Does Organization’s HR Practices Stimulates Employee’s Thriving at Work?

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Abstract: The main idea of the paper was to describe the impact of human resource (HR) practices namely Quality of work life; Competence based management and Employee participation on thriving of employees at work place. With the help of previous literature review a research gap was identified and this study highlighted some new constructs of thriving at workplace. Moreover, study aimed to explore various relationships where thriving matters. It is found that thriving at workplace is strongly affected by Quality of work life and Competence based management, the two distinct HR practices. However Employee participation another important HR practice does not impact employees thriving at work. This might be due to the nature of organization under study that is commercial banks, where policies are made at state level and just implemented at organizational level. Hence banking sector requires to boost the employees thriving at work by proper implementation of HR Practices.

Keywords: Human Resource (HR) Practices, Quality of Work Life, Competence Based Management, Employees’ Participation, Employees’ Thriving at Work Place.

1. Introduction

In today’s competitive environment, factors like Globalization and frequent Technological breakthroughs are continually offering new challenges and generating new prospects. With such advancements perceptions of people concerning their jobs are also shifting. Performance of the organizations, attaining comparative advantage is strongly imitative from organizational human resource vitality and strong participation of HR practices. Nowadays, impulsive market success depends more on employees, their speed, skillfulness, liveliness, vitality and adaptability. Employees’ vitality and liveliness refers to thriving at work. Thriving is defined as “The psychological state in which individuals experience both a sense of vitality and learning” (Porath et al., 2012). Human Resource (HR) practices refers, “The policies and practices involved in carrying out the human resource(HR) aspects of a management position including human resource planning, job analysis, recruitment, selection, orientation, compensation, performance appraisal, and training & development” (Dessler, 2007).

The study of HR practices is imperative in organizational performance particularly in banking industry as Business world is mainly dominated by services especially in developing countries like Pakistan. Banks have progressively acknowledged their manpower to be the basis of competitive advantage. Irrespective of the fact that in most of the evolving countries, the chief barrier in growth of organization and profitability is the sluggish usage of HR practices, never the less studies have been done to find ways to exploit HR practices optimally. A country like Pakistan who is engrossed on the growth of banking for the last few years, banks are playing executing a significant role in the financial growth of the country.

This study is based on the impact of HR practices on the employee’s thriving at work, in banking sector of Pakistan. This sector presents significant purpose in the current world for overall economic growth of countries. Although relationships among employee performance, competence based management, quality of life in workplace, employee participation and other HR practices like Training and development, rewards and compensation etc. is found and available by different studies. This study was conducted to find the answer to question, does thriving stimulated by HR Practices namely Quality of work life, Competence based management and Employee’s performance? Further, study was conducted with special background of Pakistan’s banking industry which is a unique attempt.
1.1. Significance/Purpose of the Study

The implication of this study is in relative to the applied strategies, practices and impact of the HR practices on employees’ thriving at work. The significance of the study is to shore up the banking business towards its permanence and continuity and the functional strategies and/or applied systems through determining the impact of HR practices on Employee’s thriving, the study can support the banking businesses or the business studies in making use of and appraising the human resource management tool and extend quantifiable principles and standards.

1.2. Beneficiaries of Research

The core idea of this study is to add to the existing body of knowledge as regards to the impact of HR practices with thriving of employees. This study will be a vital involvement for all the stakeholders of banking organizations that can or be influenced by the human resources of the organization. This study will be helpful for Individuals, banking organizations, Human resource department, HR professionals & managers, and will contribute towards issues relevant to human resource such as Quality of life in workplace, Competence based management, Employee participation and thriving of employee’s and will lead to more productive Employee Performance. Finally, it would be a basis of direction for prospective studies.

1.3. Objective of the Study

- To describe the impact of HR practices namely quality of work life, competence based management and employee participation on thriving of employees of banks.
- To evaluate the existing human resource management practices and to propose subsequent strategies in accordance with the findings of this study.
- To endow with banking organizations to put into practice human resource practices to boost the performance of employees.

