

Human Resource Practices & Work Engagement: A Micro-level Study

Pragati Swaroop & Varsha Dixit

Widely held view is that HR practices should be bundled as there could be complementarities amongst them. However, HR practices have been bundled in literature at the macro level and not at the level of the employee which is behaviorally more important. This paper focusses on empirically extracting the bundles of HR practices as perceived by the employees and to predict the effect of these HR bundles on the attitude, specifically, work engagement, of employees. Analysis of data reveals four bundles of HR practices, viz., career enhancement and support, performance evaluation and compensation, HR flexibility and participative decision-making. Structural equation modeling shows that career enhancement and support, performance evaluation and compensation, and participative decision making bundle positively and significantly.

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Introduction

Since the last two decades or more, robust literature is available that examines the strategic role of human resource practices on organizational effectiveness (Becker & Huselid, 1998; Abubaker et al., 2019; Chinyamurindi et al., 2021). Effective human resource systems have resulted in higher productivity and financial performance (Huselid, 1995; Perez Lopez et al, 2005; Lee & Cogin, 2020), lower turnover (Guthrie, 2001), better psychological climate perceptions (Wei et al., 2010), job satisfaction (Hewagama et al, 2019) and higher task performance (Chang et al, 2020) amongst others. The role of gender in HRM-commitment relationship has also been examined (Shin et al, 2020).

Human resource practices have been found to be predictors of work engagement (Karatepe, 2013) which is a positive organizational behavior (POB) construct which relates to a positive state in the workplace. Engaged individuals

exhibit high levels of energy and vigor and are completely immersed in their work (Bakker & Albrecht, 2018). Work engagement has been associated with greater productivity (Anitha, 2014). However, these human resource practices have been considered in totality. Studies are required to examine the impact of bundles of HR practices, as seen by the employees, on employee engagement. Despite the positive effects of human resources practices, literature has opined that these practices could be combined together to complement or offset the effects of others (Ma Prieto & Perez-Santana, 2014). Instead of a single practice acting in isolation of each other, they could be bundled together to effect individual and organizational performances. There could be potential complementarities between HR practices and hence they should be treated as mutually reinforcing. This study discusses the various perspectives on HR bundles.

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Identifying HR bundles is limited to macro level studies and based on the AMO framework (ability enhancing, motivation enhancing and opportunity enhancing). The specific bundles consisting of different HR practices may vary which is a matter of discussion (Lengnick-Hall et al, 2009), yet overall conceptualization includes training and development, rewards, performance, work-life balance (Boselie et al., 2001 for

a review). However, in the workplace, it is the HR system as seen by the individual employees that is more likely to influence human behavior rather than the perspective of management and the existence of HR system (Liao et al, 2009).

Thus, the framed research questions are:

RQ1: What are the different perspectives on bundles of human resource practices as evidenced by literature?

RQ2: What bundles of HR practices are seen by individual employees, and not a macro perspective, as emerging from an empirical study?

RQ3: What are the impacts of different bundles of human resource practices on work engagement in organizations?

Instead of clubbing the HR practices into bundles with a macro level or top management perspective, this study considers clubbing them into bundles as seen by an individual employee. Further, it also examines the effect of these bundles on work engagement variable which had been found to have a great impact on different employee attitudes and behavior (Saks, 2006; Denning, 2013; Sarwar et al., 2020).

Bundling Human Resource Practices

In the last decade of the 20th century, three different patterns emerged in the literature on human resource management as competing frameworks (Delery & Doty, 1996).

- (a) Universalistic theories are concerned with 'best practice' approach and include those developed by, for example, Huselid (1995) and Pfeffer (1994). Universalistic theory assumes that the relationship of HRM practices and organizational performance is linear.
- (b) The configurational approach focuses on identifying 'bundles' of interrelated and consistent HR practices as the appropriate unit of analysis for studying the relationship between HRM and organizational performance (Macduffie, 1995). According to this view, the effect of HRM on firm performance depends on the implementation of an effective combination of HRM practices in an internally consistent manner to result in multiple, mutually reinforcing conditions in order to support motivation and develop skills in employees (Gooderham et al., 2008; Macduffie, 1995).
- (c) Contingency theories consider the context of the firm, thus addressing a concern which was not taken into account especially by the universalistic theories. Hence contingency theories reject the universalistic applicability of HRM practices.

What emerges from the literature is that there are potential complementarities between related HRM practices, and, hence HRM practices should not be treated as being isolated and independent of each other but as mutually reinforcing. Thus, there is a broad consensus of using a bundling approach over single practice approach.

