Linking High-Commitment Human Resource Practices and Cultural Practices

Vinculación de prácticas de recursos humanos y prácticas culturales de alto compromiso

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ABSTRACT

Existing literature has confirmed a significant relationship between employee engagement and company performance. More specifically, fully engaged employees lead to positive outcomes in term of productivity and performance. In addition, studies have confirmed that a high level of employee engagement negatively effects turnover intention and absenteeism. Overall, engaged employees lead to positive attitude and behavior at the workplace. This notion has emphasized the importance of having engaged employees in the organization. Also, this leads to a query on the antecedent factors of employee engagement. What makes people engaged? Has it got anything to do with organizational practices? These become the main questions of this paper. Using the theory of social exchange, an understanding of how people behave is explored. More specifically, this conceptual paper addresses how an employee perceived organizational practices influence employee engagement. In addition, the influence of collectivism cultural practices is examined. Most importantly, this paper proposes the right practice for an organization to get the right behavior from employees.

Keywords: High-Commitment Human Resource Practices, Employee Commitment, Collectivism Cultural Practices.

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RESUMEN

La literatura existente ha confirmado una relación significativa entre el compromiso de los empleados y el desempeño de la compañía. Más específicamente, los empleados totalmente comprometidos conducen a resultados positivos en términos de productividad y rendimiento. Además, los estudios han confirmado que un alto nivel de compromiso de los empleados afecta negativamente la intención de rotación y el ausentismo. En general, los empleados comprometidos conducen a una actitud y comportamiento positivos en el lugar de trabajo. Esta noción ha enfatizado la importancia de tener empleados comprometidos en la organización. Además, esto conduce a una consulta sobre los factores antecedentes del compromiso de los empleados. ¿Qué hace que la gente se comprometa? ¿Tiene algo que ver con las prácticas organizacionales? Estas se convierten en las principales preguntas de este artículo. Usando la teoría del intercambio social, se explora cómo se comportan las personas. Más específicamente, este documento conceptual aborda cómo las prácticas organizativas percibidas por un empleado influyen en el compromiso de los empleados. Además, se examina la influencia del colectivismo en las prácticas culturales. Lo más importante es que este documento propone la práctica correcta para que una organización obtenga el comportamiento correcto de los empleados.

Palabras clave: prácticas de recursos humanos de alto compromiso, compromiso de los empleados, prácticas culturales de colectivismo.

1.   Introduction

According to the social exchange theory (Homans, 1961), when employee perceived that organization offers something that is positive, it will in turn received a positive affective reaction from the employees. As a reaction, the employee will reciprocate by offering something in return that the organizational value. The theory has been widely used as an explanatory framework in describing organizational behaviour and employment relationship (Coyle-Shapiro & Conway, 2004). Also, this theory explains the importance of understanding how the practice within the realm of organizational level can influence the practice of employee at the individual level.

For now, there are burgeoning of existing research that explores the area of human resource management where the pivotal focus has been on the relationshiop between HRM and individual performance. Based on these existing research , the notion of positive association between HRM practices and employee performance has been confirmed (Guest, 1997). Despite this findings, it has also been established that there are still lacking area in the exploration of linkage between the process of HR practices and employee behaviour, which become the main focus of this paper. However, individual behaviours and attitudes are made up of a complex framework (Mustamil and Quaddus, 2009) Many models and frameworks have been proposed to understand the complexity of people behaviour especially at a workplace. This is due to the fact that there are varities of variables that influence the way workplace decisions are derived based on human behaviour.

Generally, this factors can be divided into two areas; individual and organizational levels (Erdogan 2002). At the individual level, the factors are human related where emphasis is given on the demographic level that touched on personal beliefs, motivational factors and many others. These factors influence the way human perceived things and it depends on us as a person. For example, when certain actions are perceived to be unethical, involvement with such actions will be evaded because we believe it is wrong based on the personal standard that hold on to. However, an individual at a workplace may have a different standard in defining some behaviours. This may be refered to the ambient, norms and practices in the organization. Employees may have different perceptions on some actions and decisions but they have to redefine the standard according to what has been practised in the organization. The described scenario is considered as other critical and strong factor that influences the behaviours of employee at a workplace.

