HIGH COMMITMENT HUMAN RESOURCE MANAGEMENT
AND EMPLOYEE WELLBEING

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HWRTAR002
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COMPULSORY DECLARATION:
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Published by the University of Cape Town (UCT) in terms of the non-exclusive license granted to UCT by the author.
This study examined the relationship between Human Resource Management (HRM) and employee wellbeing in three large South African organisations \((N = 284)\). Employee wellbeing was defined as the subjective experiences of employees and was indicated by job satisfaction, affective commitment and psychological wellbeing. Particular attention was paid to how the HRM system relates to employee wellbeing through an investigation of the content and process components of the HRM system. Regression analyses revealed significant relationships between HRM content and employee wellbeing, namely performance management and career management practices. No significant relationships were found for the process component, namely the strength of the HRM system. The research findings provide a basis for future research into which particular types of HRM practices lead to employee wellbeing, and how they could be implemented in practice. The discussion of the findings is intended to produce positive implications for organisations, HRM practitioners and employees.

*Key words:* Human Resource Management, high-commitment HRM practices, Human Resource strength, employee wellbeing, job satisfaction, affective commitment, psychological wellbeing.
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INTRODUCTION

"Happiness is the meaning and purpose of life, the whole aim and ending of human existence"

(Aristotle)

The holy grail of the Human Resource Management (HRM) area of research inquiry is the relationship between HRM and organisational performance (Peccei, 2004). Spurred by critical writers (Guest, 1999; Nishii & Wright, 2008; Boxall & Macky, 2009), this literature has seen a shift in inquiry, where researchers are starting to look explicitly at the impact that HRM practices have on employee attitudes and behaviours at work (Appelbaum et al., 2000; White & Bryson, 2013). However, the research in this area is still limited, and inconclusive (Dale & Burrel, 2013; Peccei, 2004; Van De Voorde, Paauwe, & Van Veldhoven, 2012). A common goal amongst researchers and practitioners alike is to understand how organisations can manage their human resources effectively, and the impact that different types of HRM practices are likely to have on key performance outcomes. As a result, there has been encouragement for the continued investigation of employee level outcomes, specifically those relating to wellbeing (Danna & Griffin, 1999; Grant, Christianson, & Price, 2007; Guest & Conway, 2012; Nishii, Lepak, & Schneider, 2008). This is because a happy and healthy workforce is a strategic asset to an employer, and the key to differentiating from their competitors (Gomes, Asseiro, & Ribeiro, 2013; Stranks, 2013).

There is an element of irony in the criticism that the HRM- organisational performance level of analysis has neglected the ‘human factor’, by not investigating employee level perceptions of HRM. The ‘human factor’ is the very reason HRM systems and practices were developed. In particular, focusing on organisational performance ignores the impact that HRM practices have on employees’ quality of working life, and their overall satisfaction with their work roles (Peccei, 2004). This is not to say that the effects of HRM practices, (such as employee selection, training, and performance management), on productivity and financial gain, are not important. Rather, the effect that these practices have on the people most directly involved, the so-called ‘human resources’, should not have been neglected. Given this neglected area of inquiry, this
High commitment Human Resource Management and employee wellbeing study aims to answer the primary research question: *What is the relationship between HRM and employee wellbeing?*

Before proceeding, two general assumptions must be noted. The first concerns the concept of HRM, which as a number of researchers have pointed out, has no agreed definition (Becker & Gerhart, 1996; Wright & Bryson, 2013). In these studies, HRM is referred to as a wide range of practices involving the management of people in organisations. This collective ‘bundle’ of HRM practices is referred to as ‘high commitment HRM’, and is explained in the literature review. The second assumption concerns the concept of wellbeing. The interest is in wellbeing in the work domain of life, and the quality of employees’ subjective experiences and happiness at work (Dewe & Cooper, 2012; Van De Voorde et al., 2012; Warr, 1987). This type of wellbeing is a contributor to employees’ overall sense of happiness outside of work, but is analytically distinct from their general wellbeing (Peccei, 2004). The quality of employees’ experiences at work is referred to in the literature as ‘happiness wellbeing’, and is deemed highly important. The words by Aristotle at the beginning of this introduction, explain that happiness is central to life. Since the majority of daily life is spent at work, there is no doubt of the need to dedicate research attention to this area of inquiry.

The greater interest in happiness wellbeing and the systematic effects of HRM are important to investigate for a number of reasons. Employee wellbeing, happiness, and fulfilment are important outcomes, and have long been a concern for researchers in the industrial and organisational psychology sphere of interest (Blauner, 1964; Danna & Griffin, 1999; Guest, 1997; Van De Voorde et al., 2012; Wright & Bryson, 2013; Warr, 1987). Following on from this, if the explicit effects of HRM practices on employee wellbeing are better understood, then the practical implementation of these practices can be improved. The concern about employee wellbeing should also be seen as a contribution to the larger empirical work on HRM and organisational performance. Employee wellbeing and job satisfaction play a central role in conceptual models linking HRM practices to financial performance. For example behavioural theories suggest that employee attitudes play a mediating role between HRM and performance (Appelbaum et al., 2000; Becker & Huselid, 1997; Guest, 1997; Pauuwe & Richardson, 1997). A common assumption underlying these models is the idea that HRM practices offer support to employees, and hence maximise their performance. The HRM
High commitment Human Resource Management and employee wellbeing practices are also valued by employees, and make them more willing to work hard for their organisations in a process of social exchange (Blau, 1964). The key point emphasised throughout this study, is that gaining a better understanding of how HRM practices lead to employee wellbeing is not only important in its own right, but it is also a means by which organisations can sustain their long term performance.

**Aims of the Research**

The aim of this study is to uncover how HRM practices in the organisation relate to employee wellbeing, by considering indicators of positive work experiences including *job satisfaction*, *affective commitment* and *psychological wellbeing*. Attention is paid to the content and process view of the HRM system to gain a greater understanding of the influence that HRM has on these three wellbeing outcomes (Bowen & Ostroff, 2004; Sanders, Dorenbosch, & de Reuver, 2008; Ribeiro, Coelho, & Gomes, 2011). A greater understanding of the relationship between HRM and employee wellbeing may contribute to the practical application of HRM for improved employee wellbeing in South African workplaces.

**Structure of the Dissertation**

An introduction to the research topic and motivation for conducting the research is provided in this section. Following this, in Section Two, the relevant literature applicable to both HRM and employee wellbeing is reviewed. After analysis of the existing literature, propositions are made. Section Three explains the methods of research adopted to investigate these propositions, and gives evidence of the methodical rigor used to investigate the propositions. In Section Four the results of the statistical data analysis are presented. In Section Five, the findings are discussed with reference to existing literature. Particular attention is paid to setting the research in a South African context, and recommendations are made for future research and the practical application of the findings in the workplace.
In this Section, the literatures in both the HRM and employee wellbeing realms of enquiry are synthesized to provide a framework for the study. Analyses of the types of HRM practices that are most likely to enhance employee wellbeing are presented. The intention of this literature review is to critically uncover how the HRM system relates to individual wellbeing, by investigating specific types of HRM practices (the content component of HRM), and how these practices are communicated to employees (the process component of HRM) (Bowen & Ostroff, 2004). Particular interest in this study is a recently developed concept known as Human Resource Strength (HRS), which may be the mechanism through which HRM practices translate into positive individual outcomes such as wellbeing (Bowen & Ostroff, 2004). The research propositions presented at the end of this section address the link between HRM and wellbeing, and were specifically formulated to address the gaps identified in the literature. To support the propositions, an integrated model is presented for further clarity.

Literature Search Procedure

The literature review is based on a systematic literature search through electronic research platforms, including Google Scholar, PsychInfo, EBSCO Host, Emerald, Gale Cengage and JSTOR. A Boolean keyword search was conducted frequently from February to the end of November 2013. During this review process, both international and local journals in management, organisational behaviour, work and psychology were considered the most relevant. The Journal of Human Resource Management was a particularly valuable resource in which most empirical research on HRS has been published. Prominent research articles including Bowen and Ostroff (2004), Koehoe and Wright (2013), Nishii and Wright (2008), Peiera and Gomes (2012) and Sanders, Dorenbosch and de Reuver (2007), were entered into the Social Science Citation Index search function. The literature search process additionally included a review of articles on employee wellbeing in the local and international media over the period of the study.
Wellbeing at Work

Varying definitions and conceptualization of wellbeing have been proposed (Danna & Griffin, 1999; Larson, 1999; Tetrick, 2002). Current definitions accord with the general sentiments of the positive psychology movement, which explained that further understanding of the experience of work requires a focus on the positive aspects of work, which have been neglected in previous research (Seligman & Czikszentmihalyi, 2000; Wright & Quick, 2009). Alexandrova (2005) explained that wellbeing, or happiness, is a curiosity in scientific research, because it is clearly related to various life domains. This study focuses specifically on wellbeing in the context of work, and reviews the specific ‘work’ management activities (HRM) that effect employees’ wellbeing.

In the domain of work, wellbeing applies to the overall quality of employees’ experiences and functioning at work (Grebner, Semmer, & Elfering, 2005). Under this general definition, three general types of wellbeing are written about in the literature (Danna & Griffin, 1999; Grant, Christianson, & Price, 2007). Firstly, there is a focus on the subjective experiences, or happiness, where job satisfaction and organisational commitment are indicators of positive work experiences. Secondly, work-related health has been considered, where levels of job strain are investigated as an indicator of poor wellbeing. Thirdly, Grant et al., (2007) explained that social wellbeing is an important dimension of employees’ experiences in the workplace. It is important to make a distinction between these three dimensions of wellbeing at work (happiness, health, and social), because in the literature, the conceptual models linking HRM to organisational performance account for these different dimensions (Appelbaum et al., 2000; Guest, 2002; Paauwe & Richardson, 1997). Following on from this, these different dimensions of wellbeing have varying outcomes on organisational performance.

**Employees Subjective Experiences At Work- ‘Happiness Wellbeing’**

In this study, the focus is on the first dimension of wellbeing, (concerning employees’ subjective experiences at work), which is commonly referred to as ‘happiness wellbeing’ (Van De Voorde et al., 2012). Of general sentiment in the positive psychology movement (Seligman & Czikszentmihalyi, 2000), ‘wellness’ relates to more than the absence of illness in the
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workforce. Rather, wellbeing is considered an intricate research variable concerning a persons’ optimal experiences and positive functioning (Deci & Ryan, 2008; Diener, 1984; Peccei, 2004; Warr, 1987). Indicators of happiness wellbeing are job satisfaction, affective commitment and psychological wellbeing. These three indicators were selected based on a review of the empirical investigations of employee wellbeing listed below in Table 1 (Danna & Griffin, 1999; Van de Voorde et al., 2012).

Table 1.

*Studies Investing the Main Indicators of Employee Wellbeing.*

<table>
<thead>
<tr>
<th>Wellbeing type</th>
<th>Indicator of wellbeing</th>
<th>Authors</th>
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<tr>
<td></td>
<td></td>
<td>Hoque (1999)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Riordan, Vandenberg, &amp; Richardson (2005)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vanhala &amp; Tuomi (2006)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Varma, Beatty, Sneier, &amp; Ulrich (1999)</td>
</tr>
<tr>
<td></td>
<td>Organisational Commitment</td>
<td>Ahmad &amp; Schroeder (2003)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gould Williams (2003)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hoque (1999)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Van Veldhoven (2005)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wright &amp; MacMahan (1992)</td>
</tr>
<tr>
<td></td>
<td>Job Satisfaction Combined with Commitment</td>
<td>Nishi, Lepak, &amp; Schneider (2008)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Orlitzky &amp; Frenkel (2005)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vandenberg, Richardson, &amp; Eastman (1999)</td>
</tr>
<tr>
<td>Psychological Wellbeing</td>
<td></td>
<td>Deci &amp; Ryan (2008)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Van der Doef &amp; Maes (1999)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Warr, Cook, Wall (1979)</td>
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The general notion is that wellbeing at work is based on employees’ feelings about themselves in relation to their job on three levels. On the first level, psychological wellbeing indicates an employees’ happiness with themself, and their general life situation. On the second level, job satisfaction indicates how the employee feels about their job and their work roles. Affective commitment on the third level indicates how employees feel about their greater organisation.
Following the outline of key empirical research investigating the wellbeing variables in Table 1, no research to date has described these wellbeing variables across the three identified levels. It may be insightful to reflect on these levels to gain greater understanding of the influence of HRM on wellbeing in the domain of work. Each of the three wellbeing variables are defined as follows:

**Psychological wellbeing (happiness with self).** Psychological wellbeing measures the hedonic (pleasant) dimension of how an individual is feeling, and is widely conceptualised in terms of their overall psychological and social functioning (Hills & Argyle, 2001; Sirgy, 2012). A primary reason for including psychological wellbeing in this study, is that it is typically considered as a ‘context free’ or global construct, which is not tied to any particular context (Alexandrova, 2005; Bech, Olsen, Kjoller, & Rasmussen, 2003). Therefore, this wellbeing variable accounts for ‘outside of work’ influences that may affect general happiness at work.

Work plays a central role in the development, expression and maintenance of psychological health (Blustein, 2008). This is because work is a social environment in which individuals interact with the broader social, political and economic dimensions of life, and is a source of rewards and relationships, but is also a test of resilience (Blustein, 2006; Dewe & Cooper, 2012). In exploring employee wellbeing at work, it is important to consider the employees’ overall psychological wellbeing, particularly because it is considered a dispositional trait, which is stable over time (Dewe & Cooper, 2013). It is important to refer to the interest of employee psychological wellbeing in the field of Occupational Health Psychology, particularly because work is a critical function in the broader spectrum of wellness (Leka & Houdmont, 2010). Furthermore, within the positive psychology movement, there is an increasing recognition of the positive role that work can have on individual happiness (DeJoy et al., 2010; Jenkins & Delbridge, 2013).

**Job satisfaction (happiness with job).** Job satisfaction indicates employee wellbeing at work in that it refers to a pleasurable or positive emotional state, as a result of evaluating ones’ experiences at work (Baptiste, 2008; Locke & Latham, 1990). Warr, Cook, and Wall (1979) described that job-related wellbeing was essentially the function of employees’ satisfaction with their job in terms of pay, supervisors, co-workers, and other job elements.
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such as training and opportunities. According to Jernigan, Beggs, and Kohut (2002) job satisfaction can be defined as employees’ overall contentment with their job and also with the larger organisational context within which they work. Therefore, in this current study, job satisfaction indicates that the employees are having positive work experiences, and that there are limited negative factors in their work that detract from their general happiness.

**Affective commitment (happiness with organisation).** Employee affective commitment is indicative of ‘wellness’ at work in that it demonstrates the employees’ positive attitude towards their organisation, and acceptance with the goals and values of their organisation (Allen & Meyer, 1990; Meyer, Stanley, Herscovitch, & Topolny, 2002). It shows that the employee wants or chooses to be a part of the organisation, because they are happy and proud to be there (Meyer, Paunonen, Gellatly, Goffin, & Jackson, 1989; Cohen, 2003; Kehoe & Wright, 2013).

Affective commitment is frequently described as an exchange relationship between the employer and the employee (Baptiste, 2008). However, in the current uncertain climate during a global recession, the psychological contract that existed between employers and employees has shifted (Ang, Bartram, McNeil, Leggat, Stanton, 2012; White & Bryson, 2013; Wood & Menezes, 2011). With the dramatic downsizing currently being experienced, there is growing cynicism in the workplace that is likely to affect employee commitment (Cannibano, 2013). A solution to such cynicism is for HRM practices to ensure that employees know that they are valued and trusted, which in return will allow the employees to have a strong sense of emotional attachment to their organisation (Dewe & Cooper, 2012). This is important for organisations, because according to Legge (1995), committed employees have a strong belief in and acceptance of their organisations’ goals, and are willing to exert high levels of performance on behalf of their organisation. As such, affective commitment is an employee’s positive attachment to their organisation, and is indicative of employees having positive experiences in their work roles. This leads to their happiness at work, and willingness to stay. From the employer’s perspective, affective commitment is important to consider, because the firms need a guarantee that they are investing for the long term, as employees are not likely to leave (Gellatly, Hunter, Currie, & Irving, 2009; Walton, 1985). For these reasons in this study, affective commitment is measured as an indicator of employee wellbeing at work in this study,
under the assumption that happy employees make a choice to stay in their organisation, and feel that they belong in the organisation, under a healthy psychological contract.

