Role of HR Practices (Bundle) In Gaining Employee’s Outcomes: An Empirical Study in the Context of Pharmaceutical Sector of Pakistan

Shabnam Khan
Department of Management Sciences, The Superior College, Lahore Pakistan
shabnam.khan@superior.edu.pk

Nadia Nasir
Department of Management Sciences, The Superior College, Lahore Pakistan
nadia.nasir@superior.edu.pk

Hammad Ahmad
Department of Management Sciences, The Superior College, Lahore Pakistan
hammadahmad87@hotmail.com

Abstract

In this modern and competitive era, the phenomenon of gaining employee’s outcomes is major apprehension across the globe. So, this paper attempts to suggest a detailed conceptual framework of HR practices (bundle) that contribute in employee’s outcome. Therefore, we highlighted various HRP bundle; namely recruitment and selection, training and development, employee’s involvement, employee’s empowerment, team working, job security, performance appraisal and extensive remuneration system as independent variable. While certain aspects of employee’s outcomes (employees commitment, engagement, satisfaction, employee’s loyalty and employee’s motivation) taken as dependent variable.

The data has been gathered from 350 employees of Pharmaceutical sector of Lahore; Pakistan through survey. Regression analysis has been used to check and test the association between selected variables. Results indicate the HRP bundle has positive significant relationship with employee’s outcomes. The above study is provided an enormous contribution in the overall
literature of the topic. This study will also be useful for the managers to ensure the effective policies that help them to improve the employee’s outcomes through focusing upon the implementation of various HR practices (bundle).

**Keywords:** HR Practices (bundle), Employee’s commitment, Employee’s engagement, Employee’s satisfaction, Employee’s loyalty and employee’s motivation.

1. Introduction

Globalization put a heavy pressure on pharmaceutical sector to work strategically in order to survive in this competitive environment (Al Zahrani, 2014). The Pakistani Pharmaceutical sector fulfills around finished medicine demand of the country to almost about 70% (Pakistani pharmaceutical Statistics, 2014). According to statistics of Pakistani pharmaceutical market (2014), almost 600 companies are operating in Pakistan with 100,000 employees and a market size of 3.2 billion US$. This industry is ranked as 10th largest in Asia pacific and leading with 13.5% annual growth (Pakistani pharmaceutical Statistics and Pakistani pharmaceutical Manufacturers Association, 2014). From last one decade, the healthcare sectors are growing speedily, but a lot much work needs to be done by the government and industrial stakeholders (Pakistani pharmaceutical Manufacturers Association, 2014). So, in today’s era of dynamic change, it has become increasingly important for pharmaceutical institutions to achieve high-level outcomes with sustainable competitive advantage. In this context, employees are needed who are not only able to contribute effectively and efficiently to achieving desired institutional performance, but are also capable of coping with changing tendencies and the ever-growing prospect of the pharmaceutical fraternity.

Being the important organizational asset, employees should be committed, engaged, loyal, satisfied, competent and efficient for the organisational success (Pablos & Lytras, 2008; Theriou & Chatzoglou, 2009). So, we can’t ignore the importance of employees in the success of organisation and ultimately leads to high economic growth of Pakistan.

Consistent with the arguments of academic scholars and practitioners, this paper attempts to recognise the influence of HRP comprising Recruitment and Selection of employees, Training and development of employees, employees’ involvement, employees’ empowerment, team working, job security, performance appraisal and extensive remuneration system: recommended by (Redman & Mathews, 1998) on the new dimensions of employee’s outcomes such as
employee’s commitment, engagement, satisfaction, loyalty and motivation in pharmaceutical sector of Pakistan. This study introduces the new concept of ‘employee’s outcomes’ by merging the different behaviours of employees within an organisation (Guest, 2004; Kular, Gatenby, Rees, Soane, & Truss, 2008; Youssef & Luthans, 2007).