Also, based on the above explanation, it emphasized on the importance of organizational practices on employee action and decision. These employees will observe the traditional practice of the workplace and evaluate the structure, system and procedures in the organization. As a result, they established a personal

perception. This becomes a very crucial perception that leads to the outcome of employee behaviour in the organization. Therefore, ways to ensure employees team work in the organization are discussed, precisely on how to enable the assigned tasks, jobs and roles are performed accordingly. The paper is exploring this area by answering a fundamental question of employee behaviour in organization.

Referring to the studies, in order to retain people and ensured they are commited in attaining organizational goals and objectives, they have to be fully engaged. Engaged employee is an indication that employee satisfaction and commitment with their tasks, duties and responsibilities in the organization are met. The realisation of job satifaction and emotional connection with works results in improved productivity. Findings have also confirmed that not only that employees will stay longer in the organization, this situation also leads to positive performance.

Attitude is a valuable asset which can lead to a competitive advantage of organization (Macey et. al, 2009). Referring to this notion, this conceptual paper provides an understanding of employee engagement by exploring an existing link between high commitment of human resource practices as an antecedent factor of employee engagement. Using the social exchange theory (Homans, 1961), the paper provides a clear picture of research paradigm in order to understand how organizational factors affect individual behaviour in the organizations. In addition, a collectivism cultural practices is also proposed to provide insight on the complexity of employee behaviour in organization.

2. Literature Review

Social exchange theory (Homans, 1961) explained the motivation behind the attitudes and behaviours exchanged as a result of negotiation process between individuals. According to the theory, the purpose of this exchange is to maximize benefits and to minimize the costs. Homans (1961) proposed that people weigh all the potential benefits and risks to evaluate the outcome of the relationship. When the benefits outweigh the risks, people will sustain the relationship. On the other hand, if the risks outweigh the benefits, people tend to terminate that relationship.

The theory suggested that we essentially take the benefits and subtract the costs to determine a value of a relationship. As a result, positive relationships occurred in which the benefits outweigh the costs. Alternatively, a negative relationship occured when the costs are greater than the benefits (as describe in the following figure).
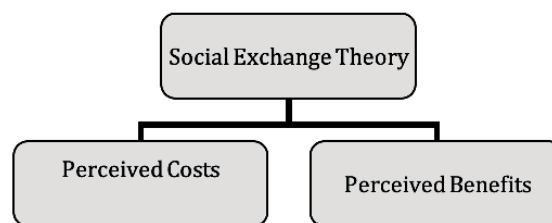

Figure 1. Social Exchange Theory

In the context of organization, social exchange theory explained the norm of reciprocity in the aspect of the relationship between the organizations and its employee. Employee forms general perceptions on the intention and attitues of organization towards them by reflecting the system, policies, structure and procedures that have been established by individuals in the organizations. This perception enables employee to see themselves as having a relationship with their employer and begin to appraise the value of the relationship, either as worthy or otherwise.

When an organization provides something that employees value, the social exchange theory stated that employees will reciprocate their perceiveness by offering something in return which the organizations value (Rousseau, 1995). In the context of this paper, the employees offer is to provide full engagement with the organization. This positive behaviour is the outcome of the positive perception by the employees because they believe that they will be highly valued by their employers once the are engaged.

In general, such scenario explains the psychological contract of relationship between employee and em-

ployer. In a workplace, any individual in the organization which can represent by managerial or supervisors level have their own expectation. This expectation is interpreted by the employee based on what they practice. Employees observe, monitor and perceive the conducts of their superior and behaviour as a signal of how things happened in the organization. This expectation develops a set of promises between two of this party; the organization and the employee. Based on this set of promises, employee performs what they believed as needed to be perfomed in the organization. They will modify their behaviour and simulate their attitudes according to what they perceived. This is inline with social exchange theory which empahasizes on the relationship based on mutual perception among parties. In the context of this paper, it goes back on how employee perceived the organization practiced a high commitment human resouces management, which will determine a level of engagement among themselves.

Social exchange theory has been used widely in various areas to explain how employee behave in the organization. Many studies have applied this theory to provide a clear understanding of the reason for employee behaviour. Although employee behaviour in the organization is a complex behaviour, the theory has confirmed the establishment of organizational effect on individual level.