Bundling of HR Practices

A consensus is growing that the design of human resource systems should lead to high levels of skills, competences and motivation and organizations should provide employees with adequate opportunities to make discretionary contributions at the workplace. In combination, these should lead to superior performance (MacDuffie, 1995; Guest, 1997; Becker et al., 1997, Appelbaum et al., 2000). Delery (1998) has given four different ways of combining the HR practices:

- (1) Combining the practices through an additive process, that is, two or more practices may be combined through an additive process to provide a non-overlapping benefit to the outcome.
- (2) The practices may be substitutable; in the sense that one may replace the other, e.g., on-the-job or off-the-job training, but not both, may be provided to develop high levels of skills.
- (3) Using sequential tree analysis to identify 'bundles' of HR practices that lead to positive synergy; that is, the combination of practices is more than the sum of its parts.
- (4) An incongruous combination of practices can lead to more negative consequences than when the practice is merely non-existent, leading to negative synergistic effects.

For combining the practices, one could choose an additive or multiplicative approach. Macduffie (1995) chose the additive approach over multiplicative

one to combine practices. In a multiplicative approach, if any one organization practice is absent, the 'bundle' score would be zero, and so would be the effect.

Gooderham et al., (2008) did a factor analysis on a set of 61 indicators of HRM practices (taken from Cranet survey of HRM in 16 countries) and identified 15 factors or bundles of HRM practices. Thus, instead of HR practices acting in isolation of each other, if could be bundled together will have an effect on organization. High-involvement HR practices, described as coherent sets of distinct but interconnected practices, can influence employee behavior in a harmonious manner by positively motivating the employees (Ma Prieto & Perez-Santana, 2014). There are complex interactions between HRM bundles and organizational performance (Macduffie, 1995; Singh et al, 2020). Hence this study aims to identify the bundles of human resource practices that may have an impact on work engagement.

We aim to extract the bundles of human resource practices from empirical data. It is the HR system as seen by individual employee, rather than the perspectives of management identified through macro level studies that is more likely to influence human behavior (Liao et al, 2009). Hence this study aims to identify HR bundles as perceived by the employees.

Work Engagement

Work engagement has been defined by Schaufeli et al (2002) as a positive,

fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption. Employees who are engaged put effort in their work because they identify themselves with the work. Work engagement brings in positive returns to the employee as well as the organization (Anitha, 2014). When an employee is engaged, he experiences a heightened level of ownership wherein he is interested in doing whatever he can offer to benefit the internal and external customers, and for the overall success of the organization.

While HR practices have been found to be the predictors of work engagement (Karatepe, 2013; Salanova et al., 2005, Anitha, 2014), these studies have considered individual HR practices in isolation or in totality by combining the individual HR. Karatepe (2013), in his work considered training, empowerment and rewards as HR practices, whereas Salanova et al. (2005) mentioned training and autonomy as HR practices. Arrowsmith and Parker (2013) identified the scarcity of research on the examination of the impact of individual HR practices on work engagement and concluded that the impact of HR practices on work engagement is not clear. Kuslivan et al. (2010) and Arrowsmith and Parker (2013) suggest that there is a need for more studies to understand the impact of HR practices on work engagement.

From both the psychological contract theory and social exchange theory, when an organization has human resource practices that are perceived as positive and encouraging for the employees, they

will feel obliged and try to repay that obligation. One way for employees to repay to the organization is through higher levels of engagement. Thus, engagement is a two-way relationship between the employees and the employer (Robinson et al, 2004) and employees will choose varying levels of engagement in response to the treatment they receive from the organization. When employees feel valued and that their contribution is significant for the firm, the employees become more engaged (Rich et al, 2010; Alfes et al, 2010). High involvement HR practices motivate the employees intrinsically or extrinsically and are positively related to engagement (Bakker & Demerouti, 2008). HR practices such as job design to fulfil the need for autonomy can bring about intrinsic motivation (Deci & Ryan, 1985) while practices such as appraisal and compensation and information sharing may increase extrinsic motivation. Research studies also suggest positive linkages between HRM practices and employee behaviors and attitudes (Conway & Monks, 2009; Laursen & Foss, 2003; Shipton et al., 2006; Abubaker et al., 2019; Chinyamurindi et al., 2021). Thus, based on social exchange theory, psychological contract theory and from the literature on the relationship between HRM practices and the attitudinal and behavioral constructs, one can reasonably hypothesize that perceived HRM practices may be linked to

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employee engagement. Accordingly, we frame the following hypothesis:

H1: Bundles of human resource practices is positively related to work engagement.

As given later, four bundles have emerged from the analysis. These are: (a) career enhancement and support (b) performance evaluation and compensation (c) HR flexibility and (d) participative decision making.

Hence H1 is further split into:

H1(a): Career enhancement and support is positively related to work engagement.

H1(b): Performance evaluation and compensation is positively related to work engagement.

H1(c): HR flexibility is positively related to work engagement.

H1(d): Participative decision making is positively related to work engagement.

