). This process can be further explained by the mediating and moderating variables of this study. Intervention by the mediating and moderating variables is supported by the black-box concept, which suggests that the direct links between HPWS and outcomes need to be further explored through certain intervening mechanisms explaining how, when, and why these links exist (Boselie et al., 2005). A positive and significant correlation of HPWS with moderators, HRM strength, and employees’ attribution was also evident. Further details and support regarding how these variables were statistically linked to each other is provided in the regression analysis section later in this chapter.

5.3.7 Analysis of Variance (ANOVA) Test

Responses about the HPWS practices were obtained from managers and employees. The reason behind collecting data from multiple respondents was to deal with the possible variations among managers and employees’ perspectives of their HR practices. Differences in the respondents’ perceptions might lead to measurement errors, such as common method biases, that can be removed by collecting data from multiple respondents (Deery, 2002). Multiple responses increase the chances of obtaining a reliable estimate of the aggregate phenomenon (P. Wright et al., 2004). To check the homogeneity of the variance among the two respondent groups for HR practices (managers and their employees), an analysis of variance was carried out. One-way ANOVA tests were run for both groups to identify any differences in their responses for the same set of HR practices. A one-way ANOVA works with an assumption of the homogeneity of the variances stating that the statistical properties of two datasets are same. As there was an unequal number of responses for the managers (N = 152)
and employees (N = 380), the one-way ANOVA test also worked with the unequal sample sizes.

The null and alternate hypotheses for ANOVA test were:

\[ H_0: \text{There is no statistically significant difference between the group means.} \]

\[ H_a: \text{There is a statistically significant difference between the group means.} \]

Table 5.7 presents the results of the ANOVA. The results indicate that the assumption of the homogeneity of the variances was not violated and there was no statistically significant difference in the means (HPWS _ Managers = 3.57, HPWS _ Employees = 3.52) and standard deviations (HPWS_M = 0.490, HPWS_E = 0.460). The result of the Levene's test for the equality of the variances (Table 5.7) was insignificant (P = 0.090, which is greater than the minimum significance level of 0.05), confirming the null hypothesis stating that “There is no statistically significant difference between the group means” was accepted.

Similar to the Levene’s test of equality, the regular ANOVA test was also insignificant (p = 2.63, \( \geq 0.05 \)). In addition, no statistically significant difference between the groups was confirmed by the F-test illustrated as a robust test of equality of means in Table 5.7. The F values for both the Welch and Brown-Forsythe were 1.190, insignificant with a p-value of 0.276. Thus, altogether these results confirm that among the two groups (managers and their employees) with unequal sample sizes and responding to the same set of HPWS practices, no statistically significant difference existed. As no difference was indicated between managers and their employees’ perceptions of HR practices, this research utilized the employees’ responses for HPWS as an independent variable. Because managers also responded about other variables, such as HRM strength and customer service, a matching data entry technique was adopted to match each employee’s data against its manager.
Table 5.7: ANOVA Test Results for Managerial and Employee Reported HPWS Practices

<table>
<thead>
<tr>
<th>Allocation</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>HPWS_Managers</td>
<td>3.5764</td>
<td>.49042</td>
<td>157</td>
</tr>
<tr>
<td>HPWS_Employees</td>
<td>3.5259</td>
<td>.46074</td>
<td>380</td>
</tr>
<tr>
<td>Total</td>
<td>3.5404</td>
<td>.46958</td>
<td>537</td>
</tr>
</tbody>
</table>

Levene's Test of Equality of Error Variances a, b

<table>
<thead>
<tr>
<th>Levene Statistics</th>
<th>df1</th>
<th>df2</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based on Mean</td>
<td>2.865</td>
<td>525</td>
<td>.091</td>
</tr>
<tr>
<td>Based on Median</td>
<td>2.806</td>
<td>525</td>
<td>.095</td>
</tr>
<tr>
<td>Based on Median and with adjusted df</td>
<td>2.806</td>
<td>524.255</td>
<td>.095</td>
</tr>
<tr>
<td>Based on trimmed mean</td>
<td>2.891</td>
<td>525</td>
<td>.090</td>
</tr>
</tbody>
</table>

Regular ANOVA Test

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>.276</td>
<td>1</td>
<td>.276</td>
<td>1.254</td>
<td>.263</td>
</tr>
<tr>
<td>Within Groups</td>
<td>115.711</td>
<td>525</td>
<td>.220</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>115.988</td>
<td>526</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Robust Tests of Equality of Means

<table>
<thead>
<tr>
<th></th>
<th>Statistic a</th>
<th>df1</th>
<th>df2</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welch</td>
<td>1.190</td>
<td>1</td>
<td>264.689</td>
<td>.276</td>
</tr>
<tr>
<td>Brown-Forsythe</td>
<td>1.190</td>
<td>1</td>
<td>264.689</td>
<td>.276</td>
</tr>
</tbody>
</table>
5.4 CHAPTER SUMMARY

The current chapter provided some initial preliminary statistical analysis. The analysis indicates that HPWS practices were significantly loaded as one index measure, which is useful, because this research measured the effects of HPWS as a system on the dependent variables. Significant and positive correlation analysis and ANOVA tests indicated that the model of this research was appropriate for further analysis. The next chapter illustrates the major analysis of the study, regression analysis, to examine the hypotheses of this research.
Chapter 6

Quantitative Findings (Study 2) - Regression Analysis and Findings

6.1 INTRODUCTION

This chapter provides the findings and results for the regression analysis of the Study 2 data. As the theoretical model of the study included both moderation and mediation, a conditional process modelling technique was applied. A conditional process modelling, or analysis is applied when mediation and moderation occur in the same model (Hayes, 2013). Hayes (2013) explained this term as a combination of moderation and mediation when a researcher focuses on estimation of conditional effects (moderation) of direct/indirect effects (mediation) of an independent variable (X) on an outcome variable (Y). The conditional process analysis technique used in this research was moderated mediation analysis, defined as “an analysis of the direct effect (X on Y) through mediation, such that this mediation effect (X on mediator on Y) depends on a moderating variable, W” (Hayes, 2018). If the moderation is on the effect of independent variable on mediator, it is a first stage moderation, and if the moderation is on the effect of the mediator on outcome variable, it is called a second stage moderation (Muller, Judd, &
Yzerbyt, 2005). For the theoretical framework of this research (Figure 5.2), HRM strength contributed as a first stage moderator, whereas employees’ attribution of their HR system served as the second stage moderator.

6.2 MODEL ESTIMATION FOR REGRESSION ANALYSIS

The conceptual framework to be statistically tested was provided in Figure 5.2. In this figure, the dependent variables were emotional exhaustion, OCB, and customer service. HPWS also measured the independent effect of HR practices on these dependent variables. Employees’ awareness of and satisfaction with their HR system measured the mediating effects on the direct effects, whereas the HRM strength and employees’ attribution of the HR system provided measures for the moderating or conditional effects. As discussed earlier, a dual moderated mediation (first and second stage) regression was applied. This regression is well suited to this research because the focus is on the mediating role of employees’ awareness and satisfaction with their HR system, which in this research, is proposed to be moderated by HRM strength and employees’ attribution of their HR system.

A bootstrap-based procedure for the test of moderated mediation introduced by Hayes (2013, 2015) named PROCESS was applied in this research. PROCESS focuses on the estimation model of the parameters using ordinary least square (OLS) regression, and it can be run with software such as SAS and IBM SPSS statistics. For this research, SPSS was used to run the PROCESS analysis. PROCESS facilitates statistical analysis by providing estimation for such complex models, combining their information and offering bootstrap inference, which is useful for the right analysis (Hayes, 2018).

PROCESS can run up to 76 different models, and model number 21 (see PROCESS model templates by Hayes, 2013) was adopted for this research because it matched the statistical model, supporting the first and second stage moderated mediation. PROCESS model 21 is illustrated in Appendix H. Because PROCESS is programmed to only work
with one dependent variable and there are two mediators and 3 outcomes variables; thus, six regressions were run in total. Bootstrapping for the current analysis was done at 10,000 samples. The next section details the regressions results. The statistical diagrams for all regression are given in Appendix I and PROCESS outputs for regression are given in Appendices (J - O).

6.3 REGRESSION RESULTS

6.3.1 Regression Analysis for Employees’ Emotional Exhaustion as the Outcome Variable:

Figure 6.1 illustrates the regression figure for employees’ emotional exhaustion as outcome variable. Regressions were run to test the direct links between HPWS practices and employees; emotional exhaustion, as well as, the indirect effects via mediators and moderators of the study. Hypotheses tested in this regression are H1(a), H2(a), H3(a), H4(a), H4(b), H5(a), and H6(a). Regression results for employees’ HPWS awareness as mediator are given in Table 6.1 and for employees’ HPWS satisfaction are given in Table 6.2.
As HPWS is negatively and significantly associated with emotional exhaustion with a coefficient (beta) value of -.0317 significant at p ≤ .05, thus, H1(a) is accepted. The 95% confidence intervals (CIs) were -.21 and -.14\(^3\). CIs are another way to check for the significance of estimated paths. As both CIs had non-zero values, this means that this coefficient value was significant. HPWS decreased emotional exhaustion by 3%.

Hypothesis H2 (a) predicted the mediation of employees’ HPWS awareness for HPWS \(\rightarrow\) emotional exhaustion. As given in Table 2.1, employees’ HPWS awareness has a beta value of -0.25, significant at p ≤ .001. The value of the mediator is negative but significant, which means that employees’ awareness of their HR systems decreased emotional exhaustion by 25%. This indicates acceptance of hypothesis H2(a), which infers that when employees’ awareness of their HR system increases, they get to know their managers’ efforts to improve their experiences, and their negative experiences of workplace wellbeing, such as emotional exhaustion, decrease. Hypothesis H3(a) predicted the mediation of employees’ HPWS satisfaction between HPWS practices and emotional exhaustion. A negative coefficient of -.3978 (with non-zero CIs of -.52, to -.26) indicates that employees are less likely to experience emotional exhaustion at work (by 39% in this study) when they are satisfied with their HPWS policies. HPWS contributes to positively enhance employees’ perceptions about their wellbeing at work by minimizing their negative experience via improving employees’ perceptions about the positivity of HPWS initiatives. Thus, the hypothesis H3 (a) is also accepted.

For moderation, H4(a) was hypothesized for HRM strength to moderate the relationship between HPWS practices and employees’ HPWS awareness towards

\(^3\) For CIs to be significant, the values should be either on the positive or negative side of a 0, means that values should be both positive or both negative (Hayes, 2015).
emotional exhaustion. HRM strength is positively and significantly associated with employees’ awareness of HPWS practices with a beta value of .13 significant at p < .01. These results illustrate that HPWS practices delivered featuring HRM system strength (consistency, distinctiveness, and consensus) enhance employees’ awareness by 13% (Table 6.1). The interaction term is also significant but negative (b = -.45, p = .000), which supports a moderated mediation. It indicates that emotional exhaustion is likely to decrease among employees by 45% when HPWS practices are delivered incorporating the features of HRM system strength and increase the employees’ understating of the message sent through HPWS practices. The significant moderated mediation confirms the hypothesis H4(a). Results advocate that When HPWS practices allow a transparent and consistent communication of managerial initiatives by creating a climate of “strong HRM”, they are more likely to increase employees’ knowledge of what management is attempting to achieve for them, ultimately improving their perceptions of wellbeing at work. In other words, the mediating effects of employees’ awareness depend on the moderation by HRM strength, such that the greater the HRM strength is, the greater the awareness of employees about their HR system; thus, their emotional exhaustion decreases.

Similarly, H4(b) predicted a moderation of HRM strength between HPWS practices and employees’ HPWS satisfaction. Contrary to what was predicted, HRM strength is not significantly related to enhance employees’ satisfaction with HPWS practices. The moderation interaction term is also negative and non-significant (b = .04), hence, the hypothesis H4(b) is rejected. It can be derived from these results that HRM strength enhances employees’ awareness with their HPWS policies, but not necessarily their satisfaction with these policies. For second moderation, H5(a) hypothesized that the mediation of employees’ HPWS awareness between HPWS practices and employees’ emotional exhaustion is further moderated by employees’ HPWS attribution.

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Table 6.1: Regression Results for Emotional Exhaustion as the Outcome Variable

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Coefficients</th>
<th>95% CI</th>
<th>Coefficients</th>
<th>95% CI</th>
<th>Coefficients</th>
<th>95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate of HRM Strength as a Moderator (First Stage Moderation)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HPWS</td>
<td>.51**</td>
<td>-.55, .86</td>
<td>.24*</td>
<td>.41, .89</td>
<td>-.03*</td>
<td>-.21, .14</td>
</tr>
<tr>
<td>Employees’ HPWS Awareness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-.25**</td>
<td>-.37, .13</td>
</tr>
<tr>
<td>Employees’ HPWS Satisfaction</td>
<td></td>
<td></td>
<td>-.39**</td>
<td>-.52, -.26</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HRM Strength</td>
<td>.13*</td>
<td>-.52, .79</td>
<td>.20</td>
<td>-.41, .81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interaction Term (HRM Strength)</td>
<td>-.45***</td>
<td>.22, .13</td>
<td>-.04%</td>
<td>-.21, .12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over all moderation effects with employees’ HPWS awareness as mediator → R = 0.37, F (3, 376) = 2.17, p = 0.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over all moderation effects with employees’ HPWS satisfaction as mediator → R = 0.59, F (3, 376) = 7.04, p = .54</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Employees’ HPWS Attribution as a Moderator (Second Stage Moderation)

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Coefficients</th>
<th>95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over all moderation effects with employees’ HPWS awareness as mediator → R = 0.47, F (2, 377) = 8.66, p = 0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over all moderation effects with employees’ HPWS satisfaction as mediator → R = 0.65, F (4, 375) = 10.75, p = .000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* p ≤ .05, **p ≤ .01, *** p ≤ 0.001
From Table 6.1 it is shown that employees’ attribution alone, as a moderator, has a negative significant beta value of -.4665 at \( p \leq 0.01 \), with non-zero upper and lower CIs, suggesting that employees’ positive attribution of the HR system is likely to emotional exhaustion by 46%. For interaction term, the negative b-value of .62 (\( p < .01 \)) approves moderated mediation and confirms the hypothesis H5(a) that mediation of employees’ HPWS awareness between HPWS practices and employees’ emotional exhaustion is further moderated by employees’ HPWS attribution. These results show that employees’ awareness and attribution of their HR system work significantly with each other, wherein the more positive the attribution is, the stronger the impact of employees’ knowledge of their HR structures is on wellbeing perceptions at work. In other words, the presence and knowledge of HR practices has positive implications for employees when these are attributed positively by the employees.

As moderated mediation was accepted for HRM strength and employees’ HPWS attribution in the presence of the mediator employees’ HPWS awareness, thus, moderation was further examined. PROCESS generates indices of moderated mediation that quantify the relationship between both of the moderators and mediators on the indirect effect of the independent variable on the outcome variable (Hayes, 2018). Table 6.2 presents index of moderated mediation for both HRM strength and employees’ HPWS attribution. The first is an index of moderated mediation by HRM strength, which quantified the relationship between HRM strength and the indirect effect of HPWS on emotional exhaustion through employees’ awareness. The second index of moderated mediation by employees’ attribution of their HR system quantified the relationship between employees’ attribution and the indirect effect of HPWS on emotional exhaustion through employees’ awareness of their HR system.

Table 6.2: Index of Moderated Mediation for Employees’ HPWS Awareness
As shown in Table 6.2, indices are provided for three different conditions for each moderator, that is, weak/negative, average, and strong/positive. The index for weak HRM strength was 0.0155, insignificant as the upper and lower CIs of -0.0425 to 0.0887 contained zero. This supports that when there is weak HRM strength, the indirect effect of HPWS on emotional exhaustion due to employees’ awareness decreases or becomes insignificant. However, the index for strong HRM strength was 0.0043, significant with non-zero CIs of -0.0093 to -0.0500 supporting the acceptance of hypothesis H4(a) and confirming that the stronger the HRM strength, the stronger the effect of HPWS on emotional exhaustion through employee awareness. Similarly, the index of 0.0017 for the negative employees’ attribution was insignificant, while the index for the positive employees’ attribution was significant, with a value of 0.0034 and non-zero CIs of 0.0419 to 0.0183, confirming hypothesis H5(a) for the second moderation (see Appendix J for PROCESS output on Indices).

The indices can be further illustrated graphically by plotting the slopes or paths for the moderations such as in the Figures 6.2 and 6.3. Figure 6.2 indicates a slope for mediation under strong and weak HRM strength. The equations for the graph in Figure 6.2 were:

\[ M = a_1b_1 + a_3b_1 * W \]  

---Equation (1)---
\[ Y = c' \] \[ \text{Equation (2)} \]

In the equation given above, \( M = a_1b_1 + a_3b_1 \cdot W \) is a linear function of \( W \) with intercepts \( a_1b_1 \) and \( a_3b_1 \cdot W \), shown by a slope in Figure 6.2. The solid slope indicates a strong HRM strength moderation situation. The slope indicates that during a strong HRM strength situation, an implementation of HPWS (high HPWS) through employee awareness decreases emotional exhaustion among employees. However, during a weak HRM strength situation, the value of emotional exhaustion is higher, even at high HPWS implementation. This supports the hypothesis that moderation by HRM strength decreases the emotional exhaustion as a result of HPWS practices through employee awareness such that employees’ awareness of the HR system mediates the effect of HPWS on employees’ wellbeing and this effect depends on moderation by HRM strength.

Figure 6.2: A visual representation to relate HRM strength with indirect effect of HPWS on emotional exhaustion through employees’ HPWS awareness
Figure 6.3 illustrates a slope for second stage moderation by employees’ attribution of the HR system as a moderator. The equation for the slope of the estimated model is given as:

\[ Y = a_1 b_1 + a_1 b_3 * V \]

\[ = \text{coefficient of HPWS on Employees’ awareness} \times \text{Coefficient of employees’ awareness on emotional exhaustion} + \text{coefficient of HPWS on Employees’ awareness} \times \text{Coefficient of interaction term on emotional exhaustion} \times \text{Employees’ attribution of HR system.} \]

Equation (1)

In Figure 6.3, slopes for the effect of HPWS on emotional exhaustion through employee awareness are presented. During the positive HR attribution (solid line), there is a decrease in emotional exhaustion at HPWS; however, at the situation of negative HR attribution, the value of emotional exhaustion is higher, even at high HPWS implementation. The graph shows that when employees have negative attributions towards their HR system and management, they experience more emotional exhaustion. If the HR practices have no utility for employees, these practices are less likely to be positively acknowledged by the employees. However, the moderated mediation works when employees have positive attributions for their HR system. When employees have positive perceptions towards their management and support, they are more likely to acknowledge their management’s efforts positively, which is an indication of enhanced employee wellbeing through decreased emotional exhaustion at the workplace.

Figure 6.3: A visual representation to relate employees’ HPWS practices to the indirect effect of HPWS on employee emotional exhaustion through employees’ HPWS awareness
As moderated mediation was also accepted for employees’ HPWS attribution in the presence of the mediator employees’ HPWS satisfaction, thus another index for moderated mediation is given in Table 6.3. It is clear from the results that all of the indices for HRM strength 0.0212, 0.0167, and 0.0123 were insignificant. However, the index of moderated meditation at positive employees’ attribution of their HR system was .0042 and with upper and lower CIs values of -.0146 to -.0362.

Table 6.3: Index of Moderated Mediation for Employees’ HPWS Satisfaction

<table>
<thead>
<tr>
<th>Moderated Mediation</th>
<th>Index</th>
<th>95% Bootstrap CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>By HRM Strength</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weak HRM Strength</td>
<td>.0212</td>
<td>-.0664 to .1212</td>
</tr>
<tr>
<td>Average HRM Strength</td>
<td>.0167</td>
<td>-.0542 to .0937</td>
</tr>
<tr>
<td>Strong HRM Strength</td>
<td>.0123</td>
<td>-.0383 to .0791</td>
</tr>
<tr>
<td>By Attribution of HR System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative Attribution of HR System</td>
<td>.0083</td>
<td>-.0059 to .0408</td>
</tr>
<tr>
<td>Average Attribution of HR System</td>
<td>.0062</td>
<td>-.0077 to .0360</td>
</tr>
<tr>
<td>Positive Attribution of HR System</td>
<td>.0042</td>
<td>-.0146 to -.0362</td>
</tr>
</tbody>
</table>

CI = Confidence interval

The significant index of moderated mediation by employees’ satisfaction and satisfaction with their HR system is graphically presented in Figure 6.4. Figure 6.4 illustrates the moderation slope for the estimated model at two value points (.00 = negative employee attribution of the HR system, 1.00 = positive employee attribution of the HR system). The equation for the estimated model is:

\[ Y = a_1b_1 + a_2b_3 \times V \]  
  \[ \text{Equation (1)} \]

\( a_1 \) = coefficient of HPWS on Employees’ satisfaction with HR system  
\( b_1 \) = Coefficient of employees’ satisfaction with the HR on emotional exhaustion  
\( a_2 \) = coefficient of HPWS on Employees’ satisfaction with HR system  
\( b_3 \) = Coefficient of interaction term  
\( V \) = Employees’ attribution of HR system.
Figure 6.4: A visual representation of relating employees' HPWS attribution to the indirect effect of HPWS on emotional exhaustion through employees' HPWS satisfaction

The slope in the graph indicates that in a weak moderation situation of negative HR attributions, the value of emotional exhaustion is high. However, under a positive HR attribution situation, emotional exhaustion decreases due to HPWS implementation and the mediation effects of employee satisfaction with HR systems. In other words, in a situation where there is positive employee attribution of the HR system, the effectiveness of HPWS towards wellbeing through employee satisfaction with HR system increases.

6.3.2 Regression Analysis for OCB as the Outcome Variable:

In this section, the regression results are presented for employees’ OCB as the outcome variable, illustrated in Figure 6.5. The results in Table 6.4 presents outcomes for the hypotheses H1(b), H2(b), H3(b), H5(b), and H6(b). The results for hypotheses H4(a) and (b) are already present in the previous section. H1(b) predicted a significant association between HPWS practices and OCB. As predicted, the HPWS practices enhanced OCB by a coefficient of $b = .06$, thus, H1(b) is accepted. H2(b) predicted that employees HPWS awareness mediates the relationship between HPWS practices and OCB. The association between the HPWS and the mediator variable of employees’ awareness of HR system is also significant, with a coefficient of 0.5178 at $p \leq .01$ with
CI values from -0.5501 to -0.8656. H2(b) is also accepted as employees’ awareness with HPWS practices enhanced OCB among employees by 15% (b = .15, p < .000). This means that when employees are aware of their HR practices and managerial support to improve their work-life, they engage themselves in productive extra-role behaviors, such as OCB.