**Human Resource Management (HRM)**

HRM is the collective term for all activities that manage people in an organisation (Boxall & Purcell, 2008). The conceptual definition of which management activities should be labelled as HRM is unclear, because there are numerous labels and measures of management activities in studies investigating HRM (Combs, Lui, Hall, & Ketchen, 2006). Examples of these management activities include: employee training, development, recruitment, performance management and health and safety. Huselid (1995) conducted seminal work investigating the outcomes of HRM, specifically on organisational financial performance. Following this work, a large body of research has examined the impact of HRM in the last decade (Boselie, Dietz, & Boon, 2005; Combs et al., 2006). Recently, there has been a shift in focus to investing HRM on employee centred outcomes, and not only on organisational performance outcomes. Boxall and Macky (2009, p.4) described this shift as: “*We find ourselves in the midst of a lively debate over the impacts of HRM on firms and on workers. Some scholars see benefits for both... while others question the gains for firms...or for workers...and some, quite properly, question the value for both parties*”. In a recently published book on employee wellbeing, Sears (2010) reviewed the stressors which employees face at work, and concluded that HRM needs to adopt an ‘insight-driven’ strategy. Under this strategy, Sears (2010) explained the HRM function in an organisation as the means to find new solutions to old problems, and to identify what will make a difference to the individual employee.

**HRM and Employee Wellbeing At Work**

Considering the complex definition of wellbeing, the management of wellbeing in the workplace is not a simple task (Grant et al., 2007). There are two opinions about the relationship between HRM and employee wellbeing, the ‘mutual gains’ perspective, and the ‘conflicting outcomes’ perspective (Wall& Wood, 2005).
Conflicting Outcomes Perspective

The ‘conflicting outcomes’ perspective does not recognise any relationship between HRM and employee wellbeing, and proposes that the presence of HRM in the workplace devalues wellbeing (Legge, 1995; Ramsay, Scholarios, & Harley, 2000). The notion that some organisations compromise employee wellbeing for productivity cannot be denied (Quin & Rohrbaugh, 1983; Dewe & Cooper, 2012). The HRM system may even be viewed as the means through which organisations exploit wellbeing for the sake of productivity (Ramsay et al., 2000). Dale and Burrell (2013) wrote about the ‘bioeconomism’ of the wellbeing movement, whereby organisations view employee wellbeing as an economic resource, and are uninterested in the individual benefit of wellbeing. Peccei (2004) explained that the HRM practices that maximise employee wellbeing are not necessarily the same practices that lead to financial performance. Therefore, when organisations have to prioritise HRM resources, they make a trade-off for those practices that lead to financial gain, rather than employee wellbeing. In a similar discussion, Quinn and Rohrbaugh (1983) developed the competing values framework. This framework implies that organisations with a rational strategy and internal structure climate, focus mainly on HRM practices for performance; whilst organisations with an open systems approach, are more likely to invest in HRM practices for wellbeing.

Mutual Gains Perspective

A more optimistic perspective is the ‘mutual gains’ view where both the organisation and the employee benefit from the HRM system (Applebaum et al., 2000; Guest, 1997; Van de Voorde et al., 2012; Wood & Wall, 2005). The HRM system is an organisational resource, which serves to help employees achieve their work goals, and reduce their job demands (Demerouti, Bakker, Nachreiner, & Schaufeli, 2001; Karasek, 1979). For example, HRM systems support work processes through giving employees instructions and expectations on how to behave, which reduces their confusion and stress, and enhances their performance (Wright, MacMahan, & McWilliams, 1994). The research on HRM and employee wellbeing by Wright and MacMahan (1992) explained the ‘Behavioural Perspective’, whereby employment activities are important in eliciting employee behaviours that contribute to overall performance. Under the theory of
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the Conservation of Resources (COR) (Hobfoll, 1989), employees value such a resource, and hence work hard in their jobs in a process of social exchange (Blau, 1964). Researchers (Salanova, Agut, & Peiro, 2005; Wright & Hobfoll, 2004) have investigated the HRM system in light of the COR theory, and found that employees have greater wellbeing when there are available resources, that are supplied by the HRM system.

Van De Voorde et al., (2012) conducted a meta-analyses of empirical studies investigating HRM and employee wellbeing. It was concluded in this meta-analyses that 77% ($^{17/22}$) of studies on ‘happiness wellbeing’ supported the mutual gains perspective. Evidence supporting the conflicting outcomes perspective was apparent in studies that investigated health indicators of wellbeing such as strain (Van Veldhoven, 2005) and emotional exhaustion (Vanhala & Tuomi, 2006). Therefore, in investigating the relationship between HRM and happiness employee wellbeing, this study adopts the ‘mutual gains’ perspective, with the underlying assumption that the HRM system can be of benefit to both individual and organisational level wellbeing.

**The Relationship Between HRM and Organisational Performance**

The theory underpinning the relationship between HRM and employee happiness wellbeing is vague, and relatively unexplored in the literature (Guest, 2002; Peccei, 2004). As such, this study follows the directions of the greater strategic HRM research, under the domain of the HRM-performance link. The underlying assumption in this study follows the resource-based view, i.e. HRM in an organisation is a strategic resource that could be used to enhance individual wellbeing (Barney, 1991; Paauwe & Boselie, 2005; Paauwe, 2009; Paauwe & Richardson, 1997). Extensive research supports the resource-based view, and since the 1990’s, strategic HRM scholars have empirically demonstrated the relationship between HRM and organisational performance (Becker & Gerhart, 1996; Bowxall & Macky, 2009, Dyer & Reeves, 1995; Huselid, 1995; MacDuffie, 1995; Wright, Gardner, Moynihan, & Allen, 2005). A meta-analysis of 92 empirical studies investigating the relationship between HRM and organisational performance, confirmed that organisations achieve strategic gain through effective HRM practices (Combs et al., 2006). The evidence follows a common belief that improving the way that people are managed will inevitably enhance the way they perform (Truss, 2001), and should in addition, enhance the quality of their experiences and wellbeing at work.
Becker and Gerhart (1996) emphasised that ‘performance’ in the HRM-performance model, could be measured through different meaningful outcomes. This is the general consensus amongst strategic HRM researchers, who have called for a more rounded view of ‘performance’ in the HRM-performance model (Benkhoff, 1997; Guest, 1997). Some academics have tried to amalgamate the various measurements of organisational performance, for example Akdere (2009) and Garbi (2002). Evans and Davis (2005) suggested that HRM affects different performance variables in different ways. The complexity of measuring organisational performance has become increasingly difficult with the various pressures that firms face today (Cañibano, 2013; Riberio et al., 2011). In recognising these pressures, the health and wellbeing of employees has become an important indicator of firm performance (Alfes, Shantz, Truss, & Soane, 2013; Dewe & Cooper, 2012). Therefore, in investigating the relationship between HRM and employee wellbeing, this study is a part of the greater investigation into the link between HRM and performance.

**The ‘Black Box’ In HRM Research**

Scholars have highlighted that there is a ‘black box’ in the research on the relationship between HRM and performance; in that it is not understood how this relationship occurs (Alfes et al., 2013; Becker & Gerhart, 1996; Paauwe, 2009; Takeuchi, Chen, & Lepak, 2009). There are three apparent ‘gaps’ in understanding the link between HRM and performance, which are discussed in this study, with a specific focus on the wellbeing dimension of performance.

**Analysis of individual level wellbeing outcomes of HRM practices.** Most research on HRM and performance is conducted at the organisational level of analysis. This allows no understanding of the HRM practices at the micro-level. Theoretical frameworks (Becker & Huselid, 1998; Delery & Doty, 1996; Guest, 1997) recognise that individuals have a mediating role between HRM and performance. Therefore, it is important for scholars to investigate individual level outcome variables, because they are proximal indicators in the greater sphere of the HRM-performance link (Dyer & Reeves, 1995; Guest, 1997; Niishi & Wright, 2008; Paauwe, 2009).

**Analysis of employee perceptions of HR practices.** Increasing efforts are noted in the strategic HRM research to explore how employees experience, perceive and interpret HRM
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systems (Chuang & Liao, 2010; Takeuchi et al., 2009). How employees perceive HRM practices will influence their responding attitudes and behaviours to these practices (Nishii, Lepak, & Schneider, 2008). Liao, Toya, Lepak and Hong (2009) recognised that further investigation of employees’ perceptions of HRM practices is necessary, because they may well vary significantly from how managerial documents report the actual practices. Nishii and Wright (2008) recognized that individuals have unique perceptions of the HRM practices in their organization, and clearly distinguished between intended HRM systems, actual HRM systems, and the employees’ perceptions of these HRM systems. Therefore, it cannot be assumed that what is written in policy documents about HRM practices is an accurate representation of the employees’ experiences of HRM practices in their organisation (Snape & Redman, 2010).

Analysis of the mechanisms linking HRM to desirable wellbeing outcomes. It is not clear exactly how HRM practices positively influence performance, or promote attitudinal and behavioural wellbeing outcomes (for example commitment, job satisfaction, and work-life balance) (Wright et al., 2005). If the way that employees perceive HRM practices influences their attitudes and behaviours, then the types of HRM practices sent to employees (the content component), and the way the HRM messages are sent to the employees (the process component), must be evaluated (Bowen & Ostroff, 2004). By investigating the content and process components of HRM, greater understanding in how the relationship between HRM, performance, and wellbeing may be achieved (Bowen & Ostroff, 2004; Guest & Conway, 2011; Kehoe & Wright, 2013; Sanders, Dorenbosch, & de Reuver, 2008).

Addressing the ‘black box’ of HRM

The research question for this study asks, what is the relationship between HRM and employee wellbeing? The relationship between the two variables is explored in terms of how HRM is communicated to the employees through both the content and the process components of the HRM system. In recognition of the need to further explore the individual level of HRM outcomes, this study explores the research question at the individual level of analysis.

Including the individual perspective into strategic HRM research is imperative for achieving a more complete understanding of how HRM practices lead to positive work experiences, and wellbeing, across multiple levels (Jiang et al., 2012). Employees are considered to be in the best
position to describe their experiences of HRM practices, and to report how these practices enhance or deflate their wellbeing at work (Guest, 2002; Wright et al., 2005; Macky & Boxall, 2007).

**Theoretical Framework**

The focus on employee perceptions of HRM practices has led researchers to distinguish between two components of HRM: the *content* component and the *process* component (Bowen & Ostroff, 2004; Sanders et al., 2009). The HRM *content* refers to the specific HRM practices that are implemented in the organisation, which are necessary for achieving employee wellbeing (Bowen & Ostroff, 2004). The HRM *process* component considers the design and implementation of HRM practices, to ensure that the employees make accurate perceptions about what the practices mean (Bowen & Ostroff, 2004; Sanders et al., 2009; Wright & Nishii, 2007). Bowen & Ostroff (2004) introduced the concept of HRM strength (HRS), which integrates both the content and process components of HRM, and could explain the link between HRM and performance (Purcell & Hutchinson, 2007), including employee wellbeing.

**The ‘Content’ Component of HRM: High Commitment HRM**

The content component of the HRM system is a set of internally consistent HRM practices that are included in the HRM system (Bowen & Ostroff, 2004; Sanders et al., 2009). The predominant approach into investigating HRM content is to think of the HRM system as a set of practices (Hueslid & Delaney, 1996; Huselid, 1995). In the literature, these ‘sets’ of HRM practices are labelled differently. In investigating employee wellbeing, high commitment HRM practices are commonly referred to, as these practices are thought to release further reserves of human resourcefulness by improving employees’ motivation and commitment (Guest, 2011; Huselid & Delaney, 1996). The theory supporting this proposes that ‘appropriate’ HRM practices shape employees’ behaviours and attitudes by developing ‘psychological links’ between the organisational strategy and the employees’ goals (Wood & Menezes, 2011). “High commitment’ HRM practices are essentially endeavouring to develop committed employees who can be trusted to use their discretion to carry out job tasks in ways that are consistent with organisational goals” (Arthur, 1994, p. 672). Thus researchers have concluded that high...
commitment HRM practices are universal, and that the application of these practices leads to positive outcomes for all types of organisations (Combs et al., 2006; Datta, Guthrie, Wright, 2005; Huselid, 1995; Wood & Menezes, 2011). As a result, there are various practical recommendations for HRM practitioners to focus on implementing high commitment practices to increase employees’ motivation at work, and to encourage high levels of performance (Huselid, 1995; Huselid & Delaney, 1996; Chuang, Chen, & Chuang, 2013; Wall & Wood, 2005; Wright, McMahan, & McWilliams, 1994). Examples of ‘high commitment’ HRM practices include appropriate recruitment and selection, performance management, training and education, and career management. It is important to note that across studies, high commitment may be used interchangeably with ‘High Performance Work Systems’ (HPWS) (Gould Williams, 2004).

Researchers have not only investigated high commitment HRM and organisational performance. Zhang, Zhu, Dowling and Bartram (2013) concluded that there is a positive relationship between high commitment HRM practices and employee wellbeing. This is because these practices are a source of support to employees, and encourage them to perform better in their jobs (Boxall & Macky, 2006; Neal, West, & Patterson, 2005; Jackson & Schuler 1995). Under the motivational process of social exchanges (Blau, 1964), which has been alluded to earlier, employees reciprocate to these types of HRM practices with positive attitudes and increased motivation (Baptiste, 2008). The empirical evidence directly focusing on high commitment HRM practices and employee wellbeing is not substantial. Table 2 below outlines empirical research on high performance HRM and employee wellbeing.
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**Table 2.**

*Empirical Studies Investigating High Commitment HRM Content and Employee Outcomes*

<table>
<thead>
<tr>
<th>Study</th>
<th>Employee outcome</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ang, Bartram, McNeil, Leggat, &amp; Stanton (2013)</td>
<td>Engagement, Job Satisfaction, Affective Commitment, Intention to leave</td>
<td>The findings suggest that only when management’s implementation of HPWS is similar to employees’ espoused HRM practices that HPWS are translated into greater engagement, job satisfaction, affective commitment and less intention to leave.</td>
</tr>
<tr>
<td>Kehoe &amp; Wright (2013)</td>
<td>Absenteeism, Affective Commitment, Organisational Citizenship Behaviours</td>
<td>Affective commitment mediates the relationship between high-commitment HRM practices and the dependent variables.</td>
</tr>
<tr>
<td>Takeuchi, Chen, &amp; Lepak, (2009)</td>
<td>Job satisfaction, Affective commitment</td>
<td>Results indicated that the relationship between HPWS and employee job satisfaction and affective commitment were fully mediated by climate.</td>
</tr>
<tr>
<td>Wood &amp; Menezes (2011)</td>
<td>Job satisfaction, Anxiety-Contemptment</td>
<td>This paper attempts to develop theory of the effects on well-being of four dimensions of high-performance work systems: enriched jobs, high involvement management, employee voice, and motivational supports.</td>
</tr>
<tr>
<td>Young, Bartram, Stanton, &amp; Leggat (2010)</td>
<td>Job satisfaction, Affective Commitment</td>
<td>Findings indicate that social identification mediates the relationship between high commitment HRM and affective commitment and job satisfaction.</td>
</tr>
</tbody>
</table>
Studies investigating the potential of HRM to sustain workforce wellbeing are increasing, but the underlying theory is still vague (Wood & Menezes, 2011; Wright & Quick, 2009). It is apparent in Table 2 above, that the research investigating the relationship between HRM and employee wellbeing is limited, but from the available studies, it appears that there is support for a positive relationship between HRM and employee wellbeing. Following, it is commonly noted across the studies listed in Table 2, that the same HRM practices do not always lead to the same outcomes across different organisations. This indicates that employees perceive and respond to HRM practices differently (Bowen & Ostroff, 2004). The difference in perceptions could be explained by the way the HRM practices are communicated to the employees in different settings, i.e. the process component of the HRM system (Delmotte, De Winne, & Sels, 2011; Den Hartog, Boselie, & Paauwe, 2004).

