The Role of HRM System and Organisational Culture in Employee Engagement and Organisational Performance

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Master of Science in Applied Psychology

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Abstract

Work engagement is a desirable attribute of employees that organisations must attempt to foster and enhance. Engaged employees are focused and fully immersed in their tasks, resilient to high levels of job demands, and experience a sense of pride and meaningfulness within their work. Therefore, it is important that organisations understand the mechanisms that enhance work engagement, particularly whether and how its HRM systems contribute to levels of engagement. The present study examined the contributions of HRM systems to engagement. Furthermore, although organisations implement HRM systems with the purpose of increasing the performance of their workforce, empirical evidence supporting the relationship between HRM systems and organisational performance is scarce, therefore this is also a focus of this study. Additionally, organisational culture will be investigated as the social context that enhances engagement and performance beyond the effects of existing HRM systems. Hence, this study explored the role of HRM systems and organisational culture on employee engagement and perceived organisational performance.

Ninety-seven Thai employees from various organisations completed an internet-based survey. Results from multiple regressions suggest that engagement can be maintained or enhanced to the extent that employees are offered responsibility in the organisation and participate less in job training, and that the organisational culture is one that focuses on flexibility, individualism, entrepreneurship, and innovativeness. Moreover, the findings show a positive association between organisational performance and opportunities for advancement, job security, and competitive and goal oriented organisational culture. The limitations and implications of this study were addressed, along with recommendations for future research.

The Role of HRM System and Organisational Culture in Employee Engagement and Organisational Performance

To retain the competitiveness of their business, organisations are continuously seeking ways to improve their employees' and organisational performance. A Human Resource Management (HRM) system is implemented in organisations with the ultimate purpose to effectively enhance workforce capabilities, which can result in favourable performance outcomes (Baptiste, 2007; Batt, 2002; Bowen & Ostroff, 2004). Ample research has demonstrated that an organisation's HRM system has a pivotal relationship with important outcomes, such as employee and organisational performance (Batt, 2002; Browne, 2001; Delaney & Huselid, 1996; Ichnioski, 1997; Macky & Boxall, 2007). Studies have suggested both direct and indirect effects of HRM systems (practices and strength) on attitudinal outcomes and performance (Chew & Sharma, 2005; Collins & Clark, 2003; Moideenkutty, Al-Lamki & Murthy, 2011). In particular, HRM practices are believed to influence employee commitment (Batt, 2002; Agarwala, 2003; Gellatly, Hunter, Currie, & Irving, 2009), work-related satisfaction (Gould-Williams, 2004), engagement (Schaufeli & Salanova, 2008), and the perceived fit between individual and organisation (Boon, Hartog, Boselie, & Paauwe, 2011). According to Macky and Boxall (2007) employees' job satisfaction and organisational commitment have an important role within the relationship between HRM systems, and employee performance and organisational outcomes. Their conclusion suggests that employees' perception of their workplace could enhance the effects of an HRM system on the expected outcomes. For instance, an employee who holds a positive view regarding the implementation of an HRM system is more likely to get involved and voluntarily participate in organisational activities. This allows an HRM system to serve its purposes by guiding and developing employees' skills and knowledge. Positively perceived workplaces lead to increased

productivity, both quantitative and qualitative, from the employee (Harter, Schmidt, & Keyes, 2002; Judge, Thoresen, Bono, Patton, 2001). Although the scholars reasonably assume that employees are aware of existing HRM practices (e.g., recruitment and selection methods, training design and delivery, and performance management) and the extent to which these practices impact their work and organisational outcomes, the extent to which the salience and quality of HRM practices result in desirable outcomes have been given only cursory attention. Bowen and Ostroff (2004), and Pereira and Gomes (2012) suggest that the existence of HRM practices alone is no guarantee that desirable employee behaviours, skills, and attitudes will occur. The HRM practices must also be known and understood through the organisation's approach to communicating and implementing them. Hence, the present study assesses not only the extent to which specific HRM practices contribute to individual work and organisational functioning, but also whether these practices are visible or salient in the organisation (i.e., HRM strength). While the concept of HRM strength has been extensively described in the literature (Bowen & Ostroff, 2004; Pereira & Gomes, 2012) the empirical research investigating its impact on employee attitudes and organisational outcomes is absent. The current study proposes to address the existing gap and explore the relationship between HRM system (considering both practices and strength) and the outcomes of perceived organisational performance and work engagement.

In addition, organisational culture has been linked to the development and implementation of the HRM systems within an organisation (Bowen & Ostroff, 2004; Ferris, Aurther, Berkson, Kaplan, Cook, & Fink, 1998). Though organisational culture contributes to employee perceptions of their workplace, as well as and organisational performance (Aarons & Sawitzky, 2006; Chew & Sharma, 2005; Ferris, Aurther,

Berkson, Kaplan, Cook, & Fink, 1998; Lau & Ngo, 2004), there is a lack of research seeking to explore its contribution to work engagement in different cultural settings. An overall objective of the present study is to investigate the unique contributions of HRM systems, both practices and strength, and organisational culture to work engagement and subjective performance.

Literature Overview

HRM System

An HRM system consists of two main components, HRM practices and HRM strength. HRM practices signify organisational procedures and policies, which are strategically aligned with organisational goals, and reinforce the behaviours, skills, and attitudes of the organisation's workforce (e.g., recruitment and selection, training design and delivery, performance management) (Bowen & Ostroff, 2004; Ribeiro, Coelho, & Gomes, 2011). By motivating employees to adopt desirable attitudes and behaviours, HRM practices contribute to performance. On the other hand, HRM strength refers to the way the HRM practices are communicated to employees and implemented (Pereira & Gomes, 2012; Ribeiro, Coelho, & Gomes, 2011). This component comprises of distinctiveness, consistency, and consensus attributes of HRM. Distinctiveness refers to features of practice that are highly observable, meaning the degree to which the existing practices are salient and readily observable. Consistency occurs when a practice presents itself similarly across modalities and time. Consensus occurs when there is an agreement among employees about the practices. In essence, the way employees perceive the HRM practices, and the extent to which they are familiar with existing practices, influences their attitudes and behaviours towards the organisation. For instance, performance management

initiatives, such as a meeting regularly with staff members to discuss current performance in relation to aspired career paths, ensure the distinctiveness of performance management as an HRM practice. It is vital that an organisation maintains consistency in communication and implementation overtime to ascertain that employees understand what is expected of them, and ensures that the practices are perceived as fair. As a result, employees should develop positive attitudes towards organisational functions and be more accepting of HRM practices, which all-together lead to the overall effectiveness of the HRM system. A number of studies highlight the importance of fostering positive perceptions of organisational practices, particularly fairness within the context of HRM practices (Gruman & Saks, 2011; Kuvass, 2006; Kuvass, 2011; Lewis, 2009; and Thurston & McNall 2009). Consistent with Bowen and Ostroff (2004), the study contends that the effectiveness of an HRM system relies heavily on the positive perception of the process, rather than the actual activities. Employee perceptions influence their attitudes towards the practice, and subsequently impact their effectiveness. Hence, the visibility of HRM practices is essential to developing positive perceptions of the organisation and will be assessed in this study.

HRM systems and Workplace Attitudes

Workplace attitudes reflect employee viewpoints about aspects of their job, career, and organisation, which in turn influence their work-related behaviours and ultimately their performance (Schmit & Allscheid, 1995). Such workplace attitudes include job satisfaction, commitment, involvement, organisational citizenship behaviours, and work engagement. The extant research has consistently provided evidence of a positive association between job performance and these work-related attitudes

(Harter, Schmidt, & Hayes, 2002; Rich, Lepine, & Crawford, 2010). In addition, work engagement has received a great deal of interest amongst organisations in recent years and has become a popular construct. High levels of engagement have been associated with valuable outcomes for organisations, particularly higher job performance (Bakker, Schaufeli, Leiter, & Taris, 2008; Rich, Lepine, & Crawford, 2010). Researchers suggest that engaged employees are likely to be more fully immersed in their job and willing to perform it at the best of their ability. Several scholars have argued that work engagement is a complex psychological state rather than a workplace attitude (Kahn, 1992; Roberts & Davenport, 2002; Schaufeli, Salanova, Bakker, & Alez-rom, 2002). Although, work engagement was found to be related to many workplace attitudes, the present study it is referred to as a psychological state. Given the popularity and consistent association with important organisational outcomes, namely performance, work engagement will be the dependent variable of interest in this study.