2.2. Employee Engagement

Employee engagement (Kahn, 1990) is referring to the extent to which employee committed towards their job and organizations. In a very wellknown definition, Kahn (1990) refers employee engagement as "the harnessing of organization members'selves to their work roles; in engagement, people employ and express themselves psychically, cognitively, and emotionally during roles performances." (page 64).

The definition explains the concept of engagement as the manifestation for being 'present at work', which requires a particular mental state of mind. For an individual to be engaged, he or she has to think, feel and act on their job. They know what they have to do, what they should do and what they have done towards their jobs and task.
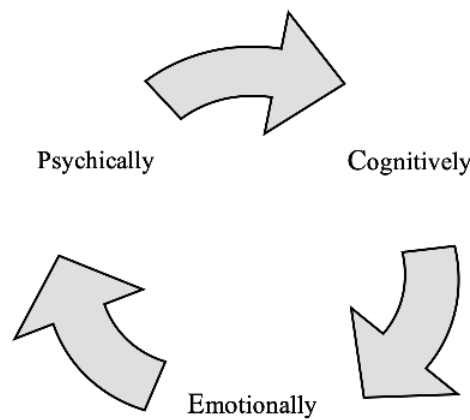

Figure 2. Employee Engagements Dimensions

Employee engagement requires physical, cognitive and emotional attachment of a person to their jobs. There are two elements in explaining pshychological engagement which include emotional and cognitive engagement. Emotional engagement refers to a good relation betweem people. In the context of a workplace, it refers to the relationship between employees, superiors and peers with emphaty feeling. Thus, engaged employees care and aware about their work, organization and people that they work with. They know their performance is their obligation and they understand how it affects other people in the organization. Cognitive engagement refers to the extent in which employees are willing and able to take their task and duties at hand to achieve organizational goal and objectives. Most importantly, they are aware of what should be done to perform their duties

Fully engaged employees are the people in organization who feel satisfy with their jobs (Harter, Schmidt and Hayes, 2002). They are dedicated to their tasks, they do not mind putting extra time to their work as long it is completed to a good standard. They are willing to sacrifice their personal time to ensure that the standards are met. Eventually, this leads to the positive attitudes and behaviour in which they become

more connected to their performance.

Engaged employee is more aware with their productivity. They believe this is their personal sense of commitment, known as discretionary effort (Frank et. al, 2004). This is the key to an engaged employee. They are not aiming for financial gain or position, but are focusing more on their sense of obligation to do their very best in the organization.

Kahn (1990) refers employee engagement as a way to enhance three psychological conditions. Firstly is meaningfulness, which is the "feeling that one is receiving a return on the investment of the self in the work role performance". Secondly is safety, which refers to "a sense of being able to show and employ oneself without fear of negative consequences to one's self-image or status at work". Lastly is the availability, which is "a sense of possessing the physical, emotional and psychological resources needed for investing oneself in the work role".

These conditions serve as the mechanism by which individuals connect to their role performance. Many existing studies have confirmed the significant effect of employee engagement to the individual behavioural outcomes in the organization. On the other hand, those who failed to engage will feel withdrawal from the work role. They tend to disconnect with their tasks and duties. Studies have confirmed negative behavioural outcomes of employed who are disengaged.

2.3 High- Commitment Of Human Resource Practices

Arthur (1992) has introduced the concept of high- commitment of human resource practices. Human resources practices can be classified into two approaches (Arthur, 1992). Firstly, "control" practice which refers to the approach that aim to enhance efficiency and to reduce labour cost by emphasizing on reward of outputs. It can be referred as traditional HR practices which required employees to perform their duties with strict rules and procedures. This approach is not closely tied with employee performance. In contrast, commitment approaches are aiming to increase effectiveness and performance of employee by encouraging employee to identify the organizational goals and aim to accomplish the goals.

In defining jobs, control HR practices is more narrowed in comparison because it has low employee participation while having more intense supervision. Commitment HR practices, on the other hand has broadly defined tasks with high level of employee participation and extensive training.

In describing high-commitment HR practices, research has proposed five dimensions (Whitener 2001) including selective staffing, comprehensive training, developmental performance appraisal, individually equitable reward and external equitable reward. These dimensions separate organization between "control" and "commitment" HR practices.

