

**Developmental Paper: Work Well-being and Employee Retention through HRM
Practices: A Mixed-Method Study**

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Abstract

This study investigates the role of HRM practices designed to promote employee well-being and reduce turnover intention in Saudi Arabia. Unlike other HRM practices bundles, such as high-involvement practices, well-being-oriented HRM policies prioritize employee well-being over organizations' interests (Guest, 2017). While the "black box" phenomenon within the HRM-Performance debate has been extensively investigated (Paauwe, 2009; Van De Voorde et al., 2012; Peccei & Van De Voorde, 2019), employee well-being has not received sufficient attention from HRM researchers. It is often narrowly examined by focusing only on a single component of well-being (i.e., satisfaction). This study seeks to address this gap in the literature by examining the mediating role of three components of employee well-being (psychological, social, and physical) between HRM practices and turnover intentions. An explanatory sequential mixed-methods design was used to gain richer insights by integrating quantitative findings with in-depth, semi-structured interviews. Therefore, this study will significantly contribute to the HRM literature, as it is among the few studies that employ a mixed-methods design within the HRM-Well-being-Performance debate.

Keywords: human resource practices, psychological well-being, physical well-being, social well-being, turnover, mixed-methods research

Work Well-being and Employee Retention through HRM Practices: A Mixed-Method Study

1. Introduction

Human resource management (HRM) practices primarily directed at performance enhancement have dominated research for decades. However, Guest (2017) challenged this perspective by advocating prioritizing employee well-being as an effective alternative strategy for enhancing performance. Furthermore, many researchers have explored employee well-being in general, typically measured only by employee satisfaction, without considering that employee well-being is a broad concept that comprises psychological, physical, and social dimensions (Grant et al., 2007; Peccei & Van De Voorde, 2019). Recent research has suggested incorporating more dimensions of well-being (Wang et al., 2022). A variety of organization-centric HRM practices bundles, such as high-performance work practices and high-commitment HRM practices, have been widely examined in HRM literature. However, this study intends to address the role of employee-centric HRM practices designed to enhance employee well-being (Salas-Vallina et al., 2021; Guest, 2017) in turnover intention and the mediating roles of three components of employee well-being. A survey was conducted to investigate these relationships, and semi-structured interviews were conducted to understand the underlying reasons and experiences associated with these relationships.

Research Questions

1. What are the roles of well-being-oriented HRM practices in turnover intentions?
2. What is the mediating effect of employee well-being on the relationship between well-being-oriented HRM practices and turnover intention?
3. What are the underlying experiences and reasons that support these relationships?

2. Literature Review

2.1. Employee Well-Being

Since the Industrial Revolution, industry workers and labor union representatives have significantly improved the working environment. Labor unions have sought to improve working conditions, demand fair wages, reduce working hours, and provide health benefits (Hagedorn et al., 2016). In 1950, the World Health Organization (WHO) and International Labor Organization (ILO) established a joint committee that promotes occupational health. Each organization has its own perspective on workplace well-being. For instance, the WHO defined a *healthy workplace* as "a state of complete physical, mental, and social well-being, and not merely the absence of disease" (Burton & World Health Organization, 2010, p.15). ILO defined *workplace well-being* as "all aspects of working life, from the quality and safety of the physical environment, to how workers feel about their work, their working environment, the climate at work and work organization." (International Labour Organization, n.d.). Employee well-being is often measured by a single dimension, commonly job satisfaction, which provides a narrow perspective of overall well-being. Measuring well-being through job satisfaction alone cannot capture the broad concept of employee well-being (Inceoglu et al., 2018). This study intends to address this gap in the HRM literature by operationalizing employee well-being as a broad concept that consists of psychological, social, and physical dimensions (Grant et al., 2007; Guest, 2017; Peccei & Van De Voorde, 2019).

