

**How do human resource management practices affect employee well-being? A mediated moderation model**

**Abstract**

**Purpose** – The study examines how human resource management practices (HRMPs) – including ability practice, motivation practice, and opportunity practice – affect employee well-being (EWB) – including life well-being, job well-being, and psychological well-being – in the Chinese cultural context.

**Design/methodology/approach** – A sample of 529 employees from various industries in China participated in the survey for this study. Data were analyzed using structural equation modeling.

**Findings** – The findings indicate that HRMPs have a significant positive effect on EWB. Specifically, practices based on ability, motivation, and opportunity have a significant positive effect on job well-being, life well-being, and psychological well-being respectively. Integrity leadership moderates the impact of HRMPs on EWB. Organizational justice has a partial mediating effect on the relationship between HRMPs and EWB. Integrity leadership moderates the mediation effect of organizational justice in the relationship between HRMPs and EWB.

**Practical implications** – Human resource policies and practices need to create a fair organizational atmosphere, and managers implementing them must have integrity leadership. When selecting and promoting managers, organizations should not only pay attention to a candidate's ability, but also his or her integrity.

**Originality/value** – This study uncovers how the important roles of organizational justice and integrity leadership act on the relationship between HRMPs and EWB, thus advancing our understanding of how HRMPs can effectively increase EWB.

**Keywords:** Human resource management practices; employee well-being; organizational justice; integrity leadership; signaling theory.

**Paper type:** Research paper

## **Introduction**

Improving employee well-being (EWB) is an important human resource management issue (Pawar, 2016; Huang, Xing, and Gamble, 2019). EWB is an essential part of employees' overall life satisfaction (Jaiswal and Dyaram, 2019). Employees who have high levels of well-being tend to be more creative and highly engaged, and achieve greater performance at work than those who have low-level well-being (Khoreva and Wechtler, 2018). Consequently, EWB can influence many organizational outcomes, such as productivity and profitability (Jaiswal and Dyaram, 2019), and organizational resilience when encountering adversity (Huang et al., 2019). Surprisingly, organizations have traditionally focused on a high-performance work system (HPWS), treating EWB as a supplementary factor in the organizational output (Inceoglu et al., 2018) rather than part of the organization's mission. As a result, employees may suffer from work overload and psychological anxiety, which is detrimental to organizational performance (Peccei, 2004).

Scholars have examined the effect of human resource management practices (HRMPs) on EWB to find a balance between organizational performance and EWB (Peccei, 2004; Van de Voorde, 2009), but the results are conflicting. For example, Kooij et al. (2013) show that HRMPs have a positive impact on EWB, while Peccei (2004) and Van de Voorde (2009) find that HRMPs have a negative impact on EWB, and Meyer and Smith (2000) report that there is no significant relationship between HRMPs and EWB. Furthermore, there is no commonly accepted conceptual framework that systematically explains the relationships between HRMPs and EWB.

Researchers have attempted to introduce some mediation variables to explain the relationships between HRMPs and EWB, such as job requirements (Pecci, 2004), job involvement (Huang et al., 2016) and organizational justice (Heffernan and Dundon, 2016). Additionally, researchers have also introduced some moderator variables, such as employees' age (Kooij et al., 2013), employees' trust toward employer (Alfes, Shantz, and Truss, 2012), and perceived superior and organizational support (Kuvaas and Dysvik, 2010).

This study aims to advance our understanding of the effects of HRMPs on EWB by further examining the mediating and moderating variables. The mediating variable in our conceptual model is organizational justice, which is a key benchmark for organizational climate. Heffernan and Dundon (2016) suggest that organizational justice might alleviate the tension between job satisfaction and organizational promise, and provide a buffer zone between HPWS and EWB. The moderating variable in our conceptual model is integrity leadership. Based on signaling theory (Connelly et al., 2011), we propose that HRMPs serve as signals from the organization while leaders act as the transmitters of the signals. Previous researchers studying the relationship between leadership behavior and EWB have focused on change-oriented style (e.g., transaction and transformation styles) and relationship style (e.g., empowerment and leader and member exchange styles), with little attention given to task-oriented leadership style such as integrity leadership (Inceoglu et al., 2018).

In this study, we draw upon previous literature and two major theories, the

signaling theory (Connelly et al., 2011) and Ability, Motivation and Opportunity (AMO) theory (Paauwe, 2009), to develop a conceptual framework for empirical testing. Data were collected from a sample of employees from various industries in China. The study contributes to the literature in four ways. First, the study examines HRMPs from three dimensions, i.e., ability-, motivation-, and opportunity-enhancing practices. Second, the study adopts an integrative approach to studying EWB, combining hedonic with eudemonic approaches to investigate EWB. Third, our study highlights the role leaders can play in fostering the positive outcomes of HRMPs, specifically, we reveal the moderation effect of integrity leadership. Finally, the study uncovers the role of organizational justice in mediating the impact of HRMPs on EWB. The findings of the study have important implications for HR managers.

## **Theoretical framework and hypotheses**

### ***HRMPs***

HRMPs refers to a chain of activities in acquiring, allocating, and utilizing organizational resources to improve the value of human capital and its value in use (Budhwar, Chand and Katou, 2007). One of the predominant definitions of HRMPs applies a strategic perspective and emphasizes the synergetic effect among single HR practices, which is also termed as a high-performance work system (HPWS) (Wright and McMahan, 1992). Consequently, most scholars tend to use a composite score to represent HRMPs as a unidimensional construct (Wall and Wood 2005). For example, Combs et al. (2006) show that the HPWS, indeed, has a greater effect than individual

HR practices. Appelbaum et al. (2000) indicate that the HPWS plays a positive role in EWB. Ramsey et al. (2000) reveal that the HPWS positively affects the leader-follower relationship, salary satisfaction, job autonomy, and job security, thus increasing EWB. Boxall and Macky (2007) and Takeuchi et al. (2009) further confirm the HPWS has a positive impact on job satisfaction. Castanheira and Chambel (2010) show that the HPWS could help alleviate employee work anxiety. Heffernan and Dundon (2016) report that the HPWS is positively related to emotional promise and negatively related to job pressure.

One potential limitation of measuring the additive effect of various HR practices is that it may hinder our understanding of the psychological mechanism between HRMPs and EWB. Another stream of work has attempted to address this limitation by drawing on AMO theory, arguing that HRMPs designed to maximize employee performance should include three key components: ability, motivation, and opportunity, i.e., HR practices that improve employees' ability or skills; motivate employees to perform; and offer employees the opportunity to succeed (Appelbaum et al., 2000). Unlike the unidimensional measurement of HRMPs, the AMO framework has its foundation in industrial/organizational psychology (Paauwe, 2009), which helps us to better understand the underlying psychological mechanism between HRMPs and EWB. Studies have started to adopt the AMO framework to examine HRMPs and their consequences on performance (Jiang et al., 2012). However, we still have vague understanding of the relationship between AMO practices and EWB. Therefore, further investigation of HRMPs using the AMO framework is needed.