Methodology

Selection of HR Practices and Extraction of the Bundles: As no comprehensive instruments were available that focused on HR practices as perceived by employees, this study attempts to extract bundles of HR practices as seen by the employees.

As suggested by Bardin (2011), the categories and their indicators as existing in literature were analyzed first.

Broadly, the main categories emerging from content analysis corroborated the main categories of recruitment and selection, involvement, training and development, performance appraisal, working environment and compensation and rewards. Thirty-six (36) items were generated as a result. Next, further opinions of industry experts who were practicing HR managers were sought to identify if some important practices had not been included. Based on expert advice, items related to work life balance and flexibility were added, taking the total list of items to forty-four (44). At this stage, the items were subjected to semantic analysis to check whether they are comprehensible and to resolve any doubts and lack of clarity. The analysis focused on a sample of 28 people working for organizations in different industries, such as defence, healthcare, retail, education, information technology, manufacturing and hospitality. After the semantic analysis, 18 items were found to be unclear, doubtful or repeated. These items were crossed out, bringing the list of items to 26. Finally, opinions of four industry experts, two from service industry and two from manufacturing, and two HR academics were sought on the comprehensiveness and relevance of the items. Based on the advice, two items were removed due to disagreement amongst the experts being more than 50% on the suitability of the items for this study.

Work Engagement: An abridged version of Utrecht Work Engagement Scale (UWES) (Schaufeli et al, 2006) was used to measure work engagement. It consists of nine items measuring work

engagement consisting of vigor, dedication and absorption, with three items for each. The sample items are “When I get up in the morning, I feel like going to work” (vigor), “I am proud of the work I do” (dedication) and “I am immersed in my work” (absorption). Vigor, absorption and dedication are not treated distinctly in this study, but are aggregated into a single measure of work engagement. A five-point scale ranging from 1 (Never) to 5 (Always) is used to measure each item.

Control Variables: The control variables considered in the study are age (in years as on last birthday), gender (female = 0, male – 1), industry type (service, manufacturing, R&D), management level (lower, middle, top) and qualification (graduate, postgraduate).

In order to minimize common methods variance and social desirability bias, we assured the participants that the responses would be kept confidential and only aggregate responses would be reported. Further the different scale items were mixed and some of the items were randomly reverse coded. This is in accordance with the methods suggested by Podsakoff & Organ (1986). Further, Harman’s one factor test was applied after data collection, the results of which are given later in this paper.

Sample & Data Collection

The sample for the study was drawn from the manufacturing, service and R&D organizations located in National Capital Region and Uttarakhand state of

India. Various organizations were contacted and were requested to be a part of the study. As in Abubakar and Al-zuoud (2021), the present study focused only on permanent workers of the organizations. The help of HR managers was taken to select the participants through the random sampling technique. The participants were likewise assured of complete anonymity and did not have to reveal their identity or of their organizations. Finally, 320 hard copies of questionnaires were distributed to those who were accessible and did not hesitate to participate. The surveys were returned directly to the researchers, further ensuring confidentiality of the participants. However, only 264 responses were received of which 15 were not usable due to incomplete data. Thus, the final sample size was 249, giving a response rate of 77.8%.

Data Analysis

In line with Gooderham et al.'s (2008) approach, and in accordance with the recommendations of DeVellis and Dancer (1991) and Macduffie (1995), factor analysis was used for identifying highly interrelated items in a scale and thus create bundles of human resource management practices. To further check the possibility of common methods variance post data collection, Harman's single factor test was applied. In this test, all the factors are forced to load on a single factor (Podsakoff et al., 2012; Abubakar & Al-zuoud, 2021). The single factor explained 36.75% of total variance, which is less than the threshold level of 50%, thus ruling out the presence of common method bias (Podsakoff et al., 2012;

Chang, 2010). Confirmatory factor analysis was also applied to check for the reliability and validity of the bundles extracted through principal components analysis. Hypotheses were tested through Structural Equation Modeling using SPSS version 21.

Results

The demographic breakup of the respondents is given in Table 1. 193 (77.50%) of the respondents were male, while the remaining 56 (22.50%) were females. 31.3% (78) of the respondents had lower level management or technical profile, 152 (61%) belonged to the middle level of the organizations and 19 (7.6%) were from top level. 121 respondents were from service industry, 53 from manufacturing and 75 from R&D. The average age of the respondents was 35.87 years (SD=8.14). All the respondents were at least graduates.

For extracting the factors, we used exploratory factor analysis using principal components method with varimax rotation, with an eigen value criteria greater than 1. After an iterative process, the present study zeroed-in on four factors which explained a total variance of 63.80%, which is more than the acceptable level of 60%. The results of principal components analysis are given in Tables 2 and 3. Table 2 shows that Bartlett's test of sphericity rejects the null hypothesis of the population correlation being an identity matrix. The approximate chi-square value is 2117.514 with 153 degrees of freedom, which is significant at the 0.05 level. The value of KMO sta-

tistic (.905) is also large (>.0.5). The final list of factors and corresponding items with loadings are shown in Table 3.