![Figure 6.5: Regression Figure for OCB as Outcome](image)

H3(b) stated that employees’ HPWS satisfaction will mediate the association between HPWS practices and OCB. As shown in Table 6.4, the beta value for employees’ HPWS satisfaction is 0.3894, significant at p ≤ 0.001, and non-zero upper and lower CIs of 0.1196, 0.2592. These significant results lead to the acceptance of H3(b) that the direct relationship between HPWS and OCB is significantly mediated by employees’ satisfaction with their HR system. This implies that the more satisfied employees are with their HPWS policies, the more they might engage in supportive behaviors, such as OCBs.

The hypotheses 4(a) and (b) are already explained in the previous section where HRM strength moderated the link between HPWS practices and employees’ HPWS awareness but did not moderated the link between HPWS practices and employees’ HPWS satisfaction. Thus, H4(a) is accepted and H4(b) is rejected.
Table 6.4: Regression Results for OCB as the Outcome Variable

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Employees’ HPWS Awareness</th>
<th>Employees’ HPWS Satisfaction</th>
<th>OCB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Coefficients</td>
<td>95% CI</td>
<td>Coefficients</td>
</tr>
<tr>
<td>HPWS</td>
<td>.51**</td>
<td>-.55, -.86</td>
<td></td>
</tr>
<tr>
<td>Employees’ HPWS Awareness</td>
<td></td>
<td></td>
<td>.15***</td>
</tr>
<tr>
<td>Employees’ HPWS Satisfaction</td>
<td></td>
<td></td>
<td>.38***</td>
</tr>
<tr>
<td>HRM Strength</td>
<td>.13*</td>
<td>-.52, -.79</td>
<td>.20*</td>
</tr>
<tr>
<td>Interaction Term (HPWS * HRM Strength)</td>
<td>.46*</td>
<td>.22, .13</td>
<td>.04**</td>
</tr>
</tbody>
</table>

Over all moderation effects with employees’ HPWS awareness as mediator → $R = 0.37$, $F (3, 376) = 2.17$, $p = 0.000$

Over all moderation effects with employees’ HPWS satisfaction as mediator → $R = 0.75$, $F (3, 376) = 2.17$, $p = .54$

Employees’ HPWS Attribution as a Moderator (Second Stage Moderation)

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Coefficients</th>
<th>95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Attribution of the HR system</td>
<td>.17**</td>
<td>-.37, -.18</td>
</tr>
<tr>
<td>Interaction Term (Awareness * Attribution)</td>
<td>.65*</td>
<td>.01, .11</td>
</tr>
<tr>
<td>Interaction Term (Satisfaction * Attribution)</td>
<td>.45*</td>
<td>-.26, -.49</td>
</tr>
</tbody>
</table>

Over all moderation effects with employees’ HPWS awareness as mediator → $R = 0.53$, $F (4, 375) = 9.03$, $p = 0.000$

Over all moderation effects with employees’ HPWS satisfaction as mediator → $R = 0.56$, $F (4, 375) = 9.54$, $p = .000$

* $p < .05$, **$p < .01$, ***$p < 0.001$
H6(b) stated that the mediation of employees’ HPWS satisfaction between HPWS practices and OCB is further moderated by employees’ HPWS attribution. The interaction term for HPWS and employees’ attribution of the HR system was significant, with a beta value of .6510 at p < .05 with non-zero upper and lower CI values of .0104, .1199, leading to acceptance of H6(b), that mediation by employees’ awareness of their HR system to generate OCB attitudes among employees results from HPWS practices when these practices are attributed positively by the employees. Similarly, H7(b) hypothesized that the mediation of employees’ HPWS satisfaction between HPWS practices and OCB is further moderated by employees’ HPWS attribution. The interaction term for moderation by employee attribution of HR system was significant, with a b-value of .4570 at p < .05, with non-zero upper and lower CIs of -.2603, -.4973. This leads to the acceptance of H7(b), implying that mediation by employee satisfaction with the HR system depends on the conditional effect of the employees’ attribution of the HR system. The indices of moderated mediation for employees’ HPWS awareness are given in Table 6.5.

Table 6.5: Index of Moderated Mediation for Employees’ HPWS Awareness

<table>
<thead>
<tr>
<th>By HRM Strength</th>
<th>By Attribution of HR System</th>
<th>Index</th>
<th>95% Bootstrap CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weak HRM Strength</td>
<td>Negative Attribution of HR System</td>
<td>.0033</td>
<td>-.0265 to .0069</td>
</tr>
<tr>
<td>Average HRM Strength</td>
<td>Average Attribution of HR System</td>
<td>.0065</td>
<td>-.0331 to .0189</td>
</tr>
<tr>
<td>Strong HRM Strength</td>
<td>Positive Attribution of HR System</td>
<td>.0098</td>
<td>-.0499 to -.0285</td>
</tr>
</tbody>
</table>

CI = Confidence Interval

The index of moderated mediation was 0.0098 at the level of a strong HRM strength, and was significant, with non-zero upper and lower CIs of -.0499 to -.0285, leading to the support for the acceptance of H4(a). The index of moderated mediation also provides support for the accepted hypothesis H5(b), because the index of 0.0020 was
significant, with non-zero CIs of -0.0215 to -0.0110. The significant indices of moderated mediation for both HRM strength and employees’ attribution of their HR system are further graphically presented in Figures 6.6 and 6.7. Figure 6.6 illustrates a moderation slope for hypothesis H4(a) and the equation for the slope is written as:

\[
M = a_1b_1 + a_3b_1 * W
\]

Equation (1)

\[
= \text{coefficient of HPWS on Employees’ awareness} \cdot \text{Coefficient of employees’ awareness on OCB} + \\
\text{Coefficient of the interaction term on employees’ awareness} \cdot \text{Coefficient of employees’ awareness on OCB} \\
\cdot \text{HRM strength}
\]

\[
Y = c'
\]

Equation (2)

\[= \text{Coefficient of HPWS on OCB through path c} \]

In this equation, “\(M = a_1b_1 + a_3b_1 * W\)” is a linear function of W with intercepts \(a_1b_1\) and \(a_3b_1 * W\), shown by a slope in Figure 6.6.

![Diagram illustrating moderation slope](image)

**Figure 6.6: A visual representation to related HRM strength with the indirect effect of HPWS on OCB through employees’ HPWS awareness**

The figure 6.6 illustrates that indirect effects of HPWS on OCB seems to be increasing with the increase in HRM strength, as the slope or the index of moderated mediation is positive. The solid line indicates “weak HRM strength”, and dotted line indicates “strong HRM strength”, it can be concluded that when HR practices are effectively communicated to employees with consistency, clarity, and stability (HRM strength) they increase employees’ awareness of those practices. In other words, the
stronger the HRM strength, the greater the employees’ awareness, while the weaker the HRM strength, the lower the employees’ awareness will be of their HR systems.

![Graph](image)

**Figure 6.7:** A visual representation to relate employees’ HPWS attribution to the indirect effects of HPWS on OCB through employees’ HPWS awareness

Figure 6.7 graphically represents the moderated mediation for hypothesis H5(b) by plotting a graph for the employees’ attribution of the HR system at two points, with the dotted slope being negative employees’ attribution of the HR system and the solid slope showing positive employee attribution of the HR system. The regression equation is written as:

\[
Y = a_1b_1 + a_1b_3 * V
\]

This equation represents the relationship between the indirect effects of HPWS on OCB through employees’ HPWS awareness.

The slope \((a_1b_1 + a_1b_3w)\) depicts an increasing effect of moderated mediation. For the conditional effects of attribution of the HR system, it is indicated that when employees have negative attributions of their HR systems, the effect of HPWS on OCB through awareness of HR system is lower (shown by a dotted line). However, when employees positively attribute their HR practices, their perceptions of OCB, as a result of HPWS implementation and increased awareness to HR systems, tend to increase (shown by the solid line). Thus, it is suggested that for a HR system to be effective, employees’
knowledge of their HR system alone may not be sufficient, instead also requiring positive attribution. As the moderation by employees’ HPWS attribution is also accepted for the mediator employees’ HPWS satisfaction, thus the indices of moderated mediation for employees’ HPWS satisfaction are also presented in Table 6.6.

Table 6.6: Index of Moderated Mediation for Employees’ HPWS Satisfaction

<table>
<thead>
<tr>
<th>Moderated Mediation</th>
<th>Index</th>
<th>95% Bootstrap CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>By HRM Strength</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weak HRM Strength</td>
<td>.0059</td>
<td>-.0380 to .0167</td>
</tr>
<tr>
<td>Average HRM Strength</td>
<td>.0083</td>
<td>-.0468 to .0265</td>
</tr>
<tr>
<td>Strong HRM Strength</td>
<td>.0107</td>
<td>-.0617 to .0343</td>
</tr>
<tr>
<td>By Attribution of HR System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative Attribution of HR System</td>
<td>.0044</td>
<td>.0036 to .0237</td>
</tr>
<tr>
<td>Average Attribution of HR System</td>
<td>.0033</td>
<td>-.0045 to -.0206</td>
</tr>
<tr>
<td>Positive Attribution of HR System</td>
<td>.0022</td>
<td>-.0082 to -.0206</td>
</tr>
</tbody>
</table>

CI = Confidence interval

The index of moderated mediation by employees’ attribution of their HR system at the level of the positive employees’ attribution was 0.0022, with non-zero upper and lower CIs of -0.0082 to -0.0206. This significance index of moderated mediation supports the acceptance of hypothesis H6(b). The significant index of moderated mediation by employees’ attribution of their HR system is graphically illustrated in Figure 6.8. Figure 6.8 illustrates the conditional effect of employees’ attribution of the HR system through a slope at two different conditions (positive employee attribution of the HR system and negative employee attribution of the HR system).

The equation for the slope of the estimated model is:

\[
Y = a_1b_1 + a_1b_3 * V \text{ Equation (1)}
\]

= coefficient of HPWS on Employees’ satisfaction with HR system * Coefficient of employees’ satisfaction with the HR on OCB + coefficient of HPWS on Employees’ satisfaction with HR system * Coefficient of interaction term * Moderator name.
The slope indicates that employees are more likely to exhibit OCBs when they are satisfied with their HR system and positively attribute that HR systems are implemented for employees’ advantages. However, when employees believe that HR systems are not in favor of employees, they are less likely to engage in citizenship behaviors. This evidence supports the claim that moderated mediation exists for HPWS to OCB through employees’ satisfaction with the HR system.

6.3.3 Regression Analysis for Customer Service as the Outcome Variable:

The results in this section are related to the regression analysis for the third and last outcome variable i.e., customer service. The hypothesized paths are given in Figure 6.9 and results are provided in Table 6.7. The hypotheses analyzed in this section are H2(c), H3(c), H5(c), and H6(c). H4(a) and (b) are already discussed in the previous analyses. H1(c) predicted a significant association between HPWS and customer service. As predicted, HPWS practices are significantly associated with customer service and enhanced customer service with a positive b-value of .51 (p < .05), hence accepting the H1(c). Acceptance of H1(c) indicates that HPWS practices are likely to increase employees’ in-role performance of customer service, because when managers take initiatives to support employees, employees reciprocate their managers’ effort through increased performance levels.
H2(c) stated that employees’ HPWS awareness will mediate the relationship between HPWS practices and customer. H2(c) is also accepted, as shown in Table 6.7, employees’ HPWS awareness mediated and enhanced employees’ customer service by a b-value of .08 (p < .000) as the result of implementing HPWS practices. Similarly, H3(c) predicted a significant mediation for employees’ HPWS satisfaction between HPWS and customer service. The coefficient for employees’ satisfaction with the HR system was .52, at p < .001, with non-zero upper and lower CIs of .37, .66, leading to the acceptance of hypothesis H3(c), that employees’ satisfaction with the HR system mediates the direct effect of HPWS on customer service. For moderation, H4 (a) is accepted and H4(b) is rejected which is already explained. For second stage moderation by employees’ HPWS attribution H5(c) predicted that the mediation of employees’ HPWS awareness between HPWS practices and customer service is further moderated by employees’ HPWS attribution. H6(c) predicted that the mediation of employees’ HPWS satisfaction between HPWS practices and customer service is further moderated by employees’ HPWS attribution.
Table 6.7: Regression Results for Customer Service as the Outcome Variable

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Coefficients</th>
<th>95% CI</th>
<th>Coefficients</th>
<th>95% CI</th>
<th>Coefficients</th>
<th>95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate of HRM Strength as a Moderator (First Stage Moderation)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HPWS</td>
<td>.51***</td>
<td>-.55, -.86</td>
<td>.51*</td>
<td>.37, .66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees’ HPWS Awareness</td>
<td>.08***</td>
<td>.17, .01</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees’ HPWS Satisfaction</td>
<td>.52***</td>
<td>.37, .66</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HRM Strength</td>
<td>.13*</td>
<td>-.52, -.79</td>
<td>.20*</td>
<td>-.14, -.81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interaction Term</td>
<td>.45***</td>
<td>.22, .13</td>
<td>.04**</td>
<td>-.21, .12</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Over all moderation effects with employees’ HPWS awareness as mediator \( \rightarrow R = 0.37, F (3, 376) = 2.17, p = .000 \)

Over all moderation effects with employees’ HPWS satisfaction as mediator \( \rightarrow R = 0.75, F (3, 376) = 2.17, p = .54 \)

Employees’ HPWS Attribution as a Moderator (Second Stage Moderation)

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Coefficients</th>
<th>95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Attribution of the HR system</td>
<td>.29*</td>
<td>-.58, -.00</td>
</tr>
<tr>
<td>Interaction Term</td>
<td>.59***</td>
<td>.02, .14</td>
</tr>
<tr>
<td>Interaction Term</td>
<td>.35*</td>
<td>-.14, -.09</td>
</tr>
</tbody>
</table>

Over all moderation effects with employees’ HPWS awareness as mediator \( \rightarrow R = 0.38, F (4, 375) = 16.78, p = .000 \)

Over all moderation effects with employees’ HPWS satisfaction as mediator \( \rightarrow R = 0.38, F (4, 375) = 15.92, p = .000 \)

* \( p < .05 \), ** \( p < .01 \), *** \( p < 0.001 \)
As given in Table 6.7, the interaction term of employees’ HPWS satisfaction and attribution has a b-value of .35 (significant at p < 0.05), with non-zero upper and lower CIs of -.14, -.09. This significance for the interaction term lead to the acceptance of hypothesis H6(c), that the mediation effect of employees’ satisfaction with the HR system depends on the conditional effect of employees’ attribution of the HR system. This implies that the impact of employees’ satisfaction with their HR system on their customer service enhances if they attribute their HR system positively.

Table 6.8: Index of Moderated Mediation for Employees’ HPWS Awareness

<table>
<thead>
<tr>
<th>Moderated Mediation</th>
<th>Index</th>
<th>95% Bootstrap CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>by HRM Strength</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weak HRM Strength</td>
<td>.0051</td>
<td>-.0118 to .0402</td>
</tr>
<tr>
<td>Average HRM Strength</td>
<td>.0021</td>
<td>-.0053 to -.0281</td>
</tr>
<tr>
<td>Strong HRM Strength</td>
<td>.0009</td>
<td>-.0254 to -.0097</td>
</tr>
<tr>
<td>by Attribution of HR System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative Attribution of HR System</td>
<td>.0009</td>
<td>-.0105 to .0204</td>
</tr>
<tr>
<td>Average Attribution of HR System</td>
<td>.0005</td>
<td>-.0164 to -.0118</td>
</tr>
<tr>
<td>Positive Attribution of HR System</td>
<td>.0018</td>
<td>-.0248 to -.0094</td>
</tr>
</tbody>
</table>

CI = Confidence interval

As for the outcome variable of customer service, moderation by both HRM strength and employees’ HPWS attribution was accepted for the mediator of employees’ HPWS awareness, thus the index of moderated mediation is given in Table 6.8. The index of moderated mediation for employees’ attribution of the HR system was .0018, which was significant because the upper and lower CIs were non-zero, with values of -.0248 to -.0094. The significance of the second moderated mediation also supports and confirms the acceptance of hypothesis H5(c). The significant indices of moderated mediation are further illustrated Figures 6.10 and 6.11.
Figure 6.10 indicates that as the HRM strength becomes stronger, the effect of HPWS on customer service as a result of employees’ awareness of the HR system also increases. The equation for the estimated model is:

\[
M = a_1b_1 + a_3b_1 \times W
\]  \hspace{1cm} \text{Equation (1)}

\[
= \text{coefficient of HPWS on Employees’ awareness} \times \text{Coefficient of employees’ awareness on Customer Service} + \text{Coefficient of the interaction term on employees’ awareness} \times \text{Coefficient of employees’ awareness on Customer Service} \times \text{HRM strength}
\]

\[
Y = c'
\]  \hspace{1cm} \text{Equation (2)}

\[
= \text{Coefficient of HPWS on Customer Service through path c'}
\]

In this equation, “\( M = a_1b_1 + a_3b_1 \times W \)” is a linear function of W with intercepts \( a_1b_1 \) and \( a_3b_1 \times W \), shown by a slope in Figure 6.10. The dotted slope indicates weak HRM strength and holds that under weak HRM strength, employees are less aware of their management; thus, decreasing employees’ potential to offer quality customer service. However, as soon as the HRM becomes stronger and employees are more aware of management support, this awareness contributes positively to customer service ratings (solid slope).

![Figure 6.10: A visual representation to relate HRM strength to the indirect effects of HPWS on the customer service through employees’ HPWS awareness](image)

Similarly, Figure 6.11 illustrates the slopes for second stage moderation effects of employees’ attribution of the HR system. The equation graph in Figure 6.11 is written as:

\[
Y = a_1b_1 + a_2b_3 \times V
\]  \hspace{1cm} \text{Equation (1)}

\[
= \text{coefficient of HPWS on Employees’ awareness} \times \text{Coefficient of employees’ awareness on customer service} + \text{coefficient of HPWS on Employees’ awareness} \times \text{Coefficient of interaction term on Customer service} \times \text{Employees’ attribution of HR system}
\]

Figure 6.10: A visual representation to relate HRM strength to the indirect effects of HPWS on the customer service through employees’ HPWS awareness

Similarly, Figure 6.11 illustrates the slopes for second stage moderation effects of employees’ attribution of the HR system. The equation graph in Figure 6.11 is written as:
Figure 6.11: A visual representation to relate employees’ attribution of the HR practices to the indirect effects of HPWS on customer service through employees’ awareness of the HR practices

The graph in Figure 6.11 illustrates that when there is positive attribution by employees for their HR system (at point of positive HR attributions), the indirect effect of employees’ awareness of the HR system on the path from HPWS → customer service increases compared to the decrease in the effect when the moderation is at the point of negative HR attributions (dotted slope). As the moderation of employees’ HPWS attribution was also accepted for the mediation of employees’ HPWS satisfaction for the links between HPWS and customer service, another index of moderated mediation is given in Table 6.9.

Table 6.8: Index of Moderated Mediation for Employees’ HPWS Satisfaction

<table>
<thead>
<tr>
<th>Conditional Moderated Mediation</th>
<th>Index</th>
<th>95% Bootstrap CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>By HRM Strength</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weak HRM Strength</td>
<td>.0008</td>
<td>-.0225 to .0090</td>
</tr>
<tr>
<td>Average HRM Strength</td>
<td>.0013</td>
<td>-.0269 to .0073</td>
</tr>
<tr>
<td>Strong HRM Strength</td>
<td>.0019</td>
<td>-.0369 to .0096</td>
</tr>
<tr>
<td>By Attribution of HR System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative Attribution of HR</td>
<td>.0010</td>
<td>-.0051 to .0159</td>
</tr>
<tr>
<td>System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Attribution of HR</td>
<td>.0008</td>
<td>-.0045 to -.0143</td>
</tr>
<tr>
<td>System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Attribution of HR</td>
<td>.0005</td>
<td>-.0060 to -.0140</td>
</tr>
<tr>
<td>System</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CI = Confidence interval
The index of moderated mediation for the level of positive employees’ attribution was significant, with a value of .0005 with non-zero upper and lower CIs of -.0060, -.0140, supporting the acceptance of hypothesis H7(c). The index of moderated mediation for employees’ attribution of their HR system is further graphically illustrated in Figure 6.12. The equation for the slope in Figure 6.12 is written as:

\[
Y = a_1b_1 + a_1b_3 * V = \text{coefficient of HPWS on Employees’ satisfaction with HR system} * \text{Coefficient of employees’ satisfaction with the HR on Customer Service} + \text{coefficient of HPWS on Employees’ satisfaction with HR system} * \text{Coefficient of interaction term} * \text{Moderator name.}
\]

The slope explains that when there is positive employee attribution (shown as solid line), the mediation effect of employees’ satisfaction with the HR system increases the direct effect of HPWS on customer service. This provides evidence for the moderated mediation.

\[
\text{Equation (1)}
\]

![Figure 6.12: A visual representation to relate employees' attribution of the indirect effect of HPWS on customer service through employees' HPWS satisfaction](image)

6.4 CHAPTER SUMMARY

The overall aim of this quantitative chapter was to contribute to the black-box mystery of HPWS by proposing a moderated mediated model. HPWS practices were predicted to enhance employees’ in-role (customer service) and extra-role (OCB) performance indicators and decrease emotional exhaustion as an element of employee
wellbeing at work. The results show that HR practices must be communicated effectively to employees such that they are fully aware of management supporting them. When employees have a positive experience, are satisfied with support from management, and believe that the HR policies are in their favor, they engage in behaviors such as OCB and report low negative emotional experiences; thus, indicating a positive status of wellbeing at work. A moderated mediation approach was adopted explaining how the direct impact of HR practices on employees’ outcomes, influenced by the knowledge that employees possess for these practices, can be enhanced under the conditional effects of HRM strength and HR attributions. These positive results indicate acceptance of the hypothesized model.

The empirical analysis in this chapter contributes to the HPWS literature focusing on the HR processes by introducing employees’ awareness and satisfaction with the HR system as important mediating variables that can increase the effects of HR practices in an organizational setting. The significant explanatory power of employees’ awareness of and satisfaction with their HR system justifies the importance of communicating managerial decisions and policies to employees equally. HRM decisions have always been a critical organizational factor for shaping employees’ attitudes (Z. Wang & Xu, 2017); however, such managerial decisions need to be made known to employees to create a supportive organizational climate (Den Hartog et al., 2013). These findings are also consistent with previous studies, such as a study by García-Carbonell, Martín-Alcázar, and Sanchez-Gardey (2018), supporting that communicating managers’ decisions and the reasons behind these decisions during HPWS implementation signals to employees that management are concerned about them.