Work engagement

It is widely accepted that engaged employees are highly valuable and desirable by organisations (Shaufeli & Bakker, 2004; Schaufeli, Bakker, & Salanova 2006). Disengagement leads to workers' lack of work commitment and motivation (May, Gilson, & Harter, 2004). Employee engagement is characterised by an individual's enthusiasm and involvement in the job, specifically the individual being attentive, focused, integrated, and connected with their performance (Kahn, 1992; Roberts & Davenport, 2002). Schaufeli, Salanova, Bakker, and Alez-rom (2002) contend that work engagement is comprised of three core components: dedication, vigour, and absorption. Dedication refers to feelings of significance, inspiration, pride, and enthusiasm accompanying a strong level of involvement in task performance. Vigour

refers to positive energy, resilience, perseverance through challenges, and willingness to put effort on the task. Absorption is characterised by being completely concentrated and deeply immersed in work. Kahn (1990) proposed that employee engagement is a psychological state of being physically, emotionally and cognitively present during the moments of task performance. Individuals, who are engaged in a particular moment, become cognitively vigilant of the environment, emotionally connected to others, and physically involved in their tasks and roles. Therefore, engaged individuals are likely to not only perform well on the tasks, but also to be aware of the potential consequences of their behaviours. Schaufeli et al. (2002) have supported Kahn's notion that engagement is a psychological state and defined the construct as a positive and fulfilling state of mind that is accompanied by individual learning from experience.

Roberts and Davenport (2002), and Rich, Lepine, and Crawford (2010) found that employees who are attentive and focus while performing work-related tasks are more likely to produce quality work outcomes and make fewer mistakes. In addition to understanding the impact of work engagement on valued organisational outcomes, is it critical to ascertain what contributes to higher levels of engagement among employees. Kahn's (1990) early assertion that the levels of engagement can vary depending on individuals' psychological experiences of work and the perceived work context has been empirically tested in the past two decades. The evidence suggests that individuals' levels of engagement are influenced by perceived and objective job resources; namely a positive organisational climate, the quality of supervisor feedback, and perceived organisational support (Bakker, Hakanen, Demerouti, & Xanthopoulou, 2007; Bakker, Schaufeli, Leiter, & Taris, 2008; Shaufeli & Bakker, 2004), and by personal resources; including self-efficacy and self-esteem (Bakker,

Schaufeli, Leiter, & Taris, 2008). It follows that organisations may be able to enhance work engagement among their staff by investing in HRM systems that facilitate the provision of job and personal resources (May, Gilson & Herter, 2004; Mauno, Kinnunen, & Ruokolainen, 2007). Accordingly, Saks (2006) contends that organisations should focus on enhancing a sense of support perceived by employees from their organisation. It is plausible that making specific HRM tools available is insufficient (e.g., training), and that the series of actions involved in the implementation of the HRM practices must ensure that employees are aware of these practices and how they support the organisation and their individual contributions (i.e., HRM strength). Though studies focusing on the relationship of HRM systems and work engagement are scarce, the evidence available suggests that practices underlying sound HRM systems, namely task variety, job control, training opportunities, and performance appraisal, are positively related to work engagement (Salanova, Grau, Llorens, & Schaufeli, 2001; Schaufeli & Bakker, 2004; Hakanen, Bakker, and Schaufeli, 2006).

Therefore, it is hypothesized that:

H1a: Positive perceptions of existing HRM practices (training, advancement, responsibility, rewards, and security) will be positively and significantly related to work engagement

H1b: The salience of existing HRM practices (i.e., HRM strength) will be positively and significantly related to work engagement.

HRM Systems and Organisational Performance

Organisations will often implement an HRM system with the intent to improve overall performance. A key indicator of performance is financial success, however it can be measured through several other indicators. In the present study, organisational performance indicators are customer satisfaction, market growth, secure market share, new products and services, retaining and attracting new customers. In relation to HRM systems, research to date has focused on organisational innovativeness as an indicator of performance (Jiang, Lepak, Hu & Baer, 2012; Laursen & Foss, 2003; Shipton, West, Dawson, Birdi, & Patterson, 2006). Organisational innovativeness refers to an ability to maintain their market position under a fast changing global business environment, by evolving and implementing new methods to develop new and improved products and services (Winne & Sels, 2010). Innovation is a function of an organisation's ability to create, manage, and maintain knowledge; hence, it is a driving force of financial growth and subsequently global competitive advantage (Jiang, Lepak, Hu & Baer, 2012; Winne & Sels, 2010). Highly competitive companies often implement HRM systems that assure innovativeness, by strategically developing HRM practices congruent with organisational goals. These prior studies demonstrated the importance of innovativeness as a broad performance indicator, which has been shown to influence those performance indicators included in this study.

Much research has provided evidence for the positive impact of strategic HRM systems on organisations and their employees (Chew & Sharma, 2005; Collins & Clark, 2003; Moideenkutty, Al-Lamki & Murthy, 2011; Winne & Sels, 2010). In particular, Collins and Clark (2003) and Chew and Sharma (2005) found evidence to support the effects of an HRM system on financial performance. Further, studies by Lau and Ngo (2004) and Winne and Sels (2010) suggest that HRM practices strengthen organisational innovativeness. The results indicate that HRM practices

enhance employees' capabilities and competencies, which significantly drive

organisational innovativeness. Studies by Pfeffer (1995) and Osterman (1994)

contend that effective implementation of HRM practices including incentive pay,

internal promotions, employment security, training and skill development, and

participation and empowerment, result in greater levels of productivity. A recent

study by Moideenkutty, Al-Lamki, and Murthy (2011) explored relationships between

HRM practices, consisting of recruitment and selection, training, performance

management, and empowerment, and organisational performance on both subjective

and objective measures. The results suggest positive relationships between HRM

practices and organisational performance, both subjective and objective. Subjective

performance measures have been widely used in research and found to be strongly

and positively correlated to objective measures (Dawes, 1999; Wall, Michie,

Patterson, Wood, Sheehan, Clegg, & West, 2007). The latter study also supported the

construct validity of subjective performance measures. Subjective performance is a

more appropriate measure for the present study, as in a cross-industry study objective

measures can be varied, obscuring the results.

Overall, though ample evidence for the association between HRM practices and

organisational performance is available, there is very little research that examines the

specific impact of HRM strength on this outcome. The present study examines

organisational performance based on employees' perceptions of their organisations

competitive performance.

H2a: Positive perceptions of existing HRM practices (training, advancement,

responsibility, rewards, and security) will be positively and significantly related to

subjective organisational performance (customer satisfaction, growth, secure market share, new products and services, and retaining and attracting customers/clients)

H2b: The salience of HRM practices (i.e., HRM strength) will be positively and significantly related to subjective organisational performance

Organisational Culture

Organisations establish their culture explicitly and implicitly as the set of behavioural norms and expectations shared and understood by employees, such as the way employees should interact and communicate with each other, and with their clients and supervisors. In essence, culture reflects the shared values and beliefs of employees that influence their behaviours, expectations, perceptions, and emotional responses to the workplace (Aarons & Sawitzky, 2006; Van Vianen, De Pater, Bechtoldt, & Evers, 2011). When the values of employees are congruent with those of their organisation, their attitudes and behaviours towards the organisation will be positive, as they are performing in pursuit of organisational and personal goals (Chew & Sharma 2005; Guzley, 1992; Lindell & Brandt, 2000; Ueno, 2012; Welsch & LaVan, 1981). Ferris, Aurther, Berkson, Kaplan, Cook, and Fink (1998) refer to organisational culture as a social context consisting of employee beliefs, values, and attitudes that contribute to the development and implementation of the HRM system. Beside the link between organisational culture and the HRM system, organisational culture provides both intrinsic and extrinsic values, which influence employee attitudes and drive performance (Aarons & Sawitzky, 2006; Lau & Ngo, 2004; Van Vianen, De Pater, Bechtoldt, & Evers, 2011).

Deshpandé, Farley, and Webster (1993) explored the relationships between organisational culture and performance. Their study developed an organisational culture model that identifies four types of cultures. The yielded four culture types are clan, market, adhocracy, and hierarchy. An organisation with clan culture emphasises participation and teamwork, and organisational cohesiveness, while one with market culture places emphasis on goal achievements, productivity and competitiveness. Adhocracy culture focuses on company growth and emphasizes values of creativity, entrepreneurship, and adaptability and flexibility. A company with a hierarchy culture stresses rules and regulations in place, and whether transactions within the company are in order and monitored. The study found that companies with market culture and adhocracy culture outperformed companies with predominantly clan and hierarchy cultures. The authors argued that top performing organisations are likely to possess a market culture that displays some form of adhocracy culture, such as innovativeness, or customer orientation (Deshpandé, Farley, & Webster, 1993). Therefore, the present study will include measures of market and adhocracy culture dimensions.

