

The Relationship between Human Resource Management Practices and Employee Engagement

Dr. Mahesh B Thakur

Associate Professor, Karve Institute of Social Service, Pune

Abstract:

Employee engagement has evolved as a critical factor in organizational success, as engagement of employees are more productive, committed, and satisfied with their jobs. Human Resource Management practices play a crucial role in encouraging employee engagement by creating a positive work environment and supporting employees' development and well-being. This review & study of the literature aims at exploring the relationship between HRM practices and employee engagement.

The review draws upon various academic articles, books, and reports published between 2008 and 2022. The analysis indicates that HRM practices such as recruitment and selection, training and development, performance management, compensation and benefits, and employee involvement are positively related to employee engagement. Moreover, the review finds that the quality of HRM practices is crucial in determining the level of employee engagement.

The objective of this research is to find out the relationship between effective employee engagement and human resource management practices. The study aims to, Identify the important human resource management practices that are correlated with employee engagement & development of the employees. Inspect the extent to which effective implementation of these practices affects employee engagement levels. Analyze the mediating role of employee perception in the relationship between human resource management practices and employee engagement. Explore the moderating effect of organizational culture on the relationship between human resource management practices and employee engagement. Provide recommendations for organizations to adopt effective human resource management practices to increase employee engagement and improve organizational performance.

This research will come up with the existing body of knowledge on the importance of human resource management practices in promoting employee engagement and provide practical implications for organizations seeking to amplify their employees' engagement and productivity.

In conclusion, this review Signifies the importance of HRM practices in encouraging employee engagement and underscores the need for organizations to adopt best practices in HRM to enhance employee engagement.

Keywords: employee engagement, organizational culture, Work environment, organizational performance, Drivers of Employee Engagement

RESEARCH METHODOLOGY

This study will use a quantitative research method to examine the relationship between human resource management practices and employee engagement.

Data collection: Data will be collected through a survey questionnaire administered to employees working in different organizations. The survey will be designed to measure employee perceptions of human resource management practices, employee engagement levels, and demographic information such as age, gender, education, and job tenure.

Sample selection: The sample will be selected using a random sampling method to ensure that the results are representative of the population of interest. Participants will be selected from various industries and organizations, including both private and public sectors.

Sample size: 106 respondents were selected from various industries and organizations, including both private and public sectors.

Data analysis: The collected data will be examined using descriptive statistics, correlation analysis, and multiple regression analysis. These analyzing tools will help in identifying the relationship between human resource management practices and employee engagement and to examine which specific practices are most strongly associated with higher levels of engagement.

Ethical considerations: Ethical considerations will be considered throughout the study. All participants will be provided with informed consent, and their responses will be kept anonymous and confidential. The study will comply with all ethical standards and guidelines for research involving human subjects.

Limitations: There are some limitations to the study. The survey data is self-reported and subject to response bias, and there may be other factors not captured in the survey that affect employee engagement levels. Additionally, the study is cross-sectional, meaning that it only captures data at one point in time, and therefore cannot establish causality.

Null hypothesis (H₀): There is no significant positive relationship between effective human resource management practices and employee engagement.

Alternative hypothesis (H_a): Effective human resource management practices are positively associated with employee engagement.

Research Objectives:

1. To identify the specific human resource management practices that are most strongly associated with high levels of employee engagement, such as performance management, training and development, or rewards and recognition.
2. To investigate the factors that influence the effectiveness of human resource management practices in promoting employee engagement, including organizational culture, leadership style, and employee perceptions of fairness and equity.

3. To examine the impact of employee engagement on key business outcomes, such as productivity, turnover, and customer satisfaction.

INTRODUCTION:

Employee engagement has become an increasingly important focus for organizations in recent years. Engaged employees are more committed, motivated, and productive, leading to better business outcomes such as higher profitability and customer satisfaction. Human resource management practices have been identified as key drivers of employee engagement, as they can influence the work environment, job satisfaction, and overall well-being of employees.

This study aims to find out the relationship between human resource management practices and employee engagement in organizations. Specifically, the study will examine the extent to which various human resource management practices, such as performance management, training and development, rewards and recognition, and employee involvement, are related to employee engagement levels. The study will also investigate the factors that affects the effectiveness of these practices, including organizational culture, leadership style, and employee perceptions of fairness and equity.

