The impact of perceived high performing work practices on employee engagement: a study on multinational corporations operating in Sri Lanka

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ABSTRACT
Investigating the impact of perceived high performing work practices (HPWP) on employee engagement (EE) in multinational corporations (MNCs) operating in Sri Lanka is the main purpose of this study. There was very few research studies conduct to estimate this relationship, yet none examines the impact of perceived HPWP on dimensions of employee engagement; vigor, dedication and absorption. A self-administered questionnaire, which developed using standard measures, and distributed employees above executive level in MNCs. The data were collected from 348 employees. Finding reveals a positive impact of perceived HPWP on employee engagement and with each dimension; vigor, dedication and absorption. The study contributes to employee engagement and high performance work practices literature by focusing on an untouched area.

 Contribution/ Originality
The study is on perceived high performance work practices and engagement of employees in multinational corporations operating in Sri Lanka. None of the studies found on this in the Sri Lankan context, and very few in multinational corporations which contributes to the literature. Further, very few studies have conducted combining these both variables in previous studies. Moreover, none of the studies were found related vigor, dedication and absorption with HPWP, thus create the novelty of the present study and contribute to employee engagement literature.

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1. INTRODUCTION

Both the business and academic domains identified that consideration of employee engagement in the present business context as a major concern. The attention of practitioners and academics in several disciplines around the world on employee engagement has enormous, specifically the academics in human resource development, organizational behavior, management, organizational psychology, because of increased competition as a consequence of organizations in searching for ways to increase productivity. Further, Employee engagement is seen as a way to increase productivity in order to achieve better results and higher profits.

However, the level of engagement remains low in many organizations and around the world despite these organizations have made considerable investments to increase employee engagement. Companies and leaders over the world recognized gains of engaging employees and many have conducted studies and investigations to measure engagement over the past decade. A comprehensive study conducted by Gallup (2016) to investigate the position of employee engagement around the world among 142 countries. He revealed that 63% of the employees in organizations are disengaged and 24% are actively disengaged while only 13% of the employees were engaged in their job and the workplace.

The question of many organizations raises on focusing employee engagement is: "Why isn’t the level of engagement across the world increasing?" The tendency for this scenario is the linkage of employee engagement with the employee job performance backed by employee outcomes (Anitha, 2014). Therefore, the current business world has identified employee’s engagement is a critical factor in their survival. Appelbaum (2014) brings the theoretical explanation of the link between high performing work practices and employee engagement. Comparing traditional HRM practices with High performing work practices (HPWP), HPWP do not differentiate certain borderline between upper and lower management levels and HPWP do not require hard or definite job descriptions/definitions. Furthermore, HPWP embrace regular management practices in a flexible manner and facilitate employees to have more authority in work arrangements and allow them to make decisions on the job.

Evidence from the Sri Lankan context, it was observed that not only domestic organizations but also multinationals which operates in Sri Lanka keen on improving the level of employee engagement through practicing high performing work practices. Many such examples can be found where focused effort towards engaging employees had generated results. Current researcher focused on multinational corporations, which operates in Sri Lanka, to investigate the link between HPWP and EE.

2. LITERATURE REVIEW

2.1. Employee engagement

Kahn (1990) suggested that when individuals leave out their personal lives during performing the job results personal engagement, which upstretched from social psychological work of him, where engagement first appeared the academic vocabulary. Kahn (1990) stated “the harnessing of organization members” as engagement where characteristics to their work role by which they employ and express themselves physically, emotionally, and cognitively. Further, he conceptualized engagement in psychological terms as “the simultaneous employment and expression of a person’s preferred self in task behaviors that promote connections to work, personal presence (physical, cognitive, and emotional) and active full performances”.