The ‘Process’ Component of HRM: HRM Strength

HRM practices send messages to employees that are aligned with the organisations’ strategy. Individual employees receive the HRM messages; make perceptions about what they mean, and then in response display appropriate behaviours. If the messages are interpreted correctly, the outcome behaviours will contribute effectively towards achieving the organisations’ goals. When this happens, the HRM system is said to be ‘strong’ (Bowen & Ostroff, 2004). This idea of ‘strength’ is based on the theory of situational strength (Mischel, 1973; Schneider Salvaggio, & Subirats, 2002).

Situational Strength

Mischel (1973) recognised that human behaviour can be shaped through cues from external situations. A situation is said to be ‘strong’ when it leads everyone to construe events in the same way, and establish uniform expectancies and responses. This is because everyone recognises the same situational cues, and understands clearly what is expected of them, and how they should behave (Mischel, 1973; Schneider, Salvaggio, & Subirats, 2002; Schneider, Ehrhart, Macey, 2013). A weak situation is when individuals develop different interpretations of how they should react, because the situational cues are ambiguous. This concept of ‘strength’ is not new in organisational literature. Schneider et al., (2002) wrote about climate
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**Human Resource Strength (HRS)**

When the HRM system is strong, employees perceive the HRM messages in a similar way, and they all have a common understanding of what is expected of them, and how they should behave (Riberio, Coelho, & Gomes, 2011; Sanders, Dorenboch, de Reuver, 2008, Li, Frenkel, & Sanders, 2011). When the HRM system is weak however, the employees perceive the HRM messages in differing ways, and there is no common understanding of what the messages mean, and thus it is impossible for the organisation to achieve their strategic goals (Bowen & Ostroff, 2004; Sanders et al., 2008).

Strong HRM systems are desirable because they create a social structure where there is little ambiguity about the organisation in terms of routines, rewards and objectives (Sanders et al., 2008). This is because the employees have shared ideas, beliefs, attitudes and behaviours that work to direct or guide their effectiveness (Sanders et al., 2008; Whitman, Van Rooy, & Viswesvaran, 2010). A strong situation creates group cohesion, where individuals stay together and apply to the rules and procedures collectively, and regard group interests above their own (Nauta & Sanders, 2001; Sanders & Frenkel, 2011).

**HRS and the Theory of Attribution**

In proposing the concept of HRS, Bowen and Ostroff (2004) identified the characteristics of a strong HRM system, based on the theory of attribution (Heider, 1946; Kelley, 1973). The attribution theory refers to perceived causation, where the way in which people interpret behaviour depends on the interpretations they make. Under this assumption, the attribution theory explains that individuals understand the processes in their external world through objective information processing of cause-effect relationships:
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1) **Distinctiveness:** the cause-effect relationship are highly observable.
2) **Consistency:** the cause-effect relationship are constant over time.
3) **Consensus:** individuals agree about the cause-effect relationship.

If these three criteria are not present in a situation, then the individual’s cause-effect inferences are ambiguous, and they are uncertain about how they should behave. Hence, Bowen and Ostroff (2004) applied the theory of attribution, and stated that a strong HRM system is characterised as having high distinctiveness, high consistency, and high consensus. It was explained that an HRM practice is strong when employees perceive clear and unambiguous HRM messages (distinctiveness), which are consistently communicated to them (consistency), and are interpreted uniformly amongst their co-workers (consensus). It was proposed that if the HRM message sends signals about which organisational goals are important, then employees will display the desired attitudes and behaviours required to achieve the organisations’ goals. Theoretically if HRM messages can communicate clear wellbeing strategies through a ‘strong’ HRM system, then, employees are likely to have higher wellbeing as a result of these HRM practices.

**Distinctiveness.** A distinctive HRM practice is one that attracts the employees’ attention and arouses their interest (Bowen & Ostroff, 2004; Ribeiro et al., 2011). Specifically, the HRM messages must be visible, understandable, legitimate, and relevant to the employees:

**Visibility.** Visibility is the degree to which the message stands out or is observable to the employees. If the message is readily accessible, then employees can easily process, organise and store the information (Pereira & Gomes, 2012). To create a strong situation, the message must be salient and visible during daily work routines. The visibility of an HRM policy is likely to be higher when the HRM system includes a wide set of policies that affect a large volume of the workforce (Bowen & Ostroff, 2004). Therefore, firms looking to enhance the visibility of their HRM system must expand the number and range of their policies.

**Understandability.** Understandability establishes that the HRM messages must not contain ambiguous connotations, and should be conveyed in a comprehensible manner. If the messages are not clearly understood, the employees will have a variety of interpretations, and
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this may result in a lack of clarity. To achieve understandability, the messages should evoke cognitive categories, for example, they should contain clear definitions (Bowen & Ostroff, 2004). This characteristic can be difficult to sustain, because people use a variety of methods to interpret information. In order to achieve understandability, the HRM practices should be simple, so that the employees can easily make the correct attributions from the HRM messages (Mendelson, Turner, & Barling, 2011).

**Relevance.** Whilst visible and understandable HRM practices are considered important, in order to contribute to the performance of the organisation, the HRM practices should also be designed to align individual goals with those of the organisations (Bowen & Ostroff, 2004). This is called relevance, or in other literature, it is referred to as the vertical alignment of the HRM practices (Delery & Doty, 1996; Huselid & Delaney, 1996; Pereira & Gomes, 2012). In theory, effective HRM practices promote strategically expected employee behaviours, which lead to desired work behaviours in the organisation (Guest & Conway, 2011; Mendelson et al., 2011).

**Legitimacy of authority.** Legitimacy of authority is the degree to which the HRM process is perceived in terms of status, credibility and activity. People adhere to policies when they are attached to a level of authority, and the HRM process must therefore be perceived as a high-status function in the organisation (Bowen & Ostroff, 2004). In order for this to happen, the strategic involvement of HRM professionals is necessary, where they are involved in determining the strategy of the organisation, and aligning the HRM practices with this strategy (Ulrich, 1997; Chen et al., 2011). HRM professionals need to be seen by the employees as active business partners, to influence the outcomes of their practices (Delmotte et al., 2012). The HRM professionals must also have the support of top management (Bowen & Ostroff, 2004; Guest & Conway, 2011).

**Consistency.** The distinctiveness of the HRM system applies to how the HRM practices should capture the employees’ attention, but this is not enough for them to be uniformly interpreted amongst all employees. The HRM practices must also be reliable and sent to the employees in an internally coherent manner (Bowen & Ostroff, 2004). The consistency of the HRM practices will allow employees to establish stable cause and effect inferences of what
behaviours are expected of them over time, and should create awareness (Pereira & Gomes, 2012). Bowen and Ostroff (2004) explained that stable interpretations are needed to support different contexts over time. In order for HRM professionals to create consistent HRM practices, the following features are important: instrumentality, validity, and consistency.

**Instrumentality.** Instrumentality creates a clear cause-effect relationship between adequate rewards for employees who behave in the expected manner. In order for the employees to perceive consistent HRM messages, the outcomes should be linked to behaviour (Bowen & Ostroff, 2004). This can be done through the instrumentality, where employees decide to act on a behaviour based on the expected outcomes. The HRM department should create unambiguous cause-effect relationships by explaining the behaviours that will be rewarded, through having little delay in giving the rewards (principal of contiguity of causal attribution), and by applying the rewards consistently over time (priority of causal attribution).

**Validity.** Validity ensures that the HRM practices are consistent in what they propose to do. If HRM messages promise to do something, and then do not follow through, the employees will make their own personal interpretations (Pereira & Gomes, 2012). Empirical evidence shows that the HRM practices that are implemented in the workplace can be different from how they were originally intended by the key policy-makers (Purcell & Hutchinson, 2007; Nishii & Wright, 2007). This happens because HRM professionals design the intended HRM practices, and then hand over the responsibility of implementing them to the line managers (Purcell & Hutchinson, 2007). The employees then form different perceptions to those intended by the HRM professionals, which in turn leads to the employees having different attitudes and behaviours (Nishii & Wright, 2007; Takeuchi et al., 2009). Researchers have examined reasons why line managers do not implement HRM practices effectively, and found that line managers to not prioritise HRM practices (Guest & Conway, 2011), or do not have the desire or capacity to implement HRM practices (Chen, Lin, Lu, & Tsao, 2007).

**Consistent HRM messages.** Consistent messages send the signal that the HRM practices are stable and compatible with other messages. A lack of consistency could lead to employees having different interpretations of the practices.
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**Consensus.** When employees all make the same cause-effect inferences from HRM messages, they are likely to behave in similar ways. Two ways of achieving consensus are through agreement of principal decision makers, and by ensuring that the practices are fair.

**Agreement among principal HR decision makers.** When the employees perceive the top managers, HRM managers and line managers, to all agree on an HRM message, consensus is more likely to be achieved.

**Fairness.** Consensus is also likely to be reached if the HRM practices follow the principles of justice, and are perceived by employees as ‘fair’.

If an HRM message is high in distinctiveness, consistency and consensus then employees will tend to have a clearer view of the cause-effect relationships in their organisation, hence the HRM system will be strong. The idea is that the strength of the HRM practices can influence employees’ attitudes and behaviours, through the perceptions that they make as a result of the HRM practices.

**Empirical Research Investigating HRS**

The introduction of the HRS concept by Bowen and Ostroff (2004) changed the research direction in strategic human resource research. Since the publication of their article in 2004, 938 empirical studies have cited Bowen and Ostroff, and 252 of these studies have been published since 2012. Despite the extensive recognition of the work by Bowen and Ostroff (2004), very few empirical studies have investigated the concept of HRS. Many researchers merely acknowledge the HRS concept as novel and unexplored. Table 3 below outlines some of the empirical research on HRS to date. Within these identified studies listed in Table 3, there is an apparent shift in thinking about HRM as being an influential power in the workplace.
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Table 3. *Empirical Studies investigating HRS*

<table>
<thead>
<tr>
<th>Study</th>
<th>Outcome Variables</th>
<th>Mediators/ Moderators</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delmotte, De Winne, &amp; Sels</td>
<td>The purpose of this study was to develop and validate a</td>
<td></td>
<td>Significant relationship between HRS and organisational performance</td>
</tr>
<tr>
<td>(2011)</td>
<td>theoretically grounded instrument to measure HRS.</td>
<td></td>
<td>No relationship with innovation</td>
</tr>
<tr>
<td>Guest &amp; Conway (2011)</td>
<td>Organisational Performance</td>
<td>Consensus</td>
<td>Consensus of the HRM message was not considered a significant predictor of organisational performance</td>
</tr>
<tr>
<td>Kehoe &amp; Wright (2013)</td>
<td>Employee absenteeism, Organisational citizenship behaviour</td>
<td>Affective commitment</td>
<td>Affective commitment mediated the relationship between HRS and organisational citizenship behaviour</td>
</tr>
<tr>
<td>Li, Frenkel &amp; Sanders (2011)</td>
<td>Vigour, Intention to quit, Work satisfaction</td>
<td>Climate</td>
<td>Distinctiveness in particular demonstrated a strong influence on all three variables, and a mediating effect of climate strength.</td>
</tr>
<tr>
<td>Pereira &amp; Gomes (2012)</td>
<td>Transformational Leadership</td>
<td>Climate</td>
<td>Positive relationship found between the variables, but the mediating effect of climate was only observed between leadership and performance.</td>
</tr>
<tr>
<td>Ribeiro, Coelho, Gomes</td>
<td>Improvisation behaviour</td>
<td>Culture (mediator)</td>
<td>Direct positive relationship between HRS and improvisation behaviours. Culture was found to be a mediator between HRS and climate</td>
</tr>
<tr>
<td>(2011)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanders, Dorenbosch, &amp; de</td>
<td>Affective commitment</td>
<td>Climate strength (moderator)</td>
<td>Distinctiveness, consistency and climate strength are positively related to affective commitment</td>
</tr>
<tr>
<td>Reuver, (2008)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
It is apparent in Table 3 that very limited HRS research has focused on employee-level outcomes, and no study to date has considered employee wellbeing as an outcome of HRS. Instead, the main concern amongst researchers in the HRS area of inquiry has been in organisational performance outcomes. For example, Cunha and Cunha (2004) used structural equation modelling to investigate HRS and organisational and innovation performance. This model was developed shortly after Bowen and Ostroffs’ (2004) research was published, and so is one of the first articles to recognise HRS. The major contribution from Cunha and Cunha (2004) was that there was an impact of the strength of an HRM system on general organisational performance.

Despite the focus on performance outcomes, the existing research offers valuable contributions, which are important to consider in this current study. Sanders et al., (2008) and Kehoe and Wright (2013) focused on the perceptions of distinctiveness, consistency and consensus at both the departmental or group level, and at individual level of analysis. The findings in both of these studies demonstrated the importance of shared perceptions in the workplace, and emphasised that influencing individual perceptions alone, will not enhance performance. Ribeiro et al., (2011) investigated HRS in a large Portuguese call centre, and concluded that HRS had a direct effect on employees’ improvisation behaviour. Improvisation behaviour was defined by Ribeiro et al., (2011) as a timely and conscious action in response to an event, and was considered a valid indicator of individual performance. Following their investigation, Ribeiro et al., (2011) developed a model that outlined a clear framework that links HRM to the social context (climate and culture). This marked an important shift in the literature, and contributed to the understanding of Bowen and Ostroff’s (2004) framework.

The study conducted by Li et al., (2011) is particularly relevant for this current study, because they investigated how employee perceptions of the HRM system are associated with employees’ work satisfaction, vigour and intention to quit. The individual level of analysis is similar to that in this current study, and the outcome variable job satisfaction is considered an indicator of employee wellbeing in this study. It was noted by Li et al., (2011) that the distinctiveness of the HRM system had a relationship with employee work attitudes. Further, in recognising the role of the social context, high climate strength was noted to increase both
the positive relationship between consensus and work satisfaction, and the negative relationship between consensus and intention to quit. Li et al., (2011) drew on aspects of Chinese society to interpret the findings, which emphasised the role of the social context. To date, the most recent empirical research was conducted by Periera and Gomes (2012), who explored the relationships between HRS, leadership, organisational climate and performance. The findings by Periera and Gomes (2012) showed that both HRS and leadership in the organisation are influential in shaping employees’ perceptions and interpretations of their work.

**Research Propositions**

The objective of this study was to investigate the relationship between HRM and employee wellbeing. In investigating this relationship, specific focus was directed to the ‘black box’ area of HRM research, where researchers have indicated a need for greater research attention. From the review above, the content component of HRM indicates that specifically high commitment HRM practices can lead to improved levels of employee wellbeing. The process component, known as HRS, is a relatively new concept in strategic HRM literature, and there is a limited amount of empirical evidence supporting the proposition that HRS is the missing link in the HRM-performance equation.

From the literature review, it is apparent that no known study to date has explored the relationship between the HRS (the process component of HRM) and employee wellbeing. Furthermore, no study to date has investigated both the content and process components of HRM in a single study. In recognition of these relatively unexplored areas in the HRM-wellbeing research, this study aims to investigate both components of HRM in addressing the research question: *what is the relationship between HRM and employee wellbeing?* Figure 1 below outlines a conceptual diagram of the research propositions.
The two independent variables are the process and content components of HRM. The three dependent variables are employee job satisfaction, affective commitment and psychological wellbeing. These three dependent variables reflect positive job experiences and overall ‘happiness’ at work, which is indicative of workplace wellbeing.

**HRM Content and Employee Wellbeing**

High commitment HRM practices are designed to increase employees’ abilities, motivation and opportunities, and hence are likely to enhance the employees’ experiences at work (Appelbaum et al., 2000; Huselid, 1995; Chuang & Liao, 2010; Wood & Wall, 2005; Wright et al., 1994). This is because they are a source of support to employees, enrich their jobs and elicit greater discretionary effort from the employees (Boxall & Macky, 2006; Jackson & Schuler 1995; Mohr & Zoghi, 2008; Neal, West, & Patterson, 2005). Guest (1997) found that employees who reported higher numbers of high commitment HRM practices were more likely to have higher satisfaction with their jobs. A suggestion by Evans and Davis (2005) was that this is because these types of HRM practices make employees feel that their work is meaningful, and hence they gain intrinsic satisfaction with their job.
Proposition 1a: High commitment HRM practices will have a positive relationship with employee job satisfaction.