Organisational Culture and Workplace Attitudes

There is substantial research evidence suggesting an association between organisational culture and workplace attitudes, including job involvement (Shadur, Kienzle, & Rodwell 1999), organisational commitment (Guzley, 1992; Lindell & Brandt, 2000; Sanders, Dorenbosch, & de Reuver, 2008; Welch & LaVan, 1982; Van Vianen, De Pater, Bechtoldt, & Evers, 2011), and job satisfaction (Aarons & sawitzky, 2006). Aarons and Sawitzky (2006) provide strong evidence of a direct effect of organisational culture on job satisfaction and commitment. Their research suggests the importance of organisational culture as a contextual factor that influences

employees' perceptions and emotional responses to the organisation. Therefore, it can be assumed that organisational culture shapes employees behaviours and psychological statements, social norms, and expectations within their organisation.

Collectively, evidence has shown the significant contributions that organisational culture has on employee workplace psychological statements. However, there is a lack of evidence of the relationship of organisational culture with work engagement. Given the previously established relationships between a positive organisational culture and workplace attitudes (Guzley, 1992; Lindell & Brandt, 2000; Sanders, Dorenbosch, & de Reuver, 2008; Shadur, Kienzle, & Rodwell 1999), namely commitment and job involvement, and the association of market and adhocracy cultures with high-performing organisations, it is hypothesized that:

H3a: Perceptions of market culture will be positively and significantly related to work engagement.

H3b: Perceptions of adhocracy culture will be positively and significantly related to work engagement

Organisational Culture and Subjective Organisational Performance

Organisational culture as a set of norms and values about the functioning of an organisation has been found to have positive contributions on a variety of organisational processes and performance (Lee & Yu, 2004). Lee and Yu (2004) suggest that an organisational culture that has its values widely shared and well understood among their employees is a predictor of future organisational financial performance. Furthermore, it was suggested that an organisation should explicitly establish a unique culture that specifically facilitates organisational functions and processes in order to achieve their set of unique goals, and so that employees

understand the company's true values. This notion is supported by other studies that also found a significant relationship between organisational culture and performance (Lau & Ngo, 2004; Hult, Keychen & Arrfelt, 2007; Khazanchi, Lewis, & Boyer, 2007; Rose, Kumar, Abdullah & Ling, 2008; Scott, Mannion, Marshall & Davies, 2003). In particular, organisational culture of competitiveness and knowledge development are suggested to be effective in enhancing organisational performance (Hult & Ketchen & Arrfelt, 2007). Researchers contend that organisational performance can be enhanced through an effectively developed organisational culture, specifically a flexible, control and team-oriented culture that emphasizes knowledge and skills training (Lau & Ngo, 2004; Khazanchi, Lewis, & Boyer, 2007). In addition, Despandé and Farley (2004) argued that there is a pattern of positive effects on performance from organisational culture that emphasizes competitiveness, entrepreneurial, innovativeness. All these identified characteristics of organisational culture are consistent with market and adhocracy cultures considered in this study.

Therefore, it was hypothesized that:

H4a: Perceptions of market culture will be positively and significantly related to organisational performance.

H4b: Perceptions of adhocracy culture will be positively and significantly related to organisational performance.

In sum, the present study aims to examine the unique contributions of the existing HRM practices (training, advancement, responsibility, rewards, and security), HRM strength, and culture (market and adhocracy) to the outcomes of work engagement and perceived organisational performance.

Method

Participants

The sample was comprised of 97 Thai participants employed full time (i.e., over 30 hours per week), representing several work industries, mainly Banking (44%) and Government (34%). Participants consisting of 21 males and 76 females (M =1.78, SD = .41), age ranged between 23 and 59 (M = 41, SD = 8.37), with an average tenure of 16 years (M = 15.63, SD = 8.74).

Measures and Instruments

The Qualtric Survey Software was used to combine all the measures, so the survey could be distributed online. The page after the information and consent form prompted participants to enter demographic information: age, gender, location, organisation tenure, work industry, job position (whether they held a managerial position), and employment status. The following pages of the survey included questions regarding the organisation's HRM practices, HRM strength, culture, and individual's level of engagement and perceived organisational performance. Following each scale, participants were offered the opportunity to give comments regarding to a relevant topic area in the provided space. In addition to these scales, the survey prompted the participant to indicate which HRM practice(s) were more salient in their organisation. The last question of the survey prompted the participants to indicate how they think their organisation performs compared with their competitors, in these areas: customer satisfaction, growth, market share, innovativeness, retaining customers, and attracting new customers. Finally, the last section of the surveyed acknowledged and thanked the participants for completing the survey, and invited

them to participate in a competition to win one of three Android tablets by providing

their electronic mail address on a link separate from the survey, to ensure that

responses could not be matched.

Five separate scales, totaling of 83 items, were used to measure the variables in

this research in addition to the six demographic questions (see Appendix A for all the

scale items).

Human Resources Management Practices. The scale consists of 17 items,

assessing HRM practices that can be grouped in to 5 categories; training,

advancement, responsibilities, rewards, and security. The scale was adapted from the

scale used in the study by Sanders, Dorenbosch, and Reuver (2008), to measure High

Commitment HRM. Participants were asked to indicate their level of agreement with

each item, on a 6-point scale ranging from strongly disagree to strongly agree. An

example item of the training category is "I received training that enables me to do my

job better"; Advancement category is "This organisation prefers to promote from

within"; Responsibility category is "Supervisors keep open communications with me

on the job"; Rewards category is "There is a strong link between how well I perform

in my job and the likelihood of receiving a pay raise"; and Security category is "In my

organisation job security is almost guaranteed to employees". The scale yielded

satisfactory reliability with $\alpha = .80$ (Sanders, Dorenbosch, & Reuver, 2008).

Human Resources Management Strength. To assess the strength of HRM

system, the study focused on the visibility of existing HRM practices. Participants

were asked to indicate the HRM practices that were most salient (given greater

emphasis) in their organisation. The HRM practices listed; training and development,

performance appraisal, career development, communication, participation in decision

making, bonus and incentives, recruitment and selection, teamwork, safety in

workplace, and union relations, as well as an option to specify other practices. A total count of HRM practices indicated by each participant represented the strength (salience) of HRM system perceived by employees.

Organisational Culture was assessed with a 16-item scale adapted from Deshpandé, Farley, and Webster (1993). The original scale consists of four classifications of organisational culture, namely market culture, hierarchical culture, adhocracy culture, and clan culture. In this study, only the items that measure market and adhocracy cultures were included. Participants were asked to indicate their agreement with each item statement, on a six-point scale ranging from strongly disagree to strongly agree. An example item on the market culture scale is "My organisation emphasizes competitive actions and achievement. Measurable goals areimportant" and the adhocracy culture is "My organisation emphasizes growth and acquiring new resources. Readiness to meet new challenges is important". According to Deshpandé, Farley, and Webster (1993), good internal reliabilities of the scales were yielded for both market culture (α =.82) and adhocracy culture (α = .66).

Workplace Psychological State *Work Engagement* was measured using the nine-item Utrecht Work Engagement scale (UWES) developed by Schaufeli, Bakker, and Salanova (2006). The scale measured the three components of work engagement, namely vigor (VI), dedication (DE), and absorption (AB). Example items include: "At my work, I feel bursting with energy" (VI), "I find the work that I do full of meaning and purpose" (DI), and "Time flies when I am working" (AB). Participants were asked to specify the extent to which they agree or disagree with each item, on six-point scale ranging from strongly disagree to strongly agree. Cronbach's alphas for the scale reported in previous research ranges between .70 and .93.

Organisational Performance was measured by ascertaining employees'
subjective judgments on how their company performs compared with its competitors.
Participants were requested to compare their company's performance with that of its
main competitors, on a six-point scale ranging from 1 = much worse to 6 = much
better. Examples of items on this scale are "meeting customer requirements" and
"launching new products and services in the market". In addition, participants were
asked to indicate their subjective point of view on their company's innovativeness
comparing to its competitors. On a six-point scale ranging from strongly disagree to
strongly agree, an example of the questions is "We are more innovative than our
competitors in deciding what methods to use".

