The link between HIWPs and well-being at work: the mediating role of trust.

Urtzi Uribetxebarria[1,2] · **Monica Gago**[3] · **Maite Legarra**[3] · **Unai Elorza**[2]

Abstract

Purpose – This paper examines the extent to which investment in human capital (HC) influences employee well-being, focusing on companies in the Basque Country, Northern Spain. Specifically, it analyzes the effects of worker perceptions of high-involvement work systems (HIWS) on job satisfaction (JS) and affective commitment (AC), directly and through the mediating role of trust in management. This trust mediating role was also explored by analyzing the isolated effects of high-involvement work processes (Power-Information-Reward and Knowledge [PIRK] enhancing practices) on JS and AC.

Design/methodology/approach – The structural equation modeling (SEM) approach was used on a sample of 2,199 employees from 425 organizations from different industries. As the study was performed at the organizational level, aggregation was conducted first.

Findings – The findings revealed that trust partially mediated the relationship between HIWS and JS, although AC was directly predicted by the system. In contrast, a trust mediating role was confirmed in the relationship between all PIRK processes, JS and AC.

Originality/value – This study highlights the 'hinge' role of trust in linking high-involvement work practices (HIWP) as an approach to assess HC in organizations and well-being at work. It further conceptualizes HIWS via a PIRK model and operationalizes it through systemic and dimensional approach.

Keywords Human capital (HC) theory; High-involvement work practices (HIWP); Trust in management; Well-being at work; Job satisfaction (JS); Affective commitment (AC); Structural equation modelling (SEM).
Paper type Research paper.

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1. Introduction

The past 30 years has seen a growing confluence of academic disciplines exploring the role of HC in improving firm performance (Boon *et al.*, 2018). Both strategy and human resource management (HRM) literature have defined *HC at the organizational level* as 'the employees' knowledge, skills, abilities, and other characteristics (KSAOs)' and 'the firm's HC resources or the HC accessible for the firms proposes' (Ployhart *et al.*, 2014). This implies that employees must be motivated to perform and have the opportunity to do so, if their (human) capital is to contribute to organizational performance (Delery and Roumpi, 2017). Additionally, Wright and Essman (2019) suggest that "human" is the missing construct in the HC literature.

In this vein, "the use of formal qualifications as a proxy measure of HC remains a major limitation of HC theory" (Winterton and Cafferkey 2019, p.225). Thus, an approach to assess *HC within organizations* might be the adoption of HRM practices to empower the employee. HIWSs were adopted for this study

[1] Urtzi Uribetxebarria (e-mail: uuribetxebarria@mondragon.edu)

[2] Department of Innovation, Organization and Strategic HR management, Faculty of Engineering, Mondragon Unibertsitatea Loramendi, 4, 20500 Arrasate – Mondragón, Gipuzkoa, Spain

[3] Faculty of Business Studies, Mondragon Unibertsitatea

suggesting a new scale to measure *HC within organization*, in line with similar initiatives (e.g. Winterton and Cafferkey, 2019).

We add to the HC literature by gathering contributions from the *mutual gains* theoretical model and *trust* theory. In the mutual gains view, both employers and employees benefit from HRM practices which impact organizational performance by enhancing well-being (van de Voorde *et al.*, 2012; Peccei *et al.*, 2013). In line with Fox's (1966) unitarist frame, both employer and employee share similar interests. This supports Blau's (1964) much cited social exchange theory in which employees interpret *progressive bundles of HRM practices* as declarative of organizational support and care for them, and reciprocate with commitment, satisfaction and trust (Whitener, 2001). Accordingly, individual perceptions of HIWPs are included in our study (Boxall and Winterton, 2018; Cafferkey *et al.*, 2018). In addition, relationship (e.g. trust, social support, reciprocity) and happiness or work related (e.g. job satisfaction, affective commitment) dimensions are considered as broader well-being constructs (Grant *et al.*, 2007). Yet, the 'how' and 'why' practices and systems which may truly influence well-being at work remain under-theorized (Guest, 2017).

The literature suggests that trust enables effective results for an array of individual and organizational outcomes (Isaeva *et al.*, 2019). Specifically, the vital role of trust has been highlighted as a lubricant for facilitating cooperation and collaboration (Searle and Skinner, 2011) and boosting higher performance (e.g. Hughes *et al.*, 2018). Searle and Skinner (2011) posit that by adopting a particular HRM system or bundle of practices, an organization delivers vision to the key facets of its trustworthiness, competence, benevolence and integrity (Mayer and Davis, 1999). Employees in such organizations may feel trusted and tied by the trust placed in them, and may experience a duty to correspond (Deutsch, 1958). Accordingly, trust poses "a 'black box' candidate for HRM impact on well-being metrics" (Searle and Dietz, 2012). However, there is little examination of the mediating role of trust between HRM and well-being (e.g. Tsui *et al.*, 1997).