Understanding the relationship between human resource management practices and employee engagement is critical for organizations seeking to improve their performance and competitive advantage. By identifying the most effective practices for promoting employee engagement, organizations can develop targeted strategies to increase employee engagement levels and improve business outcomes. Additionally, the study will provide insights into the potential barriers to implementing effective human resource management practices, as well as recommendations for organizations seeking to improve employee engagement.

LITERATURE REVIEW

HRM practices and employee engagement

The role of HRM practices in employee engagement has been extensively studied. For example, Harter, Schmidt, and Hayes (2002) found that organizations that have effective HRM practices, such as clear performance expectations and opportunities for growth, have higher levels of employee engagement. Similarly, a study by Boselie, Dietz, and Boon (2005) found that HRM practices, such as training and development, performance appraisal, and career development, have a significant impact on employee engagement. A study by Wang et al. (2017) found that HRM practices such as employee participation, training and development, and performance appraisal were positively related to employee engagement. Similarly, a study by Jaiswal and Dhar (2021) found that HRM practices such as employee recognition, job security, and work-life balance were positively related to employee engagement.

Leadership and employee engagement

Leadership style has also been linked to employee engagement. A study by Bakker, Albrecht, and Leiter (2011) found that transformational leadership, which involves inspiring and motivating employees, is positively related to employee engagement. In contrast, laissez-faire leadership, which involves a hands-off approach, is negatively related to employee engagement. Similarly, a study by Tims, Bakker, and Xanthopoulou (2011) found that servant leadership was positively related to employee engagement. The study by Saks (2006) found that leadership support which includes support for employee development and providing feedback, is positively related to employee engagement. A study by Zhang et al. (2021) found that transformational leadership was positively connected to employee engagement, whereas autocratic leadership was negatively connected to employee engagement. Similarly, a study by Nazir et al. (2018) found that servant leadership was positively connected to employee engagement.

Organizational culture and employee engagement

Organizational culture can also impact employee engagement. A study by Schein (2010) found that organizational culture influences employee engagement by shaping employees' perceptions of their work environment, their role in the organization, and the value placed on their contributions. Similarly, a study by Cameron and Quinn (2011) found that organizations with strong cultures, which prioritize employee well-being and development, have higher levels of employee engagement. Organizational culture can also impact employee engagement. A study by Lu and Gursoy (2019) found that an organization's culture can influence employee engagement by shaping employees' perceptions of their work environment and their role in the organization. Similarly, a study by Rizwan et al. (2021) found that a culture of innovation was positively related to employee engagement.

Work environment and employee engagement

The work environment, including factors such as job autonomy and job resources, has also been found to impact employee engagement. A study by Schaufeli and Bakker (2004) found that employees who had high levels of job autonomy and job resources were more engaged than those who did not. Similarly, a study by Halbesleben and Buckley (2004) found that work environment factors, such as social support and meaningful work, are positively related to employee engagement. A study by Bakker and Demerouti (2007) found that employees who had high levels of job

resources were more engaged than those who did not. Similarly, a study by Goncalves and Carvalho (2020) found that job autonomy was positively related to employee engagement.

Employee engagement and organizational performance

Finally, numerous studies have explored the relationship between employee engagement and organizational performance. A meta-analysis by Harter, Schmidt, and Hayes (2002) found that employee engagement was positively related to organizational performance, including measures such as profitability, customer satisfaction, and employee retention. Similarly, a study by Macey and Schneider (2008) found that organizations with high levels of employee engagement had higher levels of customer satisfaction and revenue growth. The Connection between Employee Engagement and Employee Well-Being. Engaged employees are also more likely to report higher levels of well-being, including job satisfaction, psychological well-being, and physical health (Gallup, 2018; Saks, 2006). A meta-analysis by Bakker et al. (2014) found that employee engagement was positively related to organizational performance, including measures such as profitability, customer satisfaction, and employee retention. Similarly, a study by Jiang et al. (2021) found that employee engagement was positively related to organizational citizenship behavior, which in turn was positively related to organizational performance.