Research Design and Procedure

A Thai-version of the original survey scales was developed by a native Thai
speaker fluent in English, and proofread by another native Thai speaker. The present
study used an anonymous online survey to collect data. The anonymity of the survey
meant that the participants could not be matched with a specific organisation. The
scales employed in this study were combined into an online survey using Qualtrics
Survey Software (2011). The first page of the survey contained information regarding
the research, inclusion criteria for participation (individuals over 18 years of age
currently employed full time in a company that has a Human Resource Management
system), and required participants to consent to being involved in the study. Data
from participants, in a total of five, who did not accept the terms and conditions of the
consent were not included in the data analysis process.

The participants were recruited through a snowballing technique, involving direct contacts requesting survey dissemination, as well as social media networks, namely Facebook and LinkedIn. The message sent to request participation had the link to the survey, and it also included a request to forward the link to their family, friends, and colleagues. Data was collected over a four-month period, from July through to September 2013.

Ethics Review

The current study, as described in the information sheet, consent forms, in addition to the measures and rewards, used in this research (see Appendix B), was viewed and approved by the Human Ethics Committee at the University of Canterbury (reference number 2013/11/LR).

Results

The present study utilised multiple regression analysis to test all hypotheses. Prior to this, violations of statistical assumptions were tested and the assumptions of a multiple regression were initially tested to check the suitability of the data for analysis. The purpose of regression analysis is to estimate the parameters of a dependency not an interdependency relationship; therefore the first assumption is that no multicollinearity exits within the relationships. Multicollinearity refers to a phenomenon in which two or more predictors are highly correlated in a multiple regression model (Farrar & Glauber, 1967) and is a condition which is necessary in order to interpret the individual effects of the independent variables. In addition to multicollinearity, the assumption of independent errors and normally distributed residuals were also tested. Conclusively, there was no threat of any statistical violations of these assumptions to the data in this study (see more details in Appendix C).

Bivariate correlations between the study variables were calculated. According to guidelines by Cohen (1988) the strength of associations between variables can be interpreted based on correlation coefficients; between .10 and .30 are considered small, between .30 and .50 are moderate, and coefficients larger than .50 are considered strong. Firstly noted were that work engagement has significant positive correlations with training, advancement, rewards, security, market culture, and adhocracy culture at moderate levels. Secondly, subjective performance is moderately and positively correlated with most HRM practices; including training, advancement, rewards, and security, and both market and adhocracy culture types ($r = .33 - .49$, $p < .01$).

Table 2

Means, Intercorrelations and coefficient alphas for the variables of interest

		M	SD	1	2	3	4	5	6	7	8	9
1	Training	4.59	0.85	(.90)								
2	Advancement	4.03	0.98	.59**	(.84)							
3	Responsibility	4.54	0.83	.68**	.58**	(.84)						
4	Rewards	4.16	0.95	.64**	.64**	.75**	(.87)					
5	Security	4.37	0.97	.26*	.30**	.15	.30**	(.80)				
6	Strength	2.98	2.01	.10	.12	.15	.24*	.17				
7	Market	4.32	0.96	.46**	.35*	.41**	.48**	-.01	-.13	(.85)		
8	Adhocracy	4.21	0.91	.51**	.39**	.46**	.50**	-.04	-.25*	.65**	(.90)	
9	Engagement	4.34	0.74	.33**	.39**	.54**	.49**	.49**	-.03	.40**	.55**	(.88)
10	Subjective Performance	4.94	1.09	.37**	.42**	.25	.33**	.33**	-.16	.49**	.45**	.31**

Note: Pearson correlation coefficient r is significant on a level of *p<.05; **p<.01; ***p<0.001 (2-tailed). Sample size n=97

Analysis of Variance (ANOVA)

One-way ANOVAs were carried out to compare means of the three industry

groups, resulting in non significant differences between the groups for both

engagement ($F(2,91) = .42$, $p = .656$) and subjective performance ($F(2,88) = .79$, $p =$

.455). This indicates that there is no significant difference in engagement level and

perceived organisational performance reported by employees across all of the

industries (government, banking, and others). Therefore, this absence of significant

differences enables the decision to exclude Industry as a factor in subsequent

analyses.

Regression Analysis

A multiple linear regression analyses was conducted to test the current study

hypotheses. The independent variables are training, advancement, responsibility,

rewards, security, strengths, market culture, and adhocracy culture.

Hypothesis Testing for Work Engagement. Table 2 displays the coefficients of

the predictor variables for the regression model of work engagement. The output

showed a significant model explaining 48% of the variance of work engagement ($R^2 =$

.48, $F(8,81) = 9.35$, $p< .001$). It was also noted that only three predictors make unique

significant contributions to the model, namely, HRM training ($\beta = -.29$, $p < .05$),

HRM responsibility ($\beta = .45$, $p < .01$) and adhocracy culture ($\beta = .42$, $p < .01$).

In sum, the model indicates that participants who perceived the existing HRM

training in a negative light, but positively viewed HRM responsibility and adhocracy

culture are likely to be more engaged with their job. This evidence partly supports the

study's hypotheses H1a, and fully supports hypothesis H3b. In addition the output

suggests that HRM advancement, HRM rewards, HRM security, HRM strength, and

market culture have no observable effect on work engagement. This is inconsistent

with hypothesis H1b and H3a, and parts of H1a.

Table 2.

Coefficients from Regression Model of Work Engagement as the Dependent Variable

	β	SE
Training	-.29*	.11
Advancement	.06	.09
Responsibility	.45**	.12
Rewards	.06	.11
Security	.09	.07
Strength	.04	.03
Market	.06	.08
Adhocracy	.42**	.10

Note: $R^2 = .48$, $F(8,81) = 9.35$, $p < .001$***
Standardized Coefficient is significant on a level of *$p < .05$; **$p < .01$ (2-tailed).
N=97

Hypothesis Testing for Subjective Performance. Table 3 shows the regression

model for subjective performance. Overall the model explained 48% of the variance

in subjective performance ($R^2 = .48$, $F(8, 75) = 8.34$, $p < .001$). Table 5 also shows the

standardized coefficients for all the predictors that were included in the model. Four

of the predictors in the model were observed to have a unique significant contribution

towards subjective organisational performance. They are HRM advancement ($\beta = .27$,

$p < .05$), HRM security ($\beta = .34$, $p < .01$), HRM strength ($\beta = -.19$, $p < .05$), and

market culture ($\beta = .34$, $p < .01$).

From these results it can be stated that employees who have positive perceptions of

HRM advancement and HRM security, believe their organisation has a market

culture, and have slightly negative perceptions regarding HRM strength, are more likely to report greater organisational performance. These findings support parts of hypotheses H2a, and are fully consistent with hypothesis H4a. Furthermore, the output indicates that HRM training, HRM responsibility, HRM rewards, and adhocracy culture have no observable effects on the proportion of subjective organisational performance. Evidently, the findings are not supportive of the study hypothesis H2b, H4b, and parts of H2a.

Table 3.

Coefficients from Regression Model of Performance as the Dependent Variable

	β	SE
Training	-.00	.16
Advancement	.27*	.13
Responsibility	-.17	.18
Rewards	-.05	.17
Security	.34**	.11
Strength	-.19*	.05
Market	.34**	.13
Adhocracy	.22	.16

Note: $R^2 = .48$, $F(8, 75) = 8.34$, $p < .001$***
Standardized Coefficient is significant on a level of *$p < .05$; **$p < .01$, ***$p<.001$ (2-tailed). Sample size n=97

Discussion

Summary of Main Findings

This study proposed that a positive perception of existing HRM practices, the salience of HRM practices (strength), and perceptions of an organisational culture characterized by market and adhocracy cultures, are positively and significantly associated with work engagement and organisational performance. In this study, the results showed that, in a sample of Thai employees, only certain existing HRM practices and culture types contribute significantly towards work engagement and organisational performance.