Utilizing physical energy to accomplish behaviors that accepted by the organization with enhanced levels of exertion for a longer period of time is considered as the physical aspect of engagement, where the emotional aspect is the way employees sense their job and the emotional energy required to fulfill the emotional demands of their roles. Employees’ mindfulness, caution, attention and devotion to their work roles considered as the cognitive aspect of engagement (Kahn, 1990). Thus, Kahn (1990) stated
engagement is best defined as a multidimensional, motivational notion that reflects individual’s physical, emotional and cognitive energy in a work role simultaneously.

Job engagement as “a positive, fulfilling, work-related state of mind that characterized by vigor, dedication, and absorption”. Vigor is considered as “high levels of energy and mental resilience while working, the willingness to invest effort in one’s work, and persistence even in the face of difficulty”. Dedication is “a sense of significance, enthusiasm, inspiration, pride, and challenge”. Finally, absorption is “being fully concentrated and deeply engrossed in one’s work, whereby time passes quickly and one has difficulties with detaching oneself from work (Schaufeli et al., 2002).

The theory of positive emotions (Fredrickson, 2001) and theory of conservation of resources (Hobfoll, 1989), have brought up the link between engagement with organizational effectiveness. Those scholarly work confirmed the association of employee engagement with higher levels of individual and organizational performance (Schaufeli et al., 2009). Hence, employee engagement creates a competitive advantage by enhancing the bottom line of the organization. Further, researchers have illustrate the deviation job satisfaction, organizational commitment, affective commitment, job involvement, organizational citizenship behavior, burnout and workaholism from engagement, and highlighted the difference of those concepts noticeably (Kular et al., 2008; Schaufeli et al., 2009; Vigoda-Gadot et al., 2013).

Employees who engaged are intense with the energy, highly enthusiastic and fully absorbed for the job assigned by dedicating their intellectual, emotional, and physical resources (Karatepe, 2011). Engagement of an individual is perceived higher when he/she knows the meaning of what they perform. Similarly, feeling of psychologically safety make the individual be more engaged at the job. Mediation effect of employee engagement the relationship between perceived HRM practices (ex: recruitment and selection, training and development or performance management and individual behavior) was discussed by Alfes et al. (2013). Further, they suggested that the affiliation of the employee with their immediate supervisor and climate of organizational become a significant factor that contributes employee engagement. Wickramasinghe and Perera (2014) found that employee engagement and quality performance is mediated by organization citizenship behavior similarly in organizational support and quality performance. Furthermore, it was found that internal communication significantly relates to employee engagement (Karanges et al., 2015).

Gallup (2016) argued that actively disengaged employees are emotionally detached from their organizations, which make them less productive and tend to enhance absenteeism, thus it affect employee engagement, business growth and profitability. Further, these disengaged employees revert the co-worker effort while chasing the important customers away and spread their negativity around the organization, consequently, work against the interests of the employer. Thus, this active disengagement is a massive negative factor that has harm the economies all over the world. For instance, Gallup’s (2016) report estimates, that for the United States, costs from active disengagement US$450 billion to $550 billion per year where in Germany (US$151 billion to $186 billion). Likewise, United Kingdom, cost the country a sum between US$64 billion and US$86 billion per year.