Dimensions	Descriptions
Selective staffing	*Selective staffing* refers to the extensiveness of the selecting process within the organization. The process focuses more on selecting people with specialized skills which tend to have high level of performance as compared to non skilled employees.
Comprehensive training	*Comprehensive training* refers to a situation where organizations provide an extensive training program to develop a human capital in the organization. The training is to enhance relevant skills, abilities and knowledge related to the employee work performance.

Development performance appraisal	*Development performance appraisal* is when the organizations set the employee goal performance with the involvement of employee. This practice also encourage employee to become part of the team in the organization by coaching them with necessary guidelines. The organization wants the employee to understand what need to be achieved and to perform their job appropriately in order to improve their effectiveness and productivity.
Individually equitabble reward	*Individually equitabble reward* ensure an egalitian pay system and reward their employee based on performance. With this practices, those who performed better will gain better reward.
External equitable reward	*External equitable reward* emphasizes a better beneficial reward to the employee in the organization as compared with external labour market.

Table 1: A description of dimensions

Arthur (1994) explained that high-commitment HR practices is shaping desired employee behaviour in organization. This practices establish an alignment between organizational and individual goals. Employees aware on their performance goal and they are encouraged to work hard to achieve the goals. The high commitment approach includes sets of HR policies and procedures that affect employee motivation and commitment. They are emphasizing on the high level of participation of employee to create the sense of belongness among employee.

Based on these dimensions, it can be concluded that high commitment of HR practices emphasized on high-skilled employee as a main criteria in the selection process, provides comprehensive training program to develop the people, participation of employee in determing work performance is necessary, offering appropriate reward align with the performance of individual, and ensuring the employee receive equal oppurtunities in the organization compared to the external labour market.

2.4 Collectivism Cultural Practices

The well known definition of culture has been proposed by Taylor (1871) which define that "Culture … is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society." Another established definition by Kroeber and Kluckhohn (1952), they have reviewed 164 definitions of culture and perceived that "culture is an abstraction by reasoning that if culture is behaviour it, ipso facto, becomes the subject matter of psychology". Therefore, they concluded that culture "is an abstraction from concrete behavior but is not itself behavior."

Culture shaping invididual believes in defining what is the right standard of behaviour in a society. As a result, there is no consensus on what is deemed as the right behaviour and what is perceived as wrong behaviour. It depends on the standard of the society. Thus, one accepted actions in one society may not be accepted in other society. It depends on the perception of the society on the behavior. In the context of this paper, the culture of organization determines a standard of behaviour in the organization. The culture in the organization provides the underlying beliefs, assumptions, values and ways of interacting that contribute to the unique social and psychological environment of an organization.

Organizational culture shared by members of an organization and taught to new members as correct things to do in the organization, and can be used to direct the course of their firms by organizations (Arnold et al. 2007).

Organizational cultures can be assessed along many dimensions. One of the most relevant dimension

is the collectivism culture. According to House et al. (2004), people in the organization with high level of collectivism cultural practices are willing to make personal sacrifices to fulfil their obligation towards their organizations. In addition, they believed that organizations have a responsibility for their welfare. This cultural practices considers others as part of their family. They perceive themselves as highly interdependent with the organization (House et al. 2004). Therefore, any decisions they made are predicated on the benefits likely to be accrued for all group members.

As proposed in this paper, employee in organization has set their own standard before entering the organization. Once they have entered, a modification of the standard will be practiced. According to the previous research, the attendance of collectivim culture will strengthen a relationship between organizational factors and individual behaviour. Due to that, the influence of collectivism culture is existed.

3. Proposed Conceptual Linkage

Managing employees' behaviour in organizations have been proven to be very challenging due to the multitude of complex and varied factors that contribute to this main construct. Nevertheless, many theoretical frameworks have been proposed to describe how an employee behaves in an organization. One of the factors that have been increasingly recognized as a key source for employee behaviours and attitudes is high-commitment human resource management (Arthur, 1994). Researchers have conceptualized High-Commitment Human Resource Practices in various ways, labeling a different combination of human resource practices as high commitment, high performance, or high involvement human resource practices.