Enhancing employees’ knowledge of HRM processes is crucial during the implementation of these HRM processes (Kernan & Hanges, 2002). The findings revealed that when employees believe that management is sensitive towards their
wellbeing at work and are ready to take initiatives that benefit employees, employees’ experiences of emotional exhaustion will be reduced.

The findings show that the presence of HPWS HR practices does not make a difference to employees until and unless consistent HRM implementation and communication is made to increase employees’ awareness of their HR system (Heffernan & Dundon, 2016). This research not only provides evidence of the importance of increasing employees’ awareness of and satisfaction with HR processes, it also demonstrates how these two aspects can be increased at the workplace.

HRM strength was investigated as a moderator to increase employees’ awareness of and satisfaction with the HR system. HRM strength is an indicator of consistent, stable, and consensual HRM processes in any organizational setting (Bowen & Ostroff, 2004). Empirical testing found that higher HRM strength leads to higher employee awareness of managerial decisions and policies. Significant support was also found for the conditional effects of HRM strength on employees’ awareness of HR processes. When HR practices are consistent, clear, and stable in their implementation, they are more likely to clarify management’s supportive concerns to employees, ultimately improving how they feel about their wellbeing at work. The provision and implementation of consistent HR processes indicate a structured and cohesive work environment (A. Glaister et al., 2018), which helps employees to believe that they have stable management. However, the role of HRM strength is not supported in increasing employees’ satisfaction with their HR practices. HPWSs can still work effectively if employees are satisfied with their experiences of HR practices. This may lead to the understanding that employees experience reduced emotional exhaustion as a result of a HPWS when they are satisfied with the utility or effectiveness of the experienced HR practices, regardless of HRM strength. In this research, employees positively rated HPWS practices to increase their perceptions of wellbeing at work.
The hypothesis regarding the role of employees’ attribution of the HR system in the whole process from implementation of HR practices to the outcomes is accepted. Previous studies have also suggested that when employees believe their HRM to be consensual, consistent, and distinctive, they have positive attributions for their management and exhibit supportive attitudes (Sanders & Yang, 2016). Moreover, this research found that employees’ knowledge of the strength of their HRM and its effect on their experiences at work can be increased by communicating HRM policies and decisions equally to employees. When employees are aware of the HR policies as initially intended by the management, they will be in a better position to make productive attributions.

In conclusion, the hypotheses were tested to investigate the role of Bowen and Ostroff’s (2004) HR system strength and employees’ attribution as moderators on the indirect links between HRM practices and employees’ outcomes. The way employees perceive and attribute their HR system is critical to identifying the success of this HR system. Thus, on the grounds of consensus and shared meanings between employers and employees, employees need to be aware of the situation to make judgments. This research therefore proposes that when management communicates their attempts to make the work experience better for employees, employees are more likely to experience an improved sense of employee wellbeing. Moreover, awareness and satisfaction among employees is productive towards future outcomes when transparent HR processes are approached, and employees have the right information to attribute their management further.
7.1 INTRODUCTION

This research investigated HRM philosophy as an important component of the HPWS process, and the influence of HPWS practices on employees’ outcomes. This was performed through a lens of HRM strength with a shared understanding of HR systems. The previous three chapters presented details on the qualitative and quantitative analysis to investigate the research questions and hypotheses of this research. Well-defined HRM philosophies were found to assist managers to devise their HR policies and communicate them to their employees efficiently and with a shared understanding. Moreover, in an attempt to explore the HPWS black-box, HPWS practices were found to result in positive employee outcomes; thus, supporting the concept of HR system strength increasing employees’ understanding of their HR systems.

The previous chapters presented the findings of this research, and this chapter provides a discussion of these findings. This research investigated two primary research questions. The first research question was examined in qualitative Study 1 and the second research question
was empirically tested in quantitative Study 2. This chapter provides a comprehensive discussion on both research questions and relates the outcomes of this research to the existing body of literature.

7.2 RESEARCH QUESTION 1: HRM PHILOSOPHY, HPWS PRACTICES, AND EMPLOYEES’ PERCEPTIONS

To understand HPWSs and their embeddedness within organizations, the HRM literature emphasizes that it is important to understand senior managers’ beliefs towards implemented HPWSs. A strategic HRM is believed to comprise five activities: philosophy, policies, programs, practices, and processes; where philosophy describes employees’ importance for their management (Schuler, 1992). In other words, HR philosophy identifies the way managers view their employees and devises ways to manage them accordingly. The primary purpose of this research was to investigate HPWS HR practices and their significance on employees’ performance indicators. The HRM philosophy was explored before the empirical investigation because it was suggested in the literature that the choice and implementation of HR policies are influenced by a firm’s HRM philosophy (Lepak et al., 2004). Additionally, HRM philosophy helped to explain HR initiatives, not only within the sphere of HRM, but through their links with the broader workplace strategies (Boxall & Macky, 2009).

Given the significance of HRM philosophy in the previous literature, this research did not investigate the HR policies and practices only at face value, but also explored the philosophical foundations to identify these HR practices for this research. The literature suggests that a well-developed HPWS would mean the presence of sophisticated HRM practices supported by a well-defined HRM philosophy that clarifies their purpose, and a strategic link of these HR practices with an organization’s overall goal. Boxall and Huo (2019) argued that understanding management’s view of their HR policies provides critical information on the HR vision and purpose. To further enhance the understanding of what is
known so far about HRM philosophy and HPWS practices, the first primary research question was developed as:

“How does HRM philosophy influence the adoption and implementation of HPWS approaches in telecom sector organizations in Pakistan?”

This research question was further divided into three sub-questions for qualitative Study 1 (a) How does the HRM philosophy influence managers’ approaches to HPWS in telecommunication organizations in Pakistan?, (b) How do senior and HR managers aim to strategically link HRM philosophies to HPWS practices in telecommunication organizations in Pakistan?, and 1(c) To what extent do managers and employees share the same HR perceptions as a result of a well-defined and communicated HRM philosophy?

This chapter therefore discusses each sub-research question. Focusing on the first RQ1a, how does the HRM philosophy influence managers’ approaches to HPWS in telecommunication organizations in Pakistan, the literature on HRM philosophy explains this philosophy as the guiding principle for an organization’s architecture (Becker & Gerhart, 1996). This research has identified that an organization’s HR guidelines mainly focus on aspects such as managers’ vision of HR, their strategic standpoint to translate their HR vision into practices, and a congruent linkage of these practices with the organization’s values or strategy. The current research also found that a firm’s HPWS is strategic when the HRM frames of philosophy are linked to its business or organizational strategies. This finding can be linked to the important scholarly recommendation of Schuler (1992), who argued that whether or not an organization’s HR activities (philosophy, policies, practices, and processes) are strategic depends on their systematic links with the firm’s business needs.

Data collected through 55 interviews identified that the HRM philosophy in each case organization was based on HRM frames that were different for each organization. In this research, HRM frames represent the knowledge, assumptions, and expectations about the HRM
systems (Hesselink, 2013). The difference in the HRM frames indicates that the HR philosophies were identified in different factors, such as the extent of managements’ focus on employees, choice in the adoption of HRM policies, implementation, involvement of employees in HRM processes, and clarity of the HRM policies in each organization. The organizations Phone Link and My Phone appeared to have an employee-centered HRM philosophy with a strong emphasis on the involvement of employees in their HRM processes. The key characteristics of HPWSs, such as complementary HR practices with strategic links to their organizations, were also identified in these two organizations. The third organization, Tel Pak, was also identified as having a HPWS, but with a variation in implementation of HR practices compared to Phone Link and My Phone.

Lepak et al. (2004) argued that HRM philosophy demonstrates the roles and values associated by employees with their organization and helps to design HRM frames to manage human resources. Each organization values and treats its employees differently; thus, the HRM choices can be different, as well as the philosophies. The various HRM frames and HRM choices in the case organizations for this research can be supported by the contingency perspective of HRM for the functioning of HPWS (Macky & Boxall, 2007). This research followed and supports the same contingency theory perspective through its findings.

Another aspect to the different HRM philosophies by managers to their approach towards HRM in their respective organizations can be the nature of their organizations. The organizations Phone Link and My Phone had been private organizations since their inception; however, the third organization, Tel Pak, was founded as a public organization and privatized many years later. Previous literature has examined and demonstrated a difference in the adoption and outcomes of HRM practices between private and public organizations (Blom, Kruyen, Van Der Heijden, & Van Thiel, 2018). The difference in the nature and ownership structures of organizations plays a vital role in how organizations devise their HRM
infrastructures. Previous literature has identified that employees perceive HRM practices less positively in public organizations compared to private organizations (Veloso, Tzafir, & Enosh, 2015). Employment relationships in public organizations are typically characterized by less employee involvement, greater power distance, and less participative decision making (Pynes, 2008). Public sector organizations can have multiple priorities, including responding to the demands of different stakeholders, such as government, politicians, citizens, and service users (Knies, Boselie, Gould-Williams, & Vandenabeele, 2015). In addition, HRM in public companies is often characterized as collective, traditional, and standardized compared with privately-owned entities (Boyne et al. 1999). This explains and justifies the differences in the HRM processes observed in the sample organizations of this study.

The first research question of qualitative Study 1 revolved around “how” the managers approached HRM decisions in their organizations, that is, how their “philosophy or beliefs” influenced HRM decisions. The findings support that in the first two organizations, Phone Link and My Phone, HRM decisions were supported by clear HRM philosophies. However, in the third organization, Tel Pak, HPWS implementation was observed, but the role of HRM philosophy in HRM processes was limited. In Phone Link and My Phone, managers identified that their employees were their foremost concern. Thus, an employee-centered HRM philosophy influenced the HRM decisions at Phone Link and My Phone. An employee-centered HRM philosophy is characterized by HRM processes where a higher value is placed on employees and employees are considered an important organizational asset in which to invest (Kochan, Harry, Robert, & McKersie, 1986). However, Tel Pak lacked the presence of a well-formulated HRM philosophy.

Managers at Phone Link and My Phone explained that they valued their employees and designed HR policies to make employees’ experiences at work positive and productive. Thus, employee-centered philosophies influenced managers to create initiatives more likely to
increase employees’ welfare and development. Because the HR policies were supported by such philosophical foundations in these two organizations, their managers had clear directions and goals to justify their HR policies. Thus, HRM philosophies actively support and mutually reinforce organizational HRM practices.

It was previously discussed that HR systems are regarded as strategic if they are aligned with the firm’s overall strategies and values (Schuler, 1992). The HR goals and philosophies were connected to the organizational goals/values for two of the three sample organizations. For example, at Phone Link, the organizational values were related to bring innovation, collaboration, and entrepreneurship at the workplace. Following these goals, an employee centred HRM philosophy was formulated to implement HPWS practices which allowed employees’ development, involvement, participation, and feedback channels to provide them ability and opportunities, thus, translating those goals into reality. Phone Link allowed employees’ involvement in the organizational processes which motivated them to be proactive towards their organizations, as well as, provided training and development to collaborate and innovate as per their business goals. Similarly, at My Phone, HR goals focused on employees’ equality, wellbeing, and improving their quality of work-life. The strategic orientation for such investment was to comply with the organizational values to “respect, explore, and create together”. These findings also support previous research where HR functions in private organizations are defined by the promotion of participatory and motivational HR practices for employees (Veloso, Tzafrir, & Enosh, 2015).

The findings indicate that these organizations in Pakistan have successfully implemented HPWS practices, and that employee-centered philosophies helped managers to design HRM processes for employees’ positive work experiences. Such findings concur with previous studies that there are organizations in Pakistan that are moving away from traditional and controlled management styles towards modern participatory HR practices (Khilji, 2002). In
contrast, the third organization, Tel Pak, had implemented HPWS practices; however, clarity in the direction to guide these implementations was lacking. In other words, sophisticated HRM practices were implemented, but managers were unable to provide concrete examples of goals to support this HPWS implementation. For example, managers mentioned revamping their HR policies such as enhanced information sharing, employees’ voice system, and feedback surveys to involve employees more in organizational processes. However, unlike managers at Phone Link and My Phone, the managers at Tel Pak were unable to provide an understanding of clear HR goals with examples. Hence, while HPWS HR practices were revamped and implemented at Tel Pak, managers lacked a clear understanding of the HRM philosophy in their organization.

Thus, the dual nature of the findings is observed where the private organizations were found to have more progressive HR practices, while the third organization, with a history of public ownership, indicated a less employee-centered environment. Support from the cultural influence in these organizations can help to justify the duality in these findings. Pakistani culture is characterized as “collective” and “power distant” (Hofstede, 1980a; 2010b), and these societal norms are also extended to organizational structures in Pakistan (Rieger and Wong-Rieger 1990). However, different factors such as increased globalization, economic hardships, and a shift in the educational perspective have motivated employers to value and treat their employees differently from traditional approaches (Khilji, 2003). Challenges to flourish in businesses and intense global competitive pressures have led to a transformation of HRM processes in both international and domestic organizations in Pakistan (Chaudhry, 2013; Khilji, 2004). Thus, the coexistence of cultural and modern management values can be observed in Pakistan (Chaudhry, 2013). However, such parallel and opposite twin forces of both convergence (acceptance and adaptation) and divergence (due to strong cultural values) can pose a risk to the adoption of HPWS practices in a country such as Pakistan, where culture
is very distinct, but the movement to modern HR practices is also strong (Khilji, 2002). Khilji (2002) further stated that:

Core local cultural characteristics such as little autonomy, hierarchy and large power distance also tend to have a divergent impact by hindering successful implementation of many of the new HRM policies. Organizations, therefore, are simultaneously exposed to forces of both convergence and divergence. (p. 247).

Thus, making it an important future research suggestion to study the influence of culture in HRM in Pakistan in this domain.

The contingency HRM perspective means that HRM varies between workplaces, and there is no such thing as an “ideal” set of practices. However, managers’ choice of HR practices depends on many factors, and one is management’s “strategic choice” and the implementation of these HR practices. At Phone Link and My Phone, these strategic choices were primarily influenced by HRM guidelines and philosophies that clarified the HR goals and objectives within these two workplaces. HRM philosophy is an essential determinant of an organization’s HR system and its strategic orientation (Lepak, Taylor, Tekleab, Marrone, & Cohen, 2007).

Any set of processes do not speak for themselves; rather, an adequate understanding is to be provided to make sense of such processes (Child, 1972). The first research question examined the role of HRM philosophy to understand the strategic orientation for having certain HPWS patterns in chosen sample organizations. Well-crafted HRM philosophies provided a clear explanation of the HR goals in the first two organizations. These organizations had employee-centered HPWS HR policies, where their HR investments were motivated mainly by a higher concern for their employees. While in the third organization, the implementation of a HPWS was evident from the interviews, but a concrete philosophical foundation for HR goals
was neither strong nor consistent. However, at Tel Pak, organizational values had a part in designing its HR policies to some extent.

RQ1(b) for the qualitative study examined *How senior management and HR managers aim to strategically link HRM philosophies with HPWS practices in telecommunication organizations*. Interviews were undertaken in each organization to identify the HPWS practices operating in these firms. The interviews revealed six HPWS HR practices common in all three cases, namely: selective hiring, training and development, information sharing, performance management, employees’ wellbeing, and teamwork and participation.

The findings of this research question suggest that the sample organizations were operating with HPWS approaches to HRM, with their managers formulating HR policies that aligned with HPWS principles. The basic principle of HPWSs is to create a work climate that supports employees, such as employee involvement, commitment, and empowerment at work (Sanders & Yang, 2016). In other words, a high-performance HR system enables employees’ high-performance (Pfeffer, 1998). Phone Link and My Phone had employee-centered HR philosophies where all HR initiatives were taken to serve employees and to improve their work experiences. Additionally, the practices in these HPWSs were not only complementary, they also had an external fit with the overall organizational strategies.

At Phone Link, management had a clear goal to be a leading innovative company in the country, and it epitomized a philosophy to create a work climate where employees enjoyed learning and development to gain a positive professional experience. Thus, management invested in different HPWS practices, such as extensive training for employees, reducing organizational levels, open information sharing forums, enhancing employee wellbeing, feedback and voice mechanisms at work, and performance management practices with contingent rewards and outcomes. All of these initiatives resulted in multiple opportunities and ways through which employees could enhance their skills and contribute to their organization.
Better employee performance through HPWSs is achieved when employees’ ability and motivation are enhanced, and they are provided with opportunities to contribute to their organizations constructively (Fu et al., 2013).

Wang and Chen (2013) argued that in a turbulent and competitive business environment, managers observe innovation as critical and employ HR practices that involve employees through knowledge management. The findings of this research also confirm that high information sharing practices and engaging employees in organizational processes motivate employees to support their organizations. The current research also found a fit between organizational values and HR philosophical guidelines. This finding is very important because a HPWS is considered a system where all aspects of HRM are integrated and cohesive. This finding is consistent with previous research suggesting that the congruence between an organization’s business and HRM strategy has a positive association with the effectiveness of HRM policies and practices (Christopher, 2019). Thus, a practical implication is observed for organizations to have a strategic fit between organizational and HR values. HR integration with organizational process indicates an organization’s strong strategic orientation (Szierbowski-Seibel & Kabst (2018). Thus, in this study, the strategic HR orientation is expressed as the linking of HR policies with the broader organizational values which are already discussed in the previous sections. For instance, in case of Phone Link, the HPWS practices such as participation, extensive information sharing, training and development, and employees’ development were supported by a philosophy based on its organizational values.

Efforts to create a coherent HRM system were also observed at My Phone, where an employee-centered HRM philosophy was applied to manage HR procedures and practices. HR policies and practices were developed with a strategic perspective of focusing on employees’ respect and participation where employees could explore and create together to contribute to organizational business goals. Managers invested in creating a work climate where employees
had opportunities to present their ideas and innovate successful projects. The major motivation behind HR policies is to respect employees and treat them equally by allowing maximum employee participation and empowerment. Employee respect in HRM policies indicates participative management and leadership has been shown to enhance employees’ satisfaction with their organizations to optimal levels (Ghaffari, Shah, Burgoyne, Nazri, & Aziz, 2017). Other studies have also suggested that a lack of respect and supervisory support can lead to increased turnover intentions among employees (Flesner & Rantz, 2004). Thus, it can be concluded that the management at My Phone placed enough focus on retaining its employees through respect and empowerment as a part of its HPWS implementation.

Such managerial intentions are an indicator of active HPWS implementation at My Phone. The HR practices at My Phone were supported by HR philosophy to help employees; additionally, these were linked with a broader organizational goal to achieve market growth and increase digital operations. To serve this organizational goal, management provided employees with equal work opportunities, shared ideas with them, valued their feedback, and motivated them to perform better. Such effective HRM structures indicate strategic complementarities, not only among the HR practices and HRM philosophy, but also with the business as a whole. Previous literature, for instance, the study of Kepes and Delery (2007), suggests that HR practices that are complementary to each other are more likely to produce “synergetic” effects and help organizations to achieve and sustain competitive advantages. Likewise, this research found strategic links between HRM processes and other organizational components in the sample organizations, such as at My Phone. These findings correlate with the HRM theory of organizational internal and external fit mentioned as a source of competitive advantage (Becker & Gerhart, 1996).

The third organization, Tel Pak, adopted HPWS practices that were also regularly updated. Although the previous section concluded that this organization lacked well-crafted
philosophical foundations for its HR processes, sophisticated HR practices were implemented to support its employees. Tel Pak may not have had a strongly articulated HRM philosophy, but managers indicated that organizational goals supported the formulation of HR processes in this organization. For instance, performance management practices were extensive and based on criteria that aimed for fair employee appraisals. As HPWSs are meant to both benefit employees and increase their contribution towards organizational performance, HR managers at Tel Pak associated rewards and promotions with employee performance. Employees who performed better at their work were rewarded, which was intended to motivate them to be the high-performers in the future as well. Similarly, Tel Pak also revamped its policies to enhance employees’ positive experiences at work. Different processes, such as compliance systems, grievance handling, insurance, and medical facilities were improved in an attempt to enhance employee wellbeing. Thus, these observations correlate with previous research by Tang, Yu, Cooke, and Chen (2017), which suggested that investing in employees’ welfare and development through a HPWS enhances employees’ perceptions of organizational support.

This research contributes to this previous theory of reciprocity by examining that HPWS practices and managers’ efforts to involve employees in the organizational processes encourage employees to return the favor through their supportive attitudes at work, such as OCB. As mentioned earlier in Chapter 4, HR processes at Tel Pak had been under a change process, because this organization shifted from being government run to a privatized organization. Thus, many HR processes still required improvement. Although Tel Pak was struggling with HR processes, such as open information sharing, the senior managers in this organization indicated that employee-focused HR policies were in place. The findings of this research correspond with previous research on HPWS and support the theory that investing in supportive HPWS practices signals to employees that they are valued by their managers, which increases their
proactivity at work (Maden, 2015). The findings indicate that the three case organizations had adopted supportive HR processes focusing on their employees.

In summary, the first two organizations had well-defined HRM philosophies and appeared to craft and implement their HPWS policies more successfully and strategically link them with their HR practices. The managers in the first two organizations had a clear vision and purpose of their HR policies that were indicated in their philosophies, which ultimately translated into their HR practices. Even though the management of the third organization lacked a well-defined HRM philosophy, they demonstrated key characteristics of a HPWS. However, Tel Pak’s management could not present any concrete philosophical guidelines to support its stance for a HPWS.

The third sub-research question (RQ1c) for Study 1 was “To what extent do managers and employees share the same HR perceptions as a result of a well-defined and communicated HRM philosophy”? Employees of any workplace actively participate in the employment relationship (Janssens & Steyaert, 2009). Employees experience the HRM policies and initiatives and tend to make perceptions based on their knowledge and experience (Meijerink, Bondarouk, & Lepak, 2016). Employees’ perceptions are a critical success factor in HRM because perceptions influence employees’ reactions towards HRM practices, as well as their behaviors in the workplace (Edgar & Geare, 2014). These behaviors are further identified as increasing organizational performance.