High commitment HRM practices show the employees that their organisation respects them as capable and intelligent individuals (Macky & Boxall, 2007). Employees see these HRM practices as value adding to their work experiences, and hence they will be more committed to their organisation. According to Zaracharatos, Barling, and Iverson (2005), employees view high commitment HRM practices as indicative of the organisation's investment in them, and in a process of exchange, have greater emotional attachment to their organisation.

Proposition 1b: High commitment HRM practices will have a positive relationship with employee affective commitment.

Due to the nature of high commitment HRM practices in encouraging employee motivation and involvement at work, these types of HRM practices should also allow employees to have positive experiences at work. Positive experiences at work will contribute to their overall quality of life, and general psychological wellbeing.

Proposition 1c: High commitment HRM practices will have a positive relationship with employee psychological wellbeing at work.

HRM Process (HRS) and Employee Wellbeing

When there is a strong HRM system, communication about the HRM practices is likely to be transparent and unambiguous, and consequently employees are able to interpret the HRM messages clearly (Bowen & Ostroff, 2004). It can be argued that if the employees understand the HRM practices, they will feel that their organisation is supportive of them, and they will know how they are expected to behave. When this happens, the HRM system is ‘strong’, and employees are more likely to have positive experiences, and hence improved wellbeing at work.

Proposition 2: There is a positive relationship between HRS and employee wellbeing at work.
Strong HRM systems are created through three characteristics: distinctiveness, consistency and consensus. In order to understand how the relationship between HRS and employee wellbeing occurs, it is important to investigate the unique contribution of each of these three characteristics. For example, if the employees perceive and understand the HRM messages (distinctiveness), they will know what is expected of them, and will also feel that their organisation is supportive of them (Pereira & Gomes, 2012; Sanders et al., 2008). In return, they will have improved positive experiences at work, and be able to expose desired attitudes and behaviours (Bowen & Ostroff, 2004; Appelbaum et al., 2000; Mohr & Zoghi, 2008). If the employees perceive and understand the HRM practices as consistent in conveying that the organisation values and goals, it is more likely they will reciprocate with what is expected of them. The employees will also value the consistency of the HRM message as a source of support, which will improve their experiences at work. Furthermore, if there is consensus among the HRM decision makers, then the employees are more likely to have shared beliefs about which attitudes and behaviours are expected and valued.

The purpose of distinct, consistent, and consensual HRM practices is to ensure that the employees make accurate perceptions of the HRM practices. When they do, it is likely that their experiences at work will be improved, and that the HRM system will be able to influence positive and desirable attitudes and behaviours, indicative of wellbeing.

**Proposition 3a:** A distinct, consistent, and consensual HRM system is positively related to employees’ job satisfaction.

**Proposition 3b:** A distinct, consistent, and consensual HRM system is positively related to employees’ affective commitment.

**Proposition 3c:** A distinct, consistent, and consensual HRM system is positively related to employees’ psychological wellbeing.
The Joint Influence of HRM Content and Process on Employee Wellbeing

No known study to date has investigated the joint influence of both the content of the HRM practice, and the process through which the HRM practice is communicated to the employees. In practice, the two components are not separate from each other. An HRM practice is designed and formulated in line with the organisations’ strategy (content), and then communicated (process) to the employees. Studies have either focused on the content component, or on the process component.

Proposition 4: There is a joint interaction effect of the content and process components of the HRM system on employee wellbeing outcomes.

Final Notes

This study aims to investigate the relationship between HRM and employee wellbeing. It is well established that there is a relationship between HRM and employee wellbeing, however, it is not apparent how this relationship occurs. In evaluating employee wellness, the interest is at the individual level of analysis, where the perceptions that employees have of HRM practices could be the link through which HRM influences their wellbeing. The perceptions that employees have of HRM practices is influenced by the strength of the HRM practices, which implies that the HRM practices are distinct, consistent, and consensual (Bowen & Ostroff, 2004). The theory of HRMS is supported with very limited empirical evidence. It is still not clear how the characteristics of distinctiveness, consistency and consensus work together to shape accurate perceptions of the HRM system (Gomes & Periera, 2012; Guest & Conway; 2011; Kehoe & Wright; 2013; Sanders et al., 2009). The content, or message that the HRM practices send to the employees, namely high commitment HRM is also likely to influence the employees’ wellbeing. There is substantial research investigating the relationship between high commitment HRM and employee wellbeing. However, no research to date has investigated the joint influence of HRM content and process on employee wellbeing outcomes. This study responds to this ‘gap’ in the literature, and aims to achieve a greater understanding of the relationship between HRM and employee wellbeing.
METHOD

The purpose of this research is to explore the relationship between HRM and employee wellbeing. This Section presents the methodology utilised to explore this relationship, and describes the decisions made throughout the research process. It is divided into five subsections: research design, research participants, research procedure, research measures, and research data analysis.

Research Design

The research was conducted using a descriptive design. This choice of design was guided by the research question, which explores the relationship between two variables, and aims to describe how they may be connected (Hair, Babin, & Money, 2003; Hair, Black, Babin, & Anderson, 2010). The descriptive design was appropriate for a Masters dissertation, and allowed the study to be completed with the available resources (Terre Blanche & Durrheim, 2002). It is important to recognise that a descriptive design does not determine causality (Burns & Burns, 2008).

Through a quantitative framework, a sample of white-collar workers was surveyed using a self-report, online questionnaire. A non-probability convenience sampling approach was used to collect responses over a six-week time frame (Burns & Burns 2008; Terre Blanche & Durrheim, 2002). This sampling strategy was appropriate for this research, given the time and cost constraints attached to the study. The advantage of convenience sampling is that all available employees can complete the questionnaire quickly and cost effectively (Terre Blanche & Durrheim, 2002). The responses to the questionnaire were statistically analysed to gain insight into the complexities of the research question and uncover associations between variables (Burns & Burns, 2008; Hair et al., 2010).

Research Participants

The research question required for an investigation of the perceptions of employees working in large organisations that have established HRM systems. For practical reasons, the sample
was limited to three organisations in Cape Town, South Africa. These organisations belonged to the Media, Fishing and Agriculture, and Financial industries respectively. Participants were white-collar workers in multiple departments across these large organisations, and worked in the head offices in the Cape Town city centre. These organisations have long-standing HRM systems in place, and all participants have had experience with their respective HRM departments. The distribution of the responses per sector is described in Table 4.

**Table 4.**

<table>
<thead>
<tr>
<th>Organisation Sector</th>
<th>Sample</th>
<th>Responses</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Survey participants in media sector</td>
<td>1031</td>
<td>246</td>
<td>24%</td>
</tr>
<tr>
<td>Survey participants in fishing/agriculture sector</td>
<td>250</td>
<td>78</td>
<td>31%</td>
</tr>
<tr>
<td>Survey participants in financial sector</td>
<td>80</td>
<td>20</td>
<td>25%</td>
</tr>
</tbody>
</table>

The response rate for the survey was lower than expected considering that the survey was sent to 1361 employees, and only 344 responded. Some employees did not complete the questionnaire, leaving the 284 as the final response rate (27.54%). Pertinent reasons for the low response rate could be that the employees in these types of organisations complete annual internal surveys, and so may not have the capacity to respond to external research. In addition, Greenlaw and Brown-Welty (2009) make the valuable point that individuals may complete web-based surveys all the time while browsing the Internet and that this then poses a very threatening cost to academic researchers.

The demographic distribution of the sample provided in Table 5 illustrates that the majority of the sample were female (59.9%), white South Africans (42.3%), between the age of 41 and 63 years of age ($M = 38.08$, $SD = 8.88$). The respondents mostly worked for their organisations on a fulltime basis (81.0%).
Table 5.

Demographic Frequencies of the Sample

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample</td>
<td>Total number</td>
<td>284</td>
</tr>
<tr>
<td>Gender</td>
<td>Male</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>170</td>
</tr>
<tr>
<td>Age</td>
<td>19-25 years</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>26-40 years</td>
<td>142</td>
</tr>
<tr>
<td></td>
<td>41-63 years</td>
<td>91</td>
</tr>
<tr>
<td>Race</td>
<td>White</td>
<td>120</td>
</tr>
<tr>
<td></td>
<td>Black</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Asian</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Mixed race</td>
<td>86</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Prefer not to answer</td>
<td>44</td>
</tr>
<tr>
<td>Marital status</td>
<td>Married / living together</td>
<td>167</td>
</tr>
<tr>
<td></td>
<td>Single</td>
<td>78</td>
</tr>
</tbody>
</table>

Research Procedure

This study was designed to adhere to the research protocols of the American Psychological Association (American Psychological Association, 2009). The proposal for the research was presented to, and approved by an internal board of academic researchers at the University of Cape Town on June 5, 2013. Ethical approval was granted for the study from the University of Cape Town’s Commerce Faculty Research Ethics Committee on June 25, 2013. In each of the organisations, the Director of Human Resources granted the researcher permission to survey the employees. Assurance was given to each participating Director of Human Resources that the participants would remain anonymous, and it was explained that the data collected would be secured and only used for research purposes. In the following two sub-sections, the procedures used to design and assemble the questionnaire, and to distribute the questionnaire are presented.
**Questionnaire Development Procedure**

Following an extensive review of the literature, the most appropriate scales were selected, and the questionnaire was complied. Each item was critically assessed to evaluate if it would be interpreted correctly, and that it would be understood in the South African context (Hair et al., 2010). This was imperative because all the scales used in the questionnaire were developed outside of South Africa. At the time of selecting and amalgamating the measures for the questionnaire, a search for a relevant measure of South African employee wellbeing was conducted. No reliable or statistically validated measure was deemed appropriate, and so it was decided to include the World Health Organisation’s global measure of psychological wellbeing (Bech et al., 2003). To ensure that the instructions of the questionnaire were clear, and to identify any misinterpretations, the questionnaire was first completed by several academics in the Organisational Psychology School at the University of Cape Town. A few items were found to be confusing for those who do not speak English as a first language, and were simplified to provide greater clarity. After extensive consideration, it was decided that no items should be removed, and that the benefit of collecting all the relevant information, outweighed any concerns of having a lengthy questionnaire. The final questionnaire contained 41 items (Appendix B).

**Data Collection Procedure**

When the questionnaire was finalised, an online version was created using the Qualtrics Software Service. The process of data collection was selected to ensure that the greatest number of responses could be collected, given the time available. It was recommended by the HRM Director in one of the participating organisations that a high response rate may be achieved through sending the participants the link to the questionnaire via their work electronic mail addresses. The reason for this recommendation was that the employees could complete the questionnaire within their own time, and could even access the questionnaire from home, or from their mobile phones. This process allowed for an instantaneous distribution of the questionnaire to the diverse sample of white-collar workers across the three participating organisations.
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The electronic mail containing the link to the online questionnaire was headed with a cover letter from the HRM Director of each respective organisation (Appendix A). In this letter, the HRM Director appealed to the respondents to support the research by completing the questionnaire. The letterhead of both the cover letter and the questionnaire was a University of Cape Town banner, which may have emphasized the importance of the study. The letter provided clear explanations of the research objectives and assured the anonymity and confidentiality of all responses. It was explained that the questionnaire would take no longer than 15 minutes to complete. On opening the link to the questionnaire respondents were provided with detailed instructions on how to complete the questionnaire.

All respondents who completed the questionnaire could voluntarily enter their name into a lucky draw to win a monetary prize. This incentive was given to aid a higher response rate. Once all responses were collected a respondent was selected from the lucky draw, and informed of their prize via electronic mail.

The questionnaire was activated online for a six week time period, commencing on Thursday 1st August and ending on Tuesday 17th September, 2013. The Qualtircs Software Service allowed for the continuous monitoring of the data via an online portal, and was set up to send weekly reminders to those who had not completed the questionnaire.

Research Measures

The measures selected for the questionnaire are presented below, and an analysis is made of the demographic details that were included at the end of the questionnaire.

HRM Content: High Commitment HRM

To measure HRM content, this study used those HRM practices identified as high commitment (Pfeffer, 1995; Guest 1997). Although there is a growing body of research evidence examining the links between high commitment HRM and performance, there is little consensus as to which practices should be included in the analysis of high commitment HRM (Legge, 2001; Gould Williams & Davies, 2005). In this study, the 15-item scale used to
measure high commitment HRM was adapted from Sanders et al., 2008, who reported a Cronbach’s alpha of .80 for this scale (Sanders et al., 2008). The items were measured on a 6-point rating ranging from 1 (strongly disagree) to 6 (strongly agree). This measure of high commitment HRM represents a ‘bundle’ of various high commitment HRM practices. Four items measured HRM practices related to training and education: for example, “I have had sufficient job-related training”. Three items measured HRM practices related to career management: for example, “This organisation promotes from within”. Eight items measured the appraisal criteria, more commonly referred to as performance management practices: for example, “My job allows me to make job-related decisions on my own”.

**HRM Process: HRS**

There are limited scales in the literature to measure HRS, because it is a relatively new construct in HRM research. The most recently developed HRS scale identified in the literature was developed by Gomes et al., (2012), based research through two empirical studies. A revised and shorter version (15 items) (Gomes et al., 2012) of this original 42-item scale (Gomes et al., 2012) was used in this study to measure HRS. The shortened scale had maximized intra-dimension correlations, and the most reliable items were taken from each subscale to best measure the concepts. Reliability coefficients for the nine subscales of HRS ranged from .70 < \( r \) < .92, and hence were all above the recommended point of .70 (Hair et al., 2009). Items were rated on a 6-point scale, from 1 (strongly disagree) to 6 (strongly agree). Three subscales measure the distinctiveness (\( \alpha = .94 \)), consistency (\( \alpha = .92 \)) and consensus (\( \alpha = .83 \)) of the HRS variable.

**Distinctiveness.** Four items measure the visibility, understandability, relevance and legitimacy of authority of the HRM practices. An example item is: “HR practices are clear in my organisation” which measures the understandability of the HR practices.

**Consistency.** Seven items measure if the HRM system communicates regular and consistent messages over time (instrumentality, validity and consistency of the HR messages). Of these, two items measure the instrumentality of the HRM messages: for example, “HR practices in my organisation contribute to having highly skilled employees”.
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Two other items assess the validity of the HRM messages: for example, “In my organisation skills and competencies acquired through training are applied to the work we do”. The remaining three items on the subscale measure the consistency of the HR messages.

**Consensus.** Four items measure the agreement among decision makers and the fairness of the HRM practices. Two items assess the agreement among decision makers, “Managers in my organisation agree on how to follow HR guidelines”. The other two items measure the fairness of the practices “Supervisors make an effort to treat staff fairly”.

**Employee Wellbeing**

The three main positive attitudes at work: job satisfaction, affective commitment, and psychological wellbeing, are measured as indicators of employee wellbeing.

**Job satisfaction.** Three items measured employee job satisfaction. These items were from the original scale developed by Kim (2002). The reported reliability for the original scale was a Cronbach’s alpha of .77. An example item is: “Most days I am enthusiastic about my job”.

**Employee affective commitment.** Four items from the original commitment scale developed by Allen and Meyer (1990) were used to measure the respondents’ emotional attachment to their organisation. The original reported scale has an acceptable reliability (α = .83), and an example item is, “This organisation has a great deal of personal meaning for me”. Three of these four items needed to be reverse coded.

**Psychological wellbeing.** The World Health Organisation’s Psychological Wellbeing subscale (Bech, et al., 2003) has been widely used to measure psychological wellbeing. This four item scale has an adequate reported reliability (α = .88) (Bech et al., 2003). For the purposes of this study, the wording of the four items was slightly changed to fit the Likert format of the overall questionnaire. For example the original item “Have you been a happy
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person?” was changed to responding to “I have been a happy person”, on the six-point rating scale outlined earlier.

**Demographic Information**

Demographic details were obtained using 12 single items divided into two sections. The first section measured typical personal demographics including: age, race, gender, marital status and education level. The second section obtained data relating to organisational status, and included questions regarding, for example: years in current position, temporary or permanent status, and industry. Theses demographic control variables were included in the study as potentially influencing the dependent variables in the study (Terre Blanche & Durrheim, 2002).