Table 1 Demographic profile of respondents (N= 249)

Measures	Items	Frequency	%
Gender	Female	56	22.50
	Male	193	77.50
	Total	249	100.00
Industry type	Service	121	48.60
	Manufacturing	53	21.30
	R&D	75	30.10
	Total	249	100.00
Management Level	Lower	78	31.30
	Middle	152	61.00
	Top	19	7.60
	Total	249	100.00
Qualification	Graduate	83	33.30
	Post Graduate	166	66.70
	Total	249	100.00

Table 2 KMO and Bartlett’s Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.905	
Approx. Chi-Square	2117.514	
Bartlett’s Test of Sphericity	df	153
Sig.	.000	

Table 3 HR Bundles Emerging in the Study

S.No.	Bundles of Human Resource Practices	Loading
HR Bundle 1: ($\alpha = 0.853$)		
1	I feel I have equal opportunity as others in my workplace.	0.763
2	Team working is strongly encouraged in our department.	0.695
3	I get regular feedback that helps me improve and develop.	0.692
4	Management gives priority to internal candidates over external candidates for job openings	0.681
5	I get mentoring and/or coaching support from my seniors.	0.65
6	I have substantial responsibility and discretion in carrying out my work.	0.625
HR Bundle 2: ($\alpha=.845$)		
7	I feel fairly rewarded for the amount of effort I put into my job.	0.815
8	The criteria on which my compensation is based are clear and understandable.	0.778
9	My employer’s remuneration structure is not transparent ®.	0.702
10	My performance is appraised objectively.	0.691
11	Part of my compensation is related to my performance.	0.613

HR Bundle 3: ($\alpha = 0.759$)

12	I do not have flexibility in organizing my working hours ®.	0.785
13	Flexibility of our HR practices helps me to adjust to the changing demands of the environment.	0.731
14	There are family friendly practices in my workplace.	0.692
15	Our HR practices as a whole are flexible.	0.612

HR Bundle 4: ($\alpha = 0.838$)

16	This company keeps me informed about business issues and about how well it is doing.	0.825
17	This department seeks my opinion when making important decisions.	0.785
18	Management involves people when they make decisions that affect them.	0.759

®- reverse coded items

The first bundle has 6 items with loading ranging from .625 to .763. The structure of second bundle consisted of 5 items and the loading range varies from .613 to .815. The third bundle has 4 items and the loading ranges from .612 to .785. The fourth bundle has 3 items with loading ranging from 0.759 to 0.825 and all of them were above 0.7. The four factors together explained 63.8% variance in the data. Following Kahn (2006), the factors in this study are named based on theoretical understanding, the items which loaded on each factor, the strengths of the structure coefficients of these items and considering what was common in the items which loaded on that factor.

HRB1: The first bundle which emerges consists of 6 items which are: 'I feel I have equal opportunity as others in my workplace', 'Team working is strongly encouraged in our department', 'I get regular feedback that helps me improve and develop', 'Management gives priority to internal candidates over external candidates for job openings', 'I get mentoring and/or coaching support from my seniors', and, 'I have substantial responsibility and discretion in carrying out

my work'. This HR practice bundle is labelled as 'Career Enhancement and Support' and explains 19.054% of the total variance in the data. Cronbach alpha reliability of HRB1 is 0.853.

HRB2: The second HR bundle comprised five items related to compensation and rewards as well as to performance evaluation. Items in this factor include: 'I feel fairly rewarded for the amount of effort I put into my job', 'The criteria on which my compensation is based are clear and understandable', 'My employer's remuneration structure is not transparent', 'My performance is appraised objectively', and, 'Part of my compensation is related to my performance'. This HR bundle is labelled as 'Performance Evaluation and Compensation' and explains 17.8 % of the total variance in the data. The Cronbach alpha reliability of HRB2 is 0.845.

HRB3: The third bundle consists of four items related to human resource flexibility. Items included in this factor are: 'I do not have flexibility in organizing my working hours', 'Flexibility of our HR practices helps me to adjust to the

changing demands of the environment’, ‘There are family friendly practices in my workplace’, and, ‘Our HR practices as a whole are flexible’. This third HR practice bundle is labelled as ‘HR Flexibility.’ HRB3 explains 13.382% of the total variance in the data. The Cronbach alpha reliability of the third bundle is 0.759.