Wright and Nishii (2006) proposed that managers coordinate communication and information systems across the organization to smoothly implement the HR processes. This research also supports the findings by P. Wright and Nishii (2006) that HRM processes are successful and employee perceptions to these processes are improved when managers effectively communicate and share the purpose of the HRM system with their employees equally; thus, supporting the theory that employees are the ultimate recipients of HR policies.
(Heffernan & Dundon, 2012), and their perceptions can help to understand how these policies are sent through to them and translated as initially intended. The current research contributes to the concept of “HRM strength” presented by Bowen and Ostroff (2004) by associating the communication (by managers) and translation (by employees) of HR policies with HRM strength’s features of consistency, distinctiveness, and consensus.

The management at Phone Link and My Phone had a clarity to their HR processes, and their employees equally understood those goals. When interviewed, employees responded with a clear understanding of their HR practices. Employees at Phone Link confirmed that their managers treated them with care and valued their opinions. Employees mentioned that they were given opportunities to present their ideas, innovate, and contribute to organizational processes. Employees appeared well-informed of their HR’s goals and values that all employees were supposed to work together and be truthful. Employees seemed to be satisfied with their HR processes and showed a higher level of trust in their management. Such clarity and positive perceptions of employees indicate that Phone Link was successful in creating consistent HRM processes. The success and effective implementation of a HR system depends on employees’ perceptions (Piening et al., 2014), and at Phone Link, such successful implementation was achieved.

At My Phone, transparency in the HR processes and shared perceptions of intended and actual HRM practices were observed. Such agreement among managers and employees supports the presence of a consistent HPWS where management has successfully implemented its HR philosophy. Greater consistency in HR practices is an indication of strong HRM processes (Gilbert, De Winne, & Sels, 2015). Such consistency and effective implementation of HPWS practices enhances the effectiveness and productivity of HRM targets objectives (Hauff, Alewell, & Hansen, 2014. In the current research, a defined HRM philosophy helped managers at My Phone to set their HR goals and communicate their purpose of initiating HR
practices with clarity, which resulted in constructive interpretation by employees (Den Hartog et al., 2013). The intended purpose of HR practices was equally understood by a majority of employees interviewed. For example, managers believed that their T&D practices were an opportunity for employees to enhance their abilities and learn new skills, which could help them to refine their expertise and acquire career growth paths. When employees were asked to share their views on T&D practices, the shared perception was that these practices were growth opportunities.

While the majority of employees at My Phone agreed with the managers’ stance about T&D policies, a small minority of employees disagreed. HR managers may communicate policies to all employees equally; however, two employees might interpret the same HR policy differently (Guzzo & Noonan, 1994), or different levels of management might be sending “mixed signals” (Townsend et al. 2012). Therefore, managers need to send clear HR messages to ensure a shared understanding of their HR structures. When employees’ perceptions of HR policies match management’s perceptions, constructive outcomes at the organizational, team, and individual levels are more likely (Nishii & Wright, 2007).

A good shared and mutual understanding among managers and their employees was observed at Phone link and to some extent at My Phone as well; however, ambiguity and disagreement were observed among employees at Tel Pak. In contrast to their management, employees were confused as to the real purpose behind certain HR policies. Employees reported information sharing as controlled and targeted, with less guidance from their HR managers. Although employees acknowledged the implementation of HPWS HR policies in their organization, they were not satisfied with their managements’ intention and the utility of these policies. Overall, due to the lack of strong philosophical foundations, management at Tel Pak was unable to disseminate the intended purpose of their HR structures. Such a weak HR system also left employees struggling to find meaning in HR policies because HR systems are
only productive and functional when they are designed with guidelines and a purpose (Van De Voorde & Beijer, 2015). In comparison to the other two organizations, employees at Tel Pak struggled to understand the organizational processes due to the lack of philosophical foundations. Hence, despite great consideration of the formulation of HR policies and practices, organizations may fail to develop and embed a clear HRM philosophy in the HR system (Monks et al., 2013), ultimately resulting in employees being unable to extract productive and practical meaning for themselves. These findings have implications for organizations that strive to adopt strategic HRM because a coherent HRM philosophy can assist management in devising and planning their strategies contingent on their unique business models.

In summary, the findings from qualitative Study 1 relate to the importance of HRM philosophy for productive and successful HRM orientation. Organizations with well-founded philosophies enjoy strategic directions that can create strong HRM systems contingent on their organizational contexts. Management with philosophical values are more likely to devise and follow their HR policies. However, for these policies to be realized into worthwhile outcomes, they should be shared among all organizational levels. HR structures with a well-established HRM philosophy indicate management’s clarity about the purpose of their HR initiatives. Such transparency can further assist managers, directing their employees in the same direction through clear, stable, and consistent HRM messages, which is an indication of a strong HRM (Ostroff & Bowen, 2004). The purpose of Study 1 was to ascertain management’s HRM approaches and the significance of HRM philosophy in formulating these approaches to adopt a HPWS.
Figure 7.1: Findings from Qualitative Study
Figure 7.1 illustrates an overview of the findings from qualitative Study 1. It presents the association between the organizational goals or values with the HRM philosophy, which is ultimately shown as related to further HRM processes and employee perception. The discussion from this section also suggests that strategic links between HRM philosophy and implementation of HPWS practices influence employee perceptions of their HRM processes and assist in building shared and strong HRM models. Figure 7.1 illustrates the findings for each case organization. Study 2, a quantitative analysis, investigated the impact of adopting HPWSs in these organizations. The next section provides a discussion on the empirical analysis conducted in Study.

7.3 RESEARCH QUESTION 2: HPWS BLACK-BOX: THE EMPIRICAL ANALYSIS

Study 2 of this research tested the impact of HPWS on emotional exhaustion as an indicator of employee wellbeing, in-role (customer service), and extra-role (OCB) outcomes. A moderated mediation model was used to investigate the process in detail by exploring the “why,” “when”, and “how” of the HPWS black-box. Figure 7.2 presents the standardized coefficients for hypothesized model. Accepted and rejected hypotheses are listed in Table 7.1. For HPWS, responses were obtained from both managers and their employees to avoid possible variations in managers and employees’ perspectives. Findings from ANOVA t-test showed that there was no significant difference between both groups’ perceptions, which adds to the reliability of the impact of HPWS on this research.

The statistical model investigated the mediating role of employees’ awareness of and satisfaction with the HR system in the direct links between HPWS and employee wellbeing, OCB, and customer service. The results of the regression analysis demonstrate that employees’ awareness of the HR system significantly mediated the relationship between HPWS and the three outcome variables. A HPWS was found to reduce emotional exhaustion among employees significantly. HPWS practices, without any moderators and mediators, reduced
emotional exhaustion among employees by 3%, enhanced OCB by 6%, and improved employees’ customer service by 51%. The significant decrease in emotional exhaustion due to the HPWS supports the findings of previous studies suggesting the positive utility of HPWSs and contradicts research where HPWSs produced positive effects on emotional exhaustion. For instance, in Conway et al.’s (2016) study, HPWS practice of performance management significantly increased emotional exhaustion by 6%. The findings of this research suggest that a HPWS improves employees’ wellbeing at work or at least reduces the negative effect on their wellbeing.

As predicted, this research also supports the role of employees’ knowledge and awareness of HR processes as an important mediating variable linking HPWS with outcome variables. When tested for the effect of HPWS to reduce emotional exhaustion, awareness of the HR system decreased emotional exhaustion, with an effect size of -.256 (significant). This suggests that when employees perceived managerial support through HR policies, perceptions of their status of wellbeing at work improved by 26%. Employee awareness is measured as employees’ adequate understanding of HPWS policies and practices. Previously, Conway, Fu, Monks, Alfes, & Bailey, 2016. (2016) measured employee voice as a predictor and moderator for emotional exhaustion by asking questions such as “My organization makes staff aware of future plans that may affect people or their jobs”, and “I have a good deal of information about what is happening in different parts of my organization” (p. 908). In Conway’s (2016) study, the effect size of employee voice to reduce emotional exhaustion was 46%, which is 20% higher than this research.

HPWS practices have been found to significantly increase OCBs perceptions among employees; however, the cases are not always the same. There have been studies where HPWS was not found to significantly contribute to OCB, for instance, Wei et al. (2010) found no association between HPWS and OCB. The current research tested a model with the effect of
HPWS on OCB through certain interconnecting variables and one was employees’ awareness of the organizational process and satisfaction with these processes. In simple direct analysis, HPWS enhanced OCB by 6% only, which was further enhanced to 15% and 38% when treated with the conditional effects of employees’ HPWS awareness and satisfaction, respectively. In another study conducted by Riaz (2016), HPWS in Pakistani organizations was found to be associated to OCB, with a 26% increase. Thus, findings of this research are consistent with the previous research on Pakistani organizations.
Figure 7.2. Regression Coefficients for the Hypothesized Paths of the Study
Table 7.1: List of Accepted and Rejected Hypotheses of the Study

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Status</th>
</tr>
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<tbody>
<tr>
<td><strong>H1(a)</strong> HPWS practices are significantly associated with employees’ emotional exhaustion.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H1(b)</strong> HPWS practices are significantly associated with OCB.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H1(c)</strong> HPWS practices are significantly associated with customer service.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H2(a)</strong> Employees’ HPWS awareness significantly mediates the relationship between HPWS practices and OCB.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H2(b)</strong> Employees’ HPWS awareness significantly mediates the relationship between HPWS practices and OCB.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H2(c)</strong> Employees’ HPWS awareness significantly mediates the relationship between HPWS practices and customer service.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H3(a)</strong> Employees’ HPWS satisfaction significantly mediates the relationship between HPWS practices and employees’ emotional exhaustion.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H3(b)</strong> Employees’ HPWS satisfaction significantly mediates the relationship between HPWS practices and OCB.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H3(c)</strong> Employees’ HPWS satisfaction significantly mediates the relationship between HPWS practices and customer service.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H4(a)</strong> HRM system strength moderates the relationship between HPWS practices and the mediator employees’ HPWS awareness.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H4(b)</strong> HRM system strength moderates the relationship between HPWS practices and the mediator employees’ HPWS satisfaction.</td>
<td>Rejected</td>
</tr>
<tr>
<td><strong>H5 (a)</strong> The mediation of employees’ HPWS awareness between HPWS practices and employees’ emotional exhaustion is further moderated by employees’ HPWS attribution.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H5(b)</strong> The mediation of employees’ HPWS awareness between HPWS practices and OCB is further moderated by employees’ HPWS attribution.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H5(c)</strong> The mediation of employees’ HPWS awareness between HPWS practices and customer service is further moderated by employees’ HPWS attribution.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H6(a)</strong> The mediation of employees’ HPWS satisfaction between HPWS practices and employees’ emotional exhaustion is further moderated by employees’ HPWS attribution.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H6(b)</strong> The mediation of employees’ HPWS satisfaction between HPWS practices and OCB is further moderated by employees’ HPWS attribution.</td>
<td>Accepted</td>
</tr>
<tr>
<td><strong>H6(c)</strong> The mediation of employees’ HPWS satisfaction between HPWS practices and customer service is further moderated by employees’ HPWS attribution.</td>
<td>Accepted</td>
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</tbody>
</table>
The findings of this research support that workplaces with supportive networks and consideration towards their employees are more likely to promote employee wellbeing (Canadian Centre for Management, 2002). Furthermore, this research shows that employees need to receive communication about the HR policies and practices that support them in the workplace. In other words, it is suggested that knowledge of the presence and integrity of HPWS practices assists employees to establish strong employment relationships, because such relationships require a shared mental model of HR processes (Evans & Davis, 2009). In this research, employees’ wellbeing was studied as “reduced experience of emotional exhaustion and increased positive experiences” of employees at work (Oppenauer & Van De Voorde, 2018). For instance, this research found that HR practices such as teamwork and participation were negatively associated with emotional exhaustion. This association further improved when employees perceived that these practices did not increase their workload or job responsibilities but provided them with a platform to learn and share their ideas. Previous research has suggested that challenging work through participation and teamwork triggers positive emotions and excitement among employees to learn and achieve their work goals (Van den Broeck, 2010); however, the current research emphasizes the communication of HR practices as constructive and productive for employees. Guest (2017) proposed a model illustrating a relationship between HRM and wellbeing through emotional exhaustion; hence, this research also proposed another perspective of HPWS to wellbeing relationship through communication as a contribution to theory.

Not only wellbeing, but employees’ involvement in OCB and customer service are also improved when managers successfully communicate their employee friendly HR initiatives to the workforce. It was found that employees tended to show supportive behaviors when they observed that their managers were supportive and reduced a “them versus us” distinction by equally involving them in the organizational processes (Peccie
& Rosenthal, 2001). By communicating with employees and taking their feedback to make HR decisions, managers involve employees in the organizational processes. Having such involvement and participatory roles in the life of their organization triggers a behavioral improvement in employees, regarded as OCB (Deery et al., 2016). Similarly, the findings suggest that when managers’ positive attitudes were observable to employees, they were more likely to reciprocate by giving better performance, such as improved customer services (Gil et al., 2015). In the package of HPWS with a supportive work environment and effective communication channels, employees are more likely to imitate customer-oriented behaviors (Bell & Menguc, 2002).

The importance of these results means that presence of HR practices does not make a difference to employees until and unless consistent implementation and communication of these practices is ensured to increase employees’ awareness of their HR system (Heffernan & Dundon, 2016). This research provides evidence about the importance of increasing employees’ awareness of HR processes and also investigated how employee awareness can be increased in the workplace. A climate of HRM strength and employees’ attribution of the HR system were investigated as moderating variables to further support the role of employee awareness.

This research also studied a contribution of HRM strength to improve employee attitudes, with HRM strength investigated as a moderator to enhance the effect of HPWS on employee outcomes by increasing employees’ knowledge and satisfaction with HR systems. Figure 7.2 illustrates that HRM strength enhanced employees’ awareness of HR system, as a result of HPWS implementation by 45%. In this research, the climate of HRM strength is referred to as a distinct, consistent, and consensual provision of HR practices. The current findings suggest that employees’ awareness of their HR systems was enhanced when managers believed that their HR practices were clear, visible, and equally understandable to them as well as their employees (Ostroff & Bowen, 2005).
Probing into the moderation effect by the climate of HRM strength indicated that when managers projected HR practices as being supportive towards employees and they communicated thoroughly among all employees, they increased employees’ awareness of their strong HR policies. In situations where there was a low or weak climate of HRM strength, managers were putting less effort into transparency in their HR processes, and employee awareness was low. In contrast, with a strong or high climate of HRM strength, employees indicated higher levels of awareness with HR policies, which ultimately positively improved the outcome variables.

The findings reveal that mediation by employees’ awareness of the HR system also depends on the conditional effects of employees’ attribution of the HR system. In other words, the impact of employees’ awareness of HR practices on outcome variable increases when they also attribute these HR practices positively. Attribution theory in HR explains the events specific to the HR functional domain in an organization (Hewett, Shantz, Mundy, & Alfes, 2018). HR attributions were added into the model because employees might agree with a strong presence of HRM practices in their organization, but might disagree with their purpose (Nishii et al., 2008). This research studied attribution as employees’ agreement with the positive purpose of HR practices and found that when employees rated their HRM systems positively, this ultimately enhanced the overall effect on outcome variables. Employee awareness of HR systems decreased emotional exhaustion among employees by 62% when moderated by HR attributions. Previously, Zhang et al. (2013) found no significant impact of HPWS for emotional exhaustion; however, when tested through employees’ perceptions and rating of exchange relationships, HPWS influenced emotional exhaustion by 15%. Zhang at el. (2013) also found that employee perceptions can reduce emotional exhaustion by 39%. Considering this effect size, the results of the current research are also comparable where employees’ reporting and attributions reduced emotional exhaustion by 62%. Van De Voorde and
Beijer (2015) also found an effect size of 13% of HR attributions to reduce job strain as an indicator of employee wellbeing. Thus, the findings of this research are considered competitive in terms of the effect sizes. Employees’ awareness of HR practices combined with positive attributions of their HR system also enhanced OCB by 65% and customer service by 86% (Figure 7.2). The effect size on customer service through indirect links from HPWS were also compatible with existing studies. S. Lee, Lee, and Kang (2012) found that HPWS increased service quality by employees up to 67%. In the current research, HPWS increased customer service of employees by 51% without any mediation and moderation. Through moderation by HRM strength and HR attributions, customer service was also enhanced by 35% and 60% respectively. Thus, these findings suggest HRM strength and HR attributions as important moderators to enhance employees’ service performance through HPWS practices.

The other half of the statistical model investigated the role of employees’ satisfaction with the HRM system in the relationship between HPWS outcome variables. Based on the previous literature on employees’ knowledge and attribution of HPWS practices, a possibility might arise where employees are aware of their HR practices and understand the “why” of HR practices (Nishii et al., 2007), but they may not be satisfied with these HR practices. For example, some employees might believe that safety HR policies exist in their organization but may also believe that they are for their wellbeing and support, while others may think that they are to reduce the cost of any possible job accidents (Nishii et al., 2008).

The findings for the mediating role of employee satisfaction with the HRM system showed significant impacts on the outcome variables. The current research supports that the presence of HR practices is important, but employee satisfaction with those HR practices is also an important determinant for the impact of HPWS on employee wellbeing, OCB, and customer service. The findings from Figure 7.2 also revealed that a
1% change in employees’ satisfaction with the HR system increased the impact of HPWS practices on wellbeing by 39%, OCB by 38%, and customer service by 52%. For the current research, employees’ satisfaction with their HR system was defined as “positive emotional experience and employees’ reaction resulting from HPWS policies and practices” (Zhang et al., 2014). The success of HR policy implementation in an organization can be determined through employees’ satisfaction with HR policies that they experience (Bos-Nehles et al., 2013). This research supports the notion of HRM satisfaction by investigating the impact of HPWS on employees’ outcomes increased with employees’ positive perceptions for their satisfaction with their HR policies.

The climate of HRM strength and employees’ attribution of the HR system were also investigated as moderators for the mediating role of employees’ satisfaction with the HR system. Overall, the statistical model of the research was significant and valid; however, the role of the climate of HRM strength appeared to be insignificant for HR satisfaction. The current findings show that HR satisfaction reduced emotional exhaustion and enhanced OCB and customer service; however, mediation by HR satisfaction did not depend on HRM strength. Consistency, distinctiveness, and consensus features of HR practices do not produce any significant impact on employees’ satisfaction with HR practices. Employee satisfaction alone can have an impact on employees’ attitudes, such as customer satisfaction as a result of progressive HR policies (Koys, 2001). In this study, employees’ satisfaction with the HPWS practices is measured “as a mediator helps to restore employee perceptions to the heart of HPWS-performance research” (Zhang et al., 2014, p. 431).

The insignificant effect of HRM strength to enhance satisfaction and moderate the total effects of HPWS on outcome variables shows that in these Pakistani organizations, HRM strength had a weak contribution on enhancing employee satisfaction. The insignificance of HRM strength for employees’ HPWS satisfaction is found but it does
not mean that it is not important as it has significant influence on other HR aspects of this study. HRM strength is associated with consistent, distinct, and consensual delivery of HRM practices where the purpose of HRM practices is conveyed to all the organizational levels. It can be implied that employees are communicated with the HRM policies, but they are not satisfied with the actual happening in their organizations. As, it is observed in the interviews that a few employees in My Phone and Tel Pak admitted the HPWS presence, but they were not very convinced with the utility of those HPWS practices. For instance, at Tel Pak, employees mentioned that they have extensive training programs but also believed that these programs are not designed according to what employees exactly need. Employees expected their managers to focus on the ‘quality’ of trainings instead of ‘quantity’ of trainings. Moreover, other factors could contribute more significantly to employee satisfaction. For example, employees rate their satisfaction on other aspects such as rewards, job security, salary structures, and pensions which can enhance employee satisfaction with their work and organizations (Manzoor, 2012). These factors can be studied in future research as mentioned in the future research directions. It was expected that clarity and communication of HRM messages would enhance employee satisfaction for further outcomes, but HRM satisfaction did not depend on the HRM strength and produced a good impact on outcomes through mediation and moderation with HR attributions. This indicates that there might be other factors working more significantly to enhance employee satisfaction than HRM strength, because “employee satisfaction is typically viewed as a multi-factorial construct, assuming that some satisfaction factors are more important than others” (Matzler & Renzl, 2007, p. 1093). Exploring the factors that contribute to employees’ satisfaction with HRM processes could be seen as a limitation and future research suggestion, as it did not fit within the scope of this study.
However, the mediating role of satisfaction with the HR system was found to be further enhanced through employees’ attribution to the HR system. It was observed that when employees were satisfied with HPWS HR practices, they rated these practices positively. Employees’ attribution to HR system positively moderated the mediation of HR satisfaction for wellbeing, OCB, and customer service by significant coefficient values of .86, 0.45, and .35, respectively. The findings suggest that the more positively employees attributed their HR system, the higher the impact of HR satisfaction on the indirect effects between HPWS and outcome variables. The exploration of the HPWS black-box through employee satisfaction found that HPWS leads to HPWS satisfaction in employees, which ultimately results in positive employee attitudes (Zhang et al., 2014). However, this research also found that this relationship becomes stronger when employees attribute HR practices with the same positive attitude.

7.4 CHAPTER SUMMARY

This chapter presented a detailed discussion of the findings of both the qualitative and quantitative analyses. For qualitative Study 1, discussion from the interview suggested the important role of HRM philosophy to formulate and implement HPWS practices. Managers in two of the three organizations, with well-defined strategic HRM philosophies, were more successful at creating a shared mental model of their HR structure with their employees. As a result, the actual implementation of HPWS practices was found to be strategically linked with HRM philosophies and a majority of employees reported their HR systems were strong and clear. Although the third organization, which lacked a HRM philosophy, was identified as having a HPWS, its managers were less successful at creating a strong HRM, strategically linking their practices with a philosophy, and communicating a share perception of their HR processes in their organization. Hence, contributing to the significance of HRM philosophy for HPWS implementation.
Discussion on the second research question revealed that employees had a good contribution of awareness of and satisfaction with the HR system and this was an important factor in a HPWS black-box. The findings support previous studies that advocated that the presence of HRM practices is not functional until and unless they are effectively communicated to employees, ultimately enhancing employees’ positive perceptions and satisfaction with these HRM practices. Moreover, in an attempt to unlock the black-box, this research also studied HRM strength and attribution as moderators in HPWS outcomes links and found a good contribution towards the theoretical developments of the research. However, the mediation of HR satisfaction did not depend on the effects of HRM strength. HRM strength worked to significantly enhance employees’ awareness; however, other factors may work more significantly than HRM strength to enhance employees’ satisfaction. The next chapter presents the contribution, limitations, and future research directions of this research.
Chapter 8

Conclusion

8.1 INTRODUCTION

The previous chapters presented a detailed discussion of the findings of both the qualitative and quantitative analyses. This chapter acts as the conclusion of this thesis, summarizing the research objectives and findings, contributions, limitations of this research, and providing future research suggestions for this avenue of HRM.