**Data Analysis**

The data was cleaned and coded in preparation for statistical analyses. The statistical programmes *IBM SPSS* (version 20) and *Statistica* (version 12) were used to reduce and analyse the data. The data was investigated through the use of descriptive statistics, factor analysis, correlation analysis, and regression analysis with moderation (Baron & Kenny, 1986; Burns & Burns, 2008). The results from the statistical analyses are presented in the next section.
RESULTS

This Section presents the results of the quantitative analyses of the responses to the questionnaire. First, the data screening and the procedure of initial analyses that were conducted on the data are described. The second part reports the dimensionality of the measurement scales. Thirdly, the reliability analysis for all the scales is presented. The fourth part presents the descriptive statistics and the correlations between the scales. In the fifth and final part, the relationships between the HRM variables and employee wellbeing variables are investigated through regression analyses.

Data Screening and Initial Analyses

In preparation for statistical analyses, the data was screened following the process outlined by Burns and Burns (2008). The patterns of missing data were examined to ensure they were randomly distributed and free from any systematic bias. The descriptive statistics for each of the scales were checked to assess their appropriateness for advanced statistical procedures.

Dimensionality

Factor analysis is important because it uncovers item patterns based on their item values, and indicates the underlying structure of the items being analysed (Campbell & Fiske, 1959; Field, 2009). Hence, it is appropriate for checking the extent to which multiple items represent a single construct (convergent validity), and also the extent to which different sets of items measure certain related constructs (discriminant validity) (Campbell & Fiske, 1959; Thompson, 2004). The results of two factor analytical procedures are presented. Firstly the HRM items are analysed through exploratory factor analysis (EFA); followed by a confirmatory factor analysis (CFA) of the wellbeing items.

Exploratory Factor Analysis: HRM variables

The HRS variable is a recently developed construct in HRM research, and researchers are still not clear of the distinction between HRS and other HRM variables (Bowen & Ostroff, 2004;
EFA analysis is appropriate in the early stages of construct development, because it does not impose a preconceived structure onto the items (Hurley et al., 1997). Thus, to determine the dimensionality of the HRM items, EFA analysis using the Principal Axis approach with varimax normalised rotation was conducted. Principal Axis factor analysis was used because it maximises the variance across the factors, and helps detect the structure (Field, 2009; Thompson, 2004).

An iterative approach to the factor analysis was adopted: individual items were removed from the scales at each step of the factor analyses procedure. This was done to achieve acceptable levels of construct and discriminant validity, and ensure statistical rigour (Burns & Burns, 2008). Kaiser’s criterion (1960) was applied and only factors with eigenvalues greater than 1.0 were selected. In the Stevens (2002) table of critical values for factor loadings, it was established that for a sample ranging between 200 and 300 responses, the minimum factor loading should be greater than 0.364, as this denotes approximately 10% of the variance (Burns & Burns, 2008; Field, 2009). All the scales met the criteria for factor analysis outlined by Burns and Burns (2008), where the Kaiser-Meyer-Olkin (KMO) measure should be greater than .50 and the Bartlett’s test of sphericity should be significant.

Preliminary inspection of the correlation between the HRS and the high commitment HRM content scale indicated that there was a very high correlation above .75, which implies multicolinearity (Hair et al., 2010). Both the HRM content and the HRS scales have been recently developed, and the theoretical connection between these two components of HRM is not well understood (Bowen & Ostroff, 2004; Gomes et al., 2012; Jiang et al., 2012). Therefore, the 16 items from the HRM content scale, and 15 items from the HRS scale were examined in one factor analysis.

PCA revealed that 7 items did not have factor loadings greater than .35 and were removed through an iterative process (Burns & Burns, 2008). A second PCA factor analysis was performed on the remaining 23 items. Four significant factors emerged with eigenvalues greater than 1.0, accounting for 47.617%, 11.088%, 8.456%, and 5.517% of the total variance respectively. Table 6 represents the factor loadings onto the four factors.
Table 6. Exploratory Factor Analysis: HRM variables

<table>
<thead>
<tr>
<th>Items</th>
<th>HRS</th>
<th>PM</th>
<th>CM</th>
<th>TE</th>
</tr>
</thead>
<tbody>
<tr>
<td>HRC1 I am given a real opportunity to improve my skills through education and training programmes</td>
<td>0.334</td>
<td>0.360</td>
<td>0.047</td>
<td>0.726</td>
</tr>
<tr>
<td>HRC2 I have has sufficient job-related training</td>
<td>0.310</td>
<td>0.205</td>
<td>0.136</td>
<td>0.786</td>
</tr>
<tr>
<td>HRC3 I receive on-going training, which enables me to do my job better</td>
<td>0.300</td>
<td>0.227</td>
<td>0.038</td>
<td>0.842</td>
</tr>
<tr>
<td>HRC5 This organisation prefers to promote from within</td>
<td>0.138</td>
<td>0.218</td>
<td>0.864</td>
<td>0.056</td>
</tr>
<tr>
<td>HRC6 This organisation always tries to fill vacancies from within</td>
<td>0.148</td>
<td>0.199</td>
<td>0.896</td>
<td>0.015</td>
</tr>
<tr>
<td>HRC7 People inside the organisation will be offered a vacant position before outsiders</td>
<td>0.178</td>
<td>0.108</td>
<td>0.840</td>
<td>0.112</td>
</tr>
<tr>
<td>HRC8 My job allows me to make job-related decisions on my own</td>
<td>0.137</td>
<td>0.635</td>
<td>0.182</td>
<td>0.134</td>
</tr>
<tr>
<td>HRC9 I am provided the opportunity to make job-related decisions on my own</td>
<td>0.193</td>
<td>0.751</td>
<td>0.077</td>
<td>0.161</td>
</tr>
<tr>
<td>HRC11 I often asked to participate in decisions</td>
<td>0.129</td>
<td>0.811</td>
<td>0.031</td>
<td>0.125</td>
</tr>
<tr>
<td>HRC12 There is a strong link between how well I perform in my job and the likelihood of receiving recognition and praise</td>
<td>0.189</td>
<td>0.814</td>
<td>0.144</td>
<td>0.179</td>
</tr>
<tr>
<td>HRC13 There is a strong link between how well I perform in my job and the likelihood of receiving a pay rise</td>
<td>0.273</td>
<td>0.763</td>
<td>0.193</td>
<td>0.116</td>
</tr>
<tr>
<td>HRC14 There is a strong link between how well I perform in my job and the likelihood of receiving high performance appraisal ratings</td>
<td>0.271</td>
<td>0.726</td>
<td>0.096</td>
<td>0.214</td>
</tr>
<tr>
<td>HRC15 There is a strong link between how well my team performs and the likelihood of receiving a pay raise</td>
<td>0.377</td>
<td>0.702</td>
<td>0.144</td>
<td>0.044</td>
</tr>
<tr>
<td>HRMS1 HR practices are well known by everybody in my organisation</td>
<td>0.782</td>
<td>0.169</td>
<td>0.055</td>
<td>0.185</td>
</tr>
<tr>
<td>HRMS2 HR practices are clear in my organisation</td>
<td>0.839</td>
<td>0.144</td>
<td>0.081</td>
<td>0.185</td>
</tr>
<tr>
<td>HRMS3 The HR department contributes to defining the strategy of my organisation</td>
<td>0.825</td>
<td>0.085</td>
<td>0.152</td>
<td>0.216</td>
</tr>
<tr>
<td>HRMS4 HR practices in my organisation contribute to having highly skilled employees</td>
<td>0.842</td>
<td>0.102</td>
<td>0.192</td>
<td>0.166</td>
</tr>
<tr>
<td>HRMS5 HR practices in my organisation contribute to having highly skilled employees</td>
<td>0.780</td>
<td>0.215</td>
<td>0.148</td>
<td>0.153</td>
</tr>
<tr>
<td>HRMS7 The aims of HR practices in my organisation fit together well</td>
<td>0.801</td>
<td>0.245</td>
<td>0.129</td>
<td>0.151</td>
</tr>
<tr>
<td>HRMS10 HR practices contribute to improve performance in this organisation</td>
<td>0.740</td>
<td>0.394</td>
<td>0.080</td>
<td>0.215</td>
</tr>
<tr>
<td>HRMS12 HR practices complement each other and contribute to meeting organisational goals</td>
<td>0.807</td>
<td>0.274</td>
<td>0.027</td>
<td>0.167</td>
</tr>
<tr>
<td>HRMS13 HR practices are applied consistently across departments in my organisation</td>
<td>0.734</td>
<td>0.291</td>
<td>0.119</td>
<td>0.133</td>
</tr>
<tr>
<td>HRMS15 HR practices are consistently applied over time</td>
<td>0.732</td>
<td>0.396</td>
<td>0.114</td>
<td>0.095</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Eigen Value</th>
<th>Explained variance (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10.952</td>
<td>47.617</td>
</tr>
<tr>
<td>HRM S12</td>
<td>2.550</td>
<td>11.088</td>
</tr>
<tr>
<td>HRM S13</td>
<td>1.945</td>
<td>8.456</td>
</tr>
<tr>
<td>HRM S15</td>
<td>1.269</td>
<td>5.517</td>
</tr>
</tbody>
</table>

Notes: N= 284 after casewise deletion; PCA factor analysis with varimax normalised data; Only loadings >.3 are shown. HRMS = Human Resource strength; PM= performance management; CM= career management; TE= training and education.
From Table 6, it is clear that Factor 1 represents a unidimensional measure of HRS. The remaining 3 Factors measure high commitment HRM, including: Performance Management, Training and Education, and Career Management.

**Factor one: Human Resource strength (HRMS).** Of the 15 HRS items, only ten items loaded highly (all factor loadings greater than .732) onto the first factor. It was unexpected that the three features of HRS: distinctiveness, consistency, and consensus did not load onto three separate factors. Therefore, proposition 2 a, b, and c, which explores the three features of HRS (distinctiveness, consistency, and consensus) cannot be tested further, due to the unidimensionality of the HRS factor.

**Factor two: performance management (PM).** Three appraisal criteria items, and four appraisal outcome items from the HRM content scale loaded highly onto Factor 2 (all factor loadings greater than .702). To classify the combination of the appraisal criteria and appraisal outcome items on this factor, it is determined that this factor measures performance management (PM) practices.

**Factor three: career management (CM).** Three career management items loaded highly onto Factor three (all factor loadings greater than .84), indicating that this factor measures career management (CM).

**Factor four: training and education (TE).** Three training and education items loaded highly onto Factor four (all factor loadings greater than .726), indicating that this factor measures training and education (TE) practices.

**Confirmatory Factor Analysis: Wellbeing Variables**

Confirmatory factor analysis (CFA) is particularly appropriate to assess the dimensionality of scales that have been used in past research, as it allows the researcher to confirm the relationship between the observed variables and their underlying latent constructs (Hurley et al., 1997; Tabachnick & Fidell, 2013). The three wellbeing scales, (job satisfaction, affective commitment, and psychological wellbeing) are supported by extensive research and are
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theoretically sound (Allen & Meyer, 1990; Bech et al Kim et al., 1996). Hence, CFA analysis was more appropriate for these scales than EFA (Tabachnick & Fidell, 2013).

Prior to the CFA analysis of the wellbeing items, all the assumptions of multivariate normality and linearity were evaluated through Statistica, following the procedure outlined by Tabachnick and Fidell (2013). All the assumptions were found to be within the acceptable limits. Statistica does not impute values for data points that are missing, hence, all available data is used to estimate the model. Therefore, the CFA analysis was performed using data from 225 participants.

Model Estimation

When conducting a CFA analysis, it is best practice to compare different plausible models (Tabachnick & Fidell, 2013). Accordingly, three models were constructed and examined:

1. A null model where all 11 wellbeing items were included in one independent factor (M0).
2. A two-factor model where job satisfaction and affective commitment were measured as one factor and psychological wellbeing measured the other factor. The two factors were correlated (M1). The reasoning for investigating this fit was that research has suggested that job satisfaction and affective commitment are two dimensions of the same attitude (Barasade & Gibson, 2007; Weiss, 2002).
3. A three-factor model where three scales measured three distinct factors, and were correlated (M2).

For each model the $\chi^2$ and the difference between the $\chi^2$ and $df$ were considered. Table 7 presents the results. The null model (M0) indicating one latent variable was rejected based on the fit results from the fit indices, $\chi^2 (44) = 513.745$, $p = 0.0001$, comparative fit index (CFI) = 0.619 and the Root mean square index (RMSEA) = 0.132. Following the rejection of the null model, the three-factor model (M2) provided a better fit for the data than the two-factor model (M1). Bentler (1992) explain that the CFI should be above a benchmark of .90 to indicate a good fit. The CFI for Model three is .883, which is considered close enough to .90
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(Hu & Bentler, 1992). Therefore, the three wellbeing variables are distinct from each other, as presented in the conceptual model (Figure 1).

Table 7.

Comparison of Fit Indices: Wellbeing Variables

<table>
<thead>
<tr>
<th>Model</th>
<th>$\chi^2$</th>
<th>df</th>
<th>RMSEA</th>
<th>CFI</th>
<th>PGFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>MO: Null model</td>
<td>513.745</td>
<td>44</td>
<td>.132</td>
<td>.619</td>
<td>.481</td>
</tr>
<tr>
<td>(all items in 1 factor)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M1: Two-factor model</td>
<td>269.439*</td>
<td>43</td>
<td>.086</td>
<td>.817</td>
<td>.618</td>
</tr>
<tr>
<td>(JS+AC) &amp; (WB)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M2: Three-factor model</td>
<td>185.967*</td>
<td>41</td>
<td>.074</td>
<td>.883</td>
<td>.638</td>
</tr>
<tr>
<td>(JS) &amp; (AC) &amp; (WB)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. * $p < .0001$. RMSEA = root-mean-square error of approximation; CFI = comparative fit index; PGFI = parsimonious goodness-of-fit-index. JS= job satisfaction, AC= affective commitment, WB= psychological wellbeing.

Factor Analysis Summation

When exploring the dimensionality of the scales, the original studies from which the scales were sourced were closely referred to. This was considered important particularly for the HRMS scale, which has only recently been developed. The findings from the above factor analyses are slightly different to the convergent validities in the existing literatures (Gomes et al., 2012; Sanders et al., 2008).

Firstly, it was unclear if three distinct factors (distinctiveness, consistency, and consensus) would emerge from the HRS scale, because the developments of the HRS construct are not yet clear in the literature (Bowen & Ostroff, 2004). However, it is illustrated in Table 6 above, that in the current study all three characteristics of HRS loaded onto one factor.

Secondly, it was predicted that the HRM content scale would emerge as a unidimensional structure, measuring a variety of ‘high commitment’ HRM practices, which all loaded onto one factor, representing a combined ‘bundle’ of HRM practices (Sanders et al., 2009). It is
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therefore interesting that three types of ‘high commitment’ HRM practices emerged, namely PM, CM, and TE practices.

Thirdly, the CFA analysis confirmed that the three wellbeing variables are distinct from each other (Hair et al., 2010). This was important because some researchers (Barasade & Gibson, 2007; Weiss, 2002) have expressed concern that job satisfaction and affective commitment are similar in nature, and could be two different names for the same positive attitude about the work and the organisation.

Given the interesting outcomes from the factor analyses, it is apparent that HRM content and HRM processes are distinct from each other, in line with the theoretical work of Bowen and Ostroff (2004). In recognising the outcomes from the factor analyses, the initial conceptual model in Figure 1 was readdressed. Figure 2 below presents an adjusted conceptual model, following the factor analyses.

Figure 2. The Hypothesized Relationships Between HRM and Employee Wellbeing

![Conceptual Model](image)

**Reliability Analysis**

Following the determination of the factors, reliability analysis was performed on all the factors that emerged. Cronbach’s (1951) alpha (α), a well-established and accepted reliability co-efficient was used to check the reliability of the sub scales. Alpha values greater than .70
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were considered an acceptable level of reliability, with higher coefficients indicating better internal consistency among the items (Burns & Burns, 2008; Field, 2009). The spread of coefficient alphas for this study exceeded the conventional level of acceptance, which is .70, and ranged from 0.869 to 0.956 (Table 8).

Table 8.