Considering the abovementioned gaps, this article examines the effectiveness of HIWPs to assess HC within organizations in two ways. First, the effects of HIWSs on three well-being constructs, *trust*, *JS* and *AC*, are analyzed. Second, we examine the mediating mechanism of trust in the relationship between HIWS and JS or AC (Searle and Dietz, 2012).

The objective of this paper is twofold. We aim to contribute new insights by expanding the HC paradigm into a more holistic view (Winterton and Cafferkey, 2019) to assess to what extent HC investment at an organizational level may influence well-being. We also seek to shed light on the 'how and why' of HC by proposing trust as a mediation factor between HIWPs and JS or AC. HIWS and PIRK processes are used separately to analyze how they indirectly influence JS and AC by enhancing trust. In doing so, we put "human" back in the center of the HC literature (Guest, 2017; Wright and Essman, 2019).

2. Theoretical background and hypothesis formulation

Boxall and Macky noted "HIWS constitutes human resource (HR) practices that build employee involvement whereas HPWS pursue better performance but do not necessarily lead to increased involvement" (2016, p.90). High-involvement models of working are suggested as a pathway to improve quality of work by enhancing the influence that workers have over the work process (Boxall *et al.*, 2019). Different theoretical streams recognize the control component as essential to quality of work, fostering the use of workers creativity in work as a means to develop their KSAOs (Gallie, 2007). The literature shows that greater involvement in decision-making can enhance job satisfaction, commitment and trust (van de Voorde *et al.*, 2012; Peccei *et al.*, 2013). A high involvement model was therefore adopted in this study.

Work-related well-being is broadly defined as 'the overall quality of an employee's experience and functioning at work' (Warr, 1987). Grant *et al.*, (2007) argued that there are three main facets of work-related well-being: psychological, physical and social. In considering the psychological facet, Ryan and Deci, (2001) introduce a distinction between hedonic and eudaimonic well-being. The former is typically interested in subjective experiences and represented by JS whereas the latter is more concerned with finding the meaning of work. Based on interpersonal sensemaking theory (Wrzesniewski *et al.*, 2003), the meaning of work associates individual values, needs and characteristics of the job with commitment to the organization. Here, we focus on the emotional attachment to the organization (AC) to conceptualize organizational commitment (Mercurio, 2015). In addition, trust is also analyzed to measure social well-being (Grant *et al.*, 2007) as a HRM outcome, in its own right. At the organizational level, the mediating role of trust has also been examined to better understand the 'how' of the relationship between HRM and well-being at work (Searle and Dietz, 2012). Thus, both psychological and social aspects of well-being are considered in this study.

2.1 HIWS and well-being at work: JS and AC

The mutual gains approach has been used to explain the relationship between perceived HRM and the overall quality of an employee's experience and functioning at work (van de Voorde *et al.*, 2012; Peccei and van de Voorde, 2019). Based on the behavioral perspective (Wright and McMahan, 1992) and Blau's social exchange view (1964) the mutual gains model theorizes that HR practices have a positive impact on both, well-being and organizational performance. Hence, the adoption by management of HIWPs — giving workers more control over their tasks or higher involvement — is expected to lead to a higher levels of job discretion and empowerment, and to the formation of a more supportive and rewarding work atmosphere. This, in turn, should result in a better quality of work life and contribute to maximizing workers' positive affective reactions (Peccei *et al.*, 2013).

In addition, the link between HRM and well-being has been theorized beyond the individual level. Drawing on signaling theory (Bowen and Ostroff, 2004), van de Voorde (2010) argued strong HRM systems can positively affect attitudes and behaviors by strengthening shared employee perceptions of their work environment.

Several studies have shown HIWS activates achievement driven behaviors: responsibility, opportunity for decision making, self-esteem and meaningfulness at work enhancing JS (e.g. Ollo-López *et al.*, 2016; Allan *et al.*, 2019) and AC (e.g. Elorza *et al.*, 2016; Ogbonnaya and Messersmith, 2019). This expectation of a positive influence of HIWS on JS and AC establishes the first two hypotheses:

Hypothesis 1. Perceived HIWS is positively associated with JS.
Hypothesis 2. Perceived HIWS is positively associated with AC.