8.2 SUMMARY OF THE RESEARCH OBJECTIVES AND FINDINGS

The first research objective was to investigate the role of HRM philosophy as an important contributor to HPWS formulation and implementation. To understand HPWS adaption and implementation, 55 participants from three organizations were interviewed to identify their HRM philosophies and their role in HR decisions. As expected, HRM philosophy helped to identify different HRM and managerial approaches to HPWS and the implementation of HPWS practices in the sample organizations. The case organizations were found to have employee-centered HRM philosophies that motivated managers to formulate employees’ supportive HRM policies. HRM philosophies played a role in assisting managers to draw direct and concrete HRM goals, which further helped
them to initiative supportive HRM policies such as empowerment, participatory roles, and team work, feedback mechanisms, wellbeing, and information sharing. However, one of the sample organizations lacked a clearly articulated HRM philosophy, and managers attempted to adopt and implement HPWS practices following their organizational values to support employees. This research identified the significant role of HRM philosophy to structure and implement HPWS practices as HRM philosophy as the research aim, which has been noted as significant but under-researched in HRM studies (Kellner et al., 2016).

The second research objective was to explore the HPWS black-box and introduce employees’ awareness of and satisfaction with HR systems as important mediators of HPWS black-box. In this research, employees’ awareness of and satisfaction with HR systems were found to significantly reduce emotional exhaustion as an indicator of employee wellbeing. Moreover, these mediators also significantly increased employees’ positive perceptions of OCB and employees’ performance through customer service. In addition to the mediator variables, HRM strength and HR attributions actively moderated the indirect effects of HPWS on outcomes variables. Thus, this research has responded to the calls to investigate the inter-linking mechanisms to transform HPWS practices into measurable outcomes (Zhang et al., 2013).

Responding to the calls by Ostroff and Bowen (2016), another objective of this research was to investigate HRM strength in HPWS black-box. This research explored the HPWS black-box through a communication perspective where consistent and distinct HRM messages enhanced employees understanding of HRM processes; thus, enabling them to attribute better their HR practice, which further reduced their emotional exhaustion and enhanced other employee outcomes. This research successfully identified and integrated the role of HRM strength and HPWS practices.

Another objective of this research was to conduct HPWS research in a developing context such as Pakistan. Previous studies have primarily focused on the developed
context to study the impact of HPWS on outcomes. However, previous studies have called for the exploration of HPWS implementation in a developing context. This research revealed that Pakistani organizations, studied in this research, have invested to move away from traditional and controlled management styles and have incorporated HRM approaches calling for participatory and modern management, such as HPWSs. The findings of this research contrast with Hofstede’s (2010) earlier findings about Pakistani organizations as controlled, power distant, collectivist, and paternalistic. However, these organizations have adapted and implemented HPWS policies. More research is still required to fully investigate the transition from traditional to modern styles of management and motivational factors causing this transition in organizations in Pakistani or other developing contexts.

8.3 RESEARCH CONTRIBUTIONS

The current research focused on the significance of HRM philosophy to adopt and implement HPWS in organizations and empirically tested the impact of HPWS on employees’ outcomes through a detailed process of mediating and moderating mechanism as an attempt to unravel “why” and “how” mystery of the HPWS black-box. Based on the findings of this research, the contribution can be divided into two domains: theory and management practitioners.

8.3.1 Contribution to Theory

First, this research contributes to nascent research on HRM philosophy. The current research contributes to the understanding and role of HRM philosophy in HPWS in the Asian context through three case studies of telecommunication organizations in Pakistan. HRM philosophy is a phenomenon that has been noted as under-researched in the Western context (for example, Kellner et al., 2016), and this research is one of the first to study HRM philosophy in the Asian context. Drawing upon the significance of HRM philosophy for organizational processes and an important HRM component, this research
responds to the call for research on HRM philosophy. Previous literature presented HRM philosophy as an important component to understanding the managerial perceptions and understanding of HR goals (Hesselink, 2013). This research focused on the philosophical element of HR in the sample organizations and examined what was behind certain managerial approaches of HRM. These organizations were found to focus more on commitment-based management than controlled management; thus, managers tended to invest in employee supportive HPWS practice and policies. This contributes to the theory supporting the workability of HRM philosophy to understand the HR infrastructure of an organization.

This research expands understanding of HRM philosophy within the HR architecture of any organization and suggests its importance to smoothly formulate HR goals and translate them into actual HR practices. Moreover, this research also illustrates that a well-defined HRM philosophy assists managers to communicate a shared vision and understanding of their HR policies, which results into a mental model where both managers and employees share the same purpose of their HR structures without any ambiguity. Thus, this research contributes to the theory proposing HRM philosophy as a guide for HRM system development and to reinforce policies, practices, and processes (Kellner et al., 2016). This research found that having a well-founded HRM philosophy enables managers to identify their HR goals and integrate them with the overall business strategy; thus, achieving an external and internal strategic fit as a key characteristic of a high-performing organization.

The highly cited seminal article by Bowen and Ostroff (2004) called for research on HRM strength and this motivated the current research, which integrated the HRM strength concept with HRM philosophy. For HRM policies to result in positive and productive outcomes, they should be shared among all organizational levels. HR structures with a well-established HRM philosophy indicate management’s clarity about
the purpose of their HR initiatives. Such clarity can further assist managers in directing their employees through clear, stable, and consistent HRM messages, which is an indication of a strong HRM (Bowen & Ostroff, 2004).

Boxall and Huo (2019) suggested that HRM and HPWS differ throughout various international contexts. Research on Pakistani organizations is nascent and primarily limited to Western literature. The third contribution of this research is contextual, where three case organizations from Pakistan were chosen to explore the HPWS patterns. Pakistani organizations are regarded as “collectivist” with “high-power distance” on the cultural dimensions scale by Hofstede (1980) and have centralized and directive management styles (S. Nadeem & Leque, 2018). Such management styles hinder the adoption of modernized and participative HPWSs (Ahmad & Allen, 2015), yet despite this, recent evidence demonstrates a willingness to adopt sophisticated HPWS practices in Pakistan (S. Nadeem & Leque, 2018). The current research found that management in the three sample organizations were seeking higher levels of organizational and individual performance, for example, to increase market share. What differed between the organizations was the means through which they set about achieving those goals based on the HR philosophy in place. To develop a high-performance HRM structure, sophisticated HR policies must be established, such as training integrated with employee development programs, effective information sharing, and performance appraisals linked with employees’ innovative work attitudes. The findings suggest the notable success of the sample organizations to develop and implement HPWS structures in Pakistan’s telecommunication sector.

This research also contributes to the HRM theory in developing countries. To understand the transition in management styles of Pakistani organizations, his research demonstrates that some organizations in Pakistan have transformed into modern HRM structures characterized as highly interactive and participative. Such evidence for collaborative
management styles challenges the cultural dimensions findings for Pakistan made over 40 years ago by Hofstede (1980). The results from two out of three case organizations examined in this research support that some organizations do not reflect the old management styles of Pakistan, such as evidenced by Phone Link and Tel Pak, which had more modern and participatory management styles in the current research. This investigation is an important contribution to HRM research that focuses on the “HRM processes” aspect of the HRM by indicating the factors that make the HR system work effectively (Sanders et al., 2008). HRM process approach suggests that when managerial intended HRM practices are implemented in the organizational setting, they result into certain employees’ perceptions and reactions which are further linked to the outcomes (Wright & Nishii, 2007). The thesis has contributed to HRM process theory by identifying the; (a) influence of managerial HRM philosophy for HPWS practices (intended HRM practices), impact of HPWS on outcome variables (actual implemented HRM), role of employees’ HPWS awareness and satisfaction to enhance the impact of HPWS (employees’ perceptions), conditional effects of employees’ HPWS attribution on HPWS process (employees’ reaction), and status of employees’ emotional exhaustion, OCB, and customer service (performance outcomes).

This research contributes to the significance of a contingency perspective for HRM. This contribution is made through identification of why some organizations can incorporate a progressive HRM culture when other organizations in the same context have failed to progress their HR structures. Organizational context matters, and the contingency approach helps organizations to devise a structure that best suits them (A. Glaister et al., 2018), while a HRM philosophy provides a clear direction to align the HR practices with the organizational context strategically (Schuler, 1992). A HPWS is therefore suggested to exist when there is a strategic link between the organization’s overall goals, HRM policies supported by a well-defined HRM philosophy, and HR
practices to implement these policies (Boxall & Macky, 2009; Lepak et al., 2007). On the other hand, this research also contributes to the importance of HRM philosophy to create uniform HR structures where all organizational members equally share the same perceptions and meanings of their HR. When senior management develops and promotes a philosophy that influences their HR decisions, a strong system can evolve to guide HRM processes at each level of the organization with limited hindrance.

The findings of this research also contribute to HPWS literature through a focus on HR processes through employees’ awareness of and satisfaction with HRM. Employees’ awareness of and satisfaction with the HR system were empirically tested and introduced as important mediating mechanisms that can increase the effect of HR practices in an organizational setting. Only a few researchers, such as Salanova et al. (2005), Neves and Eisenberger (2012), and Zhang et al. (2014) have studied employees' awareness of and satisfaction with the HR system; however, the current research empirically placed these constructs within a HRM framework in an organizational setting and proved their significance. The findings contribute to the mainstream HPWS literature and presents that HPWS’s negative experiences, such as emotional exhaustion among employees, can be reduced when employees are aware of the managerial efforts for them and are satisfied with how these efforts benefit them. The dark side and black-box of HPWS have criticized HPWS practices to negatively impact employees’ outcomes, however, the current findings suggest that the presence of HPWS alone cannot do much until, these practices are effectively communicated to employees, managers’ intentions are communicated, and they are happy about these intentions.

Employees’ attribution is another important concept in HRM. Hewett et al. (2018) conducted a meta-review analysis on HRM attribution in HRM literature and proposed that a lot has yet to be explored in HR related issued through HR attribution and called for future research. This research responded to this research suggestion and investigated
the role of HR attribution as a moderator in the HR process. The current thesis contributes to the literature on HR attributions by finding that employees' meanings and perceptions are important for a HPWS success. When employees perceive that their managers are investing in their wellbeing and implement HPWS practices which are to enhance employees’ development instead of increasing workload, they are more likely rate these practices positively. Moreover, these positive attributions benefit (a) employees by reducing their negative experiences at work and (b) organizations by enhancing employees’ OCB and customer service. Thus, creating a win-win situation for both managers and employees. The final contribution of this research is the integration of the concept of HR attribution with HRM system strength, which is another possible explanation of HPWS black-box.

8.3.2 Contribution to Management/Practice

The findings of this research have implications for organizations that strive to adopt strategic HRM because a coherent HRM philosophy can assist management in devising and planning their strategies contingent on their unique business models. Organizations looking to build positive and supportive relationships with their workforce can utilize a more transparent and open policy model where employees can share the same mental model and the purpose of their HR structures. Employee-oriented HR policies are worth investing in if they generate shared perceptions in employees’ minds, as intended. Otherwise, creating HR policies without effective dissemination to employees may prove to have limited value. Thus, revamping HR policies focusing not only on the content, but also HR processes will support organizational goals as well as employee outcomes (Cafferkey et al., 2018).

This research argues that HRM philosophy has an important role in shaping an organization’s HR system, which can further be translated into purposeful meanings through HR practices. This philosophy has implications for creating a shared perception
of HRM systems among managers and employees that ultimately creates a successful HR structure (Kepes & Delery, 2006). Management can design clear HR goals and communicate them with their employees, based on the concept of HRM strength, if they strive to build transparent HRM processes. HRM philosophy can help managers to craft a well-developed HR purpose and HRM strength can assist to deliver this purpose to the employees. Formulating and implementing employee-centred HRM philosophy can help managers in the following ways: (a) concrete philosophical foundations can assist managers to keep track its HR goals and (b) managers can gain employees’ trust by involving them in organizational processes. These findings also have implications for Pakistani organizations, specifically. As established in the introduction and literature section that organizations in Pakistan face divergent and convergent forces where they have to follow the national cultural norms as well as implement modern HPWS practices. A contingent HRM philosophy can assist managers to adopt HPWS practices by linking their HR goals with organizational values and national norms.

8.4 LIMITATIONS OF THE THESIS

In addition to the strengths of this research presented in the previous contribution section, this research also has limitations that must be acknowledged. First, this research was constrained to only one sector, the telecom industry. Organizations working in the telecommunication sector may have different HRM approaches than those working in, for example, the manufacturing or health care sectors. Considering that different workplaces, markets, or regional contexts may have different HRM patterns, this could limit the generalizability of the results.

A second limitation is the cross-sectional nature of the research, which may limit the generalizability and reliability of the research. As HRM is an ongoing process in organizations and cannot be limited to a certain time frame, longitudinal research is considered more reliable in HRM research. However, Spector, Chen, and O’Connel
(2000) suggested that cross-sectional study results can be justified if they follow pre-existing theoretical patterns, which was done in this research.

A third limitation refers to the responses collected for HRM strength from HR managers. HR managers were asked to indicate their views on HRM strength, which was based on the communication of HR practices through FLMs. This might pose a common method bias issue for the current research. Acquiring FLMs’ actual responses to create the HR system strength may have produced more valid results with which to make interpretations. Also, for customer service, this depended variable is based on the managerial perceptions about their employees’ customer performance rather than externally validated responses.

The final limitation is the use of convenience sampling. In Study 2, questionnaires were distributed to HR managers and their employees who were available to complete the forms. Although respondents covered a vast majority of departments across the three organizations, equal representation of employees from all departments was not ensured.

8.5 FUTURE RESEARCH DIRECTIONS

Future research could be performed to further explore the value of HRM philosophy as an HRM component, to understand the motivation behind adopting certain HRM philosophies, as well as to collect empirical evidence from other developing country contexts and multiple industries.

The awareness and satisfaction of employees with their HR systems has implications for further research. This research calls for more research on employee awareness. Previous studies have been conducted on employees’ knowledge in terms of their knowledge of their job goals and responsibilities. Research could be conducted by focusing on employees’ knowledge of HR policies and the purpose of implementation as a result of managerial communication. Employees’ satisfaction was also studied as a
mediator in this research, and future research could be performed to identify the antecedents and other outcomes of ensuring HR satisfaction in organizational settings.

The current research studied the formulation of HRM philosophy and adoption of HPWS practices as a “strategic choice” of management in Asian organizations. Further research could explore the organizational factors that influence HRM. These factors could be derived from the political contingency perspective, which assumes managers use their power within the organization to make choices within a constrained range of options that are dictated by external pressures to some extent (F. Jiang, Zalan, Tse, & Shen, 2018). In this scenario, choices depend on factors entirely internal to the organization.

This research identified a transition from controlled and democratic style management to more participative management in Pakistani organizations. Further research is required to support the existing literature indicating that Pakistani organizations are showing patterns of moving towards more modern management models. The current research also contributes to modern HRM research from the developing countries’ context, which is worth exploring due to major changes in their HR processes.

Another area of future research can be an examination that why there is a little impact of Islamic management values on HRM styles in Pakistan considering the tension between national culture and HPWS principles but, on the parallel, similarities between Islamic management values and HPWS principles. Based on the convergent and divergent theory of HRM by Khilji (2004) a future research can explore how these tensions and similarities play out in Pakistani workplaces.

8.6 CONCLUSION

In summary, this research has fulfilled its research objectives and relates to the existing body of literature in following ways:
**HRM Philosophy:** The first major objective of this research was to examine and explore the role of HRM philosophy to understand HPWS implementation in organizations. This research found and confirmed the significance of a well-defined HRM philosophy to create coherent HRM processes at their formulation stage as well as for the delivery of these HRM processes throughout the organizations. This research also found that organizations with philosophical foundations were able to implement their HPWS more successfully compared to one organization that lacked the careful formulation of HRM philosophical goals and HR objectives. These findings correspond with the existing literature on HRM philosophies and the theories presented by Lepak and Snell (2002) and Monks, Kelly, Conway, and Flood (2013), who also highlighted the key role of HRM philosophy to conduct HRM operations.

**HPWS black-box:** The second major objective of this research was to investigate the HPWS black-box through an element of employee perception and experiences for the successful implementation of HPWS. Following this objective, this research contributes and extends the literature presented by Kepes and Delery (2007) and P. Wright and Nishii (2007). The findings confirm that employees’ understanding of the purpose for implementing HPWS policies is crucial. By communicating comprehensible HRM messages to employees, managers allow employees to understand the purpose of these HRM policies and share the same HR vision, which is valuable for smooth organizational functioning. Employee awareness and satisfaction with HPWS policies were confirmed to enhance HPWS’s positive impact on employee OCB and customer service, also reducing negative experiences at work.

**HRM Strength:** Bowen and Ostroff’s (2004) landmark study proposed the usefulness of sending consistent, distinct, and consensual HRM messages (known as HRM strength) to employees as a part of successful HRM system implementation. As a third important research objective, this research utilized the same concept of HRM
strength and integrated it with HPWSs. The findings correlate with the suggestions made by Bowen and Ostroff (2004) and confirm that HRM strength enhances the effect of HPWSs on employees’ attitudes, which further contributes to enhancing organizational benefits through employees’ OCB, employee customer services, and reducing employees’ emotional exhaustion, thereby increasing their wellbeing at work. These findings contribute to the HRM strength theory proposed by Bowen and Ostroff (2004).

**Asian Context:** Another important objective of this research was to understand HPWS adoption and implementation patterns in organizations from a developing context, following the suggestion of Boxall and Huo (2019) that HPWS implementation might differ among different international contexts. The findings suggest that despite strong national culture values, such as power distance, collectivism, and directive management styles, these organizations are moving towards more collaborative and participative HPWSs. The managerial motivation behind implementing HPWS policies is based on the employee-oriented HRM approaches that encourage managers to implement employee supportive HPWS practices and involve them in the HRM processes as much as possible. However, the differences in the successful implementation of HPWSs varied among the case organizations, leading to the conclusion that Pakistani organizations are working with the principles of HPWSs, but somehow lack philosophical foundations, as well as ability, to disentangle from organizational values such as directive management, controlled flow of information, power distance, and collectivism. These conclusions relate to the findings of Khilji (2002) that Pakistani organizations are adopting HPWS practices, but face divergent and convergent forces simultaneously, which is a challenge for Pakistani or Asian organizations.

Further research could be undertaken to investigate these transition patterns in management styles and the approaches adopted by these organizations to cope with these challenges.


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Appendix A: Research Ethics Clearance Approval

Full Research Ethics Clearance 2017/157

Dear AProf Peter Woods,

I write to confirm that the ethics reviewers have addressed the comments and concerns of the HREC. The ethics reviewers resolved to grant your application a clearance status of "Fully Approved". Consequently, you are authorised to immediately commence this research on this basis.

Regards,

Kim Madison | Human Research Ethics

Office for Research
Griffith University, Nathan | QLD 4111 | Level 0, Bray Centre (N04)
T +61 7 373 56045 | email:k.madison@griffith.edu.au
Appendix B: Participants’ Information Sheet (For Interviews)

Integration of High-Performance Work System with HRM Strength: Investigating How Frontline Managers Communicate Strong HRM Practices to Employees and Measuring the Effects

Information Sheet (For Interviews)

Researcher Team:
Associate Professor Peter Woods, Professor Keith Townsend, Miss Safa Riaz
Department of International Business and Asian Studies, Griffith University, Australia.

Contact Information:

<table>
<thead>
<tr>
<th>Chief Investigators:</th>
<th>Student Researcher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associate Professor Peter Woods</td>
<td>Safa Riaz</td>
</tr>
<tr>
<td><a href="mailto:p.woods@griffith.edu.au">p.woods@griffith.edu.au</a></td>
<td>PhD Candidate</td>
</tr>
<tr>
<td>Professor Keith Townsend</td>
<td><a href="mailto:Safa.riaz@griffithuni.edu.au">Safa.riaz@griffithuni.edu.au</a></td>
</tr>
<tr>
<td><a href="mailto:k.townsend@griffith.edu.au">k.townsend@griffith.edu.au</a></td>
<td>(+61)48 737 8068</td>
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</table>

Purpose of the research
My goal in this study is to investigate the manager’s mind and HRM philosophy behind formulating the HR practices in an organization. Another goal is to look for how the HR practices in a High-Performance Work System (HPWS) integrated with the concept of HRM strength are communicated from the top management to the other levels of the organization. This study would also incorporate the role played by frontline management in disseminating the HR practices to the other employees on the levels hierarchically downwards in the organization, ultimately effecting the employees’ attitudes, in-role and extra-role performance indicators as well as employee wellbeing at work.

What participants will be asked to do?
The senior managers, middle HR managers, frontline management are the respondents who agree to participate will be asked to take part in face-to-face, semi-structured interviews with the researcher. It is anticipated that the interview will take approximately 20-30 minutes. The discussion will focus on the managerial intentions and the HRM philosophy behind formulating the HR practices in an HPWS. Focus would also be on the communication of HR practices through frontline management ensuring HRM strength. The interviews will be done to employees as well in order to examine their perspective regarding the awareness, satisfaction and the attribution to HR practices.

Consent Form
Respondents of the survey will be asked to sign a consent form indicating they agree to participate in this project. Participating or not participating in the research is completely voluntary; neither participation nor non-participation will carry any penalties or benefits. Participants will be free to withdraw from this research at any time.

The expected benefits of the research
This research will add to the body of literature on HPWS as well as it would theoretically and empirically respond to the calls for research in this domain. Employee effective performance is one of the major considerations for many organizations as it has a potential to improve an organization’s overall success. This research will provide managers with the insights that the provision of the high-performance work practices can foster productive results for them. This research would also emphasize on the role of frontline management in bridging the gap between top management and other employees. In addition, this study would bring the attention of policy makers to the formulation and implementation of the HR practices also effective to foster employee wellbeing.

**Risk to participants**
We do not anticipate any risks to participants as a result of their taking part in the interviews. The interviews do not deal with issues likely to cause personal distress.

**Participant confidentiality**
Recorded interviews and interview transcripts will be confidential and can only be accessed by the researchers. Participants will be assigned a code name and their identity will not be revealed.