It has been shown that senior executives may be the most likely demographic to be engaged and least likely to be disengaged, whereas hourly employees have the lowest levels of engagement (Towers, 2003). Engagement allows employees to respond to challenging situations in working environment, display proactive and positive behaviors, and enhance the adaptation to specific situations (Slatten and Mehmetoglu, 2011). Engaged employees enhance their willingness to work hard compared to those employees who are disengaged and they are enthusiastic to use their energy and go the further to facilitate customer needs (Macey and Schneider, 2008). Leaders can enhance engagement by implementing more supportive supervisory practices to boost employee development, creating more meaningfulness by ensuring higher perceived person-job fit, and offering employees voice to fully express themselves in the job role thereby enhancing their safety (Rees et al., 2013).
Engaged employees are committed to organizational values and are motivated to contribute to the execution and achievement of the organizational goals, whereas experiencing well-being (Sandmann et al., 2014). Engaged employees are intelligent and talented than their non-engaged co-workers as engaged employees deliver healthier work and lifestyle. Further, they bring positive emotions, cultivate resources within them and encourage to transfer their engagement to others colleagues (Bakker and Demerouti, 2008; Jayarathna, 2017). Further, being more faithful, trustworthy and less motivated to leave the organization voluntarily are identified as characteristics of an engaged employee (Macey and Schneider, 2008). A study conducted in China among hotel managers on work engagement (Burke et al., 2009) reported that job satisfaction and individual psychological well-being is positively associated with employee engagement. Moreover, engaged employees are characterized by special capabilities; such as positive attitudes, confidence, self-efficacy, self-respect, tractability to cope up with turbulent scenarios. These characteristics enable the employees who are engaged to adjust to changing environment and be strong and control the working environment effectively (Bakker and Demerouti, 2008).

2.2. High performing work practices

There is no comprehensive definitions, measurements, essential and required constituents of high performing work practices (HPWP) exist (Takeuchi et al., 2009). However, perceived high performing work practices (PHPWP) highlight job security, cross departmental education and training, internal promotion opportunities, performance oriented evaluation, career development, long-term customer relationship maintenance, smooth communication channels, attractive salaries, teamwork, and equality among employee levels. Thus, HPWP intend to empower employees who contribute to organizational performance, being a unique set of complementary human resource management (HRM) practices (Appelbaum et al., 2015). Eldor and Vigoda-Gadot (2017) highlighted that HRM and management practices contain the processes and structures with the purpose of enhancing employee commitment, productivity and their knowledge, skills and attitudes are often called HPWP. Additionally, HPWP promote employees to work deliberately improving motivation and empowerment. Further, it was noted that HPWP stimulate flexibility and efficiency within the organization by activating internal and organizational social structures (Evans and Davis, 2005).

Staffing, compensation, training, development, and performance management that aimed at managing people is normally comprised in HPWP. In addition, HPWP are intended to acquire and sustain highly qualified employees. Further, studies on HPWP discussed on informational justice and mechanism that share information within the organization influence on employee engagement and involvement. Similarly, HPWP relate with job security and employee participation mechanisms also influence employee engagement and employee involvement (Jensen et al., 2013). Further, HPWP work as an outline laying prominence on the manner that overall productivity and performance of an organization is enhanced by highly skilled and engaged workforce contribute to the (Iverson and Zatzick, 2011). Moreover, it is argued a working environment that encourages HPWP will enable the employees to possess extra skills to execute their jobs appropriately, rich information to make effective decisions, more authority to choose the best for the organization, and motivation to align job performance of an individual with the organization’s goals (O’Neill et al., 2011). Consequently, HPWP influenced organizational effectiveness through enhancing employee morale (Rana, 2015), enhances job satisfaction, job commitment, job performance, work-life balance and lowered job stress and fatigue (Butts et al., 2009; Macky and Boxall, 2008)

HPWP practices foster a situation where both the organization and employees win and have mutual gains ultimately create the central outcome that HPWP enhances organizational performance. Agreeing on that employees are in a positive scenario where HRM practices and specifically HPWP have a tendency to have the most instant and speedy impact on employee outcomes (Zhang and Morris, 2014) and through this impact organisational performance outcomes are prompted (Bonias et al., 2010). Further, problems with products, services, processes, structures and management caused lacking excellent perceived high performing work practices (PHPWP). Hence, HPWP should include
cross-departmental training and education, performance-oriented evaluation, long-term client relationships, attractive salaries, teamwork, and morality (Yen et al., 2016).