HRB4: The fourth factor consists of three items related to participation in decision making. Items included in this factor are: ‘This company keeps me informed about when making important decisions’, and, ‘Management involves people when they make decisions that affect them’. This HR practice bundle is labelled as ‘Participative Decision Making’ and explains 13.568% of the total variance in the data. The Cronbach alpha for HRB4 is 0.888.

Confirmatory Factor Analysis

Before testing the hypotheses, the extracted factors were further sub-

jected to confirmatory factor analysis.

Two items were removed in the respecified CFA model as their standardized regression weights were less than 0.4. These items are ‘Management gives priority to internal candidates over external candidates for job opening’ (SRW= 0.24) in career enhancement and support bundle (HRB1), and ‘I get carried away when I am working and lose track of time’ (SRW =0.09) in work engagement.

The fit indices of the measurement model (CFA) are shown in Table 4. The results of reliability convergent and discriminant validity of the constructs are shown in Table 5. The average variance extracted for all the factors in .0.50, except for HR Flexibility where AVE is 0.448. However, for HR Flexibility, the composite reliability is 0.763. Hence all the constructs have convergent and discriminant validity (Fornell & Larcker, 1981).

Table 4 Fit Indices for Measurement Model (Final)

	χ^2	Df	χ^2/df	GFI	CFI	TLI	IFI	SRMR	RMSEA
Final	408.465	264	1.547	0.889	0.955	0.949	0.956	0.0508	0.047

Table 5 Reliability & Validity

Variables	AVE	Cronbach Alpha	Composite	Reliability
Career Enhancement & Support(HRB1)	0.524	0.856	0.846	0.698-0.751
Performance Evaluation & Compensation (HRB2)	0.533	0.845	0.848	0.545-0.823
HR Flexibility (HRB3)	0.448	0.759	0.763	0.581-0.731
Participative Decision Making(HRB4)	0.645	0.838	0.844	0.675-0.883
Work engagement	0.558	0.906	0.908	0.570-0.842

Table 6. Means, SDs and Intercorrelations amongst study variables

	Mean	SD	1	2	3	4	5	6	7	8	9	10
1 Age(yrs)	35.876	8.746										
2 Gender#	0.775	0.418	.377**									
3 Level @	1.763	0.579	.444**	.195**								
4 Industry !	0.815	0.870	-.125*	.029	-.063							
5 Education \$	0.667	0.472	.064	-.034	.020	-.200**						
6 Career Enh.& Support (HRB1)	3.555	0.752	.066	.009	.055	-.169**	.044	(0.856)				
7 Perf Eval & Comp.(HRB2)	3.298	0.821	.141*	.083	.061	-.110	.066	.581**	(0.845)			
8 HR Flexibility (HRB3)	3.094	0.754	.004	-.070	-.020	-.210**	-.040	.527**	.399**	(0.759)		
9 Partic. Dec. Mak.(HRB4)	3.398	0.848	.179**	.039	.102	-.303**	.012	.532**	.544**	.418**	(0.838)	
10 WE	3.776	0.716	.154*	.065	.067	-.116	.029	.526**	.508**	.387**	.505**	(0.906)

**p<0.01, *p<0.05
 # F=0, M=1; @Lower=1,Middle=2,Top=3; ! Service=1, Manufacturing= 2, R&D =3 ; \$ Graduate= 0, Post Graduate= 1 [All nominal scale]
 alpha reliabilities are shown in brackets along the diagonal.

The means, SDs and correlations and the alpha reliabilities of the study variables are shown in Table 6. It is observed that the mean of work engagement is 3.776 (SD=0.716). The HR bundles HRB1 (career enhancement and support), HRB2 (performance evaluation and compensation), HRB3 (HR flexibility) and HRB4 (participative decision making) are significantly correlated with work engagement. Interrelationships exist among the four HR bundles. For example, career enhancement and support (HRB1) have a positive and significant correlation with performance evaluation and compensation (HRB2) (r = 0.581, p < 0.01), with HR flexibility (HRB3) (r = 0.527, p < 0.01) and with participative decision making (HRB4) (r= 0.532, p<0.01), and the correlation between career enhancement and support (HRB1) and work engagement (WE) is r= 0.526, p<0.01 and participative decision making (HRB4) and work engagement (WE) is r= 0.505, p<0.01.

Structural Equation Modeling

Structural equation modeling is used to test the hypotheses H1(a) to H1(d). Structural modeling results suggest that the hypothesized model fit the data well. The fit indices for the structural model indicate an overall good fit ($\chi^2/df = 1.571$, GFI = 0.876, IFI = 0.94, TLI = 0.927, CFI = 0.939, RMSEA = 0.048). Table 7 and 8 summarize the results of structural equation modeling.