**What will happen to the information interviewees provide?**
All paperwork and audio records collected will be kept in a locked filing cabinet in a secure location in the Griffith Business School. Data will be retained on the researcher’s personal computer for 5 years after final publication of associated research. The researcher has a password protected personal computer in a room that can be locked. Access to all material will be restricted to the researchers involved in the project. The results of the research may be used in academic publications and conferences by the researchers, and reports to organisations. No identifying details of the participants or their present or previous employers will be disclosed in any publications which result. Since the only reason for producing audio recording is analysing and coding, it will be erased after the process is finished.

**Privacy Statement**
The conduct of this research involves the collection, access and/or use of your personal information. However, the information collected is confidential, and will not be disclosed to third parties without your consent, except to meet government, legal or other regulatory authority requirements. A de-identified copy of this data may be used for other research purposes. Your anonymity will at all times be safeguarded. For further information consult the University’s Privacy Plan at http://www.griffith.edu.au/about-griffith/plans-publications/griffith-university-privacy-plan or telephone (07) 3735 5585.

**Further information or concerns**
If you would like further information about this research please, contact Associate Professor Peter Woods or Associate Professor Keith Townsend on the contact details provided above. Griffith University conducts research in accordance with the National Statement on Ethical Conduct in Research Involving Humans. If you have any concerns or complaints about how this research is or has been conducted, you can contact the Manager, Research Ethics, Griffith University Human Research Ethics Committee on +61 3735 4375 or research-ethics@griffith.edu.au

**Feedback**
Feedback to participants will be available via a report upon request please contact Safa Riaz (safa.riaz@griffith.edu.au). Feedback to the organization can be available through a presentation or discussion of findings. In addition, the researcher will present results of this research in academic publications and conferences.
Appendix C: Participants’ Consent Form (For Interviews)

Integration of High-Performance Work System with HRM Strength: Investigating How Frontline Managers Communicate Strong HRM Practices to Employees and Measuring the Effects

CONSENT FORM (For Interviews)

Researcher Team:
Associate Professor Peter Woods, Professor Keith Townsend, Miss Safa Riaz
Department of International Business and Asian Studies, Griffith University, Australia.

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By signing below, I confirm that I have read and understood the information package and in particular have noted that:

- I understand that my involvement in this research will include an individual, face-to-face and semi-structured interview with the researcher for 20-30 minutes.
- I have had any questions answered to my satisfaction;
- I understand that there will be no direct benefit to me from my participation in this research.
- I understand that my participation in this research is voluntary.
- I understand that if I have any additional questions, I can contact the research team.
- I understand that I am free to withdraw at any time, without explanation or penalty.
- I understand that I can contact the Manager, Research Ethics, at Griffith University Human Research Ethics Committee on 3735 4375 (or research-ethics@griffith.edu.au) if I have any concerns about the ethical conduct of the project; and

☐ I agree to participate in the project.
☐ I agree to be audio recorded during the interview and understand that this will be deleted after the transcription.

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<th>Name:</th>
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Appendix D: Full Interview Script

### Interview Questions for Senior Managers

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<th>Question</th>
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<tr>
<td>i) Can you explain the <strong>selection/hiring</strong> process being adopted in this organization? Aside from the qualification, what factors do you think are important?</td>
</tr>
<tr>
<td>ii) <strong>Training and development</strong> are becoming increasingly important concepts for the management function, can you describe the philosophy that drives training and development in this organization; and explain any training programs adopted for new and old employees in this organization?</td>
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<tr>
<td>iii) Can you describe some of the <strong>information sharing</strong> processes for informing the staff and general employees about the decisions or the changes in this organization? How do you ensure top-down and upward information sharing and communication among top management and employees at different levels of the organization? What are some examples when employees have made suggestions which have changed policies? If any employee has an issue with the organization’ management or the immediate managers, is there any employee voice mechanism where they can raise their issues, and they are heard as well?</td>
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<tr>
<td>iv) Step us through the <strong>performance management</strong> process for employees in this organization? What are the different key performance indicators (KPIs) that are looked at during performance management? Is there any role of frontline management in performance management process, if so, what is it?</td>
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<td>v) People obviously get paid to work, how is the <strong>pay level</strong> compared to similar organizations? Does your organization have system of <strong>non-financial rewards</strong>? What are they? How do they work? What is the philosophy behind this work?</td>
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<tr>
<td>vi) Tell me about what you think about employees’ wellbeing at work? Do you have any processes to deal with issues such as long working hours, supportive job routine to maintain a work-life balance, or organization’s support system to help employees when they are stressed?</td>
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<tr>
<td>vii) What is the management’s view about the <strong>team working</strong> in the organization? What do you think about the utility of team working as a technique to improve employees’ task efficiency and innovativeness? Is there any team working or brainstorming activities in this organization?</td>
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<tr>
<td>viii) I am interested in knowing about the level of confidence that this organization puts on the employees. In this regard, would you like to share how do you observe employees’ participation at different levels, for example, job design, decision making, empowerment, giving new ideas, the design of shifts and roster?</td>
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<tr>
<td>ix) In management, it is believed that HR practices root out from some HRM philosophy. While formulating and implementing HR practices, which HRM philosophy do you see amongst these? (a) Getting people involved (b) Getting a workforce which is highly committed to your organization (c) Establishing long-term relationships with employees, (d) Developing managerial procedures that extensively focus on the organizational and individual outcomes.</td>
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<tr>
<td>x) Research in management studies suggests that <strong>frontline management</strong> is crucial for the communication and success of a HRM system. What is your response to this? Do you think frontline managers can assist top management in the delivery of HR messages to employees? Do you think, the frontline management has this role in your organization?</td>
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### Interview Questions for HR Managers:

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<tr>
<td>i) What HR functions do you have in your role as HR manager? How does this organization ensure the enactment of HR policies in this organization?</td>
</tr>
<tr>
<td>ii) How did you invest most of your time in your HR role during past few months?</td>
</tr>
<tr>
<td>iii) Can you explain the <strong>selection/hiring</strong> process being adopted in this organization? Aside from the qualification, what factors do you think are important?</td>
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<td>v) Can you describe some of the <strong>information sharing</strong> processes for informing the staff and general employees about the decisions or the changes in this organization? How do you ensure top-down and upward information sharing and communication among top management and employees at different levels of the organization? What are some examples when employees have made suggestions which have changed policies? If any employee has an issue with the organization’ management or the immediate managers, is there any employee voice mechanism where they can raise their issues, and they are heard as well?</td>
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<td>vii) People obviously get paid to work, how is the <strong>pay level</strong> compared to similar organizations? Does your organization have system of <strong>non-financial rewards</strong>? What are they? How do they work? What is the philosophy behind this work?</td>
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<td>viii) Tell me about what you think about employees’ wellbeing at work? Do you have any processes to deal with issues such as long working hours, supportive job routine to maintain a work-life balance, or organization’s support system to help employees when they are stressed?</td>
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</tbody>
</table>


| i | What is the management’s view about the **team working** in the organization? What do you think about the utility of team working as a technique to improve employees’ task efficiency and innovativeness? Is there any team working or brainstorming activities in this organization? |
| ii | I am interested in knowing about the level of confidence that this organization puts on the employees. In this regard, would you like to share how do you observe employees’ participation at different levels, for example, job design, decision making, empowerment, giving new ideas, the design of shifts and roster? |
| iii | Research in management studies suggests that **frontline management** is crucial for the communication and success of a HRM system. What is your response to this? Do you think frontline managers can assist top management in the delivery of HR messages to employees? Do you think, the frontline management has this role in your organization? |
| iv | Do you think the HR practices can somehow affect the performance of employees? |
| v | In this organization, are employees directly communicated with the HR policies or the frontline managers are provided with updated information regarding the decisions or the changes in this organization? How do you ensure top-down and upward information sharing and communication among top management and employees at different levels of the organization? What are some examples when employees have made suggestions which have changed policies? If any employee has an issue with the organization’ management or the immediate managers, is there any employee voice mechanism where they can raise their issues, and they are heard as well? |
| vi | Step us through the **performance management** process for employees in this organization? What are the different key performance indicators (KPIs) that are looked at during performance management? Is there any role of frontline management in performance management process, if so, what is it? |
| vii | People obviously get paid to work, how is the **pay level** compared to similar organizations? Does your organization have system of non-financial rewards? What are they? How do they work? What is the philosophy behind this work? |
| viii | Tell me about what you think about employees’ wellbeing at work? Do you have any processes to deal with issues such as long working hours, supportive job routine to maintain a work-life balance, or organization’s support system to help employees when they are stressed? |
| ix | What is the management’s view about the **team working** in the organization? What do you think about the utility of team working as a technique to improve employees’ task efficiency and innovativeness? Is there any team working or brainstorming activities in this organization? |
| x | I am interested in knowing about the level of confidence that this organization puts on the employees. In this regard, would you like to share how do you observe employees’ participation at different levels, for example, job design, decision making, empowerment, giving new ideas, the design of shifts and roster? |
| xi | Research in management studies suggests that **frontline management** is crucial for the communication and success of a HRM system. What is your response to this? Do you think frontline managers can assist top management in the delivery of HR messages to employees? Do you think, the frontline management has this role in your organization? |
| xii | What HR functions do you have in your role as a middle manager? How this organization ensures the enactment of HR policies in this organization? |
| xiii | How did you invest most of your time in your middle manager role during past few months? |

**Interview Questions for Middle Managers:**

| i | Can you explain the **selection/hiring** process being adopted in this organization? Aside from the qualification, what factors do you think are important? |
| ii | **Training and development** are becoming increasingly important concepts for the management function, can you describe the philosophy that drives training and development in this organization; and explain any training programs adopted for new and old employees in this organization? |
| iii | Can you describe some of the **information sharing** processes for informing the staff and general employees about the decisions or the changes in this organization? How do you ensure top-down and upward information sharing and communication among top management and employees at different levels of the organization? What are some examples when employees have made suggestions which have changed policies? If any employee has an issue with the organization’ management or the immediate managers, is there any employee voice mechanism where they can raise their issues, and they are heard as well? |
| iv | Step us through the **performance management** process for employees in this organization? What are the different key performance indicators (KPIs) that are looked at during performance management? Is there any role of frontline management in performance management process, if so, what is it? |
| v | People obviously get paid to work, how is the **pay level** compared to similar organizations? Does your organization have system of non-financial rewards? What are they? How do they work? What is the philosophy behind this work? |
| vi | Tell me about what you think about employees’ wellbeing at work? Do you have any processes to deal with issues such as long working hours, supportive job routine to maintain a work-life balance, or organization’s support system to help employees when they are stressed? |
| vii | What is the management’s view about the **team working** in the organization? What do you think about the utility of team working as a technique to improve employees’ task efficiency and innovativeness? Is there any team working or brainstorming activities in this organization? |
| viii | I am interested in knowing about the level of confidence that this organization puts on the employees. In this regard, would you like to share how do you observe employees’ participation at different levels, for example, job design, decision making, empowerment, giving new ideas, the design of shifts and roster? |
| ix | Research in management studies suggests that **frontline management** is crucial for the communication and success of a HRM system. What is your response to this? Do you think frontline managers can assist top management in the delivery of HR messages to employees? Do you think, the frontline management has this role in your organization? |
| x | What HR functions do you have in your role as a middle manager? How this organization ensures the enactment of HR policies in this organization? |
| xi | How did you invest most of your time in your middle manager role during past few months? |

**Interview Questions for Frontline Managers:**

| i | In management research, frontline managers are considered as a bridge that connects the top management and other employees by communicating the managerial decisions and policies to the employees. What do you think about your role as a frontline manager? Are you provided with the capacity to make decisions about how you implement particular policies with your team? Can you share some examples? |
| ii | In this organization, are employees directly communicated with the HR policies or the frontline managers are playing the role of doing so? How do you inform the staff if there might be any HR policy change? |
| iii | Tell us about the processes through which frontline managers are provided with updated information regarding the decisions and policies initiated by the top management? Are there any seminars, workshop, regular meetings or written documents that are usually used to communicate the HR policies and decisions to the frontline managers in this organization? |
Appendix D: Full Interview Script

### Interview Questions for Employees:

1. **i) In HR system, multiple HR practices are adopted to manage the workforce. What do you think of the selection and hiring practices in this organization?**
2. **ii) Training and development are becoming increasingly important concepts for the management function, can you describe the philosophy that drives training and development in this organization; and explain any training programs adopted for new and old employees in this organization?**
3. **iii) Can you describe some of the information sharing processes for informing the staff and general employees about the decisions or the changes in your organization? How do you look at the employee voice system in your organization?**
4. **iv) Step us through the performance management process in this organization? What are the different key performance indicators (KPIs) that are looked at during performance management?**
5. **v) People obviously get paid to work, how is the pay level compared to similar organizations? Does your organization have system of non-financial rewards?**
6. **vi) Tell me about what you think about employees’ wellbeing at work? How does your management deal with the issues such as long working hours, supportive job routine to maintain a work-life balance of employees, or organization’s support system to help employees when you are stressed?**
7. **vii) Is there any team working or brainstorming activities in this organization?**
8. **viii) I am interested in knowing about the level of confidence that this organization puts on the employees. In this regard, would you like to share how do you observe employees’ participation at different levels, for example, job design, decision making, empowerment, giving new ideas, the design of shifts and roster?**
9. **ix) Research in management studies suggests that frontline management is crucial for the communication and success of a HRM system. What is your response to this? Do you think frontline managers can assist top management in the delivery of HR messages to employees? Do you think, the frontline management has this role in your organization?**
10. **x) For the effective functioning of a HR system in any organization, management researchers believe that HR practices and decisions made at the top managerial level should be communicated to organizational members other than top management. Do you agree with this statement?**
11. **xi) Management literature suggests that HR practices are the initiatives which are taken for employees and employees should be aware of what management is doing for them. What do you think about the practicality of this statement in your organization? Do you think you are aware of management initiatives taken for you?**
12. **xii) Do you think the HR practices that are employed in your organization are effective? Do you think that you are satisfied with the process of how HR practices are communicated and their utility for you as a receiver of those HR practices?**
13. **xiii) What do you think of your satisfaction with the overall HR system in your organization?**
14. **xiv) How do you attribute HR system of your organization? Positive/Effective or negative/ineffective?**
15. **xv) Do you think the HR practices can affect how well you perform at work?**
16. **xvi) Do you think HR practices improves your general life experience and status of wellbeing at work?**
Appendix E: Participants’ Consent Form (For Surveys)

Integration of High-Performance Work System with HRM Strength: Investigating How Frontline Managers Communicate Strong HRM Practices to Employees and Measuring the Effects

CONSENT FORM (For Questionnaire)

Researcher Team:
Associate Professor Peter Woods, Professor Keith Townsend, Miss Safa Riaz
Department of International Business and Asian Studies, Griffith University, Australia.

Contact Information:

<table>
<thead>
<tr>
<th>Chief Investigators:</th>
<th>Student Researcher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associate Professor Peter Woods</td>
<td>Safa Riaz</td>
</tr>
<tr>
<td><a href="mailto:p.woods@griffith.edu.au">p.woods@griffith.edu.au</a></td>
<td>PhD Candidate</td>
</tr>
<tr>
<td>Professor Keith Townsend</td>
<td><a href="mailto:Safa.riaz@griffithuni.edu.au">Safa.riaz@griffithuni.edu.au</a></td>
</tr>
<tr>
<td><a href="mailto:k.townsend@griffith.edu.au">k.townsend@griffith.edu.au</a></td>
<td>(+61)48 737 8068</td>
</tr>
</tbody>
</table>

By signing below, I confirm that I have read and understood the information package and in particular have noted that:

• I understand that my involvement in this research will include responding to the questions being asked in the questionnaire.
• I have had any questions answered to my satisfaction.
• I understand that there will be no direct benefit to me from my participation in this research.
• I understand that my participation in this research is voluntary.
• I understand that if I have any additional questions, I can contact the research team.
• I understand that I am free to withdraw at any time, without explanation or penalty.
• I understand that I can contact the Manager, Research Ethics, at Griffith University Human Research Ethics Committee on 3735 4375 (or research-ethics@griffith.edu.au) if I have any concerns about the ethical conduct of the project; and

☐ I agree to participate in the project.

<table>
<thead>
<tr>
<th>Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature:</td>
</tr>
<tr>
<td>Date:</td>
</tr>
</tbody>
</table>
Appendix F: Quantitative Survey

My name is Safa Riaz and I am doing Ph.D. in Human Resource Management at Griffith University, Australia. This survey is related to the HRM system in the organizations based in Pakistan. The questions in this survey are related to the general HR policies, their communication, and customer service in your organization. It would be great help if you fill out this survey. Thankyou.

<table>
<thead>
<tr>
<th>High -Performance HRM Practices adopted from Hong, Jiang, Liao, &amp; Sturman (2016) (For both Managers and Employees)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Selection:</strong></td>
</tr>
<tr>
<td><strong>Item 1</strong></td>
</tr>
<tr>
<td><strong>Item 2</strong></td>
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<td><strong>Item 3</strong></td>
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<tr>
<td><strong>Item 4</strong></td>
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<tr>
<td><strong>Training and Development:</strong></td>
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<tr>
<td><strong>Item 1</strong></td>
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<td><strong>Item 2</strong></td>
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<td><strong>Item 3</strong></td>
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<tr>
<td><strong>Performance Management:</strong></td>
</tr>
<tr>
<td><strong>Item 1</strong></td>
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<td><strong>Item 2</strong></td>
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<td><strong>Item 3</strong></td>
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<tr>
<td><strong>Item 4</strong></td>
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<tr>
<td><strong>Item 5</strong></td>
</tr>
<tr>
<td><strong>Rewards:</strong></td>
</tr>
<tr>
<td><strong>Item 1</strong></td>
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<tr>
<td><strong>Item 2</strong></td>
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<tr>
<td><strong>Item 3</strong></td>
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<tr>
<td><strong>Item 4</strong></td>
</tr>
<tr>
<td><strong>Team and Participation:</strong></td>
</tr>
<tr>
<td><strong>Item 1</strong></td>
</tr>
</tbody>
</table>
### Appendix F: Quantitative Survey

| Item 1 | Management places a great deal of importance on developing formal work teams within each department. | 1 | 2 | 3 | 4 | 5 |
| Item 2 | Management places a great deal of importance on developing problem-solving teams across departments. | 1 | 2 | 3 | 4 | 5 |
| Item 3 | Employees are provided with the opportunity to suggest improvements in service processes. | 1 | 2 | 3 | 4 | 5 |
| Item 4 | Employees are allowed to make many decisions on how to provide service. | 1 | 2 | 3 | 4 | 5 |

**Information Sharing:**

| Item 1 | Employees have the service policy or guideline information that they need to do their work. | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
| Item 2 | Employees have a dispatching or tracking system of work orders from different departments to do their work. | 1 | 2 | 3 | 4 | 5 |
| Item 3 | Employees have instant information sharing about customer preferences from different departments to do their work. | 1 | 2 | 3 | 4 | 5 |

### HRM Strength adopted from García-Carbonell, Martín-Alcázar, & Sánchez-Gardey (2016) *(For Managers)*

#### Distinctiveness:

| Item 1 | Internal clients clearly know what belongs to the tasks and what is outside the field of the HR department | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
| Item 2 | Internal clients clearly know those HR practices and those HR programs undertaken by the HR department | 1 | 2 | 3 | 4 | 5 |
| Item 3 | Internal clients easily understand HR policies | 1 | 2 | 3 | 4 | 5 |
| Item 4 | HR policies do not allow ambiguous interpretations | 1 | 2 | 3 | 4 | 5 |
| Item 5 | The HR staff has enough authority to get their ideas accepted | 1 | 2 | 3 | 4 | 5 |

#### Consensus:

| Item 1 | Top management and HR management clearly share the same vision | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
| Item 2 | In this organization, the results of the yearly appraisals are considered fair | 1 | 2 | 3 | 4 | 5 |
| Item 3 | The HR department makes decisions in an impartial way in this organization | 1 | 2 | 3 | 4 | 5 |

#### Consistency:

| Item 1 | The HR department always succeed in actively changing employees' behavior | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
| Item 2 | There is complete coherence between intended and actual effects of HR initiatives | 1 | 2 | 3 | 4 | 5 |
| Item 3 | In this organization, there is clear consistency of HRM messages between words and deeds of the HR department | 1 | 2 | 3 | 4 | 5 |

### Employees Satisfaction with the HR System adopted from Zhang, Fan, & Zhu (2014) *(For Employees)*

#### Employee Satisfaction with the HR System

| Item 1 | In this organization my satisfaction level to Selection practices is. | Very Dissatisfied | Dissatisfied | Neutral | Satisfied | Very Satisfied |
| Item 2 | In this organization my satisfaction level to Training practices is. | 1 | 2 | 3 | 4 | 5 |
| Item 3 | In this organization my satisfaction level to Performance Management practices is. | 1 | 2 | 3 | 4 | 5 |
| Item 4 | In this organization my satisfaction level to Rewards practices is. | 1 | 2 | 3 | 4 | 5 |
| Item 5 | In this organization my satisfaction level to Team and Participation practices is. | 1 | 2 | 3 | 4 | 5 |
| Item 6 | In this organization my satisfaction level to Information Sharing practices is. | 1 | 2 | 3 | 4 | 5 |

**Employee Awareness of the HR System adopted from Zhang, Fan, & Zhu (2014)**  
*For Employees*

<table>
<thead>
<tr>
<th>Employee Awareness of the HR System</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>I am aware of the selection practices in this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 2</td>
<td>I am aware of the training and development practices in this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 3</td>
<td>I am aware of the performance management practices in this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 4</td>
<td>I am aware of the rewards practices in this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 5</td>
<td>I am aware of the team and participation practices in this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 6</td>
<td>I am aware of the information sharing practices in this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

**Employee Attribution of the HR System adopted from Sanders and Yang (2016) Following their measure for the high distinctiveness, high consistency, and high consensus condition of the HR system**  
*For Employees*

<table>
<thead>
<tr>
<th>Employee Attribution of the HR System</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>I notice in my organization that HRM, in comparison to other companies, provide better employment conditions.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 2</td>
<td>I notice in my organization that HRM, in comparison to other companies, different HR practices like recruitment and selection, reward and training are aligned to each other.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 3</td>
<td>I notice in my organization that HRM, in comparison to other companies, rules and policies from the HR department are comprehended in the same way among your colleagues.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

**Employees Wellbeing at Work adopted from Maslach & Jackson (1981) following Oppenauer & Voorde (2016) suggestion to measure employees’ emotional exhaustion as a measure for employees’ wellbeing**  
*For Employees*

<table>
<thead>
<tr>
<th>Emotional Exhaustion (For Employee Wellbeing)</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>I feel emotionally drained.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 2</td>
<td>I feel used up at the end of the workday.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 3</td>
<td>I feel fatigued when I get up in the morning and have to face another day.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 4</td>
<td>Working with people all day is really a strain for me.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 5</td>
<td>I feel burned out from my work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 6</td>
<td>I feel frustrated by my job.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 7</td>
<td>I feel I am working too hard on my job.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 8</td>
<td>Working with people directly puts too much burden on me.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 9</td>
<td>I feel like I am at the end of my rope</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

**Individual and Organizational Oriented OCB adopted from Saks (2006)**  
*For Employees*

<table>
<thead>
<tr>
<th>Individual Oriented OCB</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>I Willingly give my time to help others who have work-related problems.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 2</td>
<td>I adjust my work schedule to accommodate other employees’ requests for time off.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 3</td>
<td>I give up time to help others who have work or non-work problems.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Item 4</td>
<td>I assist others with their duties.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>
## Appendix F: Quantitative Survey

### Organization Oriented OCB

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>I attend functions that are not required but help the organizational image.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Item 2</td>
<td>I offer ideas to improve the functioning of the organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Item 3</td>
<td>I take action to protect the organization from potential problems.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Item 4</td>
<td>I defend the organization when other employees criticize it.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

### Customer Service (For Employees)

**Customer Service adopted from Karatepe (2013)**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>This employee voluntarily assists customers even if it means going beyond job requirements</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Item 2</td>
<td>This employee helps customers with problems beyond what is expected or required</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Item 3</td>
<td>This employee often goes above and beyond the call of duty when serving customers</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Item 4</td>
<td>This employee willingly goes out of his/her way to make a customer satisfied</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Item 5</td>
<td>This employee frequently goes out of the way to help a customer</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

### Demographics

(1) **Position in the Organization?**
- (a) Top Management
- (b) HR Management
- (c) Frontline Management
- (d) Others

(2) **How old are you?**
- (a) 18 – 24
- (b) 25 – 34
- (c) 35 – 44
- (d) 45 – 54
- (e) 55 – 64
- (f) 65 and above

(3) **Gender?**
- (a) Male
- (b) Female

(4) **Marital Status?**
- (a) Single
- (b) Married
- (c) Divorced
- (d) Widowed

(5) **What is the highest level of education that you have completed?**
- (a) College
- (b) Bachelors
- (c) Masters
- (d) Post Graduate
- (e) Other

(6) **Are you?**
- (a) Part-time Employee
- (b) Full-time Employee

(7) **How long have you worked in this organization?**
- (a) Less than 1 year
- (b) 1 year
- (c) Less than 5 years
- (d) 5 years
- (e) More than 5 years
Appendix G: Coding Details for Data Collected from Interviews

**Broader Themes Emerged:** CODE_1 HRM Philosophy  
CODE_2 Strategic link between HPWS practices and HRM policies  
CODE_3 Employees’ perceptions of HPWS practices

**Sub-Research Question 1:** How does the HRM philosophy influence managers’ approaches to HPWS in telecommunication organizations in Pakistan?