2.2 Untangling the process: the mediating role of trust in management.

Trust theory posits that a trustor (e.g. employee) has a set of subjective, aggregated and confident *beliefs* about the *actions* of a trustee (e.g. management) and *expectations* of positive outcomes (Dietz and Den Hartog, 2006). An individual trustor's willingness to trust another is significantly influenced by the trustor's judgement of the trustee's trustworthiness (Lewis and Weigert, 1985), comprising competence, benevolence and integrity (Mayer and Davis, 1999). *Ability* or competence refers to the KSAOs possessed by trustees which allow them to conduct tasks that belong to a specific trusting relationship. *Benevolence* reflects the extent to which the trustee is kind, while *integrity* shows to what degree the trustee's values and norms are fulfilled, predictably harmonizing equity and honesty. Hence, if managers materialize trustworthy behaviors they may contribute to the creation of an organizational climate of trust.

Within an organization, HRM policies and practices suggest a declaration of willingness, and the nature of their implementation and delivery provides perceptible evidence of the degree to which management purposes are honest and can be trusted (Searle and Skinner, 2011). In particular, HIWPs are intended to foster empowerment and participation by improving communication and encouraging workers to engage cognitively and emotionally with their managers (Searle *et al.*, 2011). Research shows that employee perception of HRM practices is a particularly pertinent factor for generating and preserving trust (Mayer and Davis, 1999). Accordingly, we suggest the following hypothesis:

Hypothesis 3. Perceived HIWS is positively associated with trust in management.

Although the overall evidence supports HIWS influence on JS and AC, scholars have sought to examine in more detail the mechanisms involved (e.g. Searle and Dietz, 2012). One approach suggests that trustworthy behavior may be observable through reliance-related behaviors (Gillespie, 2003) and manifested by delegating and giving autonomy. Exhibition of such trustful behaviors (e.g. by management) can lead to a perception of felt trustworthiness (Lester and Brower, 2003), which makes the individual feel trusted. Deutsch (1958) suggested that anybody who feels trusted is somehow tied by that trust and will experience a duty to correspond.

Thus, trust in management may positively impact job satisfaction by granting autonomy and opportunity to participate (e.g. Kloutsiniotis and Mihail, 2018). Similarly, benevolence and integrity behavioral manifestations (e.g. rewards and safe employment) may enhance affective attachment to the organization (e.g.

Colquitt *et al.,* 2007). Yet, little is known about the trust mediating role in the relationship between HRM and well-being. Therefore, we found it reasonable to test the following hypotheses:

Hypothesis 4a. Perceived HIWS indirectly improves JS by increasing trust in management.
Hypothesis 4b. Perceived HIWS indirectly improves AC by increasing trust in management.

3. Methodology

3.1 Procedure and sample.

The data analyzed in this study was gathered from a survey conducted in companies located in the Basque country, Northern Spain in 2018 (Gomez *et al.,* 2019). Business sectors were selected, companies identified, and an official communication was issued to CEOs and human resource (HR) managers explaining the aim of the study and inviting the firm to participate. Whilst some allowed employees to complete the survey by appointment (informants were randomly selected to prevent biases), others declined to take part. In the latter cases, data was collected by contacting workers outside working hours. Finally, all participants were informed of the anonymity of their answers and the voluntary nature of participation. These steps were followed to mitigate common-method variance (CMV) issues (Podsakoff *et al.,* 2012; Tehseen *et al.,* 2017).

As the level of influence that employees report based on their experience was considered essential (Boxall *et al.,* 2019), they were selected as informants. The number of employees per organization was established proportionally to its size. A total of 2,199 employees representing 425 companies completed the questionnaire (Table 1). Three business sectors constituted the sample: (i) *manufacturing* (ii) *services*, and (iii) *logistics.*

3.2 Measures

3.2.1 Job satisfaction (JS)

JS was measured using a three-item scale developed by Rafferty and Griffin (2006) which assessed the global feeling of individuals about their job. Sample items included "Overall, I am satisfied with the kind of work I do" with a reply range from 1 ("strongly disagree") to 6 ("strongly agree"). Cronbach's α was .83.

3.2.2 Affective commitment (AC)

An adaptation of the affective commitment scale by Cook *et al.,* (1981) with a three-items scale was used to assess the level of emotional commitment of employees to their organizations. A sample item was "I feel a strong sense of belonging to this organization". The response scale was "strongly disagree, disagree, somewhat disagree, somewhat agree, agree, strongly disagree" (scored from 1 to 6). Cronbach's α was .74.

3.2.3 Trust in management.

Trust in management was measured using three items from the scale developed by Mayer and Davis (1999). Sample items included "I openly share the mistakes I have made at work with those in charge, even though this may damage my reputation". Responses were obtained on a six-point scale ranging from 1 = strongly disagree to 6 = strongly agree. Cronbach's α was .73.