2.2. Well-being oriented HRM Practices

Unlike other HRM practices bundles, such as high-involvement practices and higher-performance working practices, well-being-oriented HRM policies prioritize employee well-being rather than organizations' interests (Guest, 2017). Building on Guest's (2017) framework, this study investigated HRM practices intended to improve employee well-being and

performance. This bundle includes various HRM practices, such as investing in employee training and development, creating an engaging work environment, maintaining a healthy physical and social atmosphere, promoting employee participation, and providing organizational support.

Building on Guest's framework, Cooper et al. (2019) and Salas-Vallina et al. (2021) were among the first to investigate well-being-oriented HRM practices. They incorporated training and development, job security, employee voice, information sharing, use of teams, and relationships with supervisors. Well-being-oriented HRM practices are positively correlated with employees' performance, and well-being components (happiness at work, trust, and exhaustion) mediate this relationship (Salas-Vallina et al., 2021).

In this study, we argue that well-being-oriented HRM practices can also effectively retain employees by improving their well-being. Employee retention is one of the key performance indicators of HRM function. Reducing high turnover rates will reduce replacement costs. For example, this includes the resources required to hire a new employee and the training and knowledge lost due to high turnover. We also integrated three components of well-being (employee satisfaction, perceived organizational support, and emotional exhaustion) into the framework.

2.3. Turnover intentions

Turnover intention was used as an indicator of individual outcomes. Research on employee well-being and performance has primarily focused on task performance rather than on positive (e.g., creative) or counterproductive behaviors (e.g., absenteeism) (Pérez-Nebra et al., 2021). Human resource outcomes, such as turnover and absenteeism, are directly influenced by HRM practices (Ogbonnaya & Aryee, 2021). Prior research indicates that high-performance working practices may lead to higher levels of stress, burnout, job dissatisfaction, and employee quitting (Pavlova, 2022). Employees' intention to leave may

indicate disengagement or psychological withdrawal from their workplaces and jobs (Haque et al., 2019).