<table>
<thead>
<tr>
<th>Case Organization</th>
<th>Key Informant (s)</th>
<th>Emergent/Open Code (s)</th>
<th>Broader Theme/Code (s)</th>
<th>Comments</th>
</tr>
</thead>
</table>
| (A) Phone Link    | Senior Managers, HR Managers | “each one of our employees is living a better every day …. experiencing a unique professional and ethical culture as well as continuous learning and development”.  
2. Organizational culture and HRM system are based on values which are clearly articulated in the policies.  
3. HRM philosophy …. to create a workplace supporting innovation, collaboration, and entrepreneurship.  
4. Employee-centred philosophy …. employees are considered first to provide them with professional experience.  
5. Philosophy is inspired …. to develop participatory culture for employees considering employees as competitive asset.  
6. To enable employees to cope with ever-changing market challenges.  
7. Employee-centred philosophy as a practical display to consider employees as “value” rather than a “cost”.  
8. Contingent approach design HPWS practices in accordance to the organizational values as well as management’ promise to consider employees as most important organizational asset. | ➔HRM decisions inspired by an employee-centred philosophy.  
➔Philosophical guidelines to devise HRM policies contingent to the broader organizational values as well.  
➔External Fit. | ➔The HRM Philosophy of HPWS HR Practices  
➔External Fit. | ➔Existence of HRM philosophy to devise HPWS infrastructure, with a contingent managerial approach to HRM system at Phone Link. |
| (B) My Phone      | Senior Managers, HR Managers | Employee-centred HRM philosophy inspired by management’s view of equality and respect for its employees. | ➔Manager’s perspective of HRM philosophy. | ➔The HRM Philosophy of HPWS HR Practices  
➔Manager’s perspective of HRM philosophy. | ➔Influence of HRM philosophy to approach manager’s HR |

Appendix G: Coding Details for Data Collected from Interviews
2. “we believe organizational success falls to healthy workplace relationships with employees …. thus, HR policies are designed to create productive work climate”.

3. Organizational values such as to explore together, create together, keep promises, and be respectful, are which motivates management to implement supportive HR practices …. as an essence of collaborative and participative work environment.

4. Not the management alone, but the employees are involved in policy formulation, where …. they are listened to, valued for their potential, and offered feedback platforms.

5. “HRM philosophical guidelines …. as the core motivation to structure HRM practices, inspired by broader organizational goals”.

6. Employee-centred HRM philosophy is executed through HR practices of equal career opportunities, team working, and participatory roles, as an effort to produce equally empowered workforce.

7. “the philosophical guidelines are not explicitly documented …. my job is to follow the instructions from top management for HR policy implementation.”

8. “organizational values are known to us, the managers, as core motivation to take HR related managerial decisions, however, speaking of a stated HRM philosophy, none in my knowledge”.

(C) Tel Pak

<table>
<thead>
<tr>
<th>Senior Managers, HR Managers</th>
</tr>
</thead>
</table>
| 1. “we are in continuous process to renovate our HR system …. following the successful business stories”.
2. “a lot of struggle to manage …. two groups of employees …. hired before and after the privatization of our organization”.
3. “we have upgraded our HRM policies …. to ensure employees’ equality and fair treatment”.
4. “we are planning to make our HRM processes transparent to involve employees in these processes …. still communication and information sharing are controlled” |

→ Employee-centred HRM philosophy, mainly projecting management’s concern for employees’ equality and respect.

→ Observed contingency.

→ “Us managers don’t know about HRM philosophy.”

→ HRM philosophy, something, taken care of by the senior/top management.

→ Lack of shared understanding of HRM policies.

→ Universalism

→ The HRM Philosophy of HPWS HR Practices

→ Traces of traditional and standardized management styles.

→ Organizational values exist, but, not explicitly mentioned to have decisions is evident, however, the communication of this philosophy is more successful at Phone Link.

→ Where HRM philosophy is evident, it is inspired to achieve a fit with its organizational values, supporting the contingency approach of HRM.
resistance is more likely to be experienced from employees hired before privatization”.
5. HRM policies are implemented, however, a clarity in terms of their purpose is experienced”.

→ Sophisticated HRM practices to support employees.
→ Lack of clarity of HRM purpose.

Sub-Research Question 2: How do senior and HR managers aim to strategically link to the HRM philosophies to the HPWS practices in telecommunication organizations in Pakistan?

<table>
<thead>
<tr>
<th>Case Organization</th>
<th>Key Informant (s)</th>
<th>Emergent/Open Code (s)</th>
<th>Broader Theme/Code (s)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Phone Link”</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

(A) Phone Link
HR Managers, FLMs

(A) Selective Hiring:
1. Formally established selection and hiring procedure to hire employees …. complying with the values such as to be collaborative and innovative.
2. Employees’ personality as a best cultural fit with the organization is observed during candidates’ assessment”.

→ Person-to-job and person-to-organization fit
→ Linked to organizational culture
→ Strategic link between HRM philosophy and HPWS HR practices.

→ Selective hiring as a process to bring best match with the organizational and HR values.
3. HRM philosophy and organizational values are clearly observed to select applicants

(B) Training and Development:
1. “our trainings are divided into behavioral, functional, and professional training”.
2. “T&D is …. to groom employees to work in our diverse environment …. to present their ideas and be participative”.
3. “Linked to employee-centred HRM philosophy, we provide employees with development programs leading to their growth and promotion”.

- Influenced by the HR philosophy to create innovative and participative workforce.
- Training is focused on both behavioral and attitudinal job perspectives, additional to skills.
- Strategic link between HRM philosophy and HPWS HR practices.
- Formal and rigorous training is focused on employees’ development and growth following the employee-centred HRM philosophy.

(C) Information Sharing:
1. “‘a no door policy’ is introduced by our current CEO, which allows employees to connect with their immediate managers as well as other top management representatives”.
2. “we consider employees as ‘first’ and create a culture where they feel equal and empowered”.
3. Employee-centred HRM philosophy motivates management to build transparent work culture through initiatives such as online Facebook portals, feedback surveys, comment boxes, and voice mechanisms.
4. “we work more as a team instead of employees and their managers”.

- Participative and open information sharing.
- Efficient provision and Utility of information sharing HRM practices.
- Strategic link between HRM philosophy and HPWS HR practices.
- With a philosophy of being truthful and collaborative, transparent and open information sharing is observed.
- Managers and employees share the same working space to encourage building a collaborative and innovative work environment.
### Performance Management:

1. “KPIs are already developed to manage employees’ performance, based on employees’ competency and behavioral performance”.
2. “Creating a positive workforce is our purpose for which we prepare our employees and based on their performance evaluation, we offer them growth opportunities linked to our ‘employees’ acre and growth’ policy”.

- Employees are assessed for their value and competency.
- Fair performance management linked to employees’ care and growth HR policy.
- Strategic link between HRM philosophy and HPWS HR practices.
- With a philosophy to consider employees as an important intellectual asset, their performance is assessed and provided with constructive feedback.
- Performance management is contingent to rewards, promotions, and growth, to retain employees in the organization.

### Employees’ Wellbeing:

1. “We work closely with our employees to maintain healthy employment relationships”.
2. “Many HRM initiatives are taken to make employees believe that we care for them such as flexible working hours, grievance handling, counselling, and regular meeting with managers”.

- Evidence or managing healthy work environment for employees.
- Employees’ wellbeing also linked with “employees’ care and growth” policy.
- Strategic link between HRM philosophy and HPWS HR practices.
- Sophisticated wellbeing HR practices indicates a strategic connection with the employee-centred HRM philosophy.

### Selective Hiring:

1. “Linked to our philosophy to be respectful and bring equality at workplace, we do internal hiring in addition to external hiring, to give our employees a chance to grow”.

- Person-to-organization fit is observed.
- Strategic link between HRM philosophy and HPWS HR practices.
- To be respectful and contribute to organizational success is a philosophy is a
2. “we have hiring programs for individuals who are physically challenged, but, have enough skills and potential”.
3. “Our purpose is to create a culture where employees are respected, and they also respect other employees and their managers around them, thus, we carry personality assessment of applicants to identify their behavioral traits”.
4. “We expect our employees to work in teams, share ideas, participate in organizational success, be respectful others, and be truthful, thus we hire employees who are able to connect to these values”.

(B) Training and Development:
1. “as the telecommunication sector is rapidly growing and competition is high, thus we need to stay in the competition through innovation and development, and as we consider employees as our competitive advantage, our main focus is to train them and provide them with learning opportunities.”
2. A purpose of T&D is to encourage participation, which is another way to engage employees in HRM processes.
3. “Trainings are also the outcome of feedback surveys where employees mention their trainings needs and we offer them with those training sessions, thus trainings are quite realistic and purposeful”.

(C) Information Sharing:
1. Communication channels are introduced such as interactive sessions between employees and managers, focus groups, regular meetings, and feedback surveys.
2. “Our purpose is to create cooperative association between employees and their managers …. thus, active upward and downward communication is encouraged”.

| Training and Development: | ➔ Training and development to create participative work environment. | ➔ Strategic link between HRM philosophy and HPWS HR practices. | ➔ Trainings are provided to shape employees’ attitudes to participate and work in teams, innovate, and create together. | ➔ Transparent upward and downward communication. | ➔ Information sharing to comply with the HR goals to be respectful and build trustworthy links. | ➔ HRM philosophy to respect and be truthful inspires management to build connected links between employees and |
3. “Our philosophy to be truthful and respectful inspires our HRM policies, where information sharing, and communications are made transparent, so that every employee feel valued and involved”.

<table>
<thead>
<tr>
<th>Employment relationships.</th>
<th>Fair appraisals.</th>
<th>Strategic link between HRM philosophy and HPWS HR practices.</th>
<th>Following the “to create and explore together”, employees’ experiential learning involves performance management to give them constructive feedback, thus involving both employees and management in the learning process.</th>
</tr>
</thead>
</table>

**D) Performance Management:**
1. “Our employees are allowed to work with their managers to set yearly targets, thus giving them opportunity to connect and set more realistic goals”.
2. “Employees are fairly assessed and rewarded, to generate positive employees’ attitudes and learning culture”.
3. Performance management is result-oriented, and employees are provided with constructive feedback at the end with a purpose to grow their potential.

**E) Employees’ Wellbeing:**
1. “We put great emphasis on our employees’ quality of work-life”.
2. “Employees are made aware of their employment rights …. also informed with the process to report any issue which can influence their general wellbeing”.
3. “We care for our employees and have made promises to take care of them …. thus, initiatives are taken, such as onsite counsellor, compliance system, medical facilities, and insurance policies”.

**Wellbeing initiatives to enhance employees’ quality of work-life.**

**Employees’ assistance as a gesture to inform that they are taken care of.**

**Strategic link between HRM philosophy and HPWS HR practices.**

**Employee-centred HRM philosophy is clearly seen in the HRM initiatives taken to improve employees’ status of wellbeing at work.**
## Appendix G: Coding Details for Data Collected from Interviews

**“Tel Pak”**

<table>
<thead>
<tr>
<th>(C) Tel Pak</th>
<th>HR Managers, FLMs</th>
<th>(A) Selective Hiring:</th>
<th>(B) Training and Development:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1. “Employees are hired based on their functional competency, personality fit, and aspiration to excel in their career”.</td>
<td>1. “Our training programs are extensive and regular …. Provided to all the employees at managerial as well as non-managerial levels”.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. “We look for employees …. with learning aptitude, professional integrity, loyalty, which makes a person a good employee for any organization”.</td>
<td>2. “T&amp;D does not seem to be aligned with employees’ development philosophy, but as a formality”.</td>
</tr>
</tbody>
</table>
|             |                  | 3. “Employees’ personality to match with organizational values”: | 3. “T&D sessions are conducted, but on very basic levels …. Employees’ opinions should be considered when designing T&D”.
|             |                  | ➔Personality fit | ➔T&D are extensively introduced. |
|             |                  | ➔Functional competency | ➔Lack of shared vision of T&D practices. |
|             |                  | ➔Organizational Values | ➔Insufficient trainings programs. |
|             |                  | ➔Strategic link between HRM philosophy and HPWS HR practices. | ➔Strategic link between HRM philosophy and HPWS HR practices. |
|             |                  | ➔Not any HRM philosophy but organizational values, to some extent, are observed to inspire hiring. | ➔Clarity for purpose and utility of T&D practices lacked among few respondents. |
|             |                  | ➔Can be said that organizational values are the guidelines to select employees. | ➔Lack of shared perceptions among senior and HR managers related to the purpose of T&D practices. |
|             |                  | ➔Philosophical guidelines are not explicitly mentioned. | }
### (C) Information Sharing:

1. “We have updated our information sharing policies. To involve employees, we have introduced different channels such as regular meetings and online portals where communication can be made efficiently.”
2. “We still cannot present our organization as ‘open’, but we are initiating many new information sharing policies.”
3. “Our organization is very big; thus, smooth communication is often a challenge, but our HR department is constantly working on it.”
4. “As we have a legacy of being a government organization in the past, our HR processes are still under revision.”
5. “Organizational policies are sometimes hard to understand by our employees.”

- Continuous improvement in information sharing policies.
- Controlled flow of information.
- Motivation as to involve employees, but, not fully in practice yet.
- Strategic link between HRM philosophy and HPWS HR practices.
- Different initiatives are taken such as voice mechanisms and feedback surveys, but still a controlled flow of information is maintained.

### (D) Performance Management:

1. “Performance management is conducted three times a year, and ultimate goal is to provide constructive feedback to our employees”.
2. “Performance management is fair …. And employees are rewarded accordingly to encourage them to work better in future as well”.
3. “Formal and informal modes of managing employees’ performances are used”.

- Formal and extensive performance management practices.
- Informal performance management practices.
- Strategic link between HRM philosophy and HPWS HR practices.
- Performance management practices are implemented with a goal to provide employee with a feedback to improve further.
- Employees are also rewarded; thus, performance management can be observed as contingent.

### (E) Employees’ Wellbeing:

1. “Employees’ wellbeing practices are not very well-established but are part of a change process going on”.
2. “HR group named as ‘people’s managers’ is established to deal with employees’ healthy work experiences at work”.

- Recently initiated wellbeing HR policies.
- Employees’ wellbeing as a part of
- Strategic link between HRM philosophy and HPWS HR practices.
- Inspiration is to serve employees and support them as they are considered as
Appendix G: Coding Details for Data Collected from Interviews

3. “The supportive initiatives taken to support employees at work include insurance policies, medical facilities, psychological awareness and mental health programs.
4. “… employees are our important asset and their wellbeing is our responsibility”.

<table>
<thead>
<tr>
<th>Sub-Research Question 3:</th>
<th>To what extent do managers and employees share the same HR perceptions as a result of a well-defined and communicated HRM philosophy?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Case Organization</strong></td>
<td><strong>Key Informant(s)</strong></td>
</tr>
<tr>
<td>(A) Phone Link</td>
<td>Employees</td>
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<tr>
<td>(B) My Phone</td>
<td>Employees</td>
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<tr>
<td>(C) Tel Pak</td>
<td>Employees</td>
</tr>
<tr>
<td>-------------</td>
<td>-----------</td>
</tr>
<tr>
<td>1. “Instead of caring for employees, I believe that, our managers are more concerned for the organizational goals and profitability”.</td>
<td>➔ Lack of Shared perceptions among employees and their managers.</td>
</tr>
<tr>
<td>2. “HR department does not interact much with their employees very often”.</td>
<td>➔ Disagreement and ambiguity over the purpose of HRM policies.</td>
</tr>
<tr>
<td>3. “Sometimes employees have to struggle to understand the organizational processes”.</td>
<td>➔ Weak ties between management’s and employees’ perceptions.</td>
</tr>
</tbody>
</table>

| | ➔ Employees’ perceptions of HPWS practices |
| | ➔ Absence of philosophical foundations has led to a lack of shared perceptions among employees and their managers. |
| | ➔ Management appeared as less successful in communicating their HRM purpose to their employees. |

- Shared vision on the philosophy and purpose of HRM policies.
- Satisfied employees.
- Positive attributions.
- Both employees and their managers share the vision of their HRM system.
Appendix H: PROCESS Model 21 Template Used in this Study

Model 21

Conceptual Diagram

Statistical Diagram

Conditional indirect effect of \( X \) on \( Y \) through \( M_1 = (\alpha_{11} + \alpha_{31})W(b_{11} + b_{31}V) \)
Direct effect of \( Y \) on \( Y - c' \)

Note: Model 21 allows up to 10 mediators operating in parallel.
Appendix I: Statistical PROCESS Regression Models of this Study

Figure A

Conditional indirect effects of $X$ on $Y$ through $M = a_1b_1 + a_2b_1 + W$ (for HRM strength as moderator) and $Y = a_3b_1 + a_2b_3 + V$ (for Attribution to HR System as moderator)

Direct Effects of $X$ on $Y = c'$

Above $X$ = Independent Variable, $Y$ = Outcome Variable, $M$ = Mediator, $W$ = First Stage Moderator, $V$ = Second Stage Moderator, $XW$ = Interaction term for $X$ (HPWS) and $W$ (HRM Strength), $MV$ = Interaction term for $M$ (Awareness to HR System) and $V$ (Attribution to HR System)
Conditional indirect effects of X on Y through M = a1b1 + a2b1 + W (for HRM strength as moderator) and Y = a1b1 + a2b2 + V (for Attribution to HR System as moderator)

Direct Effects of X on Y = C'

Above X = Independent Variable, Y = Outcome Variable, M = Mediator, W = First Stage Moderator, V = Second Stage Moderator, XW = Interaction term for X (HPWS) and W (HRM Strength), MV = Interaction term for M (Satisfaction to HR system) and V (Attribution to HR System)
Conditional indirect effects of $X$ on $Y$ through $M = a_1b_1 + a_2b_2 + W$ (for HRM strength as moderator) and $Y = a_3b_3 + a_4b_4 + V$ (for Attribution to HR System as moderator)

Direct Effects of $X$ on $Y - C'$

Above $X$ = Independent Variable, $Y$ = Outcome Variable, $M$ = Mediator, $W$ = First Stage Moderator, $V$ = Second Stage Moderator, $XW$ = Interaction term for $X$ (HPWS) and $W$ (HRM Strength), $MV$ = Interaction term for $M$ (Awareness to HR System) and $V$ (Attribution to HR System)
Appendix I: Statistical Process Regression Models of this Study

Figure D

Conditional indirect effects of X on Y through M = a_1b_1 + a_2b_2 + W (for HRM strength as moderator) and Y = a_3b_3 + a_4b_4 + V (for Attribution to HR System as moderator)

Direct Effects of X on Y = \( c' \)

Above, X = Independent Variable, Y = Outcome Variable, M = Mediator, W = First Stage Moderator, V = Second Stage Moderator, WX = Interaction term for X (HPWS) and W (HRM Strength), MV = Interaction term for M (Satisfaction to HR system) and V (Attribution to HR System)
Figure E

Conditional indirect effects of X on Y through M = a_1 b_1 + a_2 b_1 W (for HRM strength as moderator) and Y = a_1 b_1 + a_2 b_1 V (for Attribution to HR System as moderator)

Direct Effects of X on Y = C'

Above X = Independent Variable, Y = Outcome Variable, M = Mediator, W = First Stage Moderator, V = Second Stage Moderator, XW = Interaction term for X (HPWS) and W (HRM Strength), MV = Interaction term for M (Awareness to HR system) and V (Attribution to HR System)
Figure F

Conditional indirect effects of X on Y through M = a1*b1 + a2*b2 + W (for HRM strength as moderator) and Y = a3*b3 + a4*b4 + V (for Attribution to HR System as moderator)

Direct Effects of X on Y = C'

Above X = Independent Variable, Y = Outcome Variable, M = Mediator, W = First Stage Moderator, V = Second Stage Moderator, XW = Interaction term for X (HPWS) and W (HRM Strength), MV = Interaction term for M (Satisfaction to HR System) and V (Attribution to HR System)
Appendix J: PROCESS Output for Regression 1

************* PROCESS Procedure for SPSS Release 2.16.3 *************
Written by Andrew F. Hayes, Ph.D.       www.afhayes.com

Model = 21
Y = Emotional Exhaustion
X = HPWS
M = Awareness
W = HRM Strength
V = Attribution

Sample size
532

Outcome: Awareness

Model Summary

R     R-sq     MSE      F    df1    df2    p
.3720  .1344   .3943  2.1736 3.0000 376.0000 .0000

Model coeff     se      t     p      LLCI      ULCI
constant       .3149 1.2508  2.5151 .0123     .6864     5.6053
HPWS           .5178  .3600  .4383  .0398    -.5501     .8656
HRM Strength   .1338  .3363  .3978  .0522    -.5274     .7950
Int_1          -.4560 .0930  4.9052   .0000     .2286     .1373

Product terms key:
Int_1    HPWS        X     HRM Strength

Outcome: Emotional Exhaustion

Model Summary

R     R-sq     MSE      F    df1    df2    p
.4750  .2827   .5549  8.6673 2.0000 377.0000 .0000

Model coeff     se      t     p      LLCI      ULCI
constant       4.8683  .7686  6.3338  .0000     3.3570     6.3797
Awareness     -.2566 1.9422  4.1552  .0014    -.8307     .3734
HPWS          -.0317  .0914  .3978  .0522    -.2130     .1497
Attribution   .4665  .1852  2.5187  .0122    -.8307     .7950
Int_2          .6234  .0520  1.1376  .0332     .0387     .1236

Product terms key:
Int_2    Awareness     X     Attribution

Direct effect of X on Y

Effect     SE     t     p      LLCI      ULCI
-.0317  .0914  .4003  .0333    -.2130     .1497

Conditional indirect effect(s) of X on Y at values of the moderator(s):
HPWS > Awareness > Emotional Exhaustion

Mediator: HRM Strength
 Attribution: Effect Bootstrap SE BootstrapLLCI BootstrapULCI
Awareness 3.1297 2.5424  .0051  .0353  .0822  .0599
Awareness 3.1297 3.6474  .0032  .0228  .0534  .0387
Awareness 3.6328 4.7523  .0014  .0131  .0407  .0177
Awareness 3.6328 5.8524  .0027  .0328  .0644  .0683
Awareness 3.6328 6.9524  .0017  .0299  .0405  .0435
Awareness 3.6328 7.0523  .0008  .0121  .0214  .0319
Awareness 4.1359 2.5424  .0106  .0378  .0619  .0927
Awareness 4.1359 3.6474  .0017  .0299  .0405  .0435
Awareness 4.1359 4.7523  .0008  .0121  .0214  .0319

Values for quantitative moderators are the mean and plus/minus one SD from mean.
Values for dichotomous moderators are the two values of the moderator.