The findings from a regression analysis partially supported hypothesis H1a and suggest a positive relationship between responsibility offered to employees and their work engagement. This indicates that employees who perceived that their organisation has given them some responsibilities, such as participating in decision-making, are more likely to have higher levels of work engagement. This result reinforces results found with regard to one of the main characteristics of engagement: dedication (Shaufeli et al., 2002; Shaufeli & Bakker, 2004). Shaufeli and Bakker (2004) described that dedication in engagement refers to sense of significance, pride, challenge, and inspiration in individuals, which may come from receiving greater responsibility within a workplace. In contrary, the findings suggest that training and development opportunities have a negative relationship with employee engagement. This suggestion was inconsistent with the study hypotheses and prior research. However, there are possible explanations for this finding. In terms of HRM training, it is possible that employees viewed work training programs, particularly compulsory programs, as a time wasting activity that leave them with less time to accomplish their

own tasks, as well as an increased workload, which potentially results in increasing the level of stress. This fits within the characteristics of burnout, characterised by mental weariness, high exhaustion, and cynicism, which conceptually is an antithesis of work engagement (Shaufeli et al., 2002). Studies suggest that if employees perceived training as unnecessary or unrelated to their work objectives, it could lead to negative perceptions of the process and negative feelings towards the organisation (Aguinis, 2007). The remainder of the HRM practices, namely advancement, rewards, and security, were found to have no significant effect on the level of employees' work engagement. With regards to HRM advancement and rewards, both areas similarly affect employees' sense of pressure. Studies have shown that promotions, pay raises, and bonuses do not always result in positive outcomes (Bebchuk & Fried, 2004; Rynes, Gerhart, & Parks, 2004). Besides feeling worthy and valuable, advancement and rewards often come with increased expectation and performance pressure, which do not necessary enhance work engagement. Aguinis (2007) suggests that pay raises and bonuses can be associated with several problems, including employees' perceptions of equity, and an increased emphasis on extrinsic rather than intrinsic motivating factors. Additionally, monetary rewards and incentives generally do not drive employees' intrinsic motivation (Rynes, Gerhart, & Parks, 2004).

The findings also suggest that HRM security has no significant effects on the level of work engagement. This may be reinforced by the fact that 34 per cent of our study population is working in Government industry in Thailand. Once retained by the Thai Government an employee's job security is assured. The system assesses employees' performance annually and those who pass the standard get promoted and move up the government hierarchical ranks, and those who do not perform to the standard stay in their current position and rank.

In addition, the organisations may not provide sufficient resources that are essential to their employee participation in existing HRM practices implemented by the organisation. Insufficiency of organisational resources may result in the ineffective execution of the practices and a failure to facilitate employees' desired outcomes (May, Gilson, & Herter, 2004; Saks, 2006).

The study's hypothesis suggesting that HRM strength would be positively and significantly related to work engagement (H1b), was unsupported by the results. It was indicated that the salience of the existing HRM practices alone did not have significant observable effects on the level of work engagement, which is consistent with Bowen and Ostroff (2004) suggestions. As described, the present study only employed one dimension of the HRM strength defined by researchers (Bowen & Ostroff, 2004; Pereira & Gomes, 2012; Ribeiro, Coelho, & Gomes 2011), utilising the other dimensions of the HRM strength may have produced more meaningful results. The previous studies suggest that the existence of HRM practices alone could not drive employee behaviours and attitudes. The aforementioned practices need to be positively perceived and understood from employees to able to influence their desirable attitudes. This finding can also be explained by the comments raised by the participants. According to participants, with regards to their organisation's HRM system, most were concerned with a lack of consistency and clarity from an HR department in implementing the practices.

Hypothesis 2a stated that positive perceptions of existing HRM practices will be significantly and positively related to organisational performance (H2a). This hypothesis was partially supported. The findings showed that internal promotion opportunities and job security have unique effects on subjective organisational performance. This finding is partly consistent with the results from Pfeffer (1995) and

Osterman (1994). Additionally, Jiang, Lepak, Hu, and Baer (2012) argued that organisational HRM practices that possess motivation-enhancing and opportunity-enhancing elements related to organisational performance. HR advancement practices provide promotion opportunities to employees, as well as, serving to motivate an employee to perform more effectively in order to receive the desired advancement in their career. Therefore, potentially when employees perceive that their organisation is able to provide opportunities to advance their career, they also believe that their company is performing well or even better their immediate competitors. Internal promotions can be viewed as a result of the company's growth, hence, employees perceive that their company is performing strongly. Similarly, this idea could apply to job security, in the way that sense of job security leads to company stability against their competitors. Therefore, feeling secure in their jobs, employees would also perceive that their company performance is greater than the competitors. Conversely, HR training, responsibility, and rewards showed no significant unique contributions towards the subjective organisational performance. Ostroff and Bowen (2000) contends that HRM practices can exert effects in two ways; one is by shaping the skills, attitudes, and behaviours of a workforce that will, in turn, influence performance; two is by directly impacting on workforce performance. Given that the present study employed self-report surveys, the explanations of the results are based on the perceptions employees have towards the HRM practices. Thus, similar reasons from work engagement can be applied here for HR training, disregarding unnecessary and unrelated training activities perceived by employees that they perceived as irrelevant with regard to their organisations performance versus their competitors (Aguinis, 2007). The point here is not about the effectiveness of the HR training activities, as this is not what we measured, but it is with regard to the employees'

attitudes towards the practices that have shown to be non significant predictors of their perceptions of the company performance. This justification does not intend to disagree with the arguments made by Jiang, Lepak, Hu, and Bear (2012), and Moideenkutty, Al-Lamki, and Murthy (2011) that HR training that targets skill enhancement and workplace knowledge, results in higher organisational performance level. Rather, it is about whether those training activities implemented were perceived useful by employees. Whilst contrary to findings in relation to work engagement, perceptions of HR responsibility did not have significant contributions in predicting the subjective performance. This could simply mean that by receiving more responsibilities, employees will reciprocally engender a sense of personal significance and pride (Shaufeli & Bakker, 2004). However, employees do not associate these feelings with their organisation performance. They may feel as if they are entitled to receive more credibility, despite their performance disregarding organisational performance. This rationale could also imply to HR rewards, that employees feel as if they are entitled to bonuses and pay raises regardless to their productivity and the company competitiveness. Bebchuck and Fried (2004) further argued that organisations commonly reward their employees with non-equity based compensations, which are weakly associated to performance (Aguinis, 2007).

The fourth hypothesis (H2b) proposed that HRM strength would positively and significantly relate to subjective organisational performance. Instead, HRM strength and subjective organisational performance were negatively related. A possible explanation to this outcome is that perhaps employees who are more traditionalist than others may view HRM practices as fluffy and an imposition upon time perceived better spent on work related tasks. Therefore, the presence of HRM practices may lead to a negative perception of the strength of HRM systems. However, this

explanation has no empirical evidence to support it; it is just a pure supposition. A study by Guthrie (1999) suggests that work practices that require employees to be highly involved in the processes of practice can lead to employee turnover, which is associated with decrease in organisational performance. Additionally, one solid explanation to this finding can be assigned to the fact that the present study measured only one dimension of the HRM strength instead of all the three, hence the results did not turn out as expected. This limitation is addressed in the following section.

The hypothesis H3a was not supported by our findings, showed that perceptions of market culture does not have a significant positive relationship with work engagement. However, the results found that perceptions of adhocracy culture have a unique significant and positive association with work engagement, which supports the hypotheses H3b. The descriptions of adhocracy culture, its emphasis on entrepreneurship, innovativeness, adaptability, and flexibility, seemed to have more intrinsic values than the market culture (Deshpandé, Farley, & Webster, 1993). Market culture emphasizes achievement, productivity, and competitiveness, which are often objectively measured, and do not necessary consider employees' inner sense of self and psychological state. Adhocracy culture provides a social environment that fosters individualism, creativity, resilience, and inspirations rather than focusing on productivity levels. Most of these characteristics of adhocracy culture are matched with the characteristics of employee work engagement described by Shaufeli and Bakker (2004), in particular, resilience and sense of inspirations. Hence, adhocracy culture is the type of organisational culture that has unique upon employee engagement level.

Lastly, the findings supported hypotheses H4a but did not support H4b. The findings showed that perceptions of market culture are significantly and positively

related with subjective organisational performance, while perceptions of adhocracy culture did not. This is a contrary to the previous findings, yet the explanation to this outcome links back to the characteristics of the market and adhocracy culture (Deshpandé, Farley, & Webster, 1993). It could be as simple as the fact that market culture provides a competitive, goal achieving, and productivity highlighting environment, which directly leads employees whom work in this environment to perceive that their company outperforms the competitors. This result is consistent with the findings from Hult, Ketchen, and Arrfelt (2007), showing that organisations with a culture of competitiveness and goal achievement is likely to outperform their competitors. Meanwhile, the finding that adhocracy culture did not significantly predict the subjective organisational performance is contradictory to the argument made by Lau and Ngo (2004), and Khazanchi, Lewis, and Boyer (2007). However, the latter two studies measured performance based on figures not the perceptions of the employees, hence this may be the reason for inconsistent findings.