## ***EWB***

There are generally two main approaches to studying EWB (Ryan and Deci, 2001): hedonic and eudaimonic. The hedonic approach uses a happiness-oriented perspective, defining EWB as subjective experiences measured by indicators such as positive affect and job satisfaction. The eudaimonic approach considers EWB from the perspective of achieving one's potential, and treats EWB as a construct of psychological well-being, measured by indicators such as self-actualization and personal achievement (Ryan and Deci, 2001). However, Diener (2000) acknowledges that neither the hedonic nor the eudaimonic approach is sufficient in itself to explain the concept of EWB. In an attempt to reconcile the dual perspectives of EWB, some scholars have suggested that it would be optimal to consider EWB by integrating these two research trends (Ryan and Deci, 2001). Based on the integrative approach, Zheng et al. (2015) have developed a three-dimensional EWB measurement in the Chinese context, encompassing life well-being, job well-being, and psychological well-being. According to Zhang et al. (2015), EWB involves employees' subjective perceptions and feelings about their work and life (e.g., subjective well-being such as life well-being and job well-being), as well as their psychological experience and the level of satisfaction exhibited in both their work and personal lives (psychological well-being). To provide a holistic view to understand the generation of EWB, we adopt Zheng et al.'s (2015) scale to measure EWB which combines hedonic and eudemonic approaches.

## ***Effects of HRMPs on EWB***

Previous studies have aimed to explain the positive relationship between HRMPs and EWB from behavioral theory (Peccei, 2004) and social exchange theory (Van De Voorde et al., 2012) perspectives. In this study, we adopt a different approach based on the signaling theory and AMO theory. According to signaling theory (Connelly et al., 2011), HRMPs can send signals to employees in a consistent and unified manner with embedded organizational values via signaling functions (Bowen and Ostroff, 2004). As well-argued by Kooij et al. (2010), HRMPs can assist employees to understand organization values, which help them to act in intended behaviors.

According to AMO theory, the use of HR practices can be categorized into three groups: ability-, motivation-, and opportunity-enhancing HR practices (Appelbaum et al., 2000).

Ability-enhancing HR practices target improving employees' knowledge and skills to perform their work as expected, thereby contributing to achieving the goals of the organization (Tharenou et al., 2007). These practices include employee recruitment, training and continuous professional development. Ability-enhancing HR practices may provide employees with valuable resources to accomplish their desired career outcomes that are crucial for EWB.

*H1a: Ability-enhancing HRMPs have a positive effect on employees' well-being*

Motivation-enhancing HR practices are designed to increase employee extrinsic or intrinsic motivation to work towards the expected performance (Jiang et al., 2012). These include procedures of performance management, policies of compensation,

rewards, and incentives. If well-designed and -implemented, employees would feel that their efforts are valued by their organization, which will then lead to greater well-being.

*H1b: Motivation-enhancing HRMPs have a positive effect on employees' well-being.*

Opportunity-enhancing HR practices are those designed to encourage employees to express their ideas, take responsibility for setting the goals and complete the tasks required (Mathieu et al., 2006). These practices include employee involvement and participation in key decision making such as job design and goal setting, decentralization, and increased job autonomy (Jiang et al., 2012). By implementing these HR practices, employees may find ways to fulfill their needs for self-achievement and, thus, experience higher EWB.

*H1c: Opportunity-enhancing HRMPs have a positive effect on employees' well-being.*

### ***Mediating role of organizational justice***

Organizational justice in our research refers to the perceived fairness in organizational environments, which consists of company policies, systems, actions, and results pertaining to the employee's self-interests (Colquitt et al., 2001). The construct is usually examined from four dimensions including procedural, distribution, interpersonal, and informational justice (Colquitt et al., 2001). According to signaling theory (Connelly et al., 2011), HRMPs, as an objective signal transmission system,

sends out signals to the employees whether the organization supports or cares about their employees. An organization that values employee contributions in HRMPs will be seen as one with a high level of organizational justice. Bies and Moag (1986) indicate that fairness in wages and benefits, as well as career promotions via HRMPs, enable employees to feel valued and respected by the organization so that a strong perceived sense of organizational justice is achieved. Thus, we hypothesize the following:

*H2: HRMPs have a positive impact on the sense of organizational justice.*

HRMPs, as an objective signal transmission system, convey organizational policy in value creation and compensation distribution in a consistent manner to motivate, standardize, and regulate so that organizational policy and the system can be effectively implemented in a just and fair organizational culture and climate. As Cropanzano and Kacmr (1995) point out that when employees experience a high sense of organizational justice, they feel greater support and recognition from their leaders and organizations. This sense and perception enables employees to realize the importance of their roles in the organization which, consequently, has a positive impact on their attitudes and emotions, thereby increasing employee well-being. Thus, we hypothesize that:

*H3: HRMPs promote organizational justice (including procedural justice, distribution justice, interpersonal justice, and informational justice), which has a positive impact on employees' well-being, i.e., organizational justice plays a*

*mediating role between HRMPs and EWB.*

### ***Moderating role of integrity leadership***

Integrity leadership may work as a boundary condition for the above-mentioned relationships because leadership is critical for transmitting organizational and human resources practice signals. Integrity leadership takes place in the interactions between leaders and members, which enables the leaders to form holistic self-awareness, information-balanced processing, and self-development of internal morality (Walumbwa et al., 2008). The core of integrity leadership consists of self-awareness and self-adjustment. Leaders with integrity must be made aware of their own values and goals and capable of self-adjustment which includes honest behavior, self-discipline, relationship transparency, and impartial information-processing.

Organizational leaders carry out HRM responsibilities in the areas of employee selection, appraisal, development, communication, and participation through HRMPs; and employees' perceptions and experience with HRMPs are, to a large extent, influenced by organizational leadership styles (Whitener et al., 1998). Luthans and Avolio (2003) show that integrity leadership has a positive impact on the self-perception of leaders and subordinates as well as their self-control in organizational behavior, thereby encouraging and enhancing the individual growth and self-development of employees. As a result, leaders with high integrity can implement HRMPs that enable their subordinates to grow, eventually leading to higher EWB. Gardner et al. (2005) explain that leaders with high integrity can improve

subordinates' job participation, help them to realize their potential, and effectively enhance their overall well-being. Thus, we hypothesize that:

*H4: Integrity leadership positively moderates the effect of HRMPs on EWB, that is, when the level of integrity leadership is higher, the positive effect of HRMPs on employees' well-being is stronger than that of organizations with lower integrity leadership.*

According to signaling theory, the leader, as a legal representative of the organization, plays the de facto role of the actual signal transmitter in the process of implementing HRMPs. The way in which the leader transmits and expresses relevant information affects employees' understanding and perception of HRMPs, the primary receivers of organizational signals (Bowen and Ostroff, 2004). In addition, when the leader communicates the rationale for certain organizational policies with honesty, impartiality, and high moral standards, the chances of the employee's understanding and acceptance of HRMPs will be improved.