Results of structural equation model strongly support H1(a), H1(b) and H1(d),

Fig. 1 Confirmatory Factor Analysis

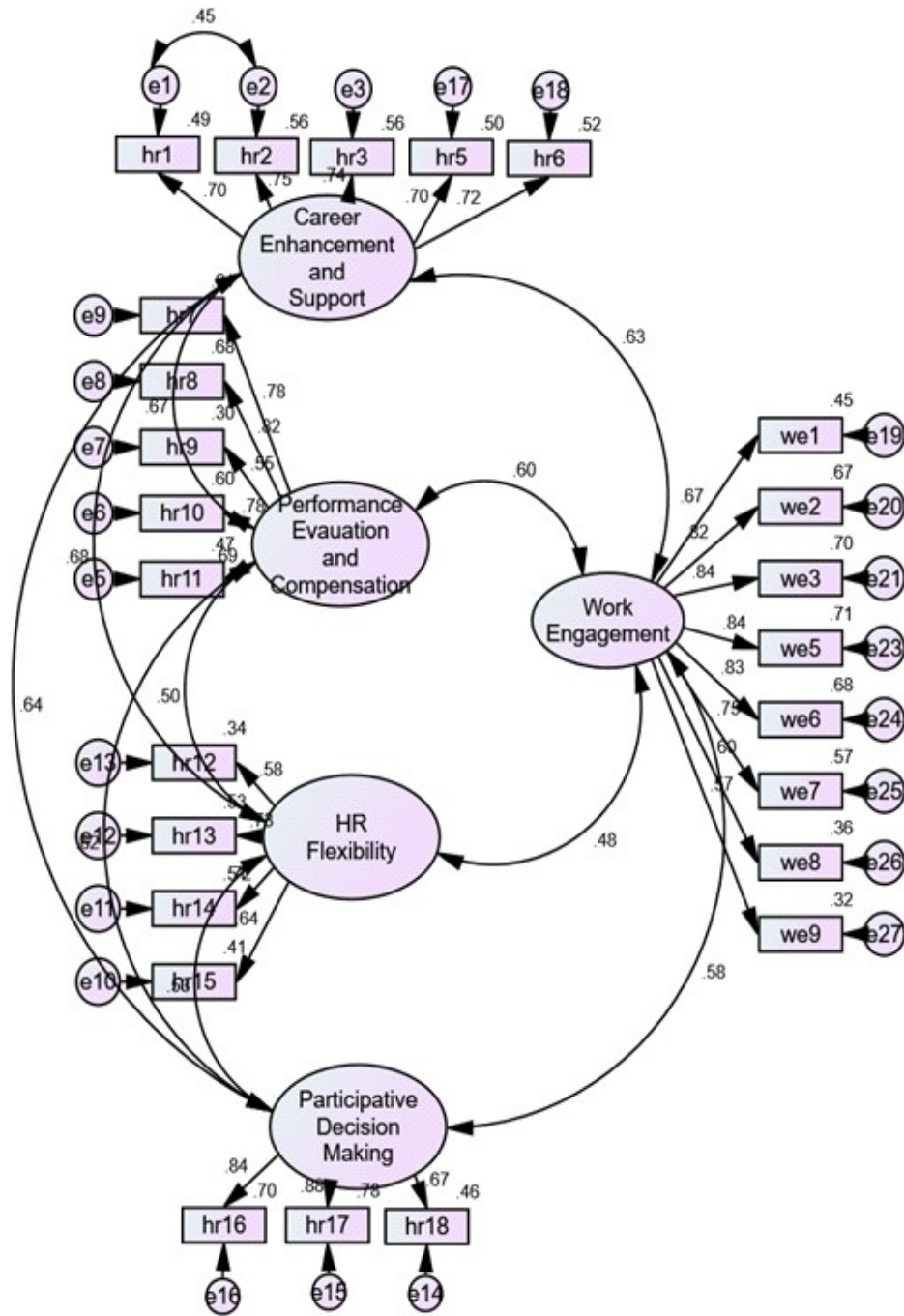


Fig. 2 Structural Equation Modeling

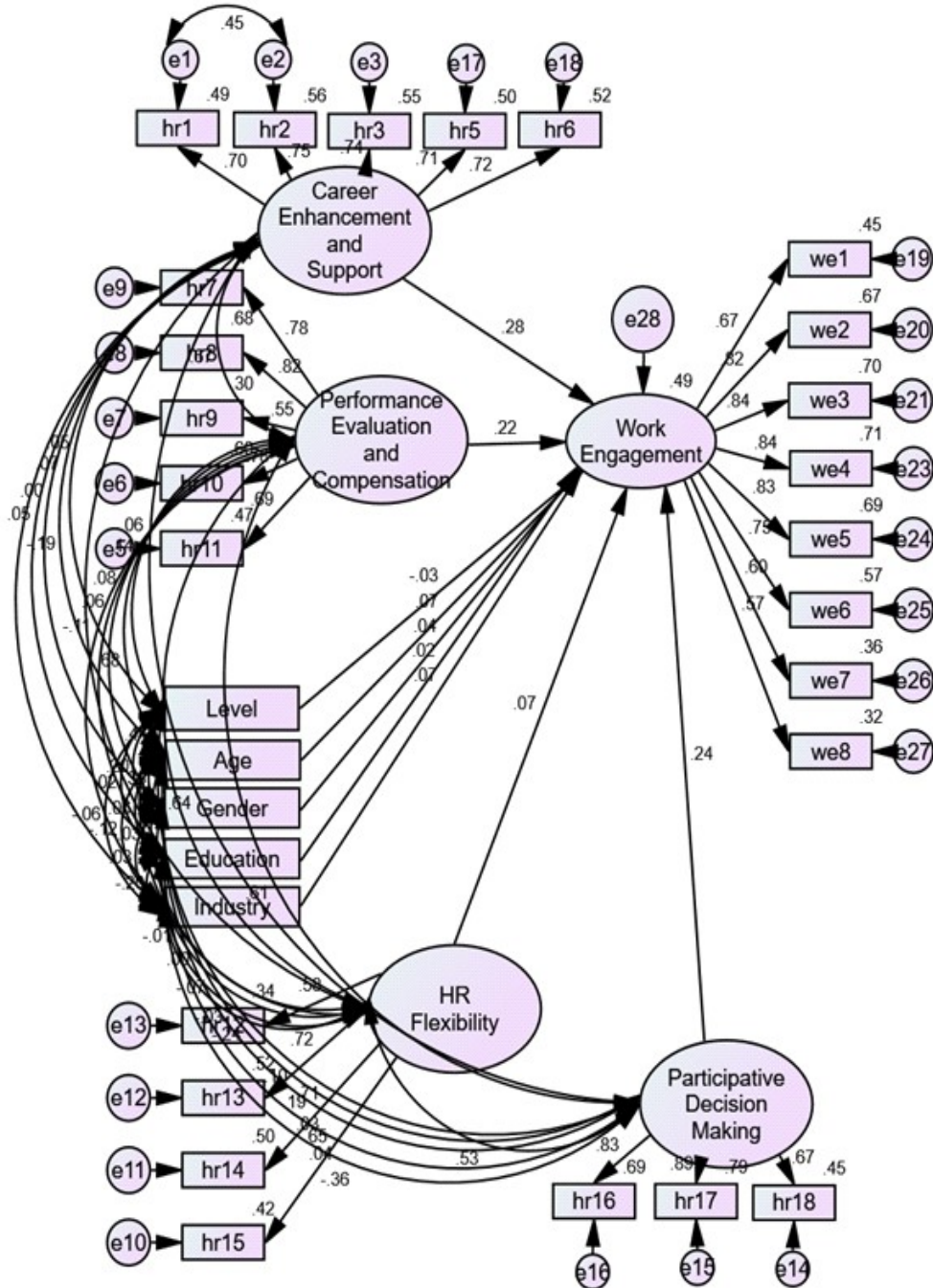


Table 7 Overall Fit Indexes for Structural Model

Chi-square	df	χ^2/df	GFI	CFI	TLI	IFI	SRMR	RMSEA
572.012	364	1.571	0.876	0.939	0.927	0.94	0.0497	0.048

Table 8 SEM results

Path Model	
Career Enhancement and Support \longrightarrow Work Engagement	0.268*
Performance Evaluation and Compensation \longrightarrow Work Engagement	0.211*
HR Flexibility \longrightarrow Work Engagement	0.08
Participative Decision Making \longrightarrow Work Engagement	0.251**

Notes: * $p < .05$; ** $p < 0.01$

i.e., career enhancement and support ($b = 0.268$, $p < 0.05$), performance evaluation and compensation ($b = 0.211$, $p < 0.05$) and participative decision making ($b = 0.251$, $p < 0.01$) emerge as significant predictors of work engagement. However, no support could be found for H1(c), as b coefficient of HR flexibility with work engagement was insignificant ($b = 0.08$, $p < 0.01$).

Discussion

This paper has discussed the various perspectives about bundles of HR practices as conceptualized in literature. Secondly it has extracted the bundles of HR practices through an empirical analysis. It has also investigated the impact of these HR bundles on the attitudinal variable of work engagement. Work engagement is an important attitudinal construct that has been linked to important organizational outcomes such as performance (Anitha, 2014) and low turnover intention (Saks, 2006). Earlier studies available in literature have investigated the impact of human resources on various

organizational outcomes such as job satisfaction (Hewagama et al, 2019), employee fatigue (Godard, 2001), knowledge sharing and task performance (Chang et al, 2020), service recovery performance (Hewagama et al, 2019) and commitment (Shin et al, 2020), amongst others. As there could be potential complementarities between individual HR practices, researches have suggested that HR practices be considered as bundles (Bos-Nehles et al, 2017). However, earlier studies have considered the human resource practices as seen at the macro-level, that is, from the viewpoint of the organization's management (Ma Prieto and Perez-Santana, 2014). Yet, it is the HR practices as seen by the individual employees that are behaviorally important. This study has attempted to examine HR bundles as seen by the employees.