Methodological Considerations and Recommendations for Future Research

Although the results of the present study have some interesting implications to organisations, there were several factors that limit the generalizability of the results. The first limitation concerns the sample size (N= 97) of the study, which was considerably small, in relation to the number of variables, items, and the approach to data collection. According to Cascio and Aguinis (2011), the reliability of the study outcomes based on the sample size, the larger sample provides a more adequate estimate of the true population. This suggests that the number of responses in this study were not sufficient for the study to inclusively make remark statements from the study findings. This is vital for future studies that utilise the same tools.

Secondly, all of the measures used in this study were originally in English that were developed by Westerners, however, the scales were administered to Thai employees whom are likely hold Eastern culture values. Even though the items were all translated by a native Thai speaker with English fluency and then were screened by a native Thai speaker, the accuracy of the translation was still questionable. This has potentially raised two issues regarding the measurement equivalence; firstly, the accuracy of the translation and secondly is latent cultural differences. Translation equivalence refers to the intent to assure that the measures retain its meaning after translation, and that the same items measure the same latent variables in different populations (Mullen, 1995). Secondly, Ryan, Chan, Ployhart, and Slade (1999) suggested that nation cultural differences have been a challenge in research across multiple countries as Eastern workers may view some Western HRM practices as a pure nonsense.

Another limitation is that the HRM strength was measured by only one dimension, the salience, instead of including the consistency and the consensus dimensions in the study. Therefore, the results cannot represent the HRM strength holistically as conceptually described by scholars (Pereira & Gomes, 2012; Ribeiro, Coelho, & Gomes, 2011). Consistency of HRM practices refers to the processes involved in HRM system that are implemented consistently over time, across the whole organisation, while consensus refers to the extent to which how much the majority of employees agree with the HRM system and hold positive perceptions of it. However, it is close to impossible for the present study to measure these two dimensions given that the study collected cross-sectional data from across multiple organisations.

In addition, this leads to another limitation of this study that is the cross-sectional nature of the study. A HRM system implements practices and policies in various

times throughout the year. For example, promotions and rewards, which are the outcome of performance appraisal that occurs quarterly for some organisations or annually for the others (Aguinis, 2007). The present study only captured data at one specific point in time of the perceptions of the existing HRM practices and the salience of HRM practices may not be accurate, results should be interpreted with caution.

Finally, from the study limitations, some suggestions can be made for future research. Future research should attempt to recruit a larger number of participants from a single organisation that has existing HRM practices; training, advancement, responsibility, rewards, and security. Additionally, in order to adequately assess the HRM strength, research should employ a scale that measures strength in a more coherent manner cohesive to its descriptions by scholars. In addition, it would be interesting to see if whether there is any significant difference in the findings between two similar companies, in terms of the market industry, size, and the existing HRM system; one from a Western culture and another from an Eastern culture. This is important to address, as research in relation to HRM is based predominantly towards Western culture. Determining and understanding the possible differences between the two cultures with regards to HRM system will initiate further studies to explore and gain more insights. In common, HRM systems vary greatly across culture and organisations, however, understanding how HRM systems are managed differently in difference countries, according to its unique value systems, and human resources practices, would be invaluable.

Implications

In consideration of the limitations inherent in the present study, the interpretation of the study's findings must be done with caution. With this caveat in mind, this study is the first of its kind to explore the perceptions of employees have towards existing HRM practices, the salience of HRM system, and the identification of the organisation culture (market and adhocracy types), and its unique contributions towards work engagement and organisational performance. Therefore, the present study has both theoretical and practical implications, particularly for work engagement. Employees who are engaged in their work are highly desirable as they are personally committed to their work-related tasks and perform effectively. They are willing to exert effort discretely to their work, and have pride in and loyalty to their company. Therefore, it is important and useful that organisations have knowledge and understanding of how they can enhance employees' engagement. Engagement was found to be associated with particular HRM practices and organisational culture that places emphasis on flexibility, individuality, and also competitiveness. Based on this single study, this research suggests that organisational culture that is flexible and distinctive in characters is likely to enhance employee work engagement. This piece of evidence identified an additional characteristic of individualism in organisational culture that fosters engagement. Additionally, it showed that employee work engagement can be enhanced through allowing employees to experience a sense of pride, signified and challenged by assigning them more responsibilities. In addition, the study reveals that organisations should provide employee advancement opportunities, through internal promotions, and employment security in order to increase organisational performance. Organisations should adopt an environment that underlines employees' productivity and goal achievements, and organisation competitiveness, to increase organisational performance. Contrarily,

managers should not over implemented HRM practices, as it showed to be indirectly has negative impacts on organisational performance.

Conclusions

This study's aim is to examine unique contributions that individual HRM practices and HRM strength have towards employee work engagement and subjective organisational performance. Additionally, organisational culture is linked to the implementation of HRM systems within an organisation; hence, it is included in the study as another dependent variable. Overall, the findings revealed that in order for organisations to maintain or enhance employees' work engagement, organisations should implement practices that foster employees' inner sense of significance, pride, individualism, and inspiration. Additionally, organisational performance can be increased by internal promotions and assurance of job security, and emphasising the active implementation of organisational values of goal achievements and productivity. However, the limitations of this study were addressed and suggestions for future research were made accounted for these limitations. Importantly, future research should conduct a longitudinal design, attempt to recruit at least twice larger sample size from one particular organisation that currently implementing HRM system, and assess all three dimensions of the HRM strength.

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Appendices

Appendix A - Survey Items

HRM Practices (Sanders, Dorenbosch, & Reuver, 2008)

S1. Below are some statements about the Human Resources Management (HRM) in your organisation. Please indicate your level of agreement with each statement.		Strongly disagree	Disagree	Somewhat disagree	Somewhat agree	Agree	Strongly Agree
1.1	I am given a real opportunity to improve my skills through training and development programs	☐	☐	☐	☐	☐	☐
1.2	I received adequate job-related training	☐	☐	☐	☐	☐	☐
1.3	I receive training that enables me to do my job better	☐	☐	☐	☐	☐	☐
1.4	HR practices here help me develop my knowledge and skills	☐	☐	☐	☐	☐	☐
1.5	This organisation prefers to promote from within	☐	☐	☐	☐	☐	☐
1.6	This organisation always tries to fill vacancies from within	☐	☐	☐	☐	☐	☐
1.7	People inside the organisation will be offered a vacant position before outsiders	☐	☐	☐	☐	☐	☐
1.8	My job allows me to make job-related decisions on my own	☐	☐	☐	☐	☐	☐
1.9	I am provided the opportunity to suggest improvements in the way things are done	☐	☐	☐	☐	☐	☐
1.10	Supervisors keep open communications with me on the job	☐	☐	☐	☐	☐	☐
1.11	I am often asked to participate in strategic decisions	☐	☐	☐	☐	☐	☐
1.12	There is a strong link between how well I perform in my job and the likelihood of receiving recognition and praise	☐	☐	☐	☐	☐	☐
1.13	There is a strong link between how well I perform in my job and the likelihood of receiving a pay raise	☐	☐	☐	☐	☐	☐
1.14	There is a strong link between how well I perform in my job and the likelihood of receiving high performance ratings	☐	☐	☐	☐	☐	☐
1.15	There is a strong link between how well my team performs and the likelihood of receiving a pay raise	☐	☐	☐	☐	☐	☐
1.16	Employees can expect to stay with this company for as long as they wish	☐	☐	☐	☐	☐	☐
1.17	In my organisation job security is almost guaranteed to employees	☐	☐	☐	☐	☐	☐

HRM Strength (Developed in this study)

S2. Please indicate the HRM practices that are most salient in your organization. Choose as many options as appropriate.