3.2.4 Perceived HIWS.

HIWS was considered as a system of HRM practices. We used and adapted items from other PIRK questionnaires (e.g. Elorza *et al.,* 2016) to suit the context of firms with a high level of employee ownership (Gomez *et al.,* 2019). Autonomy at work (sample item: "The job provides me with significant autonomy in

making decisions.") and participation in decision-making (PDM) (sample item: I participate in the definition of the annual targets for my department/section.), each consisting of 3 items (see Table 2) comprised *power process*. Information practice (sample item: "I have enough information to do my job properly"), with 2 items, constituted *information process*. All three practice item responses ranged from 1 ("strongly disagree") to 6 ("strongly disagree").

Profit-sharing and ownership participation practices with an item each constituted financial participation (FP) practice and thereby *reward process*. Informants were asked 'whether a system exists to share profits at the end of the exercise' and 'whether a system exists to share stock among employees'(Gomez *et al.*, 2019). Finally, training was also included (sample item: "The organization provides me with enough training to do my job"), with 3 items, as a practice enhancing *Knowledge process*. Again, responses in this item ranged from 1 ("strongly disagree") to 6 ("strongly disagree"). Cronbach's α for the HIWPs ranged from .77 to .93.

3.2.5 Data aggregation

Given our focus on the organizational effect of HIWPs on well-being at work, as measured by JS and AC, we performed all statistical tests at company level. Although the variables employed have their theoretical foundation in the cognition and behavior of individuals (Wright and Nishii, 2013), it is argued that through social interaction, *transformation* and *amplification*, they emerge as organizational level constructs (Klein and Kozlowski, 2000). Ployhart and Moliterno (2011) suggested that unit level HC resources take a fuzzy composition form to refer to the contextual influences of the higher level construct (Bliese, 2000).

Thus, group level reliability indices (ICCs) and inter-rater agreement statistic ($r_{wg(J)}$) were calculated for the study variables (Biemann *et al.*, 2012). The results showed that all factors varied significantly across firms. HIWPs average for ICC(1), ICC(2), and mean $r_{wg(J)}$ values were .23, .66, and .81. Trust recorded results of .13, .54, and .85. JS statistics were .19, .63, and .89. AC values were .20, .65, and .80. The evidence from ICC(1), ICC(2), and $r_{wg\ (J)}$ statistics allowed us to create aggregate measures at organizational level for perceived HIWS practices, Trust, JS and AC scales (Bliese, 2000).

3.2.6 Control variables

We included *firm size* and *sector* as unit level control variables. As industry features have been determined to impact 'more sophisticated human resource practices' (e.g., Guthrie, 2001), we included three industry dummies ([1] Manufacturing, [2] Services, [3] Logistics). Additionally, we controlled for firm size (using a natural log transformation), assuming HRM practices may differ as a function of the number of employees per organization (e.g., Guthrie, 2001).

Table 1. Descriptive statistics of some demographics and research work constructs by industry.

			Power		*Information*	*Reward*	*Knowledge*		*Happiness well-being*	
INDUSTRY	**% Sample (ind.)**	**% Sample (org.)**	**Autonomy**	**Participation in decision-making**	**Information**	**Financial participation**	**Training**	**Trust**	**Job satisfaction**	**Affective commit.**
Manufacturing	45%	40%	4.24 (.67)	3.40 (.85)	3.92 (.82)	1.35 (.34)	3.85 (.80)	4.26 (.61)	4.56 (.55)	3.58 (.81)
Services	34%	38%	4.64 (.71)	3.65 (1.02)	4.52 (.79)	1.32 (.34)	4.15 (.82)	4.56 (.57)	5.01 (.52)	3.73 (.95)
Logistics	21%	22%	4.32 (.94)	3.54 (1.08)	4.22 (.87)	1.15 (.24)	3.94 (.99)	4.36 (.80)	4.80 (.61)	3.66 (1.05)
Total sample	**100%**	**100%**	**4.40 (.80)**	**3.53 (.98)**	**4.20 (.87)**	**1.29 (.33)**	**3.98 (.87)**	**4.38 (.66)**	**4.78 (.59)**	**3.66 (.92)**

Notes: n = 2,199 employees from 425 organizations; means and standard deviations are shown for continuous variables; range for all continuous variables is 1 (strongly disagree) to 6 (strongly agree) except financial participation, which was on a scale of 1 (no participation) to 2 (profit-sharing and ownership participation).

4. Data analysis

An exploratory factor analysis (EFA) was performed with SPSS v23 on the variables used (principal components extraction method; varimax rotation) with a .45 cut-off value to specify acceptable loading. As a result, two items were removed from the measurement tool: an item from information practice and an item from AC, converting both into two-item scales. Then, a confirmatory factor analysis (CFA) was conducted with Mplus v7.11 (Muthén and Muthén, 2017) to evaluate the *base measurement model* (Table 2): an eight-factor structure (five practices of perceived HIWS, trust, JS and AC).