Similarly, leadership style and behavior influence not only HRMPs and perception of relevant organizational policies but also employees' perception of organizational justice. Cho and Dansereau (2010) have found that the ways in which leaders conduct HRMPs affect the employee's perception of procedural justice. In addition, Bies and Moag (1986) show that leadership style and behavior directly affect the employee's perception of organizational justice. When a leader gives employees a clear explanation about relevant policies and practices in the organization, the

employees are likely to have a high sense of organizational justice. Further, Lu et al. (2011) state that the effectiveness of leadership and organizational policies are mutually complementary since the leader is the legitimate representative of the company. Thus, employees will partially attribute their leader's trust and support to the organizational level. Liu (2016) indicates that once integrity leadership and HRMPs are enhanced, the "spillover effect" mutually generated from integrity leadership and HRMPs can reach the maximum.

A leader with integrity can make the best use of his or her positive psychological abilities to improve self-awareness, personal ethics, and unbiased information processing whilst, at the same time, increasing the honest interaction with subordinates so that a positive and ethical organizational climate can be established. Eventually, both the leader and follower can experience positive self-development and personal growth. After all, leadership integrity acts as an organizational signal to the employee, which indicates that the organization aims to have procedural justice and fair distribution, as well as organizational justice. This positive and active signal shall be greatly beneficial to employees' productivity. Thus, we hypothesize that:

*H5: Integrity leadership positively moderates the mediating effect which organizational justice has in the relationship between HRMPs and EWB, that is, compared with the organization with low levels of integrity leadership, when working in the organization with high integrity leadership, employees would feel more sense of organizational justice, and HRMPs would have a stronger impact on EWB.*

Overall, the above dynamic relationships can be demonstrated in Figure 1, our theoretical framework.

-----  
Insert Figures 1 about here  
-----

## **Method**

### ***Participants and procedure***

Between March and May 2018, we conducted a survey on employees in China across different industries consisting of R&D staff, technicians, managers, sales personnel, and other professionals (for example consultants, accountants, and lawyers).

Ultimately, 529 responses were received. The sample consists of 261 (49.3 percent) males and 268 (50.7 percent) females. Nearly half of the respondents were aged between 20 to 29 years old (n=262, or 49.5 percent), the second-largest group 30 to 39 years of age (n=245, or 46.3 percent), the remaining group, consisting of only 22 participants, were over 40 years of age, (4.2 percent). Regarding their academic qualifications, 42 (7.9 percent) had a college degree or below, 313 (59.2 percent) had an undergraduate degree, and 174 (32.9 percent) had a graduate degree or beyond. In terms of position, 218 (41.3 percent) were ordinary employees, 147 (27.8 percent) were first-line managers, 164 (31.0 percent) were middle and senior managers. In terms of the type of business undertaken, 171 (32.3 percent) worked for state-owned enterprises, 182 (34.4 percent) worked for private-owned enterprises, 93 (17.6%)

worked for foreign-owned companies and, finally, 34 (6.4 percent) worked for Sino-foreign joint ventures.

### *Measures*

All the study constructs and measurements were based on the existing literature and the question items were anchored on a five-point scale (1=strongly disagree, 5=strongly agree).

#### *Human resource management practices*

HRMPs were measured using scales consisting of 18 items developed by Andreeva and Sergeeva (2016), which include the three dimensions of ability (three items), motivation (six items), and opportunity (nine items). A sample item for the measurement of ability dimension of HRMPs is: “The company provides training to develop skills of team cooperation”; a sample item for the measurement of motivation dimension of HRMPs is: “The freedom to carry out my job the way I want to”; A sample item for the measurement of opportunity dimension of HRMPs is: “The company has mentoring programs in which employees can receive their mentor’s help at any time”. The Cronbach's alpha coefficient value for internal consistency reliability in said measures is 0.921 overall while a coefficient for each consists of ability (0.879), motivation (0.790), and motivation (0.872).

#### *Integrity leadership*

Integrity leadership was measured using the scales by Walumbwa et al. (2008), with sample items including: “My boss clearly expresses his or her ideas”; “My boss

discusses business ethics or values with employees”. The Cronbach's alpha coefficient value of integrity leadership is 0.96.

### *Organizational justice*

Organizational justice was measured using the scales by Colquitt et al. (2001) composing of four dimensions: procedural justice (a sample item: “My reward or bonus reflects my personal contributions in this company”); distribution justice (a sample item: “I have been able to express my views and feeling during the procedures used to decide my reward and bonus”); interpersonal justice (a sample item: “When the authority figures who enact the procedure of distributing reward and bonus he/she treated me in a polite manner”); and, information justice (a sample item: “The explanations about the procedures of reward and bonus distribution were reasonable”). The overall Cronbach's alpha value is 0.950, and the Cronbach's alpha values for each dimension are 0.942, 0.887, 0.949, and 0.920 respectively.

### *Employee well-being*

EWB was measured using the scales of 18 items developed by Zheng et al. (2015) which includes three dimensions: life well-being (six items), job well-being (six items), and psychological well-being (six items). A sample item for life well-being is: “I feel satisfied with my life”; a sample item for the job well-being is: “I am satisfied with my work responsibilities”; a sample item for psychological well-being is: “I generally feel good about myself, and I’m confident”. The overall Cronbach's alpha value is 0.951, and the values for each dimension are 0.892, 0.926, and 0.893

respectively.

### *Control variables*

Demographic data such as employees' gender, age, education, length of employment, employment type, and nature of business were used as controlled variables (Jaiswal and Dyaram, 2019).

## **Results**

### *Construct reliability and validity*

Overall, we used SPSS 21.0 and Lisrel 8.71 for statistical analysis. A confirmatory factor analysis was performed on the variables involved in the study to examine the discriminant validity of the scale used followed by descriptive statistical analysis, correlation analysis, hierarchical multiple regression analysis, mediation effect, and moderating effect analysis.

To examine the discriminant validity of the four constructs, namely, human resource management practice (HRMPs), organizational justice (POJ), integrity leadership (IL), and employee well-being (EWB), we first conducted standard mean normalization (Golden, 1992) for all items from all the constructs in the study, followed by maximum likelihood estimation from LISREL to obtain each of the factor values. The results of the confirmatory factor analysis are shown in Table 1. Compared with other models, the four-factor model best fits the data: RMSEA is lower than 0.1, GFI is higher than 0.8, CFI and NFI are higher than 0.9, and  $\chi^2/df$  is the smallest, showing that the items measuring the four constructs have good

discriminatory validity.