2. Review of Literature

2.1. Thriving at Work

Thriving at work is a developing phenomenon which could be defined as “a psychological state in which individuals experience both the senses of vitality and learning”(Porath et al., 2012). A study tried to find how the employee’s thriving at work could be improved and is associated with behavioral outcomes (Mushtaq et al., 2017). Another study assert that the management should take care of its employees, this would lead employees to thrive and hence to stay with the organization (Abid et al., 2016a). In another study researchers tried to explore and build a theory that if employees enjoy decision making discretion, if in an organization broad information sharing is present and there is a climate of trust and respect. People use their knowledge, skills and relational resources for doing on a task this leads to individual thriving at work which affects positively to the good health and a sense of promotion in the organization and vice versa (Spreitzer et al., 2005). Challenge stressors had significant influence on learning but not on vitality (Prem et al., 2016). Innovative work behavior contributes to people’s thriving because creative work tends to be more fun and non-routine (Carmeli and Gretchen, 2009). Thriving at workplace had become a famous idea to researchers and experts because it is related to many positive outcomes at workplace. This study presented literature and highlighted relationships between thriving at work and its positive outcome variables. Researcher explored how thriving matters at workplace for organizations and top management. Researcher reviewed past literature and identified and highlighted the new construct of thriving at workplace. Moreover, he also discovered various relationships where thriving matters. Researcher found thriving had active role in reducing adverse behaviors. Researcher recommended the top management to provide an environment that gives workers both learning and sense of vitality and hence benefit the entire organization (Abid, 2016). Thriving had connections to behavioral outcomes (Abid and Ahmed, 2016). Another study attempted to examine thriving at work and its outcomes. The results suggested organization should be worried for the wellbeing of their workforce and provide them an environment where they can thrive and feel blooming (Abid et al., 2015). Another study finds the relationship between positive personality traits namely hope and optimism with self-leadership through mediating mechanisms of thriving at work and proactivity (Arshad et al., 2017). Fair treatment at work place is necessary for the job satisfaction and also that such employees’ thrive at work more than those who are not fairly treated at work place (Abid et al., 2016b). Researchers also drew attention and highlighted reasons why scholars should stress on how working environment support individual
development. “Thriving is growth in a positive capacity, demonstrated in greater cognitive and behavioral complexity as well as enhanced vitality and energy” (Gretchen et al., 2004). Another study proposed a positive but secondary effect from promotion focus to innovation through thriving and a negative secondary effect from prevention focus to innovation through thriving (Wallace et al., 2016).

2.2. HR Practices and Employee Performance

Superior HR practices resulted in more skilled, committed, satisfied, and motivated and productive workforce that eventually promotes effectiveness of a firm. Relationship of HRM and performance was found to be versatile and multidirectional. Studies found relationship of HR practices such as training and performance to be mediated through workforce skills and their psychological states that ultimately resulted in superior organizational performance (Khan, 2010). A number of studies reported relationship between HR practices like (compensation, performance evaluation, promotion practices) and perceived employees performance (Baloch et al., 2010). Organizations are giving more attention to these three human resource management practices as by implementing these practices, productivity and performance of the employee’s increases (Huselid, 1995). Likewise, financial performance of the organization is affected by the HR practices as they are considered to be the key cause that contributes to the financial performance of the organization (Khera, 2010). Results also indicated a positive association between both HR practices (training, employee participation, selection and compensation) and financial performance. They further look in to the effect of organizational commitment and HR practices on profitability and performance of organization and indicated that execution of HR practices increase the ability, skills and productivity of employees and profitability of the business (Wright et al., 2003). The impact of HR practices is examined by the researcher and he discovered that there is a significant negative correlation between career development, job analysis, realistic job information, compensation variables and intention to leave organization. Whereas marketing executive intention to leave has positive relation to work family balance (Abeysekera, 2007). Level of job satisfaction of public and private sector bank employees in India was examined results revealed that private sector banking employees were found to be more satisfied regarding pay, benefits, growth and social characteristics of the job compared to public sector banks (Shrivastava and Purang, 2009). Researcher identified the organizational and personal factors contributing in strategic orientation of HR managers (Dharmasiri, 2009). Another study investigated that pay is the most important factor of job satisfaction of the employees but some other factors are also included such as commitment, recognition, promotion and job involvement (Hanif and Kamal, 2009). The effect of capacity building and productivity of employee came to the conclusion that productivity of employees influence the performance of the organization as a whole. Equipping employees with expertise weak supervision and required training (skills and knowledge) are some of the problems that affect the employee’s productivity and performance as the capability of the employees has direct effect on the performance of the organization (Wanyama and Mutsots, 2010). A study was conducted to evaluate the effects of HR practices on the organizational performance. Results of the study revealed that these HR practices had substantial and positive relationship with organizational performance (Khan, 2010). Strong significant association was found between all intermediating outcomes and behaviors that is motivation, job satisfaction, commitment, burnout, job involvement, turnover intentions, engagement, organizational justice and climate, psychological contract and perceived organizational support (Patterson et al., 2010). Another study stated that HR practices contributed a lot in the financial performance of an organization (Quresh et al., 2010). Another study explained the relationship between HR practices, turnover and job satisfaction. Results acknowledged that job satisfaction and HRM practices has a significant and positive relationship whereas job satisfaction and HRM practices are negatively correlated but has a significant relationship with the employee turnover. Moreover, the study reported the significance of the HRM practices help to maintain sustainable balance in the environment and established job satisfaction and HRM practices being strong predictor of employee turnover, i.e. the turnover will increase with the decrease in employee satisfaction (Mudor and Tooksoon, 2011).