2.3. High performing work practices and employee engagement

Appelbaum et al. (2015) specified that HPWP improve the employee motivation and commitment where produce a sound organizational and labour management environment. Further, having HPWP support in improving problem solving and employee performance in relation to employee engagement. As mentioned, HPWP refers to procedures that pursue employee empowerment through power, information, reward, and knowledge. In another point of view, employee engagement is binding employees with their job/work in engagement. Further, employees who are engaged deliver themselves emotionally and physically and use their mental ability while performing the job (Kahn 1990). Hence, in the context of this study, can be assumed that HPWP as an antecedent of engagement. In other words, this study pursues to realize whether more engaged employees can be produced by the usage of HPWP.

Masking employees responsible and aligning their interests with managerial goals through HPWP, enable the employee to be more engaged and as a results improve (Alfes et al., 2013; Muduli, 2015; Muduli et al., 2016). Further, Bal et al. (2013) suggested a positive association of HPWP and employee engagement. They explained that HPWP is focused on improving employee skills, motivation, enthusiasm and providing team working environment, through training and workplace support. Consequently, those generate a perception within employee towards organization’s concern on their welfare. Thus, stimulate the level of work engagement of employees with enhanced job satisfaction.

The important fact here is the norm of mutuality. As it explained by the social exchange theory, mutual expectations of both management and employees (Whitener, 2001), employees anticipate favorable behavior from management possibly will create a feeling of responsibility on employees, to respond by having positive workplace behaviours and higher levels of dedication. For example, as part of HPWP, the providing training, job autonomy, team working and workplace support, might convey consistent and clear indications about the desire of management to develop more competent and motivated workforce. These indications develop a perception within employees of a friendliness and helpfulness of management that expected at improving employees’ job performance. Thus, in return employees may attribute positive meanings to the anticipated outcomes of HPWP and utilise their physical and cognitive energies at work.

Having reviewed the above reported empirical findings up to date and theoretical explanations, it could be concluded that HPWP significantly effect on employee engagement. However, the impact of HPWP on employee engagement is not clear and consistent in extant literature; thus, following hypotheses were developed to be tested in the present study and depicted in Figure 1.

\[
\begin{align*}
H1: & \quad \text{There is a significant impact of perceived HPWP on employee engagement} \\
H2: & \quad \text{There is a significant impact of perceived HPWP on vigor} \\
H3: & \quad \text{There is a significant impact of perceived HPWP on employee dedication} \\
H4: & \quad \text{There is a significant impact of perceived HPWP on employee absorption}
\end{align*}
\]

Figure 1: Conceptual framework
3. METHOD

3.1. Procedure and participants
This study took place among executive and above employees in thirteen multinational corporations, which operates in Sri Lanka. Data was collected through distributing questionnaires, as well as using an online questionnaire. Total 600 questionnaires were distributed in order to collect data where 367 questionnaires filled in and returned where the response rate is 61%. Nineteen (19) questionnaires were discarded due to incomplete responses and 348 were used for data analyses.

Table 1: Respondent's profile

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>169</td>
<td>48.6</td>
</tr>
<tr>
<td>Female</td>
<td>179</td>
<td>51.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than Rs. 50 000</td>
<td>12</td>
<td>3.4</td>
</tr>
<tr>
<td>Rs. 50 000- Rs. 100 000</td>
<td>179</td>
<td>51.4</td>
</tr>
<tr>
<td>Rs. 100 000 - Rs. 150 000</td>
<td>57</td>
<td>16.5</td>
</tr>
<tr>
<td>Rs. 150 000 - Rs. 200 000</td>
<td>47</td>
<td>13.5</td>
</tr>
<tr>
<td>More than Rs. 200 000</td>
<td>53</td>
<td>15.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category of Employment</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Trainee</td>
<td>28</td>
<td>8.0</td>
</tr>
<tr>
<td>Executive</td>
<td>201</td>
<td>57.8</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>48</td>
<td>13.8</td>
</tr>
<tr>
<td>Manager</td>
<td>39</td>
<td>11.2</td>
</tr>
<tr>
<td>Director</td>
<td>13</td>
<td>3.7</td>
</tr>
<tr>
<td>Department Coordinator</td>
<td>8</td>
<td>2.3</td>
</tr>
<tr>
<td>Secretary</td>
<td>11</td>
<td>3.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Job seniority</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>145</td>
<td>41.7</td>
</tr>
<tr>
<td>1 - 3 years</td>
<td>140</td>
<td>40.2</td>
</tr>
<tr>
<td>3 - 6 years</td>
<td>15</td>
<td>4.3</td>
</tr>
<tr>
<td>6 - 10 years</td>
<td>43</td>
<td>12.4</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>5</td>
<td>1.4</td>
</tr>
</tbody>
</table>