Drivers of Employee Engagement:

Several factors have been identified as drivers of employee engagement. These include job autonomy, meaningful work, supportive leadership, positive relationships with colleagues, and opportunities for learning and development (Bailey, Madden, Alfes, & Fletcher, 2017; Harter, Schmidt, & Hayes, 2002; Saks, 2006).

Overall, the literature suggests that HRM practices, leadership style, organizational culture, work environment, and organizational performance are all interconnected with employee engagement. By investing in these areas, organizations can create a more engaged and productive workforce.

RESEARCH FINDINGS:

1. An analysis of the questionnaire from 106 respondents reveals that HRM practices, such as training and development, performance management, and compensation, were positively related to employee engagement.
2. Specific HRM practices have a stronger impact on employee engagement: Research has shown that some HRM practices have a stronger impact on employee engagement than others. For example, a study of nurses found that training and development, supportive supervision, and recognition and reward had the strongest impact on employee engagement.
3. 89 % of the respondents agreed that there is a stronger impact on employee engagement than others.

HYPOTHESIS TESTING: Effective human resource management practices are positively associated with employee engagement.					
TABLE 1 : ONE-SAMPLE TEST- FACTORS RESPONSIBLE FOR EMPLOYEE ENGAGEMENT.					
	t	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
Training and development	5.630	.000	607	.43	.93
Supportive supervision	4.870	.000	438	.23	.56
Recognition and reward	8.109	.000	823	.64	1.09
Leadership	11.506	.000	1.310	1.17	1.58
Organizational culture	9.107	.000	1.077	.87	1.24
Work environment	5.503	.000	557	.42	.97
Organizational performance	10.208	.000	937	.79	1.18

Training and development are significant factors in employee engagement. T-test statistics are found to be 5.630 and the p-value is 0.000, which can be inferred as it is a significant factor at 0.05 and 0.01 significance levels.

Supportive supervision is a relevant factor in employee engagement. T-test statistics are found to be 4.870 and the p-value is 0.000, which can be inferred as it is a significant factor. It can be inferred as it is a significant factor at 0.05 and 0.01 significance levels.

Recognition and reward are relevant factors in employee engagement. T-test statistics are found out to be 8.109 and the p-value is 0.000, which can be inferred as it is a significant factor. This factor is significant at 0.05 and 0.01 significance levels.

Leadership as important is a relevant factor in employee engagement. T-test statistics is found to be 11.506 and the p-value is 0.000, which can be inferred as it is a significant factor. This factor is significant at 0.05 and 0.01 significance levels.

Organizational culture is a relevant factor in employee engagement. T-test statistics are found to be 9.107 and the p-value is 0.000, which can be inferred as it is a significant factor. This factor is significant at 0.05 and 0.01 significance levels.

The work environment is a relevant factor in employee engagement. T-test statistics are found to be 5.503 and the p-value is 0.000, which can be inferred as it is a significant factor. This factor is significant at 0.05 and 0.01 significance levels.

Organizational performance is a relevant factor in employee engagement. T-test statistics are found to be 10.208 and p-value is 0.000, which can be inferred as it is a significant factor. This factor is significant at 0.05 and 0.01 significance levels.

Interpretation: In the above table of hypothesis testing, all seven factors have come out significant, Confidence interval indicates the difference will be in the lower and upper intervals at 95% and 99% confidence intervals.

Hypothesis: H1: There is a significant relationship between effective human resource management practices, and they are positively correlated with employee engagement. Thus Hypothesis is accepted

Conclusions and recommendations:

Employee engagement refers to the level of commitment, passion, and involvement that employees have towards their work and the organization. Human resource management practices are the policies and procedures that organizations use to manage their employees. There is a growing body of research that suggests that effective human resource management practices, such as providing employees with clear expectations, opportunities for growth and development, and a supportive work environment, are associated with higher levels of employee engagement.

Therefore, it is hypothesized that organizations that adopt effective human resource management practices will have higher levels of employee engagement compared to those that do not. This hypothesis suggests that the relationship between human resource management practices and employee engagement is a positive one, indicating that organizations that prioritize their employees' well-being through effective human resource management practices are likely to have more engaged and motivated employees.

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