*Items, Sample Size, and Coefficient Alphas for the New Variables*

<table>
<thead>
<tr>
<th>Variable</th>
<th>Items</th>
<th>N*</th>
<th>α</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training and Education</td>
<td>3</td>
<td>283</td>
<td>.869</td>
</tr>
<tr>
<td>Career Management</td>
<td>3</td>
<td>283</td>
<td>.885</td>
</tr>
<tr>
<td>Performance Management</td>
<td>7</td>
<td>283</td>
<td>.908</td>
</tr>
<tr>
<td>HR strength</td>
<td>10</td>
<td>283</td>
<td>.956</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>3</td>
<td>210</td>
<td>.856</td>
</tr>
<tr>
<td>Affective commitment</td>
<td>4</td>
<td>225</td>
<td>.861</td>
</tr>
<tr>
<td>Psychological wellbeing</td>
<td>4</td>
<td>214</td>
<td>.767</td>
</tr>
</tbody>
</table>

Notes: * = Sample size after casewise deletion of missing data.

Descriptive Statistics

To investigate the distribution of the survey responses on each variable, analysis of the descriptive data was conducted on each of the summary variables (Field, 2009). The means (M) and standard deviations (SD) were computed (see Table 9). The reported HRMS (M = 3.56, SD = 1.05), TE (M = 3.99, SD = 1.27), CM (M = 4.14, SD = 1.13), and PM (M = 3.9, SD = 1.13) were in similar range of each other, and were relatively high. The reported wellbeing levels were all relatively high. The levels of job satisfaction (M = 4.37, SD = 1.05) and psychological wellbeing (M = 4.639, SD = 0.85) were higher than affective commitment (M = 3.696, SD = 1.070). On review the wellbeing means were all above the mid-point of 3 on the rating scale, which is indicative that the respondents had acceptable levels of wellbeing.
Table 9.

*Descriptive Statistics for the Composite Variables*

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>M</th>
<th>SD</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>HRM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training and Education</td>
<td>283</td>
<td>3.99</td>
<td>1.27</td>
<td>-.56</td>
<td>-.41</td>
</tr>
<tr>
<td>Career Management</td>
<td>283</td>
<td>4.14</td>
<td>1.13</td>
<td>-.47</td>
<td>-.34</td>
</tr>
<tr>
<td>Performance Management</td>
<td>283</td>
<td>3.90</td>
<td>1.13</td>
<td>-.52</td>
<td>-.37</td>
</tr>
<tr>
<td>HRM strength</td>
<td>283</td>
<td>3.56</td>
<td>1.05</td>
<td>-.42</td>
<td>-.36</td>
</tr>
<tr>
<td>Employee wellbeing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>210</td>
<td>4.37</td>
<td>1.05</td>
<td>-1.07</td>
<td>1.21</td>
</tr>
<tr>
<td>Psychological wellbeing</td>
<td>214</td>
<td>4.63</td>
<td>0.85</td>
<td>-0.74</td>
<td>0.56</td>
</tr>
<tr>
<td>Affective Commitment</td>
<td>225</td>
<td>3.69</td>
<td>1.07</td>
<td>0.01</td>
<td>0.32</td>
</tr>
</tbody>
</table>

Notes: N = Number of respondents after case wise deletion of missing data; M = Mean; SD = standard deviation; SE = standard error of mean.

**Correlational Analyses**

After finalising the reliabilities for the variables, and examining the descriptive statistics, a correlational analysis of all the variables with casewise deletion of missing data was conducted. To compute a correlation matrix between the composite variables, a Person’s product moment correlation technique was used (Burns & Burns, 2008). This matrix allowed for the determination of any significant relationships between the variables. Table 10 below presents the mean, standard deviation and correlation coefficients for the correlation analysis. In adhering to Cohen’s (1988) convention, correlations between 0 – 0.299 are small, between 0.3 and -0.499 are moderate, and above 0.5 are large. The range of correlation coefficients between the variables was between 0.004 and 0.563. Thus the relationships between HRM and employee wellbeing in this current study are weak to moderate (Cohen, 2003).
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Training and Education

TE practices had weak but significant relationships with job satisfaction ($r = .388, p<.001$), affective commitment ($r = .306, p<.001$), and psychological wellbeing ($r = .282, p<.001$).

Career Management

The relationship between CM practices and job satisfaction ($r = .266, p<.001$), affective commitment ($r = .365, p<.001$) and psychological wellbeing ($r = .140, p<.05$); were weak, but significant relationships. The correlation with psychological wellbeing is particularly weak ($r = .14$), indicating that CM practices are only related with job related outcomes, and not an employees’ overall happiness with themselves, and their lives.

Performance Management

PM practices had the strongest relationships with the wellbeing outcomes out of all the HR variables. There was a particularly strong relationship with job satisfaction ($r = .557, p<.001$), and affective commitment ($r = .527, p<.001$). Yet the variability with psychological wellbeing ($r = .289, p<.001$) was not strong, indicating again that HRM does not account for happiness outside of an employees’ work life.

HR Strength

The process component, HRS had weak, but significant correlations with job satisfaction ($r = .431, p<.001$), affective commitment ($r = .392, p<.001$), and psychological wellbeing ($r = .282, p<.001$).

The correlation analysis produced significant insight into the relationship between HRM and the sample’s levels of wellbeing (Cohen, 2003). In order to address the research question with greater statistical evidence, further analysis was required through regression analysis.
Table 10.

Correlation Matrix for the Composite Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Age</td>
<td>37.44</td>
<td>8.819</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Training and Education</td>
<td>3.99</td>
<td>1.27</td>
<td>0.004</td>
<td>(.869)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Career Management</td>
<td>4.14</td>
<td>1.13</td>
<td>0.070</td>
<td>0.267**</td>
<td>(.885)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Performance Management</td>
<td>3.90</td>
<td>1.13</td>
<td>0.078</td>
<td>0.506**</td>
<td>0.441**</td>
<td>(.908)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. HR strength</td>
<td>3.56</td>
<td>1.05</td>
<td>0.004</td>
<td>0.603**</td>
<td>0.378**</td>
<td>0.563**</td>
<td>(.956)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Job satisfaction</td>
<td>4.37</td>
<td>1.05</td>
<td>0.117</td>
<td>0.385**</td>
<td>0.266**</td>
<td>0.557**</td>
<td>0.431**</td>
<td>(.856)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Affective commitment</td>
<td>3.69</td>
<td>1.07</td>
<td>0.088</td>
<td>0.306**</td>
<td>0.365**</td>
<td>0.527**</td>
<td>0.339**</td>
<td>0.301**</td>
<td>(.86)</td>
<td></td>
</tr>
<tr>
<td>8. Psychological wellbeing</td>
<td>4.63</td>
<td>0.85</td>
<td>0.166*</td>
<td>0.282**</td>
<td>0.140</td>
<td>0.289**</td>
<td>0.292**</td>
<td>0.492**</td>
<td>0.301**</td>
<td>(.767)</td>
</tr>
</tbody>
</table>

Notes: N = 226 after casewise deletion of missing data; p ≤ 0.01*; p ≤ 0.01**; Cronbach’s Alpha reflected on the diagonal, M = mean; SD = standard deviation
Regression Analyses

In the research design phase of the study, it was decided that the relationship between HRM and the indicators of employee wellbeing would be tested through means of regression analyses. Multiple regression analyses is based on correlation but will allow for a more sophisticated exploration of the interrelationships between the HRM and the wellbeing variables (Hair et al., 2009). The regression technique also gives an indication of the relative contribution of each HRM variable in the wellbeing outcomes, allowing for statistical determination of the model itself, as well as the independent variables. Regression analyses are appropriate for the investigation of complex real-life research questions, as in this study, rather than the investigation of laboratory based research (Pallant, 2009).

The regression technique is sensitive to sample size, and the distribution of scores. Following the guidelines outlined by Tabachnick and Fidell (2001), the various assumptions about the data were inspected prior to the regression analyses, to ensure no assumptions were violated. In this data set, there are 15 more cases than independent variables, which meets all current criteria. Box and whisker plots of the main variables (HRS, PM, CM, TE, and the indicators of wellbeing) were first plotted to determine whether any outliers were present. Tabachnick and Fidell (2001) explained that outliers are cases that have a standardised residual of 3.3 or less than -3.3. These cases were identified and eliminated because they may deflate or inflate the means (Burns & Burns, 2008). Multicollinearity was tested for to determine whether any of the independent variables correlated highly with each other (Pallant, 2009). This was done through a Pearson product moment correlation and inspection that the tolerance value on the SPSS output was not less than .10 (Burns & Burns, 2008; Pallant, 2009).

The research propositions explore the relationship between HRM and employee wellbeing. Pallant (2009) explained that the regression models must be based on sound theoretical reasoning (Pallant, 2009). Following the unexpected findings from the factor analyses, various regressions analyses are presented below, based on logical reasoning. Several multiple regression models were set up so as to explore the unique contribution of each of
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the four HRM independent variables, on the wellbeing outcomes. The findings from these regression analyses are presented below, beginning with the relationship between HRM and job satisfaction.

**Job Satisfaction**

From the correlation matrix in Table 10, it appears that all four HRM variables correlate with *job satisfaction* in the expected direction. These associations are statistically significant at the .001 level (.266 < r < .557). To evaluate the ability of the two components of HRM to predict employee *job satisfaction*, a two-step hierarchical regression analysis was conducted. This analysis allowed for the content and process components of HRM to be entered into the model in steps, to assess what each component adds to the prediction of *job satisfaction* (Pallant, 2009). The three HRM content variables (PM, CM, and TE) were entered at Step 1, explaining 25.4% of the variance in *job satisfaction* ($F_{3,206}= 23.422$, $p<.001$). After the entry of the HRM process variable (HRS) at Step 2 the total variance explained by the model as a whole remained at 25.4% ($F_{4,205}= 17.488$, $p<.001$). HRS did not explain additional variance in *job satisfaction* after controlling for the three HRM content variables, because there was no change in the $R^2$ ($F$ change (1, 205) = .02, $p = .887$, n.s). In the final model, only two HRM content measures were statistically significant, with the PM scale having a higher beta value ($b = .234$, $p<.001$) than the CM scale ($b = .148$, $p < .05$).

**Table 11.**

**Hierarchical Regression Analysis: DV= Job Satisfaction**

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Step 1</th>
<th></th>
<th></th>
<th>Step 2</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>β</td>
<td>t (282)</td>
<td>p value</td>
<td>β</td>
<td>t(282)</td>
<td>p value</td>
</tr>
<tr>
<td>Step 1: HR content</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM</td>
<td>.237</td>
<td>13.046</td>
<td>.000***</td>
<td>.234</td>
<td>4.212</td>
<td>.000***</td>
</tr>
<tr>
<td>CM</td>
<td>.149</td>
<td>3.28</td>
<td>.001**</td>
<td>.148</td>
<td>3.203</td>
<td>.002**</td>
</tr>
<tr>
<td>TE</td>
<td>.042</td>
<td>.937</td>
<td>.350</td>
<td>.039</td>
<td>.799</td>
<td>.425</td>
</tr>
<tr>
<td>Step 2: HR content and process</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HRS</td>
<td></td>
<td></td>
<td></td>
<td>.009</td>
<td>.143</td>
<td>.887</td>
</tr>
<tr>
<td>$R^2$</td>
<td>.254**</td>
<td></td>
<td></td>
<td>.254</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>.243**</td>
<td></td>
<td></td>
<td>.240</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$\Delta R^2$</td>
<td></td>
<td></td>
<td></td>
<td>.000 ($p = .887$, n.s)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: $\beta$ = Beta standardised coefficient. $N = 210$ is total sample after case wise deletion. **$p < .05$, *** $p < .001$. 

50
The above regression model shows that HRM content explains 25% of the variance in employee job satisfaction. This is a medium to large effect size, yet only PM and CM practices are significant “predictors” of employee job satisfaction (Cohen, 2003; Hair et al., 2010).

Given that the HRM process component (HRS) did not account for additional variance in job satisfaction, the possible interactive effect of HRM process with HRM content was examined. No empirical research to date has investigated the joint interaction effect of HRM content and HRM process. The two components combine to form the overall HRM system, the content of the HRM practice, and the process through which the practice is delivered. Examining the interaction between content and process was a logical extension of the current understanding of HRM in the workplace. To determine whether or not there is an interaction effect, a three step hierarchical regression model was conducted, including an interaction variable (HRM content multiplied by HRM process) (Field, 2009; Hair et al., 2010).

From the analyses above, the HRM content variable which has the strongest relationship with job satisfaction is PM practices. Therefore, for the purposes of investigating an interaction effect, PM was used as the HR content variable. To control for multicollinearity the variables were centred (Aiken & West, 1991). It must be noted that the interpretation of the overall model ($R^2$) is not affected by centring the independent variables. However, the interpretation of the beta values is different, because the betas now represent conditional effects, and correspond with the mean of the variable, and not zero (Aiken & West, 1991; Kraemer, Wilson, Fairburn, 2002). Step 1 included the first order effect terms of PM and job satisfaction. At Step 2, HRS was added to the model revealed a minimal addition to the explained variance in job satisfaction ($\Delta R^2 = .004, p = .287, \text{n.s}$). The interaction variable was entered at Step 3, and it did not account for a significant change in the explained variance ($\Delta R^2 = .002, p = .480, \text{n.s}$). Table 12 shows the full interaction regression model which explained a total of 21.7% of the variance in job satisfaction ($F(3, 206) = 19.012, p < .001$). HRS was not a significant predictor of job satisfaction ($b = .084, t = 1.495, p = .137, \text{n.s}$). In the full model, PM was the only significant predictor of job satisfaction ($b = .427, p < .001$).
Hence there was no observed interaction effect between the two components of HRM on employee job satisfaction.

Table 12.

Hierarchical Regression Analysis (Interactions): DV= Job Satisfaction

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Beta</th>
<th>B</th>
<th>SE</th>
<th>t(282)</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Step 1: Main Effect HR content</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM</td>
<td>.459*</td>
<td>.32</td>
<td>.043</td>
<td>7.449</td>
<td>.000</td>
</tr>
<tr>
<td>$R^2 = .211, p &lt; .001$</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Step 2: Main Effect HR content and HR process</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM</td>
<td>.413*</td>
<td>.288</td>
<td>.053</td>
<td>5.477</td>
<td>.000</td>
</tr>
<tr>
<td>HRS</td>
<td>.08</td>
<td>.06</td>
<td>.057</td>
<td>1.068</td>
<td>.287</td>
</tr>
<tr>
<td>$\Delta R^2 = .004, p = .287, n.s$</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Step 3: Interaction Effect</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM</td>
<td>.427*</td>
<td>.298</td>
<td>.054</td>
<td>5.469</td>
<td>.000</td>
</tr>
<tr>
<td>HRMS</td>
<td>.081</td>
<td>.061</td>
<td>.057</td>
<td>1.069</td>
<td>.287</td>
</tr>
<tr>
<td>PM*HRS</td>
<td>.045</td>
<td>.027</td>
<td>.027</td>
<td>.708</td>
<td>.48</td>
</tr>
<tr>
<td>$\Delta R^2 = .002, p = .48, n.s$</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: *p < .001

Affective Commitment

All four HRM variables have a positive significant relationship with affective commitment in the correlation matrix (Table 11) ($r < .306 < r < .527$). A two-step hierarchical regression analyses was conducted whereby the content and process components of HRM were entered into the model in two steps. Preliminary analyses were conducted to ensure no violation of the assumptions of normality, linearity, multicollinearity and homoscedasticity (Pallant, 2009). The three HRM content variables (PM, CM, and TE) were entered at Step 1, explaining 31.2% of the variance in affective commitment ($F_{3,211} = 32.109, p < .001$). After the entry of the HR process variable (HRS) at Step 2 the total variance explained by the model as a whole remained at 31.2% ($F_{4,220} = 24.969, p < .001$). This illustrated that when adding HRS to the model, the change in explained variance was minimal ($\Delta R^2 = .009, p = .097, n.s$). In the final model (Table 13), only two HRM content measures were statistically significant, with the PM scale having a higher beta value ($b = .388, p < .001$) than the CM scale ($b = .159, p < .05$). TE practices were not found to contribute to the explained variance in affective commitment ($b = -.008, p = .90, n.s$).
Both PM and CM practices were significant “predictors” of employee affective commitment in the hierarchical regression analysis (Table 13). There has been no previous investigation of the joint interaction effects of HRS (process) and different HRM practices (content). A three step hierarchical regression model was conducted to explore the interaction effects of the PM, CM, and HRS variables on affective commitment. Table 14 shows the full interaction regression model. As expected, in Step 1 the first order effects of PM and CM are statistically significant. The HRS variable did not have a significant first order effect. At Step 2 there were no significant interaction effects between the HRM variables. The final model after Step 3 explained 32.5% of the variance in affective commitment ($F_{6,218}= 17.467, p <.000$). Adding the three-way interaction effects to the model, resulted in a small but statistically significant change in $R^2$ ($\Delta R^2 = .15, p < .05$). This significant change in $R^2$ was due to the observed interaction between all three HRM variables ($b = 1.174, p<.05$). Three way interaction terms are difficult to interpret and future research needs to consider further investigation of three-way interaction terms.
Table 14 illustrates that combinations of HRM practices have a greater influence on employee outcomes than single practices implemented in isolation. Thus far, the results have investigated the outcomes of HRM on employee wellbeing in terms of their job (job satisfaction), and their organisation (organisational commitment). The third wellbeing outcome investigated in this study is employee psychological wellbeing, which relates to an employee’s life domain, and is not job specific.