A large number of the studies investigated about the individual HR practices and their role in employee’s commitment, engagement, satisfaction, loyalty and motivation etc in different sectors (Arthur, 1994; Delaney & Huselid, 1996; Dyer & Reeves, 1995; Ichniowski, Kochan, Levine, Olson, & Strauss, 1996; Wood & De Menezes, 1998; Youndt, Snell, Dean, & Lepak, 1996), but up till now rarely any research has been done on the extensive model of human resources practices bundle, dimensions of employee’s outcomes and especially in the pharmaceutical sector. There is another gap in the previous studies that their main focus and target is developed countries while ignored Pakistan being a developing country (Arthur, 1994).

Therefore, the major concern of current study is to elucidate the associational mechanism in employee’s outcomes and a selected bundle of HRM practices by using the notion of universalistic approach, is under researched especially in Pharmaceutical sector of Lahore, Pakistan regarding HR system. There are following practical and theoretical contributions of above mentioned model.

1. The pharmaceutical sector is a major contributor to GDP. Therefore, this study becomes a major theoretical support to the literature of bundle of HRP in universalistic perspective and employee’s outcomes in the pharmaceutical sector.

2. For effective management of pharmaceutical sector, a bundle of HR practices has identified for the effectiveness of individual behaviour named as employee’s outcomes but also to the performance of institutions as well; whereas, organisational outcome is not the part of this research study.

2 Literature Review

2.1. A definition of Human resource practices

According to (Lado & Wilson, 1994), Human resource is considered as one of the most imperative asset of an organisation. It is basically a system of interrelated activities that is designed to attract, develop, and maintain the important organisational asset but unfortunately there are very limited organisations which are utilizing it effectively.
As HR is the key resource of an organisation (ÖZLEN & HANDZIC, 2012), So there is need to effectual strategic alignment of both management and employees at the same concern (Akpan, 2011; Richard & Johnson, 2004). Researchers claimed that organisation should effectively utilize its Human resource to get the survival and competitive edge and reach the height of success.

2.2. Theoretical approaches to HRM

From the last few decades, the field of Human Resource Management has become a major issue for both academicians and practitioners (Gramm & Schnell, 2013). Resultantly, the strategic role of HRM is enlightened. The theoretical approach of HRM has also enabled the organisations to take the decision about the use of best HR practices presented by different researchers (Pfeffer, 1994; Redman & Mathews, 1998; Teclemichael Tessema & Soeters, 2006; Yin & Cai, 2009). However, there is a need to understand and analyse the theoretical contribution of HRM for the success of individual and organisation.

From the extensive literature review, it has been identified that Universalistic perspective, Contingency perspective and Configurationally perspective are three different perspectives of researchers for HRP (Ferris, Hochwarter, Buckley, Harrell-Cook, & Frink, 1999; Yin & Cai, 2009). The universalistic perspective expresses that there are certain best HR practice that are commonly acceptable, suitable, and implementable and result in higher employees and organisational outcomes irrespective of the type of industry or any other constraint (Delery & Doty, 1996; Paauwe & Boselie, 2005; Pfeffer, 1994; Yin & Cai, 2009) while contingency and configurationally approaches are strategic based for internal and external fit HR systems. So, this study followed the universalistic best HRP bundle to determine and gain the effective employee’s outcomes.

2.3 Rationale for the Selection of HR Practices

The extensive review of literature presented different perspectives of researchers for HR system, but the current research used to determine and analyse the effect of HRP bundle recommended by (Redman & Mathews, 1998). The HRP bundle includes: recruitment and selection, training and development, employee’s involvement, employee’s empowerment, team working, job security, performance appraisal and lastly extensive remuneration system.

The rationale behind this selection is:
1. Human Resource scholars have presented that HRP systems/bundles are more outcomes oriented than isolated practices. Therefore, this study tries to verify the concept that whether the effect of bundle is greater than the isolated HR practices, as highlighted by the researchers (Arthur, 1994; Baron & Kreps, 1999; Dyer & Reeves, 1995; Huselid, 1995).

2. It might be possible that the perceptions of management and employees differ (Gallie, Felstead, & Green, 2001). Therefore, this study has intended to check the employee’s perception about HR practices.

3. This study aims to test the applicability of HRP bundle for improving the outcome of employees in a developing country i.e. Pakistan.