The fit indices of the *base measurement model* (21 items loading on eight factors) returned reasonable results: $\chi^2(166) = 1{,}187.532$; $p < 0.001$; comparative fit index (CFI) = 0.95; Tucker–Lewis index (TLI) = 0.93; root mean square error of approximation (RMSEA) = 0.068; standardized root mean square residual (SRMR) = 0.047. Thus, all items were considered proper gauges of acknowledged latent variables (Hair *et al.*, 2014). In addition, all factor loadings were significant and committed to the hypothesized direction.

Table 2 details the item loadings and two construct validity indices. The average variance extracted (AVE) and construct reliability (CR) were considered to assess convergent validity and internal consistency, respectively. All item loadings were above the accepted cut-off value of .60 (Bagozzi and Yi, 1988). The internal consistency of all study variables was in excess of .70 (commonly accepted threshold), ranging from .70 to .93. Furthermore, the convergent validity of the variables was validated as AVE extended from .51 to .82, exceeding established cut-off (Aldás and Uriel, 2017).

A mediation structural equation model (SEM) was used to examine the direct and indirect effects of HIWS and processes, respectively, on JS and AC. To test for trust mediation, the procedure described by Baron and Kenny (1986) was followed.

We initiated our study by assessing the nested models of the *base measurement model* (comprising eight factors). The subsequent measurement model labeled ‘A’, contained five groups of equations: (a) a latent variable for each of the five HIWPs, (b) a second-order latent variable of all HIWPs embodying HIWS, (c) a latent variable for Trust in management, (d) a latent variable for AC, and (e) a latent variable for JS. Overall goodness of fit for the measurement model was acceptable ($\chi^2 = 1{,}389.635$; $df = 178$; $p < 0.001$; CFI = 0.939; TLI = 0.929; RMSEA = 0.07; SRMR = 0.054).

Model ‘B’ was similar to the base measurement model, with the exception that each PIRK process was represented rather than all HIWPs. We assessed a second order latent variable for power and allowed a practice for the remaining processes. This model recognized that the four PIRK processes were distinct ($\chi^2 = 1{,}272.091$; $df = 166$; $p < 0.001$; CFI = 0.945; TLI = 0.93; RMSEA = 0.069; SRMR = 0.05).

To minimize CMV concerns, discriminant validity was examined performing a single factor test with all analyzed variables (Anderson and Gerbing, 1988). This model did not fit the data ($\chi^2 = 7{,}064.904$; $df = 189$; $p < 0.001$; CFI = 0.65; TLI = 0.62; RMSEA = 0.161; SRMR = 0.084), thus, confirming study variables are unrelated (Podsakoff *et al.*, 2012). An additional conservative assessment was conducted (Hair *et al.*, 2014): all AVE estimates from Table 2 were greater than the corresponding bivariate squared correlation estimates in Table 3 (above the diagonal). Hence, both tests showed good agreement, approving discriminant validity.

Finally, a two-factor measurement model, including all HIWPs as a latent variable and the remaining variables as the other latent variable, also failed to fit the data ($\chi^2 = 6{,}620.533$; $df = 188$; $p < 0.001$; CFI = 0.68; TLI = 0.641; RMSEA = 0.156; SRMR = 0.081).

To examine hypotheses 1 to 4 two groups of structural equations were added to model ‘A’; thus, (a) JS, AC and Trust were regressed on the second-order factor of all five HIWPs; and (b) JS and AC were regressed on Trust. Pursuant conventional SEM standards (Kline, 2015), control variables were integrated within the model.

The indirect relationship through trust was assessed by a completely standardized indirect effect (ab_{cs}) measure (Preacher and Kelly, 2011), and its statistical significance was validated by bias-corrected bootstrapping.

Table 2. Confirmatory factor analysis (CFA) results and reliability indexes for measures at the individual level.

	Standardized item loadings (standard errors) *							
Item Code	**Autonomy**	**PDM**	**Information**	**FP**	**Training**	**Trust**	**JS**	**AC**
SA1	.87 (.01)							
SA2	.93 (.01)							
SA3	.92 (.01)							
SP1		.89 (.01)						
SP2		.87 (.01)						
SP3		.85 (.01)						
SI1			.74 (.02)					
SI2			.73 (.02)					
B2				.77 (.03)				
B5				.81 (.04)				
SF1					.88 (.01)			
SF2					.90 (.01)			
SF3					.92 (.01)			
CON1						.62 (.02)		
CON2						.81 (.01)		
CON3						.71 (.02)		
RS1							.87 (.01)	
RS2							.71 (.02)	
RS3							.85 (.01)	
RC2								.81 (.01)
RC3								.76 (.02)
AVE[1]	.82	.76	.54	.63	.81	.51	.66	.63
CR[2]	.93	.90	.70	.77	.93	.75	.85	.77

NOTES: [1]AVE: average variance extracted. [2]CR: composite reliability. *All factor loadings were statistically significant at $p<0.01$

5. Results

The results of the correlational analysis are set out in Table 3, showing the expected direction of association. Figures 1 and 2 present the results of the structural equation models and show standardized path coefficients for all direct paths and the explained variances for dependent variables in our model.