**Psychological Wellbeing**

A multiple regression analysis was conducted to assess the contribution of the four HRM variables (PM, CM, TE, and HRMS) in employee *psychological wellbeing*. Preliminary analyses were conducted to ensure no violation of the assumptions of normality, linearity, multicollinearity and homoscedasticity (Pallant, 2009). The full regression model explained 31.0% of the variance, yet as illustrated in Table 15 none of the four HRM variables have a statistically significant relationship with employee *psychological wellbeing* ($F_{4,205} = 5.568, p < .000$). This indicated that HRM practices do not contribute to employees’ overall happiness at work.
Table 15.

**Multiple Regression Analysis: DV= Psychological Wellbeing**

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>β</th>
<th>t (208)</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>PM</td>
<td>.140</td>
<td>1.61</td>
<td>.109</td>
</tr>
<tr>
<td>CM</td>
<td>-.021</td>
<td>-.284</td>
<td>.777</td>
</tr>
<tr>
<td>TE</td>
<td>.092</td>
<td>1.086</td>
<td>.279</td>
</tr>
<tr>
<td>HRS</td>
<td>.147</td>
<td>1.661</td>
<td>.098</td>
</tr>
</tbody>
</table>

\[ R^2 = .310^{***} \]
\[ Adjusted \ R^2 = .079 \]

*Note*: $\beta$ = Beta standardised coefficient. N = 210 is total sample after casewise deletion.

* $p < .05$, ** $p < .0001$.

**Final Notes**

The presentation of results illustrates findings regarding the relationship between HRM and employee wellbeing. Factor analysis revealed that the HRS scale was a unidimensional measure, and so did not distinguish between the three main characteristics of HRS (distinctiveness, consistency, and consensus). The HRM content scale, revealed three significant factors, namely PM, CM, and TE. HRM content accounted for most, if not all of the explained variance in the wellbeing outcomes; illustrating that the HRM process component has a limited statistical influence on employee wellbeing outcomes. The most important findings were the statistically significant relationship between PM and CM practices with employee job satisfaction and affective commitment. An important observation was that there were no significant relationships between TE practices and the employee wellbeing outcomes. Finally, the findings indicate that the content and process components of HRM do not explain any variance in employee psychological wellbeing.
DISCUSSION

This Section discusses the main findings presented in the previous Results Section. The discussion reflects on the main themes of the study, with the primary intention of exploring the relationship between HRM and employee wellbeing in the workplace. The findings are discussed with reference to existing literature. Interpretations are made with the intention of having practical relevance in the workplace for employees, HRM practitioners, and organisations; so that the best wellbeing outcomes can be achieved in practice. Throughout the discussion of the findings the limitation of the study are recognised, and suggestions are made for future researchers.

Contributions of This Study

This study is preliminary in nature. The research on HRM and employee level outcomes is not extensive, and more importantly, the outcome of HRM on employee wellbeing is a relatively novel interest amongst HRM researchers (Appelbaum et al., 2000; Riordan et al., 2005; Van de Voorde et al., 2012; White & Bryson, 2013). Within the existing research, different conclusions are made regarding the relationship between HRM and employee wellbeing (Peccei, 2004). Supporters of the ‘mutual gains’ perspective have suggested that that HRM practices contribute to employees’ wellbeing at work (Appelbaum et al., 2000; Wright & MacMahan, 1992). The ‘conflicting outcomes’ perspective concludes that there is no relationship between HRM and employee wellbeing (Legge, 1995; Peccei, 2004; Ramsay et al., 2000). In discussing the findings from this current study, these two conflicting perspectives are evaluated.

A distinction between the process and content components of HRM revealed varying support for a positive relationship with employee wellbeing. Before discussing the findings, it is important to reiterate that this current study has addressed areas in the HRM research domain that are relatively unexplored. For example, to date no known research has explored the influence of HRS on employee wellbeing. Following, no known studies have investigated both the content and process components of HRM together in one analysis. Thus, the current study serves as a preliminary analysis in many respects. As such, the
literate addressing the types of HRM content that may relate to wellbeing is fairly substantial (Appelbaum et al., 2000; Van de Voorde et al., 2012). However, the process component, namely HRS, is a newly developed construct in HRM research, and is supported by limited empirical research (Delmotte et al., 2011; Ribeiro et al., 2011; Sanders et al., 2009). As such, this discussion of the findings attempts to synthesise the research literature of each HRM component to achieve greater understanding of the relationship between HRM and employee wellbeing.

**HRM Content Component: High Commitment HRM**

The content component of HRM refers to the types of HRM practices included in the HRM system, which may have differing outcomes for the employees (Bowen & Ostroff, 2004; Delaney & Huselid, 1996; Zhang et al., 2013). The specific HRM content investigated in this study was high commitment HRM, including: performance management (PM), career management (CM), and training and education (TE) practices. These practices enhance positive employee attitudes in the workplace (Appelbaum et al., 2000; Chuang et al., 2013; Zhang et al., 2012). Given the findings of this current study, agreement with this notion in the existing research is supported for three reasons. Firstly, the correlations between the high commitment HRM practices and the wellbeing variables were significant, although the relationships were weak to moderate (ranging between .123 and .593) (Cohen, 2003). Secondly, the regression analyses revealed that two of the high commitment practices (PM and CM), had positive relationships with job satisfaction and affective commitment. Thirdly, the regression coefficients showed that the explained variances of high commitment HRM were moderate, indicating that the variability in the wellbeing outcomes is partially explained by HRM practices (Hair et al., 2010). Thus, the findings illustrate that high commitment HRM may play an important role in influencing employee wellbeing. This is very important not only from a practical perspective, but also to achieve a greater understanding of which types of high commitment HRM practices influence the different wellbeing outcomes for employees.
Job Satisfaction (Happiness With Job)

Consistent with the notion that different high commitment HRM practices have different outcomes for employees, not all the HRM practices had a positive relationship with job satisfaction in this current study (Takeuchi et al., 2009; Young et al., 2010). Both PM ($b = .237$, $p < .001$) and CM ($b = .149$, $p < .001$) practices had a positive relationship with employee job satisfaction, but the TE practices did not relate with job satisfaction. Thus, proposition 1a, is confirmed given that both PM and CM practices have a positive relationship with employee job satisfaction.

Very few studies have investigated the outcomes of individual HRM practices. Instead it is common practice to observe ‘bundles’ of HRM practices (Combs et al., 2006; Boxall & Macky, 2009; Wood & Menzes, 2011). Thus, the findings from the current study offer insight into the unique contribution of specific practices. For example, organisations wishing to enhance their employees’ satisfaction with their jobs may focus attentions to PM and CM practices in particular; as these practices were found to positively relate to job satisfaction. This recommendation is given with support from empirical studies, which have also confirmed a positive relationship between high commitment HRM and job satisfaction, for example, Zhang et al., (2013) and Takeuchi et al., (2009). A possible explanation for this relationship is that high commitment HRM practices produce greater discretionary effort from employees, by allowing them to participate in decisions about their work, which is motivating for the employees (Appelbaum et al., 2000; Guest 2002; 2011). For example, through annual performance management (PM), the employees can meet with their supervisor and play an active role in making decisions regarding their performance. A similar process occurs through career management (CM), where employees are able to actively plan their promotions with their supervisor, in line with their performance. The theory of Self Determination (Deci & Ryan, 2008), explains that employees are motivated, happy and high performing in their work roles when they are given the opportunity to authenticate the direction of their work. Thus, offers a theoretical explanation for why the PM and CM practices predict employee job satisfaction in this current study (Macky & Boxall, 2008; Mohr & Zoghi, 2008; Wood & Menezes, 2011). In considering the broader picture of wellbeing at work, HRM practitioners should recognise and value the role of discretion and...
autonomy in creating positive experiences for employees through the HRM practices (Van de Voorde et al., 2012). This idea that HRM creates autonomy and discretion in the work role fits well with the ‘mutual gains’ perspective of HRM and employee wellbeing; whereby the HRM practices are beneficial to both the employee and the organisation.

Given the value of creating a workplace where employees are satisfied, it is surprising that there is limited literature on the unique relationships between PM and CM practices and job satisfaction. Future researchers might examine these specific practices in greater detail to gain more insight into the relationship between high commitment HRM and employee wellbeing.

**Affective Commitment: (Happiness With Organisation)**

The findings in the current study indicate that high commitment HRM practices positively relate to employees’ affective commitment. Specifically PM ($b = .428$, $p < .001$) and CM practices ($b = .175$, $p < .05$) had a positive relationship with employee affective commitment. Hence, proposition 1b is confirmed, yet, only for PM and CM practices, and not TE practices. Studies investigating the relationship between HRM and employee affective commitment, have not classified affective commitment as a dimension of wellbeing at work. Nonetheless, similar to the findings in the current study, these studies have observed a positive relationship between high commitment HRM and affective commitment (Allen, Shore, & Griffen, 2003; Dorenbosch et al., 2006; Kehoe & Wright, 2010; Li et al., 2011; Sanders et al., 2008; Takeuchi et al., 2009). It is interesting to refer at this point, that Meyer and Smith (2000) explained that this positive relationship is mediated by perceived organisational support (Meyer & Smith, 2000).

A theoretical explanation for this positive relationship is the process of social exchange (Blau, 1964; Bowen & Ostroff, 2004; Guest, 2002; Sanders et al., 2008; Meyer & Martin, 2010). High commitment HRM practices, such as PM and CM, function as ‘signals’ to the employees that the organisation is supportive and invested in them (Bowen & Ostroff, 2004). In reciprocation, the employees value their organisation, and develop a positive emotional attachment to their organisation (Sinclair, Tucker, Cullen, & Wright, 2005; Watsi,
High commitment Human Resource Management and employee wellbeing

2005). Therefore, the finding in this study that both PM and CM practices positively predict affective commitment, may be because the presence of these practices demonstrates to the employees that their organisation values them, and is invested in their long-term employment.

Takeuchi et al., (2009) investigated the mediating role of social exchange in the HRM-employee performance relationship, and concluded that the quality of social exchange is both relevant and significant. Thus, in attempting to create ‘wellness’ in the workplace, the value of social exchange should not be underestimated by HRM practitioners (Ferris et al., 1998; Gomes et al., 2012; Takeuchi et al., 2009; Zacharatos et al., 2005). It is also important to mention that the idea of a social exchange process between HRM practices and employee wellbeing outcomes is complimentary to the ‘mutual gains’ perspective of HRM. The employers invest in the HRM practices for the benefit of their employees, and in return, the employees are committed and loyal to their employers.

Training and education practices. In reflection, the discussion thus far has attended to the positive outcomes of PM and CM practices on employee job satisfaction and affective commitment. However, the effects of TE practices have not yet been attended to. TE practices revealed an interesting finding in that there was no relationship between these practices and affective commitment ($b = .033$, $p = .588$, n.s) (proposition 1b) and job satisfaction ($b = .042$, $p = .350$, n.s) (proposition 1a). This is contrary to existing literature. Both Gould Williams (2004) and Gellatly et al., (2009) reported a positive relationship between training and development and employee wellbeing outcomes such as job satisfaction and affective commitment. It is possible that through TE practices, the employees surveyed in this current study are experiencing additional pressures from training, which is detracting from their satisfaction and commitment at work. Researchers have explained that training can undermine employee job satisfaction, if it requires additional workloads for the employees (Boyne et al., 2001; Gould Williams et al., 2013; Marchington & Grugulis, 2000). If this is the case, then it is important to refer back to the ‘conflicting outcomes’ perspective of HRM and employee wellbeing. For example, Ang et al., (2013) have cautioned that some high commitment HRM practices result in work intensification, and could critically be seen as an insidious form of control over employees.
Further more, in writing about ‘high commitment’ HRM, Marchington and Grugulis (2000) explained that these practices constitute “nice rhetoric but harsh realities” for employees (2000, p.1005).

Psychological Wellbeing (Happiness With Self)

This study focused specifically on employees’ ‘happiness wellbeing’ at work, where their subjective experiences and functioning are important. An assumption is that wellbeing cannot be compartmentalised between the work, home, and social domains (Bech et al., 2003; Bluestein, 2008). Therefore, it was considered important to consider the employees’ general happiness on a personal level, alongside the job specific wellbeing outcomes (job satisfaction and affective commitment). In accordance with the preliminary nature of the study, no known previous research has investigated the relationship between HRM and employee psychological wellbeing. The findings revealed no significant relationships between the high commitment practices (PM, CM, and TE) and employee psychological wellbeing. Hence, proposition 1c cannot be confirmed. This could indicate that HRM practices are not influential on employees’ overall sense of hedonic feelings and functioning. Given that HRM practices are strategically designed management activities, it is not unexpected that there was not a significant relationship. This should by no means stand as evidence against the ‘mutual gains’ perspective that HRM is beneficial to the employee. Rather, this finding contributes to the understanding that HRM is influential of work related wellbeing outcomes such as job satisfaction and affective commitment, and not personal wellbeing outcomes. Future researchers may inquire further about the different domains of wellbeing in the workplace, and explore the influence of HRM practices across these different domains. Following, discussions of employee psychological wellbeing have been compartmentalized within the clinical psychology discipline, and neglected to some extent by Industrial/Organisational psychologists (Blustein, 2008; Fassinger, 2008; Riggar & Maki, 2004).
Bowen and Ostroff (2004) argued that it is not only the type of HRM practices (content) that are important, but also that the method through which the HRM practices are communicated (process) to employees plays an important role. Thus, the second component of HRM researched in this study was the process component, which is the set of activities aimed at developing, communicating, and implementing HRM practices (Bowen & Ostroff, 2004). The concept of HRS postulates that when HRM practices are communicated in a distinct, consistent and consensual manner, a strong situation is created, which in turn will affect desired outcomes. It is relevant to explore the process component of HRM to understand the internal fit in the HRM system, and to delineate how the parts of the system work together to influence employee outcomes (Bowen & Ostroff, 2004; Gomes et al., 2012; Pereira & Gomes, 2012; Sanders et al., 2008).

Correlation analyses revealed that HRS has a weak yet significant relationship with job satisfaction ($r = .318$, $p < .001$), affective commitment ($r = .341$, $p < .001$), and psychological wellbeing ($r = .271$, $p < .001$). However, the findings from the regression analyses showed that the strength of the HRM system did not predict the three indicators of employee wellbeing: job satisfaction ($b = .009$, $p = .887$, n.s), employee affective commitment ($b = .127$, $p = .097$, n.s), or psychological wellbeing ($b = .147$, $p = .098$, n.s). Thus, proposition 2 cannot be confirmed. Had there been a positive prediction, this would indicate that HRM processes would be sending signals to the employees which they understand, and thus form a collective sense of what is expected of them, in line with the overall organisational strategy (Bowen & Ostroff, 2004; Delmotte et al., 2012). Previous research suggests that the employees’ clear perceptions of what was expected of them should then lead to desired outcomes such as job satisfaction (Li et al., 2011) and affective commitment (Dorenbosh et al., 2006; Sanders et al., 2008). This was not evident in the current study, however, where the results suggest that strength of the HRM system does not have a direct effect on desired wellbeing outcomes.