-----  
Insert Table 1 about here  
-----

To examine the potential common method bias, we adopted the widely used statistical instrument Harman single-factor test (Podsakoff et al. 2003). Following Podsakoff et al. (2003), we conducted a one-factor analysis by entering all the measurement items into the factor analysis. The results show that the one general factor has the least fit statistics:  $\chi^2=3472.73$ ,  $df=77$ ,  $\chi^2/df=45.10$ ,  $GFI=0.70$ ,  $CFI=0.74$ ,  $NFI=0.72$ ,  $RMSEA=0.29$ , while the four factors model has the best fit statistics:  $\chi^2=545.76$ ,  $df=71$ ,  $\chi^2/df=7.69$ ,  $GFI=0.87$ ,  $CFI=0.97$ ,  $NFI=0.97$ ,  $RMSEA=0.09$ . This shows that common method bias is not a concern. Table 2 presents the descriptive data about all the constructs' mean, standard deviation (SD), and correlation coefficient values.

-----  
Insert Table 2 about here  
-----

### ***Hypothesis testing***

#### *Direct effect of HRMPs on EWB*

To test the hypothesis, structure equation modeling was performed using LISREL 8.71, the results of which are shown in Table 3. The first hypothesis, related to the

positive and significant effect of HRPM on EWB, was supported. Specifically, a) ability practice positively affected life well-being ( $\beta=0.37$ ,  $p<0.001$ ), job well-being ( $\beta=0.38$ ,  $p<0.001$ ), and psychological well-being ( $\beta=0.34$ ,  $p<0.001$ ); b) motivation practice positively affected life well-being ( $\beta=0.53$ ,  $p<0.001$ ), job well-being ( $\beta=0.54$ ,  $p<0.001$ ), and psychological well-being ( $\beta=0.42$ ,  $p<0.001$ ); and c) opportunity practice positively affected life well-being ( $\beta=0.45$ ,  $p<0.001$ ), job well-being ( $\beta=0.48$ ,  $p<0.001$ ) and psychological well-being ( $\beta=0.43$ ,  $p<0.001$ ). Thus, H1a, H1b, H1c were supported.

-----  
Insert Table 3 about here  
-----

#### *Mediating effect of organizational justice*

The second hypothesis regarding the mediating effect of organizational justice on HRMPs and EWB was supported, according to the data results shown in Table 3. The data results revealed that HRMPs had a positive effect on EWB ( $\beta=0.54$ ,  $p<0.001$ ), and organizational justice ( $\beta=0.62$ ,  $p<0.001$ ). Figure 2 depicted the results of path analysis, which also showed that four dimensions of organizational justice (i.e., procedural justice, distribution justice, interpersonal justice, informational justice) mediated the effect of HRMPs on EWB. The indirect effect for procedural justice ( $\beta=0.36$ ,  $p<0.001$ ), distribution justice ( $\beta=0.30$ ,  $p<0.001$ ), interpersonal justice ( $\beta=0.44$ ,  $p<0.001$ ), and informational justice ( $\beta=0.38$ ,  $p<0.001$ ) are all significant;

therefore, H2 was supported.

-----  
Insert Figure 2 about here  
-----

*Moderating effect of integrity leadership*

Table 4 presents the results of moderation regression. The results in Model 9 indicate that integrity leadership has a significant positive impact on EWB ( $\beta=0.299$ ,  $p<0.05$ ), the interaction term of integrity leadership and HRMPs has a significant positive effect on EWB ( $\beta=0.096$ ,  $p<0.05$ ). Thus, H4 was supported, i.e., integrity leadership positively moderates the effect between HRMPs and EWB, that is, when the level of integrity leadership is higher, the positive effect between HRMPs and EWB is stronger than when the level of integrity leadership is lower. Figure 3 presents a visualization of the effect of integrity leadership moderation.

-----  
Insert Table 4 & Figure 3 about here  
-----

Two methods were used to test H5, the moderating effect of integrity leadership on the mediating effect which organizational justice has in the relationship between HRMPs and EWB. Firstly, we used the stepwise regression method, the results of which are shown in Table 4. Judging from Model 9, there was a significant interaction

effect ( $\beta=0.096$ ,  $p<0.05$ ) of HRMPs and organizational justice interacting with EWB. Additionally, Model 12 revealed significant interaction coefficients ( $\beta=0.06$ ,  $p<0.05$ ) with HRMPs and integrity leadership interacting on organizational justice. Moreover, in Model 10, the interaction coefficients ( $\beta=0.071$ ,  $p<0.05$ ) were still significant when HRMPs and integrity leadership interacted with EWB. The interacting effect on organizational justice was still significant ( $\beta=0.426$ ,  $p<0.001$ ). These results show that organizational justice acted as a moderator influencing EWB when HRMPs and integrity leadership interacted with each other.

-----  
Insert Table 5 about here  
-----

The bootstrap method was used to further test the moderated mediation effects, the results of which are presented in Table 5; this revealed that when moderator variables and mediator variables were controlled, the independent variable HRMPs had a direct effect ( $r = 0.23$ ,  $p=0.000$ ) on the dependent variable of EWB. After a mediator and moderator were added, the indirect effect coefficient reached  $r=0.25$  under high integrity leadership and confidence intervals at 95% were (0.17, 0.33) and with low integrity leadership the indirect coefficient effect was only at  $r= 0.15$  and confidence intervals at 95% were (0.15, 0.31) indicating HRMPs had a significant impact on EWB through organizational justice. The different effect size under high

integrity leadership and low integrity leadership was  $r=0.010$ , and at 95% confidence the intervals were (0.03, 0.06). Therefore, H5 was supported.

## **Discussion and conclusion**

The purpose of this study was to advance our understanding of the impact of HRMPs on EWB by considering the potential mediating and moderating variables, including organizational justice and integrity leadership. Based on the AMO theory and signaling theory, a conceptual model with hypotheses was developed. The findings show that the three dimensions of HRMPs (ability, motivation, opportunity practice) have a positive impact on the three dimensions of EWB (life, job, psychological well-being). Organizational justice was found to mediate the impact of HRMPs on EWB and integrity leadership plays a moderating role in both the direct effect of HRMPs on EWB and the mediation effect of organizational justice between HRMPs and EWB.

### *Theoretical contributions*

This study has four major theoretical contributions. First, we contribute to the literature by broadening the examination of HRMPs to embrace three dimensions: ability-, motivation-, and opportunity-enhancing practices, since these factors were previously mainly adopted in the research of HPWS. Although a large majority of previous studies have used the AMO framework to understand the effect of HRMPs on performance, empirical studies concerning the relationship between AMO dimensions of HRMPs on EWB were scarce. Our results suggest that each dimension of HRMPs has a positive impact on EWB. The results corroborate the argument by Pawar (2016) that HRMPs could be beneficial for employees' psychological and social well-being.

Second, our study advances the field of study by offering an integrative approach to studying EWB. Specifically, we combined hedonic and eudemonic approaches and investigated EWB based on three dimensions, including work, life, and psychological well-being. In contrast, many previous studies have only presented a fragmented picture of employee well-being by measuring its dimensions separately, in terms of job satisfaction, physical well-being or psychological well-being (Huang, Xing, and Gamble, 2019; Pawar, 2016; Khoreva and Wechtler, 2018). These studies fail to capture a holistic understanding of the antecedents of EWB. In the current study, we have endorsed the integrative perspective of EWB research, we found that good HRMPs not only are beneficial for a specific kind of employee well-being but also can lead to higher overall well-being for employees.