Extraction of bundles led to four bundles of HR practices- career advancement and support, performance appraisal and compensation, HR flexibility, and participative decision making.

Hypothesis was tested through structural equation modeling which revealed that three of the four bundles of HR practices, viz., career advancement and support ($b = 0.268, p < 0.05$), performance appraisal and compensation ($b = 0.211, p < 0.05$) and participative decision making ($b = 0.251, p < 0.01$) were positively related to work engagement. These findings highlight the role of career advancement and support, appraisals and compensation and participative decision making as important determinants of engagement at work. Yet, contrary to expectations, this study finds that HR flexibility does not have any significant effect on the dependent variable, that is, work engagement ($b = 0.08, p = ns$).

Implications

This study has a number of theoretical implications. As suggested by earlier researchers (Bos-Nehles et al, 2017) that HR practices should be considered in bundles and not as practices in isolation, this study has considered the HR practices in sets of HR practices or bundles. Each bundle can impact the outcome variable differently as has been seen from the results of the analysis. While the bundle of HR flexibility does not have any significant impact of work engagement, the other bundles of HR practices – career advancement and support, perfor-

Career advancement and support, performance appraisal and compensation and participative decision making- positively impact work engagement.

mance appraisal and compensation and participative decision making- positively impact work engagement. In addition, literature has suggested that the HR practices seen by employees is important, and not practices that may be considered by top management. This study emphasizes on an employee centered approach in viewing the HR practices. Hardly any study is available that has attempted to expand the lens of viewing HR practices as bundles and from the eyes of the employees. By theorizing and testing human resource practices as bundles, not from a macro level but from a micro level of the employee, we offered additional insight on how human resources can impact work engagement of employees.

Our findings have practical implications for companies and managers. First, according to our findings, HR practices should be treated as bundles instead of individual practices and policies designed accordingly. For example, there should be opportunities for career enhancement which should be clubbed with organizational support such as coaching and mentoring and giving substantial responsibility and discretion to the employees to fulfil his work. Bundling of performance evaluation and compensation shows that the employer's remuneration structure should be transparent and the criteria on which the compensation should be based should be clear and understandable at the same time performance should be appraised objectively. This rules out any vagueness in the way performance is appraised or in which the employees are rewarded. This can only be possible if the roles and expectations

from the employees are defined clearly and there is a clear linkage with what an employee should do and what he expects as reward.

We find that 'participative decision making' bundle, wherein the department sought opinions of employees while making important decisions, informed them about business issues and involved them when making decisions that affected the employees, was the most important bundle for impacting work engagement. In addition, providing equal opportunities to employees, giving responsibility and provoking coaching and mentoring support indicate management is interested in their career advancement and make them engage more with their work. Thirdly, appraising the performance fairly and having a transparent remuneration structure can create trust and also increase the work engagement of employees. It also suggests that HR flexibility has not emerged as an important determinant of work engagement and may not be crucial for work engagement from the employees. This may also suggest that employees would like to be told of the domain and scope of their work and would not like the organization to infringe on their personal time as HR flexibility can create an obligation that employees do not restrict themselves to official hours.

Additionally, to increase the engagement levels of employees, policies should be designed by organizations to involve people in decision making. When an employee participates in decision making, he feels valued. These HR practices will increase the work engagement of employees. It is worthwhile for companies

to introduce and reinforce the utility of participative decision making and seeking the opinions of subordinates in making decisions that affect them.

Limitations & Directions for Further Research

While the bundles of human resource practices as seen by the individual employees have been extracted in the study, the effect of these practices on only work engagement has been investigated. Impact of bundles of HR practices on other attitudinal variables such as commitment, organizational citizenship behavior and job satisfaction have not been examined in the study. Future studies may like to explore the impact of the bundles on these attitudinal variables. Further, the impact of these HR practices and work engagement on performance has not been studied. Future studies may fill this gap. Thirdly, these bundles have been extracted from employees of organizations in the northern part of India. Since culture may also influence how the employees view human resource practices, further studies may be conducted in different cultures and the generalizability of these bundles across different cultures and geographic regions may also be tested. Fourthly, while due care has been taken to ensure that common methods variance and social desirability bias are avoided, by taking such steps as mixing the order of items, reversing some of the items and assuring anonymity and confidentiality, such biases cannot be entirely ruled out. Stricter precautions could be taken in future studies so that robustness of findings increases further.

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