Source: Survey data (2017)

Table 1 illustrate the frequency distribution of the respondents of the sample. Forty nine percent (49%) of male employees and fifty one percent (51%) of female employees represented the sample. The majority (51%) of employees are having Rs. 50,000-100,000 monthly income category where 3% employees are getting less than Rs. 50, 000. Only 15% of the sample are getting more than Rs. 200 000 per month. 58 % are from the executive level, which represents the majority of the sample. 8% of the sample are management trainees and 14% are assistant managers while 11% represents managers and 4% of the sample represented directors. The majority (42%) of the sample have experience less than one year where 40% of the respondents have 1-3 year of experience work.

3.2. Measures
Employee Engagement was measured using 5 point-likert scale, which is developed by Schaufeli et al. (2009), which consists of 14 items which include three sub scales vigor, absorption and dedication. All items were summed and formed an overall employee engagement score and used in the analysis.
Perceived High Performing Work Practices measure consist of 21 items on 5 point-likert scale which is developed by (Takeuchi et al., 2007) where all items were summed and formed an overall perceived high performing work practices score and used in the analysis.

4. RESULTS

Data were analyzed using SPSS 23.0. Basic preliminary analyses were conducted to determine the distribution of the data set, validity and reliability of the scales, along with Pearson’s correlation, simple linear regression multiple linear regression and hierarchical regression.

4.1. Descriptive statistics and correlations

Means, standard deviations, and correlations of all study variables are presented in Table 2. The normal distribution of the data set assured using skewness and kurtosis where the statistics are lying within the cut off values of skewness and kurtosis are < 3 and < 10, respectively (Kline, 2005 cited in Paghoush et al., 2015). Accordingly, means range from 3.893 to 4.178 and standard deviations range from 0.348 to 0.531. From table 02, it is evident that employee engagement is positively related to HPWP (r = -0.584, p < 0.01). Further, table shows that dimensions of engagement is also positively related to HPWP (Vigor; r = -0.515, p < 0.01, Dedication; r = -0.468, p < 0.01, Absorption; r = -0.566, p < 0.01).

**. Correlation is significant at the 0.01 level (2-tailed).

Table 2: Descriptive statistics and correlations

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>PHPWS</th>
<th>VG</th>
<th>DD</th>
</tr>
</thead>
<tbody>
<tr>
<td>PHPWP</td>
<td>3.971</td>
<td>0.348</td>
<td>0.934</td>
<td>1.055</td>
<td>0.584**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EE</td>
<td>4.008</td>
<td>0.418</td>
<td>-0.416</td>
<td>1.456</td>
<td>0.584**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VG</td>
<td>3.893</td>
<td>0.443</td>
<td>-0.168</td>
<td>0.293</td>
<td>0.515**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DD</td>
<td>4.178</td>
<td>0.475</td>
<td>-0.103</td>
<td>0.737</td>
<td>0.468**</td>
<td>0.641**</td>
<td></td>
</tr>
<tr>
<td>AB</td>
<td>3.973</td>
<td>0.531</td>
<td>-1.096</td>
<td>3.021</td>
<td>0.566**</td>
<td>0.679**</td>
<td>0.649**</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

SD – Standard Deviation, PHPWP – Perceived High Performance Work Practices, EE - Employee Engagement, VG - Vigor, DD - Dedication, AB - Absorption

Source: Survey Data (2017)

4.2. Validity and reliability

To ensure the internal consistency of measures and to ensure measure includes an adequate and representative set of items both reliability and validity were checked using Cronbach’s Alpha and KMO and Barlett’s test.