Third, our study advances the literature of employee relations research by highlighting the role leaders can play in fostering the positive outcomes of HRMPs. Our results suggest that integrity leadership will strengthen the positive relationship between HRMPs and EWB. This result provides further support for the idea that leadership style has a critical influence on the implementation of HR practices (Vermeeren, Kuipers, and Steijn, 2014). Previous studies have evaluated transformational or servant leadership as the moderators of HRMPs and subsequent outcomes, they have emphasized that leaders providing support or motivating employees to behave would facilitate the implementation of HRMPs. Unlike this stream of research, our study offers new insights by showing that leaders with high integrity will increase the chances of HRMPs in improving employee well-being.

Finally, this study examined the mediating route that HRMPs exert an impact on EWB. The study results show that organizational justice mediates the impact of HRMPs on EWB. This is consistent with the previous research by Simons and Robinson (2003), which shows that when organizational justice is maintained and executed in the areas of procedural justice, distribution justice, interpersonal justice, and informational justice, employees have higher levels of well-being and work well-being from the job itself and, as a result, they are able to achieve higher performance (Khoreva and Wechtler, 2018).

#### *Practical implications*

The findings of this study have several practical implications. First, to enhance EWB, organizations need to design well-structured and meticulous HRM policies and effective implementations in an open and fair organizational climate, then empower a few dynamic leaders with integrity to put the HRM policies into fruitful practices. Organization leaders could enable more efficient and effective human resource policies by embracing employees as assets instead of liabilities, investing in them, and paying attention to their survival, growth, and personal development. In the meantime, leaders could grant opportunities and motivation for employees to actively participate in the workplace, so that the value of human resources could be tremendously increased for the organization whereby, eventually, the organization could obtain the organizational goals and employees could have their overall EWB, creating a win-win outcome.

Second, in the process of providing ability, motivation, and opportunities for HR practices, organizations can find ways to increase employees' perceptions of various forms of organizational justice, as these justice perceptions are important mechanisms to transmit the positive influence of HRMPs to EWB. Knight and Gunatilaka (2011) found that, since 2002, individuals' well-being in China appears not to have risen, and may even have fallen; this is mainly because rapid economic growth has also led to rising income inequality which is suggested to be detrimental for individuals' well-being. Our study provides further evidence for this phenomenon in the context of organizational management. Based on our study and considering the high power distance cultural background of China (which may cause power inequality and create less justice climate in organizations), we suggest that organizations in China should take actions to improve employees' justice perceptions as a way to increase employee well-being. For example, during the implementation of HRMPs, organizations can design rules to provide transparent information to increase employees' justice perceptions.

Finally, since integrity leadership moderates the impact of HRMPs and organizational justice on EWB, organizations should place emphasis not only on managerial competence but, also, on the integrity and ethics of managers in the selection process since leaders with higher integrity enhance EWB. Therefore, it is also important for organizations to include integrity and ethics into the performance appraisal process when assessing managers' performance, because leaders with higher levels of integrity would enhance the effect of organizational justice on EWB.

### *Limitations and further research*

This study has several limitations and future research is needed. First, our study only considered the mediating effect of organizational justice between HRMPs and EWB; therefore, we suggest that future research could add organizational climate and organizational culture as potential mediators. With regard to the moderator variable, our research used integrity leadership which is known as only one type of positive leadership that may transmit the encouraging signals of HRMPs to employees. Future research could evaluate other positive leadership styles as potential moderators, such as servant leadership, tolerant leadership, and ethical leadership. In addition, whether leaders can transmit the positive signals largely depends on the leader-follower interaction; therefore, we suggest that future researchers may also consider the leader-member-exchange that reflects the quality of leader-follower interaction as another moderator in their theoretical models. Finally, the data in this study were based on a one-off, self-report, cross-sectional survey; although the study did not have the serious common method biases, future research can adopt a more objective method of data collection, for example, longitudinal tracking data would help uncover the causal effect between variables. Lastly, our conclusions are limited to the Chinese context; as a consequence, the research model should be tested using data collected from samples in other cultural contexts.

## References

- Alfes, K., Shantz, A., and Truss, C. (2012). The link between perceived HRM practices, performance and well-being: The moderating effect of trust in the employer. *Human Resource Management Journal*, Vol. 22 No. 4, pp. 409-427.
- Andreeva, T., and Sergeeva, A. (2016). The more the better... or is it? The contradictory effects of HR practices on knowledge-sharing motivation and behaviour. *Human Resource Management Journal*, Vol. 26 No. 2, pp. 151-171.
- Appelbaum, E., Bailey, T., Berg, P. B., Kalleberg, A. L., and Bailey, T. A. (2000). *Manufacturing advantage: Why high-performance work systems pay off*. Cornell University Press.
- Bies, R., and Moag, R. (1986). Interactional justice: Communication criteria of fairness in: Lewicki, RJ, Sheppard, BH & Bazerman, MH (eds.) *Research on negotiations in organizations* (pp. 43-55). JAI Press
- Bowen, D. E., and Ostroff, C. (2004). Understanding HRM–firm performance linkages: The role of the “strength” of the HRM system. *Academy of Management Review*, Vol. 29 No. 2, pp. 203-221.
- Boxall, P., and Macky, K. (2007). High-performance work systems and organisational performance: Bridging theory and practice. *Asia Pacific Journal of Human Resources*, Vol. 45 No. 3, pp. 261-270.
- Budhwar, P. S., Chand, M., and Katou, A. A. (2007). The impact of HRM practices

on organisational performance in the Indian hotel industry. *Employee Relations*.  
Vol. 29 No.6, pp. 576-594.

Castanheira, F., and Chambel, M. J. (2010). Reducing burnout in call centers through  
HR practices. *Human Resource Management*, Vol. 49 No. 6, pp. 1047-1065.

Cho, J., and Dansereau, F. (2010). Are transformational leaders fair? A multi-level  
study of transformational leadership, justice perceptions, and organizational  
citizenship behaviors. *The Leadership Quarterly*, Vol. 21 No. 3, pp. 409-421.

Colquitt, J. A. (2001). On the dimensionality of organizational justice: A construct  
validation of a measure. *Journal of Applied Psychology*, Vol.86 No.3, pp. 386.

Connelly, B. L., Certo, S. T., Ireland, R. D., and Reutzel, C. R. (2011). Signaling  
theory: A review and assessment. *Journal of Management*, Vol. 37 No.1, pp.39-  
67.

Combs, J., Liu, Y., Hall, A., & Ketchen, D. 2006. How much do high-performance  
work practices matter? A meta-analysis of their effects on organizational  
performance. *Personnel Psychology*, Vol. 59 pp.501–528.

Cropanzano, R., and Kacmar, K. M. (Eds.). (1995). *Organizational politics, justice,  
and support: Managing the social climate of the workplace*. Green wood  
Publishing Group.