INDEX OF MODERATED MODERATED MEDIATION:

Mediator
Index   SE(Boot) BootstrapLLCI BootstrapULCI
Awareness .0051 .0083  .0391  .0115

INDEX OF CONDITIONAL MODERATED MEDIATION:

Moderator: HRM Strength
Mediator: Attribution
Index   SE(Boot) BootstrapLLCI BootstrapULCI
Awareness 2.5424  .0155  .0323  .0425  .0887
Awareness 3.6474  .0099  .0208  .0268  .0584
Awareness 4.7523  .0043  .0125  .0093  .0500

Values for quantitative moderators are the mean and plus/minus one SD from mean.
Values for dichotomous moderators are the two values of the moderator.

INDEX OF MODERATED MODERATED MEDIATION:

Mediator
Index   SE(Boot) BootstrapLLCI BootstrapULCI
Awareness 3.1297 2.5424  .0051  .0353  .0822  .0599
Awareness 3.1297 3.6474  .0032  .0228  .0534  .0387
Awareness 3.6328 4.7523  .0014  .0131  .0407  .0177
Awareness 3.6328 5.8524  .0027  .0328  .0644  .0683
Awareness 3.6328 6.9524  .0017  .0299  .0405  .0435
Awareness 3.6328 7.0523  .0008  .0121  .0214  .0319
Awareness 4.1359 2.5424  .0106  .0378  .0619  .0927
Awareness 4.1359 3.6474  .0017  .0299  .0405  .0435
Awareness 4.1359 4.7523  .0008  .0121  .0214  .0319

Number of bootstrap samples for bias corrected bootstrap confidence intervals:
10000
Level of confidence for all confidence intervals in output:
95.00

****** END MATRIX ******

Appendix J: Process Output for Regression 1
Appendix K: PROCESS Output for Regression 2

*************** PROCESS Procedure for SPSS Release 2.16.3 ***************
Written by Andrew F. Hayes, Ph.D.       www.afhayes.com

*************************************************************
************** PROCESS Procedure for SPSS Release 2.16.3 **************
Written by Andrew F. Hayes, Ph.D.       www.afhayes.com
*************************************************************

Model = 21
Y = Emotional Exhaustion
X = HPWS
M = Satisfaction
W = HRM Strength
V = Attribution

Sample size
532

**********************************************************************
Outcome: Satisfaction
Model Summary

<table>
<thead>
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<th>R</th>
<th>R-sq</th>
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<th>F</th>
<th>df1</th>
<th>df2</th>
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<td>3.0000</td>
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<td>.5460</td>
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<table>
<thead>
<tr>
<th>Model coefficient</th>
<th>se</th>
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<th>p</th>
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<th>Upper Limit</th>
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<tr>
<td>constant</td>
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<td>1.1573</td>
<td>2.2430</td>
<td>.0255</td>
<td>.3203</td>
</tr>
<tr>
<td>HPWS</td>
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<td>.3331</td>
<td>.7307</td>
<td>.0398</td>
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</tr>
<tr>
<td>HRM Strength</td>
<td>.2003</td>
<td>.3111</td>
<td>.6439</td>
<td>.0312</td>
<td>-.4114</td>
</tr>
</tbody>
</table>

Product terms key:
Int_1     HPWS       X     HRM Strength

**********************************************************************
Outcome: Emotional Exhaustion
Model Summary

<table>
<thead>
<tr>
<th>R</th>
<th>R-sq</th>
<th>MSE</th>
<th>F</th>
<th>df1</th>
<th>df2</th>
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<tbody>
<tr>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
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<th>se</th>
<th>t</th>
<th>p</th>
<th>Lower Limit</th>
<th>Upper Limit</th>
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</thead>
<tbody>
<tr>
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<tr>
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<td>6.1122</td>
<td>.0002</td>
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</tr>
<tr>
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<td>.0903</td>
<td>1.367</td>
<td>.0448</td>
<td>-.1649</td>
</tr>
<tr>
<td>Attribution</td>
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<td>.1702</td>
<td>2.0421</td>
<td>.0418</td>
<td>-.6824</td>
</tr>
</tbody>
</table>

Product terms key:
Int_2     Satisfaction      X     Attribution

******************** DIRECT AND INDIRECT EFFECTS *********************

Effect  SE  t   p   Lower Limit  Upper Limit
-0123  .0903 1.367  .0448  -.1649  -.1895

Conditional indirect effect(s) of X on Y at values of the moderator(s): HPWS -> Satisfaction -> Emotional Exhaustion

Mediator
HRM Strength Attributio Effect  Boot SE BootLLCI  BootULCI
Satisfaction 3.1297  .0083  .0110  -.0059  .0399
Satisfaction 3.6328  .0062  .0103  -.0077  .0430
Satisfaction 4.1359  .0042  .0123  -.0146  .0362

Values for quantitative moderators are the mean and plus/minus one SD from mean.
Values for dichotomous moderators are the two values of the moderator.

*************** MODERATED AND CONDITIONAL MODERATED MEDIATION ***************

INDEX OF MODERATED MODERATED MEDIATION:
Mediator
Index SE(Boot) BootLLCI BootULCI
Satisfaction .0091  .0108  -.0399  -.0094

INDEX OF CONDITIONAL MODERATED MEDIATION:
Mediator
HRM Strength Attributio Effect  Boot SE BootLLCI  BootULCI
Satisfaction 2.5424  .0212  .0466  -.0664  1.212
Satisfaction 3.6474  .0167  .0307  -.0542  .0957
Satisfaction 4.7523  .0123  .0284  -.0338  .0791

*************** ANALYSIS NOTES AND WARNINGS **********************

Number of bootstrap samples for bias corrected bootstrap confidence intervals: 10000
Level of confidence for all confidence intervals in output: 95.00

------ END MATRIX ------
### Appendix L: PROCESS Output for Regression 3

Run MATRIX procedure:

```
************* PROCESS Procedure for SPSS Release 2.16.3 **************
Written by Andrew F. Hayes, Ph.D.       www.afhayes.com
**********************************************************************
Model = 21
Y = OCB
X = HPWS
M = Awareness
W = HRM Strength
V = Attribution
Sample size
532
**********************************************************************
Outcome: Awareness
Model Summary

<table>
<thead>
<tr>
<th>R</th>
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<th>F</th>
<th>df1</th>
<th>df2</th>
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</thead>
<tbody>
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<td>.0000</td>
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</tbody>
</table>

Model coeff se t p LCLI ULCI
constant 3.1459 1.2508 2.5151 .0123 .6864 5.6053
HPWS .5178 .3600 1.4383 .0331 -.5501 .8656
HRM Strength .1338 .3363 .3978 .0522 -.5274 .7950
Int_1 .4560 .0930 .4905 .0341 .2286 .1373

Product terms key:
int_1 HPWS X HRM Strength

Outcome: OCB
Model Summary

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<tr>
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<th>R-sq</th>
<th>MSE</th>
<th>F</th>
<th>df1</th>
<th>df2</th>
<th>p</th>
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</thead>
<tbody>
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<td>4.0000</td>
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</table>

Model coeff se t p LCLI ULCI
constant 3.5527 .4110 8.6449 .0000 2.7447 4.3608
Awareness .1562 .1039 4.6203 .0000 .0880 2.184
HPWS .0619 .0489 1.2490 .0275 -.0355 -.1592
Attribution .1764 .0990 1.7818 .0517 -.3712 -.0183
Int_2 .6510 .0278 2.3408 .0198 .0104 .1199

Product terms key:
Int_2 Awareness X Attribution

Direct effect of X on Y

<table>
<thead>
<tr>
<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LCLI</th>
<th>ULCI</th>
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</thead>
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<td>-.1592</td>
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</table>

Conditional indirect effect(s) of X on Y at values of the moderator(s):
HPWS

<table>
<thead>
<tr>
<th>Mediator</th>
<th>HRM Strength</th>
<th>Attribution</th>
<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LCLI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
<tr>
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<td>3.1297</td>
<td>.0011</td>
<td>.0147</td>
<td>.0246</td>
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</tbody>
</table>

Values for quantitative moderators are the mean and plus/minus one SD from mean.
Values for dichotomous moderators are the two values of the moderator.

Index of moderated mediatory

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<thead>
<tr>
<th>Mediator</th>
<th>Awareness</th>
<th>HRM Strength</th>
<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LCLI</th>
<th>ULCI</th>
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</thead>
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</table>

Index of conditional moderated mediation

<table>
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<th>Awareness</th>
<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LCLI</th>
<th>ULCI</th>
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</thead>
<tbody>
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<td>.0076</td>
<td>.0265</td>
<td>.0069</td>
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<td>.0331</td>
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Values for quantitative moderators are the mean and plus/minus one SD from mean.
Values for dichotomous moderators are the two values of the moderator.

Analysis notes and warnings

Number of bootstrap samples for bias corrected bootstrap confidence intervals:
10000
Level of confidence for all confidence intervals in output:
95.00
----- END MATRIX ----
Appendix M: PROCESS Output for Regression 4

Run MATRIX procedure:

**--- PROCESS Procedure for SPSS Release 2.16.3 ---**

Written by Andrew F. Hayes, Ph.D.       www.afhayes.com

---------------------------------------------
Model = 21  Y = OCB  X = HPWS  M = Satisfaction  W = HRM Strength  V = Attribution
Sample size 532

Outcome: Satisfaction

<table>
<thead>
<tr>
<th>R</th>
<th>R-sq</th>
<th>MSE</th>
<th>F</th>
<th>df1</th>
<th>df2</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>.7560</td>
<td>.2380</td>
<td>.3375</td>
<td>2.1736</td>
<td>3.0000</td>
<td>376.0000</td>
<td>.5406</td>
</tr>
</tbody>
</table>

Model coeff se t p LLCI ULCI
constant 2.5958 1.1573 2.2430 .0255 .3203 4.8713
HPWS 2434 .3331 7307 .4654 .4116 .983
HRM Strength 2003 .3111 6439 .0520 .4114 .8121
Int_1 .0470 .0861 5465 .5851 .2163 .1222

Product terms key:

**--- DIRECT AND INDIRECT EFFECTS ---**

Direct effect of X on Y

<table>
<thead>
<tr>
<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>.0296</td>
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<td>6025</td>
<td>.0547</td>
<td>.0670</td>
<td>.1261</td>
</tr>
</tbody>
</table>

Conditional indirect effect(s) of X on Y at values of the moderator(s):

<table>
<thead>
<tr>
<th>HPWS</th>
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<th>OCB</th>
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</thead>
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<tr>
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</table>

Product terms key:

Outcome: OCB

<table>
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<th>R-sq</th>
<th>MSE</th>
<th>F</th>
<th>df1</th>
<th>df2</th>
<th>p</th>
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<tbody>
<tr>
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<td>.1578</td>
<td>9.5433</td>
<td>4.0000</td>
<td>375.0000</td>
<td>.0000</td>
</tr>
</tbody>
</table>

Model coeff se t p LLCI ULCI
constant 3.3001 .3925 8.4080 .0000 2.5284 4.0719
Satisfaction .0098 .0979 1.001 9203 -.1827 2023
HPWS .0296 .0491 6025 .0547 .0670 .1261
HRM Strength .1151 .0926 1.2437 .0214 -.2972 .0669
Int_2 .0457 .0263 1.7394 .0428 .2603 .4973

Product terms key:

**--- INDEX OF MODERATED MODERATED MEDIATION ---**

<table>
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<th>Mediator</th>
<th>Index</th>
<th>SE(Boot)</th>
<th>BootLLCI</th>
<th>BootULCI</th>
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</thead>
<tbody>
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<td>HRM Strength</td>
<td>Attribution Effect</td>
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<td>.0132</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>3.6328</td>
<td>.0033</td>
<td>.0181</td>
<td>.0045</td>
</tr>
<tr>
<td>Satisfaction</td>
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<td>.0022</td>
<td>.0067</td>
<td>.0082</td>
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</table>

Values for quantitative moderators are the mean and plus/minus one SD from mean.

Values for dichotomous moderators are the two values of the moderator.

**--- INDEX OF CONDITIONAL MODERATED MEDIATION ---**

<table>
<thead>
<tr>
<th>Mediator</th>
<th>Index</th>
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<th>BootLLCI</th>
<th>BootULCI</th>
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<tbody>
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<td>Attribution</td>
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<td>.0059</td>
<td>.0132</td>
</tr>
<tr>
<td>Satisfaction</td>
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<td>.0033</td>
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<td>.0045</td>
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<tr>
<td>Satisfaction</td>
<td>4.1359</td>
<td>.0022</td>
<td>.0067</td>
<td>.0082</td>
</tr>
</tbody>
</table>

Number of bootstrap samples for bias corrected bootstrap confidence intervals: 10000
Level of confidence for all confidence intervals in output: 95.00

------ END MATRIX ----
Appendix N: PROCESS Output for Regression 5

Run MATRIX procedure:

************* PROCESS Procedure for SPSS Release 2.16.3 **************
Written by Andrew F. Hayes, Ph.D.       www.afhayes.com

Model = 21
Y = Customer Service
X = HPWS
M = Awareness
W = HRM Strength
V = Attribution
Sample size 532

Outcome: Awareness
Model Summary

<table>
<thead>
<tr>
<th>R</th>
<th>R-sq</th>
<th>MSE</th>
<th>F</th>
<th>df1</th>
<th>df2</th>
<th>p</th>
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<tbody>
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<td>2.1736</td>
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</table>

Model

<table>
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<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
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Product terms key:
Int_1 HPWS X HRM Strength

Outcome: Customer Service
Model Summary

<table>
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Model

<table>
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<th>ULCI</th>
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<td>.1466</td>
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</table>

Product terms key:
Int_2 Awareness X Attribution

Direct effect of X on Y

<table>
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<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
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</thead>
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<td>.0724</td>
<td>7.2210</td>
<td>0.0000</td>
<td>7.2210</td>
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</tbody>
</table>

Conditional indirect effect(s) of X on Y at values of the moderator(s):
HPWS

| Awareness | .0027 | .0075  | 0.0233 | 0.0103 |
| Awareness | .0030 | .0079  | 0.0218 | 0.0113 |
| Awareness | .0009 | .0121  | 0.0247 | 0.0155 |
| Awareness | .0004 | .0069  | 0.0112 | 0.0179 |
| Awareness | .0002 | .0074  | 0.0179 | 0.0139 |
| Awareness | .0035 | .0139  | 0.0208 | 0.0374 |
| Awareness | .0014 | .0080  | 0.0263 | 0.0363 |
| Awareness | .0006 | .0088  | 0.0248 | 0.0322 |

Values for quantitative moderators are the mean and plus/minus one SD from mean.

Values for dichotomous moderators are the two values of the moderator.

************* MODERATED AND CONDITIONAL MODERATED MEDIATION *************

INDEX OF MODERATED MODERATED MEDIATION:

Mediator
HRM Strength Attribution

<table>
<thead>
<tr>
<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
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</tbody>
</table>

INDEX OF CONDITIONAL MODERATED MEDIATION:

Moderator:
HRM Strength

<table>
<thead>
<tr>
<th>Mediator</th>
<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness</td>
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</tr>
<tr>
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<td>0.0113</td>
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<td></td>
</tr>
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<td></td>
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<tr>
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<td></td>
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</tbody>
</table>

Values for quantitative moderators are the mean and plus/minus one SD from mean.

Values for dichotomous moderators are the two values of the moderator.

************* ANALYSIS NOTES AND WARNINGS *************

Number of bootstrap samples for bias corrected bootstrap confidence intervals: 10000
Level of confidence for all confidence intervals in output: 95.00

------ END MATRIX -----

Appendix N: Process Output for Regression 5  318
Appendix O: PROCESS Output for Regression 6

Run MATRIX procedure:
************* PROCESS Procedure for SPSS Release 2.16.3 **************
Written by Andrew F. Hayes, Ph.D.       www.afhayes.com
**********************************************************************
Model = 21
Y = Customer Service
X = HPWS
M = Satisfaction
W = HRM Strength
V = Attribution
Sample size
532
**********************************************************************
Outcome: Satisfaction
Model Summary
<table>
<thead>
<tr>
<th>R</th>
<th>R-sq</th>
<th>MSE</th>
<th>F</th>
<th>df1</th>
<th>df2</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.7560</td>
<td>.2380</td>
<td>.3375</td>
<td>2.7198</td>
<td>3.0000</td>
<td>376.0000</td>
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</tbody>
</table>
Model
<table>
<thead>
<tr>
<th>coeff</th>
<th>se</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>constant</td>
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<td>1.1573</td>
<td>2.2430</td>
<td>.0255</td>
<td>.3203</td>
</tr>
<tr>
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<td>.3331</td>
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<tr>
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<td>.1111</td>
<td>.6439</td>
<td>.0502</td>
<td>-.4114</td>
</tr>
<tr>
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<td>.0661</td>
<td>.5465</td>
<td>.5851</td>
<td>-.2163</td>
</tr>
</tbody>
</table>
Product terms key:
Int_1    HPWS      X     HRM Strength
**********************************************************************
Outcome: Customer Service
Model Summary
<table>
<thead>
<tr>
<th>R</th>
<th>R-sq</th>
<th>MSE</th>
<th>F</th>
<th>df1</th>
<th>df2</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
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<td>375.0000</td>
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</table>
Model
<table>
<thead>
<tr>
<th>coeff</th>
<th>se</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
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<tr>
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<td>7.1123</td>
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<td>1.7937</td>
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</tbody>
</table>
Product terms key:
Int_2    Satisfaction      X     Attribution
******************** DIRECT AND INDIRECT EFFECTS *********************
Direct effect of X on Y
<table>
<thead>
<tr>
<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>HPWS</td>
<td>.0242</td>
<td>.0732</td>
<td>7.1123</td>
<td>.0532</td>
<td>.1288</td>
</tr>
</tbody>
</table>
Conditional indirect effect(s) of X on Y at values of the moderator(s):
HPWS -> Satisfaction -> Customer Service
Mediators:
HRM Strength Attribution
<table>
<thead>
<tr>
<th>Effect</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
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<tr>
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<td>.0116</td>
<td>.0123</td>
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</tbody>
</table>
Values for quantitative moderators are the mean and plus/minus one SD from mean.
Values for dichotomous moderators are the two values of the moderator.
******************** MODERATED AND CONDITIONAL MODERATED MEDIATION ******************
INDEX OF MODERATED MODERATED MEDIATION:
Mediator
<table>
<thead>
<tr>
<th>Index</th>
<th>SE(Boot)</th>
<th>BootLLCI</th>
<th>BootULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction</td>
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<td>0.040</td>
<td>-.0136</td>
</tr>
</tbody>
</table>
INDEX OF CONDITIONAL MODERATED MEDIATION:
Moderator:
HRM Strength
Mediator
<table>
<thead>
<tr>
<th>Attribution Index</th>
<th>SE(Boot)</th>
<th>BootLLCI</th>
<th>BootULCI</th>
</tr>
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<tbody>
<tr>
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<td>.0069</td>
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<td>Satisfaction</td>
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<tr>
<td>Satisfaction</td>
<td>4.7523</td>
<td>.0119</td>
<td>.0098</td>
</tr>
</tbody>
</table>
Values for quantitative moderators are the mean and plus/minus one SD from mean.
Values for dichotomous moderators are the two values of the moderator.
************************** ANALYSIS NOTES AND WARNINGS **************************
Number of bootstrap samples for bias corrected bootstrap confidence intervals:
10000
Level of confidence for all confidence intervals in output:
95.00
--- END MATRIX ---