Table 3 Correlation estimates among variables.

Variable	1	2	3	4	5	6	7	8
1. Autonomy	1	*.53*	*.45*	*.05*	*.47*	*.51*	*.46*	*.39*
2. PDM	.73**	1	*.49*	*.03*	*.50*	*.39*	*.31*	*.51*
3. Information	.67**	.70**	1	*.09*	*.41*	*.42*	*.43*	*.43*
4. Financial participation	.22**	.18**	.30**	1	*.02*	*.03*	*.03*	*.10*
5. Training	.69**	.71**	.64**	.14*	1	*.46*	*.45*	*.42*
6. Trust in management	.72**	.63**	.65**	.19**	.68**	1	*.46*	*.45*
7. JS	.68**	.56**	.66**	.17*	.67**	.68**	1	*.31*
8. AC	.63**	.72**	.66**	.32**	.65**	.67**	.56**	1

NOTE: Values below the diagonal are variable correlations and values above the diagonal (in italic numbers) are squared correlations. N=425. **p ≤ .01. *p ≤ .05.

Perceived HIWS was positively associated with JS (β = 0.59, ρ<0.001) and AC (β = 0.72, ρ<0.001), thereby supporting hypotheses H1a and H1b (Figure 1). Similarly, perceived HIWS was directly and positively related to trust in management (β = 0.79, ρ<0.001), thus proving H3. H4a was also supported, as there was a significant indirect effect of perceived HIWS on JS via trust, $\alpha\beta$ = 0.14, 95% CI [0.040, 0.232]. In contrast, no significant indirect relationship was found for AC, and as a result H4b was rejected.

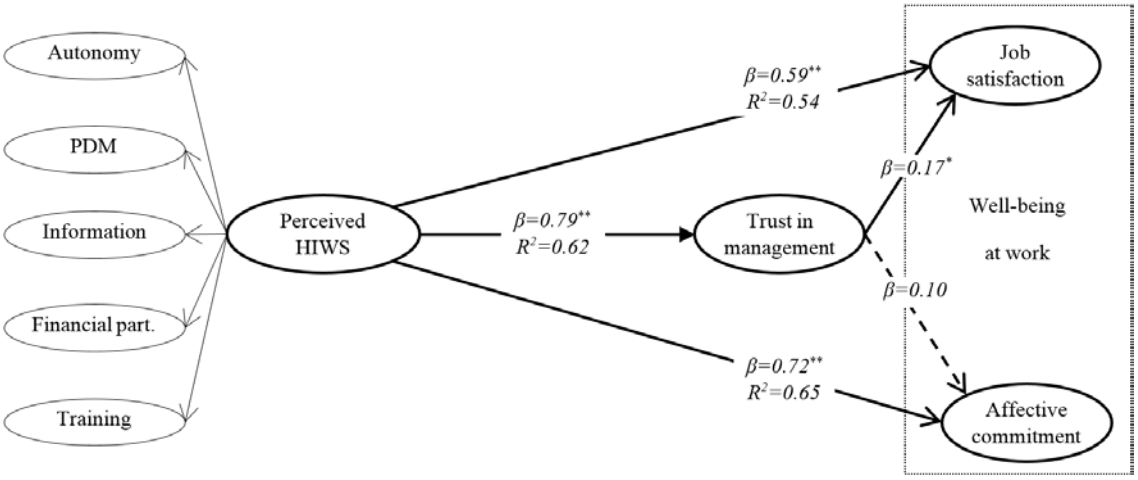


Figure 1. SEM mediation model 'A' of perceived HIWS. *p<0.01; **p<0.001.

5.1 Subsequent analysis

This study aims to understand the 'how and why' of HIWPs effects on well-being. Thus, we initially tested hypotheses 4a and 4b using HIWS as unique bundle of practices. Yet, to be concordant with the wider HRM literature, we also compared the synergistic internal fit effect by discretely examining the segregated effects of each PIRK process (Boon *et al.*, 2019). Thus, for a more nuanced understanding of the *how* different processes influence well-being, the mediating differential consequences of trust on well-being was examined in the relationship between each individual PIRK process, with JS and AC. Specifically, four distinct structural models were developed to depict the dimensional approach (Figure 2). The results show a somewhat different image from our main analysis. Corresponding PIRK process → Trust, Trust → JS

and Trust → AC are all significant. Thus, the mediating role of trust between all PIRK processes and both well-being scales was confirmed. Due to the manuscript extension limitation, detailed results are available upon request.