2.4 Linking HRM and Employee’s Commitment

Employee’s commitment has major role in organisational growth that is concerned to the characteristics related to individual, his work and organisation (Kaufman, 2007). HRP plays a vital role to secure the employee’s commitment with the organisational policies and systems (Bhatnagar, 2007; Su, Baird, & Blair, 2009). Committed employee contributes positively towards the development and growth of the organisation and helps it in achieving individual and organisational goal.

There is limited research endeavored to investigate the association among HRM practices and commitment particularly at Pharmaceutical sector in the countries like Pakistan. Initially, a study originated regarding the perceptions of HRP is required to be given more importance than the actual practices in increasing employee’s commitment (Taylor, Levy, Boyacigilier, & Beechler, 2008). Job security is considered as an important component which enhances employee’s commitment level with their organisation (Meyer & Smith, 2000; Wong, Ngo, & Wong, 2002; Yu & Egri, 2005). Human resources management practices are a prominent element in meeting the expectations of employees and fostering high levels of organisational commitment (Ogilvie, 1986). Organisational commitment is described in various forms i.e. affective commitment, normative commitment and continuance commitment (Allen & Meyer, 1990). Commitment is a dynamic emotional state that changes throughout the employment relationship, and accordingly, human resource management practices must be appropriate throughout the entire relationship. It is found that intrinsic, rather than extrinsic; rewards are the most powerful determinants of affective commitment (Mottaz, 1988). From managerial perspective, human resource
management practices may be practical and applied approach to establish commitment by consultants and professionals (Ogilvie, 1986).

Researchers have examined individual HRM practices which affects commitment, containing flexibility policies (Paul & Anantharaman, 2004), training and development (Benson & Dundis, 2003), profit sharing schemes (Farndale, Hope-Hailey, & Kelliher, 2011). Few others have inspected the influence of HRP bundle on commitment of employees (Julian Gould-Williams, 1999; Kinnie, Hutchinson, Purcell, Rayton, & Swart, 2005; Smeenk, Eisinga, Teelken, & Doorewaard, 2006). It is examined training, staffing, and performance management practices to increase the commitment level of employees.

2.5. Linking HRM and Employee’s Engagement

Employee’s engagement has originated as a dominant organisational concept for organisational practitioners and consultants (Gelade & Ivery, 2003; Hislop, 2003; Renee Baptiste, 2008; W. B. Schaufeli & Salanova, 2008; W. B. Schaufeli, Shimazu, & Taris, 2009). Over past few decades, by concentrating on it, work engagement has gained importance (Alfes, Shantz, Truss, & Soane, 2013; W. B. Schaufeli & Salanova, 2008). It is examined that measure of work engagement containing these three components; dynamism, enthusiasm, and inclusion (W. B. Schaufeli & Salanova, 2008). The accruing research presented that the engagement measures are valid reliable and stable (Hallberg, Johansson, & Schaufeli, 2007; W. B. Schaufeli & Salanova, 2008). Work engagement has been taken as a dependent, independent, mediator and moderator in different studies. Therefore, engagement is related with individual, group and work related outcomes (Attridge, 2009; Hallberg et al., 2007; W. B. Schaufeli & Salanova, 2008; W. B. Schaufeli et al., 2009). (Attridge, 2009) discussed that human resource practices are one the major factor that enhance the employee’s engagement with their task and organisation. Traditional versus modern organisation can differentiate on the basis of implementation of HR practices that perfectly engage the employees with their working environment and lead to success (Burke & El-Kot, 2010).

2.6 Linking HRM and Employee’s Satisfaction

HR Practices are positively significantly affecting the employee’s satisfaction (Purcell & Hutchinson, 2007; Tiwari & Saxena, 2012; Tooksoon, 2011). Job satisfaction demonstrated the employees’ feelings on different dimensions of job (Melián-González, Bulchand-Gidumal, &
González López-Valcárcel, 2015). It’s a general conduct which occurs in different situations at the workplace i.e. Supervisors behavior, workplace environment and relationship with peers (Shamsudin, Subramaniam, & Sri Ramalu, 2014). Employees’ job satisfaction may usually be determined by job rewards (Gan, 2011).