2.1	Training and development	☐	2.6	Bonus and incentives	☐
2.2	Performance appraisal	☐	2.7	Recruitment and selection	☐
2.3	Career development	☐	2.8	Teamwork	☐
2.4	Communication	☐	2.9	Safety in workplace	☐
2.5	Participation in decision making	☐	2.10	Union relations	☐
2.11	Others (please specify)_____				

Organisational Culture (Deshpandé, Farley, & Webster, 1993)

	S6. The following statements are about your organisation. Please indicate to what extent you agree or disagree with each.	Strongly disagree	Disagree	Somewhat disagree	Somewhat agree	Agree	Strongly agree
6.1	My organisation is a very personal place. It is like an extended family. People seem to share a lot of themselves	☐	☐	☐	☐	☐	☐
6.2	The head of my organisation is generally considered to be a mentor, sage, or a father or mother figure	☐	☐	☐	☐	☐	☐
6.3	The glue that holds my organisation together is loyalty and tradition. Commitment to this firm runs high	☐	☐	☐	☐	☐	☐
6.4	My organisation emphasizes human resources. High cohesion and morale in the firm are important	☐	☐	☐	☐	☐	☐
6.5	My organization is a very dynamic and entrepreneurial place. People are willing to stick their necks out and take risks	☐	☐	☐	☐	☐	☐
6.6	The head of my organisation is generally considered to be an entrepreneur, an innovator, or a risk taker	☐	☐	☐	☐	☐	☐
6.7	The glue that holds my organisation together is a commitment to innovation and development. There is an emphasis on being first	☐	☐	☐	☐	☐	☐
6.8	My organisation emphasizes growth and acquiring new resources. Readiness to meet new challenges is important	☐	☐	☐	☐	☐	☐
6.9	My organisation is a very formalised and structural place. Established procedures generally govern what people do	☐	☐	☐	☐	☐	☐
6.10	The head of my organisation is generally considered to be a coordinator, an organiser, or an administrator	☐	☐	☐	☐	☐	☐
6.11	The glue that holds my organisation together is formal rules and policies. Maintaining a smooth-running institution is important here	☐	☐	☐	☐	☐	☐
6.12	My organisation emphasizes permanence and stability. Efficient, smooth operations are important	☐	☐	☐	☐	☐	☐
6.13	My organisation is very production oriented. A major concern is with getting the job done, without much personal involvement	☐	☐	☐	☐	☐	☐
6.14	The head of my organisation is generally considered to be a producer, a technician, or a hard-driver	☐	☐	☐	☐	☐	☐
6.15	The glue that holds my organisation together is the emphasis on tasks and goal accomplishment. A production orientation is commonly shared	☐	☐	☐	☐	☐	☐
6.16	My organisation emphasizes competitive actions and achievement. Measurable goals are important	☐	☐	☐	☐	☐	☐

Work Engagement (UWES) (Schaufeli, Bakker, & Salanova, 2006)

	S5. The following statements are about your organisation, your work and your out of work life. Please indicate to what extent you agree or disagree with each of the following statements.	Strongly disagree	Disagree	Somewhat disagree	Somewhat agree	Agree	Strongly agree
5.1	Most days I am enthusiastic about my job (JS)	☐	☐	☐	☐	☐	☐
5.2	I do not feel a strong sense of 'belonging' to my organisation (OC)	☐	☐	☐	☐	☐	☐
5.3	At my work, I feel bursting with energy (WE)	☐	☐	☐	☐	☐	☐

		Much worse	Worse	Slightly worse	Slightly better	Better	Much better
5.4	I am enthusiastic about my job (WE)	☐	☐	☐	☐	☐	☐
5.5	I find enjoyment in my job (JS)	☐	☐	☐	☐	☐	☐
5.6	I do not feel 'emotionally attached' to my organisation (OC)	☐	☐	☐	☐	☐	☐
5.7	I am immersed in my work (WE)	☐	☐	☐	☐	☐	☐
5.8	At my job, I feel strong and vigorous (WE)	☐	☐	☐	☐	☐	☐
5.9	Overall I am satisfied with my job (JS – own)	☐	☐	☐	☐	☐	☐
5.10	I do not feel like 'part of the family' at my organisation (OC)	☐	☐	☐	☐	☐	☐
5.11	I get carried away when I'm working (WE)	☐	☐	☐	☐	☐	☐
5.12	This organisation has a great deal of personal meaning for me (OC)	☐	☐	☐	☐	☐	☐
5.13	My job inspires me (WE)	☐	☐	☐	☐	☐	☐
5.14	When I get up in the morning, I feel like going to work (WE)	☐	☐	☐	☐	☐	☐
5.15	I feel happy when I am working intensely (WE)	☐	☐	☐	☐	☐	☐
5.16	I am proud of the work that I do (WE)	☐	☐	☐	☐	☐	☐
5.17	I attend functions that I'm not required to but that help the organisational image (OCB)	☐	☐	☐	☐	☐	☐
5.18	I keep up with developments in the organisation (OCB)	☐	☐	☐	☐	☐	☐
5.19	I defend the organisation when other employees criticize it (OCB)	☐	☐	☐	☐	☐	☐
5.20	I am proud when representing the organisation in public (OCB)	☐	☐	☐	☐	☐	☐
5.21	I offer ideas to improve the functioning of the organisation (OCB)	☐	☐	☐	☐	☐	☐
5.22	I express loyalty toward the organisation (OCB)	☐	☐	☐	☐	☐	☐
5.23	I take action to protect the organisation from potential problems (OCB)	☐	☐	☐	☐	☐	☐
5.24	I demonstrate concern about the image of the organisation (OCB)	☐	☐	☐	☐	☐	☐
5.25	I often generate creative ideas (IB)	☐	☐	☐	☐	☐	☐
5.26	I promote and champion ideas to others (IB)	☐	☐	☐	☐	☐	☐
5.27	I investigate and secure funds needed to implement new ideas (IB)	☐	☐	☐	☐	☐	☐
5.28	I develop adequate plans and schedules for the implementation of new idea (IB)	☐	☐	☐	☐	☐	☐
5.29	I am an innovative person (IB)	☐	☐	☐	☐	☐	☐

Organisational Performance (Developed in this study)

S7. Please indicate to what extent your organisation performs better than its competitors in the following dimensions:		Much worse	Worse	Slightly worse	Slightly better	Better	Much better
7.1	Meeting customer requirements	☐	☐	☐	☐	☐	☐
7.2	Growth	☐	☐	☐	☐	☐	☐
7.3	Securing market share	☐	☐	☐	☐	☐	☐
7.4	Launching new products and services in the market	☐	☐	☐	☐	☐	☐
7.5	Retaining existing customers/clients	☐	☐	☐	☐	☐	☐
7.6	Attracting new customers/clients	☐	☐	☐	☐	☐	☐

Appendix B – Information and Consent page

UC
UNIVERSITY OF
CANTERBURY
Te Whare Wānanga o Waitaha
CHRISTCHURCH NEW ZEALAND

INFORMATION and CONSENT TO PARTICIPATE IN A SURVEY RESEARCH PROJECT

Exploring the relationship between HRM practices and strength and attitudinal variables

You are invited to participate in a research study conducted by Dr. Joana Kuntz and Im Suebwongpat from the Psychology Department at the University of Canterbury.

- **PURPOSE OF THE STUDY**

The purpose of this study is to investigate the relationship between perceptions of HRM practices, HRM strength, organisational culture and climate, and employee engagement and job satisfaction.

- **PROCEDURES**

If you volunteer to participate in this study, you will be asked to answer online anonymous surveys.

- **POTENTIAL RISKS AND DISCOMFORTS**

There are no foreseeable risks associated with this study.

- **POTENTIAL BENEFITS TO PARTICIPANTS AND ORGANISATIONS**

This study's results will be used to understand how Human Resources Management practices and strength, organisational culture and climate, relate to employees engagement and job satisfaction. This will provide organisations an understanding and potentially the strategies to enhance their employees' job engagement and satisfaction, which have found to have impacts on their job performance.

- **CONFIDENTIALITY**

The researchers are very mindful of the need to protect participants' interests. Any information that you provide will be treated as confidential. Only the principal researcher and named co-investigators, who have signed a formal confidentiality agreement, will have access to raw data. Under no circumstances will any data you supply be disclosed to a third party in a way that could reveal its source (assuming this was possible to ascertain from the anonymous questionnaire). The survey data will be stored on password-protected computers in secured locations in the Psychology department.

Because this research involves anonymous questionnaires you can be assured that your name will not be revealed in any reports or publications generated by this study.

The participants' company will have no access to the responses of the survey, only the final conclusion from the study.

- **PARTICIPATION AND WITHDRAWAL**

Participation is entirely voluntary. If you volunteer to be in this study, you may withdraw at any time without consequences of any kind.

- **RIGHTS OF RESEARCH SUBJECTS**

The project has been reviewed and approved by the appropriate department and the University of Canterbury's Human Ethics Committee. If you have any questions or concerns about this research, please contact Joana Kuntz (joana.kuntz@canterbury.ac.nz).

PARTICIPANT CONSENT

- **I have read and understood the description of the above-mentioned project.**

- **I understand that my participation will involve completing an anonymous questionnaire**

- **I fully accept that I am giving my consent to participate in this research study.** Ticking the 'accept' box indicates that I understand and agree to the research conditions.