These practices have shown to have a significant impact on employees in order for organizations to develop skillful, motivated, and committed employees, who can ultimately create superior value for organizations (Frank et. al, 2004). Due to this notion, this paper aims to explore the influence of high-commitment human resource practices among employees. Knowing that organizations do not operate in a vacuum, the existing environment will also influence the way employees behave.

Due to that, cultural practices will also be examined, particularly, collectivism culture. These cultural dimension are the most significant cultural practices that describes employee behaviour in the context of social behavior. The collectivism society considers itself as having members who are part of an extended family or organization (Mustamil and Quaddus 2009). They view themselves as highly interdependent with the organization (House et al. 2004). Thus, their decisions are predicated on the benefits likely to be accrued for all group members. At the end, the outcome from this study will provide an appropriate model to explain employee engagement in organizations.
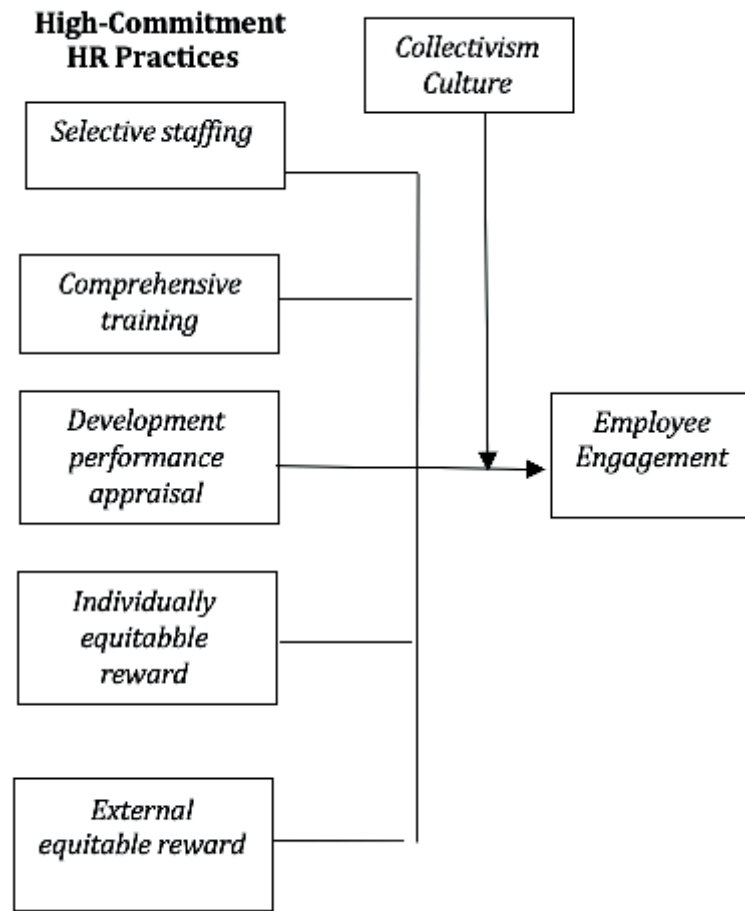
From the above discussion and previous literatures, it can proposed the relationship between high-commitments human resource practices, employee engagement and collectivism cultural practices as followed:

High–commitment human resource practices has positive influence on employee psychological engagement

High–commitment human resource practices has positive influence on employee emotional engagement

Collectivism cultural practices moderates a relationship between high–commitment human resource practices and employee engagement

More specially, figure 3 proposed the research conceptual of these variables.

High-Commitment HR Practices

Selective staffing

Comprehensive training

Development performance appraisal

Individually equitabble reward

External equitable reward

Collectivism Culture

Employee Engagement

4. **Conclusion**

In conclusion, the study has emphasized that high commitment HR pratices as a highly-potential area of study especially on how organizational level can influences employees engagement. Besides, it was highlighted that fully engaged employees can lead to positive attitudes and behaviours and eventually encourage organizations to understand how this may benefit the organization itself. The role of culture should not be left behind when high-commitment HR pratices is concerned because the moderating effect of culture was found to be present especially when examining the framework. It indicates the complexity of the relationship which described how individuals behave in the organization. Thus, future research may required to expand on this area of understanding.

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