Diener, E. (2000). Subjective well-being: The science of happiness and a proposal for  
a national index. *American Psychologist*, Vol. 55 No.1, pp.34–43.

- Gardner, W. L., Avolio, B. J., Luthans, F., May, D. R., and Walumbwa, F. (2005). "Can you see the real me?" A self-based model of authentic leader and follower development. *The Leadership Quarterly*, Vol. 16 No. 3, 343-372.
- Golden, B. R. (1992). The past is the past—or is it? The use of retrospective accounts as indicators of past strategy. *Academy of Management Journal*, Vol. 35 No. 4, pp. 848-860.
- Heffernan, M., and Dundon, T. (2016). Cross-level effects of high-performance work systems (HPWS) and employee well-being: the mediating effect of organisational justice. *Human Resource Management Journal*, Vol. 26 No. 2, pp. 211-231.
- Huang, L. C., Ahlstrom, D., Lee, A. Y. P., Chen, S. Y., and Hsieh, M. J. (2016). High performance work systems, employee well-being, and job involvement: An empirical study. *Personnel Review*, Vol. 45 No. 2, pp. 296-314.
- Huang, Q., Xing, Y., and Gamble, J. (2019). Job demands–resources: A gender perspective on employee well-being and resilience in retail stores in China. *The International Journal of Human Resource Management*, Vol. 30 No. 8, pp. 1323-1341.
- Inceoglu, I., Thomas, G., Chu, C., Plans, D., and Gerbasi, A. (2018). Leadership behavior and employee well-being: An integrated review and a future research agenda. *The Leadership Quarterly*, Vol. 29 No. 1, pp. 179-202.
- Jaiswal, A., and Dyaram, L. (2019). Towards well-being: role of diversity and nature of work. *Employee Relations*, Vol. 41 No. 1, pp. 158-175.

- Jiang, K., Lepak, D. P., Hu, J., and Baer, J. C. (2012). How does human resource management influence organizational outcomes? A meta-analytic investigation of mediating mechanisms. *Academy of Management Journal*, Vol. 55 No.6, pp. 1264-1294.
- Khoreva, V., and Wechtler, H. (2018). HR practices and employee performance: the mediating role of well-being. *Employee Relations*, Vol. 40 No. 2, pp. 227-243.
- Knight, J., and Gunatilaka, R. (2011). Does economic growth raise happiness in China?. *Oxford Development Studies*, Vol.39 No.01, pp.1-24.
- Kooij, D. T., Jansen, P. G., Dijkers, J. S., and De Lange, A. H. (2010). The influence of age on the associations between HR practices and both affective commitment and job satisfaction: A meta - analysis. *Journal of Organizational Behavior*, Vol. 31 No. 8, pp. 1111-1136.
- Kooij, D. T., Guest, D. E., Clinton, M., Knight, T., Jansen, P. G., and Dijkers, J. S. (2013). How the impact of HR practices on employee well-being and performance changes with age. *Human Resource Management Journal*, Vol. 23 No. 1, pp. 18-35.
- Kuvaas, B., and Dysvik, A. (2010). Exploring alternative relationships between perceived investment in employee development, perceived supervisor support and employee outcomes. *Human Resource Management Journal*, Vol.20 No. 2, pp. 138-156.
- Liu, Y. (2016). A self-concept perspective on the role of ethical leadership relating to

employee's helping others behaviors. *Economic Management Journal*, Vol.38  
No.1, pp. 84-93

Lu, J., Song, J., Xia, C., (2011) An analysis on the process of ethical leadership : a  
social exchange perspective. *Chinese Journal of Management*, Vol. 8 No.12, pp.  
1802-1812

Luthans F and Avolio B.J., (2003). Authentic leadership: A positive developmental  
approach. In Cameron KS, Dutton JE, Quinn RE (Eds.), *Positive Organizational  
Scholarship* (pp. 241–261). San Francisco: Barrett-Koehler.

Mathieu, J., Gilson, L. and Ruddy, T. (2006), Empowerment and team effectiveness:  
an empirical test of an integrated model. *Journal of Applied Psychology*, Vol. 91  
No. 1, pp. 97-108.

Meyer, J. P., and Smith, C. A. (2000). HRM practices and organizational  
commitment: Test of a mediation model. *Canadian Journal of Administrative  
Sciences/Revue canadienne des sciences de l'administration*, Vol. 17 No.4, pp.  
319-331.

Pawar, B. S. (2016). Workplace spirituality and employee well-being: An empirical  
examination. *Employee Relations*, Vol. 38 No.6, pp. 975-994.

Pauwe, J. (2009). HRM and performance: Achievements, methodological issues and  
prospects. *Journal of Management Studies*, Vol.46 No.1, pp. 129-142.

Peccei, R. (2004). Human resource management and the search for the happy

workplace, *ERIM Inaugural Address Series Research in Management*, (No. EIA-2004-021-ORG). Retrieved from <http://hdl.handle.net/1765/1108>

Podsakoff, P. M., MacKenzie, S. B., Lee, J. Y., and Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. *Journal of Applied Psychology*, Vol.88 No.5, pp. 879-903.

Ramsey, H., Scholarios, D. and Harley, B. (2000), "Employees and high-performance work systems: testing inside the black box", *British Journal of Industrial Relations*, Vol. 38 No. 4, pp. 501-531.

Ryan, R. M., and Deci, E. L. (2001). On happiness and human potentials: A review of research on hedonic and eudaimonic well-being. *Annual Review of Psychology*, 52(1), 141-166.

Simons, T., & Roberson, Q. (2003). Why managers should care about fairness: the effects of aggregate justice perceptions on organizational outcomes. *Journal of Applied Psychology*, 88(3), 432.

Takeuchi, R., Chen, G., and Lepak, D. P. (2009). Through the looking glass of a social system: Cross-level effects of high-performance work systems on employees' attitudes. *Personnel Psychology*, Vol. 62 No.1, pp. 1-29.

Tharenou, P., Saks, A. M., and Moore, C. (2007). A review and critique of research on training and organizational-level outcomes. *Human Resource Management*

*Review*, Vol. 17 No.3, pp. 251-273.

Van de Voorde, K. (2009). *HRM, employee well-being and organizational performance: A balanced perspective*. Tilburg: Tilburg University.

Van De Voorde, K., Paauwe, J., and Van Veldhoven, M. (2012). Employee well-being and the HRM–organizational performance relationship: a review of quantitative studies. *International Journal of Management Reviews*, Vol. 14 No.4, pp. 391-407.

Vermeeren, B., Kuipers, B., and Steijn, B. (2014). Does leadership style make a difference? Linking HRM, job satisfaction, and organizational performance. *Review of Public Personnel Administration*, Vol. 34 No.2, pp. 174-195.

Walumbwa, F. O., Avolio, B. J., Gardner, W. L., Wernsing, T. S., and Peterson, S. J. (2008). Authentic leadership: Development and validation of a theory-based measure. *Journal of Management*, Vol. 34 No.1, pp. 89-126.