2.3. Quality of Work Life

Quality of Work Life can be defined as “The quality of relationship between employees and the total working environment”. Quality of work life indicates working conditions. “It can be temperature, humidity, or some other ecological variable, or it can be work culture, facilities or the elements that specifically influence the work” (Gadon, 1984).

A study investigated that QWL programs have two main objectives, to increase productivity and satisfaction of employees. This leads to healthy, satisfied and productive employees, which further leads
to effective and profitable organization (Sadique, 2003). Another study mentioned, “Dissatisfaction with working life is a problem which affects almost all workers at one time or another, regardless of position or status”. The frustration, boredom, and anger are communal to employees dissatisfied with their work life and can be costly to both individual and organization (Walton, 1975). According to researcher Quality of Work Life programs can improve employee morale and organizational effectiveness (Halon and Gladstein, 1984). It is found that employee turnover can be reduced with better Quality of work life (Newaz et al., 2007).

2.4. Competence Based Management

Competency is derived from Latin word ‘competentia’ which means “is authorized to judge” as well as “has the right to speak”. Competencies could be defined as “observable abilities, skills, knowledge, motivations or traits defined in terms of the behaviors needed for successful job performance”. A research concludes it is one approach towards management development which may be taken with others (Currie and Darby, 1995). Further HR managers are known to the fact that talent management is the main source of gaining and sustaining a competitive advantage (Grigoryev, 2006).

2.5. Employee Participation

“Employee participation involves management actively encouraging staff to assist in running and improving business processes and operations”. Another source define, “employee participation includes management recognizing individual employees’ opinions and input, so that employees understand that management views them as unique and individually valuable to running the business”. Employee participation / empowerment involves management acknowledgment that employees may accomplish their own duties and work on their own, by informing employees’ about problem solving strategies, management may also put some decision-making authority to them (Menon, 2001). Employees must be encouraged to speak easily about problems and their solution in meetings or in front of problem-solving teams. When decision-making vested in the hands of skilled employees, problems settled rapidly since employees can act quickly and did not require permission all the time for their taken decisions. This leads to a more productive and efficient workplace (Gomez and Rosen, 2001).

2.6. Rationale of the Study/ Research Gap

Studies concerning to HR practices conducted yet in different sectors neglected the significance of quality of life in workplace, competence based management and employee’s participation by excluding it from research therefore, in this study quality of life in workplace, competence based management and employee’s participation is being included along with thriving of employee’s at work.

![Conceptual Framework](image)

From the above literature review, this study proposed the following hypotheses:

**Hypothesis 1**: Quality of work life is significantly associated with thriving at work.

**Hypothesis 2**: Competence based management is significantly associated with thriving at work.

**Hypothesis 3**: Employee’s participation is significantly associated with thriving at work.
3. Research Methodology
The basic purpose for this study is to examine the impact of HR practices namely Quality of Work Life, Competence Based Management and Employee Participation on the thriving of employees of banking sector. The study starts by instituting the practicality of realism research for investigating human resource management phenomena, and then reflects the repercussions of the realism paradigm for research design.

3.1. Population and Sample
Factors like obtainability of data and time constraint restricts this study to limit around two commercial banks (Islamic and conventional) of Pakistan namely Habib Bank Limited (HBL) and Meezan Bank Limited.