Human resource practices are usually linked to job satisfaction (Khdair, 2013). Scholars, policy makers and practitioners consider that better human resource practices are required to enhance the job satisfaction which eventually enhances organisational performance (Kinnie et al., 2005). HR Practices have positive association with job satisfaction of employees (Renee Baptiste, 2008). HR Practices improve job satisfaction of employees and their rewards satisfaction. The influence of HR Practices was examined on job satisfaction in PSCB in Malaysia. Workers having less education used to be more satisfied. In the same way, another study was conducted to observe the impact of HRM practices on job satisfaction.

HR practices includes: employee’s hiring, training, development, performance management and motivational practices. The association among human resource practices by considering supervisors role, involvement in decision making and policies regarding compensation and employees’ job satisfaction has been examined in the manufacturing and service sectors of Pakistan (Iqbal, Qureshi, Khan, & Hijazi, 2013).

2.7 Linking HRM and Employee’s Loyalty

Conventionally, the intention and capacity to stay with an organisation in the long run is considered employee’s loyalty (Eskildsen & Nussler, 2000). According to modern definition, employee’s loyalty is not only concerned to time spend at workplace, but it also includes the commitment while on job (Hislop, 2003). Loyalty is the willingness of employees’ devotion to fortify an association with an organisation (Dean, 2004).

Loyalty has long been given importance as it accompanies employees’ behaviors as well i.e. attendance, turnover and organisational citizenship (Boselie, Dietz, & Boon, 2005). Several human resource practitioners support the work –life policies opted by committed employees infer loyalty (Purcell & Kinnie, 2007). Thus, the required HRM policies will be positively associated with employee’s loyalty (Silvestro, 2002). HRM policies are contributing aspects for employee’s loyalty adopted by Japanese. In Malaysia, suitable HRM policies are really
significant to sustain economic growth. Employee’s loyalty and long–term employment are encouraged by Japanese human resource management (Silvestro, 2002).

Generally, psychological attachment or organisational commitment demarcated as employee’s loyalty and increases of implementation of best HR Practices. An International Manpower Employee’s loyalty Survey 2002-12 indicated that a set of HR practices is the primary motive and factor which will increase loyalty of an employee (Barnard & Rodgers, 2000).

2.8 Linking HRM and Employee’s Motivation

Motivation is the willingness of employees to exert an extra–ordinary effort (Guest, 1997) in exchange best HR practices (Truss, 2001). There is another important aspect to notice that usually job satisfaction and motivation are considered as similar term, and there is no major difference between both terms. The term ‘Motivation’ is the individual’s readiness to involve some task or activity and willing to achieve the organisational goals. Whereas job satisfaction means the happiness of an individual about the wellbeing provided by an organisation on some specific job. Moreover, (Julian Gould-Williams & Davies, 2005) discussed the government workers motivated with the team work, employee’s involvement and trust in management at their workplace.

According to (Alfes, Truss, Soane, Rees, & Gatenby, 2013; J Gould-Williams & Mohamed, 2010), HR practices are positively and significantly associated with employee’s motivation level, particularly from the policies of compensation and benefit. Few other studies disclosing an association between compensation programmes and motivation (Kuvaas & Dysvik, 2010; Tremblay, Cloutier, Simard, Chênevert, & Vandenberghhe, 2010) and in promotional opportunities and motivation (Alfes, Shantz, & Truss, 2012; J. S. Gould-Williams, Mostafa, & Bottomley, 2013; Vermeeren, Kuipers, & Steijn, 2014) were observed.
3. Methodology

This section of the paper includes research approach, description of sampling, instrumentation, data reliability, data collection and data analysis methods.

In current study, systematic and quantitative research approach (paradigm is positivism) is utilised to test the association between human resource practices and employees’ outcome. Probability sampling technique is used to randomly select the 350 employees of Pharmaceutical sector from the city of Lahore only. In the regards of research objectivity, data has been collected on following variables; HRP bundle and employee’s outcomes through self-administered questionnaire. This survey instrument has two major portions; demographic profile and response of respondents on the selected variables on a five point Likert Scale (1=strongly disagree to 5=strongly agree). For this study, internal reliability of the data was checked and verified by the value of Cronbach’s alpha. For the analysis of data, we have used descriptive statistics (for the description of demographic profile of sample). In this study, PCA (Principal Component Analysis) is used to identify the principal or major component for constructs that covers the major portion of data (i.e. HRP bundle and employee’s outcomes). To check or test the hypotheses based on theoretical model, we have applied series of regression and correlation analysis.
4. Data Analysis