2.4. Conceptual Framework

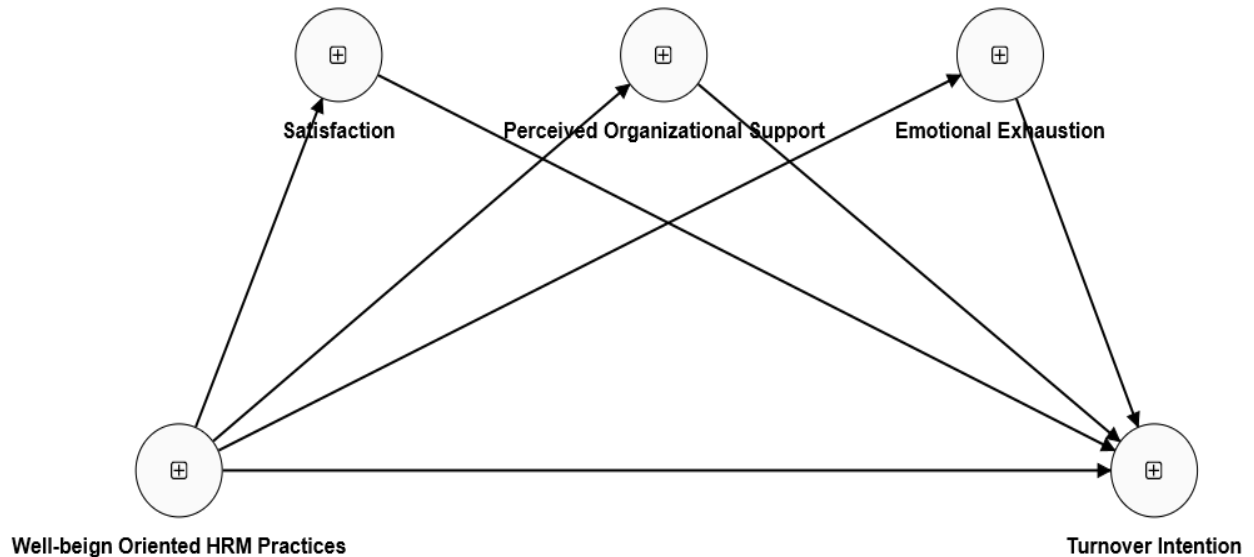


Figure 1 Conceptual Framework

3. Research Methodology

3.1. Context Background

This study investigates the information and communication technology (ICT) sector in Saudi Arabia. In 2016, Saudi Arabia introduced its Vision 2030 initiative to address economic issues such as overreliance on oil and gas sector. Saudi Vision 2030 is one of the most ambitious initiatives in the world, including economic, social, and cultural domains. The Kingdom has undergone significant transformation since the initiation of this national vision. The talent shortage in the local talent pool and challenges in maintaining talent are apparent features of this ICT sector. In recent years, the national transformation has resulted in high demand for highly skilled employees, increasing competition among public and private organizations in the talent market, leading to a "talent war," making retaining employees more challenging. These challenges require significant efforts from HRM leaders, including

repositioning HRM strategies, practices, and policies to align with their organizations' core strategies while maintaining their human capital.

3.2. Study Design

An explanatory sequential mixed-methods design was employed in this study, in which quantitative research was conducted first, followed by qualitative research (Creswell & Clark, 2017). The reason for adopting a mixed-methods design was to gain a deeper understanding by integrating quantitative findings with in-depth semi-structured interviews. Mixed-methods designs can alleviate the single-approach bias and gain richer insights into the phenomena of this study, as both qualitative and quantitative techniques complement each other (Greene et al., 1989, p.258). The explanatory sequential design (Creswell & Clark, 2017) was expanded into three sequential phases to address the limitations and challenges in using existing literature measures and the lack of contextually relevant measures. Figure 1 illustrates the implementation of the extended sequential explanatory design.

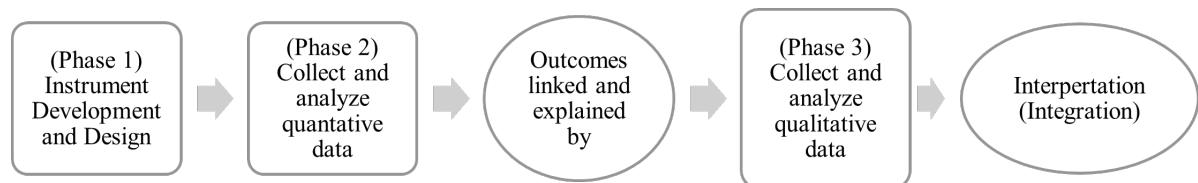


Figure 2 Three-phase design of the research process Adapted from Creswell & Clark (2017)

3.3. Instrument Development and Design Phase

The instrument development followed Dillman's (2011) four stages: content validity, cognitive interviews, pilot study, and re-evaluation. The lead researcher explored the relevant literature and discussed possible measures with co-authors to check their face validity. After drafting the initial instrument, three cognitive interviews were conducted with experienced Saudi employees to ensure its contextual relevance, readability, and clarity. Their feedback was mostly positive, and adjustments were made to improve clarity. A pilot study was conducted with 17 responses, and all Cronbach's alpha values were above 0.70. Finally, the

instrument was assessed by one of the gatekeepers, who determined that it was appropriate and straightforward.

Subsequently, all items were translated into Arabic, the national language in Saudi Arabia, using back-translation procedures (Brislin, 1970). The lead researcher, who is bilingual (native Arabic and English), translated the instrument into Arabic. Afterward, a professional translator with a degree in translation interpreted the Arabic version into English. We then discussed the variations between the two versions and created an updated version. We faced challenges in a couple of measures. For example, there is no equivalent term for "burnout" in Arabic. We reviewed the literature and general publications and selected the most common term for burnout in Arabic. Another issue is transferring the connotations of the statement. For instance, the item, *"If given the opportunity, my immediate manager would take advantage of me,"* can be interpreted positively or negatively. The translation should convey the same connotations as in the original statement. Another item is *"During work meetings, we tell each other what we already know and do not exchange new information."* One of the reviewers in the cognitive reviews pointed out that *"the second part of the statement might be confusing, and there is no point of meeting if new information is not being shared!"*. Therefore, these were removed after the initial data analysis, as they did not meet the reliability criteria, and the factor loadings were below 0.40. Finally, another bilingual academic reviewed the instrument for further revision. A few minor changes were made to improve the clarity of the translations.