Table 3 shows the results for validity and reliability. Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO > 0.5) and significance of Bartlett's Chi-Square (p< 0.05) exist. All AVE values presented in Table 03, which are located in the diagonal of the matrix in italic are greater than 0.5 (Hair et al., 1998 cited in Quazi et al., 2016) thus, convergence validity is justified. AVE values are greater than inter construct squared correlations with other constructs which ensure discriminant validity according to Fornell-Larcker criterion. Item internal consistency of the measures ensured using Cronbach's Alpha (α > 0.7) (Nunnally, 1978 as cited in Lv et al. 2012) and composite reliability (CR > 0.6) (Bagozzi and Yi, 1988 as cited in Quazi et al., 2016) shown in table 3.
Table 3: Validity and reliability analysis

<table>
<thead>
<tr>
<th>Variable</th>
<th>KMO</th>
<th>Bartlett's Chi-Square (p-value)</th>
<th>Convergent Validity</th>
<th>Discriminant Validity</th>
<th>Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>KMO</td>
<td></td>
<td>PHPWS</td>
<td>VG</td>
<td>DD</td>
</tr>
<tr>
<td>PHPWS</td>
<td>0.725</td>
<td>1315.308 (&lt;0.001)</td>
<td>0.513</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EE</td>
<td>0.782</td>
<td>3815.265 (&lt;0.001)</td>
<td>0.537</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VG</td>
<td>0.738</td>
<td>746.328 (&lt;0.001)</td>
<td>0.265</td>
<td>0.598</td>
<td></td>
</tr>
<tr>
<td>DD</td>
<td>0.807</td>
<td>1122.796 (&lt;0.001)</td>
<td>0.219</td>
<td>0.411</td>
<td>0.789</td>
</tr>
<tr>
<td>AB</td>
<td>0.612</td>
<td>479.527 (&lt;0.001)</td>
<td>0.320</td>
<td>0.461</td>
<td>0.421</td>
</tr>
</tbody>
</table>

PHPWP – Perceived High Performance Work Practices, EE - Employee Engagement, VG - Vigor, DD - Dedication, AB - Absorption

Source: Survey Data (2017)

4.3. Hypotheses testing

Research hypothesis and the significance of the model tested using simple linear regression analysis. This analysis carried out for a better understanding of the relative impact of perceived HPWP on employee engagement and the impact of perceived HPWP on each dimension of engagement (vigor, dedication and absorption). As per table 04 shows, regression analysis indicates that PHPWP explains 34% of the variance in employees’ engagement, which is significant (β = 0.052, p < 0.001). Thus, H1 is accepted. Further, PHPWS explains 27% variance in vigor, 22% in dedication and 32% in absorption (p < 0.001). The positive regression coefficient indicates that the impact of PHPWP on engagement, vigor, dedication and absorption is positive. Thus, H2, H3, and H4 are accepted. Consequently, an overall hypotheses of an acceptable supposition is that PHPWP is positively related to employee engagement.

Table 4: Simple linear regression for PHPWP, Employee engagement, vigor, dedication and absorption