Table 1. Demographic Profile of Respondents

<table>
<thead>
<tr>
<th>Demographic Details</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender (N = 350)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>277</td>
<td>79</td>
</tr>
<tr>
<td>Female</td>
<td>73</td>
<td>21</td>
</tr>
<tr>
<td><strong>Age (N = 350)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 30</td>
<td>172</td>
<td></td>
</tr>
<tr>
<td>30–39</td>
<td>55</td>
<td>18</td>
</tr>
<tr>
<td><strong>Qualification (N = 350)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Masters Degree or below</td>
<td>327</td>
<td>93</td>
</tr>
<tr>
<td>M. Phil or PhD</td>
<td>23</td>
<td>7</td>
</tr>
<tr>
<td><strong>Sector (N = 350)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public</td>
<td>222</td>
<td>63.2</td>
</tr>
<tr>
<td>Private</td>
<td>128</td>
<td>36.8</td>
</tr>
<tr>
<td><strong>Type of Contractual Appointment (N = 350)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanent employee</td>
<td>256</td>
<td>73</td>
</tr>
<tr>
<td>Full-time Contractual Appointment</td>
<td>94</td>
<td>27</td>
</tr>
<tr>
<td><strong>Salary in Rupees (N = 350)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than Rs. 30,000</td>
<td>212</td>
<td>61.2</td>
</tr>
<tr>
<td>Rs. 30,000 – Rs. 50,000</td>
<td>70</td>
<td>18</td>
</tr>
</tbody>
</table>

In this research study, 350 questionnaires were distributed among the employees of Pharmaceutical sector of Lahore, Pakistan. Resultantly, we got perfect response rate of 100%. The above table presented the demographic profile of the respondents. Out of 350 respondents, 79% are males and 21% are females. In case of age, 172 respondents are below the age of 30 years, 62 respondents lie between 30–39 years, 55 are within 40–49 years, 50 respondents are in
the age group of 50–59 and 11 are aged above 60. From 350 respondents, 327 are Master degree holders and only 23 having M. Phil or PhD degree. While 222 respondents belong to public sector and 128 are from private sector. While with respect to type of employment, 73% employees are permanent employees and only 27% are full-time contractual employees. As per as salary is concerned, 61.2% respondents get salary less than Rs. 30,000, 18% has Rs. 30,000-50,000 salary, 11.1% has Rs. 51,000 to 80,000 salary and only 9.7% get above than 80,000.

Table 2. Descriptive statistics of measure items

<table>
<thead>
<tr>
<th>Items</th>
<th>N</th>
<th>Min.</th>
<th>Max.</th>
<th>Mean</th>
<th>Std. D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HRM Practices</td>
<td>350</td>
<td>1</td>
<td>5</td>
<td>3.42</td>
<td>1.026</td>
</tr>
<tr>
<td>Employee’s commitment</td>
<td>350</td>
<td>1</td>
<td>5</td>
<td>3.40</td>
<td>1.064</td>
</tr>
<tr>
<td>Employee’s engagement</td>
<td>349</td>
<td>1</td>
<td>5</td>
<td>3.34</td>
<td>.944</td>
</tr>
<tr>
<td>Employee’s satisfaction</td>
<td>350</td>
<td>1</td>
<td>5</td>
<td>3.40</td>
<td>.889</td>
</tr>
<tr>
<td>Employee’s motivation</td>
<td>350</td>
<td>1</td>
<td>5</td>
<td>3.64</td>
<td>1.024</td>
</tr>
<tr>
<td>Employee’s loyalty</td>
<td>350</td>
<td>1</td>
<td>5</td>
<td>3.47</td>
<td>.999</td>
</tr>
</tbody>
</table>

This research study, a survey of 38 items is used, on which the response rate of all items vary from 1 to 5. The results show that mean values of different items (range from 3.34 to 3.64), standard deviation (varies between 0.889 to 1.064) See table given as above.