Wall, T. D., and Wood, S. J. (2005). The romance of human resource management and business performance, and the case for big science. *Human Relations*, Vol. 58 No.4, pp. 429-462.

Whitener, E. M., Brodt, S. E., Korsgaard, M. A., and Werner, J. M. (1998). Managers as initiators of trust: An exchange relationship framework for understanding managerial trustworthy behavior. *Academy of Management Review*, Vol. 23 No.3, pp. 513-530.

Wright, P. M., and McMahan, G. C. (1992). Theoretical perspectives for strategic human resource management. *Journal of Management*, Vol. 18 No.2, pp.295-320.

Zheng, X., Zhu, W., Zhao, H., and Zhang, C. (2015). Employee well-being in organizations: Theoretical model, scale development, and cross-cultural validation. *Journal of Organizational Behavior*, Vol. 36 No.5, pp. 621-644.

**Table 1.** Results of confirmative factor analysis

Model	$\chi^2$	df	$\chi^2/df$	RMSEA	GFI	CFI	NFI
HRMPs, Organizational Justice, Integrity Leadership, EWB	545.76	71	7.69	0.09	0.87	0.97	0.97
HRMPs, Organizational Justice, Integrity Leadership +EWB	1553.11	74	20.988	0.195	0.80	0.91	0.91
HRMPs, Organizational Justice + Integrity Leadership +EWB	2012.16	76	26.474	0.220	0.73	0.84	0.72
HRMPs+ Organizational Justice + Integrity Leadership +EWB	3472.73	77	45.100	0.289	0.70	0.74	0.72

**Table 2.** Correlation analysis of each variable and its dimension

Variable	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13
1. Ability	3.38	1.05													
2. Motivation	3.03	0.85	0.57**												
3. Opportunity	3.48	0.84	0.74**	0.68**											
4. HRMPs	3.30	0.80	0.90**	0.84**	0.91**										
5. Life Satisfaction	3.25	0.79	0.39**	0.55**	0.49**	0.53**									
6. Work Satisfaction	3.37	0.86	0.37**	0.53**	0.46**	0.51**	0.79**								
7. Psychological Satisfaction	3.71	0.72	0.35**	0.42**	0.44**	0.45**	0.70**	0.62**							
8. EWB	3.44	0.71	0.41**	0.56**	0.52**	0.56**	0.93**	0.90**	0.852**						
9. Procedural Justice	3.21	0.95	0.48**	0.51**	0.55**	0.58**	0.51**	0.54**	0.40**	0.54**					
10. Distribution Justice	3.39	0.80	0.50**	0.57**	0.61**	0.63**	0.58*	0.52**	0.50**	0.60**	0.63**				
11. Interpersonal Justice	3.92	0.90	0.34**	0.33**	0.43**	0.41**	0.42**	0.37**	0.45**	0.46**	0.42**	0.61**			
12. Information Justice	3.67	0.89	0.38**	0.42**	0.46**	0.48**	0.51**	0.46**	0.48**	0.54**	0.47**	0.66**	0.81**		
13. Organizational Justice	3.55	0.74	0.50**	0.54**	0.61**	0.62**	0.60*	0.56**	0.54**	0.64**	0.76**	0.86**	0.85**	0.88**	
14. Integrity Leadership	3.39	0.78	0.42**	0.47**	0.47**	0.51**	0.43**	0.47**	0.42**	0.49**	0.49**	0.60**	0.63**	0.73**	0.73**

Note: \*p&lt;.05 , \*\*p&lt;.01 , \*\*\*p&lt;.001

**Table 3.** Mediating effects of organizational justice

Variable	Employee Well-being							Organizational Justice
	Model0	Model1	Model2	Model3	Model4	Model5	Model6	Model7
Gender	-0.04	-0.04	-0.02	-0.05	-0.02	-0.03	-0.02	-0.04
Age	0.01	0.06	0.06	-0.07	0.06	0.06	0.07	0.01
Education	0.04	0.04	0.04	0.03	0.03	0.03	0.03	0.04
Nature of Business	0.05	0.05	0.05	0.03	0.03	0.03	0.03	0.05
Position	0.17**	0.09*	0.09*	0.05	0.089*	0.09*	0.07	0.17**
HRMPs		0.55***	0.36***	0.30***	0.44***	0.38***	0.26***	0.62***
Procedural justice			0.33***					
Distribution justice				0.40***				
Interpersonal justice					0.27***			
Information justice						0.35***		
Organizational justice							0.47***	
R <sup>2</sup>	0.04	0.33	0.40	0.43	0.39	0.43	0.47	0.63
ΔR <sup>2</sup>	0.04	0.30	0.37	0.39	0.36	0.39	0.43	0.39
F	3.36**	37.08***	43.77***	48.75***	42.34***	48.11***	56.41***	56.63***

Note: \*p<.05 , \*\*p<.01 , \*\*\*p<.001

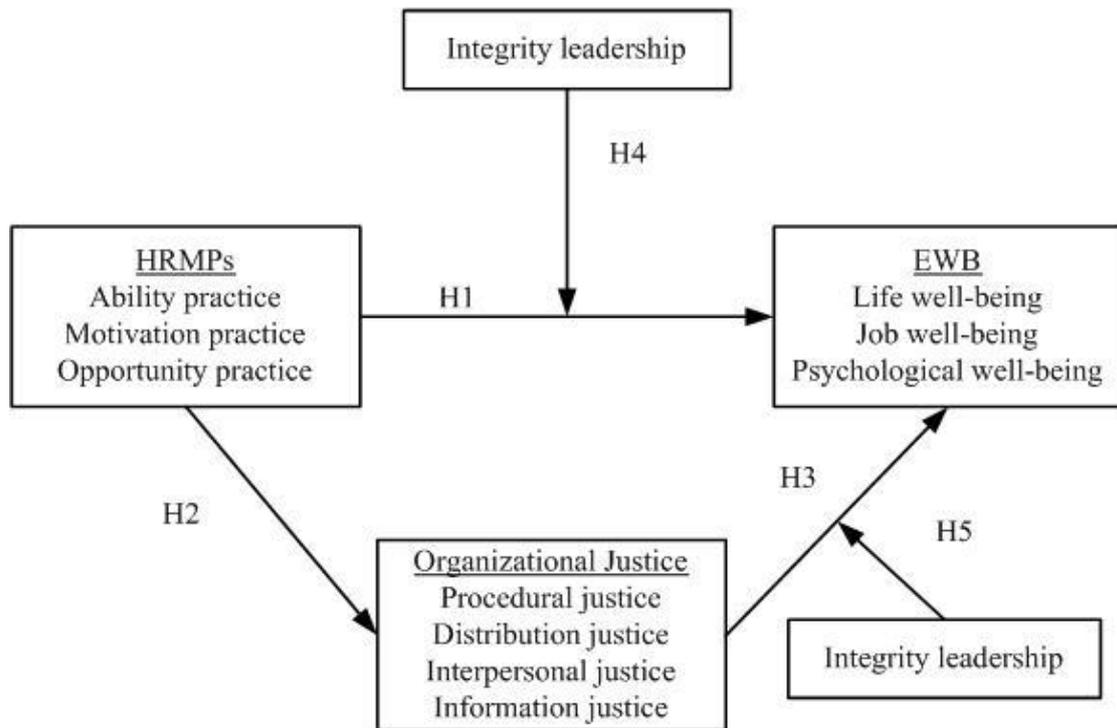
**Table 4.** Moderating effect of integrity leadership