It is reiterated that to date, the relationship between HRS and employee wellbeing has not been investigated in other known empirical studies. Theoretically, it was expected that
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there would be a significant relationship because the way in which the HRM practices are communicated to the employees shapes their perceptions and consequently their experiences at work. However, given that HRS did not have a direct effect on the wellbeing outcomes, three potential explanations are provided. Firstly, the insignificant direct effects could indicate that the HRM practices are not ‘strong’. Secondly, it is possible that the relationship between HRS and the wellbeing outcomes is not a significant direct effect, because it is mediated by another variable such as organisational climate (Bowen & Ostroff, 2004; Li et al., 2011; Periera & Gomes, 2012; Sanders et al., 2009). Thirdly, the apparent limited influence of HRS may be explained by the fact that the construct is still in an embryonic phase. Following the factor analysis, the three distinct characteristics of HRS all loaded onto one Factor, hence these characteristics could not be explored individually. This may explain why no significant effects were observed. These three potential explanations are elaborated below.

**Direct Effect**

HRS may not have related to the desired wellbeing outcomes, because in the observed organisations, the HRM system is not ‘strong’, hence is not distinctive, consistent, or consensual. As a result, the HRM practices foster ‘weak’ organisational ‘situations’, where the desired outcomes of wellbeing are not achieved (Frenkel & Sanders, 2007; Sanders et al., 2008; Mischel, 1973; Nauta & Sanders, 2001). Researchers are still trying to understand the three key characteristics namely distinctiveness, consistency, and consensus (Gomes et al., 2012; Jiang et al., 2012). For example Pereira and Gomes (2012) found no direct effect of HRM strength on employee performance. Guest and Conway (2011) found no direct relationship between the consensus characteristic of HRM strength and employee outcomes. Sanders et al., (2008) confirmed only a partial relationship between HRM strength and employee affective commitment. Therefore, future research attention is needed to clarify the direct relationship between HRS and employee outcomes.
**Mediation Effect**

According to Bowen and Ostroff (2004) in a situation where HRM practices are weak, *other factors* of the organisation social environment may influence employees’ perceptions and decisions. Therefore, in discovering a limited direct effect of HRM strength on employee outcomes, researchers have considered the social context of the organisation as playing a role in the effect of HRS. Bowen and Ostroff (2004) elaborated that the strength of the climate in the organisation is important because this influences the employees’ sense-making processes of HRM practices. For example, Sanders et al., (2008) observed that the climate of the organisation is a significant interaction between HRS and employee affective commitment. This indicated that the relationship between HRS and affective commitment is stronger when the climate strength is high, which is consistent with organisational climate research (Klein et al., 2002; Schneider et al., 2002). Similarly, Pereira and Gomes (2012) confirmed that climate has a mediating effect in the relationship between HRS and organisational performance. Dickson et al., (2006) and Takeuchi et al., (2009) explained that the potential mediating effect of organisational climate is because when the climate is ‘strong’, the employees are likely to have less ambiguity about the standards, policies and goals of the organisation. The strength of their collective perceptions therefore supports the role of HRS in communicating what is expected of them. Therefore, future research on HRS and employee wellbeing should acknowledge the potential mediating role of organisational climate in the relationship between HRS and employee outcomes.

Climate strength is not the only factor that researchers have considered in further understanding HRM strength. Pereira and Gomes (2012) investigated the role of leadership and suggested that leadership has a greater mediating effect than climate on the relationship between HRS and performance. Leadership is also relevant for future researchers to consider because leaders have a capacity to create a social context that fosters shared interpretations amongst employees about wellbeing (Kelloway, Weigand, Mckee, & Das, 2013; Settoon, Bennett, & Liden, 1996; Whitman et al., Van Rooy, 2010).
Unidimensionality of HRS Scale

It is possible that the effects of HRS on wellbeing were not significant in this current study, because HRS was measured as a unidimensional variable. Due to the novel nature of the HRS construct, there are limited scales available to measure the construct, which have been tested empirically, and have sufficient psychometric properties (Delmotte et al., 2011; Gomes et al., 2012). The scale used in this study to measure HRS was recently developed by Gomes et al., (2012). In developing this scale, Gomes et al., (2012) collected data through two empirical investigations and reduced the items through confirmatory factor analysis. Gomes et al., (2012) forewarned that the scale required further clarification through future research, but that the reported reliability of the scale was appropriate. Due to only using 15 items from the original 42 item questionnaire, the three characteristics of HRS did not load significantly onto three factors. Thus, propositions 3a to 3b could not be confirmed. Periera and Gomes (2012) also used a unidimensional scale to measure HRS in their empirical investigation. The reason being that HRS is still vaguely defined, and hence a unidimensional measure is more appropriate. Future investigation of HRS may refer to the HRS scale developed in the duration of this current study by Delmotte et al., (2012) to uncover if the unidimensional nature of the HRS is a limitation in any way.

HRM Content and HRM Process: Interaction Effects

Takeuchi et al., (2009) investigated the cross-level effects of high commitment HRM on employee attitudes, and identified that the relationships are likely to involve multiple mediators at multiple levels. Empirical examinations of the cross-level effects of the HRM systems are scarce, and no research to date has investigated the interaction of the process and content components of HRM on employee outcomes. In the current study, it was illustrated through hierarchical regression analyses, that the process component (HRMS) accounted for no additional variance over and above that variance explained by HRM content (PM and CM). This was important, and it could illustrate that the content component of HRM is critical in shaping employee outcomes such as job satisfaction and affective commitment.
Delery and Doty (1996) and Zhang et al., (2012) both observed that HRM practices have synergistic effects, where the cumulative effects of HRM practices influence employee outcomes. The investigation of cumulative relationships of HRM practices has a long-standing history in strategic HRM research, where researchers write about the “additive index” based on research on a summation of individual scores of the practices (Arthur, 1994; MacDuffie, 1995; Youndt, Snell, Dean, & Lepack, 1996). A positive interaction was found between a three-way interaction effect between PM, CM, and HRS on employee affective commitment. Three way interactions are difficult to interpret, thus it is an opportunity for future researchers to take a systems level approach, to uncover the cumulative effects of HRM content and processes. The recent study by Jiang et al., (2012) provides more information about the additive interactions of HRM practices, and is an insightful starting point for further research in this area.

Bowen and Ostroff (2004) explained that the content and process components of HRM are two distinct features of the HRM system. In review of the findings from the current study, there is support regarding the distinction between the two components. Exploratory factor analysis in the current study demonstrated that the two components were two unique Factors. Furthermore, regression analysis revealed that the HRM content variables (PM and CM) had a positive relationship with employee job satisfaction and affective commitment, while the HRM process variable (HRS) did not. Since the two components had differing effects on the wellbeing outcomes, it is possible that they are different from each other (Delmotte et al., 2012; Sanders et al., 2008).

There is concern that the findings in the current study will lead future researchers to disregard the process component of HRM, and more specifically the newly recognised HRS construct. It must be emphasised, however, that the insignificant effects of HRS in this current study may in part be due to the vague definition of HRS. It is important that this construct is not neglected in future investigations concerning HRM and employee wellbeing. For, as Gomes et al., (2012) emphasised, the two components, of process and content are equally important, "Relying on the message as the sole factor shaping individuals perceptions is just half of the work needed to influence people’s interpretations of their surroundings" (Gomes et al., 2012, p. 37).
Implications for Employees, HRM Practitioners, and Organisations

The importance of employee wellbeing cannot be underestimated, and is critical for the progression of South African as a nation (Abbot, Goosen, & Coetzee, 2013). The responsibility of employee wellbeing has implications for all parties: employees, HRM practitioners and organisations.

Employees

An important finding of this study was that the levels of employee wellbeing were relatively high. The average scores for all three measured indicators (job satisfaction ($M = 4.37, SD = 1.059$), affective commitment ($M = 3.70, SD = 1.07$), and psychological wellbeing ($M = 4.64, SD = 0.856$) were all above the mid-point of three. For individual employees, the responsibility of general wellness and psychological health is an independent responsibility (Blustein, 2008). However, individuals spend a large part of their time in the workplace, and their work environments and roles can have a profound impact on their general happiness with life. Therefore, employees should ideally choose to work in organisations that allow them to flourish and achieve their full potential, and also to seek happiness at work which they can carry over into their out of work activities (Tehrani et al., 2007; Guest, 2011).

HRM Practitioners

The role of the HRM practitioner has broadened to include the task of ‘employee champion’ (Ulrich, 2008). It has been recognised that practitioners should value their employee wellbeing, and understand the vital role they play in shaping employees’ experiences at work, and how their policies and procedures have repercussions on individual wellbeing (Van de Voorde, 2012). From a practical perspective, the findings from this study may be helpful to managers who need to justify the adoption of high commitment HRM practices to their employers. For example, managers can demonstrate that these practices have tangible benefits to both the employee and the organisation, such as improved job satisfaction and affective commitment. It is important to additionally note that wellbeing promotion should be a simple process for organisations, if the HRM practitioners in the organisation are active
participants in the entire process, and do not merely embrace ‘wellbeing’ for the sake of organisational benefit (Dewe & Cooper, 2012). According to Lowe (2010), when it comes to employee wellbeing “leadership is for both the means, and the ends” (p.53). Therefore, HRM practitioners and employees should engage in joint wellbeing initiatives (Kelloway et al., 2012). Overtime, this will foster trust, and also establish more cooperative employment relationships.

Abbot et al., (2013) observed that in South Africa, HRM practitioners work almost exclusively in the formal sector of the economy and therefore only interact with fewer that 9.2 million people, which is 18% of the population. Acknowledgement is given that Industrial/Organisational psychology and HRM professionals urgently need to attend to employee wellbeing for all working individuals, and not only those working in the formal sector (Sieberhagen, Rothmann, & Pienarr, 2009).

Organisations

An investigation by Sieberhagen et al., (2009) on the health and wellbeing of South African workplaces, indicated that the local legislation does not offer sufficient support to employees’ wellbeing at work. It was thereafter recommended that a ‘management standards approach’ to wellbeing should be adopted by South African organisations, whereby increased support comes from the internal policies and procedures within the organisation (Rantanen, 2004; Sieberhagen et al., 2009). The findings from this study deliver a message to organisations that wellbeing at work can be fostered through the existing HRM systems. Dewe and Cooper (2012) and Pfeffer (2010) both emphasise that organisational progress and development can no longer be measured by performance alone, but that it is the wellbeing of the workforce which will also determine future performance. This is something that organisations in developing countries must urgently recognize (Buhtan, 2012; Patel, Swartz, Cohen, 2005; World Economic Forum, 2013).
Important Note for HRM Theorists, Researchers and Students

Ulrich (1997, p.238) explained the need for HRM practice to be guided by sound HRM theory: “To make HRM practices more than isolated acts, managers and HRM professionals must master the theory behind HRM work; they need to be able to explain conceptually how and why HRM practices lead to their outcomes”. Having a sound theory will most certainly build a good foundation on which to build good management practice, and thus the implications described above are relevant not only to employees, HRM practitioners, and organisations, but also for those interested in strategic HRM research.

Limitations

The reported high levels of employee wellbeing in the current study is a positive indication for the local work context. While these findings are encouraging, there is concern that they are not an accurate reflection of all South African workplaces. It is important to recognize that the sampling procedure was limited to participants working in the private sector of South African businesses. Therefore a potential limitation of this study is that the size (N=284) and content of the sample may have led to a ‘skewed’ perception of employee wellbeing. It thus impacts the generalizability of the findings to a larger population, and also lacks a comparison with government sector organisations. More research attention is needed in this area with a larger and more diverse sample of South African workplaces.

Through considering the findings, it is apparent that the self-report nature of the scales could have been influenced by the respondents’ personal opinions and beliefs. It is possible that the employees, due to self-serving bias, inflated their scores for job satisfaction and affective commitment, because they felt that negative responses may jeopardise their work roles. It is recognised that this is a limitation of utilizing self-report methods to collect data, particularly data that is sensitive to personal perceptions such as wellbeing (Burns & Burns, 2008).
Conclusions

Philosophies and theories are imperative because they focus attention to aspects of social reality which may go unnoticed in daily processes; then in time, these reflections shape social norms and expectations (Seidman & Alexander, 2001). The intention was to review, test, and critique existing theories to achieve practical insight into the relationship between HRM and employee wellbeing. Considering the concern in both global and local workplaces for the reduced levels of employee wellbeing, this study provides the HRM system as a potential solution to the impending problem (Abbot et al., 2013; Buhtan, 2012, Dewe & Cooper, 2012; Sirgy, 2012). The research question was formulated in response to calls in the literature for an improved understanding of the relationship between HRM and employee wellbeing. The investigation, although preliminary in nature, revealed positive relationships between HRM and job related wellbeing outcomes. An indication is provided that HRM practices can have a significant influence on employee wellbeing at work. In concluding, the relationship between HRM and employee wellbeing is a complex phenomenon, and this offers an interesting platform for future research attention.
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APPENDIX A

The cover letter utilised in the electronic mailing of the questionnaire.

Human Resources and Employee Wellbeing.

Dear: (Full name of employee)

You are invited to take part in an international study on employee wellbeing by responding to a number of survey questions. The questionnaire takes approximately 15 minutes to complete. The research is being conducted by Tara Howard of the University of Cape Town, under the supervision of Professor Jeffery Bagraim.

This research has been approved by the University of Cape Town’s Ethics in Research Committee and all the information is held in strict confidence. No individual responses will be disclosed to your organisation, although an executive summary will be provided, so that your employer can identify HR practices that need improvement. To thank you for your participation, you may choose to be entered into a lucky draw after completing the survey and stand the chance of winning a prize of your choice (R500 Woolworths voucher, or three life-coaching sessions).

If you have any queries please contact Tara Howard at hwrtar002@myuct.ac.za, or her supervising professor at jeffery.bagraim@uct.ac.za.

Follow this link to the Survey:

${l://SurveyLink?d=Take the Survey}$

Or copy and paste the URL below into your internet browser: ${l://SurveyURL}$
APPENDIX B

A list of the measurement scales used in this study.

**HRM Content: High Commitment Items** (Sanders et al., 2009)

*Training and education dimension*

1. I am given a real opportunity to improve my skills though education and training programs
2. I have had sufficient job-related training
3. I receive on-going training, which enables me to do my job better
4. HR practices here help me a great deal to develop my knowledge and skills

*Career management dimension*

5. This organisation prefers to promote from within
6. This organisation always tries to fill vacancies from within
7. People inside the organisation will be offered a vacant position before outsiders

*Performance management dimension*

8. My job allows me to make job-related decisions on my own
9. I am provided the opportunity to suggest improvements in the way things are done
10. Supervisors keep open communications with me on the job
11. I am often asked to participate in decisions
12. There is a strong link between how well I perform in my job and the likelihood of receiving recognition and praise
13. There is a strong link between how well I perform in my job and the likelihood of receiving a pay raise
14. There is a strong link between how well I perform in my job and the likelihood of receiving high performance appraisal ratings
15. There is a strong link between how well my team performs and the likelihood of receiving a pay rise

**HRM Process: Human Resource Strength Items** (Gomes et al., 2012)

*Distinctiveness dimension*

16. HR practices are well known by everybody in my organisation
17. HR practices are clear in my organisation
18. The HR department contributes to defining the strategy of my organisation
19. HR practices in my organisation contribute to its competitiveness
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**Consistency dimension**

20. HR practices in my organisation contribute to having highly skilled employees
21. I feel that the criteria used in this organisation’s performance appraisal reflects what employees do in their job
22. The aims of HR practices in my organisation fit together well
23. HR practices contribute to improved performance in this organisation
24. In my organisation skills and competencies acquired through training are applies to the work we do
25. HR practices complement each other and contribute to meeting organisational goals
26. HR practices are applied consistently over time

**Consensus dimension**

27. Managers in my organisation agree on how to follow HR guidelines
28. Supervisors make an effort to treat staff fairly
29. HR practices are applied consistently across departments in my organisation
30. In my organisation, rewards are given to those who really deserve them

**Job satisfaction** (Kim et al., 1996)

31. Most days I am enthusiastic about my job
32. I find enjoyment in my job
33. Overall I am satisfied with my job

**Affective commitment** (Allen & Meyer, 1990)

34. I do not feel a strong sense of ‘belonging’ to my organisation
35. I do not feel ‘emotionally attached’ to my organisation
36. I do not feel a ‘part of the family’ at my organisation
37. This organisation has a great deal of personal meaning for me

**Psychological wellbeing** (Bech et al., 2003)

38. I am a happy person
39. I am calm and peaceful
40. I am fresh and rested
41. I have a lot of energy
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