3.2. Sample Characteristics
Almost 180 questionnaires were circulated out of which 170 were received back by the researcher, of which 163 were included in the study, rest were excluded due to incomplete information. The sample constitutes 78% males and 22% females. In relations of educational qualification 78% of the respondents possess master’s degree in commerce, 17% holds bachelor’s degree in commerce and rest holds diploma/degree in other fields. The sample has respondents with the mean age of 35 years. Most of the employees have 5 years or more work experience, 3% of the respondents possess less than 1 year of work experience and 34% of the respondents have greater than 3 years of work experience in their currently employed bank. 88% of total respondents were married and 12% were unmarried. 91% were from middle management and only 9% were from top management.

3.3. Procedure
The branch managers of all the two banks namely Habib Bank Limited, located at university of the Punjab, New Campus, Lahore and Meezan Bank Limited, located at Islampura Lahore, were personally contacted on two different days to give them a detailed briefing about the objective of this research work. They were further requested to grant permission of getting the questionnaires filled up by their subordinated as per their convenience. Permission was granted to come on a specified day in break timings to get the questionnaires filled up by banking employees. The researcher reached to branches on the prescribed time and day and avail the unconditional and non-incentive based opportunity to get the questionnaires filled up collectively in the break time. The managers and the employees were very cooperative and take interest in filling up the questionnaires and asking relevant questions. Hence this way the activity was ended with a thanking note from on researcher’s part.

3.4. Source of Data
Management sciences usually uses survey to collect information from the sample selected for the study, so as, in this study, primary data was collected through floating questionnaire which were personally administered by researcher. The questionnaire was administered to employees of banking organizations in Punjab, Pakistan. A five points rating scale of questionnaire from (1) strongly Disagree to (5) strongly Agree was used to quantify the variables of HR Practices namely Quality of work life and competence based management. Thriving at Work was measured with scale developed by (Porath et al., 2012).

4. Data Analysis and Results
In the present study data was analyzed by descriptive, correlation and multiple regression models. Moreover the study was aimed to employ SPSS for data evaluation and manipulation as most widely used software in management sciences.
Reliability of scales was tested by Cronbach’s alpha, and all the values were above 0.80, which is considered to be good in management sciences.
Table 1 comprises the correlation analysis; 163 employees were surveyed about their level of thriving at work place \( M=4.28, SD=.459 \) and quality of work life \( M=3.85, SD=.54 \). A Pearson’s \( r \) data analysis revealed a strong correlation \( r = .80 \). Employees who enjoy good quality of work life thrive more at work place.
163 employees were surveyed about their level of thriving at work place \((M=4.28, SD=.459)\) and competence based management practices in their organization \((M=4.18, SD=.540)\). A Pearson’s \(r\) data analysis revealed a strong correlation \(r = .77\). Employees who feel that their organization deals with competence management based practices fairly thrive more. 163 employees were surveyed about their level of thriving at work place \((M=4.28, SD=.459)\) and employees participation level in decision making \((M=4.1, SD=.67)\). A Pearson’s \(r\) data analysis revealed a strong correlation \(r = .75\). Employees who have more say in Decision making, thrive more at work place.

Table 2 comprises regression analysis; to test the study hypotheses, hierarchical linear modeling was used. Model 1, regressed all control variables (age, gender, qualification, experience, level of job) with thriving at work. It was found that level of job was significantly but negatively impacting thriving at work, the dependent variable.

Model 2, regressed the independent variable, quality of work life along with control variables on employees’ thriving at work. It was found that quality of work life has a significant and positive impact on thriving at the workplace. Moreover, qualification and level of job are negatively impacting proactive personality. Thus, H1 is supported.

Model 3, regressed the independent variable, competence based management along with control variables on thriving at work. It was found that competence based management has a significant and positive impact on thriving at the workplace. Thus H2 is strongly supported.

Model 4, regressed the independent variable, employee participation with control variables on thriving at work. It was found that employee participation has no significant impact on thriving at the workplace. Thus, H4 is not supported.

Model 5, regressed all the three independent variables along with all the controls on thriving at work. It was found that 69.7% change in thriving is due to the study variables.