- **I also understand and am satisfied with all the measures that will be taken to protect my identity and ensure that my interests are protected.**

- **I understand that I can withdraw from the study and withdraw the data I provided.**

- **I agree to publication of results, with the understanding that my anonymity will be preserved.**

☐ **I ACCEPT**

**Appendix C - Statistical Assumptions**

    To test for multicollinearity, Tolerance and Variance Inflation Factor (VIF) measures were tested to indicate whether the assumption has been met. According to the rule, if VIF value is less than ten or the Tolerance is more than 0.1 means that the data has met the assumption of collinearity (O'Brien, 2007; Schroeder, 1990). As presenting on Table 6, all of the variables have VIF and the Tolerance values that met the assumption of collinearity indicated that multicollinearity was not a concern. Secondly, the assumption of independent errors, this assumption was tested utilising Durbin-Watson value (Durbin & Watson, 1971). The rule of this test is the value is between one and three, aiming as close as two as possible, in order to meet the assumption. The result indicates that the data met the assumption of independent errors (Dependent variable as engagement, Durbin-Watson value = 1.72; Dependent variable as subjective performance, Durbin-Watson value = 1.93). Lastly, the assumption of normally distributed residuals, to test this assumption a histogram and a normal P-P plot of Regression Standardised Residual were utilised for the regression of both dependent variables. It shown that the histograms of standardised residuals indicated that the data contained approximately normally distributed errors, as did the normal P-P plots of standardised residuals, which showed points close to the line completely.

Table. 6

Variables	Engagement		Subjective Performance	
	Tolerance	VIF	Tolerance	VIF
Banking	.43	2.32	.45	2.23
Govt	.51	1.96	.52	1.94
Training	.38	2.62	.38	2.62
Advancement	.43	2.33	.42	2.37
Responsibility	.36	2.77	.36	2.75
Rewards	.30	3.32	.30	3.35
Security	.71	1.41	.69	1.45
Strength	.80	1.26	.82	1.22
Adhocracy	.41	2.46	.42	2.36
Market	.52	1.92	.54	1.87

Histogram

Dependent Variable: Engagement
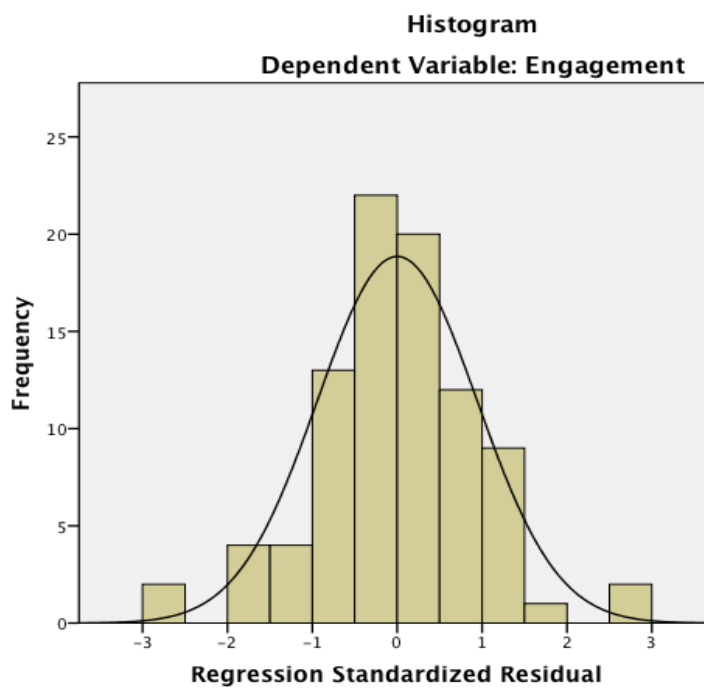
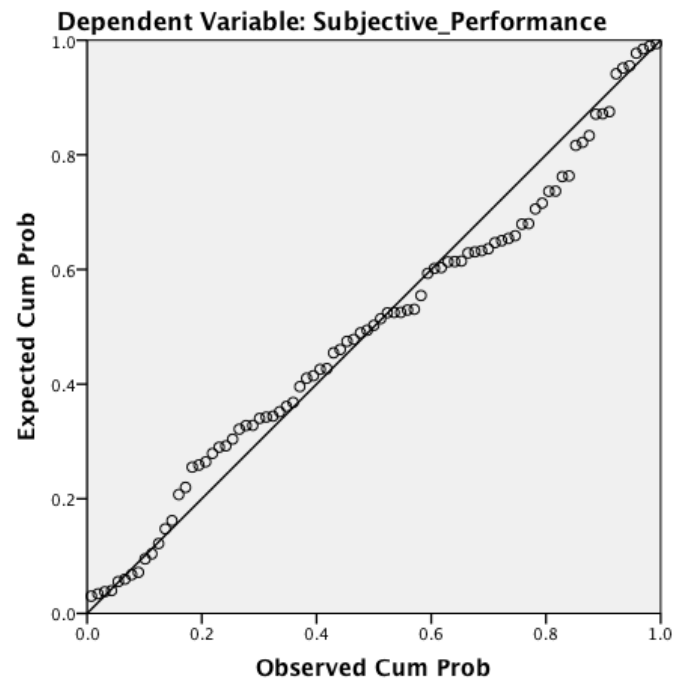*Histogram shows normally distributed of residuals for Engagement*
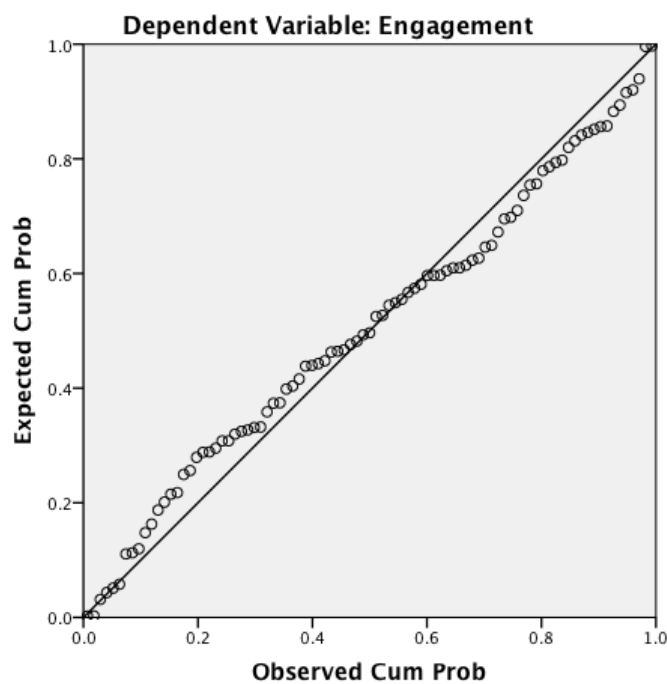
Normal Probability Plot shows residuals fall closely to the regression line
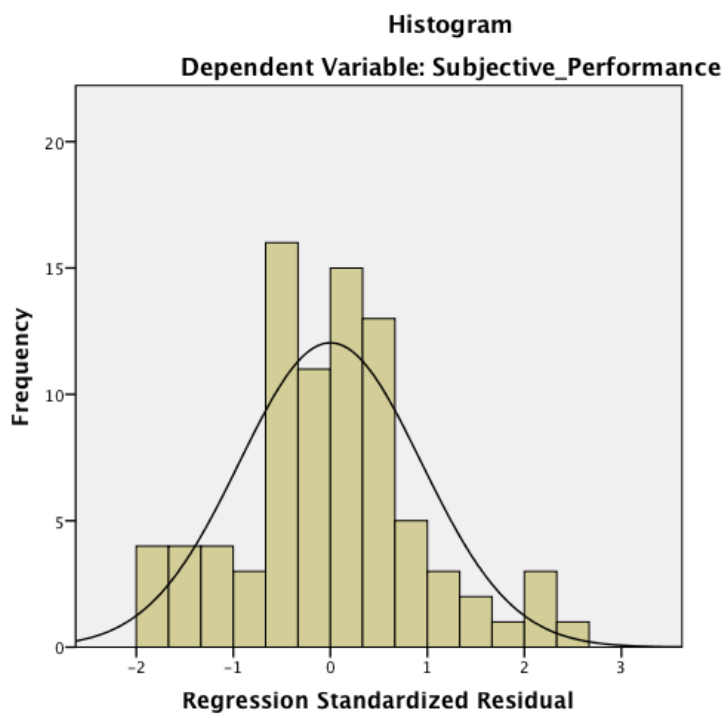
shows *Histogram* *normally* *distributed*

residuals for subjective performance

Normal Probability Plot shows residuals fall closely to the regression line