6. Discussion and Conclusions

The present study adopts two specific and diverse theories (Townsend *et al.*, 2019) to examine the relationship between HC and well-being by focusing on the progressive adoption of HIWP bundles by organizations (Boxall *et al.*, 2019). These theories — mutual gains perspective and unitarist frame — share the underpinning idea that there are shared employer and employee interests (Heery, 2016). Therefore, we developed a trust mediated model to analyze the relationship between perceived HIWPs and well-being. The study highlights several theoretical and practical implications.

As regards theoretical consequences, our results increase understanding of HC within organizations. It is worth noting that HC investment in adopting a high involvement work model predicts well-being in two ways. HIWSs directly enhance both well-being dimensions: the social and psychological facets of well-being. Specifically, employees who perceive being empowered and equally treated — with the opportunity to participate, be informed and trained, and rewarded — are more likely to trust their management, experience a better work environment, and be more emotionally attached to their organization. This result is consistent with the extant literature (Searle *et al.*, 2011; Allan *et al.*, 2019; Ogbonnaya and Messersmith, 2019; Uribetxebarria *et al.*, 2020).

Second, trust in management partially mediates the positive association between HIWSs and JS, although the system was not found to exert influence on AC via trust. Whilst the finding shows that trust in management is important to explain *how* HIWSs improve JS, in our sample, it was not found to significantly mediate the HIWS-AC relationship. Self-determination theory describes the conditions that facilitate the eudaimonic aspect of well-being within a specific social context such as workplaces (Ryan and Deci, 2000). Based on this perspective, being eudaimonic is explained as being autonomous, competent, and related, which are the principal factors that foster commitment to the organization.

Arguably, HIWPs when acting as a system stimulate employee autonomy, competency and relatedness simultaneously to the point of making the effect of trust in management non-significant. Nevertheless, it did not happen when the isolated PIRK processes effects were analyzed in the model. Importantly, all four high-involvement processes or PIRK enhancing practices individually improved both JS and AC by increasing trust in management. This finding highlights the role of trust as a lubricant for enabling cooperation and collaboration (Searle and Skinner, 2011) and specifically, when acting in conjunction with a single PIRK dimension. It further underscores the synergistic value of the system (Boon *et al.*, 2019) when analyzing AC determinants, showing higher impact when, as a bundle, the system sends consistent signal about firm purposes (Bowen and Ostroff, 2004). This finding contributes to our second objective by shedding light on the 'how and why' of HC (Wright and Essman, 2019).

In terms of management implications, this study highlights the value of greater focus on a high involvement working model for two main reasons. The model helps to enhance social well-being and in turn the quality of one's relationships with other people and groups (Keyes, 1998), contributing to increased employee value (Wright and Essman, 2019). Second, HIWSs directly improve subjective judgments of employees about their work environment, and their emotional attachment to the organization. And through these *interactions* and *processes* firm-level HC is created (Wright and Essman, 2019).

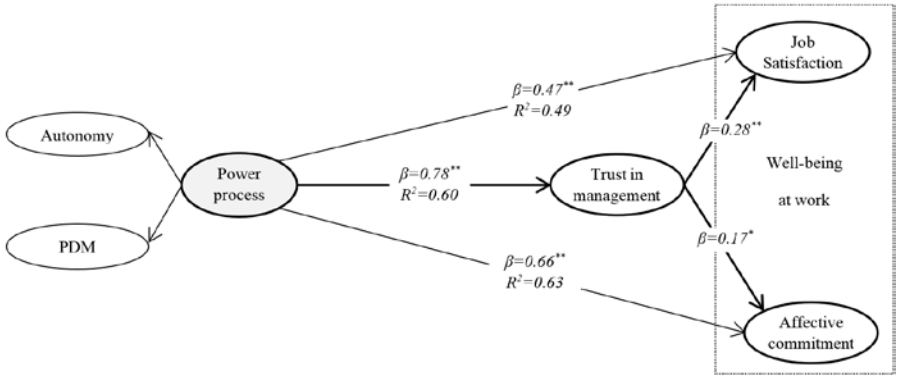
6.1 Limitations and Future research

As this study has some limitations, the results must be considered with caution. First, we suggest analyzing alternative views of employment relationships allowing for pluralist and critical (Fox, 1966) or conflicting outcomes perspectives (Peccei and van de Voorde, 2019). We sought to define more broadly the well-being construct by integrating the health domain to explore the possibility of compromises between the broader well-being gains of HIWS. Second, it would be interesting from the methodological viewpoint, to mitigate some empirical ambiguity. The cross-sectional nature of the studies dataset may also constitute a limitation in determining cause and effect among the analyzed attitudinal constructs. Wright and Ulrich