<table>
<thead>
<tr>
<th>Path</th>
<th>B</th>
<th>B</th>
<th>t</th>
<th>R²</th>
<th>Adj. R²</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>PHPWP → EE</td>
<td>0.703</td>
<td>0.052</td>
<td>13.39</td>
<td>0.341</td>
<td>0.340</td>
<td>179.40***</td>
</tr>
<tr>
<td>PHPWP → VG</td>
<td>0.656</td>
<td>0.515</td>
<td>11.17</td>
<td>0.265</td>
<td>0.263</td>
<td>124.82***</td>
</tr>
<tr>
<td>PHPWP → DD</td>
<td>0.640</td>
<td>0.468</td>
<td>9.86</td>
<td>0.219</td>
<td>0.217</td>
<td>97.23***</td>
</tr>
<tr>
<td>PHPWP → AB</td>
<td>0.865</td>
<td>0.566</td>
<td>12.76</td>
<td>0.320</td>
<td>0.318</td>
<td>162.85***</td>
</tr>
</tbody>
</table>

**p< 0.01, ***p<0.001

PHPWP – Perceived High Performance Work Practices, EE - Employee Engagement, VG - Vigor, DD - Dedication, AB - Absorption

Source: Survey data (2017)

4.4. Discussion of results

The general objective of this study was to investigate the impact of perceived HPWP on the engagement of employees working in multinational corporations operating in Sri Lanka and results show that there exists a significant positive impact of perceived HPWP on employee engagement. Previous research studies have found that HPWP is impacted on employee engagement. (Bal et al., 2013; Karatepe and Olughbade, 2016; Macky and Boxall, 2007; Ogbonnaya and Valizade, 2016), which emphasized the results of the study are consistent with those previous studies. Further Gould-Williams (2003) has stated that HPWP have positive signaling effects on employee engagement. Therefore, current researcher’s findings are constant with the previous research results.
Moreover, the study found that the dimensions of engagement vigor, dedication and absorption are positively associated with perceived HPWP. The results revealed that absorption is explained by perceived high performance work practices of 32%, which is the highest among the dimensions of engagement. Consequently, 26% of variation on vigor and 22% on dedication is explained by perceived high performance work practices. The absence of any prior study related to perceive HPWP on dimensions on employee engagement limited the researcher to check the consistencies or inconsistencies of the result in Sri Lankan context as well in the western context. Hence, these findings added originality to the study.

4.5. Limitations and suggestions for future researchers

Hence, limitations are part of any kind of a research; it was inevitable in the present study as well. First, the results collected may generally be limited, as the data were collected only from 348 respondents in multinational companies operating in Sri Lanka. To make the findings more generalized, future researchers can proceed with a wider sample to test the same model. Second, data were collected through a personally administered questionnaire from individuals, could affect by response biases, as the findings of the study are based on the self-reported survey data. Including interviews in the data collection process will avoid the self-reporting biases. Third, the study used cross-sectional data analysis where future researchers can adopt a longitudinal analysis to confirm the findings further. It is suggested that further research can be directed in manufacturing industry or service or both using a similar approach. Finally, the current study focused on employee engagement in multinational corporations operating in Sri Lanka, yet without examining the cultural context. Thus, future researchers may utilize organizational culture and use other methodical and analytical approaches such as multi-level analysis or qualitative methodology to determine mutual and joint relationships among the study variables.

5. CONCLUSION AND IMPLICATIONS

The study intended to investigate the impact of perceived HPWP on employee engagement at Multinational Corporations operating in Sri Lanka. The findings reveal that perceived HPWP is positively associated with engagement and at the same time perceived HPWP are significantly related to vigor, dedication and absorption (dimensions of employee engagement). HPWP have been considered as management practices executed in the western context and anticipated to be applicable only in the western context, yet the study results proved that HPWP is equally relevant in the Sri Lankan context. Findings of the current study are useful to fill the empirical gaps in the literature on employee engagement and HPWP. This study provides theoretical and practical knowledge with the research guide for academics and managers who are interested in these variables. This research opens the access for further research studies in this area and is useful for the various professionals in the business field, especially for the private sector organizations to recognize the importance of HPWP to enrich employee engagement. In addition to that, as the findings reveal in the study, provides the information to review and revise organization’s HPWP in a way of increasing employee engagement. Every business organization should pay more attention on high performing work practices and embrace those with the vision and mission of the organization.

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