Variable	Employee Well-being			Organizational Justice	
	Model 8	Model 9	Model 10	Model 11	Model 12
Gender	-0.03	-0.03	-0.02	-0.04	-0.03
Age	0.02	0.02	0.03	0.01	-0.08
Education	0.05	0.04	0.03	0.04	0.03
Nature of business	0.02	0.06	0.03	0.05	0.06
Position	0.12**	0.16**	0.05	0.17**	0.13*
HRMPs		0.55***	0.26***	0.30***	0.34***
Organizational justice			0.43***		
integrity leadership		0.30***	0.05***	0.40***	0.55***
HRMPs×integrity leadership		0.10*	0.07*		0.06*
R <sup>2</sup>	0.04	0.40	0.68	0.04	0.79
ΔR <sup>2</sup>	0.03	0.30	0.46	0.04	0.62
F	3.76**	38.14***	50.23***	3.36**	110.11***

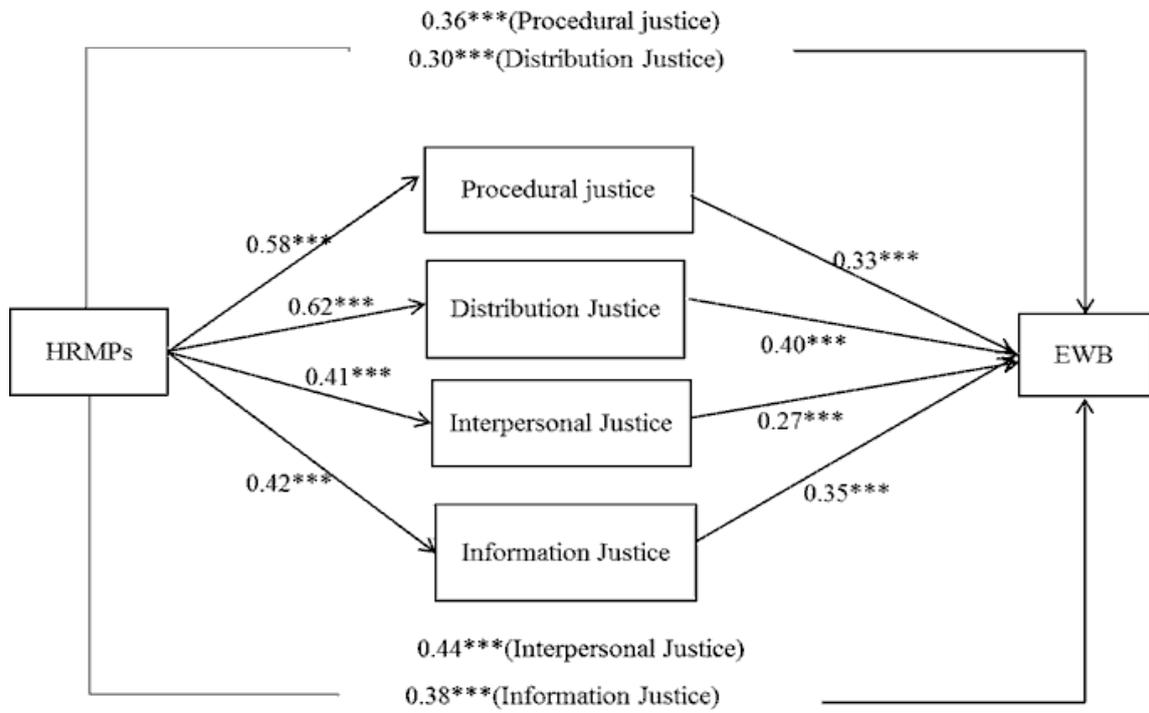
Note: \*p<.05 , \*\*p<.01 , \*\*\*p<.001

**Table 5.** Moderated mediating effect

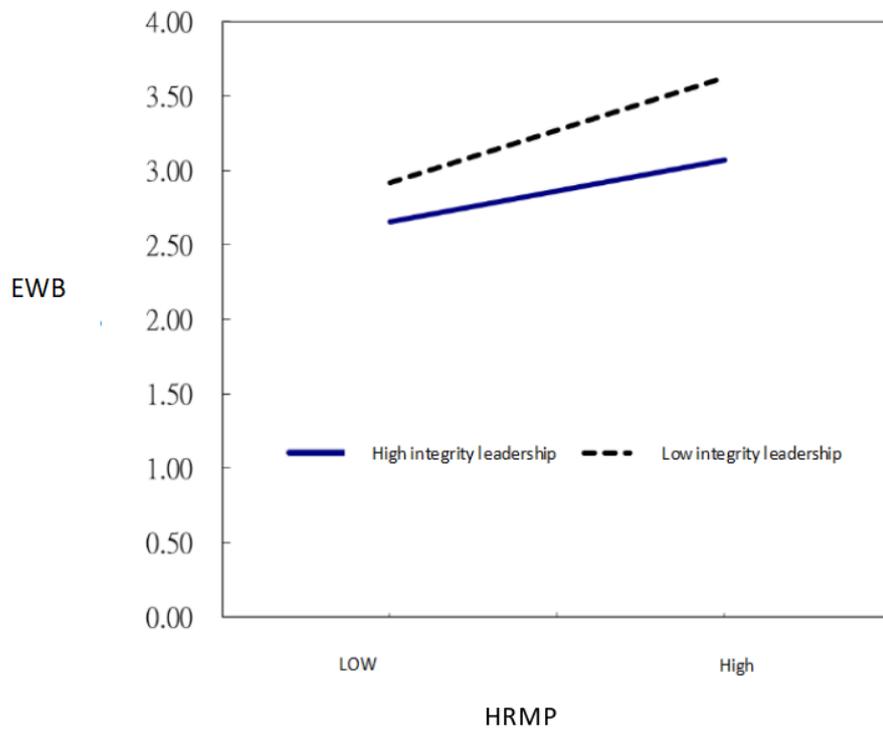
	Moderator	Effect size	Standard error	95%confidence intervals	
				Lower	Ceiling
	H-integrity leadership	0.246	0.042	0.168	0.333
Indirect effect	L-integrity leadership	0.230	0.039	0.154	0.312
	Different effect	0.010	0.022	0.031	0.056
Direct effect	X→Y	0.226	0.036	0.150	0.294



**Figure 1.** Theoretical model



**Figure 2.** Mediating effect of organizational justice between HRMPs and EWB



**Figure 3.** Moderation effect of integrity leadership on the relationship between HRMPs and EWB