### 4.1. Discussions

This study is a distinctive struggle and focused on the impact of HR practices on the employee’s thriving at work, in banking companies of Lahore, Pakistan. The Study is significant as it is the first effort, as per the best of researchers’ knowledge that investigates the impact of human resource practices namely Quality of work life, Competence based management and Employees’ participation on thriving of employees at work place. Previous studies focused on some other human resource practices which are very common like Training and development, Reward and compensation etc. Further these practices are not studied with thriving of employees at work place yet, which itself is an emerging idea in the modern business. There are three main results of the current study. The discussion on these results is as follows:

Firstly, results found that Quality of work life is positively related to Employees’ Thriving at work. When worker feels that his/her organization pays attention on his/her well-being at work place, and is concerned about the working conditions then he/she will possibly thrive.

Secondly, study found that thriving at work is positively associated with Competence based management, result supports to theoretical model that in an organization if employees are selected and upraised on the basis of their skills, knowledge and proficiency they will thrive more at work. Hence competence based management plays an important role in employees’ thriving at work.

Lastly, study results does not supported the third hypothesis of which states that employee’s participation in decision making helps to thrive them more at work place. The reason might be small sample size, type of respondents and the type of organization for this study that is commercial banks who are responsible to implement the policies and decisions are made by State Bank of Pakistan (SBP’s) rather than at individual level.

### 4.2. Limitations of the Study and Future Directions

Current research is limited by the following facts:

1. Only the banking sector is considered for the current study. So, in future other sectors can be explored.
2. The study has a low sample size, future it may be increased subject to the availability of data.
3. Only the banking sector is considered in this study.
4. This study covers the impact of three HR practices namely, Quality of work life, Competence based management and employee participation on thriving In future some other practices may be studied to see their simulated impact on employee’s thriving at work.
5. Conclusion and Recommendations

In any organization HR practices are of great importance. In this study, some of the prominent HR practices had been united and their impact on employee’s thriving is examined. Given the research evidence that employees’ thriving at work is simulated by HR practices. This study focused on the following objectives. First, to describe the impact of HR practices namely quality of work life, competence based management and employee participation on thriving of employees. Second, exploring through the banking sector of Punjab, how they are putting into practice HR practices. Thirdly evaluating the existing HR practices and to propose subsequent strategies in accordance with the findings of this study and Finally, endow with banking organizations to put into practice human resource management practices to boost the performance of employees. Hence the banking sector should be concerned enough to develop their HR departments and henceforth their HR practices in such a way that employees feel thrive, vital and lively at their work places.

References


### Table 1. Correlation Analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>Gender</th>
<th>Age Of Respondent</th>
<th>Qualification Of Respondent</th>
<th>Total On Job Experience</th>
<th>Current Organization's Experience</th>
<th>Level Of Job</th>
<th>Marital Status</th>
<th>meanTAW</th>
<th>meanQWL</th>
<th>meanCBM</th>
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<td>-0.179 **</td>
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<tr>
<td>Total On Job Experience</td>
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<td>0.480 **</td>
<td>0.02</td>
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<tr>
<td>Current Organization's Experience</td>
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<td>0.204 **</td>
<td>-0.034</td>
<td>0.347 **</td>
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<tr>
<td>Level Of Job</td>
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<td>0.414 **</td>
<td>-0.109</td>
<td>0.054</td>
<td>0.099</td>
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<td>Marital Status</td>
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<td>0.313 **</td>
<td>-0.049</td>
<td>0.649 **</td>
<td>0.329 **</td>
<td>-0.01</td>
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<tr>
<td>Mean TAW</td>
<td>0.108</td>
<td>0.312 **</td>
<td>0.029</td>
<td>0.368 **</td>
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<td>0.003</td>
<td>0.271 **</td>
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<td>Mean QWL</td>
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<td>0.032</td>
<td>0.350 **</td>
<td>-0.012</td>
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<td>Mean EP</td>
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<td>0.754 **</td>
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Source: * Correlation is significant at the 0.05 level (2-tailed). ** Correlation is significant at the 0.01 level (2-tailed).

### Table 2. Regression Analysis

<table>
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<th>M1</th>
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<td><strong>Independent Variables</strong></td>
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<td>Quality of Work Life</td>
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<td>Competence Based Management</td>
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Source: Notes,99***, 95**,90*