4.1 Reliability of Measurement

Table 4. Reliability Analysis

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Valid N</th>
<th>Number of Items</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR practices</td>
<td>350</td>
<td>15</td>
<td>.756</td>
</tr>
<tr>
<td>Employee’s commitment</td>
<td>350</td>
<td>6</td>
<td>.820</td>
</tr>
</tbody>
</table>
The above table presented the value of Cronbach’s Alpha to check the internal consistency and reliability of the measure. The values of Cronbach’s alpha range from 0.791 to 0.958 which indicates that data against each variable possesses high reliability as the values of Cronbach’s Alpha are higher the 0.7 standard values. HR Practices (alpha = 0.756), employee’s commitment (alpha = 0.820), employee’s engagement (alpha = 0.921), employee’s satisfaction (alpha = 0.791), employee’s motivation (alpha = 0.856) and employee’s loyalty (alpha = 0.907) possess high reliability.

Table 4. Regression Analysis

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EC</td>
</tr>
<tr>
<td>HRP (Bundle)</td>
<td></td>
</tr>
<tr>
<td>Sig. Value</td>
<td></td>
</tr>
<tr>
<td>Coefficient</td>
<td>.496</td>
</tr>
<tr>
<td>Standard error</td>
<td></td>
</tr>
<tr>
<td>T-Ratio</td>
<td>.032</td>
</tr>
<tr>
<td></td>
<td>15.302</td>
</tr>
<tr>
<td>R²</td>
<td>.357</td>
</tr>
<tr>
<td>F-Statistics</td>
<td>234.148</td>
</tr>
</tbody>
</table>

EC: Employee’s commitment, EE: Employee’s engagement, ES: Employee’s satisfaction, EM: Employee’s motivation and EL: Employee’s loyalty.
The table 5 represents the regression results for HRP (Bundle) and employee’s outcomes (employee’s commitment, engagement, satisfaction, loyalty and motivation). The following results show that HRP (Bundle) has positive significant (p<0.01) relationship with all dimensions of employee’s outcomes (employee’s commitment, engagement, satisfaction, loyalty and motivation) as their Sig. values are less than 0.05 (Standard Sig. values). In Regression analysis, the value of $R^2$ (.357) shows that HRP (Bundle) explaining 35% of the variance regarding employee’s commitment. However, this can also be confirmed through coefficient value of beta ($\beta = .496$, Std. error = .032). For HRP (Bundle) and employee’s engagement ($R^2 = .389$) explaining 39% of variation in employee’s engagement due to one unit change in HRP (Bundle) and for HRP (Bundle) and employee’s satisfaction, the value of $R^2$ (.249) shows that HRP explaining 24% variation in employee’s satisfaction. While, in case of HRP (Bundle) and employee’s motivation, the value of $R^2$ (.379) shows that HRP explaining 38% variation in employee’s motivation. Though, both effects are positive and significant at less than one percent. Furthermore, for HRP (Bundle) and employee’s loyalty the value of $R^2$ (.579) shows that HRP explaining 57% variation in employee’s loyalty. The values of F-Statistics (EC: 234.148*, EE: 416.08*, ES: 226.32*, EM: 312.32*, EL: 315.32*) show that the above defined model (from literature) is good fit enough.

5. Results Discussion

This study presented empirical evidence to expose the core relationship of HRM practices (bundle) and employee’s outcomes taken as employee’s commitment, engagement, satisfaction, motivation and loyalty (Al Damoe, 2014; Boselie et al., 2005; Eskildsen & Nussler, 2000; Huselid, 1995; Melián-González et al., 2015; Van De Voorde, Paauwe, & Van Veldhoven, 2012).
in Pharmaceutical sector of Pakistan (Azhar et al., 2009; Zaman, 2011). A list of employers considered that the pre-requisite to release the unexplored potential of employees for taking competitive advantage in this global era (Adekola, 2010; Burke & Cooper, 2008).

With respect to HR practices and commitment of employees, the inferences propose that there is positively significant relationship exists between these two selected constructs. These results are presented through regression (β = 0.496, sig. <0.01) and correlation analysis technique. The current study supports the results of (Julian Gould-Williams, 1999; Joarder, Sharif, & Ahmmed, 2011; Mohyin, Dainty, & Carrillo, 2012; Mostafa, 2013; Sabir, Khan, Siddiqui, & Dad, 2012) that human resource management plays vital role in securing the commitment of the employee to the organisation.