3.3.1. Measurement of the Study

All measures in this study were assessed using a five-point Likert scale, with one indicating a strong disagreement and five indicating a strong agreement unless stated otherwise. Well-being-oriented HRM practices were measured using 27 items proposed by Salas-Vallina et al. (2021) based on the available measures in the literature (Cooper et al., 2019; Zacharatos et al.,

2005). These measures evaluate subdimensions, including job security, information sharing, training and development, employee voice, teamwork, and relationships between employees and their supervisors. Two items were excluded from the analysis because of their low factor loadings, which were less than 0.40 and fell much below the threshold of 70. This measure showed strong reliability (Cronbach's alpha = 0.871).

Employee satisfaction was measured using a three-item measure (Rafferty & Griffin, 2006). These items include: "Overall, I am satisfied with the organisation in which I work," and "Overall, I am satisfied with my job."; Cronbach's alpha was 0.859.

Emotional exhaustion was evaluated using three measures (e.g., "I feel burned out from my work" (Maslach & Jackson, 1981)); Cronbach's alpha was 0.896.

Three measures from Eisenberger et al. (2002, 1986) were used to assess employee perceptions of organizational support (POS). These include, for example, "The organization really cares about my well-being." and "The organization values my contribution to its well-being," the Cronbach's alpha for this measure was 0.916.

Turnover intentions were assessed via "Which of the following statements most reflect your current intentions? (a) plan to leave as soon as possible, (b) likely to leave within the next year, (c) likely to stay for at least another year, (d) plan to stay for the foreseeable future" (Fletcher et al., 2018).

Control variables included employee age, gender, employment tenure, and level of education. Previous research has shown that these variables are associated with employees' intentions to leave their organizations (Emiroğlu et al., 2015; Cohen et al., 2016; Van der Heijden et al., 2019).

3.4. Quantitative Research Phase

3.4.1. Procedures and sampling

Initially, a randomized sampling approach was considered. A random sample eliminates the researcher's discretion in selecting specific individuals to participate in the study, thereby minimizing the researcher's potential bias (Saunders & Townsend, 2018). However, convenient sampling was pursued because of the low response rates and access difficulties, which are evident features identified by other researchers in this region (e.g., (Zahra, 2011; Aldossari & Robertson, 2016)). Therefore, adjustments were required to overcome these challenges. By leveraging the first researcher's memberships in three local HR professional communities and his prior professional network, he was able to reach potential participants in three companies in the Information and Communications Technology (ICT) sector in Saudi Arabia.

Data collection commenced in August 2023 and was finalized by the end of November 2023. A self-reported online survey was distributed via gatekeepers in three companies and a primary researcher's professional network. The survey included an invitation letter with brief information about the research and asked for their consent before proceeding. After at least two reminders, the response rates were 26%, 55%, and 47.5% for the first, second, and third companies, respectively, resulting in an overall response rate of 39.5%. In total, 245 responses were obtained from 620 invitations. Seven participants declined to provide their consent, which led to the exclusion of their responses. Therefore, 238 valid responses were valid.

3.4.2. Quantitative Analysis and Findings (ongoing)

3.5. Qualitative Research Phase (ongoing)

4. Quantitative and Qualitative Discussion

5. Contributions, limitations, and conclusion

This study is part of the lead researcher's doctoral thesis and is still in progress. Although fieldwork has not yet been completed, this study provides valuable insights into this ongoing investigation.

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