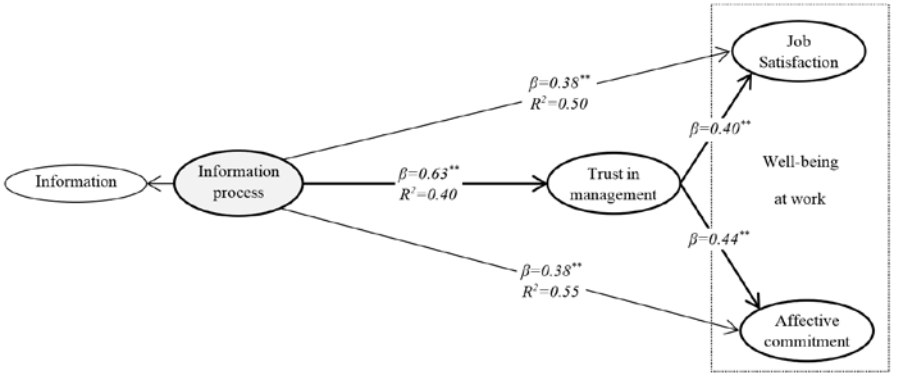
(2017) suggested using both multiple-data sources and respondents to help mitigate the CMV issue, and measurement separation in time to help evaluate causality.

Finally, we note that despite not being hypothesized, the PIRK processes showed a direct relationship with JS and AC, with one surprising exception: reward process did not show a significant relationship with JS. One plausible explanation can be found in the conceptualization of the reward dimension. In considering profit sharing and employee ownership participation as the practices constituting the reward dimension, only the financial/extrinsic nature of the rewards was acknowledged. Debatably, another explanation could also lie in the high level of employee ownership and its influence over this particular result . We therefore invite other authors to further investigate the mechanism of *financial participation* as a contributor to directly enhance the positive perception of employees about their work environment. We would also encourage scholars to allow for contingency-driven approach research.

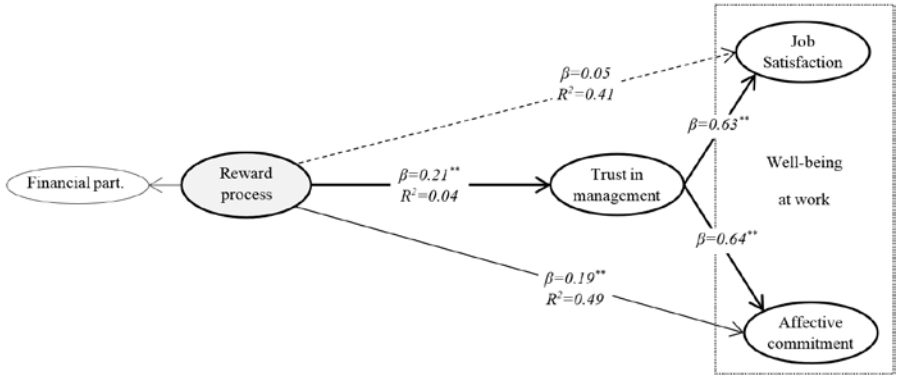
A: SEM mediation model POWER enhancing HIWPs



B: SEM mediation model INFORMATION enhancing practices



C: SEM mediation model REWARD enhancing practices



D: SEM mediation model KNOWLEDGE enhancing practices

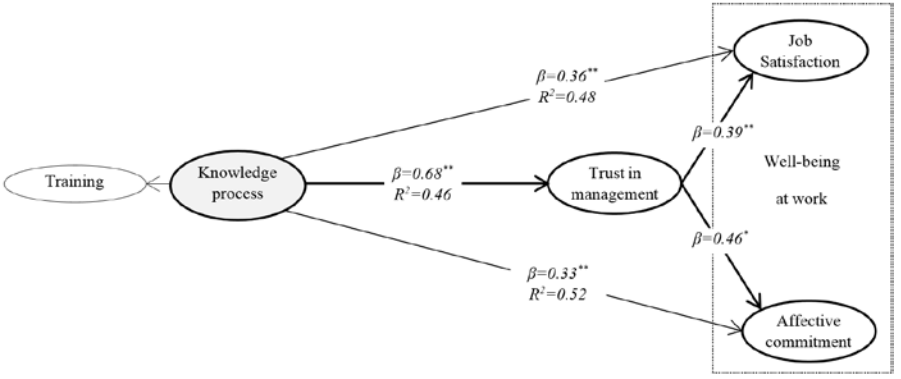


Figure 2. Standardized path coefficients of structural model 'B' involving each PIRK process. $^{*}p<0.01$; $^{**}p<0.001$.

7. References

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