The results of this study confirm the hypothesized direct relationship of HRM practices (bundle) and employee’s engagement level (β = 0.503, sig. <0.01). The results of current research are exactly matched with the previous research findings (Hakanen, Schaufeli, & Ahola, 2008; W. Schaufeli & Salanova, 2007). The results of the study support the notion of linkage of HR practice and employee’s engagement within the organisational jurisdiction. Analysis of bundle of HR practices reveals that sufficient opportunities for training and development, effective recruitment and selection, team working, job security, employee involvement, empowerment, extensive remuneration system and performance appraisal appear as significant factors of employee’s engagement (Banfield & Kay, 2012; Entrekin & Scott-Ladd, 2013).

With respect to direct relationship, the results of the study reveal that there is positive direct relationship between HRM practices and job satisfaction as β = 0.636, sig. <0.01 (Colakoglu, Hong, & Lepak, 2010; Dweck, 2000). Since job satisfaction is the inner happiness of an individual about various factors such as pay, involvement in decision making, job security and so on, it is regarded as being important (Dweck, 1986; Elliott & Dweck, 1988). Loyalty is the employees commitment to strengthen the employee and workplace association (Rigby, Reichheld, & Dawson, 2003).The appropriate human resource practices may improve employees loyalty level (Bambacas & Bordia, 2009). The results of present study supports the theory of (LARI, TAJDAR, NAKHAIE, & JAVDANI, 2015) by giving the following values: β = 0.62, sig. <0.01. With respect to the hypothesized relationship, the results of the study show that there is direct positive relationship between selected bundle HRM practices and
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motivation ($\beta = 0.62$, sig. <0.01). The results of current study verified the arguments of (Bibi, Lanrong, & Haseeb; Cherabin, 2014).

6. Conclusion, Limitations and Future Research

Considering the important role of employees in the success of pharmaceutical sector, the major concern of the current research is to testify the impact of HRP bundle on the employee’s outcomes. The dependent side of model includes employee’s satisfaction, commitment, engagement, motivation and loyalty. The results of the study reveal that the selected set of HRP positively affects the employee’s outcomes. HRP bundle has strong positive relationship with dimensions of employee’s outcomes except employee’s satisfaction that has moderating relationship. Depends upon past research, the findings of current study suggest that HR department or managers should apply HR Practices in the form of bundle rather than in isolated effects (Guthrie, 2001; Way, 2002). From these result, it can be concluded that if we want to achieve the higher level of employee’s outcomes, we have to focus on effective HR Practices. The findings revealed in the study may opt in diversified ways in various sector organisations of Pakistan. The study recommends that pharmaceutical companies have to devise innovative strategies for enhancing employee’s outcomes.

By reviewing the literature, the major assumptions of this study with respect to selected HRM practices are: a) the approach of best HRP bundle adopted in this study is universal and can be applied in different contexts; b) the effect of bundle of HRM practices is greater than the HRM practices implemented or tested in isolation; and c) HRP bundle effect the employee’s outcomes (Iqbal et al., 2013; Redman & Mathews, 1998) are fulfilled. In a nut shell, this study provides an interesting and supporting result about HRP bundle and employee’s outcomes defined as employee’s commitment, engagement, satisfaction, motivation and loyalty in Pharmaceutical sector of Pakistan.

Future researchers need to study the set of HR practices that recommended by any other researcher. Researchers can also investigate the role of individual HR practices instead of bundle in any other sector that can provide a very comprehensible and broader picture to managers to assess the factors leading towards the best employee’s outcomes. Future researcher should address the other dimensions of employee’s outcomes. Another important context for upcoming researches is to explore the role of HR practices, and employee’s outcomes in organisational
outcomes. Researcher should add the manager’s perspective in future research missing in current study because there are various limitations in current study regarding sample, area, site, concept and methodology that can be addresses in future research work. To authenticate the decree presented in this research work, Case study may be used for future research. Further, the research model tested here may be re tested in other contexts and settings to generalize it on economic sectors.

References


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